



UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/8090 and add.1
6 October 1970

ORIGINAL: ENGLISH

Twenty-fifth session
Agenda item 72

SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1970

Report of the Advisory Committee on Administrative and Budgetary
Questions to the General Assembly at its twenty-fifth session

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on supplementary estimates for the financial year 1970 (A/8083).
2. On the basis of the actual situation at the end of August and a projection of likely needs to the end of the year, the Secretary-General foresees requirements under the expenditure sections of the United Nations budget for 1970 at \$169,405,350, that is, \$985,350 more than the gross appropriation of \$168,420,000 approved by the General Assembly in its resolution 2613 A (XXIV) of 17 December 1969.
3. On the other hand, the Secretary-General estimates that income will amount to \$30,359,225, or \$1,235,100 more than the amount of \$29,124,125 approved in resolution 2613 A (XXIV). Of this total, income other than staff assessment is estimated at \$11,154,225 (\$1,210,100 more than the approved figure) and income from staff assessment at \$19,205,000 (\$25,000 more than approved).
4. Thus the expected increased requirements under the expenditure sections of the budget are more than offset by expected greater income; the net effect, as indicated by the Secretary-General in paragraph 3 of his report, would be a net increase of \$249,750 in the amount which would be available for credit to Member States against the assessed contributions for 1971.

5. Of the estimated additional expenditures totalling \$985,350, \$72,900 relates to commitments for which the Secretary-General has obtained the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, under the provisions of General Assembly resolution 2614 (XXIV) on unforeseen and extraordinary expenses in 1970. A further \$334,600 is for commitments related to the maintenance of peace and security, entered into by the Secretary-General under the authority conferred on him by paragraph 1 (a) of the same resolution. An additional \$105,500 relates to expenses incurred by the Secretary-General for assistance to Member States in cases of natural disasters and for pre-disaster planning, as provided for in General Assembly resolution 2435 (XXIII), as amended by resolution 2614 (XXIV).

6. The following table shows, for each of the expenditure sections of the 1970 budget, the over- or under-expenditure estimated by the Secretary-General. It may be seen that the aggregate of over-expenditure for those sections expected to show a deficit at year-end is estimated at \$1,890,125, partly offset by aggregate under-expenditures estimated at \$904,775. In the case of Sections 6, 7, 13, 14 and 18, the Secretary-General expects the year-end result to correspond to the approved appropriations.

/...

Section	Expected over-expenditure	Expected under-expenditure
	\$US	\$US
1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies		94,150
2. Special meetings and conferences		329,200
3. Salaries and wages	1,238,675	
4. Common staff costs		66,275
5. Travel of staff	223,500	
6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations; hospitality	-	-
7. Buildings and improvements to premises . . .	-	-
8. Permanent equipment	20,000	
9. Maintenance, operation and rental of premises	108,050	
10. General expenses	170,700	
11. Printing		32,150
12. Special expenses	72,300	
13. Economic development, social development, public administration, human rights advisory services, and narcotic drugs control	-	-
14. Industrial development	-	-
15. United Nations Conference on Trade and Development		68,000
16. United Nations Industrial Development Organization		283,000
17. Special missions	56,900	
18. Office of the United Nations High Commissioner for Refugees	-	-
19. International Court of Justice		32,000
Totals	1,890,125	904,775
Less expected under-expenditure	904,775	
Supplementary appropriation requested by the Secretary-General	985,350	

/...

7. Taken on a chapter-by-chapter basis, estimated over-expenditures total \$3,129,200, as against estimated under-expenditures amounting to \$2,143,850.

