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**ADVISORY COMMITTEE ON ADMINISTRATIVE  
AND BUDGETARY QUESTIONS**

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**SIXTH REPORT TO THE  
GENERAL ASSEMBLY  
AT ITS TWENTY-FIRST SESSION**

**GENERAL ASSEMBLY**  
**OFFICIAL RECORDS : TWENTY-FIRST SESSION**  
**SUPPLEMENT No. 7 (A/6307)**

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**UNITED NATIONS**

*New York, 1966*

#### NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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## FOREWORD

1. The major functions of the Advisory Committee on Administrative and Budgetary Questions are defined by the General Assembly in resolution 14 A (I) of 13 February 1946 as follows:

“(a) To examine and report on the budget submitted by the Secretary-General to the General Assembly;

“(b) To advise the General Assembly concerning any administrative and budgetary matters referred to it;

“(c) To examine on behalf of the General Assembly the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies;

“(d) To consider and report to the General Assembly on the auditors' reports on the accounts of the United Nations and of the specialized agencies.”

The members of the Committee are:

Mr. Jan P. Bannier (*Chairman*);

Mr. Albert F. Bender, Jr.;

Mr. Abdou Ciss;

Mr. Paulo Lopes Correa;

Mr. André Ganem;

Mr. James Gibson;

Mr. Raúl A. J. Quijano;

Mr. Mohamed Riad;

Mr. E. Olu Sanu;

Mr. Dragos Serbanescu;

Mr. S. K. Singh;

Mr. V. F. Ulanchev.

2. The Advisory Committee in the first part of its summer session met in New York from 23 May 1966 to 23 June 1966. It examined:

(a) The budget estimates of the United Nations for 1967 (A/6305);

(b) The financial reports and accounts for 1965 and reports of the Board of Auditors relating to the several United Nations programmes and activities (A/6306 and Add.1-3 and A/6308);

(c) Resolutions of the Economic and Social Council asking for the comments of the Committee on certain administrative matters.

3. The Advisory Committee subsequently moved to Geneva for the examination of a report by the Secretary-General on a possible extension of the conference facilities at the Palais des Nations. A report on this item will be submitted in document A/6385.

4. The Secretary-General, the Controller and senior members of the Secretariat provided the Committee with additional explanations on the 1967 budget estimates. The Advisory Committee wishes to express its thanks to these officials.

5. The Committee also acknowledges the valuable services of the Board of Auditors and is especially grateful to the Board's Chairman for his elucidation of the relevant reports.

6. On behalf of the Committee and on my own behalf, I wish to pay tribute to the Committee's Secretaries, to their assistants, and also to the Committee's interpreter. Their competent and devoted services considerably facilitated the work of the Committee.

J. P. BANNIER  
*Chairman*

8 July 1966



# REPORT TO THE GENERAL ASSEMBLY ON THE BUDGET ESTIMATES FOR 1967

## CHAPTER I

### THE BUDGET ESTIMATES FOR 1967

#### GENERAL

1. A gross expenditure budget of \$128,227,800 is proposed by the Secretary-General for 1967,<sup>1</sup> an increase of \$6,660,380 over the gross level of \$121,567,420 at present approved for 1966.

2. Of the total estimated income of \$21,623,626 for 1967, income from staff assessment (for distribution to Member Governments as credits through the Tax Equalization Fund) is calculated at \$13,350,000, and income from all other sources (for deduction from gross appropriations for purposes of the assessment of contributions) at \$8,273,626. After deduction of estimated income, the net expenditure level for 1967 would be \$106,604,174, an increase of \$4,827,454 over the net level of \$101,776,720 approved for 1966.

3. The 1967 estimates make no provision for supplementary items, which are listed in paragraph 21.

4. The Advisory Committee recommends reductions in the expenditure estimates totalling \$1,730,600, on the basis of justifications given later in the report. These, together with certain recommended adjustments in the income estimates, would reduce the net<sup>2</sup> expenditure level for 1967 from \$106,604,174, as proposed by the Secretary-General, to \$104,831,974.

5. Member Governments contributing to the budgets of other organizations in the United Nations family may be interested to know the broad context within which the 1967 estimates for regular activities of the United Nations are presented. Comparative figures for the years 1962 to 1967 are given in table 1. Member States' contributions to the United Nations family of organizations during 1965 amounted to approximately \$231.9 million as against assessed contributions of \$265.8 million and \$285.7 million for 1966 and 1967 respectively.

6. The Security Council adopted on 4 March 1964 resolution 186 (1964) setting up a United Nations Peace-keeping Force in Cyprus for a period of three months. Since then the mandate of the Force has been extended by subsequent resolutions, the most recent of which was resolution 222 (1966) of 16 June 1966, which provided for an extension from 27 June 1966 to 26 December 1966. The costs of the Force are being met by Governments providing the contingents, by the Government of Cyprus and by voluntary contributions (resolution 186 (1964), paragraph 6). The operating

costs of the Force, to be paid by the United Nations, and the estimated amounts claimed or to be claimed by Governments providing contingents as reimbursement of their extra costs from the United Nations from the inception of the Force, 27 March 1964 to 26 December 1966, are estimated to amount to \$60,040,000. In this connexion, the Committee wishes to repeat its observations of last year<sup>3</sup> that the estimates do not represent the full cost of the operation, since certain Governments furnishing contingents made no claims for reimbursement (e.g. pay and allowances of troops) and a number of other Governments have made contributions in kind, including facilities for the transportation of troops and equipment by air. As of 10 June 1966, thirty-eight Member Governments and four non-member Governments had pledged voluntary contributions in the amount of \$46,681,000.

7. The Organization will incur during 1966 limited expenses for legal work in connexion with the settlement of claims arising from damages caused by the United Nations Operation in the Congo (ONUC). Expenses will also be incurred for the maintenance of the United Nations Emergency Force (UNEF). Under the terms of General Assembly resolution 1885 (XVIII) of 18 October 1963, any expenditures after June 1964, will be financed from the balance remaining in the *Ad Hoc* Account for ONUC as at June 1964, or from the proceeds of the sale of United Nations-owned property after June 1964. As far as UNEF is concerned, the General Assembly passed resolution 2115 (XX) of 21 December 1965, appropriating an amount of \$15 million for 1966.

8. In addition to the foregoing, Member Governments are currently urged to contribute to a number of voluntary programmes: the United Nations Development Programme; the United Nations Children's Fund; the voluntary funds of the High Commissioner for Refugees; the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the United Nations Institute for Training and Research. In 1965 the total contributions paid or pledged by Governments towards these programmes amounted to approximately \$209.1 million. Pledges announced or foreseen for the same purposes in 1966 are expected to amount to \$222.1 million. Finally, Member Governments are contributing to a number of specific activities, of which pertinent details can be found in the chapter on Trust Funds contained in the financial report of the Secretary-General for the year ended 31 December 1965, paragraphs 24-45, and the relevant schedules attached to the accounts for that year.

<sup>1</sup> *Official Records of the General Assembly, Twenty-first Session, Supplement No. 5 (A/6305).*

<sup>2</sup> Throughout the remainder of this report figures are, unless otherwise stated, given on a gross basis.

<sup>3</sup> *Official Records of the General Assembly, Twentieth Session, Supplement No. 7 (A/6007), para. 7.*



# The budget estimates for 1967

Table 1

	1962 actual expenses	1963 actual expenses	1964 actual expenses	1965 actual expenses	1966 appropriations	1967 appropriations or estimates	1967 increase or (decrease) by comparison with 1966	1967 percentage increase or (decrease) by comparison with 1966
	\$	\$	\$	\$	\$	\$	\$	\$
United Nations .....	84,452,350	92,195,880	102,948,977	107,111,392	121,567,420	128,227,800	6,660,380	5.48
International Labour Or- ganisation .....	11,618,838 <sup>a</sup>	14,515,983 <sup>b</sup>	16,977,156 <sup>c</sup>	19,170,943	21,034,412	23,317,000	2,282,588	10.85
Food and Agriculture Organization of the United Nations .....	14,368,342	16,776,263	18,040,712	20,931,333	24,915,950	25,058,050	142,100	0.57
United Nations Educa- tional, Scientific and Cultural Organization	18,189,035	19,723,056	21,281,588	23,740,338 <sup>d</sup>	27,190,185 <sup>d</sup>	30,723,865 <sup>e</sup>	3,533,680	13.00
International Civil Avia- tion Organization ..	5,503,010	5,843,913	6,120,023	6,398,120	7,565,650 <sup>f</sup>	7,125,221	(440,429)	(5.82)
Universal Postal Union	731,598	784,349	1,157,080	1,133,918	1,413,405	1,570,000	156,595	11.08
World Health Organi- zation .....	24,164,650 <sup>g</sup> h	29,783,550 <sup>g</sup> h	33,869,165 <sup>g</sup> h	38,346,067 <sup>g</sup> h	44,481,800 <sup>g</sup> h	51,515,000 <sup>g</sup> i	7,033,200	15.81
International Telecom- munication Union ...	3,409,714	4,103,032	4,095,012	4,900,715	5,690,174 <sup>j</sup>	5,388,403	(301,771)	(5.30)
World Meteorological Organization .....	771,166	867,528	1,078,434	1,388,366	2,258,945 <sup>k</sup>	2,433,960 <sup>k</sup>	175,015	7.75
Inter-Governmental Maritime Consultative Organization .....	401,299	447,522	477,011	918,362	923,726	827,726	(96,000)	(10.39)
International Atomic Energy Organization	6,446,139	6,893,613	7,287,179	7,875,184	8,744,000	9,491,500	747,500	8.55
TOTAL	170,056,141	191,934,689	213,332,337	231,914,738	265,785,667	285,678,525	19,892,858	7.48

NOTE: The following rates of exchange have been used in the above table: Canadian dollars at par; Swiss francs 4.32 = \$US 1.00.

<sup>a</sup> Excluding \$1,118,669 spent in that year but met under supplementary credits by withdrawal from the Working Capital Fund, subject to reimbursement through the 1964 budget.

<sup>b</sup> Excluding \$483,525 spent in that year but met under supplementary credits by withdrawal from the Working Capital Fund, subject to reimbursement through the 1965 budget.

<sup>c</sup> Excluding \$364,064 spent in that year but met under supplementary credits by withdrawal from the Working Capital Fund, subject to reimbursement through the 1966 budget.

<sup>d</sup> Including advances (1965: \$1,227,000; 1966: \$163,000) from the Working Capital Fund authorized by the Executive Board to cover increases in staff salaries and allowances, as well as donations (1965: \$367,772; 1966: \$315,751 as of 31 May 1966).

<sup>e</sup> Estimates.

<sup>f</sup> Includes \$600,000 relating to the Organization's share in the cost of new premises for the European Regional Office

authorized in respect of 1966 only, and \$300,000 for the revised emoluments of professional and higher categories staff, implemented in 1966.

<sup>g</sup> Excluding undistributed reserves—1962: \$1,683,140; 1963: \$2,149,570; 1964: \$2,223,130; 1965: \$2,521,370; 1966: \$2,615,590; 1967: \$3,202,890.

<sup>h</sup> Includes contributions to the Malaria Eradication Special Account in the amount of \$2,000,000 for 1962; \$4,000,000 for 1963 and \$5,363,000 for 1964.

<sup>i</sup> Includes \$2,415,000 for smallpox eradication.

<sup>j</sup> The budget for 1966 includes additional credits of \$615,776 sanctioned by the Administrative Council at its 21st session in May/June 1966, raising the gross budget from \$5,074,398 to \$5,690,174.

<sup>k</sup> Including an amount of \$662,685 for 1966 and \$752,161 for 1967 as a New Development Fund, established by the WMO Congress, for the implementation of a World Weather Watch, in response to resolutions 1721 (XVI) and 1802 (XVII) of the General Assembly of the United Nations.

## NATURE AND SCOPE OF THE ADVISORY COMMITTEE'S BUDGET EXAMINATION

9. In its review of the 1967 estimates, the Advisory Committee has examined the justifications of all requirements submitted by the Secretary-General. It has reviewed the basis on which these have been calculated. The Committee has sought and received additional information in oral and written form from the Secretary-General, the Controller, the Under-Secretaries concerned and other officials. It has given attention to administrative and operational practices that affect the estimates.

10. While the Advisory Committee has not lost sight of the continuation of the financial difficulties confronting the Organization, it has refrained from

undertaking a detailed analysis and review of the current financial situation. This task was performed earlier in the year by the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies as reflected in its first report (A/6289 and Add.1 and 2). The Advisory Committee has continued, as in the past, to scrutinize the estimates with a view to achieving efficiency and economy. As will be seen in the relevant parts of the report, it has paid particular attention to the problems of servicing meetings and conferences, including problems of documentation.

11. Detailed comments on the individual sections of the budget estimates will be found in chapter III which contains the Committee's specific recommendations concerning the amounts to be appropriated. Draft resolu-

tions for the 1967 budget, for unforeseen and extraordinary expenses, and for the Working Capital Fund are included in chapter II.

12. The remainder of the present chapter is devoted to a comparison of the 1967 estimates with the 1966 appropriations. In addition, the Committee deals with a number of questions which arose in the course of the review by the Committee.

#### COMPARISON OF 1967 ESTIMATES WITH 1966 APPROPRIATIONS

13. Table 2 below gives a comparison of the Secretary-General's estimates for 1967 and the 1966 appropriations section by section.

14. The Advisory Committee wishes to stress, however, that the initial estimates for 1967 and the 1966 appropriations are subject to modification as a result of decisions by the General Assembly at its twenty-first session.

15. As regards 1966 requirements, the Advisory Committee had the opportunity to review expenditures as of the end of May 1966, together with information on the likely level of trends of expenditures for the balance of the year. The 1966 appropriations did not contain provision for certain commitments since entered into under the terms of General Assembly resolution 2126 (XX) of 21 December 1965, dealing with unforeseen and extraordinary expenses. Among these items were:

(1) Those certified by the Secretary-General as relating to the maintenance of peace and security:

- (a) The United Nations India-Pakistan Observation Mission pursuant to Security Council resolution 211 (1965);
- (b) The United Nations Mediator on Cyprus pursuant to Security Council resolution 186 (1964);
- (c) The Mission of the Representative of the Secretary-General in the Dominican Republic in accordance with Security Council resolution 203 (1965).

(2) Those incurred with the prior concurrence of the Advisory Committee related to:

- (a) The meetings of the Scientific and Technical Subcommittee of the Committee on the Peaceful Uses of Outer Space in Geneva;
- (b) Requirements for the Special Committee on the Situation with Regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples in addition to those provided in the budget estimates;
- (c) The extension of the services of the Technical Representative and his staff of the United Nations Conciliation Commission for Palestine for a period of six months.

(3) Additional expenses for the International Court of Justice incurred under the terms of paragraph 1 (b) of General Assembly resolution 2126 (XX).

(4) Those incurred in accordance with General Assembly resolution 2034 (XX) of 7 December 1965, on United Nations assistance in cases of natural disaster. Total expenses for these purposes are estimated at approximately \$2 million.

16. The application of the staff rules and regulations will result in additional requirements during 1966. The main elements will be approved revisions in post classi-

fications for professional staff at Santiago, increases in general service and manual worker salary rates at Geneva and New York and increases in local salary rates at Addis Ababa and Santiago.

17. Additional requirements are also foreseen as a result of the heavy programme of meetings at Geneva and the operation of the newly established Computer Centre in New York; the move of the headquarters of the Regional Economic Commission for Latin America to the new building will also involve higher expenditures including those related to increased wages and related benefits for maintenance and custodial staff, and higher provisions for electricity, communications and supplies. As a result of work programmes adopted by the Trade and Development Board, requirements under Section 20 may exceed the provisions made in the appropriations for 1966.

18. The Secretary-General has indicated to the Committee that, based on the situation as it could be foreseen, at the end of May 1966 and subject to the manner in which it is decided to deal with the expenses for the Indian-Pakistan Commission in 1965 and early 1966, it would not be unreasonable to forecast at this stage that total expenses for 1966, given some transfer of credits between sections, can be kept within the total of the 1966 appropriations.

19. Requirements for 1966 will be reviewed at a later date and supplementary estimates may be submitted in the usual manner to the General Assembly at its twenty-first session and for examination by the Advisory Committee.

20. As regards the 1967 estimates, the Secretary-General in his foreword has stated that they are subject to review later in the light of decisions to be taken by the Economic and Social Council at its forty-first session and by the General Assembly at its twenty-first session.

21. Recommendations to the General Assembly for the expansion of conference rooms and other related facilities at Geneva and proposals to be made by the Secretary-General for possible expansion of office accommodation at Headquarters, as well as for the construction of new offices and related facilities for the International Court of Justice at The Hague would represent considerable commitments on a long-term basis. Substantial requirements could also result from the recommendations to the Economic and Social Council and the General Assembly concerning the necessary operating procedures and administrative arrangements for the United Nations Organization for Industrial Development, as well as from the recommendation to convene an international conference on the exploration and peaceful uses of outer space. Finally, proposals by the Economic Commission for Asia and the Far East concerning the regional programmes in the field of industrial development, increased language requirements for the international symposia on industrial development, the acceleration of the preparation of studies on discrimination and various aspects of human rights and a review of the emoluments and pensions of Members of the International Court of Justice would require the provision of additional funds.

22. No precise indication can be given at the present time of the impact these decisions might have on the estimates for 1967. Depending on the nature of the financial arrangements for the construction programmes planned for Geneva and The Hague, the

# The budget estimates for 1967

Table 2

Budget parts and sections		1967	1966	1967 increase or (decrease) by comparison with 1966
		\$	\$	\$
<i>Part I. Sessions of the General Assembly, the Councils, commissions and committees; special meetings and conferences</i>				
Section 1.	Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies ....	1,082,000	1,107,400	(25,400)
Section 2.	Special meetings and conferences .....	2,014,500	1,741,000	273,500
TOTAL, PART I		3,096,500	2,848,400	248,100
<i>Part II. Staff costs and related expenses</i>				
Section 3.	Salaries and wages .....	59,518,000	56,300,000	3,218,000
Section 4.	Common staff costs .....	13,873,000	13,195,300	677,700
Section 5.	Travel of staff .....	2,117,300	2,144,400	(27,100)
Section 6.	Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; Hospitality .....	125,000	125,000	—
TOTAL, PART II		75,633,300	71,764,700	3,868,600
<i>Part III. Premises, equipment, supplies and services</i>				
Section 7.	Buildings and improvements to premises .....	3,930,700	4,360,000	(429,300)
Section 8.	Permanent equipment .....	670,900	525,930	144,970
Section 9.	Maintenance, operation and rental of premises .....	4,016,500	3,800,000	216,500
Section 10.	General expenses .....	5,236,900	4,701,000	535,900
Section 11.	Printing .....	1,908,000	1,800,000	108,000
TOTAL, PART III		15,763,000	15,186,930	576,070
<i>Part IV. Special expenses</i>				
Section 12.	Special expenses .....	8,963,500	8,885,800	77,700
TOTAL, PART IV		8,963,500	8,885,800	77,700
<i>Part V. Technical programmes</i>				
Section 13.	Economic development, social activities and public administration .....	—	6,105,000	—
Section 14.	Human rights advisory services .....	—	220,000	—
Section 15.	Narcotic drugs control .....	—	75,000	—
TOTAL, PART V		6,400,000	6,400,000	—
<i>Part VI. Special missions and related activities</i>				
Section 16.	Special missions .....	2,993,000	4,317,990	(1,324,990)
Section 17.	United Nations field service .....	1,833,200	2,106,200	(273,000)
TOTAL, PART VI		4,826,200	6,424,190	(1,597,990)
<i>Part VII. Office of the United Nations High Commissioner for Refugees</i>				
Section 18.	Office of the United Nations High Commissioner for Refugees .....	3,280,400	3,011,800	268,600
TOTAL, PART VII		3,280,400	3,011,800	268,600
<i>Part VIII. International Court of Justice</i>				
Section 19.	International Court of Justice .....	1,164,900	1,074,100	90,800
TOTAL, PART VIII		1,164,900	1,074,100	90,800
<i>Part IX. United Nations Conference on Trade and Development</i>				
Section 20.	United Nations Conference on Trade and Development ....	9,100,000	5,971,500	3,128,500
TOTAL, PART IX		9,100,000	5,971,500	3,128,500
TOTAL		128,227,800	121,567,420	6,660,380
Less: Income other than staff assessment .....		8,273,626	6,675,800	1,597,826
		119,954,174	114,891,620	5,062,554
Income from staff assessment for credit to Member States through the Tax Equalization Fund .....		13,350,000	13,114,900	235,100
Net expenditure level		106,604,174	101,776,720	4,827,454

related decisions by the General Assembly could result in a much more pronounced growth in the 1967 budget estimates than is apparent from table 2 above.

23. That table shows an increase of approximately \$6.7 million in the gross level of requirements for 1967 as compared with the 1966 appropriation. It is important to recognize that the 1966 appropriation included certain provisions of a non-recurring nature, such as the translation and publication of the proceedings of the Second World Population Conference (\$266,000), the amount provided for in the 1966 authorization for the United Nations building in Santiago (\$1,000,000) and additional requirements under section 16 totalling some \$1.7 million including those of the United Nations Military Observer Group in India and Pakistan (\$1,441,000). The total of all non-recurring items, including the above-mentioned, amounts to some \$3.3 million, which if deducted from the 1966 appropriations, would result in an increase in the 1967 gross figure of approximately \$10 million.

24. The main factors in this increase, as indicated by the Secretary-General are the following:

	\$
(a) Estimated additional costs for continuing into 1967 the establishment approved for 1966 ....	3,819,000
(b) Estimated increases in rates and wages for essential contractual services and supplies ....	180,000
(c) Additional requirements for servicing of meetings, as well as additional needs for maintenance, operation and rental of premises, general expenses and permanent equipment....	2,529,000
(d) Additional requirements for UNCTAD including costs for the second session of the Conference .....	2,715,000
(e) Strengthening of the establishment of the Office of the High Commissioner for Refugees .....	147,000
(f) Net additional requirements related to the proceedings of the International Court of Justice .....	80,000
(g) Additional requirements due to increased activities .....	497,000
TOTAL	<u>9,967,000</u>

#### FINANCIAL POSITION OF THE ORGANIZATION

25. The financial position of the Organization has been the subject of special scrutiny by the *Ad Hoc* Committee of Experts, established under the terms of General Assembly resolution 2049 (XX) of 13 December 1965. Member Governments have since been informed of the Secretary-General's analysis of the finances of the United Nations (A/AC.124/1) and the report of the *Ad Hoc* Committee (A/6289 and Add.1 and 2). These two reports contain the data relevant to the financial situation of the Organization as at 30 September 1965 and the *Ad Hoc* Committee's comments and conclusions thereon.

26. In presenting his budget estimates for 1967 to the Advisory Committee, the Secretary-General made the following statement concerning the financial situation of the Organization:

"The financial position of the Organization remains a matter of very considerable concern to me. Members of the Committee will have seen from my financial report for the year ended 31 December 1965 that at the end of the year the unliquidated obligations of the Organization in respect of the regular budget,

UNEF and ONUC exceeded \$46 million, that the balances recorded in surplus accounts, at least some part of which will have to be paid to Members in the form of credits against assessed contributions, exceeded \$40 million, while the Organization's net liquid assets, consisting of its cash holdings plus current accounts receivable less current accounts payable, totalled only some \$22 million as compared with over \$26 million at the end of 1964.

"Despite the receipt during 1965 of almost \$17.5 million of voluntary contributions from eleven Members to assist the Organization out of its financial difficulties, there was no improvement in the over-all financial position during the year due in large part to the increase in the unpaid balances of assessed contributions which totalled \$167.6 million at the end of 1965 as compared with \$145.3 million at the end of 1964. (At the end of May 1966 the unpaid balances of assessed contributions for the regular budget, UNEF and ONUC for 1965 and prior years totalled \$139.9 million.)

"It may be recalled that the *Ad Hoc* Committee of Experts which is examining the finances of the United Nations and the specialized agencies in its first report (A/6289) concluded, *inter alia*, that it did not expect payment to be made by the end of 1966 of from \$118.7 million to \$120.6 million of the unpaid assessed contributions which totalled \$125.9 million as at 30 September 1965.

"Until substantial payments of these unpaid assessed contributions or substantial voluntary contributions are received, the financial difficulties of the Organization will continue, and it will be unable to discharge its debts. I am hopeful, particularly in view of the conclusion of the *Ad Hoc* Committee, that an amount varying between \$31.9 million and \$53.3 million of additional voluntary contributions were required as at 30 September 1965 to bring the Organization's current assets and current liabilities into balance, that Members which have not already pledged or paid such voluntary contributions will soon do so in order that the Organization's finances can again be established on a sound basis."

The Advisory Committee does not feel called upon to comment on the Secretary-General's statement, particularly since the *Ad Hoc* Committee of Experts has been studying this matter and has submitted a report thereon.

#### POLICY GOVERNING THE 1967 ESTIMATES

27. It appears to the Advisory Committee that in the preparation of the 1967 budget estimates of the Organization, the Secretary-General was primarily guided by two decisions of the General Assembly which, although following entirely different trends, need not necessarily conflict. On the one hand, Member States decided that, in the light of the limited results achieved during the first half of the United Nations Development Decade, the Organization should embark on a considerable expansion of activities in economic, social and human rights fields, particularly in the domains of trade and industry, including an enlarged programme of conferences, meetings and the preparation of related documentation. On the other hand, the General Assembly at its twentieth session decided to maintain the number of established posts for the Secretariat for 1967,

coming under section 3 of the budget, at the staffing level approved for 1966. Given these circumstances, the Secretary-General was required to prepare the programme of action in the light of the expanded requirements requested by Member States, at the same time however, adhering to the directives of the General Assembly to apply all possible restraint in the expenditures of the limited resources of the Organization.

