## LEAGUE OF NATIONS

C.C. 1436. Geneva, October 15th, 1945.

TRANSFER OF CERTAIN FUNCTIONS, ACTIVITIES, ASSETS, ETC OF THE LEAGUE TO THE UNITED NATIONS.

Replies from Governments to the Acting Secretary-General's communication of September 20th, 1945.

The Acting Secretary-General's communication proposed:

- (a) that the Supervisory Commission should be authorised to discuss and so far as feasible formulate provisional terms of transfer to the United Nations, on the understanding that they would be subject to the final decision of the Assembly of the League which should be convened early in 1946;
- (b) that the Supervisory Commission, in pursuance of its present emergency powers, should adopt the budget for 1946 (credits for the Assembly meeting; Secretariat budget providing for the maintenance of the present non-political activities; terminal charges for the Secretariat and the Permanent Court of International Justice; budget of the International Labour Organisation).

The communication concluded as follows:

"It is desirable that I be informed if States Members agree with the programme outlined above with the concurrence of the President of the Assembly and of the President and Vice-President of the Supervisory Commission. Unless therefore I receive replics from Governments before October 5th I shall assume their assent to the programmo".

Twenty-three replies have been received.

The great majority accept the suggested programme either without comment or emphasising certain of the proposals, whilst stressing in particular the provisional nature of any terms of transfer that might be formulated, the final decision resting with the Assembly alone.

The majority includes: Australia, Belgium, Canada, Cuba, Czechoslovakia, Denmark, the Dominican Republic (on the understanding that it will be for the Assembly to take the final decision on all the questions referred to); France, India, Iran, (if the majority agrees), Luxemburg, Mexico, Norway, New Zealand, Panama, Portugal, Switzerland, Turkey.

The High Commissioner of the Union of South Africa in London made the following comments for the consideration of the Supervisory Commission:

"My Government agree that the Supervisory Commission is probably the best body to discuss and formulate provisional termsfor the transfer of assets of the League to the new United Nations Organisation. They are, however, naturally concerned at the probability of additional financial contributions to the League, having regard to the fact that the bulk of the financial burden during the war years fell upon the British Commonwealth. My Government consider that not only should expenses be kept to an absolute minimum but that an endeavour should be made to recover outstanding contributions of other Member States. They feel that recovery of these arrears would probably result in the League having substantial funds at its disposal without having to call upon States which have borne the burden during the war years for additional contributions.

"It occurs to me that it may be possible to convene an informal meeting of London Representatives of the principal contributory States some time next month (in any case before the meetings of the United Nations Preparatory Commission, if possible), to receive and comment upon any tentative proposals which the Supervisory Commission may have in mind for dealing with the problems arising out of the transfer of League assets and also arising from the need for additional contributions.

"I shall be grateful to learn whether you consider it possible to proceed with this suggestion."

Sweden has no objection to the Supervisory Commission entering into discussion with the Executive Committee of the United Nations concerning the possible transfer and to the Assembly being convened early 1: 1946 to take a final decision concerning the League's activities. The Swedish reply adds:

"The Swedish Government reserves its decision on the other questions raised in your letter, which, in its opinion, might be discussed by the Assembly".

Belgium, while approving the procedure proposed, both as to the preparation of a plan for the transfer and as to the budget for 1946, suggests, as regards the budget, that, in view of the fact that the Assembly is to beconvened at an early date "the Supervisory Commission should utilise the exceptional powers which have been conferred upon it, subject to ratification by the Assembly."

Assembly of the United Nations to make recommendations regarding the transfer. With reference to the payment of the contribution neessary for the meeting of the Assembly of the League of Nations, the Colombian Government is making enquiries as to the attitude ohigh the American nations intend to adopt. As regards the budget of the International Labour Organisation, it refers to Article 17, paragraph 3, of the United Nations' Charter and assumes that the General Assembly of that Organisation will approve the budgets of the specialised agencies.

REFERENCE MY TELEGRAM OCTOBER 17th INFORMING YOU THAT PROCEDURE PROPOSED TO STATESMEMBERS OF LEAGUENATIONS IN MY TELEGRAM SEPTEMBER 20th WAS CONSIDERED GENERALLY ACCEPTABLE I HAVE THE HONOUR TO INFORM YOU THAT THE SUPERVISORY COMMISSION IN PURSUANCE OF ITS EMERGENCY POWERS HAS NOW AFTER MOST DETAILED EXAMINATION OF ESTIMATES AND ON UNDERSTANDING THAT ANY EXCESS PHOVISION FOR PERSONNEL ETCETERA TRANSFERRED TO UNO WILL BE CREDITED TO CONTRIBUTING STATES APPROVED BUDGET FOR 1946 WHICH AMOUNTS TO 17,883,849 SWISSFRANCS OR 12,649,363 GOLDFRANCS STOP THIS SHOWS INCREASE OF 3,015,440 SWISSFRANCS OVER CREDIT FOR 1945 BUT I DRAW YOUR ATTENTION TO FACT THAT THE ENTIRE INCREASE IS MORE THAN ACCOUNTED FOR BY TWO EXCEPTIONAL CREDITS TOTALLING 3,462,619 SWISSFRANCS AS FOLLOWS FIRSTLY 1,470,305 SWISSFRANCS FOR DISCHARGE OF CONTRACTUAL LIABILITIES IN WINDING-UP SECRE-TARIAT AND COURT SECONDLY 1,992,314 SWISSFRANCS FOR SETTLING ON A COMPROMISE BASIS CLAIM OF PRESIDENT AND JUDGES OF COURT FOR ARREARS OF SALARY NOT PAID FOR THE YEARS 1941/1945 INCLUSIVE THE DISCHARGE OF WHICH CLAIM PRIOR TO ESTABLISHMENT UNO WAS SPECIALLY RECOMMENDED BY EXECUTIVE COMMITTEE UNO STOP DESPITE THESE EXCEPTIONAL CHARGES IN 1946 AS THE NUMBER OF UNITS OF CONTRIBUTION HAS BEEN INCREASED BY FORTY-FIVE AND NOW AMOUNTS TO 466 THE VALUE OF THE UNIT IS 38,377.35 SWISSFRANCS FOR 1946 AS COMPARED WITH 35,316.90 SWISSFRANCS FOR 1945 AN INCREASE OF 8.66 PERCENT STOP ON THIS BASIS THE CONTRIBUTION OF YOUR GOVERNMENT AMOUNTS TO GOLDFRANCS OR

SWISSFRANCS WHICH IF PREFERRED CAN BE PAID IN STERLING OR DOLLARS AT THE RATE OF EXCHANGE ON DATE OF PAYMENT STOP REPORT OF SUPERVISORY COMMISSION AND BUDGETS DESPATCHED TO YOU BY ATRMAIL

SEAN LESTER
ACTING SECRETARY-GENERAL
LEAGUENATIONS

Certified official 28.XI.45.
Budget item 13.C.2.