8. Revenue is expected to exceed the approved amounts for all the income sections for 1970, the details being as follows:

<u>Income section</u>	<u>Expected surplus</u>
	\$US
1. Staff assessment income	25,000
2. Funds provided from extra-budgetary accounts	4,200
3. General income	243,000
4. Revenue-producing activities	962,900
Total surplus	<u>1,235,100</u>

9. Following is a breakdown of the amount of \$513,000 relating to obligations and expenditures incurred under the provisions of General Assembly resolutions 2614 (XXIV) and 2435 (XXIII) on unforeseen and extraordinary expenses and on assistance in cases of natural disasters:

(i) Commitments incurred under paragraph 1 of resolution 2614 (XXIV), with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions

	\$US	\$US
Special session of the Commission on Narcotic Drugs, in accordance with Economic and Social Council resolution 1532 (XLIX):		
<u>Section 1, chapter III</u>	12,000	
<u>Section 3, chapter II</u>	10,600	
International co-operation in connexion with the earthquake which struck Peru on 31 May 1970; assistance provided by the Economic Commission for Latin America:		
<u>Section 3, chapter III</u>	22,300	

/...

	\$US	\$US
Additional activities of the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories, General Assembly resolution 2443 (XXIII):		
<u>Section 17, chapter XIII</u>	8,000	
International co-operation in connexion with the earthquake which struck Peru on 31 May 1970; appointment by the Secretary-General of a personal representative, assisted by an adviser, to consult with the Government of Peru:		
<u>Section 17, chapter XIV</u>	20,000	72,900
(ii) <u>Commitments relating to the maintenance of peace and security, incurred under the provisions of paragraph 1 (a) of General Assembly resolution 2614 (XXIV)</u>		
Additional requirements for the United Nations Truce Supervision Organization in Palestine (UNTSO) arising from hostilities in the area:		
<u>Section 17, chapter I</u>	334,600	334,600
(iii) <u>Expenses incurred on assistance in cases of natural disasters, and for pre-disaster planning, in accordance with provisions of General Assembly resolution 2435 (XXIII), as amended by resolution 2614 (XXIV)</u>		
<u>Section 12, chapter XII</u>	105,500	105,500
		<u>513,000</u>

/...

Observations on individual sections

Section 1: Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies

10. The aggregate under-expenditure of \$94,150 foreseen is due to reduced requirements under chapters I (The General Assembly, commissions and committees, down \$3,000), III (The Economic and Social Council, commissions and committees, down \$80,150) and IV (The Trusteeship Council, commissions and committees, down \$11,000).

11. In the case of chapter I, additional requirements estimated at \$28,100 for the Board of Auditors are more than offset by reduced needs for other bodies. The Advisory Committee feels constrained to express once again its concern, reflected in earlier reports to the General Assembly,^{1/} at the rising costs of external audit to the United Nations.

12. The under-expenditure of \$80,150 foreseen under chapter III arises principally from reduced requirements for meetings of the functional commissions and committees of the Economic and Social Council (down \$35,950) and of the Advisory Committee on the Application of Science and Technology to Development and its subsidiary bodies (down \$59,200), partly offset by deficits for other bodies. The relatively large under-expenditure for the Advisory Committee is due partly to its decision not to hold a second session in 1970, in view of the meetings of the Preparatory Committee of the Conference on the Human Environment, and partly a reduced schedule of ad hoc working group meetings and of travel by members of the Advisory Committee to attend meetings on science and technology.

Section 2: Special meetings and conferences

13. Under-expenditure totalling \$329,200 is estimated for nine meetings and conferences, the most important single economy, amounting to \$170,000, being attributable to the shorter duration of the Conference of the Committee on Disarmament. Requirements for four other conferences are expected to be as appropriated by the General Assembly.

^{1/} Official Records of the General Assembly, Twenty-fourth Session, Supplement No. 8 (A/7608 and Corr.1), para. 114; and *ibid.*, Twenty-fifth Session, Supplement No. 8 (A/8008), para. 117.

14. The Advisory Committee is gratified that actual expenditures under Section 2 seem likely to be about 15 per cent lower than the appropriation, and in particular that some of the savings have resulted from more economical arrangements made by the Secretary-General. The Committee trusts that the use of equally economical arrangements for the remaining conferences, and other developments in the last quarter of 1970 could well lead to further savings under Section 2.