28. In the foreword to his initial budget estimates for 1967, the Secretary-General suggests that Member States may wish to use the pause which is offered by the relatively stable level of personnel requirements in 1967 as compared with preceding years, to consider anew the pace of development of the activities of the Organization, past and future, in the light of the availability of related financial resources. In this connexion he also points out that the General Assembly may wish to give consideration to the capacity of the Secretariat as presently established, to fulfil adequately its role of carrying-out the many endeavours of the Organization. That capacity of course depends primarily on proper programming and planning, on sound financial arrangements and support, and also on the maintenance of a high level of staff morale and on an efficient organizational structure.

29. The Advisory Committee associates itself with the remarks of the Secretary-General to the effect that the present trend of creating autonomous organizational units within the Secretariat should not only be looked at in terms of the possible advantages to particular substantive programmes but also with a view to maintaining administrative efficiency, particularly of the central supporting services. In particular the Committee is aware that within the concept of a unified Secretariat it would be extremely difficult for the substantive arms of the Secretariat to operate efficiently and economically in isolation from the central administrative, conference and general services on which they rely.

30. The Advisory Committee appreciates that the Secretary-General in submitting his initial budget estimates for 1967, felt obliged to restrict the rate of increase over the level of the estimates for 1966, as compared with the significant increase in the estimates approved for 1966 as against those for 1965. Whereas the total estimates for 1966 were some \$13.1 million (12.1 per cent) higher than those approved for 1965, and \$15 million (14 per cent) after deduction of certain non-recurrent items, the increase of the estimates on a gross basis for 1967 would be approximately \$6.7 million (5.5 per cent) or \$10 million (8.5 per cent) after deduction of non-recurring items as compared with the level approved for 1966. The Committee is also aware that as a result of any financial implications arising from decisions of the Economic and Social Council at its forty-first session or by the General Assembly at its twenty-first session, in the final analysis the budget for 1967 may be appreciably larger than it appears in the present estimates.

31. In its sixth report to the General Assembly at its twentieth session<sup>4</sup> on the budget estimates for 1966, the Advisory Committee gave particular attention to the proposed staff increases and, more specifically to the requests for new established posts in the professional category under Section 3 of the estimates. These requests were substantiated in the main by the need

to expand economic and social activities, primarily in the fields of industrial development, population and housing. The Committee observed that the increase of the professional staff approved for 1965 had not been fully absorbed, and that there was ground to believe that following such major staff additions, a period in which to absorb and assimilate the increases would be useful and necessary. The Committee therefore recommended a reduction in the staff resources proposed by the Secretary-General for 1966. The reduction was approved by the General Assembly. The Assembly moreover, decided that the number and level of the professional posts approved for the establishment in 1966 under Section 3, should be maintained for 1967 and requested the Secretary-General to submit his 1967 budget estimates accordingly.

32. Under these circumstances, the Advisory Committee does not intend to make general comments on the professional staff establishment and on the utilization of the human resources of the United Nations, with the exception of certain categories of temporary assistance. The Committee will follow with interest the developments during 1967 in regard to the tempo of recruitment for the posts which remain unfilled at the end of 1966, and possible new requirements which may arise in the budget year. The present estimate comprise requests for additional staff for the Office of the High Commissioner for Refugees and for the United Nations Conference on Trade and Development. Specific observations on these requests will be found in chapter III of this report under sections 18 and 20.

33. In previous years, the Advisory Committee repeatedly advocated long-term planning and the establishment of priorities for the activities of the United Nations, particularly in the fields of economic and social development, as a measure for the most effective use to be made of available resources. The Committee was aware of the valid desires of Member States for increased emphasis on many current activities and on the addition of new action in certain sectors. At the same time, however, it recognized that the vast needs of the developing countries and the order of magnitude of the potentially available resources were still so far apart that not all desirable programmes could be undertaken immediately.

34. The problem of how to establish priorities in the economic, social and human rights fields is as old as the United Nations programmes in these fields themselves. In recent years it has become more acute as a result of the considerable growth of the activities of the Organization in these fields. Time and again the General Assembly and the Economic and Social Council have asked for or initiated efforts to set rules and procedures for priorities. Seldom have those efforts been successful and the reasons are well known. Recommendations in respect of new activities are made by a large number of organs and subsidiary organs, admittedly after having received some information on the likely financial implications. However they usually focus more attention on the substantive aims of the recommendations than on the costs involved. Decisions on activities are made by the Economic and Social Council and by the General Assembly itself or endorsed by the Assembly before the Assembly has examined its overall programme of work in the light of the resources at hand, or likely to become available. Neither the

<sup>4</sup> *Ibid.*, Supplement No. 7 (A/6007).



Council nor the General Assembly has ever found a procedure for applying a system of priorities.

35. The Advisory Committee strongly recommends once again that organs and sub-organs when formulating decisions on new or expanded substantive activities and programmes should always consider those activities and programmes in the light of the budgetary requirements and possibilities, and take into account a set of priorities as far as such a system can be established in an objective and balanced way. At the same time the Committee reaffirms its conviction that budget building, budget revision and budget approval should never be isolated exercises, but should equally be performed against the background of the programmes, projects and other activities and their relative priorities against the background of the financial situation of the Organization and the resources available.

36. The broad mandate given by the General Assembly, in resolution 2049 (XX) of 13 December 1965, to the *Ad Hoc* Committee of Experts encourages the hope that the recommendations of that Committee on many of the same issues with which the Advisory Committee is seized year after year will serve to clarify the problems mentioned above. The Economic and Social Council by its resolution 1090 G (XXXIX) of 31 July 1965, reconstituted its Special Committee on Co-ordination, and charged that Committee in resolution 1093 (XXXIX) with the duty of reviewing the work programme of the United Nations in the economic, social and human rights fields in the light of the 1967 budget estimates. If the reconstituted Special Committee on Co-ordination could be in the position to act as a programme advisory committee for the work of the Organization in the fields mentioned, and to consider and recommend priorities, it would greatly assist the Organization in the difficult task of shaping an orderly programme of work.

37. As a direct result of the vastly increased activities and projects of the United Nations, two problems of a practical and also an important administrative and financial nature present themselves more distinctly than ever before. These problems are: how to provide for the constantly growing programme of conferences and meetings; and how to prepare and submit all the documentation required for perusal by Member States and for their participation in the discussions in these conferences and meetings. The Advisory Committee paid special attention to these problems and has commented on them at some length in a separate part of this chapter. The Committee is aware that the same problems are under consideration in other bodies, particularly by the *Ad Hoc* Committee of Experts mentioned above.

38. At this time the Advisory Committee wishes only to express its considered opinion that the full schedule of conferences and meetings, their length and servicing, the requirements of documentation and its volume, while related to the over-all programme of activities of the Organization, should not in all their aspects be considered as purely consequential and by that token in large measure uncontrollable. The physical facilities of the United Nations at Headquarters and Geneva and also the administrative and supporting services of the staff, not least the services of translation and interpretation, although being increased year by

year, are unable to keep pace with the increasing demands for conferences and meetings.

39. Solutions to these problems can only be found on comparatively long-term projections. On short-term the sole remedy lies in a systematic, persistent and purposeful attempt without diminishing their value, to shorten the session of committees, commissions and working groups, to space their sessions more widely, to reconsider the urgency of specific meetings, to show self-restraint in requiring documentation of limited importance, to agree in the submission of condensed rather than expansive documentation, to forgo verbatim and possibly some summary records of meetings, and in general to retrench the workload related to conferences and meetings, without adversely affecting the actual work and its results. The Advisory Committee is of the view that in this regard there is room for economy, increased efficiency, simplification and rationalization.

40. The Committee understands that considerations such as those mentioned above are beginning to exert influence on the formulation of the Secretary-General's policy governing the budget estimates. The Committee appreciates the situation in which the Secretary-General finds himself and considers that the General Assembly is the only body in a position to decide on the over-all programme and activities of the Organization and consider also the administrative and budgetary implications when approving requests for new and expanded activities, conferences and meetings and documentation requirements.

### CONFERENCES AND MEETINGS

41. In presenting his budget estimates to the Advisory Committee, the Secretary-General stated that "we are faced in 1967, on the basis of present expectations, with a meetings programme which will far exceed that of any previous year". While the General Assembly in its resolution 2116 (XX) (operative paragraph 5) decided that "not more than one major special conference of the United Nations shall be scheduled in any one year", several special conferences which seem to fall under the term "major conference" are planned for 1967. The Secretary-General has made provision for most of these proposals in the budget estimates for 1967.

42. The size of the meetings programme and the extent of the facilities involved can be seen by the budgetary provisions in Section 2 (\$2 million) and Section 20 (\$4.41 million). In addition to the General Assembly session (Section 1), many smaller meetings are also included but not separately identified in other budget sections, particularly in Section 3.

43. The amount of labour involved in servicing meetings, as measured in terms of their costs is also appreciable. Cost figures obtained in 1962 for servicing a typical meeting revealed that with simultaneous interpretation in four languages, summary records, and other conference services, the cost would amount to about \$1,425. Provision of corresponding services at current prices and salaries is estimated at \$1,765. These figures do not take into account pre-meeting documentation or other preparatory work.

44. It is a matter of general agreement and growing concern, on the part of the Secretary-General and representatives of Member States, that the meetings

programme is already too large to be properly serviced or documented; that its calls upon the time of the substantive divisions of the Secretariat seriously encroach on the other work required of them, and that measures should be taken to solve the problems of the growing size and complexity of the meetings programme.

45. The conference and servicing staff is being constantly increased (although there remain difficulties in recruiting some categories of specialized staff) but the rapidly rising demand for conferences and meetings outstrips the increase in facilities.

46. Efforts by the Secretary-General, endorsed by the Assembly and other representative bodies (and strongly supported by the Advisory Committee on numerous occasions) have had no appreciable effect in ameliorating the situation. It is doubtful whether the bodies to which the appeals have been addressed are in a position to consider the programme proposals as a whole, the interrelation of their parts, the complexities of the operations involved in servicing a meetings programme of the size of the United Nations programme, or the importance and urgency of its own requirements in relation to others.

47. Only one body is, in fact, in a position to determine the total size of the meetings programme, and to decide, if necessary, on relative priorities. That body is the General Assembly. Whereas a large part of the programme falls within the responsibility of the Economic and Social Council, other requirements result from decisions of the Trade and Development Board and other bodies with partial responsibilities.

48. The Advisory Committee believes, therefore, that the time has come for the General Assembly to address special and urgent attention to the size of the conference and meetings programme in relation to the resources available. The Special Committee on Co-ordination of the Economic and Social Council, in paragraph 60 of its report of the fourth session (E/4215), has suggested that the General Assembly should establish a committee to deal with the programme of meetings. The Advisory Committee believes there is merit in this suggestion. It would be necessary for such a Committee, in drawing up recommendations to the General Assembly to consult with the various bodies concerned with other sectors of United Nations programmes and in particular with the Economic and Social Council. It would, of course, also be necessary to consult at all stages with the Secretary-General in considering rearrangements of programmes, since he alone is in a position to advise on the size, the scheduling and the nature of programmes which may be within the capacity of the staffing and other resources available.

49. Following full consultation and consideration of the complex factors involved, it would be for the suggested Committee to make recommendations to the General Assembly on those conferences and meetings which should be included in the annual programmes, on those which might require to be postponed, and (possibly in broad terms) on the length of particular conferences and the facilities by way of records and documentation which would be appropriate in the light of the requirements of the subject and the resources at the disposal of the Organization.

50. In this context the Advisory Committee would draw attention to the Secretary-General's recommendation to the Economic and Social Council to consider that "as a general rule, functional commissions and other subsidiary bodies of the Council should meet biennially".<sup>5</sup> The Committee wishes to repeat its endorsement of this effort as stated in its previous reports.<sup>6</sup>

51. It appears to the Advisory Committee that no other method is, or is likely to be, available to deal with this problem, other than by the General Assembly itself taking action. It hopes, therefore, that the suggestions of the Special Committee on Co-ordination will be acted upon.

#### DOCUMENTATION

52. The Advisory Committee has followed with interest the efforts by the Economic and Social Council to deal through a wide-ranging resolution (1090 E (XXXIX) of 31 July 1965) with the difficulties caused by delays in the production and distribution of documents which were impairing the work of the Council. In section I of this resolution the Council requested the Secretary-General "to submit proposals to the Council at its fortieth session, with a view to reducing the volume of documentation requiring the Council's consideration, bearing in mind the need to present essential documentation in a concise and assimilable manner". The Council also decided to attempt to reorganize its work so as to ensure a better balance of items between sessions and to allow adequate time for the preparation of special reports. The Council asked the Secretary-General, among other measures, to prepare for lengthy reports and detailed technical studies a summary and pertinent conclusions and to submit to it for approval at each session a list of the main secretariat reports to come before it at the following session, indicating the dates on which they would appear.

53. In section II of the resolution the Council requested the Secretary-General "in consultation with the Advisory Committee on Administrative and Budgetary Questions, and with such external assistance as may seem appropriate, to make early provision for an examination of the problems of providing documentation for the Council's consideration, including *inter alia*, an analysis of the existing mechanical and organizational arrangements". In addition, the Council requested the Secretary-General "to submit the results of the above-mentioned examination together with his own comments and recommendations, to the Advisory Committee on Administrative and Budgetary Questions, and to report to the Council at the earliest convenient date".

54. In response to this resolution, the Secretary-General presented to the Council at its fortieth session a note (E/4157) setting out "suggestions designed to reduce to more manageable proportions the volume of documentation requiring the Council's attention at any particular session or to make such documentation better suited to the Council's needs".

55. Among some of the measures advanced by the Secretary-General were proposals to prepare summaries

<sup>5</sup> *Ibid.*, Annexes, agenda item 78, document A/5867, para. 10 (i).

<sup>6</sup> *Ibid.*, Supplement No. 7 (A/6007), para. 86.

and conclusions of reports of the Council's functional commissions, standing committees and expert groups, to let some of the subsidiary organs meet less frequently, to submit reports dealing with technical matters at longer intervals, and to dispense with some reports on operational programmes. The Council discussed the proposals of the Secretary-General briefly during its fortieth session and decided to return to this matter during the forty-first session.

56. The Secretary-General, in response to section II of the resolution, examined the existing mechanical and organizational arrangements relative to the problem of documentation for the Council. The services of a competent outside consultant were utilized by the Administrative Management Service in the Office of the Controller.

57. The examination by the consultant did not apply to the production and distribution of documents originating outside the United Nations Secretariat. Nor did the review include the substantive work of the services responsible for the preparation of the documents. It was, however, stated that for practical purposes, it may be assumed that if satisfactory arrangements can be devised for the production of documents in the Department of Economic and Social Affairs, the back of the problem would have been broken. The report of the consultant covered also a detailed study of certain technical and organizational problems such as distribution, reproduction (printing processes, stenographic pools), translation and *précis*-writing, referencing and editing.

58. Although the failure of author services to submit manuscripts in time was a major factor in the late distribution of documents needed for the thirty-ninth session of the Economic and Social Council, it was not the only one. The exceptionally heavy meetings programme during the first six months of 1965 and the very heavy total volume of documentation in the economic, social and human rights fields were other factors. The Consultant concluded that the Secretariat services are therefore in danger of being overwhelmed by the material problems which result from the ever-increasing activities of the United Nations. Staff increases would not be a solution. In the first place, production costs are extremely expensive. In the second place, the supply of specially skilled expertise (translators) is limited. Better planning, elimination of unfruitful work and more effective controls combined with a better co-ordination between all services involved would lead to improvement.

59. Among the recommendations proposed by the consultant the most important are:

(a) Arrangements in the Department of Economic and Social Affairs to ensure proper scheduling of documentation and submission of texts according to such scheduling as well as the control of drafting standards and the length of documents;

(b) Arrangements in the Office of Conference Services to effect better control over the vast production machine and measures to bring the Stenographic Service and the Language Division up to their manning table strength;

(c) Arrangements for more effective co-ordination between the Department of Economic and Social Affairs and the Office of Conference Services.

60. The Committee has been informed that the Secretary-General has concurred with the analysis of the problem and the general approach proposed by the consultant to improve the situation. He also has taken the necessary steps to improve the arrangements now in existence for the production and distribution of documentation. A central point (secretariat of the Economic and Social Council) has been established in the Department of Economic and Social Affairs where responsibility for co-ordinating the preparation and submission of documents to Conference Services would be concentrated. A Joint Planning Committee for documentation has been established with a view to enhancing the co-ordination between the production of manuscripts by the Department of Economic and Social Affairs and the Office of Conference Services.

61. The Committee understands that the situation in respect of the documentation for the forty-first session of the Council shows a substantial improvement over that which prevailed for the thirty-ninth session. It was emphasized, however, that this improvement should not be attributed solely to the various administrative measures referred to above. While they have no doubt contributed, the fact there were fewer and less voluminous priority demands made on the Office of Conference Services during the period of production of the documentation has had a distinct effect on its ability to translate and reproduce the material at an earlier time.

62. While the Advisory Committee recognizes the importance of measures taken by the Secretary-General, it also is aware that the documentation for the Economic and Social Council forms only part, although a very important part, of the total volume of documentation. The over-all workload of the documents preparation and production services has assumed such proportions that a renewed effort to restrict the size and number of these documents appears to be warranted.

63. Action taken in the past by the General Assembly in respect of a possible reduction of documentation may be recalled. The General Assembly, in resolution 1203 (XII) of 13 December 1957, suggested for the over-all output of documentation a target figure of 25 per cent below the 1957 level. Under the terms of the resolution, a Committee on the Control and Limitation of Documentation was established. The task of this Committee was to "consult with and advise the Secretary-General on the most effective means of implementing the present resolution, and to report and to make recommendations to the General Assembly at its thirteenth session concerning methods of achieving reductions in the over-all output of documentation".

64. The report of that Committee<sup>7</sup> (particularly paragraphs 10 and 27) explains the basic approaches of the members to the question of documentation, and also contains a number of practical suggestions relating to the work of the Secretariat and of United Nations bodies in this matter. Among these were proposals for more careful drafting and editing, for a full use of article 13.1 of the financial regulations as regards requests involving documentation, elimination of non-essential material, incorporation of certain basic principles in a standing guide for the drafting of committee reports, a consideration by *ad hoc* committees and other subsidiary

<sup>7</sup> *Ibid.*, Thirteenth Session, Annexes, agenda item 51, document A/3888.



bodies of the main organs, to dispense with summary records, and an invitation to all organs to review resolutions and rules requiring frequent reports with a view to their issuance at less frequent intervals.

65. The Secretary-General, reporting to the thirteenth session of the General Assembly on the steps taken and the nature and extent of the reductions achieved,<sup>8</sup> mentioned specifically that at Headquarters the length of the summary records had been reduced by 20 per cent and that at Geneva the length of these records had been brought down from an average of fifteen-eighteen pages to a maximum of twelve mimeographed pages. However, in spite of the many appeals for a more rational approach by decision-making bodies, for restraint and for the need to establish priorities the situation has deteriorated over the last seven years.

66. The Committee realizes that the expanding activities of the Organization, especially in the economic and social fields inevitably calls for an expansion in documentation. Nevertheless, the volume of documentation is so enormous that it not only overstrains the capacity of the Secretariat but also causes complaints by many Member Governments about the sheer mass of documentation which makes adequate and timely study very difficult. The situation which prevailed during the thirty-ninth session of the Economic and Social Council was only one example of the problem caused by over-whelming documentation. The need for provision of essential documentation should not preclude a more intensive effort to prepare for shorter and more concise reports.<sup>9</sup>

67. Apart from the volume the Advisory Committee is concerned about the cost of many documents. The Committee was informed that, taking into account only the time of translators, revisers, typist and reference clerks and the cost of typing and reproduction, a page of French or Spanish translation costs \$25 (net of staff assessment). Thus for a body working in four languages a report or document of some 200 pages gives rise to costs for translation, typing and reproduction of \$15,000. The over-all magnitude of these costs are indicated by the total direct staff expenses for these services amounting to some \$6.5 million for 1965.

68. In the light of the preceding observations, the Advisory Committee has arrived at the following conclusions and recommendations:

(a) The Committee endorses the measures recommended by the Secretary-General in document E/4157 as described in paragraph 55 above. At the risk of repetition, the Committee wishes to recall its own recommendation on the need for a more rational approach, for less frequent meetings of subsidiary organs, for reporting at greater intervals, and for eliminating items of secondary importance.

(b) The Advisory Committee has taken note of the report submitted by the consultant pursuant to section II of resolution 1090 E (XXXIX). It welcomes the recommendations towards more rationalization of the "production-machine" and improvements in the organizational arrangements and notes with satisfaction that most of the recommendations have already been carried out by the Secretary-General. The Committee anti-

cipates that these arrangements will stimulate better planning in the Department of Economic and Social Affairs and will lead to a more effective control of documentation. The Committee believes also that the secretariat of the Economic and Social Council should make a major effort towards reducing the length of documents and publications.

(c) The Advisory Committee believes that the problem of the documentation for the Economic and Social Council is part of the broader question of the over-burdening amount of documentation. The approach used by the Secretary-General in document E/4157 should be applied towards the other organs as well, including the General Assembly.

(d) The Advisory Committee endorses the recommendations of the Committee on the Control and Limitation of Documentation referred to in paragraph 64 above.

(e) The Advisory Committee recommends that the General Assembly review the increased use by committees and other bodies of verbatim records. The Committee has noted that while for many years only the Security Council and one of the Main Committees of the General Assembly used verbatim records, thirteen bodies with a total of 477 meetings used them during 1965. The General Assembly might therefore wish to consider limiting the use of verbatim records and the advisability of keeping the length of summary records within a specified maximum.

#### PROGRAMMES AND BUDGETS

69. Over the last years a trend has been manifested in the General Assembly and in the Economic and Social Council, for comprehensive presentations of programmes of activities and budgetary provisions to relate more closely the programmes of the Organization and other broad areas of action to their budgetary implications. This trend was occasioned by at least three considerations.

70. The first is to be found in the vastly growing needs of the developing countries for assistance, guidance, research, planning and documentation, especially in economic and social fields, and of the necessity for the Organization to provide a discussion forum on problems of development. Following these needs the programmes of action multiplied and expanded in such a fashion as to become less readily surveyable. It was acknowledged that a better order should be maintained, that within the frame-work of the objectives of the United Nations Development Decade priorities should be established, and that the existing and the future balance between sectors and sub-sectors of development should be more clearly shown and identified in the basic documents of the Organization. These goals can only be attained if the activities and their related costs are presented as a complete whole to the governing organs.

71. In the second place the trend is caused by an organizational weakness in the practices of the General Assembly. The Main Committees which recommend decisions on substantive activities seldom pay attention to the budgetary implications of these decisions. The Committee charged with the examination of the budget estimates while primarily directing its attention to those estimates, has not dealt with the programmes and activities, the execution of which is, of course, translated in the budget in monetary terms. In fact the budget

<sup>8</sup> Ibid., document A/3921.

<sup>9</sup> Out of 46,000 pages translated during 1965, irrespective of language, 19,000 pages dealt with meetings records and publications within the economic, social and human rights fields.

as presented did not provoke such interest. The limited discussions in the plenary meetings of the Assembly were not conducive to bringing closer together the often divergent approaches of Member States to programmes and budgets. Other organizational expedients failed to yield success. The only means of ensuring that organs dealing with new or expanding activities have ample opportunity to take account of their budgetary aspects and that budgetary organs are in a position to appreciate the substantive work underlying those budget figures, is to present to all these organs the programmes of the Organization in the main areas of activity, particularly in the economic and social fields, in an integrated manner.

72. Thirdly, in the light of increasing demands on the one side and the limitation of resources on the other, co-ordination of the work programmes of all organizations in the United Nations system active in fields of economic and social development, requires an optimum degree of comparability of documents in which the programmes and budget of these organizations are presented. Many organizations are following a policy of integration of programme and budget presentation, a policy to which the United Nations also has demonstrated a new interest. But even if that would soon be the case, wide discrepancies in the systems of presentation of programmes and budgets of the various organizations are likely to be in existence for many years. There are valid reasons for the use of specific systems of classification, considered essential to meet the requirements of the various legislative bodies of the specialized agencies. However, it is understandable that the Economic and Social Council should advocate measures to narrow the differences in presentation so as to enhance the comparability of programmes and budgets.

73. For many years the Advisory Committee has made recommendations to the General Assembly in regard to the necessity of establishing priorities for work in economic, social and human rights fields, the desirability of annual reappraisal of existing programmes, and the urgency of planning such work, taking into account the needs of the developing countries and the resources of the Organization. The Committee appreciates that the Economic and Social Council is showing increasing awareness of these problems.

74. In its sixth report to the General Assembly at its twentieth session,<sup>10</sup> the Advisory Committee presented its provisional comments on a few aspects of an integrated programme and budget policy. More recent requests of the Council would indicate that it is incumbent upon the Advisory Committee to express itself in somewhat greater depth on these problems.

