

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED
LIMITED B
BUDGET/6
20 March 1950

ORIGINAL: ENGLISH

CONTRACTING PARTIES

The Financing of the Expenditure of the Contracting Parties

NOTE BY THE EXECUTIVE SECRETARY

1. Budget Estimates for 1950.

The Financial Report (GATT/CP.4/9) adopted by the Contracting Parties at their Fourth Meeting (GATT/CP.4/SR.4) indicated that it would be necessary to finance expenditure in 1950 for which no provision had been made in the Budget approved at the Third Session (BUDGET/3/Rev. 1).

As a decision has now been made on the site of the Third Round of Tariff Negotiations, it is possible to estimate the net additional expenditure more accurately.

The Budget estimates for 1950 have now been revised to cover this net additional expenditure and are presented for final approval by the Contracting Parties (Annex I). The total budget estimates have been increased from \$302,149.64 to \$331,009.11.

2. Amended Scale of Contributions.

It was proposed in the Financial Report (GATT/CP.4/9) to request the new acceding governments to participate in the expenses of the Third Round of Tariff Negotiations. At the Fourth Meeting, it was decided to defer discussion of this matter and of the contribution of Indonesia to the 1950 Budget until the Governments concerned had studied the data on which the assessment of their contributions was based. During the first week of March 1950 the Secretariat provided the information requested and it is suggested that the matter be re-opened for discussion. The scale of contributions amended to include Indonesia and the new acceding governments on the basis of the information contained in GATT/CP.4/9 Add. 2 and GATT/CP.4/9 page 4 is shown as Annex II.

3. Contributions for 1949.

In accordance with the decision of the Contracting Parties the Executive Secretary has been in contact with the Governments whose payments are in arrears, as it was recommended that the contributions should be paid before 15th March 1950. The following governments have indicated that measures have been taken for the payment of their contributions to the 1949 Budget:

Chile
Finland

No further indication has been received from the following governments:

China
Colombia
Greece
Italy
Nicaragua
Uruguay

With regard to the orders for the Annex Schedules the following governments still have payments outstanding:

Ceylon
Chile
Colombia
Cuba
Denmark
Dominican Republic
Greece
Haiti
Liberia
India
Pakistan
Southern Rhodesia
United Kingdom
Uruguay

Any delay in the settling of the accounts due would seriously affect the cash balance at the end of this month and it is essential that the governments concerned make payment before the end of this Session.

4. Contributions for 1950.

On January 31st 1950 (in the case of Greece 17th February 1950) the Executive Secretary asked the contracting parties to indicate on what date they expected to pay their contributions for 1950.

The following contracting parties have paid their contributions for 1950:

Canada
Haiti
Luxembourg
Southern Rhodesia

The Contracting Parties listed below have indicated that the necessary measures are being taken but not all governments

have given the probable dates of payments:

Australia	- instructions for transfer of funds given.
Belgium	
Burma	
Chile	- payment will be made during the present Session.
Netherlands	- payment will be made during March.
Pakistan	- payment will be made during April.
South Africa	- instructions for transfer of funds given.
United Kingdom	
United States	

No reply has been received from the following contracting parties:

Brazil
Ceylon
China
Cuba
Czechoslovakia
France
Greece
India
Lebanon
New Zealand
Norway
Syria

A prompt reply to this letter will greatly assist the Executive Secretary in making the necessary financial provisions for the second quarter of 1950.

Furthermore, it is suggested that the following governments proposing to accede should also indicate the date on which they expect to pay their contributions:

Denmark
Dominican Republic
Finland
Italy
Liberia
Nicaragua
Sweden
Uruguay

5. The revised budget estimates and the revised scale of contributions (including the payments expected from the governments proposing to accede to the General Agreement as a result of the Torquay Tariff Negotiations) are submitted to the Contracting Parties for approval.

6. In the light of the considerations set out in this report it is also suggested that the CONTRACTING PARTIES adopt the following recommendations:-
- (a) to governments which have payments outstanding for Annecy Schedules, to settle these accounts if possible not later than the termination of the present Session;
 - (b) to contracting parties which have not yet paid their 1950 contributions, to effect such payment at the earliest possible date and meanwhile to advise the Executive Secretary when such payment may be expected;
 - (c) to governments proposing to accede under the Annecy Protocol, to indicate as soon as possible to the Executive Secretary the date on which these governments expect to be able to pay their contributions both to the expenses of the Annecy Conference and to the 1950 budget of the CONTRACTING PARTIES;

ANNEX I

BUDGET/6

Page 5.