Section 3: Salaries and wages

15. The revised estimate for Section 3 is as follows:

<u>Chapter</u>	<u>Appropriation</u>	<u>Revised estimate</u>	<u>Increase (decrease)</u>
	\$US	\$US	\$US
I. Established posts	69,495,200	70,032,000	536,800
II. Temporary assistance for meetings	1,194,400	1,810,200	615,800
III. Other temporary assistance . . .	2,850,875	3,003,800	152,925
IV. Overtime and night differential .	1,164,300	1,370,000	205,700
V. Provisional staffing requirements	841,550	569,000	(272,550)
Totals	75,546,325	76,785,000	1,238,675

16. The estimated deficit of \$536,800 under chapter I is attributed by the Secretary-General to two major factors. In the first place, he has used vacancies in the regular establishment for temporary appointments to accomplish tasks of high priority. Of the 48 posts thus filled at the end of August, 17 were for purposes for which credits had been appropriated under chapter V (Provisional staffing requirements), thereby reducing somewhat estimated expenditures for that chapter (see paragraph 21 below). As a result of this policy, the number of vacant established posts was reduced from 116 in January to 77 in August, a trend which the Secretary-General expects to continue to year-end. In these circumstances, the 6 per cent turnover deduction for delayed recruitment applied to the estimate for chapter I has been found to be unduly high, with a

/...

corresponding over-expenditure of \$375,000 under chapter I. The second major factor affecting the chapter is that salary and post adjustment changes in New York are expected to cost \$397,000 more than had been estimated; this amount will be partially offset by surpluses in other areas, notably arising from lower post adjustment and salary requirements in Geneva.

17. Under chapter II (Temporary assistance for meetings), the Secretary-General foresees over-expenditure of \$615,800, that is, more than 50 per cent of the appropriation, attributable to higher requirements for the twenty-fifth session of the General Assembly (up \$516,600) and for meetings in Geneva (up \$111,500), partly offset by an expected saving of \$12,300 in the Economic Commission for Africa. Of the additional requirements for the General Assembly, \$60,000 for additional translation work should the session of the Assembly be extended by one week, has already been concurred in by the Advisory Committee and represents a transfer from Section 12, chapter XI (Celebration of the twenty-fifth anniversary of the United Nations). The Secretary-General attributes a further \$234,500 to the need during the Assembly session for an additional 25 translators and revisers, 5 interpreters, 9 verbatim reporters, 2 press officers, 2 typists, 1 mimeograph operator (the latter 5 staff for the Office of Public Information), 1 secretary to assist in the work of the First Committee, and 2 drivers for the Office of General Services. The balance of the additional requirements, amounting to \$282,000, is attributed by the Secretary-General to the extra cost of continuing in 1970 the same temporary establishment as was required to service the twenty-fourth session of the Assembly in 1969; in this connexion, the Secretary-General notes that temporary assistance credits granted for the twenty-fifth session are lower than actual expenses for the preceding session.

18. At Geneva, the estimated over-expenditure under chapter II arises mainly from the extension of certain meetings beyond the scheduled dates (\$14,300), the holding of meetings by two bodies of the United Nations Commission on International Trade Law for which no provision had been made (\$21,600), and to the inability of the Office of Conference Services at Headquarters to make available to the United Nations Office at Geneva language staff to service the Economic and Social Council and the International Law Commission (\$44,000). The Advisory Committee calls to the attention of Member States the budgetary consequences of extending

/...

the duration of conferences and meetings. It hopes that this practice will be avoided by the efficient use of the time originally set aside for the meetings in question.