75. The Committee was prepared to examine all aspects involved in an endeavour to make clear recommendations. However, due to the limited time available to the Committee and the fact that simultaneously with its own considerations the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies was dealing with the same problem, it was not possible to focus the full attention demanded by these subjects. In accordance with a provision of resolution 2049 (XX) of the General Assembly, the Advisory Committee is called upon to assist the *Ad Hoc* Committee of Experts in part of its work. Due to the parallel scheduling of meetings of

both Committees it was not possible for either Committee to benefit from a closer exchange of views on these matters. It is also possible that the report of the Advisory Committee on the budget estimates for 1967 will be issued in advance of the relevant part of the report of the *Ad Hoc* Committee. Under all these circumstances the Advisory Committee for the time being prefers to reserve its position on some of the relevant questions. Should the *Ad Hoc* Committee of Experts in its forthcoming report submit recommendations on budgetary and administrative matters of the Specialized Agencies and on other questions of co-ordination, the Advisory Committee may comment on those recommendations in its report to the General Assembly at its twenty-first session on inter-agency co-ordination.

76. In view of this coincidence the Advisory Committee is not in a position to be as explicit on these important points of administrative procedure as otherwise might have been the case. This reservation notwithstanding the Committee may be allowed to comment on recent developments under the following three headings.

#### (a) *The format of the United Nations budget*

77. Under the present format of the budget, certain sections follow a classification by object of expenditure, some by programmes and others by organizational units. Prior to 1958 the format followed broadly that of the structure of the Secretariat. The change to the present system was made so as to ensure stronger central control and to allow the Secretary-General greater flexibility in the utilization of funds approved for a given type of expenditure, such as personnel, travel, equipment and printing. The advantages of this system are clear, as seen from the point of view of the Secretary-General. However, under this system it is extremely difficult without appropriate annexes to identify any activity in relation to its costs except in certain special sections.

78. At its seventeenth session the General Assembly adopted resolution 1797 (XVII) of 11 December 1962 on integrated programme and budget policy. The operative part of that resolution was recalled in the sixth report of the Advisory Committee to the General Assembly at its twentieth session.<sup>11</sup> The presentation of activities in relation to their costs is a precondition to giving effect to a policy of integration of programme and budget with a view to rationalizing the work programme of the United Nations in the economic, social and human rights fields. This was realized a long time ago by the General Assembly, the Council, the Secretary-General and also by the Advisory Committee, which in paragraph 78 of its above-mentioned report expressed the opinion that a consolidated programme and budget presentation is of such importance that it could justify a reappraisal of the budget format. Sharing the view of the Secretary-General that the present system of presentation is not fully conducive to a clearer relation of programmes to costs, the Advisory Committee then suggested that a study of the complex question of the form of the budget be made in the light of recent requirements.

79. Such a study has not yet been made, but some developments prove that efforts to meet new requirements are very much alive. In the first place, the usual information document giving a summary of estimated

<sup>10</sup> Official Records of the General Assembly, Twentieth Session, Supplement No. 7 (A/6007).

<sup>11</sup> *Ibid.*, para. 68.

costs of main fields of activity over past years, a document that never attracted much interest in the General Assembly was replaced in the estimates for 1967 by an entirely new annex I containing figures on expenditures classified both by main activity and programme, and by object of expenditure. The statistical part of the annex is followed by explanatory notes and by details on the administrative and substantive support provided by the United Nations to certain technical co-operation programmes. As regards the programmes of activity in the economic, social and human rights fields the breakdown is along the lines of major sectors such as development planning and projections, international trade, industrial development, population, statistical services and so on, broadly coinciding with the structural organization of the Secretariat.

80. A second type of presentation of programmes in relation to costs was submitted by the Secretary-General to the Economic and Social Council at its forty-first session through the Special Committee on Co-ordination in reply to a requirement of Council resolution 1093 (XXXIX). The requirements were, *inter alia*, that the Secretary-General would prepare a work programme covering the various units of the Department of Economic and Social Affairs, the regional economic commissions and other Secretariat units, and that the Special Committee on Co-ordination would in May 1966 examine in detail the work programme in the light of the 1967 budget estimates. The new presentation<sup>12</sup> lists expenditures and estimates for 1962, 1965, 1966 and 1967, following various classifications: types of service, main fields of activity, programmes, locations and regions, also major organizational units and objects of expenditure. The main report containing this presentation was accompanied by elaborate statements on the projects and the services included in each programme, defined as a significant area of work performed by a major organizational unit of the Department. Naturally, this presentation, though very detailed, in one respect is of a more limited scope than annex I to the budget estimates for 1967 as it is limited to one of the major departments of the Secretariat.

81. The Advisory Committee was not in the position to study these two documents thoroughly and to appraise their relative values, their merits and shortcomings. At this juncture the Committee wishes to confine itself to a few general observations on the structure of the budget in the light of changing requirements. Clearly, Member States want the Organization to take a step towards some form of relating programmes to budgets of the Organization's economic and social activities, regardless of whether this would require a basic change in the format of the budget. Programme budgeting can follow well-defined substantive areas; it can also follow the functional structure of the Secretariat. These two approaches can run parallel. In some of the agency budgets they more or less do so. The United Nations presently uses an entirely different system. Although the classification of the work in the economic, social and human rights fields used in both the above-mentioned United Nations presentations is more detailed than the classification of programmes used in the provisional submission by the Administrative Committee on Co-ordination to the Economic and Social Council of expenditures of the United Nations system in relation to programmes, the Advisory Committee is of the

view that the former classification appears to be practical at this time. Therefore it should be used by the Organization until, through inter-agency co-operation, classifications can be worked out acceptable to all organizations in the system.

82. A distinction should be made between the presentation of programmes in relation to costs and the method of appropriating funds. In the present mixed system of the budget format the appropriation by sections covering objects of expenditure is the prevailing feature and only in a limited number of sections does the appropriation pertain to particular sectors of work. The question has been raised whether the main classification and also the appropriation of funds should in future follow that of the programmes. On the premise that the financial regulations would not be changed, such a system might provide for greater flexibility for the utilization of resources allocated to a specific unit. It would tend, however, to weaken the central control of the over-all financial resources of the Organization and thereby affect the present transferability of surpluses and deficits between sections requiring prior approval by the General Assembly. It would enhance the administrative independence of secretariat units implementing programmes, but by that same token could restrict the most effective use of the financial and human resources.

83. A consolidated presentation of programme and budget in one document would serve many purposes and undoubtedly would bring the processes of programme building and budget review closer together. A more integrated presentation and a step towards consolidation can be attained by using a main document showing one category of the essential data with other data in an annex or annexes. Theoretically, in this case there could be two possibilities. Either the presentation for budgetary purposes would be in the main document and the breakdown of the figures according to programmes or other classifications in the annexes, or the reversed order could be used. The former type of presentation was used in large measure in the Secretary-General's budget estimates for 1967. Although the Advisory Committee is not yet certain as to the final answer to this many-sided problem, the Committee is of the view that as long as the system of allocation of financial resources under sections of the budget covering objects of expenditures remains in force, only the first of the two alternative forms is practicable.

84. The Advisory Committee is of the opinion that all the facets of the problem have not yet sufficiently been examined but it recognizes the urgency of finding a solution which would meet the requirements of an integrated programme and budget policy as well as those of an effective central administration. Central financial control is an essential element of administrative efficiency any organization. On the other hand, sight should not be lost of the advantages of a certain measure of decentralization of management responsibilities in the implementation of programmes using their own allotted resources. It will not be easy to find a proper balance between these two major elements. The Committee will give further study to this problem.

(b) *The work programme of the United Nations in economic, social and human rights fields and its budgetary requirements*

85. In general terms, this subject was already reviewed in the previous paragraphs. Resolution 1093

<sup>12</sup> E/4179/Rev.1 and addenda.

(XXXIX) of the Economic and Social Council, however, recommends, *inter alia*, that the Chairman of the Advisory Committee should be invited to be present at the meetings of the Council's reconstituted Special Committee on Co-ordination at which the work programme in the relevant fields would be examined in the light of the 1967 budget estimates, and that the report of the Special Committee should be available to the Advisory Committee when it reviews the 1967 estimates.

86 In addition to its earlier observations on the system of presentation used for the first time in the new report on the programme and its costs, the Advisory Committee wishes to confine itself to the following provisional comments.

87. In its sixth report to the General Assembly at its twentieth session,<sup>13</sup> the Advisory Committee commented on a first attempt made by the Secretary-General, in his reports (E/4070 and Add.1), to provide the Council and the General Assembly with a document setting forth the work programme in the economic, social and human rights fields in relation to its budgetary implications. The Committee, however, while understanding the reasons for a presentation in two parts, expressed doubt whether such a presentation was adequate and also expressed the hope that in future the two parts would be more closely integrated so as to enable the Council and other organs and sub-organs to see readily the order of magnitude of the resources available or requested for certain fields of activity.

88. The new report (E/4179/Rev.1 and addenda) meets this requirement and the Advisory Committee appreciates not only the consolidation of both parts in one report, but equally the effort which has gone into this entirely new presentation. While the report to some extent would appear still to be of an experimental nature, in view of the many classifications used and the possibly over-abundant information in the addenda, the Committee expresses the hope that it will satisfy the demands of the Council. As this type of presentation is also time-consuming and costly, though admittedly instructive and aiming at the establishment of a framework for programme and performance budgeting, the Committee wonders whether the Council could indicate certain areas of detailed information, and some of the data in the addenda which in future could appear in a more condensed form, or possibly could be deleted.

89. The general suggestions concerning the work programme and the recommendations regarding future reports on the subject, contained in chapter II, sections 3 and 4, of the report of the fourth session of the Special Committee on Co-ordination (E/4215) were studied by the Advisory Committee. The Committee, however, has some doubts on one or two of the recommendations intended to improve and even perfect the presentation of a consolidated work programme and its budgetary requirements. It has particularly in mind the suggestion of including in the estimates for economic and social activities the related costs of common services, as well as the cost of the substantive services necessary to support these operational activities. While recognizing that those costs are relevant to a closer association between programmes and financial data the Committee doubts whether the great effort and the heavy cost

which might be incurred would be justified by the order of the improvement to be obtained.

90. In paragraph 62 of its report, the Special Committee expressed the hope that the most appropriate method of achieving a budget presentation on a programme basis, including the possibility of a separate chapter for economic and social activities, would be developed in conjunction with the current examination of budgetary procedures for the United Nations as a whole. The Advisory Committee shares the hope that this examination may contribute to the solution of the complicated set of problems concerning programmes, budgets and their interrelationship. In order that the best solutions may be found, the Committee prefers at this juncture to refrain from making definite recommendations, leaving it to the *Ad Hoc* Committee of Experts which is undertaking the examination to express itself as it may see fit to do. Under these circumstances the Advisory Committee hopes that other bodies will share its feelings for caution at this time. This applies not least to the suggestion concerning the possible inclusion of a separate chapter in the budget for economic and social activities.

#### (c) Preparation and submission of agency budgets

91. In paragraphs 116-120 of its report to the General Assembly at its twentieth session, the Advisory Committee commented in a provisional way on a request of the Economic and Social Council that the Administrative Committee on Co-ordination consider, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to what extent the specialized agencies and IAEA could be requested to use a uniform layout for the preparation and presentation of their respective budgets.

92. The Council pursued the question of a possible uniform presentation of the budgets of the agencies during its thirty-ninth session and in section I of its resolution 1090 D (XXXIX), requested ACC to continue, in collaboration with the Advisory Committee, the possibility of utilizing a uniform layout, and to submit, at its forty-first session, a report specifying the practical solutions which might be contemplated, setting forth, if necessary, any arguments against the use of such a layout. In the same resolution the Council accepted a previous conclusion of ACC that, as a first measure, a separate report would be submitted to the Council containing a list of activities of the United Nations, the specialized agencies and IAEA in the fields of interest to the Council, with an indication of the expenditures involved under both the regular budgets and the extra-budgetary programmes of these organizations.

93. In compliance with that resolution, the ACC has submitted two new reports to the Council, one dealing with the question of a uniform layout of the budgets (E/4193), and the other setting out the expenditures of the United Nations system in relation to programmes (E/4209). These reports were made available to the Advisory Committee.

94. At the fortieth session of the Council, ACC had already suggested (E/4156) that the report containing the list of activities of all the organizations concerned, including the United Nations itself, should take the form of a set of tables, in which the activities would be grouped under five common headings, one of which

<sup>13</sup> Official Records of the General Assembly, Twentieth Session, Supplement No. 7 (A/6007), paras. 71-74.



would be the Programmes of Activities, and that these programmes should follow a classification which must cover all expenditures of all organizations on all programmes. A classification under sixteen headings was proposed. One specialized agency was unable to accept this classification and considered that an appropriate subject classification for each agency might provide better information. Nevertheless, that specialized agency fully co-operated in the preparation of the report of ACC on expenditures in relation to programmes.

95. ACC and the Council kept in mind the fact that the *Ad Hoc* Committee of Experts was seized with similar problems, *inter alia*, the possibility of standardizing the budgets of all the organizations. This notwithstanding, the Council requested ACC to review the classification of the programme of activity in the light of suggestions made and of consultations which were to take place with the Advisory Committee and the *Ad Hoc* Committee of Experts. The Council also requested ACC, without prejudice to the Council's ultimate decision, to proceed with the preparation of an interim report for submission to the Council's forty-first session on the basis of the classification originally recommended by ACC.

96. Consequently, the report of ACC on expenditures in relation to programmes provides information by type of activity on the United Nations, specialized agencies, IAEA and UNICEF in a combined table as well as for each organization separately.

97. As regards the question of a uniform layout for the preparation and presentation of the agency budgets, ACC has reported to the Council that there are two major difficulties to the concept of a single budget layout. First, the need of each different legislative organ to have the programme and budget proposals submitted to it in the particular form which best fits the scale and nature of the organization's operations and which provides the best basis for decisions concerning the allocation of resources; second, the need to retain flexibility for each organization to make changes in its budget layout in the light of changing priorities and organizational structures. As these difficulties could not be reconciled ACC concluded that the adoption of a uniform layout would not be practicable.

98. Except for the presence of the Chairman of the Advisory Committee at the session of the ACC when the decision on the recommendations to the Council was taken, the Advisory Committee, owing to differences in the timing of the sessions of both Committees, was not in the position to collaborate with ACC as required by section I of Council resolution 1090 D (XXXIX). Instead, and notwithstanding the fact that the *Ad Hoc* Committee of Experts has not yet reported to the General Assembly on the same issue, the Advisory Committee wishes to make the following comments.

99. As to the question of standardization of the budgets of the organizations in the United Nations system, the Advisory Committee understands the difficulties which occasioned the negative recommendation of the ACC to the Council. Although to some extent and in some cases elements of traditionalism may be involved, it is likely that a major change in the budget structure of most of the organizations would be possible only if important changes are made in organizational structures and procedures which over the years have evolved in accordance with specific requirements. It

appears to the Committee that the advantages of such changes in the budget format with a view to inter-budget standardization, might well be offset by more serious disadvantages resulting from consequential changes in structure and procedures. However, the Committee hopes that ACC and the specialized agencies themselves will keep this problem under constant review in order that the budget layout of the different organizations will in future be more conducive to comparison than hitherto.

100. On the matter of the classification of the programmes of activity, used for the first time in the report of ACC to the Council at its forty-first session on expenditures of the United Nations system in relation to programmes, the Advisory Committee does not feel able to express a fully considered and definite opinion. However, the Committee subscribes to the provisional opinion of the Council that the classification should be kept under review. Certain refinements may be possible. If the new classification eventually proved to be impracticable, an effort could be made to examine the feasibility of defining more than five common headings while leaving greater freedom to the individual agencies to show their own classification of programmes of activity, provided these agencies would be prepared to co-operate in achieving the greatest possible inter-agency comparability.

101. Lastly, whatever system of showing over-all expenditures in relation to programmes is, or in future might be used in reports of ACC to the Council, the specialized agencies may wish to consider making these reports available to their own legislative bodies so as better to acquaint the members of these bodies with the order of magnitude of the work of other organizations in the United Nations system in the same fields, and in adjacent fields, in which their own organizations are also active.

#### PUBLIC INFORMATION ACTIVITIES

102. The Advisory Committee has given considerable attention to the Secretary-General's estimates for public information activities in 1967, keeping in mind General Assembly resolutions 1335 (XIII) and 1405 (XIV) of 13 December 1958 and 1 December 1959 respectively, in which the General Assembly laid down certain guiding policies including a "policy of budgetary stabilization" for these programmes of the Organization.

103. In its report to the General Assembly at its twentieth session on the Secretary-General's initial 1966 estimates, the Advisory Committee expressed the belief that a continuation of the policy of stabilization was necessary, pointing out at the same time that in the final analysis, and assuming that a maximum degree of administrative and operational efficiency had been achieved in the implementation of the Organization's public information programme, there remained a policy decision to be taken by the General Assembly, namely, what part of the resources of the Organization should be devoted to telling the world about its actions.<sup>14</sup>

104. In his foreword to the 1967 budget estimates, the Secretary-General refers to the expanding activities of the United Nations and the effect such expansion is having on the various sectors of the Secretariat and, *inter alia*, expressed in paragraph 16 the following

<sup>14</sup> *Ibid.*, para. 112.

view regarding the public information activities of the Organization:

"It has also had an important bearing on the present workload of the information services, particularly in the context of keeping total expenses for these purposes within the ceiling imposed by the General Assembly. While I am well aware of the need to establish some limit on expenditures for public information activities, I would nevertheless commend to Member States for their careful consideration the thought that the ceiling imposed should not be so restrictive as to prevent either adequate United Nations coverage of the expanding and important activities of the Organization or allow present facilities to become so obsolete that the United Nations is unable to benefit as appropriate from the new and revolutionary technological developments in mass communications media".

105. In presenting its reports on the Organization's public information activities to the General Assembly at its eighteenth<sup>15</sup> and nineteenth<sup>16</sup> sessions, the Advisory Committee suggested that the Secretary-General might envisage the possibility of instituting a procedure for the thorough review of the public information programmes, either on a continuing basis or at regular intervals, to consider the emphasis given to the various media in the United Nations programmes in responding as rapidly as possible to the changing needs of the developing countries, with a concurrent curtailment of programmes to the more developed countries, thus ensuring the optimum use of funds allocated to public information activities.

106. In this connexion the Advisory Committee was pleased to hear from the Under-Secretary for Public Information that the Consultative Committee on Public Information, at its thirty-fourth session held in Geneva from 28 March to 1 April 1966, adopted and submitted a proposal to ACC recommending the formation of an inter-agency study group for the purpose of re-assessing the whole of the information activities for the United Nations and its family of agencies. In its thirty-second report<sup>17</sup> to the Economic and Social Council at its forty-first session, ACC approved the proposal of the Consultative Committee on Public Information for such a review. The study group has been instructed to present its report to the latter committee early in 1967 for subsequent consideration by ACC. The Advisory Committee looks forward to the recommendations resulting from this study.

107. The Advisory Committee was also interested to learn that the Under-Secretary is consulting with the Board of Trustees of the United Nations Institute for Training and Research (UNITAR), with a view to that Organization conducting an assessment of the public information programmes of the United Nations, with the assistance of an outside expert group. The Committee considers that such a study would serve a useful purpose in evaluating the information activities of the Organization.

108. The Advisory Committee notes that, for 1967, the expenditure estimates for public information activi-

ties submitted by the Secretary-General are some \$195,000 higher than the appropriation approved for 1966. Approximately \$85,000 of this figure is attributed to increases in salaries and wages and to consequential common staff costs. The balance of the increase amounting to \$110,000 is primarily due to additional requirements for permanent equipment (specifically a new combined colour/black and white television camera), radio, films and television supplies and services, communications, and publications supplies and services and printing.

109. The Advisory Committee recognizes the technological developments which are taking place in the mass communications media and appreciates the desire of the Secretary-General for the United Nations to keep abreast of these new techniques. The Committee is also aware of the necessity to provide for the increasing public information requirements of the developing countries where less sophisticated media are needed and in its previous reports on this subject has stressed the need for a re-evaluation of the over-all information programmes, so as to enable the Organization to respond as rapidly as possible to the changing demands, at the same time ensuring that the funds allocated for those activities are put to optimum use. The Committee however, must take into account the decisions of the General Assembly concerning expenditures for public information activities of the Organization. It realizes of course that the General Assembly may wish to consider its earlier decisions in the light of the Secretary-General's statement in paragraph 16 of the foreword to the 1967 budget estimates.

110. As regards the 1967 estimates of \$7,011,700, the Advisory Committee having in mind the aforementioned directives of the General Assembly, and being of the opinion that some savings are possible without detriment to the various programmes, recommends that the General Assembly approve a total expenditure estimate of \$6,961,700 for public information activities of the Organization for 1967. Apart from certain specific proposals in the individual budget sections, application of the reduction of \$50,000 recommended by the Advisory Committee is left to the discretion of the Secretary-General.

111. As a further general observation, the Committee wishes to draw attention to the sizable funds being allocated for public information activities through various other channels and sections of the budget estimates in addition to those for the Office of Public Information. It considers that particular attention should be given to this trend so as to avoid duplication of effort and resources which can be more effectively utilized through centralized control. The Committee would also hope that the Office of Public Information will be able, within its available resources to provide for wider distribution of publications or pamphlets in languages other than English to meet the growing demands of Member States.

#### TRAVEL STANDARDS

112. At its twentieth session the General Assembly in resolution 2128 (XX) on the system of travel and subsistence allowances to members of organs and subsidiary organs of the United Nations decided that the

<sup>15</sup> *Ibid.*, Eighteenth Session, Supplement No. 7 (A/5507), para. 86.

<sup>16</sup> *Ibid.*, Nineteenth Session, Supplement No. 7 (A/5807), para. 86.

<sup>17</sup> E/4191, para. 98.

payment of travel expenses shall, in all cases, be limited to the cost of economy-class accommodation by air or its equivalent by recognized public transport *via* a direct route.

113. In this regard the Secretary-General while informing the Committee that in the main the new travel standards have been adhered to, indicated that certain difficulties have become evident and have required him to make exceptions to the approved policy, particularly in regard to the travel of members of committees and commissions serving in their individual and expert capacity. He has felt obliged to take into account considerations of genuine personal hardship which have arisen because of age or health. The Secretary-General has noted that, once exceptions are made to any rule, the element of personal judgement comes into play and, as a consequence, it becomes increasingly more difficult to ensure absolutely fair application of the rule. He has stated that, in the interest of uniformity, it would be his preference that the rule be modified to eliminate the practical difficulty inherent in it.

SECRETARIAT ARRANGEMENTS FOR THE ADMINISTRATIVE  
COMMITTEE ON CO-ORDINATION

114. In its resolution 1090 H (XXXIX) the Economic and Social Council requested the Secretary-General to consider, in consultation with the executive heads of the specialized agencies and IAEA and with the Advisory Committee, means of strengthening the secretariat arrangements related to the work of ACC and to take appropriate action.

115. In its thirty-second report to the Council at its forty-first session,<sup>18</sup> ACC was glad to note the steps taken and contemplated by the Secretary-General to reinforce the small staff at Headquarters and in Geneva engaged in ACC affairs, which had already facilitated the latter's work.

116. The Advisory Committee hopes to be able to participate in the consultations envisaged in the aforementioned resolution at a later stage.

<sup>18</sup> *Ibid.*, paras. 101 and 102.

## CHAPTER II

### DRAFT RESOLUTIONS

117. Appendices I, II and III to this chapter contain the following draft resolutions recommended by the Advisory Committee for 1967:

- I. Draft budget resolution for 1967;
- II. Draft resolution on unforeseen and extraordinary expenses for 1967;
- III. Draft resolution on the Working Capital Fund for 1967.

#### DRAFT BUDGET RESOLUTION

118. The draft budget resolution submitted by the Secretary-General is presented in the same form as that approved by the General Assembly for 1966 (resolutions 2125 A, B and C (XX) of 21 December 1965); A covers the budget appropriations for 1967; B, the income estimates; and C, the financing of appropriations for 1967. The texts of the resolutions submitted by the Advisory Committee in appendix I are the same as those proposed by the Secretary-General, except that the amounts included reflect the recommendations of the Advisory Committee on the expenditure and income sections of the budget, as set out in this report.

119. The Advisory Committee has noted that provision has again been made under draft resolution C for certain credits relating to the financing of appropriations which are deducted from assessments against 1967. The draft resolution provides for a credit of \$—— (to be determined by the General Assembly

at its twenty-first session) representing the balances in the surplus account at the end of 1965.

#### DRAFT RESOLUTION ON UNFORESEEN AND EXTRAORDINARY EXPENSES

120. The draft resolution which the Advisory Committee recommends for 1967 in respect of unforeseen and extraordinary expenses (appendix II) is the same as the one proposed by the Secretary-General and the 1966 resolution, except for the provisions included in paragraph 1 (b) related to the maintenance in office of Judges who have completed their term of office and the payment of pensions and travel and removal expenses of those Judges, and travel and removal expenses of new members of the International Court of Justice. The Committee wishes to refer again to its observations on operative paragraph 3 of the resolution in its seventh report to the General Assembly at its nineteenth session.<sup>10</sup>

#### DRAFT RESOLUTION ON THE WORKING CAPITAL FUND

121. The Advisory Committee recommends adoption of the draft resolution submitted by the Secretary-General in respect of the Working Capital Fund for 1967 (appendix III).

