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DE LA SANTÉ

THIRD WORLD HEALTH ASSEMBLY

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COMMITTEE ON ADMINISTRATION, FINANCE AND LEGAL MATTERS

PROVISIONAL MINUTES OF THE THIRD MEETING

Palais des Nations, Geneva

Thursday, 11 May 1950, at 2.30 p.m.

CHAIRMAN: Dr. J.H. HOLM (Denmark)

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Note: Corrections to these provisional minutes should be submitted in writing to Mr. Richards, Room A.519, within 48 hours of their distribution or as soon as possible thereafter.

1. STATUS OF CONTRIBUTIONS FOR 1948: Item 5 of the Agenda (Official Records No. 21, page 35, WHA2.54 and WHA2.56 and No.25, page 21, item 7.1.6; Documents A3/51 and A3/51 Add.1) (Continuation)

Sir Dhiren MITRA (India) stated that the Indian delegation supported the resolution of the South African delegation (document A3/51 Add 1). To accept the United Kingdom proposals would be to waste all the morning's discussion; to accept the Australian resolution would be to forget that times were abnormal and that WHO was a humanitarian organization. It would be wise to postpone the action under Article 7 of the Constitution for one year and in the meantime to endeavour to convince defaulting members that it was in their own interest to pay their contributions.

Dr. H. SIDKY (Egypt) said that, in the view of the Egyptian delegation, it might be wise at the present stage not to apply Article 7 of the Constitution. His delegation, therefore, strongly supported the resolution submitted by the Union of South Africa. A decision should be taken during the present meeting.

Mr. HILL (Australia) asked whether the Secretary could furnish any estimate of the cost of services being rendered to those countries which might fall within the scope of the resolution; this information might be helpful in preparing for the discussion in the joint meeting of the Committee on Programme and the Committee on Administration, Finance and Legal Matters.

With regard to the resolution presented at the morning session by the United Kingdom, it might be desirable to postpone application of Article 7 if a decision were reached at the present session on the financial implications of the status of contributions for 1948. It must be borne in mind that the financial expenditure of the Organization might be limited by the operation of Article 7.

Dr. GEAR, representing the Executive Board, said that (as would be seen from Official Records No. 26, page 8, paragraphs 3 and 4) the Standing Committee on Administration and Finance of the Executive Board had considered the situation and recommended that the Director-General should communicate with the governments concerned. The results of the Director-General's action were given in the same volume of the Official Records and in document A3/51.

Mr. BANDARANAIKE (Ceylon) thought it unnecessary to postpone a decision on the question. He appreciated the Australian point of view but felt that Article 7 was not sufficiently explicit and might give rise to difficulties for the Secretariat. While approving of the South African resolution he considered the last paragraph too vague. By 1951 other countries would be two years in arrears; must action therefore be limited to those members who had not paid their 1948 contributions? He accordingly submitted the following resolution for consideration by the committee.

The Third World Health Assembly

Having considered a report on the position regarding contributions to the budget for 1948;

NOTES the recommendation of the Executive Board on the subject;

and,

RESOLVES

- (1) That no action be taken against defaulting members on this occasion;
- (2) That from next year all Members who have not paid any portion of the contributions due from them for a period of 2 years should not be permitted to exercise any voting privileges and receive services to which a Member is entitled.

The CHAIRMAN stated that the proposal of Ceylon raised a new point which was not limited to the agenda item under discussion and it could not, therefore, be considered at the present time.

Dr. HYDE (United States of America) expressing the United States delegation's strong support of the South African resolution, pointed out that except for the States which had indicated that they were no longer interested in WHO, those in arrears for 1948 were all in the Western Hemisphere. Some of those States were late in joining WHO and that fact was an indication of the slowness of their legislative machinery. But the fact that they had actively supported the Pan American Sanitary Bureau over the last 50 years and recently increased their financial contribution was evidence of their interest in international health. He urged that action should not be taken in respect of these Members.

Dr. McCANN (Canada) stressed that the purpose of the present discussions was to ascertain the views of the committee in preparation for its joint meeting with the Committee on Programme. It was not, therefore, necessary to take an immediate decision on the details of the proposals submitted but rather to agree on its general attitude towards action which might be taken concerning the arrears of contributions for 1948. He accordingly submitted the following proposal on behalf of the Canadian delegation:

The Canadian delegation recommends that in the case of States which have indicated that they do not wish to participate in the work of the World Health Organization and which are in arrears of contribution for 1948, the voting rights and services should be withdrawn.

Secondly, the Canadian Delegation suggests that in the case of other States which are in arrears of contributions for 1948, the Committee on Administration, Finance and Legal Matters should recommend for adoption by the Third World Health Assembly that, should these contributions not be paid before the next session of the Assembly, the Fourth World Health Assembly should withdraw voting rights and services.