19. The Advisory Committee was informed that the increase of \$152,925 in requirements under chapter III (Other temporary assistance) is due mainly to temporary strengthening in the Office of General Services. Another large item is the provision of General Service editorial and secretarial staff to help complete the editing of the updated Repertory of Practice of United Nations Organs. On this latter subject, the Advisory Committee understands that the Secretary-General would welcome guidance from the membership of the Organization as to whether it wishes the Repertory to continue to appear, in which case adequate provision for the work should be made in the initial budget estimates.

20. Under chapter IV (Overtime and night differential), the Secretary-General attributes the expected shortfall mainly to the hours of overtime to be worked by staff in the Offices of Conference and General Services during the current session of the General Assembly. He notes that the appropriation for 1970 is less than actual expenses in 1969, although revised salary scales for General Service staff have been introduced in the current year.

21. As indicated in the table which appears in paragraph 15 above, the Secretary-General expects under-expenditure of \$272,550 under chapter V of Section 3, Provisional staffing requirements. The reason for this reduction of about one third is that the Secretary-General has sought to make maximum use of vacant established posts, and to limit the addition of new staff resources pending completion of the manpower utilization and deployment survey throughout the Secretariat. Thus, of the 74 posts in the Professional category and above and 114 in the General Service and local categories authorized under this chapter, only 15 Professional and higher posts and 92 General Service and local posts were being financed under chapter V as at 31 August; a further 17 Professional posts being financed against vacancies in the regular establishment, under chapter I, as indicated in paragraph 16 above.

22. In its consideration of the supplementary estimates for Section 3 as a whole, the Advisory Committee came to the conclusion that, while a valid case exists for certain additional requirements, it should be possible for the Secretary-General to effect economies during the remainder of 1970 in particular by subjecting to closer scrutiny the departmental requests for short-term staff.

Section 4: Common staff costs

23. Under this section, estimated over-expenditure for staff allowances (chapter I), removal expenses (chapter IV) and especially separation payments (chapter V) are more than compensated by surpluses foreseen for social security payments (chapter II), travel on appointment, transfer and separation (chapter III) and staff training programmes (chapter VI), leaving a net estimated under-expenditure of \$66,275.

Section 5: Travel of staff

24. The Secretary-General estimates over-expenditure at \$223,500, of which \$144,500 would arise under chapter III (Travel of staff and dependants on home leave) and the remaining \$79,000 under chapter II (Travel of staff on official business other than meetings). The estimate for chapter III is based on experience to the end of August and a review of known entitlements for the balance of the year. In the case of chapter II, an additional expenditure of \$50,000 is foreseen as a result of the heavy travel programme of the Secretary-General in 1970. The balance of over-expenditure relates to the Administrative Management Service (\$12,000 to accelerate work on the manpower utilization and deployment survey), the Office of the Controller (\$5,000), the Office of Personnel (\$6,000) and the United Nations Office in Geneva (\$6,000).

25. In its consideration of the revised estimate for Section 5, the Advisory Committee recalled that the Office of Conference Services was unable in 1970 to send language staff to Geneva to service the sessions of the Economic and Social Council and the International Law Commission (see paragraph 18 above). Bearing this fact in mind, the Committee believes that a saving should be possible under chapter I, Travel of staff to meetings.

Section 7: Buildings and improvements to premises

26. Under this section the Secretary-General proposes no change in the appropriations voted, amounting to \$5,202,600. However, he notes that the appropriation for chapter III includes \$669,500 to complete a two-year programme for modifying and improving the United Nations building in Santiago, Chile, and

/...

\$39,800 for installing a United Nations-owned telephone exchange. As it is possible that these projects may not be completed in 1970, he proposes that the unspent balance be carried forward so as to remain available for the completion of the work in 1971. The Advisory Committee concurs in this proposal.

Section 9: Maintenance, operation and rental of premises

27. Almost the whole of the \$108,050 over-expenditure foreseen under this section is for chapters II and III, Utilities and other expenses.

28. Under chapter II, the Secretary-General estimates net over-expenditure of \$50,000, attributable to increased requirements at Headquarters, arising from a higher level of consumption of electricity and steam and a rate increase for electricity. The shortfall of \$75,000 at Headquarters is partly offset by expected savings elsewhere, especially at the Economic Commission for Latin America (ECLA) (\$19,000).