122. This draft resolution is presented in the same form as General Assembly resolution 2127 (XX) of 21 December 1965.

<sup>10</sup> *Official Records of the General Assembly, Nineteenth Session, Supplement No. 7 (A/5807), para. 95.*

#### COMPARATIVE TABLE OF APPROPRIATIONS AS PROPOSED BY THE SECRETARY-GENERAL AND RECOMMENDED BY THE ADVISORY COMMITTEE

		<i>Secretary-General's budget esti- mates for 1967</i>	<i>Advisory Committee's recommendations</i>	<i>Decrease</i>
		\$	\$	\$
<i>Part</i>	<i>I. Sessions of the General Assembly, the Councils, commissions and committees; special meetings and conferences</i>			
<i>Section</i>				
1.	Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies .....	1,082,000	1,050,000	32,000
2.	Special meetings and conferences .....	2,014,500	1,750,000	264,500
<i>Part</i>	<i>II. Staff costs and related expenses</i>			
<i>Section</i>				
3.	Salaries and wages .....	59,518,000	58,914,000	604,000
4.	Common staff costs .....	13,873,000	13,785,000	88,000



# Draft resolutions

## COMPARATIVE TABLE OF APPROPRIATIONS AS PROPOSED BY THE SECRETARY-GENERAL AND RECOMMENDED BY THE ADVISORY COMMITTEE (continued)

		Secretary-General's budget estimates for 1967	Advisory Committee's recommendations	Decrease
		\$	\$	\$
5.	Travel of staff .....	2,117,300	2,067,300	50,000
6.	Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; hospitality .....	125,000	125,000	—
<i>Part III. Premises, equipment, supplies and services</i>				
<i>Section</i>				
7.	Buildings and improvements to premises .....	3,930,700	3,930,700	—
8.	Permanent equipment .....	670,900	627,900	43,000
9.	Maintenance, operation and rental of premises	4,016,500	3,986,500	30,000
10.	General expenses .....	5,236,900	5,149,900	87,000
11.	Printing .....	1,908,000	1,815,000	93,000
<i>Part IV. Special expenses</i>				
<i>Section</i>				
12.	Special expenses .....	8,963,500	8,957,000	6,500
<i>Part V. Technical Programmes<sup>a</sup></i>				
<i>Section</i>				
13.	Economic development, social activities and public administration .....	6,400,000	6,400,000	—
14.	Human rights advisory services .....			
15.	Narcotic drugs control .....			
<i>Part VI. Special missions and related activities</i>				
<i>Section</i>				
16.	Special missions .....	2,993,000	2,943,000	50,000
17.	United Nations Field Service .....	1,833,200	1,821,000	12,200
<i>Part VII. Office of the United Nations High Commissioner for Refugees</i>				
<i>Section</i>				
18.	Office of the United Nations High Commissioner for Refugees .....	3,280,400	3,225,000	55,400
<i>Part VIII. International Court of Justice</i>				
<i>Section</i>				
19.	International Court of Justice .....	1,164,900	1,149,900	15,000
<i>Part IX. United Nations Conference on Trade and Development</i>				
<i>Section</i>				
20.	United Nations Conference on Trade and Development .....	9,100,000	8,800,000	300,000
Recapitulation:				
Secretary-General's estimates .....				\$128,227,800
Advisory Committee's recommendations .....				\$126,497,200
TOTAL REDUCTION RECOMMENDED BY THE ADVISORY COMMITTEE				\$ 1,730,600

<sup>a</sup> The distribution among sections 13, 14 and 15 will be decided by the Economic and Social Council at its forty-first session after having considered further suggestions of the Governing Council of the United Nations Development Programme on the desirable level and uses of regular programme resources for 1967.

# Draft resolutions

## Appendix I

### DRAFT BUDGET RESOLUTIONS FOR THE FINANCIAL YEAR 1967 (SUBMITTED BY THE ADVISORY COMMITTEE)

#### A

#### BUDGET APPROPRIATIONS FOR THE FINANCIAL YEAR 1967

*The General Assembly*

*Resolves that for the financial year 1967:*

1. Appropriations totalling \$US 126,497,200 are hereby voted for the following purposes:

		Amount in US dollars
<i>Part</i>	<i>I. Sessions of the General Assembly, the Councils, commissions and committees; special meetings and conferences</i>	
<i>Section</i>		
1.	Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies .....	1,050,000
2.	Special meetings and conferences .....	1,750,000
TOTAL, PART I		2,800,000
<i>Part</i>	<i>II. Staff costs and related activities</i>	
<i>Section</i>		
3.	Salaries and wages .....	58,914,000
4.	Common staff costs .....	13,785,000
5.	Travel of staff .....	2,067,300
6.	Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; hospitality .....	125,000
TOTAL, PART II		74,891,300
<i>Part</i>	<i>III. Premises, equipment, supplies and services</i>	
<i>Section</i>		
7.	Buildings and improvements to premises .....	3,930,700
8.	Permanent equipment .....	627,900
9.	Maintenance, operation and rental of premises...	3,986,500
10.	General expenses .....	5,149,900
11.	Printing .....	1,815,000
TOTAL, PART III		15,510,000
<i>Part</i>	<i>IV. Special expenses</i>	
<i>Section</i>		
12.	Special expenses .....	8,957,000
TOTAL, PART IV		8,957,000
<i>Part</i>	<i>V. Technical programmes<sup>a</sup></i>	
<i>Section</i>		
13.	Economic development, social activities and public administration .....	6,400,000
14.	Human rights advisory services .....	
15.	Narcotic drugs control .....	
TOTAL, PART V		6,400,000
<i>Part</i>	<i>VI. Special missions and related activities</i>	
<i>Section</i>		
16.	Special missions .....	2,943,000
17.	United Nations Field Service .....	1,821,000
TOTAL, PART VI		4,764,000
<i>Part</i>	<i>VII. Office of the United Nations High Commissioner for Refugees</i>	
<i>Section</i>		
18.	Office of the United Nations High Commissioner for Refugees .....	3,225,000
TOTAL, PART VII		3,225,000
<i>Carried forward</i>		116,547,300

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### BUDGET APPROPRIATIONS FOR THE FINANCIAL YEAR 1967 (continued)

		<i>Amount in US dollars</i>
<i>Brought forward</i>		116,547,300
<i>Part VIII. International Court of Justice</i>		
<i>Section</i>		
19.	International Court of Justice .....	1,149,900
TOTAL, PART VIII		1,149,900
<i>Part IX. United Nations Conference on Trade and Development</i>		
<i>Section</i>		
20.	United Nations Conference on Trade and Development .....	8,800,000
TOTAL, PART IX		8,800,000
GRAND TOTAL		126,497,200

\* The distribution among sections 13, 14 and 15 will be decided by the Economic and Social Council at its forty-first session after having considered further suggestions of the Governing Council of the United Nations Development Programme on the desirable level and uses of regular programme resources for 1967.

2. The Secretary-General shall be authorized to transfer credits between sections of the budget with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions;

3. The appropriations for technical assistance programmes under part V shall be administered in accordance with the Financial Regulations of the United Nations, except that the definition of obligations and the period of validity of obligations shall be in accordance with the procedures and practices established for the Expanded Programme component of the United Nations Development Programme;

4. The provisions under sections 1, 3, 5 and 11, in a total amount of \$192,880 relating to the Permanent Central Narcotics Board and the Drug Supervisory Body, shall be administered as a unit;

5. The provisions under sections 1, 3, 4, 5, 6 and 10, in a total amount of \$494,560 relating to the United Nations Joint Staff Pension Board and the United Nations Staff Pension Committee, shall be administered in accordance with article XXVII of the Regulations of the United Nations Joint Staff Pension Fund;

6. In addition to the appropriations voted under paragraph 1 above, an amount of \$17,500 is appropriated from the accumulated income of the Library Endowment Fund for the purchase of books, periodicals, maps, and library equipment and such other expenses of the Library at the Palais des Nations as are in accordance with the objects and provisions of the endowment.

## B

### INCOME ESTIMATES FOR THE FINANCIAL YEAR 1967

#### *The General Assembly*

*Resolves* that for the financial year 1967:

1. Estimates of income other than assessments on Member States totalling \$US 21,665,226 are approved as follows:

<i>Income section</i>	<i>Amount in US dollars</i>
<i>Part I. Income from staff assessment</i>	
1. Staff assessment income .....	13,350,000
TOTAL, PART I	
	13,350,000
<i>Part II. Other income</i>	
2. Funds provided from extra-budgetary accounts .....	2,196,276
3. General income .....	2,700,000
4. Sale of United Nations postage stamps (United Nations Postal Administration) .....	1,800,000
5. Sale of publications .....	827,650
6. Services to visitors and catering services .....	791,300
TOTAL, PART II	
	8,315,226
GRAND TOTAL	
	21,665,226

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2. The income from staff assessment shall be credited to the Tax Equalization Fund in accordance with the provisions of General Assembly resolution 973 (X) of 15 December 1955;

3. Direct expenses of the United Nations Postal Administration, services to visitors, catering and related services, and the sale of publications, not provided for under the budget appropriations, shall be charged against the income derived from those activities.

### C

#### FINANCING OF APPROPRIATIONS FOR THE FINANCIAL YEAR 1967

##### *The General Assembly*

*Resolves* that for the financial year 1967:

1. Budget appropriations totalling \$126,497,200 together with supplementary appropriations for 1966 totalling \$——<sup>b</sup>, shall be financed in accordance with regulations 5.1 and 5.2 of the Financial Regulations of the United Nations as follows:

(a) As to \$8,315,226 by income other than staff assessment approved under part B of this resolution;

(b) As to \$——<sup>b</sup>, by the amount available in the surplus account for the financial year 1965;

(c) As to \$——<sup>b</sup>, by the contributions of new Member States for 1966;

(d) As to \$——<sup>b</sup>, by assessment on Member States in accordance with General Assembly resolution 2118 (XX) of 21 December 1965 on the scale of assessments for 1967.

2. There shall be set off against the assessment on Member States, in accordance with the provisions of General Assembly resolution 973 (X) of 15 December 1955, their respective shares in the Tax Equalization Fund in a total amount of \$13,350,000, this being the estimated staff assessment income for 1967.

<sup>b</sup> To be determined by the General Assembly at its twenty-first session.

### Appendix II

#### DRAFT RESOLUTION ON UNFORESEEN AND EXTRAORDINARY EXPENSES FOR THE FINANCIAL YEAR 1967

##### *The General Assembly*

1. *Authorizes* the Secretary-General, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions and subject to the Financial Regulations of the United Nations and the provisions of paragraph 3 below, to enter into commitments to meet unforeseen and extraordinary expenses in the financial year 1967, provided that the concurrence of the Advisory Committee shall not be necessary for:

(a) Such commitments, not exceeding a total of \$US 2 million, as the Secretary-General certifies relate to the maintenance of peace and security;

(b) Such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by:

(i) The designation of *ad hoc* judges (Statute of the Court, Article 31), not exceeding a total of \$37,500;

(ii) The appointment of assessors (Statute, Article 30), or the calling of witnesses and the appointments of experts (Statute, Article 50), not exceeding a total of \$25,000;

(iii) The maintenance in office of Judges who have not been re-elected (Statute, Article 13, paragraph 3), not exceeding a total of \$50,000;

(iv) The holding of sessions of the Court away from The Hague (Statute, Article 22), not exceeding a total of \$75,000;

(v) The payment of pensions and travel and removal expenses of Judges not re-elected, and travel and removal expenses of new members of the Court, not exceeding a total of \$58,500.

2. *Resolves* that the Secretary-General shall report to the Advisory Committee on Administrative and Budgetary Questions and to the General Assembly at its twenty-second session all commitments made under the provisions of the present resolution, together with the circumstances relating thereto, and shall submit supplementary estimates to the Assembly in respect of such commitments;

3. *Decides* that if, as a result of a decision of the Security Council, commitments relating to the maintenance of peace and security should arise in an estimated total exceeding \$10 million before the twenty-second session of the General Assembly, a special session of the Assembly shall be convened by the Secretary-General to consider the matter.

### Appendix III

#### DRAFT RESOLUTION ON WORKING CAPITAL FUND FOR THE FINANCIAL YEAR 1967

##### *The General Assembly*

*Resolves* that:

1. The Working Capital Fund shall be established for the year ending 31 December 1967 in the amount of \$US 40 million;

2. Member States shall make advances to the Working Capital Fund in accordance with the scale adopted by the

General Assembly for contributions of Members to the budget for the financial year 1967;

3. There shall be set off against this allocation of advances:

(a) Credits to Members resulting from transfers made in 1959 and 1960 from surplus account to the Working Capital Fund in a total amount of \$1,079,158;

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(b) Cash advances paid by Members to the Working Capital Fund for the financial year 1966 under General Assembly resolution 2127 (XX) of 21 December 1965;

4. The Secretary-General is authorized to advance from the Working Capital Fund:

(a) Such sums as may be necessary to finance budgetary appropriations pending the receipt of contributions; sums so advanced shall be reimbursed as soon as receipts from contributions are available for the purpose;

(b) Such sums as may be necessary to finance commitments which may be duly authorized under the provisions of the resolutions adopted by the General Assembly, in particular resolution — (XXI) of — December 1966 relating to unforeseen and extraordinary expenses; the Secretary-General shall make provision in the budget estimates for reimbursing the Working Capital Fund;

(c) Such sums as, together with net sums outstanding for the same purpose, do not exceed \$125,000, to continue the revolving fund to finance miscellaneous self-liquidating purchases and activities; advances in excess of the total of

\$125,000 may be made with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions;

(d) With the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, such sums as may be required to finance payments of advance insurance premiums where the period of insurance extends beyond the end of the financial year in which payment is made; the Secretary-General shall make provision in the budget estimates of each year, during the life of the related policies, to cover the charges applicable to each such year;

(e) Such sums as may be necessary to enable the Tax Equalization Fund to meet current commitments pending the accumulation of credits; such advances shall be repaid as soon as credits are available in the Tax Equalization Fund;

5. Should the provision in paragraph 1 above prove inadequate to meet the purposes normally related to the Working Capital Fund, the Secretary-General is authorized to utilize, in 1967, cash from special funds and accounts in his custody, under the conditions approved in General Assembly resolution 1341 (XIII) of 13 December 1958, or the proceeds of loans authorized by the Assembly.

## CHAPTER III

### DETAILED RECOMMENDATIONS ON THE BUDGET ESTIMATES

#### Expenditure estimates

#### **Part I. Sessions of the General Assembly, the councils, commissions and committees; special meetings and conferences**

##### **SECTION 1. TRAVEL AND OTHER EXPENSES OF REPRESENTATIVES AND MEMBERS OF COMMISSIONS, COMMITTEES AND OTHER SUBSIDIARY BODIES**

	\$
Estimate submitted by the Secretary-General	1,082,000
Estimate recommended by the Advisory Committee	1,050,000
1965 (actual expense)	1,163,129
1966 (appropriation)	1,107,400

123. The provisions under this section are related to the general programme of meetings envisaged for 1967. Travel and subsistence allowances payable to members of organs of the United Nations are governed by General Assembly resolution 1798 (XVII)

of 11 December 1962, as amended by resolution 2128 (XX) of 21 December 1965. In this connexion, it will be recalled that on the recommendation of the Advisory Committee<sup>20</sup> the General Assembly at its twentieth session decided in resolution 2128 (XX) that reimbursement by the United Nations of travel expenses under this section would in all cases be limited to the cost of economy class accommodation by air, or its equivalent. The authorizations for payment of honoraria to members of expert bodies are laid down in reports of the Fifth Committee as approved by the General Assembly at its 729th and 960th meetings, on 13 December 1957 and 20 December 1960, respectively. As regards the Board of Auditors, provision is also made for reimbursement to the Governments concerned for costs incurred in furnishing audit staff.

124. Table 3 below gives a breakdown by chapter of the 1967 estimates, the 1966 appropriations and the 1965 expenditures:

<sup>20</sup> *Ibid.*, paras. 95-99.

Table 3

Chapter	1967 estimate	1966 appropriation	1965 expenditure
	\$	\$	\$
I. The General Assembly, commissions and committees	845,700	872,800	939,947
II. The Security Council, commissions and committees	—	—	—
III. The Economic and Social Council, commissions and committees	185,800	222,100	174,288
IV. The Trusteeship Council, commissions and committees	39,000	—	38,835
V. Administrative advisory bodies	11,500	12,500	10,059
TOTAL, section 1	1,082,000	1,107,400	1,163,129

125. The estimates under this section for 1967 show an over-all net decrease of \$25,400 as compared with the 1966 appropriation. Decreases of \$27,100 under chapter I (the General Assembly, commissions and committees), \$36,300 under chapter III (the Economic and Social Council, commissions and committees), and \$1,000 under chapter V (administrative advisory bodies), are offset in part by a sum of \$39,000 under chapter IV (the Trusteeship Council, commissions and committees) requested for a visiting mission to the Trust Territory of the Pacific Islands in 1967, whereas no provision was required under chapter IV of this section for 1966 for visiting missions of the Trusteeship Council.

126. The net decrease of \$27,100 under chapter I is attributable to a reduction of \$38,500 in the estimates for the International Law Commission for which provision was made in 1966 for a special winter session of the Commission in Monaco. Reduced estimates are also presented for the Advisory Committee on Administrative and Budgetary Questions (\$6,100), and the United Nations Scientific Committee on the Effects of Atomic Radiation (\$4,700). These reductions are partly offset by an increase for travel of representatives to the General Assembly (\$19,000), additional requirements for the Committee on Contributions (\$3,100), and the Administrative Tribunal (\$3,000). It should be noted that the estimate of \$138,200 for the Board

## Detailed recommendations on the budget estimates

of Auditors is the same as that appropriated for 1966 and is subject to revision in the light of the establishment by the Board at a later stage of its precise requirements for 1967.

127. In paragraphs 41 to 51 above the Advisory Committee has referred at some length to the effect the conference and meetings programme is having on the material and human resources of the organization. In examining Section 1 the Committee has given particular attention to the estimate of \$185,800 under chapter III (The Economic and Social Council, commissions and committees). Over the years, the Committee has expressed growing concern at the increasingly heavy meeting schedule which is imposing a serious strain not only on the budget of the United Nations but also on its servicing capacity, and it has repeatedly stressed the need for restraint and rational planning if the general pattern of meetings is to be kept within manageable bounds.

128. In view of the extremely difficult situation which will unavoidably occur next year in accommodating and servicing all the meetings currently planned, plus a very heavy schedule of special conferences, commissions, *ad hoc* groups, etc., provided for under Section 2, and the UNCTAD programme of meetings under Section 20, the Advisory Committee again urges all concerned, and under this particular section the Economic and Social Council, to reconsider whether it is essential for all of its functional commissions, with the exception of the Statistical Commission and the Population Commission which already meet on a biennial basis, to hold meetings every year. A recommendation by the Economic and Social Council to extend the biennial pattern of sessions to all functional commissions has added budgetary importance at this time, as the Council, at its forty-first session will consider a formal proposal for increased membership of those bodies. The Secretary-General advises that should the proposal be approved, it will be necessary for him to submit revised estimates to cover the additional costs involved.

129. With regard to the present estimates and taking into consideration the fact that all Member States do not normally exercise their full entitlement for attendance of their representatives and alternates at the

regular sessions of the General Assembly, and that the same consideration also applies to members of other commissions and committees, the Advisory Committee recommends an appropriation for Section 1 in the amount of \$1,050,000, representing a reduction of \$32,000 in the estimate submitted by the Secretary-General.

### *Reduction recommended:*

Section 1. Travel and expenses of representatives, members of commissions, committees and other subsidiary bodies	\$ 32,000
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### SECTION 2. SPECIAL MEETINGS AND CONFERENCES

	\$
Estimate submitted by the Secretary-General	2,014,500
Estimate recommended by the Advisory Committee	1,750,000
1965 (actual expense)	1,338,103
1966 (appropriation)	1,741,000

130. Under this section, estimates are submitted on a project basis in respect of conferences of an extraordinary character, thus isolating from the regular sections of the budget such expenses as are not comparable from year to year. It is to be noted that provision is made under this section for the first time for the expenses of the regular sessions in 1967 of the regional economic commissions for Asia and the Far East, Latin America and Africa, which in prior years were distributed among the various sections of the budget according to object of expenditure. The Secretary-General states that the past practice not only caused fluctuations from year to year in the levels of expenditure under those sections, since the regular sessions of ECLA and ECA are held biennially, but also made it more difficult to compare the total costs of successive sessions of the commissions.

131. The appropriations requested by the Secretary-General for 1967 amount to \$2,014,500, an increase of \$273,500 over the 1966 provision, of which some \$228,000 relates to the three regional economic commissions mentioned above. Comparisons by chapter are given in table 4.

Table 4

Chapter	1967 estimate	1966 appropriation	1965 expenditure
	\$	\$	\$
I. Conference of the Eighteen-Nation Committee on Disarmament	906,000	900,000	242,108
II. International Symposium on Industrial Development	419,700	550,000 <sup>a</sup>	562,635 <sup>a</sup>
III. Meetings of the sub-committees of the Committee on the Peaceful Uses of Outer Space	<i>pro memoria</i>	—	—
IV. International Conference on Human Rights including activities related to the International Year for Human Rights	138,950	—	—
V. Conference on Standardization of Geographic Names	43,000	—	—
VI. International Conference on the Revision of the Convention on Road Traffic and of the Protocol on Road Signs and Signals	211,000	—	—
VII. Fifth Regional Cartographic Conference for Asia and the Far East	54,000	—	—
VIII. Twenty-third session of the Economic Commission for Asia and the Far East	37,400	b	b

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Table 4 (continued)

Chapter	1967 estimate	1966 appropriation	1965 expenditure
	\$	\$	\$
IX. Twelfth session of the Economic Commission for Latin America .....	103,850	—	<sup>b</sup>
X. Eighth session of the Economic Commission for Africa .....	87,000	—	<sup>b</sup>
XI. First Regional Cartographic Conference for Africa .....	5,100	8,500	—
XII. Fourth Regional Cartographic Conference for Asia and the Far East .....	8,500	8,500	9,471
— Third International Conference on the Peaceful Uses of Atomic Energy .....	—	—	324,486
— Second World Population Conference .....	—	266,000	125,975
— Third Congress on Prevention of Crime and the Treatment of Offenders .....	—	8,000	73,428
TOTAL, Section 2	2,014,500	1,741,000	1,338,103

<sup>a</sup> 1965 and 1966 figures include costs related to the regional symposia on industrial development held in Africa, in Asia and the Far East and in Latin America. In 1965, \$427,875 was spent, and in 1966, \$191,000 was appropriated for these symposia, as well as for a symposium for the Arab States, held in Kuwait under the auspices of the Government of that country.

<sup>b</sup> Prior to 1967, costs of sessions of the regional economic commissions were distributed among Sections 3, 5 and 10. The estimated costs in prior years were as follows: ECAFE, 1965 session in Wellington, \$52,885; ECAFE, 1966 session in New Delhi, \$25,730; ECLA, 1965 session in Mexico City, \$84,370; ECA, 1965 session in Nairobi, \$71,900.

132. In noting that the estimates under this section include for the first time provision for the regular sessions of the regional economic commissions, the Committee considers that the presentation does not fully reflect the total costs previously distributed among the various sections of the budget according to object of expenditure and should the General Assembly approve continuation of the revised presentation suggests that future submissions clearly identify the full costs of those sessions presented either textually or by footnotes to provide full comparison of their total costs.

133. As regards the totality of the conference and meetings programmes and related estimates submitted under Section 2, the Advisory Committee feels obliged again to bring to the special attention of the General Assembly the need to rationalize the over-all conference programme of the Organization. This has been a matter of concern to the General Assembly for a number of years, although attempts to bring greater order and discipline into the conference and meetings programmes has met with little success. The Committee has repeatedly stressed the problem of reconciling competing requests of the councils and various commissions and committees and of ensuring the necessary advance planning, in order that the conference schedules and work programmes are commensurate with available resources. It emphasized that the various bodies were individually taking decisions involving considerable expenditure of material and staff resources without proper co-ordination.

134. In addition, the Advisory Committee must point out that the true impact of conferences and meetings cannot be measured merely by the cost of servicing them. The success of a conference or meeting depends to a large extent upon the quality of the preparatory work; such work requires much careful study by the Secretariat and there comes a time when its volume is such that it can be undertaken only at the price of serious disruption of regular work. Furthermore, given the limited number of conference-servicing staff avail-

able, the Committee considers that, unless the demands made on them are reduced, the Organization runs the risk of a lower standard of servicing. Also it should not be forgotten that the proliferation of meetings and conferences creates problems for some Member Governments in arranging for adequate participation and in the financial and administrative burden it entails, plus the overwhelming mass of documentation which they are required to study in preparation for meetings.

135. The Advisory Committee realizes that the primary responsibility rests with Member Governments since it is they who initiate and decide upon the work of the Organization. It believes, however, that the fundamental problem of priorities and co-ordination will be resolved only if the actions of decision-making bodies are subject to certain disciplines within the framework of a rational budgetary process.

136. The Advisory Committee would also draw attention to resolution 2116 (XX) dated 21 December 1965, in which the General Assembly decided, *inter alia*, on a fixed pattern of conferences to govern the places and dates of the meetings of United Nations bodies, effective 1 January 1966, for a further period of three years. Paragraphs 4 to 6 of the resolution are of special importance and the Committee takes the liberty of reproducing them below:

"4. *Decides* that any meeting—other than an emergency meeting, in the sense of a meeting which cannot be deferred without serious detriment to the United Nations—not covered by the basic programme for a given year shall not be held during that year;

"5. *Decides* that not more than one major special conference of the United Nations shall be scheduled in any one year;

"6. *Urges* all organs of the United Nations, as well as the specialized agencies, to review their working methods and also the frequency and length of sessions, in the light of the present resolution, the growing volume of meetings, the resulting strain on



## Detailed recommendations on the budget estimates

available resources and the difficulty of ensuring the effective participation of members."