The Canadian Delegation recommends that should this committee agree on these two principles, then a small working party, designated by the Chairman, should be convened to prepare a report and a draft resolution harmonizing the proposals submitted by the Executive Board, the Union of South Africa and Australia.

Mr. SIEGEL, Secretary, was asked to reply to certain points raised earlier by the Australian delegation. He understood the Australian delegation to have requested information concerning the estimated cost of services now being rendered to countries included in the list of those who had not yet paid their contributions to the 1948 budget. Until he knew which countries the committee wished to include it was not possible for him to reply.

Mr. HILL (Australia) suggested that, leaving out the countries mentioned in the preamble of his delegation's resolution as having made some indication that they would meet their financial obligations, it might be possible for the Secretariat to give a sufficiently precise figure. He supported the views expressed by the United States delegation and pointed out that paragraph 3 of his delegation's resolution made it quite clear that they did not wish Article 7 to be applied to those countries who had indicated that **it was their**

intention to pay their contribution for 1948. He further supported the proposal submitted by the Canadian delegation.

M. GEERAERTS (Belgium) said that it was essential to differentiate between States which had notified their intention not to participate further in WHO and States which were simply in arrears for various reasons. An organization such as WHO must avoid political considerations, and whatever might be the motives of certain States in not participating further in the work of WHO, it was important, in the present situation, not to risk widening the gulf. He urged that action be postponed until the following Assembly and that the Director-General should be invited to communicate with the defaulting States.

Mr. DAVIN (New Zealand) supported the Canadian proposal which, in his opinion, did not cast any reflection on the countries which had clearly indicated their intention to withdraw from the Organization. He particularly approved of the suggestion to form a working party.

The SECRETARY drew attention to two points which the committee might wish to take into consideration before reaching its decision. First, he felt that some delegates might be under a misapprehension, and he wished, therefore, to make it clear that a decision not to recommend the application of Article 7 in respect of the item at present under discussion would not preclude them from recommending its application in connexion with items 19 and 19.1 of the agenda. Secondly, of the seven Members to be considered under agenda items 19 and 19.1, four were also mentioned in document A3/51 as not yet having paid their contributions to the 1948 budget. The committee

might wish to consider the position of all seven Members together instead of discussing four of them only at the present time.

The CHAIRMAN observed that the committee had before it 5 proposals and that he proposed applying Rule 51 of the Rules of Procedure.

Dr. van den BERG submitted that the United Kingdom proposal was not an amendment to the original proposal of the Executive Board (Official Records No. 25 item 7.1.6) but a formal proposal which should be the first to be put to the vote.

The CHAIRMAN ruled that the United Kingdom proposal be taken first and the others in the following order: the draft resolution submitted by the delegation of the Union of South Africa (document A3/51 Add.1), the Canadian proposal, the Australian proposal and the proposal of the Executive Board.

On being put to the vote the United Kingdom proposal was rejected by 21 votes to 4.

Decision: The draft resolution submitted by the delegation of the Union of South Africa (document A3/51 Add.1) was then put to the vote and was adopted by 22 votes to 8 with one abstention.

Replying to the CHAIRMAN, Mr. BANDARANAIKE confirmed that the first part of his proposed resolution was adequately covered by the South African resolution just adopted.

He further believed it inappropriate to pursue discussion of the second part of his proposal at that stage, but as it contained a question of principle, wished it to be referred to the following session of the Executive Board.

2. STATUS OF CONTRIBUTIONS TO BUDGET FOR 1949: Item 6 of the Agenda (Official Records No. 21, page 35, WHA 2.55; Documents A3/41 and A3/41 Add.1)

At the request of the CHAIRMAN, Dr. GEAR, representing the Executive Board, introduced the question of the status of contributions to the budget for 1949. He drew the attention of the committee to the relevant documents, particularly to the resolution proposed by the Director-General in document A3/41 Add.1. He also pointed out that the Standing Committee on Administration and Finance had taken account of the state of contributions for 1949 (Official Records No. 26, page 8, paragraph 2) and that the Executive Board had made no specific recommendations on the subject.

Decision: On the proposal of Dr. BJØRNSSON (Norway) seconded by Mr. LINDSAY (United Kingdom), the committee noted the report of the Executive Board with regard to the status of contributions for 1949, and the adopted resolution proposed by the Director-General.

3. STATUS OF CONTRIBUTIONS TO BUDGET FOR 1950: Item 7 of the Agenda (Official Records No. 26, page 3, item 5; Documents A3/42 and A3/50)

Dr. GEAR, representing the Executive Board, introduced the discussion on item 7 of the agenda. He felt the committee might wish to consider first the status of contributions for 1950, after which he would explain how the Executive Board had reached its decision regarding the level of expenditure for 1950.

The CHAIRMAN agreed the procedure suggested by Dr. Gear.