REVISED BUDGET ESTIMATES FOR 1950

<u>Part I: Meetings</u>	§	§	§
GATT 4th Session	36,000		
Tariff Negotiations)	99,700		
GATT 5th Session)	20,000		
Other Meetings	7,000	162,700	
TOTAL OF PART I			162,700
<u>Part II: Secretariat</u>			
<u>Common Staff Costs</u>			
GATT 4th Session	15,633.75		
Tariff Negotiations)	41,695.30		
GATT 5th Session)			
Remainder of 1950	32,819.59	90,148.64	
<u>Other Pay Items</u>			
<u>Experts and Consultants</u>			
	5,000	5,000	
<u>Travel</u>			
<u>Travel on official business</u>			
	5,000	5,000	
<u>Communications</u>			
		2,500	
<u>Printing</u>			
		27,000	
<u>Freight</u>			
		1,500	
<u>Common Services</u>			
Office Rooms	2,920		
Documents Reproduction	8,535		
Reimbursement to UN for Administrative and Financial Services	3,105		
Other Services	5,250	19,810	
TOTAL OF PART II			150,958.64
TOTAL OF PARTS I AND II			<u>313,658.64</u>
<u>Part III: Unforeseen</u>			
10% of foregoing	31,365.86		<u>31,365.86</u>
TOTAL OF PARTS I, II AND III			<u>345,024.50</u>
<u>Part IV: 1949 Deficit</u>			
Deficit 1st Oct. 1948 - 31st Dec. 1949		5,484.61	<u>5,484.61</u>
TOTAL OF PARTS I, II, III AND IV			350,509.11
Less income derived from sales of publications			<u>19,500.00</u>
			<u>331,009.11</u>

ANNEX II

REVISED SCALE OF CONTRIBUTIONS TO THE BUDGET OF THE
CONTRACTING PARTIES FOR 1950.

Category & Country	No. of Countries	Units per country*	Contributions per country	Total No. of Units	Total Contributions
CONTRACTING PARTIES					
<u>Category A: countries whose share of total external trade is 20% or more.</u>	2	20	\$53,008.60	40	\$106,017.20
United Kingdom and United States.					
<u>Category B: countries whose share is 10% or more but less than 20%</u>	Nil	10	26,504.30	Nil	Nil
<u>Category C: countries whose share is 7% or more but less than 10%</u>	1	7	18,553.01	7	18,553.01
France					
<u>Category D: countries whose share is 5% or more but less than 7%</u>	1	5	13,252.15	5	13,252.15
Canada					
<u>Category E: countries whose share is 2% or more but less than 5%</u>	9	4	10,601.72	36	95,415.48
Australia, Belgium, Brazil, China, India, Italy, Netherlands, South Africa and Sweden.					
<u>Category F: countries whose share is 1% or more but less than 2%</u>	5	2	5,300.06	10	26,504.30
Cuba, Czechoslovakia, Denmark, New Zealand and Norway.					
<u>Category G: countries whose share is less than 1%</u>	16	1	2,650.43	16	42,406.88
Burma, Ceylon, Chile, Dominican Rep., Finland, Greece, Haiti, Indonesia, Lebanon, Liberia, Luxemburg, Nicaragua, Pakistan, Rhodesia, Syria & Uruguay.					

Category & Country	No. of countries	Units per country*	Contributions per country	Total No. of Units	Total Contributions
<u>COUNTRIES PROPOSING TO ACCEDE AS A RESULT OF THE TORQUAY CONFERENCE</u>					
<u>Category D:</u> <u>countries whose share is 5% or more but less than 7%</u>	1	5	\$ 13,252.15	5	\$13,252.15
Germany.					
<u>Category G:</u> <u>countries whose share is less than 1%</u>	6	1	2,650.43	6	15,902.58
Austria, Guatemala, Korea, Peru, Phillipines and Turkey.					
TOTAL	41			125	331,303.75

* 1 Unit = \$2,650.43