137. In addition, the Fifth Committee in its examination of the Secretary-General's report on the pattern of conferences (A/5979), renewed its endorsement of the following two propositions:<sup>21</sup>

"(a) Under the Charter the function of considering and approving the budget of the Organization is reserved exclusively to the General Assembly, whose rules of procedure (notably rules 153-155) reinforce its power of financial control. Therefore, although certain United Nations bodies are authorized to decide the place of their meetings, this prerogative is necessarily subordinate to the appropriating authority of the General Assembly;

"(b) As regards conference arrangements, it is the Secretary-General who is best placed to decide, in full knowledge of all pertinent factors, when and where a particular meeting can be held to greatest advantage."

138. Having in mind the endorsements and directives quoted in paragraphs 136 and 137 above, the Advisory Committee must express its concern over the number of special meetings and conferences and their estimated costs included under this section for 1967 (see table 4). It should also be noted that the total estimate of \$2,014,500 does not provide for the anticipated meetings of the sub-committees of the Committee on the Peaceful Uses of Outer Space, and additionally, the second session of the United Nations Conference on Trade and Development for which \$1,833,000 is included under Section 20. The Secretary-General has also indicated in his foreword to the 1967 budget estimates, the possibility of a subsequent recommendation for the convening of an international conference on the Exploration and Peaceful Uses of Outer Space. Such a proposal appears to run counter to the General Assembly's decision to hold not more than one major conference each year.

139. The Advisory Committee, therefore, strongly recommends that the General Assembly and the Economic and Social Council, the commissions and committees, and the legislative body of the United Nations Conference on Trade and Development, and all other decision-making bodies, give thought to the foregoing

observations when considering the future conference and meetings programme of the Organization. The available resources should be directed to a co-ordinated programme as a whole, rather than being dispersed over an *ad hoc* schedule of meetings, the preparation and servicing of which would be unsatisfactory and the effectiveness incommensurate with the effort deployed and costs incurred.

140. As regards the present submission, the Advisory Committee is convinced that the programme of meetings for 1967 is considerably in excess of the resources, both material and human, which Member Governments are in a position to make available to the Secretary-General.

141. In the light of all the foregoing observations and being aware of the tentative nature of some of the provisions under this section, the Advisory Committee recommends an appropriation for Section 2 in the amount of \$1,750,000, or a reduction of \$264,500 in the estimate proposed by the Secretary-General for 1967.

*Reduction recommended:*  
Section 2. Special meetings and conferences ..... \$ 264,500

### Part II. Staff costs and related expenses

#### SECTION 3. SALARIES AND WAGES

	\$
Estimate submitted by the Secretary-General .....	59,518,000
Estimate recommended by the Advisory Committee .....	58,914,000
1965 (actual expense) .....	48,944,136
1966 (appropriation) .....	56,300,000

142. Section 3 includes provision for all established posts, temporary assistance (including experts and consultants), and overtime and night differential financed by the regular budget, with the exception of the Field Service (Section 17), the Office of the High Commissioner for Refugees (Section 18), the Registry of the International Court of Justice (Section 19), and the United Nations Conference on Trade and Development (Section 20).

143. The appropriation requested by the Secretary-General amounts to \$59,518,000, representing an increase of \$3,218,000 over the 1966 provision, and about \$10,570,000 over actual expenditure in 1965. Comparisons by chapter are given in table 5.

<sup>21</sup> A/6214, para. 11.

Table 5

Chapter	1967 estimates	1966 appropriations	1965 expenditures	1967 increase as compared with 1966
	\$	\$	\$	\$
I. Established posts .....	55,811,000	53,321,700	45,668,689 <sup>a</sup>	2,489,300
II. Temporary assistance for meetings .....	820,000	627,300	872,376	192,700
III. Other temporary assistance ...	2,154,000	1,726,000	1,666,134 <sup>b</sup>	428,000
IV. Overtime and night differential	733,000	625,000	736,937	108,000
<b>TOTAL, Section 3</b>	<b>59,518,000</b>	<b>56,300,000</b>	<b>48,944,136</b>	<b>3,218,000</b>

<sup>a</sup> For comparative purposes, expenses incurred in 1965 for temporary posts, in the amount of \$324,916, have been transferred from chapter III to chapter I of this section. For 1966 and 1967, these posts and costs relating thereto are reflected under chapter I.

<sup>b</sup> Similarly, 1965 expenses totalling \$105,149 for contractual services in connexion with the electronic data processing of trade statistics have been transferred from Section 3, chapter III, to Section 10, chapter II.

144. Allocation of the total establishment for 1967 among the various locations and offices under Section 3 is provided in table 6 below:

Table 6

## SUMMARY OF ESTABLISHED POSTS IN 1967 BY OFFICE LOCATION

	Category and level										
	I. Professional and above							Total I	II. General service		Total II
	U-S	D-2	D-1	P-5	P-4	P-3	P-2/1		G-5	Other levels	
Headquarters .....	15	39	74	178	389	484	284	1,463	242	1,674	1,916 <sup>a</sup>
United Nations Office at Geneva (excluding ECE) ..	1	4	9	27	56	81	48	226	18	464	482 <sup>b</sup>
Information Centres .....	—	—	4	14	16	19	7	60	—	—	— <sup>c</sup>
United Nations Economic and Social Office, Beirut .....	—	—	1	2	3	4	2	12	—	—	— <sup>d</sup>
Economic Commission for Europe .....	1	2	6	14	21	26	25	95	2	100	102
Economic Commission for Asia and the Far East ....	1	2	6	20	29	38	27	123	—	—	— <sup>e</sup>
Economic Commission for Latin America .....	1	1	7	19	32	40	30	130	—	—	— <sup>f</sup>
Economic Commission for Africa .....	1	1	6	18	26	48	36	136	—	—	— <sup>g</sup>
<b>TOTAL</b>	<b>20</b>	<b>49</b>	<b>113</b>	<b>292</b>	<b>572</b>	<b>740</b>	<b>459</b>	<b>2,245</b>	<b>262</b>	<b>2,238</b>	<b>2,500</b>

<sup>a</sup> Provides additionally for 203 manual workers.

<sup>b</sup> Provides additionally for 75 manual workers.

<sup>c</sup> Provides additionally for 230 local level posts.

<sup>d</sup> Provides additionally for 14 local level posts.

<sup>e</sup> Provides additionally for 199 local level posts.

<sup>f</sup> Provides additionally for 228 local level posts.

<sup>g</sup> Provides additionally for 235 local level posts.

145. The Secretary-General attributes the increase of approximately \$2,489,000 for salaries and wages to: (a) increases in salary rates and post classifications (\$1,057,000), (b) the increment factor and the costing for 1967 of new posts approved for 1965 and 1966 at the higher level of average salary and post classification rates rather than at step III of the grade (\$190,500), and (c) a decrease in the turnover deduction (\$1,241,500).

146. Increased provisions for temporary assistance for meetings (\$820,000 as against \$627,300 for 1966) are accounted for by the need to engage additional interpreters for the twenty-second session of the General Assembly, based on the actual servicing of the number of meetings at the twentieth session, and the known and anticipated increase in the salaries and wage rates for both professional and general service short-term conference staff. This latter factor applies also to Geneva short-term conference staff, plus additional temporary assistance requirements attributable to the increased meetings programme at the European Office.

147. The estimate of \$2,154,000 for other temporary assistance shows an increase of \$428,000 as compared with the 1966 figure, of which an increase of some \$296,000 relates to sub-chapter I, General temporary assistance, attributable in the main to an additional requirement of \$43,000 or a total of \$195,700 for the Joint Staff Pension Fund, which amount is fully reimbursable as shown in Income section 2, and a total figure of \$125,000 for additional general and custodial services required for the new building in Santiago, of which some \$84,700 will be reimbursed by the Latin American Institute for Economic Planning under the same income section. Temporary needs of the International Com-

puting Centre, the Division of Human Rights, the Internal Audit Service, the Library, as well as additional contractual translation requirements account for a further \$90,000, with a balance of the increase spread over a number of offices. Additionally, there is an increase of \$102,000 under sub-chapter (ii), Individual experts and consultants for the travel, subsistence and fees or other remuneration of individuals employed for short terms in economic, social and other fields. The 1967 provision of \$250,000 for *Ad Hoc* expert groups, sub-chapter (iii) shows an increase of \$30,000 over the 1966 appropriation.

148. Chapter IV, Overtime and night differential reflects an increase of \$108,000 over the 1966 appropriation and approximates the actual expenditure in 1965. The 1967 estimate takes into account increases in salary rates to the tune of some \$60,000.

## Chapter I. Established posts

	\$
Estimate submitted by the Secretary-General .....	55,811,000
Estimate recommended by the Advisory Committee .....	55,446,000
1965 (actual expense) .....	45,668,689
1966 (appropriation) .....	53,321,700

149. In accordance with the decision taken by the General Assembly at its twentieth session,<sup>22</sup> provision for established posts under chapter I of this section is maintained at the approved 1966 level. Additionally, in the light of the observations contained in the sixth

<sup>22</sup> *Official Records of the General Assembly, Twentieth Session, Annexes, agenda item 76, document A/6223, paras. 20, 24 and 27.*

report of the Advisory Committee to the General Assembly at its twentieth session,<sup>23</sup> no upward reclassification of posts has been requested. An inter-agency study on the grading of posts is in process, the results of which should be available during the course of 1966. The Advisory Committee looks forward to receiving the report.

150. Given these circumstances, the Advisory Committee has no general observations to make on the level of the establishment proposed for 1967.

151. One new element under Section 3 concerns the Secretary-General's decision to establish a new salary scale for security personnel at Headquarters effective 1 June 1966. The Secretary-General states that he primarily based his decision on the need to establish a job classification system and salary scales more suited to the functions of the Security and Safety Section. The new salary scale was drawn up in the light of the principle of best prevailing conditions in the New York area, having regard in general to the system of pay of local law enforcement and plant protection employees. The Secretary-General estimates that the cost in 1967 for the conversion of some 155 security personnel to the new salary scales would amount to, approximately \$38,000, and advises that this same amount, in all probability would have been required for these personnel had they remained in the general service category, taking into account the increases in the salaries of all general service staff at Headquarters as reflected in the estimates for general service staff costs for 1967.

152. With regard to the adjustment for turnover of staff, the Advisory Committee notes that a 5 per cent deduction has been applied to the estimated costs of all posts in the professional category and above. It was explained to the Committee that there was virtually no delay in filling posts in the general service category. In the professional category however, the Committee ascertained that 264 posts remained unfilled as of May 1966, and that there were some 98 recruitment actions pending against the former figure. While it is recognized that there is an accelerated pace of recruitment as compared with prior years, available evidence supports the view that quite a number of posts will still be unfilled at the end of the year. A review of the 1966 obligations and anticipated expenditures to the end of the year suggests that, as a result of delayed recruitment, the costs of established posts will be lower than anticipated. This will have its concomitant effect on the 1967 requirements.

153. Having therefore considered the various factors which are involved in calculating turnover, the Advisory Committee believes that the deduction for 1967 may reasonably be increased from 5 to 6 per cent of the estimated costs of staff in the professional category and above. Such an increase would result in an additional turnover deduction of \$365,000.

154. In Section 16 (Special missions) (paragraphs 285 and 286) of the present report, the Advisory Committee has noted that as from 1967, the Secretary-General has omitted from that section the chapter covering the cost of replacement of regular staff assigned to field missions. The Secretary-General states that as a result of the general increase of activity in most areas of the Secretariat, it is no longer considered possible

in most instances to release staff for prolonged periods of time without replacement and accordingly has made full provision under Sections 3 and 4 for all posts vacated by staff detailed from the regular establishment.

155. The Committee has indicated its understanding of the Secretary-General's desire to reflect total expenses of each special mission under one section of the budget. However, for comparative analysis purposes, reference similar to that given under Section 16 should have been noted under Sections 3 and 4, together with an indication of the estimated costs incurred for partial replacement of regular staff in prior years, as compared with the estimates for full replacement of such staff included under the present submissions for those sections. Future budget submissions should clearly indicate under the appropriate sections the total estimated costs of such provisions and the estimated number of posts involved.

### Chapter II. Temporary assistance for meetings

	\$
Estimate submitted by the Secretary-General	820,000
Estimate recommended by the Advisory Committee	760,000
1965 (actual expense)	872,376
1966 (appropriation)	627,300

156. This estimate provides for the costs, including travel where appropriate, of temporary assistance for (i) the General Assembly and (ii) meetings to be held in Geneva.

157. In paragraphs 41-51 above, the Advisory Committee has presented detailed comments on the difficult situation which will exist in 1967, as regards conferences and meetings. In addition, under Section 2 on the same subject, the Committee has referred to the meetings programme of the Economic and Social Council and expressed the hope that those of its functional commissions and committees which at present meet on an annual basis will find it possible to arrange for a biennial meetings schedule.

158. The Committee would have expected that the increase in conference servicing staff approved for 1966 and 1967, for both Headquarters and Geneva, would have resulted in some savings, and it is therefore of the opinion that temporary assistance funds under both of the above headings are susceptible of reduction.

159. Accordingly, the Committee recommends an appropriation of \$760,000 for this chapter, or a reduction of \$60,000 in the estimate submitted by the Secretary-General.

### Chapter III. Other temporary assistance

	\$
Estimate submitted by the Secretary-General	2,154,000
Estimate recommended by the Advisory Committee	2,000,000
1965 (actual expense)	1,666,134
1966 (appropriation)	1,726,000

160. The estimates under this heading provide for: (i) general temporary assistance other than for meetings (\$1,056,000), (ii) individual experts and consultants (\$848,000), and (iii) *ad hoc* expert groups (\$250,000).

<sup>23</sup> *Ibid.*, Supplement No. 7 (A/6007), para. 181.

## Detailed recommendations on the budget estimates

161. The estimate for general temporary assistance under sub-chapter (i) shows an increase of \$296,000 over the 1966 figure. As indicated in paragraph 147 above, some \$127,700 of the increase (\$43,000 from the Joint Staff Pension Fund and \$84,700 from the Latin American Institute, Santiago) is reimbursable and will be credited to Income section 2. However, the Advisory Committee is compelled to express its concern over the increased requirements for almost all departments and offices at Headquarters and Geneva, the information centres and the regional economic commissions. It is the impression of the Committee that these temporary assistance requirements are determined in a piecemeal and fragmented manner, without due regard being paid to the totality of staff resources provided under chapter I (Established posts) which resources have been appreciably increased for 1966 and 1967. Neither can the Committee understand why it should be considered essential to provide temporary replacements in all areas described in the budget text or that all peak-periods of work demand additional temporary staff.

162. The sum (\$848,000) requested for sub-chapter (ii) (Individual experts and consultants) includes an amount of \$680,000 for consultants in the economic and social area at Headquarters and the regional economic commissions. The latter figure shows an increase of \$67,000 over the 1966 appropriation, of which \$56,500 relates to the Department of Economic and Social Affairs at Headquarters. Here again, the Advisory Committee considers that fuller utilization could be made of permanent staff, thereby affording appreciable savings under this heading. The Committee would also draw attention to the sizable amounts of temporary assistance funds included under Section 20 (UNCTAD) and the need for eliminating any duplication of resources which possibly might exist in these allied fields.

163. As regards sub-chapter (iii) (*ad hoc* expert groups), the 1967 provision of \$250,000 shows an increase of \$30,000 over 1966 and some \$184,000 over actual expenditure in 1965. Of the total figure of \$250,000, all but \$18,500 (Office of Public Information) relates to economic and social activities. While the Committee appreciates that there may be justification for continuing *ad hoc* expert groups in certain highly technical and specialized fields, it is bound to express its apprehension over the increasing requirements requested under this heading.

164. Having reviewed the justification for the estimates in chapter III, the Advisory Committee believes that an amount of \$154,000 could be deducted from the estimates as proposed, bringing the level to \$2 million.

### Chapter IV. Overtime and night differential

	\$
Estimate submitted by the Secretary-General	733,000
Estimate recommended by the Advisory Committee	708,000
1965 (actual expense)	736,937
1966 (appropriation)	625,000

165. The 1967 estimate for overtime and night differential shows an increase of \$108,000 over the 1966 figure and a small reduction of almost \$4,000 as compared with actual expenditures in 1965. The high costs for the latter year were a direct result of the unusual

circumstances surrounding the nineteenth session of the General Assembly.

166. The increase for 1967 is primarily attributed to added demands for night and week-end work, particularly in the office of General Services (\$365,000), and the Office of Conference Services (\$215,000), arising from meetings service requirements, security arrangements and shift-work in the language, documents reproduction and distribution areas. The Advisory Committee has dwelt at quite some length on the subject of servicing conferences and meetings in a number of sections of the present report, and therefore recognizes the additional work-load attendant upon the heavy meetings schedule. However, it is of the opinion that the increased provision can reasonably be held to a lower amount, and recommends a provision of \$708,000, or a reduction of \$25,000 in the estimate submitted.

### Section 3 as a whole

167. In the preceding paragraphs, the Advisory Committee has recommended reductions in the individual chapters of Section 3, totalling \$604,000, including \$365,000 as a result of increasing the turnover factor from 5 to 6 per cent.

#### Recapitulation of reductions recommended:

##### Section 3. Salaries and wages

Chapters	\$
I. Established posts; reduction for turnover ..	365,000
II. Temporary assistance for meetings .....	60,000
III. Other temporary assistance .....	154,000
IV. Overtime and night differential .....	25,000
TOTAL REDUCTION	<u>604,000</u>

### SECTION 4. COMMON STAFF COSTS

	\$
Estimate submitted by the Secretary-General .....	13,873,000
Estimate recommended by the Advisory Committee .....	13,785,000
1965 (actual expense) .....	11,580,810
1966 (appropriation) .....	13,195,300

168. The estimate under this section for 1967 shows an increase of \$677,700 as compared with the 1966 appropriation. The provisions under Section 4 cover staff allowances, social security and pension fund payments, recruitment, transfer and separation costs, and other common staff costs of: (a) all units of the Secretariat provided for under Section 3; and (b) Revenue-producing activities (Guides Service and temporary assistance). The section accordingly excludes common staff costs of the United Nations Field Service (Section 17), the Office of the High Commissioner for Refugees (Section 18), the Registry of the International Court of Justice (Section 19), and the United Nations Conference on Trade and Development (Section 20).

169. Table 7 gives a breakdown of the figures under the six chapters for the years 1965, 1966 and 1967, together with the increases or decreases in absolute

Table 7

COMMON STAFF COSTS: ANALYSIS BY CHAPTER AND BY YEAR FOR 1965, 1966 AND 1967

Chapter	1967 estimate	1966 appropriation	1965 expenditure	Increase (decrease) between 1966 and 1967		Increase between 1965 and 1967	
	\$	\$	\$	\$	%	\$	%
I. Staff allowances .....	3,047,000	2,933,000	2,720,580	114,000	3.88	326,420	11.99
II. Social security payments .....	7,366,000	6,796,300	6,075,023	569,700	8.38	1,290,977	21.25
III. Travel on appointment, transfer and separation .....	945,000	1,103,000	724,402	(158,000)	(14.32)	220,598	30.45
IV. Removal expenses on appointment, transfer and separation ..	735,000	754,000	593,775	(19,000)	(2.52)	141,225	23.78
V. Separation payments .....	1,304,000	1,232,000	1,170,807	72,000	5.84	133,193	11.38
VI. Staff training programmes ....	476,000	377,000	296,223	99,000	26.26	179,777	60.70
TOTAL, Section 4	13,873,000	13,195,300	11,580,810	677,700	5.14	2,292,190	19.79

terms and in percentages between 1966 and 1967 and between 1965 and 1967.

170. The level of common staff costs bears a direct relationship to the cost of established posts under Section 3. For 1967, common staff costs amount to 24.86 per cent of the estimate of \$55,811,000 for established posts as compared with 24.75 per cent for 1966.

171. Most of the items of expenditure covered by this section, such as dependency allowances, education grants and related travel under chapter I, and social security payments, mainly contributions to the Pension Fund, under chapter II, represent staff entitlement or other payments in accordance with decisions or directives of the General Assembly. Actual expenditure on these items depends on the number of cases in which the entitlements arise, and the estimates are necessarily based on experience, adjusted to reflect any known factors which may affect the requirements.

172. The estimates for recruitment, transfer and separation costs under chapters III, IV and V are similarly based to a large extent on experience, but for these costs the calculations require a forecast as to the likely number of cases which may arise. The 1967 estimates for professional staff are based on the following figures, as compared with 1965 actual number of cases:

	1967	1965
Appointments .....	260	198
Transfers .....	90	87
Separations .....	130	120

173. The Advisory Committee believes that actual costs may be less than is currently estimated and that some savings will materialize under these chapters. Furthermore, the increase in the turnover factor from 5 per cent to 6 per cent as recommended by the Advisory Committee under Section 3 (Salaries and wages), would automatically be reflected to some extent in requirements for various common staff costs linked to the amount of remuneration paid by the Organization, *inter alia*, staff allowances, social security payments, including contributions to the Joint Staff Pension Fund. This figure has been estimated at \$69,000.

174. In any case, the Advisory Committee would expect the Secretary-General to apply the strictest con-

trols in respect of all provisions leading to expenditure under Section 4 of the budget.

175. As regards chapter VI (Staff training programmes), the expenses for 1967 are shown at \$476,000, an increase of \$99,000 over the 1966 appropriation and some \$179,000 over actual expenditures in 1965. The estimate of \$275,000 under sub-chapter (ii) (Junior professional trainees), reflects an increase of \$75,000 over 1966. This item provides for the recruitment of professional trainees from Member States which are substantially under-represented in the Secretariat. The programme, therefore, is geared towards the improvement of the geographical balance of the Secretariat, and especially, the representation of Member States which are unable to release experienced personnel.

176. The programme under sub-chapter (iii) (Russian language training), in the amount of \$110,000, was instituted in 1962 to alleviate the serious difficulties experienced in the recruitment of staff for Russian language posts. Since its inception the programme has enabled the United Nations to recruit some 45 translators and 10 interpreters, who had arrived at a good knowledge of United Nations affairs, procedures and terminology by the time they assumed their functions with the Organization. It is anticipated that a further 20 translators and interpreters will be recruited in July 1966, following completion of the current academic year. During their period of training, and as part of their studies, the students translate an estimated 9,000 pages of backlog of official records and other documents which would have to be translated on a contractual basis at considerable expense to the Organization. The request of \$110,000 for 1967 shows an increase of \$10,000 over 1966, but provides for the training of some twenty-five, rather than twenty, translators and interpreters, having regard to the increasing demands made on the language services both at Headquarters and the Geneva Office.

177. On the basis of the Committee's observations in paragraphs 173 and 174 above, it recommends an appropriation of \$13,785,000 under Section 4, or a reduction of \$88,000 in the estimate submitted by the Secretary-General.

Reduction recommended:	\$
Section 4. Common staff costs .....	88,000



## Detailed recommendations on the budget estimates

### SECTION 5. TRAVEL OF STAFF

	\$
Estimate submitted by the Secretary-General .....	2,117,300
Estimate recommended by the Advisory Committee .....	2,067,300
1965 (actual expense) .....	2,039,728
1966 (appropriation) .....	2,144,400

178. The total estimate of \$2,117,300 under this section is intended to cover the following three categories of expenditure: travel of staff to meetings (chapter I), travel of staff on other official business (chapter

II) and travel of staff and dependants on home leave (chapter III). In accordance with a decision taken by the Fifth Committee at its 1072nd and 1073rd meetings, held on 20 and 21 October 1965, as subsequently approved by the General Assembly at its twentieth session,<sup>24</sup> the estimates are based on air economy travel for all staff members with the exception of the Secretary-General. Table 8 below gives a breakdown of the figures under the three chapters for the years 1965, 1966 and 1967, together with the increase in absolute terms and in percentages between 1966 and 1967 and between 1965 and 1967.

<sup>24</sup> General Assembly resolution 2125 A (XX) of 21 December 1965.

Table 8

TRAVEL OF STAFF: ANALYSIS BY CHAPTER AND BY YEAR FOR 1965, 1966 AND 1967

Chapter	1967 estimate	1966 appropriation	1965 expenditure	Increase or (decrease) between 1966 and 1967		Increase or (decrease) between 1965 and 1967	
	\$	\$	\$	\$	%	\$	%
I. Travel of staff to meetings ...	165,950	201,000	279,097	(35,050)	(17.44)	(113,147)	(40.54)
II. Travel of staff on other official business .....	601,350	570,000	492,825	31,350	5.50	108,525	22.02
III. Travel of staff and dependants on home leave .....	1,350,000	1,373,400	1,267,806	(23,400)	(1.70)	82,194	6.48
<b>TOTAL, Section 5</b>	<b>2,117,300</b>	<b>2,144,400</b>	<b>2,039,728</b>	<b>(27,100)</b>	<b>(1.26)</b>	<b>77,572</b>	<b>3.80</b>

#### Chapter 1. Travel of staff to meetings

179. The net decrease of \$35,050 under this chapter as compared with 1966, results in the main from the fact that the 1967 travel requirements of the regular sessions of the Regional Economic Commissions for Africa, Asia and the Far East, and Latin America are included for the first time under Section 2 (Special meetings and conferences). Additionally, an amount of \$26,200 was provided in the 1966 budget to cover the cost of Secretariat participation in a four-week special session at Monaco of the International Law Commission, as compared with an estimate of \$8,750 for Headquarters staff attending that body's regular summer session at Geneva in 1967. There is also a reduction of \$4,200 in the requirements of the United Nations Joint Staff Pension Board, and a \$5,000 saving as regards the Statistical Commission which is not scheduled to meet in 1967. These savings are partly offset by various increases of \$2,500 for the General Assembly, \$1,000 for the Economic and Social Council, and additional requirements of \$4,200 for the United Nations Scientific Committee on the Effects of Atomic Radiation, \$2,800 for the United Nations Consultative Group on the Prevention of Crime and the Treatment of Offenders, and \$3,500 for the Population Commission.