29. Additional requirements at Headquarters also account for \$40,550 of the \$50,550 increase estimated for chapter III. The main factor is an addition of \$31,050 related to the rental of office and storage space, which would raise total expenses for that purpose in 1970 from \$810,450 to \$841,500. An additional \$9,500 is for garbage removal. The balance required under this chapter is for increased rentals and related costs at four information centres.

Section 10: General expenses

30. Over-expenditure is foreseen under five of the six chapters of this section, resulting in an estimated increase in requirements of \$170,700.

31. Under chapter I (Communications), an increase of \$63,100 is foreseen, most of it at Headquarters and at ECLA. At Headquarters, about \$30,000 is attributed to higher telephone rates, which became effective in February 1970; at ECLA, estimated over-expenditure of \$22,000 arises principally from higher telephone costs, and reflects the probability that the installation by the United Nations of its own exchange, planned for 1970, will not be completed until February 1971. The Advisory Committee points out that in view of the fact that the Latin American Institute for Economic and Social Planning pays 32 per cent of the telephone expenses of ECLA, income partly offsetting the higher costs will accrue to the United Nations under Income Section 3.

/...

32. Increases of \$27,100 and \$25,000 respectively are estimated in requirements under chapters II (Rental and maintenance of equipment) and III (Public information supplies and services). The main factor responsible under chapter II is the need to provide transport for staff between offices, at Headquarters, Geneva and ECLA. In chapter III, \$11,500 relates to higher costs for radio and visual services (including \$4,500 for higher base-levels of special service fees for radio writing and narrations, as recommended by the Administrative Management Service in its survey of the Office of Public Information; the balance is for publication supplies and services, the principal item being the cost of translating and publishing an addendum to a report by a special rapporteur on laws and practices in South Africa, Namibia and Southern Rhodesia.

33. Requirements for chapter V, Stationery and office supplies, are estimated at \$51,000 more than the appropriation. Increases at Headquarters (\$50,000), Geneva (\$20,000) and the information centres (\$2,000) are partly offset by reduced requirements elsewhere, particularly at the Economic Commission for Africa (ECA) (\$20,000).

34. The Advisory Committee is concerned at the constant growth of expenditure under Section 10, which can be only partially explained in terms of rising prices. The Committee suggests that the attention of organizational units be drawn to the need for not exceeding their respective allotments, and that administrative controls be strengthened in areas which show a persistent pattern of over-expenditure unsupported by adequate justification.

Section 12: Special expenses

35. The principal factor affecting the estimated level of requirements under this section is commitments totalling \$105,500 already entered into by the Secretary-General under chapter XII, on his authority under General Assembly resolution 2435 (XXIII), as amended by resolution 2614 (XXIV), for assistance in cases of natural disaster and for pre-disaster planning. The expenditures for pre-disaster planning, totalling \$18,000, are the first under the new authority provided by those resolutions; the Advisory Committee notes that they are in response to requests by three Member States and relate in two cases to flood prevention and control and, in the third, to the limitation of damage from volcanic eruptions.

/...

36. The revised estimate for chapter XI, Celebration of the twenty-fifth anniversary of the United Nations, at \$158,500, is \$38,500 less than the initial appropriation of \$197,000. Considering, however, that \$60,000 for temporary assistance, originally budgeted under this chapter, has been transferred to Section 3, chapter II, with the concurrence of the Advisory Committee (see paragraph 17 above), the global cost of the anniversary celebration is now estimated at \$21,500 more than the initial appropriation. Furthermore, the Office of Conference Services has undertaken to produce from within its resources the extra documentation for the anniversary celebration, at a saving of \$70,000. Hence the revised estimate of \$158,500 for chapter XI consists mainly of expenditure on public information activities (\$84,000 as against the original appropriation of \$58,000) and security arrangements (\$52,000).

