

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/654/Add.1
2 October 1957

Limited Distribution

BUDGET ESTIMATES FOR 1958

Proposals concerning the Income Budget for 1958

Note by the Executive Secretary

1. As indicated in paragraph 6 of L/654, the CONTRACTING PARTIES will have to decide on the disposal of the unappropriated surplus amounting to \$19,800 which remained on the books of the secretariat on 31 December 1956. They will also have to decide how to dispose of the balance of the Staff Benefit Fund remaining after transfer of the mathematical reserve to the United Nations Joint Staff Pension Fund; this balance amounts to \$22,500. As regards the unappropriated surplus, the Executive Secretary suggests that, as in past years, this surplus be used to finance the 1958 budget. As regards, however, the balance of the ICITO Staff Benefit Fund, the CONTRACTING PARTIES may feel that, as the Staff Benefit Fund was built up by means of contributions by the CONTRACTING PARTIES and the Staff, the amount should not simply revert to the government, but be used for some purpose of direct interest to the staff. As the CONTRACTING PARTIES under the present arrangements have a responsibility as employers to supplement the benefits awarded by the United Nations Joint Staff Pension Fund in the event of death, injury or illness attributable to the performance of official duties on behalf of the secretariat and as there is no provision in the budget to cover this liability, the CONTRACTING PARTIES might consider appropriate to earmark this balance as a Reserve to be drawn upon in case of need to meet such liability.

2. As indicated in paragraph 5 of the Financial Report (Document L/694) actual expenditure in 1957 will be higher than in 1956 and it is not expected that the savings on the 1957 budget would exceed \$24,200. If the CONTRACTING PARTIES decide to use the unappropriated surplus of 1956 and the estimated savings for 1957 to finance the expenditure in 1958, the income budget would be as follows:

<u>Income Budget</u>	<u>US Dollars</u>
1. Contributions	446,460
2. Miscellaneous Income	10,000
3. Unappropriated surplus at 31 December 1956	19,800
4. Budgetary savings in 1957	24,200
Total	<u>500,460</u>

CONTRIBUTIONS

3. In accordance with the decision taken by the CONTRACTING PARTIES at their Eleventh Session, the secretariat has prepared a draft scale of contributions based on the foreign trade figures of the last three available years (1954, 1955, 1956) and on the assumption that the minimum contribution would be fixed at \$2,230 (i.e. at about one-half of 1 per cent of the total contributions) for the countries whose share in the total trade of the contracting parties has been 0.5 per cent or less. This draft scale of contributions also assumes that Ghana and Malaya would become separate contracting parties as from the Twelfth Session. The draft scale is reproduced in the annex to this document and for the sake of convenience the individual contributions of the contracting parties have also been indicated on the basis of the Budget Estimates contained in L/654 and in this document.

CONTRIBUTIONS OF NEW CONTRACTING PARTIES

4. The Working Party will have to decide on the contributions of Ghana and Malaya to the 1958 Budget, as well as to the Working Capital Fund. It is assumed that the provisions of paragraph 4 of the Resolution of 17 November 1956 will be deemed to apply to Ghana and Malaya. As, however, the contribution of the United Kingdom Government for 1957 included Ghana and Malaya, the CONTRACTING PARTIES may consider that these two countries should pay their first contribution in 1958 and not in the year in which they would have become independent contracting parties. If that is the case CONTRACTING PARTIES will further have to consider whether, in those circumstances, it would not be more appropriate to assess the advance to be made by these two countries to the Working Capital Fund on the scale of contributions applicable to the budget of 1958 rather than on the scale in force in 1957.

DRAFT SCALE OF CONTRIBUTIONS FOR 1958

	Per cent of total trade of the Contracting Parties in 1954-1956 ^a)	Suggested 1958 contribution (in US \$)	1957 contribution (in US \$)
Australia	2.58	10,890	9,941
Austria	1.07	4,510	3,582
Belgium	4.04	17,050	14,363
Brazil	1.98	8,350	8,003
Burma	0.50 or less	2,230	2,000
Canada	6.97	29,410	25,839
Ceylon	0.50 or less	2,230	2,000
Chile	0.57	2,400	2,120
Cuba	0.87	3,670	3,107
Czechoslovakia	1.55	6,540	5,483
Denmark	1.56	6,580	5,664
Dominican Republic	0.50 or less	2,230	2,000
Finland	1.04	4,390	3,655
France ^{b)}	8.17	34,470	30,517
Germany, Fed. Rep. of	8.19	34,560	27,264
Greece	0.50 or less	2,230	2,000
Haiti	0.50 or less	2,230	2,000
India	1.87	7,890	6,761
Indonesia	1.09	4,600	4,203
Italy	3.20	13,500	11,476
Japan	3.26	13,750	11,110

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Luxemburg	0.50 or less	2,230	2,000
The Netherlands	5.35	22,570	19,115
New Zealand	1.01	4,260	3,728
Nicaragua	0.50 or less	2,230	2,000
Norway	1.22	5,150	4,313
Pakistan	0.50 or less	2,230	2,000
Peru	0.50 or less	2,230	2,000
Rhodesia Nyasaland, Federation of	0.63	2,660	2,376
Sweden	2.57	10,840	9,246
Turkey	0.53	2,240	2,339
Union of South Africa	1.77	7,470	6,651
United Kingdom ^{c)}	18.18	76,710	68,124
United States of America	19.91	84,010	74,520
Uruguay	0.50 or less	2,230	2,000
Ghana	0.50 or less	2,230	-
Federation of Malaya ^{d)}	0.82	3,460	-
T O T A L	100.00 ^{a)}	446,460	383,500

Data relating to the value of trade have been taken from International Financial Statistics, Vol. X, No.7, July 1957, except those for Czechoslovakia which come from Statistické Zpravy, 1956, No.2.

- Notes : (a) excluding trade of countries accounting for 0.50 per cent or less of the total trade (exports f.o.b. and imports c.i.f.) of the CONTRACTING PARTIES;
- (b) excluding Indochina and Tunisia;
- (c) excluding Ghana and the Federation of Malaya, but including Singapore. As regards the trade of the Federation of Malaya and of Singapore, the figures used in the calculation include an estimated allowance for trade between the Federation and Singapore. Final figures are expected to be available shortly and may alter the percentages as now calculated;
- (d) see note (c).