180. As noted in paragraph 179 above, the apparent decrease of \$35,050 under this chapter is a result of the inclusion of the travel requirements of the regional economic commissions under Section 2 for 1967. Were these requirements included under this section the 1967 estimates would show an increase of some \$193,000 as compared with the 1966 appropriation. The Committee has suggested that future revised budget presentations should be adequately footnoted in each of the sections

concerned so that the total financial implications of such revisions may be readily noted

181. Over the years the Advisory Committee has repeatedly called attention to the high level of expenditure for travel and subsistence of staff required for the servicing of meetings held not only away from Headquarters but also away from established duty stations where the Organization could have provided at least part of the necessary services without the need for appropriations under Section 5. It is apparent that the ever-expanding conference and meetings programme has negated any possible reductions under this heading.

#### Chapter II. Travel of staff on other official business

182. The increase of \$31,350 under this chapter as compared with 1966 is due to the additional requirements for Headquarters departments and offices (\$28,850) and the European office at Geneva (\$2,500).

183. The largest part of the expenditure anticipated under chapter II concerns the economic and social field, both at Headquarters and in the regional economic commissions. Of the total estimate of \$601,350 for 1967 some \$404,000 or 67 per cent relates to these activities. This does not include the travel requirements of UNCTAD for which some \$160,000 is included under Section 20. The Committee appreciates that the growing activities of the Organization, as well as the trend towards joint programmes with the specialized agencies and departments of national governments might call for more direct consultations, especially where strict deadlines have to be respected. But in the opinion of the Advisory Committee there is no doubt that in certain areas such travel has become excessive on the part of senior officials and that the prolonged

## Detailed recommendations on the budget estimates

absence of such officials adversely affects the timely execution of work programmes and preparation of related documentation. As pointed out by the Committee in its successive reports, the expenditures charged against chapter II are intended to cover the costs of travel exclusively decided by the Secretary-General and administrative efficiency and budgetary economy demand that the strictest controls are exercised over these expenditures.

184. The Advisory Committee is confident that the Secretary-General will be able to effect some economy under this heading and therefore recommends a reduction of \$30,000 in chapter II.

### *Chapter III. Travel of staff and dependants on home leave*

185. The estimate of \$1,350,000 under this chapter represents a decrease of \$23,400 as compared with the appropriation for 1966. This is explained by the fact that there are relatively fewer entitlements to home leave (2,514 in 1967 as against 2,577 in 1966). Strictly costed on the basis of the 2,514 entitlements anticipated for 1967, the requirements would amount to approximately \$1,605,300. However, to take account of possible deferments and turnover of staff, the Secretary-General has reduced this figure by \$255,300 or 16 per cent to a total of \$1,350,000.

186. The Advisory Committee realizes that the Secretary-General cannot require an eligible staff member to defer or forego a home-leave entitlement; it nevertheless believes that economies due to deferment and turnover will in practice lead to a somewhat larger reduction than that already applied by the Secretary-General, and therefore recommends a further reduction of \$20,000 under this chapter.

187. In the light of the foregoing observations, the Advisory Committee recommends an appropriation of \$2,067,300 under Section 5, or a reduction of \$50,000 in the estimates proposed by the Secretary-General.

#### *Recapitulation of reductions recommended:*

Section 5:	\$
Chapter II. Travel of staff on other official business .....	30,000
Chapter III. Travel of staff and dependants on home leave .....	20,000
<b>TOTAL REDUCTION</b>	<b>50,000</b>

### **SECTION 6. PAYMENTS UNDER ANNEX I, PARAGRAPHS 2 AND 3, OF THE STAFF REGULATIONS: HOSPITALITY**

	\$
Estimate submitted by the Secretary-General .....	125,000

	\$
Estimate recommended by the Advisory Committee .....	125,000
1965 (actual expense) .....	112,463
1966 (appropriation) .....	125,000

188. The estimate of \$125,000 submitted by the Secretary-General under this section is the same as that requested for 1966, and some \$12,500 above the actual expenditure incurred in 1965. It is intended to cover the following:

	\$
I. Payments to Under-Secretaries and Directors under annex 1, paragraphs 2 and 3 of the Staff Regulations .....	80,000
II. Payments to other members of the Secretariat for official hospitality .....	30,000
III. Hospitality expenditures for the General Assembly and for functions honouring Chiefs of State and visiting dignitaries .....	15,000

189. In considering the Secretary-General's estimate of \$15,000 under chapter III, the Advisory Committee noted the revised distribution of costs under sub-chapters (i) (General Assembly functions) and (ii) (Functions honouring Chiefs of State and visiting dignitaries). The Secretary-General reports that the pattern of expenditure in recent years indicates that a different distribution between the two items would be more realistic in view of the greater expenditure falling under sub-chapter (i) and he has therefore adjusted the total amount of \$15,000 for chapter III between the two sub-chapters.

190. The Advisory Committee is confident that the Secretary-General will continue to exercise the strictest controls in administering these funds. It recommends an appropriation of \$125,000 under Section 6 as proposed by the Secretary-General.

### **Part III. Premises, equipment, supplies and services**

#### **SECTION 7. BUILDINGS AND IMPROVEMENTS TO PREMISES**

	\$
Estimate submitted by the Secretary-General .....	3,930,700
Estimate recommended by the Advisory Committee .....	3,930,700
1965 (actual expense) .....	5,264,707
1966 (appropriation) .....	4,360,000

191. The provision of \$3,930,700 under this section for 1967 covers \$2,500,000 for the amortization of the Headquarters construction loan, and \$1,430,700 for alterations, improvement and major maintenance of premises and facilities at Headquarters and Geneva. Table 9 gives details of the present estimates, the 1966 appropriations and actual expenditures for 1965:

*Table 9*

Chapter	1967 estimate	1966 appropriation	1965 expenditure
	\$	\$	\$
I. Amortization of the Headquarters construction loan .....	2,500,000	2,500,000	2,500,000
II. Alteration, improvement, and major maintenance of premises and facilities at			

Table 9 (continued)

	1967 estimate \$	1966 appropriation \$	1965 expenditure \$
(a) Headquarters, New York .....	818,700	860,000	{ 528,254 802,987
(b) Geneva .....	612,000		
— Final transfer of assets of the League of Nations to the United Nations ..	—	—	649,466 <sup>a</sup>
— United Nations Building in Santiago, Chile .....	—	1,000,000 <sup>b</sup>	784,000 <sup>c</sup>
<b>TOTAL, Section 7</b>	<b>3,930,700</b>	<b>4,360,000</b>	<b>5,264,707</b>

<sup>a</sup> Final annual instalment of the total amount of \$9,741,994 credited during the period 1951 to 1965 to former participants in the League of Nations in connexion with the transfer of the permanent capital assets of the League to the United Nations (General Assembly resolution 250 (III) of 11 December 1948).

<sup>b</sup> Final credit approved by the General Assembly at its twentieth session (see A/6222, para. 19) to cover a net deficit of \$1.2 million which had arisen in connexion with the completion of the building; to be reimbursed by the Government of Chile in ten annual instalments.

<sup>c</sup> Includes an amount of \$200,000, to be reimbursed by the Government of Chile.

192. The estimate under chapter I provides for the annual instalment of \$2,500,000 for the amortization of the Headquarters construction loan for which the General Assembly has determined the maximum cost to be incurred and the method of financing. Following payment of this instalment an amount of \$30,000,000 of the total loan of \$65,000,000 will remain outstanding, to be liquidated in eight annual instalments of \$2,500,000 for the period 1968 to 1975, six payments of \$1,500,000 over the years 1976 to 1981, and a final instalment of \$1,000,000 in 1982.

193. The estimate of \$1,430,700 under chapter II includes \$818,700 for the proposed Headquarters programme and \$612,000 for the European Office at Geneva for which the General Assembly at its twentieth session<sup>25</sup> approved in principle, subject to annual review, a long-term programme of maintenance and improvements of the Palais des Nations.

194. With regard to the Headquarters programme, the Secretary-General in his initial budget estimates for 1966 under Section 7, provided for certain items, resulting from an architectural and engineering survey, of the safety, fire prevention and alarm systems of the Headquarters buildings and, also, provisional cost estimates of a proposed three-year programme to repair and restore certain facilities which, unless undertaken in the near future, in all probability would require substantially higher replacement costs in later years.

195. The Advisory Committee in its sixth report to the General Assembly at its twentieth session,<sup>26</sup> concurred in the Secretary-General's proposals for the additional safety and emergency provisions at an estimated cost of \$62,500. As regards the provision of \$154,000 for implementation of the first of a three-year programme of replacement and restoration, the Committee recommended,<sup>27</sup> in view of the general nature of the estimates, a total expenditure of \$142,000 for this purpose in 1966. The Committee also requested a more detailed explanation of the particular operations and more precise estimates in future proposals concerning the programme.

196. As a result of the extensive electric power failure on the east coast of the United States of America and Canada in November 1965, the Secretary-General made a detailed re-examination of the emergency power and lighting facilities available in the Headquarters buildings, and concluded that proper safety requirements called for a considerable expansion of the proposals already made for 1966. In submitting his proposals,<sup>28</sup> the Secretary-General stated that he had endeavoured to recommend the most economical arrangements for meeting the minimum essential needs, and accordingly requested revised estimates for this purpose amounting to \$248,000. In the same document the Secretary-General submitted an estimate of \$97,200 for the proposed expansion of the seating arrangements in the Economic and Social Council and Security Council chambers, due to the increased membership of those organs as from 1 January 1966, and for proposed alterations to replace the sound reinforcement and simultaneous interpretation telecommunications system, control room and ancillary equipment in the chambers.

197. In examining the Secretary-General's revised estimates totalling \$345,200, the Advisory Committee took into account the provisional nature of the amounts for the proposed emergency power and lighting facilities and the fact that it might not be possible to effect all the desired measures in 1966 and noted that the largest part of the estimate for the expansion of seating facilities in the two Chambers related to the replacement of simultaneous interpretation telecommunication equipment, which could possibly be included under the normal long-range replacement programme. The Committee therefore recommended a total additional credit of \$300,000 under Section 7 for 1966. This would enable the Secretary-General to proceed in 1966 with the items which he considered to be of highest priority.<sup>29</sup> The Committee also suggested that, following re-examination of the component items and estimated costs relative to his proposal for emergency lighting and power facilities, the Secretary-General submit revised proposals and estimates for consideration by the Advisory Committee. The Secretary-General later made the results of his re-examination of the 1966 programmes available to

<sup>25</sup> *Official Records of the General Assembly, Twentieth Session, Annexes*, agenda item 76, document A/6223, paras. 37-39.

<sup>26</sup> *Ibid.*, Supplement No. 7 (A/6007), para. 227.

<sup>27</sup> *Ibid.*, para. 229.

<sup>28</sup> *Ibid.*, *Annexes*, agenda item 76, document A/C.5/1047.

<sup>29</sup> *Ibid.*, document A/6169.



the Committee and informed it that the cost would be kept within the budgetary provision for 1966. The Committee indicated no objection to the implementation of these programmes. At the same time it expressed the hope that such other information or development as might serve to reduce the extent and cost of the proposed emergency equipment would be taken into account and that every effort would be made to contain expenditure for the additional facilities in the Council Chambers to the minimum.

198. The Advisory Committee also reaffirmed its recommendation<sup>30</sup> of the Secretary-General's proposal to sign the contract in 1966 for automation of the elevators in the Secretariat building scheduled to commence in 1967 at a total cost of \$688,470 spread over the years 1967 and 1968. This work was postponed from 1966 due to the inability of the General Assembly at its nineteenth session to act on the Secretary-General's proposals.

199. As regards the 1967 estimate for Headquarters (\$818,700), an amount of \$551,600 provides for alteration and improvement of premises and facilities. Some \$344,235 (or approximately 63 per cent) of the latter figure relates to the automation of the elevators referred to above, and for which commitment was authorized by the General Assembly at its twentieth session.<sup>31</sup> The remaining \$207,365 provides for improvements to working conditions in the second and third basements (\$50,000); installation of an electronic fire-alarm system in the General Assembly and conference buildings (\$56,000); completion of the nineteenth floor of the Secretariat building (\$46,365); replacement of wiring and listening devices in the Trusteeship Council chamber (\$20,000); and replacement of the sound amplification and interpretation equipment in the Security Council chamber (\$35,000).

200. The balance of the Headquarters 1967 requirements (\$267,100) provides for major maintenance items relating to the Secretary-General's 1966 proposals for a three-year programme for the repair and restoration of certain facilities referred to in paragraphs 194 and 195 above (\$254,100), and for continuation of the programme of replacement of worn carpeting in the General Assembly and conference buildings and certain areas of the Secretariat building (\$13,000).

201. The Advisory Committee, having examined the total Headquarters requirements under Section 7 (\$818,700) for 1967 and the detailed justification given for each item, is of the opinion that the Secretary-General should be authorized to proceed with implementation of the proposed programme as a whole. In arriving at its recommendation, the Committee took into account the fact that the majority of items included in the proposals had already been the subject of extensive consideration over the past years and that for financial and other reasons it had been found necessary on those occasions to postpone their implementation. In this connexion, the Advisory Committee would refer to its sixth report to the General Assembly at its twentieth session in which it emphasized that the Committee had always advocated that a well-conceived and realistic maintenance programme was essential to sound economical budgeting.<sup>32</sup> The Committee therefore is inclined to agree with the Secretary-General that unless the repair and maintenance work is undertaken

at an early date, substantially higher replacement costs will be incurred in the future.

202. At the same time, however, the Advisory Committee would draw attention to the provisional nature of some of the estimates and also to what appears to be in certain chapters the lack of a cohesive approach to the programme as a whole. The Committee would stress, therefore, that every effort must be exerted to keep expenditures to the essential minimum and additionally it believes that by an imaginative use of the resources recommended the Secretary-General will be able to effect the necessary repairs at some savings to the Organization.

203. As regards the European Office at Geneva and as noted in paragraph 193 above, the General Assembly at its twentieth session,<sup>33</sup> on the recommendation of the Advisory Committee,<sup>34</sup> approved in principle subject to annual review the long-term programme of maintenance and improvement of the Palais des Nations as set forth in the Secretary-General's proposals.<sup>35</sup> The Assembly also authorized the acceptance of an interest-free loan offered by the Swiss Federal Government of 8.5 million Swiss francs (\$1,967,000), reimbursable over the five-year period 1970-1974, and, additionally, authorized the Secretary-General to proceed with the projects scheduled for implementation in 1966, utilizing the proceeds of the loan. The Assembly further decided to provide for the financing of the programme by inclusion in the budget estimates during the period 1967-1974 of equal provisions of some \$611,775 annually. The Secretary-General was also authorized to expend up to \$150,000 in 1966 on architectural and engineering studies in connexion with preliminary plans for extending the conference facilities of the Palais.

204. The Advisory Committee has examined the proposed programme of major maintenance and improvements to the Palais des Nations for 1967 as contained in table 7.4 of the Secretary-General's budget estimates for 1967,<sup>36</sup> and recommends that the Secretary-General be authorized to proceed with the programme as envisaged. The estimated expenditure for 1967 of \$612,000, constitutes the first instalment towards repayment of the loan and financing the programme referred to in paragraph 203 above.

205. As regards the proposed extension of the conference facilities of the Palais, it is the Secretary-General's intention to submit preliminary plans and cost estimates to the Advisory Committee at its resumed session in Geneva this summer, and also to the General Assembly at its twenty-first session.

206. In regard, therefore, to the estimates as presented at this time under Section 7 for 1967, and taking into account all the foregoing observations, the Advisory Committee recommends approval of the amount of \$3,930,700 proposed by the Secretary-General.

#### SECTION 8. PERMANENT EQUIPMENT

	\$
Estimate submitted by the Secretary-General	670,900
Estimate recommended by the Advisory Committee	627,900
1965 (actual expense)	482,455
1966 (appropriation)	525,930

<sup>30</sup> *Ibid.*, paras. 20 and 21.

<sup>31</sup> *Ibid.*, document A/6223, paras. 41, 42 and 45.

<sup>32</sup> *Ibid.*, Supplement No. 7 (A/6007), para. 229.

<sup>33</sup> *Ibid.*, Annexes, agenda item 76, document A/6223.

<sup>34</sup> *Ibid.*, Annexes, agenda item 76, document A/6137, para. 26.

<sup>35</sup> *Ibid.*, document A/C.5/1040, table, annex A.

<sup>36</sup> *Ibid.*, Twenty-first Session, Supplement No. 5 (A/6305).

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207. Provision is made under this section for furniture and equipment for all offices of the United Nations other than those at special missions (Section 16), and the International Court of Justice (Section 19). Furniture requirements of the Geneva offices of the United Nations Conference on Trade and Development are also included under this section in the amount of \$6,300. The Secretary-General advises that in accordance with an administrative policy decision taken at the beginning of 1966, all standard furniture requirements other than those included under Section 16 and 19 will henceforth be provided for centrally under this section. As regards UNCTAD, only special requirements will continue to be provided for under Section 20.

208. The total estimate of \$670,900 for 1967 shows an increase of \$144,970 as compared with the 1966 appropriation, distributed between the offices concerned as follows:

Office	Increase or (decrease) in 1967 estimate compared with 1966
Headquarters .....	69,900
Geneva Office (including the Economic Commission for Europe) .....	40,000
Information centres .....	—
Economic and Social Office in Beirut .....	2,900
Economic Commission for Asia and the Far East .....	(4,080)
Economic Commission for Latin America .....	13,250
Economic Commission for Africa .....	23,000
TOTAL	144,970

209. Table 10 gives a comparison of expenditures, appropriations and estimates for furniture and equipment for the years 1964 to 1967:

Table 10

Chapter	1967 estimates	1966 appropriation	1965 expenditure	1964 expenditure	Increase or (decrease) 1967 compared with 1966
	\$	\$	\$	\$	\$
I. Furniture and fixtures .....	163,100	169,330	123,844	171,047	(6,230)
II. Office equipment .....	180,400	159,150	161,223	160,881	21,250
III. Internal reproduction equipment .....	117,400	57,700	62,163	34,383	59,700
IV. Telecommunication equipment ..	109,900	51,650	65,027	91,358	58,250
V. Transportation equipment .....	53,600	40,900	29,227	40,911	12,700
VI. Other equipment .....	46,500	47,200	40,971	24,499	(700)
TOTAL, Section 8	670,900	525,930	482,455	523,079	144,970
Income from sale of equipment	52,800	35,840	45,797	44,524	16,960

210. The estimates under this section are intended to cover two specific types of requirements: (a) *replacement* of obsolete or worn-out equipment and (b) *acquisition* of additional equipment. As the Secretary-General has stated in his 1967 budget estimates, the greater part of the estimates relates to replacement rather than acquisition of various types of permanent equipment. In the past few years the appropriations available under this section have been devoted mainly to the purchase of urgently needed additional equipment. Consequently, the normal replacement programme is said to have lagged considerably, resulting in a heavy accumulation of old, obsolete and unserviceable equipment. It is the contention of the Secretary-General that, unless an effort is made to replace these items, considerable difficulties in the efficient discharge of work as well as higher maintenance costs are likely to arise.

211. The Advisory Committee has always advocated a carefully planned policy of replacement aiming at the most economical operation, subject of course to the need to keep in use all items which are regarded as reasonably serviceable. Accordingly, the Advisory Committee would be inclined to recommend in principle approval of the Secretary-General's replacement programme.

212. However, considering that the 1967 budget estimates are based on the level of the 1966 manning

table, as directed by the General Assembly, the Advisory Committee fails to see why the provisions requested by the Secretary-General for acquisition of equipment (\$243,600) should still represent a substantial proportion of the total estimates for Section 8 (\$670,900). In the circumstances, the Committee would have expected a more drastic curtailment of the acquisition programme.

213. The Advisory Committee realizes that the increased volume of work in various sections of the Controller's Office and more especially in Conference Services which involve overlapping shifts in typing pools and printing shops, might require some additional accounting and other office machines and reproduction equipment, and in this regard the Committee has particularly in mind the request to replace a heavy offset press in the reproduction section, in the amount of \$38,000 considered essential to maintain the level of relief afforded to the external printing programme. It is not convinced however, of the need to acquire to the extent proposed, additional furniture items, other office equipment and transportation equipment. As regards the latter item, the Committee on a number of occasions has suggested reductions in this kind of expenditure and stated that it was not wholly satisfied that every information centre should be provided with a car or that the regional economic commissions need such large fleets of vehicles,

214. As regards chapter IV (Telecommunications equipment), the estimate of \$109,900 is more than double that for 1966, of which some \$86,000 relates to the Office of Public Information, including \$60,000 for the purchase of a new television camera equipped for both colour and black and white projection, to replace equipment which has been in use for fourteen years. It was reported to the Committee that the comparatively small additional cost for the dual facility of colour and black and white would enable the Office of Public Information to accommodate in part the various commercial television network requests for colour material from the United Nations provided on a fee-paying basis, for which revenue is credited under Income section 3. The balance of \$26,000 for the Office of Public Information provides for the acquisition and replacement requirements for radio, motion picture and film processing equipment. Having in mind its observations on the total expenditures recommended for the Office of Public Information in 1967 (para. 110 above), the Advisory Committee considers that a reduction under this heading is in order.

215. The Advisory Committee would again wish to stress that Section 8 more than most sections in the regular budget of the United Nations, lends itself to a continuing degree of control by the Secretary-General and that restraint is called for.

216. In the light of the foregoing, the Advisory Committee recommends a reduction of \$27,000 under Section 8, or a reduction in the estimates proposed by the Secretary-General. The Committee suggests that the reduction be applied to chapters I (Furniture and fixtures), IV (Telecommunications equipment), and V (Transportation equipment).

#### Reduction recommended:

Section 8. Permanent equipment

#### SECTION 9. MAINTENANCE, OPERATION AND RENTAL OF PREMISES

Estimate submitted by the Secretary-General

Estimate recommended by the Advisory Committee

1965 (actual expense)

1966 (appropriation)

217. The following table gives a chapter of the 1967 estimates, 1966 and 1965 expenditures:

Table 11

#### MAINTENANCE, OPERATION AND RENTAL OF PREMISES: ANALYSIS BY CHAPTER AND BY YEAR FOR 1965, 1966 AND 1967

Chapter	1967 estimate	1966 appropriation	1965 expenditure
I. Contractual services	2,210,300	2,145,000	2,009,716
II. Utilities	1,056,300	1,022,800	1,043,467
III. Other expenses	749,900	632,200	628,565
<b>TOTAL, Section 9</b>	<b>4,016,500</b>	<b>3,800,000</b>	<b>3,771,688</b>

218. The total estimate of \$4,016,500 under Section 9 shows an over-all increase of \$216,500 over the 1966 appropriation and \$244,812 over actual expenditures in 1965. The level of services proposed for 1967 may best be judged by comparison of 1967 estimates with 1965 expenditures as adjusted to take account of subsequent wage and rate increases which are estimated by the Secretary-General at \$105,418. Allowing for this adjustment the total estimate of \$4,016,500, with comparable figures for 1965 and 1966, is distributed as indicated in table 12.

219. Under chapter I (Contractual services) there is an increase of \$65,300 as compared with the 1966 appropriation of \$2,145,000 and some \$4,200 as compared with the adjusted 1965 expenditure of \$2,206,000. Increased costs for Headquarters of \$28,110 for electrical maintenance, \$6,543 for telecommunications operations and maintenance for conferences, and \$26,684 for cleaning services, based on the adjusted 1965 figures, are more than offset by the reduction in the number of operators consequent upon the decision to automate the elevators in the Secretariat building commencing in 1967. The estimate of \$90,500 for Geneva is maintained at the adjusted expenditure level for 1965 and repre-

sents a decrease of \$7,500 as compared with 1966 appropriation. The total estimates for the Economic and Social Office at Beirut and the three commissions for Africa, Asia and the Pacific, Latin America are maintained at approximately the same level as the 1966 appropriations. The increase of some \$4,700 as compared with actual expenditures for 1965.