Section 15: The United Nations Conference on Trade and Development

37. A net reduction of \$68,000 is foreseen in Section 15. Under-expenditure of \$130,000 estimated under chapter III (Salaries and wages of the secretariat of the United Nations Conference on Trade and Development (UNCTAD)) is partly offset by increased estimated requirements under other chapters, especially chapter XI (Salaries of administrative and conference staff provided by other United Nations offices). Requirements for the United Nations share of costs of the joint UNCTAD/GATT International Trade Centre (chapter X) are \$25,000 more than the appropriation.

38. The reduction foreseen under chapter III is due to the continued existence of a number of vacancies in the UNCTAD establishment which, inter alia, made it unnecessary for UNCTAD to utilize the credits for provisional posts.

39. The additional requirements of \$25,000 foreseen for the International Trade Centre is due to the fact that the United Nations Office at Geneva which normally provides language services to the Centre without charge to the extent possible within its staff resources, has in 1970 been unable to carry out all the work involved, arising in part from an increase in the Centre's publications programme, so that additional translators have had to be engaged on a temporary basis.

40. At its summer session in 1970, the Advisory Committee was informed that the Secretary-General forecast a deficit of between \$100,000 and \$150,000 for the

/...

United Nations Conference on Trade and Development. Since then, considerable savings have arisen, partly for the reason explained above and also as a result of the ability of UNCTAD bodies to reduce somewhat their meeting schedules. The Advisory Committee welcomes this development. It also believes, from its examination of the Secretary-General's latest estimates and on the basis of experience in past years, that it is not unreasonable to expect a larger surplus at year-end in Section 15 than that currently foreseen, particularly if a close watch is kept on spending during the final months of 1970.

Section 16: The United Nations Industrial Development Organization

41. The Secretary-General estimates net under-expenditure of \$283,000 for the United Nations Industrial Development Organization (UNIDO) in 1970. This is due in large measure to expected savings of \$536,000 under chapter III (Salaries and wages), partly offset by increased requirements elsewhere, particularly for Permanent equipment (chapter VII, up \$41,500). Maintenance, operation and rental of premises (chapter VIII, up \$62,000), General expenses (chapter IX, up \$75,000) and Headquarters planning and administrative management (chapter XI, up \$48,000).

42. The reduction foreseen for salaries and wages relates in the main to the level of vacancies in the regular establishment and to the fact that a number of posts are occupied by staff at grades lower than those provided for. Moreover, of the 27 Professional and 21 General Service posts authorized for UNIDO on a provisional basis, only 8 Professional and 11 General Service posts will have been utilized by the end of 1970; a further 4 Professional Staff doing work for which provisional posts were authorized have been charged against vacancies.

43. The Advisory Committee notes that, as in past years, significant under-expenditure on salaries and wages is forecast for the United Nations Industrial Development Organization, reflecting to a large extent the continuing inability of the organization to fill all the vacancies in its regular establishment. It regrets that the impact of these reductions on the over-all estimate for Section 16 has been considerably reduced by soaring expenditures on permanent equipment, maintenance, operation and rental of premises, and general expenses, which are now expected to amount to \$925,000, an increase of nearly \$180,000 over the initial appropriations. The Committee believes that such increases are not inevitable

/...

and that they can be reduced by a close examination of all the options open to the Secretary-General. Moreover, on the basis of past experience there are grounds for believing that the savings likely to occur under chapter III, Salaries and wages, have been underestimated.