Mr. LINDSAY (United Kingdom) drew the attention of the committee to the alarming figure represented by the 1950 contributions that would not be collectable; the total for those countries alone that had intimated that they were no longer interested in the World Health Organization amounted to \$1,045,000, and the slow payers had also to be reckoned with. He considered that the budget of \$6,300,000



proposed by the Executive Board to be a maximum.

The SECRETARY said that since document A3/42 had been issued Switzerland had contributed \$70,451, Brazil \$70,487 in part payment of her assessment, and Denmark \$55,773. The total outstanding contributions from governments which had indicated that they were no longer interested in the Organization amounted to \$622,312. Presumably therefore the United Kingdom delegate had included some other figure in his calculation. The committee would note from the first paragraph on page 3 of document A3/50 that on the basis of the experience of 1948 collections it was estimated that \$1,035,300 might not be available from contributions for the 1950 budget.

Mr. LINDSAY (United Kingdom) stated that his figure and that of \$622,312 given by the Secretary differed mainly because he had included an amount of roughly \$400,000 representing the contribution of China which he felt certain would not be paid.

M. FOESSEL (France) said he found it difficult to make comparisons between the 1949 and 1950 budgets because of the variations in the titles given to the various services. His delegation would like to see the same nomenclature used so as to facilitate comparison. He also suggested that for the 1951 budget a format similar to that employed by other specialized agencies should be adopted.

The SECRETARY replied that he was not clear exactly what the French delegate had in mind. If it were a matter of presentation of figures the Secretariat would be glad to have a note of the format which the French delegate would wish to see adopted.

M. FOESSEL (France) said that his delegation desired to be able to compare the 1949 and 1950 budget item by item, but that was impossible as the headings were not identical. For example, in the 1949 budget there was a heading "Secretariat" which did not appear in the 1950 budget, where the heading "administrative services" could not apply to the whole secretariat.

Dr. GEAR, representing the Executive Board, said that if it was a question of presentation of figures the committee would note that in Official Records No.26, page 11, paragraph 24 the Standing Committee on Administration and Finance of the Executive Board had considered the question of budgetary presentation in collaboration with the External Auditor whose comments were given there.

The SECRETARY recalled that the First World Health Assembly in adopting the 1949 budget had laid down a particular format, and that the latter had been modified by the Second World Health Assembly for the 1950 budget. The format now before the committee was similar to that adopted for the 1950 budget and consequently differed from that used for the 1949 budget.

Part of the information sought by the delegate of France would be found in Official Records No. 23 where detailed comparisons of estimated expenditure were given for the years 1949, 1950 and 1951. That had been done purposely to enable members to visualize the changes in expenditure.

If there was information which members of the committee wished to have presented in a different manner the Secretariat would welcome suggestions and try to meet requests if the task involved was not too formidable.

M. FOESSEL (France) stated that his intervention had been prompted by a desire to see the nomenclature used conform to that adopted by the United Nations, and to be able, by the use of a definitive nomenclature, to compare the 1949 and 1950 budgets. Finally he wished to have detailed information on expenditure, particularly on equipment and transport expenses.

The committee noted the information provided in document A3/42.

Dr. GEAR recalled the important decision taken by the Second World Health Assembly with regard to the budget estimates for 1951. That decision was recorded in Official Records No. 26, page 1, item 3 (Resolution 7.1.1). The Executive Board, in carrying on the task entrusted to it by that resolution, had taken into account the status of contributions for the years 1948, 1949 and 1950, and, in determining the 1950 financial position had taken the important decision to request the Director-General to carry out an expenditure programme under the approved 1950 budget at a rate which should not exceed an annual expenditure of \$6,300,000 (Official Records No. 26, page 3, item 5 (3) ). That figure had been based on anticipated income for the year.

Turning to document A3/50, Dr. Gear stated that the Executive Board through the Standing Committee on Administration and Finance had taken due account of the text of United Nations Resolution of 24 November 1949 as set out in Official Records No. 26, page 10, paragraph 17. He felt that members of the committee would be pleased to know that the Organization had taken action on that resolution. It would also be noted from the last paragraph of document A3/50, page 2, that additional payments had been received since the Executive Board had met in January 1950. The committee would also wish to consider the resolution framed by the Director-General to be found on page 3 of that document.

Mr. LINDSAY (United Kingdom) submitted that the figure of \$6,466,200, quoted in document A3/50, page 3, second paragraph, as the estimate of the total amount available to finance operations of the Organization in 1950 was fallacious in that it had been arrived at after examination of the percentages of contributions outstanding for 1948 and 1949 and assuming comparable percentages for 1950. The budget, however, for 1950 was larger and the financial conditions in certain countries had deteriorated. He, therefore, suggested that the committee might like to examine in detail the figures on page 2 of document A3/42 and endeavour to decide exactly how much income would be forthcoming for the year 1950.

The Committee agreed to modify its agenda by considering items 18 and 17 after the conclusion of the discussion on the level of expenditure for 1950.

The meeting rose at 5.5 p.m.