220. The estimate of \$1,056,300 for Utilities shows an increase of \$33,500 over the 1966 appropriation and approximately \$12,400 over the adjusted 1965 expenditure. The estimate for Headquarters is \$24,000 higher than the 1966 appropriation. However, the net decrease of \$1,000 compared with adjusted 1965 expenditures is due to a decision to the effect that the expenses for the United Nations Development Programme in premises occupied outside the Secretariat building, estimated at \$16,500 as a charge on the 1966 regular budget, will be adjusted. The Geneva estimate of \$100,000 shows an increase of \$3,745 over the adjusted 1965 expenditure and a decrease of \$2,000 as compared with the 1966 appropriation. The increase of \$8,776 for the Economic Commission for Latin America

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Table 12

MAINTENANCE, OPERATION AND RENTAL OF PREMISES: ANALYSIS BY OFFICE AND BY YEAR FOR 1965, 1966 AND 1967

	1967 estimate (1)	1966 appropriation (2)	1965 expenditure (3)	1965 expenditure adjusted to take account of subsequent wage and rate increases (4)	Increase or (decrease) between 1965 (column 4) and 1967 (column 1) (5)
	\$	\$	\$	\$	\$
Headquarters .....	3,345,500	3,244,000	3,214,650	3,314,518	30,982
Geneva (including the Economic Commission for Europe) ..	388,000	284,000	258,439	261,339	126,661
Economic and Social Office in Beirut .....	16,500	10,000	12,000	12,000	4,500
Economic Commission for Africa .....	65,000	63,000	63,666	63,666	1,334
Economic Commission for Asia and the Far East .....	39,000	37,000	33,906	33,906	5,094
Economic Commission for Latin America .....	72,500	74,000	97,475	100,125	(27,625)
Information centres .....	90,000	88,000	91,552	91,552	(1,552)
<b>TOTAL, Section 9</b>	<b>4,016,500</b>	<b>3,800,000</b>	<b>3,771,688</b>	<b>3,877,106</b>	<b>139,394</b>

expected increased consumption of utilities due to the larger area to be served in the new building. The estimates for the other regional economic commissions also show slight increases as compared with the adjusted 1965 expenditures.

221. Chapter III (Other expenses) reflects an increase of \$117,700 over the 1966 appropriation and \$122,790 over the adjusted 1965 expenditure. The estimate of \$384,500 for Headquarters shows an increase of \$4,500 over the 1966 appropriation and some \$35,600 over the adjusted 1965 figure. While this increase is spread over the six sub-chapters under this heading, some \$23,900 relates to supplies for the maintenance of premises, and in this connexion the Secretary-General points out that the adjusted 1965 expenditure figure under this heading is approximately \$20,000 less than that for 1964, due to the stringent controls imposed in 1965 as directed by the General Assembly, in the absence of appropriations for that year. The figure of \$197,500 for Geneva shows an increase of approximately \$122,900 over the adjusted figure for 1965 and \$113,500 over the 1966 appropriation. Some \$120,000 of the increase provides for the rental of additional office accommodation outside the Palais des Nations which it is anticipated will be required for various periods during 1967 as a consequence of the heavy conference programme proposed for that year. The Secretary-General has submitted a detailed report to the Advisory Committee in justification of these requirements. The estimate of \$37,500 for the Economic Commission for Latin America reflects a reduction of some \$36,900 as a result of the termination of the rental obligation at Santiago consequent upon the move of the Commission to the new building. The provisions for ECA and ECAFE show slight increases over the adjusted expenditures for 1965, but minor decreases as compared with the 1966 appropriations. The estimate of \$14,400 for the Economic and Social office at Beirut reflects an increase of \$3,855

over the 1965 expenditure and \$5,200 over the 1966 figure to provide for more extensive premises as of May 1966. The provision of \$90,000 for the information centres approximates the 1965 and 1966 figures and in accordance with past practice takes account of contributions from host Governments towards the rental of premises and the operation and maintenance of the centres located in their respective countries.

222. The Advisory Committee notes with appreciation that the Secretary-General has attempted to hold the line as regards the requirements under this section of the budget and that, with but few exceptions, increases are due to higher prices for goods and services. The main exception concerns the rental of additional outside office space at Geneva as a consequence of the ever-increasing number of conferences at the Palais des Nations, and also of the location of UNCTAD at the European Office. These are further illustrations of the need for a curtailment of the programme of meetings.

223. While the Advisory Committee realizes that expenditures under Section 9 are determined by such factors as the terms and conditions which can be negotiated with outside contractors, the costs of utilities and the level of rentals, and therefore permit of relatively limited administrative control, this control being restricted for the greater part to deciding upon the level and standard at services required, the Advisory Committee is duty bound to reiterate that greater efforts would achieve a larger measure of stabilization of expenditure. In particular, the Committee would urge that all offices ensure the utmost economy in the use of utilities, an area which does lend itself to strict administrative control.

224. The Advisory Committee would also recall that in a number of its previous reports it suggested that some additional relief might be afforded by progress in the consolidation of premises occupied by the United Nations and the specialized agencies in the various

## Detailed recommendations on the budget estimates

locations, as well as by the further generosity of Governments in providing premises at reduced rentals or free of charge. This also applies to the individual offices occupied by the information centres, although the Committee wishes to acknowledge its appreciation to those host Governments who provide assistance in the form of rent-free premises and/or contribute to the operational costs of those centres. The Committee is especially gratified by the continuing efforts of the Secretary-General to obtain rent-free premises or other forms of assistance, and by the response of host Governments in which information centres have been established in recent years. There remains, however, the question of the premises occupied by centres established in earlier years; in some instances the host Governments have generously provided rent-free accommodation; in others the centres are occupying premises for which full or partial rental charges are still incurred by the United Nations.

225. The Advisory Committee understands that the Secretary-General intends to pursue active negotiations with Member States with a view to achieving further progress, and the Committee looks forward to receiving a report on the outcome of these negotiations.

226. In the light of the foregoing observations, the Advisory Committee recommends an appropriation of \$3,986,500 for Section 9 for 1967, representing a reduction of \$30,000 in the estimate submitted by the Secretary-General. The Committee appreciates that it may be difficult to apply a meaningful reduction to chapter I, and suggests that the reduction be applied

primarily to chapters II and III of Section 9, which contain a margin for reduction by the application of more strict administrative controls.

### *Reduction recommended:*

	\$
Section 9. Maintenance, operation and rental of premises .....	30,000

### SECTION 10. GENERAL EXPENSES

	\$
Estimate submitted by the Secretary-General	5,236,900
Estimate recommended by the Advisory Committee .....	5,149,900
1965 (actual expense) .....	4,567,716
1966 (appropriation) .....	4,701,000

227. This section covers the cost of general service and supplies and the rental and maintenance of equipment at Headquarters, Geneva, the information centres, the Economic and Social Office at Beirut and the regional economic commissions.

228. The 1967 estimate shows an increase of \$535,900 over the 1966 provision and \$669,184 above actual 1965 expenditures. Taking account of estimate wage or rate increases since the beginning of 1966 amounting to \$32,584, the increase over the adjusted figure for 1965 is \$636,600. The 1967 estimate of \$5,236,900, with comparable figures for 1965 and 1966 is distributed as indicated in table 13.

Table 13

GENERAL EXPENSES: ANALYSIS BY OFFICE AND BY YEAR FOR 1965, 1966 AND 1967

	1967 estimate (1)	1966 appropriation (2)	1965 expenditure (3)	1965 expenditure adjusted to take account of subsequent wage and rate increases (4)	Increase or (decrease) between 1965 (column 4) and 1967 (column 1) (5)
	\$	\$	\$	\$	\$
Headquarters .....	3,816,500	3,400,200	3,350,254	3,377,188	439,312
Geneva .....	587,500	509,100	496,991	500,641	86,859
Information centres .....	227,000	227,000	201,405	201,405	25,595
Economic and Social Office, Beirut .....	9,400	6,500	7,035	7,035	2,365
Economic Commission for Africa .....	287,400	284,400	267,728	267,728	19,672
Economic Commission for Asia and the Far East .....	111,900	108,700	92,000	94,000	17,900
Economic Commission for Latin America .....	197,200	165,100	152,303	152,303	44,897
<b>TOTAL, Section 10</b>	<b>5,236,900</b>	<b>4,701,000</b>	<b>4,567,716</b>	<b>4,600,300</b>	<b>636,600</b>

229. Table 14 shows the breakdown of figures under the various chapters over the years 1965, 1966 and 1967.



Table 14

GENERAL EXPENSES: ANALYSIS BY CHAPTER AND BY YEAR FOR 1965, 1966 AND 1967

Chapter	1967 estimate	1966 appropriation	1965 expenditure
	\$	\$	\$
I. Communications .....	1,520,500	1,364,000	1,384,914
II. Rental and maintenance of equipment	880,300	758,050	617,526
III. Public information supplies and services	1,324,000	1,238,000	1,250,390
IV. Other supplies and services .....	249,400	237,150	236,631
V. Office and internal reproduction supplies and services .....	1,072,000	938,500	922,509
VI. Library books, supplies and services	190,700	165,300	155,746
TOTAL, Section 10	5,236,900	4,701,000	4,567,716

230. In considering the over-all increase of \$535,900 for 1967 as compared with the 1966 appropriation, or an increase of \$636,600 over the adjusted 1965 expenditure level, the Advisory Committee has taken into account a review of the status of the 1966 budget at 30 April 1966, in which the Secretary-General indicates that a supplementary provision of some \$260,000 will be required. The main cost categories involved are those relating to cables, telephone services, postage rates, office and internal reproduction supplies, and increased costs for the rental and maintenance of equipment, of which the greater portion relates to the need to retain the mechanical tabulating equipment operating concurrently with the electronic computing system for a full year rather than for two months as originally envisaged.

231. The main 1967 increases above the 1965 level, as indicated in table 13 above, occur at Headquarters (\$439,312), Geneva (\$86,859), the information centres (\$25,595) and the Regional Economic Commission for Latin America (\$44,897).

232. As regards Headquarters, the principal components in round figures are: (a) \$57,600 under chapter I (Communications), of which almost \$30,000 relates to telephone services to meet increased staff needs, and \$17,800 for additional postage requirements; (b) \$231,800 under chapter II (Rental and maintenance of equipment), to provide for increased costs for rental of data processing equipment which costs were reported by the Secretary-General as underestimated in 1966, due principally to the lack of experience in accurately assessing machine time requirements in this highly specialized field and some difficulties which arose in the conversion of certain accounting data from the mechanical tabulating system to the computer system; (c) \$52,600 for chapter III (Public information supplies and services), including increased requirements of \$26,000 for films and photographic supplies and services, \$19,600 for television services and \$8,400 for radio services; (d) \$100,000 under chapter V (Office and internal reproduction supplies), of which \$66,000 covers magnetic tapes and other supplies for the International Computing Centre, \$10,000 for paper for internal reproduction, some \$6,300 for printing plates and supplies, and approximately \$9,600 for other expendable office supplies, and (e) \$14,000 for chapter VI (Library books, supplies and services) spread over the various items under this heading.

233. In the case of the Geneva Office, the total increase of some \$86,800 affects most of the chapters under Section 10, including \$23,100 under chapter I (\$15,000 of which is attributable to UNCTAD's communications requirements), \$16,100 under chapter II for rental and maintenance of equipment (principally for rental of data processing equipment), \$19,200 for other supplies and services (representing an increase of some \$12,000 for the United Nations share in the Joint Medical Scheme), and \$23,000 under chapter V for internal reproduction supplies.

234. The provision for information centres while maintained at the 1966 appropriation level of \$227,000 shows an increase of approximately \$25,600 as compared with 1965 expenditures and of the latter figure, some \$6,900 relates to communications (chapter I); \$5,300 to other supplies and services (chapter IV); \$5,500 to office and internal reproduction supplies (chapter V); and \$4,700 to library books, supplies and services (chapter VI).

235. At ECAFE, the \$17,900 increase results essentially from the rental of office and data processing equipment (chapter II), additional office and internal reproduction supplies (chapter V), and some \$3,850 for communications.

236. ECLA shows an increase of almost \$44,900 attributed to additional telephone requirements and increased usage anticipated in the new premises in the amount of \$28,500 (chapter I) (of which \$11,200 represents the pro-rated share of telephone service for the Institute of Economic and Social Planning) and \$13,100 for office and internal reproduction supplies (chapter V) due primarily to increased prices for those items.

237. The increase of some \$19,600 for ECA results in the main from the \$9,300 additional communications requirements (chapter I) including \$5,000 to cover the second annual payment to the Ethiopian Government Telecommunications Services for two telephone exchanges installed in Africa Hall in January 1966, and \$5,500 for rental of office and data processing equipment and other equipment (chapter II).

238. In its consideration of the estimates submitted for Section 10, the Advisory Committee recognized that the expansion of activities in a number of areas both at Headquarters and overseas offices, as well as the impact on certain services at Headquarters and Geneva as a result of the increasing conference activity,



have inevitably resulted in a higher rate of expenditure under this section. It is convinced, however, that with expenses of this nature, which have a natural tendency to rise, special efforts should be made to encourage restraint and to institute effective controls. Strictest curbs should be maintained at all offices over such costs as lend themselves to administrative disciplines. In this regard, the Advisory Committee has the following comments to make on the various chapters where, in its opinion, savings can and should be achieved.

239. It would appear that the increase of some \$129,900 for communications (chapter I) over the adjusted 1965 expenditure level could well be appreciably reduced by the elimination of cable traffic, overseas telephone calls, pouch and air-shipments which are not absolutely essential for the actual functioning of the Organization. The Secretariat must constantly look for cheaper alternative means of communication and it is obvious that a sizable proportion of current cable and long-distance telephone traffic could be routed by air-mail without any adverse effect on the activities of the United Nations. Additionally, much printed material now sent by air-mail and pouch would equally serve its intended purpose and would not become out-of-date if it were shipped by surface means.

240. As regards the provision for rental and maintenance of equipment (chapter II), which shows an increase of \$262,700 over 1965 expenditures, the Advisory Committee realizes that the major portion of the increase relates to rental of the electronic data processing equipment for the International Computing Centre at Headquarters, as explained in paragraph 232 above. In this connexion the Advisory Committee is concerned over the considerable expense being incurred by the Centre and has requested that a detailed report be submitted at its autumn session giving the total financial implications of its operations, and a revised indication of the savings originally envisaged from the installation of the Computer Centre. However, the Committee would point out that there are increases under this heading for all United Nations offices with the exception of ECLA, although in this case also the 1967 estimate exceeds the 1966 appropriation.

241. The estimate of \$1,324,000 for Public information supplies and services (chapter III) reflects an increase of \$86,000 over the 1966 appropriation and some \$52,600 as compared with the adjusted 1965 expenditure level. Corresponding revenue from television and similar services estimated at \$353,500 for 1967, shows an increase of \$43,500 over the 1966 projection and a reduction of approximately \$27,600 as compared with actual income for 1965. The Advisory Committee offers comments on this item also in its observations concerning Income section 3.

242. The increase of \$52,660 for Chapter III as compared with the 1965 adjusted expenditure is attributed largely to contractual wage increases for telecommunications engineers and a rise in the level of prices for goods and services required for the radio, television and films services. A breakdown of the increase over the various sub-chapters under this heading follows:

	\$
(a) Telecommunications supplies and services .....	8,319
(b) Films and photographic supplies and services ..	26,017

	\$
(c) Radio services .....	8,411
(d) Television services .....	19,586
(e) Publication services .....	(9,673)
<b>TOTAL INCREASE</b>	<b>52,660</b>

243. The Advisory Committee has referred to the total expenditures proposed for public information activities in paragraphs 110 and 214 above. As with other chapters of Section 10, the items under this chapter must be subjected to strict administrative control, and every measure should be enforced to ensure that increases in costs of supplies and services are either offset by savings in other areas or by increased income. It is well understood that the activities of the Office of Public Information are not static and relate to changing needs of the Organization. However, the programmes should be flexible enough to allow adjustment for priorities on a current basis, with the consequent elimination of the older less effective programmes. The Advisory Committee is convinced that savings can be effected under this chapter and therefore recommends a reduction of \$37,000 in the figure proposed by the Secretary-General under chapter III.

244. The provision of \$249,400 for other supplies and services (chapter IV) shows an increase of some \$12,000 over both the 1966 and 1965 figures. While this increase is contained to approximately 5 per cent as compared with the figures for the last two years, many of the items included under this chapter are subject to strict administrative control and every effort should be made to reduce expenditures to the absolute minimum.

245. The increase of approximately \$149,500 for office and internal reproduction supplies (chapter V) as compared with 1965 expenditures is due in the main to the additional provision of some \$66,000 for data processing forms and supplies for the Headquarters International Computing Centre, including \$31,500 for magnetic tapes required for accounting work and statistics which in 1966 were covered under Section 8. However, the Committee must point out that considerable increases of varying degree are provided for all United Nations Offices under this heading which again, as with increases in certain other areas of the budget estimates, results from the ever-burgeoning meetings and conference programme and the concomitant proliferation of documentation.

246. The estimate of \$190,700 for library books, supplies and services (chapter VI) shows an increase of \$28,970 over the adjusted 1965 expenditure level. Almost 50 per cent of the increase (\$14,090) relates to the Headquarters Library, for which additional provisions are made for all sub-chapters under this heading. The Advisory Committee is still convinced that there is scope for economy in chapter VI, and looks forward to increased efforts by the Secretary-General to obtain the assistance of Member States in enlisting the co-operation of publishers to obtain free copies of their publications for which the Organization is at present required to purchase.

247. It is the opinion of the Advisory Committee that all chapters of Section 10 lend themselves to firm administrative supervision and the Committee is convinced that the Secretary-General will continue to apply the strictest controls to expenditures under this sec-

## Detailed recommendations on the budget estimates

tion, and therefore recommends an appropriation of \$5,149,900 for Section 10, representing a reduction of \$87,000 in the estimate proposed by the Secretary-General, of which \$37,000 should be applied to chapter III and \$50,000 primarily over chapters I, IV and V.

### *Reduction recommended:*

Section 10. General expenses ..... \$ 87,000

### SECTION 11. PRINTING

	\$
Estimate submitted by the Secretary-General	1,908,000
Estimate recommended by the Advisory Committee	1,815,000
1965 (actual expense)	1,353,034
1966 (appropriation)	1,800,000

248. The estimates for Section 11 provide for contractual printing expenses, except for the International Court of Justice (Section 19), the Office of the High Commissioner for Refugees (Section 18), Special meetings and conferences (Section 2), Special missions (Section 16), the United Nations Conference on Trade

and Development (Section 20), and public information requirements other than books and periodicals (Section 10).

249. As in previous years, the details of this section contain information on the total printing programme (chapters I to VI), with the exceptions mentioned above. A substantial portion of that programme will, however, be produced by internal means, with a corresponding reduction (chapter VII) in contractual printing expenses.

250. The 1967 estimate for Section 11 in the amount of \$1,908,000 shows an increase of \$108,000 over the 1966 appropriation as follows:

	<i>Gross programmes (chapters I to VI)</i>	<i>Deduction for internal reproduction (chapter VII)</i>	<i>Contractual printing requirements</i>
	\$	\$	\$
1967 estimate ....	2,373,000	465,000	1,908,000
1966 appropriation	2,250,000	450,000	1,800,000

251. Table 15 below gives a breakdown, by chapter of the 1967 estimates, the 1966 appropriations and the 1965 expenditures:

Table 15

### PRINTING: ANALYSIS BY CHAPTER AND BY YEAR FOR 1965, 1966 AND 1967

Chapter	1967 estimate	1966 appropriation	1965 expenditure	Increase or (decrease) between 1966 and 1967
	\$	\$	\$	\$
I. Official records .....	1,020,500	1,020,615	739,555	(115)
II. Recurrent publications .....	892,300	778,275	752,148	114,025
III. Studies and reports .....	276,000	282,200	153,972	(6,200)
IV. Office of Public Information	113,000	98,400	109,770	14,600
V. Permanent Central Narcotics Board and Drug Supervisory Body .....	19,000	18,860	16,634	140
VI. Other contractual printing ....	52,200	51,650	46,078	550
TOTAL, chapters I to VI	2,373,000	2,250,000	1,818,157	123,000
VII. Less:				
Deduction for internal reproduction .....	(465,000)	(450,000)	(465,123)	(15,000)
TOTAL, Section 11	1,908,000	1,800,000	1,353,034	108,000

252. The Secretary-General attributes the increase of \$108,000 in the estimates for 1967 to the following three factors:

(a) The continuing upward trend in production costs, representing some five per cent in the printing expenses of the Organization;

(b) The expansion of United Nations activities, particularly in the economic and social fields and the requests of Member Governments for increased statistical publications in the major economic fields; and

(c) The cost of press-runs of publications needed to meet increased sales requirements.

253. The major elements accounting for the increase of \$108,000 arise from chapter II, recurrent publica-

tions (\$114,025), and chapter IV for the requirements of the Office of Public Information (\$14,600), partly offset by a reduction of \$6,200 for chapter III, studies and reports, and an increase of \$15,000 in the credit for internal reproduction under chapter VII. While the total estimate for chapter I, official records, has been maintained at the 1966 appropriation level of approximately \$1,020,500, detailed figures contained in the budget text total some \$1,170,500, an increase of \$150,000 over 1966. The Secretary-General states that the higher amount would be required if the programme were fully implemented, but as actual expenditures in past years have proved to be less than the appropriations, due in part to the inability to complete the entire programme of work in the given year, he has confined his request at this time to the 1966 appropriation

figure. However, this should not preclude the possibility of completing all the work in 1967, in which case the Secretary-General indicates he may have to request supplementary estimates or defer some of the work involved.

254. The increase of \$114,025 under chapter II results in the main from some \$70,000 for statistical publications for the Department of Economic and Social Affairs and \$36,000 for the regional economic commissions and \$8,400 for publications of the office of Legal Affairs. The estimate of \$276,000 for chapter III, studies and reports, while slightly below the appropriation for 1966 shows an increase of approximately \$122,000 over actual expenditure for 1965. The increased provision of \$14,600 for chapter IV would appear to result primarily from the increased number of pages considered necessary for the three language editions of the United Nations Monthly Chronicle. As noted above, the credit for internal reproduction has been increased from \$450,000 to \$465,000 for 1967, equalling the actual credit applied in 1965.

255. As regards the estimates for official records, in particular those for the General Assembly, its commissions and committees, and the Security Council, the Advisory Committee while recognizing that the Secretary-General has based his estimates on a continuing upward trend in the number of meetings, is also aware of the provisional nature of the projections and the several unknown elements which enter into them, and therefore believes that the Secretary-General's forecast might be over-pessimistic. In any event, the Committee would hope that every effort will be exerted to produce more concise records, thereby containing the total number of pages of all official records, which comprises almost 55 per cent of the total costs requested under Section 11.

256. The sheer number of publications listed in chapter II would by itself call for a thorough reappraisal of the whole programme. While it has been represented to the Advisory Committee that all recurrent publications are due to resolutions of the General Assembly or other policy-making bodies and therefore cannot be discontinued without the approval of the organs concerned, it feels compelled to emphasize what it has repeatedly stressed over the years, that only if decision-making bodies are prepared to take a rational approach, exercising the utmost restraint and establishing priorities within the available resources, will this programme meet the requirements of the majority of Member States. With this in mind, the Committee in its report to the General Assembly on the 1966 budget estimates,<sup>87</sup> suggested that the Secretary-General might wish to give consideration to publishing the *Monthly Bulletin of Statistics* on a quarterly rather than a monthly basis. At its present session the Committee had the opportunity of discussing this subject with representatives of the Secretary-General, who stated that the overwhelming majority of the material is in fact collected and published monthly, and that less frequent issuance of the *Bulletin* would defeat its topical value. The Committee would also draw attention to the need for ensuring that the United Nations and the specialized agencies take appropriate measures to avoid duplication of material in their publication programmes.

257. In the report mentioned above,<sup>88</sup> the Advisory Committee also suggested that more detailed information be provided to it in the future on those publications included under chapter III, authorizations for which are also the result of decisions taken by policy-making bodies. The Committee has examined the detailed submissions for 1967 and is satisfied with the extent of the review and priority criteria applied by the Publications Board to items under this chapter. This observation notwithstanding, the Committee is certain that some savings can be made under this heading.

258. As noted in paragraph 254 above, the increase of \$14,600 under chapter IV is primarily attributable to the increase in the number of pages for the United Nations *Chronicle*. While the Advisory Committee is not recommending specific reductions by chapter under this section, it does include chapter IV in its intention and additionally suggests that this observation be taken into account in the total estimates for the Office of Public Information for 1967, on which the Committee has expressed its views in paragraph 110.

259. One other item on which the Committee commented last year was the question of the optimum level of the internal reproduction facilities for which credit in the amount of \$465,000 is included under chapter VII for 1967 as against \$450,000 for 1966. In noting that the credit had remained at approximately the same level for three years, the Committee expressed the opinion that the estimate could reasonably be increased. The Committee discussed this question with the Secretary-General's representatives and was informed that the subject has been under continuous review by the appropriate technical services who advise that the "cold-type" composition facilities, the prime determining factor, are operating at total capacity, and that any further relief to be afforded to the external printing expenses would depend on the innovation of such composition or type-setting methods as lend themselves to photo-offset reproduction processes, for which facility the Organization has accumulated considerable investment in heavy equipment over the years. The Committee was assured however, that the problem is under constant review and that a further report will be presented at a later date.

260. The Advisory Committee also suggested<sup>89</sup> that the Secretary-General might wish to give consideration to a strengthening of the present editorial procedures and processes, with the aim of reducing and eliminating any unnecessary material not considered essential to the issuance of concise, factual and effective documentation. The Committee is pleased to learn that the Secretary-General is in the process of such an examination and has already formulated certain proposals which he intends to implement in the near future. The Advisory Committee looks forward to receiving the report of the Secretary-General in due course.

261. As in past years, the Advisory Committee noted that the distribution of actual printing expenditures by country had not shown any marked improvement in 1965. While appreciating the considerations to be given to the placing of printing contracts, the Committee would urge that, subject to the over-riding principle of purchasing at the lowest cost, increased efforts be made to broaden the geographical distribution of printing awards, giving special attention to the

<sup>87</sup> *Ibid.*, Twentieth Session, Supplement No. 7 (A/6007), para. 281.

<sup>88</sup> *Ibid.*, para. 283.