Section 17: Special missions

44. The estimated increase of \$56,900 in requirements under this section is mainly due to the fact that the Secretary-General found it necessary to enter into commitments totalling \$334,600, under the authority granted him in paragraph 1 (a) of General Assembly resolution 2614 (XXIV) for the United Nations Truce Supervision Organization in Palestine, as a result of hostilities in the area. Details are provided by the Secretary-General in his report on the supplementary estimates (see A/8083, paragraph 17.1). Some smaller increases are foreseen in three other special missions. The aggregate increase is offset to the extent of \$316,100 by estimated reduced requirements for seven items, notably the United Nations Council for Namibia and the Commissioner for Namibia, (chapter v), and the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples (chapter VI). In the case of the Council and the Commissioner for Namibia, the reduction arises mainly from the fact that the post of Commissioner is being filled on an acting basis, and from delay in the establishment of a travel documents office in East Africa. With respect to the Special Committee, its schedule of meetings away from Headquarters is expected to be shorter than that for which provision had been made.

45. In the view of the Advisory Committee, there seem likely to be greater surpluses under a number of chapters of Section 17 than are currently forecast by the Secretary-General; the net over-expenditure of \$56,900 may therefore be over-estimated.

Income Section 3: General income

46. The estimated increase in income of \$243,000 under this section results primarily from additional refunds of prior years' expenditures^{2/} (\$100,000),

^{2/} Arising under technical assistance programmes as provided for in paragraph 3 of General Assembly resolution 2468 A (XXIII).

increased contributions from non-member States (\$58,000), and additional refunds of the Organization's contributions to the United Nations Joint Staff Pension Fund, owing to participants' withdrawals (\$50,000). Among the smaller items, the Advisory Committee is pleased to note that income from bank interest shows an estimated increase of \$15,000, and income from rentals - partly due to higher rates charged for office space in the Secretariat building from 1 June 1970 - an increase of the same amount.

Income Section 4: Revenue-producing activities

47. Two items account almost exclusively for the increase in estimated income under this section of \$962,900, or almost 30 per cent. In the first place, experience in the first half of 1970 indicates that net income from the United Nations Postal Administration due to improved sales of United Nations stamps, will increase by \$625,000 to \$3,365,000. The Advisory Committee has noted the Secretary-General's view that this improvement should not necessarily be interpreted as a "marked revival of interest" in United Nations stamps; it will nevertheless follow developments in late 1970 and in 1971 with interest, in view of the importance which this source of income has assumed in the United Nations.

48. The second major element in Income Section 4 is the sale of medallions commemorating the twenty-fifth anniversary of the United Nations. Originally set at \$35,000 in the absence of experience with such ventures, net revenue from this source is now estimated at \$400,000. The Committee has been informed that the Secretary-General has drawn the necessary conclusions from the success of the venture and that he will bear in mind the possibility of further issues of United Nations medallions on appropriate occasions.

49. The Advisory Committee noted that a deficit of \$113,000 is now foreseen for the Visitors' Service at Headquarters, of which \$58,000 is attributed to a reduced flow of visitors and \$55,000 to the decision to close the facilities to the public for security reasons during the visits of Heads of State and Governments in the course of the twenty-fifth anniversary celebrations.

/...

Summary of recommendations

50. Having examined the Secretary-General's revised expenditure estimates, the Advisory Committee came to the conclusion, for the reasons indicated in the preceding paragraphs, that they could be reduced by \$250,000. Accordingly, the Committee recommends a revised appropriation of \$169,155,350, that is, \$735,350 more than the appropriation voted in General Assembly resolution 2613 A (XXIV).

51. The Advisory Committee suggests that, of the total reduction of \$250,000, \$20,000 be applied to Section 2, \$15,000 to Section 5, \$20,000 to Sections 9 and 10, \$20,000 to Section 15, \$40,000 to Section 16 and \$20,000 to Section 17. The remainder of the reduction, amounting to \$115,000 should be applied at the discretion of the Secretary-General, but mainly to Sections 3 and 4.

52. On the above basis, the amount which would stand to the credit of Member States in respect of their assessed contributions to the budget for 1970 would be increased from \$249,750 to \$499,750. At the same time, the Advisory Committee hopes that actual revenue under the Income Sections will exceed the revised estimates now submitted by the Secretary-General.