<sup>89</sup> *Ibid.*, para. 286.

production facilities in the developing countries. In this connexion, thought might be given to contacting the Government Printing Offices (or their equivalent) especially in the developing countries, with a view to ascertaining whether they are interested in contracting for the production of United Nations documents and publications, the type of facilities available, and the capacity that could be earmarked for such work.

262. Finally, the Committee would add that it is of the opinion, as past experience has shown, that not all publications included in the 1967 estimates can actually be issued, and that all the meetings on which the estimates for the official records have been based, will in fact be held.

263. In the light of all the foregoing observations, the Advisory Committee is confident that actual printing expenditures in 1967 can be maintained at approximately the 1966 appropriation level. Consequently, it recommends an appropriation of \$1,815,000 for Section 11, representing a reduction of \$93,000 in the amount proposed by the Secretary-General. The Committee suggests that the reduction should be applied primarily to chapters I, II, III and IV, although the actual

distribution should be left to the Secretary-General's discretion.

*Reduction recommended:*

Section 11. Printing ..... \$ 93,000

#### Part IV. Special expenses

##### SECTION 12. SPECIAL EXPENSES

Estimate submitted by the Secretary-General \$ 8,963,500  
 Estimate recommended by the Advisory Committee ..... 8,957,000  
 1965 (actual expense) ..... 8,515,731  
 1966 (appropriation) ..... 8,885,800

264. The estimates under this section include a new chapter III to provide for a contribution of \$30,000 towards the construction of additional classrooms, facilities and equipment for the International School at Geneva. The history of the activities covered by the other chapters of this section is summarized in the text of the budget estimates which also mentions the relevant resolutions. The following table gives a comparison of the requirements over the period 1965 to 1967:

Table 16

Chapter	1967 estimate	1966 appropriation	1965 expenditure
	\$	\$	\$
I. United Nations Memorial Cemetery in Korea	96,500	40,800	33,143
II. Grant to the United Nations International School .....	<i>Pro memoria</i>	57,000	45,000
III. International School, Geneva .....	30,000	—	—
IV. Special training programmes for South West Africans .....	30,000	50,000	21,421
V. United Nations Bond Issue .....	8,717,500	8,668,000	8,351,514
VI. Special training programme for territories under Portuguese administration .....	70,000	50,000	46,620
VII. The Triangular Fellowship Programme (Office of Public Information) .....	19,500	20,000	18,033
TOTAL, Section 12	8,963,500	8,885,800	8,515,731

265. As regards chapter I, the United Nations Memorial Cemetery in Korea was established and is maintained under the provisions of General Assembly resolution 977 (X) of 15 December 1955. The property on which the Cemetery is located has been granted in perpetuity to the United Nations by an agreement, effective 11 December 1959, which was negotiated pursuant to that resolution, the text of which was communicated to the General Assembly (A/4330).

266. The 1967 provision of \$96,500 for the Cemetery in Korea represents an increase of \$55,700 over the 1966 appropriation. The major factor of the increase is the proposal to erect two permanent buildings to replace the two temporary administration buildings (quonset huts) which have been in use for ten years and are reported by the Secretary-General to have deteriorated to a point beyond economical repair. The Secretary-General therefore proposes to erect a small administration building (\$27,000) and a small utilities and storage building (\$30,000), and advises that it would be uneconomical to divide implementation of the

project over the years 1967 and 1968, due to the rising costs of labour and supplies in the area as well as the futility of making further repairs to the existing temporary structures. In this connexion, it is to be noted that the major part of the \$7,000 appropriated in 1966 for repairs to the quonset huts will remain unspent in view of the new proposals.

267. The Advisory Committee recognizes that the maintenance and repair of the Cemetery should be at a level commensurate with the spirit of its establishment. However, the estimated building costs for the two small buildings appear somewhat high and the Committee considers that it should be possible to construct adequate permanent structures at a lower level of expenditure. Accordingly, the Advisory Committee recommends a reduction of \$6,500 in the estimate for chapter I for 1967.

268. The Secretary-General states his intention to construct a third building in 1968 to provide a reception room for visitors and to house the various memorabilia of the Cemetery at an estimated cost of \$56,000,

and presumably the General Assembly will wish to express itself on this matter at its next session. Therefore, the Advisory Committee is not in a position to present its observations at this time.

269. As in past years, a *pro memoria* provision has been made under chapter II of Section 12 in the initial budget estimates for 1967 for the United Nations International School at New York. Over the last six years it has been necessary for the General Assembly to appropriate funds from the regular budget of the Organization to assist in the liquidation of the School's annual operating deficits. The General Assembly at its twentieth session noted with appreciation the offers made to provide and develop a site and to build and equip a new international school in New York City. The Secretary-General advises that he will submit a progress report on this subject to the General Assembly at its twenty-first session.

270. As noted in paragraph 264 above, chapter III provides for a contribution of \$30,000 for the International School at Geneva. In submitting a proposal under this heading for the first time, the Secretary-General advises that the School, which was established some 40 years ago through the initiative of the officials of the League of Nations and the International Labour Office, is now completely inadequate to cope with a student body of 1,500, as regards both the physical facilities and equipment of the School and its teaching staff. It is therefore considered essential to construct additional classrooms and to acquire additional facilities and equipment if the present high standards of instruction are to be maintained. The School, which is governed by a Board of Trustees, as a non-profit organization, is not at present endowed and has few capital assets. The present operating expenses are provided from school fees, which have increased some fifty per cent in recent years. In an endeavour to resolve the problem, the School has inaugurated an intensive fundraising campaign with the goal of obtaining over the next ten years sufficient capital funds to accomplish its objectives. Support is being sought from the international organizations, local and international business firms, foundations, parents and alumni, among others. In this regard the School hopes to raise approximately \$100,000 annually for ten years from the international organizations in Geneva, an additional \$200,000 a year for a similar period from local business firms with employees whose children attend the School, alumni and parents, and substantial contributions from foundations that have expressed willingness to consider matching arrangements.

271. While the Advisory Committee has sympathy for the Secretary-General's proposal, it feels that the information provided is insufficient for it to make a meaningful recommendation and accordingly intends to examine the question at its resumed session in Geneva. The Committee, therefore, has no specific observations to make on the suggested \$30,000 contribution at this time. The Advisory Committee would hope, however, that the report which the Secretary-General intends to submit to the General Assembly at its twenty-second session will contain a clearer indication of the total anticipated financial support pledged and especially that expected from the international organizations with headquarters at Geneva.

272. With regard to the chapter IV (Special educational and training programmes for South West Afri-

cans) the Advisory Committee in its sixth report to the General Assembly at its twentieth session,<sup>40</sup> noted that in terms of the number of students benefiting from this programme, results at that time had proved unsatisfactory, and while acknowledging the difficulties which might be inherent in administering the programme, the Committee looked forward to a fuller implementation of the directives of the General Assembly.<sup>41</sup> It is apparent from the reduced estimates for 1967 that little progress has been made in this direction, and the Secretary-General estimates that requirements under this heading for 1966 will not exceed \$30,000 as compared with an appropriation of \$50,000. The Secretary-General reports that a total of thirty-one scholarships have been offered and accepted since the beginning of the programme in 1962. Three of the recipients completed their course, twenty withdrew before doing so, leaving eight still pursuing their studies by January 1966. At the time of the preparation of the 1967 estimates, relatively few new applications were under consideration.

273. Chapter V (United Nations Bond Issue) provides an amount sufficient to pay the interest charge on bonds sold, at the rate of 2 per cent *per annum* and the instalment of the principal due on such bonds in accordance with the relevant General Assembly resolutions indicated in paragraph 12.29 of the 1967 budget estimates. On the basis of firm sales as of 15 January 1966, the interest and principal due fell slightly short of the appropriation approved for the financial year 1966 (\$8,662,218 as against \$8,668,000). Total value of receipts from the bond issue was \$169,905,679. It is estimated that the next payment due on 15 January 1967 covering interest and instalments of principal due will amount to \$8,717,459. Subject to whatever change might be necessary on the basis of revised estimate, the Advisory Committee recommends approval of the provision of \$8,717,500 proposed by the Secretary-General under chapter V, United Nations Bond Issue.

274. Provision is made under chapter VI for the special training programme for the indigenous people in territories under Portuguese administration as established by General Assembly resolutions 1808 (XVII) of 14 December 1962 and 1733 (XVIII) of 16 December 1963. The Secretary-General states that at the end of 1965, thirty-nine persons were actually studying and four more are scheduled to begin their studies in 1966. Furthermore, it is anticipated that in 1966 nearly all of the present scholarships will be renewed, that further fifteen to twenty new scholarships will be awarded, and that this trend is expected to continue in 1967. It would thus appear that this programme has achieved more than a modicum of success and therefore warrants the increase of \$20,000 as compared with the appropriation for 1966. The Committee was also interested to learn that future plans call for awarding the majority of the scholarships for study at Universities in Africa, which, in addition to reducing the average cost of scholarships, should lead to an expansion of the programme as called for by resolutions of the General Assembly.

275. Chapter VII makes provision for the Triangular Fellowship Programme of the Office of Public Information in the amount of \$19,500 for 1967. In its report

<sup>40</sup> *Ibid.*, paras. 294 and 295.

<sup>41</sup> General Assembly resolution 1705 (XVI) of 19 December 1961.



to the General Assembly on the 1966 budget estimates under this heading<sup>42</sup> the Advisory Committee expressed doubts as to the effectiveness of this programme, and suggested that the Secretary-General might wish to give further consideration to the continuation of the programme in the future. In its present review of the 1967 programmes of the Office of Public Information, the Committee had the opportunity of discussing this project with the Secretary-General's representative. On the basis of the results obtained under the programme as described to the Committee, and the nature of the agenda and level of participants proposed for the 1967 seminar, the Advisory Committee has no further observations to make at this time, other than to recall that this programme is subject to the budgetary limitations applicable to public information activities as a whole, as indicated in paragraph 110 of this report.

276. In the light of the foregoing observations, the Advisory Committee recommends, as regards the estimates submitted at this time under Section 12 for 1967, an appropriation of \$8,957,000 or a reduction of \$6,500 in the estimate proposed by the Secretary-General.

*Reduction recommended:*

Section 12: Special expenses, chapter I, United Nations	\$
Memorial Cemetery in Korea .....	6,500

### Part V. Technical programmes

#### SECTIONS 13, 14 AND 15. TECHNICAL PROGRAMMES

	\$
Estimate submitted by the Secretary-General	6,400,000
Estimate recommended by the Advisory Committee .....	6,400,000
1965 (actual expense) .....	6,393,295
1966 (appropriation) .....	6,400,000

277. The estimates under this heading relate to that portion of the United Nations technical assistance activity which is to be financed from the regular budget.

<sup>42</sup> Official Records of the General Assembly, Twentieth Session, Supplement No. 7 (A/6007), para. 301.

The operational programmes involved may be placed in three main categories:

#### I. *Economic development, social development, and public administration* (section 13):

- Technical assistance in the field of economic development, as envisaged in General Assembly resolutions 200 (III) of 4 December 1948 and 304 (IV) of 16 November 1949;
- Technical assistance in social development fields, as contemplated in General Assembly resolutions 418 (V) of 1 December 1950, 537 (VI) of 2 February 1952, 1042 (XI) of 21 February 1957, and 1838 (XVII) of 18 December 1962;
- Advisory services, consultation, training, and research in the field of public administration, as envisaged in General Assembly resolutions 518 (VI) of 12 January 1952, 723 (VIII) of 23 October 1953, and 1024 (XI) of 21 December 1956;
- Appointment of operational, executive, and administrative personnel, in accordance with General Assembly resolution 1530 (XV) of 15 December 1960;

#### II. *Human rights advisory services* (section 14);

#### III. *Narcotic drugs control* (section 15).

278. The distribution of the costs incurred in 1965, the estimates for 1966 and the provisional figures for 1967, by major field of activity, are provided in table 17.

279. It will be recalled that following establishment of the United Nations Development Programme by the General Assembly,<sup>43</sup> it was decided that the function of reviewing and approving the annual proposals for the United Nations regular programme of technical assistance previously carried out by the Technical Assistance Committee, would be transferred to its successor body, the Governing Council of the United Nations Development Programme.

280. At its January session the Governing Council discusses the composition of the United Nations regular programme of technical assistance, and at its June meetings, the scope and character of that programme, at which time recommendations are made on the amount to be approved for the following year.

<sup>43</sup> General Assembly resolution 2029 (XX) of 22 November 1965.

Table 17

#### PROPOSED REGULAR PROGRAMMES OF TECHNICAL ASSISTANCE BASED ON PRIORITIES

Budget section	Fields of activity	Proposed 1967 programme	Initial 1966 programme as approved by TAC	1965 programme
		\$	\$	\$
13.	Economic development .....	3,449,600	3,296,300	3,108,598
	Social welfare .....	1,818,200	1,918,800	1,951,698
	Public administration .....	837,200	889,900	1,083,310
	<i>Sub-total</i> .....	6,105,000	6,105,000	6,143,606
14.	Human rights advisory services .....	220,000	220,000	176,881
15.	Narcotic drugs control .....	75,000	75,000	72,808
	<b>TOTAL</b> .....	<b>6,400,000</b>	<b>6,400,000</b>	<b>6,393,295</b>



## Detailed recommendations on the budget estimates

281. The Secretary-General's provisional proposals for a 1967 regular programme of technical assistance may be divided into two parts: (a) country programmes and (b) regional and interregional programmes. The former total \$3,357,900 and the latter \$3,042,100. The final budget submission will be made to the General Assembly at its twenty-first session after the recommendation of the Governing Council of the United Nations Development Programme on the level and uses of the regular programme resources for 1967 and the decisions thereon by the Economic and Social Council at its forty-first session are available.

282. The Advisory Committee recommends approval of a total of \$6.4 million under part V of the 1967 estimates as proposed by the Secretary-General.

## Part VI. Special missions and related activities

### SECTION 16. SPECIAL MISSIONS

	\$
Estimate submitted by the Secretary-General .....	2,993,000
Estimate recommended by the Advisory Committee .....	2,943,000
1965 (actual expense) .....	3,716,423
1966 (appropriation) .....	4,317,990

283. The estimate of \$2,993,000 under this section provides for the maintenance of existing special missions and represents a decrease of \$1,324,990 as compared with the appropriation of \$4,317,990 for 1966. Table 18 gives an analysis by chapter for the years 1965, 1966 and 1967.

Table 18

### SPECIAL MISSIONS AND RELATED ACTIVITIES: ANALYSIS BY CHAPTER AND BY YEAR FOR 1965, 1966 AND 1967

Chapter	1967 estimate	1966 appropriation	1965 expenditure	Increase (decrease) between 1966 and 1967
	\$	\$	\$	\$
I. United Nations Truce Supervision Organization in Palestine .....	2,033,000	1,805,400	1,768,223	227,600
II. United Nations Conciliation Commission for Palestine .....	—	16,450	34,101	(16,450)
III. United Nations Military Observer Group in India and Pakistan ....	716,300	2,046,600	1,225,509	(1,330,300)
IV. United Nations Representative for India and Pakistan .....	46,100	40,600	40,704	5,500
V. United Nations Commission for the Unification and Rehabilitation of Korea .....	182,200	123,100	110,796	59,100
VI. Office of the Special Representative of the Secretary-General in Amman	15,400	25,140	26,667	(9,740)
VII. Replacement of staff assigned to field missions .....	—	130,700	118,604	(130,700)
— Previous missions not provided for in 1967 .....	—	130,000 <sup>a</sup>	391,819 <sup>b</sup>	(130,000)
TOTAL, Section 16	2,993,000	4,317,990	3,716,423	(1,324,990)

<sup>a</sup> Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

<sup>b</sup> Miscellaneous claims and adjustments of prior years' commissions and missions, \$796; United Nations Mediator on Cyprus, \$31,974; Supervision of elections in the Cook Islands, \$37,598; Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, \$115,647; Representative of the Secretary-General in the Dominican Republic, \$205,804.

284. In presenting his estimates under this section the Secretary-General advises that, whereas in previous budgets provision for salaries, wages and common staff costs of the staff of the various special missions related only to staff recruited locally or internationally for service with a particular mission, with the corresponding costs for staff temporarily detailed to a mission from the regular establishment being included, as appropriate under Sections 3, 4 and 17, the estimates as now presented under this section for each of the missions cover the salaries and common staff costs for all posts on the mission manning table, including

those detailed from the regular establishment, but excluding Field Service personnel, which are provided for separately under Section 17.

285. Additionally, previous provisions under this section covered the cost of such temporary staff as proved necessary to replace regular staff detailed to missions, but as a result of the general increase of activity in most areas of the Secretariat, it is no longer considered possible in most instances to release staff for prolonged periods of time without replacement. The Secretary-General has therefore omitted the former chapter covering replacement costs and advises that

## Detailed recommendations on the budget estimates

provision will be made in full under Sections 3 and 4 for all posts vacated by staff detailed from the regular establishment.

286. While the Advisory Committee has understanding of the Secretary-General's desire to reflect total expenses of each special mission under one section of the budget, it is bound to point out that the presentation for 1967 makes it extremely difficult to identify all those costs which in previous years were in part included under Sections 3 and 4 of the budget, thereby making comparative analysis less easy. The Committee has made further observations on this matter under Section 3, paragraphs 154 and 155 of this report.

287. In addition to the appropriation of \$4,317,990 approved for this section for 1966, the Secretary-General in terms of paragraph 1 of General Assembly resolution 2126 (XX) relating to unforeseen and extraordinary expenses for the financial year 1966, sought and obtained the concurrence of the Advisory Committee in the following commitments: United Nations Conciliation Commission for Palestine (UNCCP), Office of the Technical Representative—\$21,000; Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples—\$41,250; and the fourth session of the Scientific and Technical Subcommittee of the Committee on the Peaceful Uses of

Outer Space—\$21,200. In giving its concurrence to these requests, the Advisory Committee expressed the hope that the Secretary-General would be able to provide for these additional expenses, in so far as is possible, from within the total appropriation approved for 1966.

288. The Advisory Committee wishes to repeat what it has emphasized over the last several years, that, inasmuch as the operations provided for under Section 16 owe their existence to decisions of the General Assembly and the Security Council, the Committee has always examined the Secretary-General's estimates for this section, with a view to ensuring that the activities concerned were being administered in the most economical and efficient manner. At the same time, the Committee has pointed to the need, especially in the case of the older missions, for a periodic review of administrative and organizational requirements.

289. Additionally, the Advisory Committee is of the conviction that, following establishment of operations and activities which fall under this section of the budget, all Member States expect that those political organs which create these bodies will keep their activities and the necessity for their continuation under review. In this connexion, the Advisory Committee lists below the original authority for the establishment of the activities at present included under Section 16:

<i>Mission</i>	<i>Resolution</i>
I. United Nations Truce Supervision Organization in Palestine (UNTSO) .....	S/48 (1948) of 23 April 1948 (S/727)
II. United Nations Conciliation Commission for Palestine (Office of the Technical Representative) .....	GA resolution 1912 (XVIII) of 3 December 1963
III. United Nations Military Observer Group in India and Pakistan (UNMOGIP) .....	S/39 (1948) of 20 January 1948 (S/654) S/47 (1948) of 21 April 1948 (S/726)
IV. United Nations Representative for India and Pakistan (UNRIP) .....	S/80 (1950) of 14 March 1950 (S/1469)
V. United Nations Commission for the Unification and Rehabilitation of Korea (UNCURK) .....	GA resolution 376 (V) of 7 October 1950
VI. Office of the Special Representative of the Secretary-General in Amman .....	GA resolution 1237 (ES-III) of 21 August 1958

290. As regards the estimates presented for the various chapters under Section 16 for 1967, the Advisory Committee appreciates the difficulty of translating political decisions into administrative and budgetary requirements, and without wishing to comment on specific items under the various chapters, has the following general observation to make on the various components and the level of the estimates for Section 16 as a whole.

291. The Committee has examined the detailed estimates under all chapters of Section 16, and has come to the conclusion that savings can be achieved under various headings, such as travel and subsistence, operation and maintenance of vehicles, purchase of transportation equipment and on communications, freight, supplies and services.

292. In the light of all these considerations, the Advisory Committee recommends an appropriation

under Section 16 for 1967 in the amount of \$2,943,000, or a reduction of \$50,000 in the estimate submitted by the Secretary-General. As regards application of the recommended decrease, the Committee suggests that distribution of the reduction over the various chapters be left to the discretion of the Secretary-General.

### *Reduction recommended:*

Section 16. Special missions and related activities .... \$ 50,000

### SECTION 17. UNITED NATIONS FIELD SERVICE

Estimate submitted by the Secretary-General .....	1,833,200
Estimate recommended by the Advisory Committee .....	1,821,000
1965 (actual expense) .....	1,676,797
1966 (appropriation) .....	2,106,200

293. Under this section provision is made for a Field Service of 217 members<sup>44</sup> (a reduction of 11 posts as compared with 1966), excluding 54 such members assigned to the United Nations Emergency Force (UNEF), 29 to the United Nations Force in Cyprus (UNFICYP), and 16 serving in the field offices of the United Nations Development Programme, the costs of the latter 99 personnel being met from the budgets of the operations concerned. Of the 217 posts provided for in 1967 under Section 17, two radio operators are assigned to UNRWA on a reimbursable basis.

294. The over-all reduction of \$273,000 as compared with the 1966 appropriation of \$2,106,200, is due to a total decrease of 41 posts in the manning tables of the United Nations Military Observer Group in India and Pakistan (UNMOGIP) and the United Nations Truce Supervision Organization in Palestine (UNTSO). In particular the decreased requirements are related to reductions in the number of military observers at both missions.

295. In this connexion, it will be recalled that in response to the Secretary-General's request for the emergency strengthening of the number of military observers at UNMOGIP in 1965<sup>45</sup> the General Assembly also authorized<sup>46</sup> an increase of 39 field service personnel at that mission. The reduction in the number of field service staff for UNMOGIP for 1967 reflects in large measure a return to the conditions prevailing before implementation of those emergency measures. It is also noted that the Secretary-General anticipates a saving of some \$120,200 under Section 17 for 1966, as a result of the improvement in the area.

296. While recognizing that a substantial reduction has been made under this section as compared with the 1966 appropriation, the Advisory Committee would have expected greater savings and an adjustment closer to the 1965 level of expenditure which, it should be pointed out, also included additional costs as a consequence of certain emergency measures taken towards the end of that year. The Committee is aware that once staff increases have been effected to handle par-

<sup>44</sup> As at 1 June 1966, the composition by nationality of the 327 members of the United Nations Field Service was the following:

Argentina .....	1	Israel .....	1
Australia .....	2	Italy .....	16
Austria .....	9	Japan .....	7
Belgium .....	15	Jordan .....	1
Brazil .....	1	Malaya .....	1
Burma .....	3	Mauritania .....	1
Canada .....	5	Mexico .....	2
Ceylon .....	1	Netherlands .....	25
Colombia .....	8	New Zealand .....	2
Cuba .....	1	Nigeria .....	2
Cyprus .....	2	Norway .....	16
Denmark .....	32	Paraguay .....	2
Egypt .....	1	Philippines .....	12
Ethiopia .....	1	Spain .....	16
France .....	4	Sweden .....	16
Ghana .....	1	Thailand .....	7
Greece .....	24	Trinidad and Tobago .....	3
Guatemala .....	2	Turkey .....	2
Haiti .....	3	United Kingdom .....	18
Honduras .....	1	United States of America .....	2
India .....	12		
Ireland .....	46		

<sup>45</sup> Official Records of the General Assembly, Twentieth Session, Annexes, agenda item 76, document A/C.5/1050.

<sup>46</sup> General Assembly resolution 2124 (XX) and 2125 (XX) of 12 December 1965.

ticular emergencies, it is difficult to make full retrenchment on the return of the situation to normalcy, owing to the natural tendency to retain that extra reserve. It is therefore possible that further reductions could have been made under chapter I, established posts. The Committee suggests that the Secretary-General keep the situation under constant review.

297. It would also seem that the items under chapter II (Common staff costs), which depend on the establishment provided for in chapter I, and for which there are increases in all seven sub-chapters totalling almost \$44,000 in 1967 as compared with 1965 expenses, should be susceptible of reduction. The Advisory Committee acknowledges that, in the case of the Field Service, the relatively high level of the provision for common staff costs is due in part to the fact that Section 17 includes provision for home leave, whereas in the case of regular staff these costs are excluded from Section 4 and provided for under Section 5. However, in respect of other items under chapter II, an element of speculation remains and the Advisory Committee feels that it is reasonable to expect that some savings might be realized.

298. Accordingly, the Advisory Committee recommends an appropriation under Section 17 in the amount of \$1,821,000, or a reduction of \$12,200 in the estimate submitted by the Secretary-General.

#### *Reduction recommended:*

Section 17. United Nations Field Service .....	\$ 12,200
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### **Part VII. Office of the United Nations High Commissioner for Refugees**

#### **SECTION 18. OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES**

	\$
Estimate submitted by the Secretary-General .....	3,280,400
Estimate recommended by the Advisory Committee .....	3,225,000
1965 (actual expense) .....	2,487,263
1966 (appropriation) .....	3,011,800

299. The estimate of \$3,280,400 under this section represents an increase of \$268,600 as compared with the 1966 appropriation. Table 19 gives the chapter breakdown of the estimates for 1967, the appropriation for 1966, the actual expenditures in 1965, the deduction for staff assessment credited to Income section 1, and the amount of the subvention for the grant-in-aid to the regular budget from voluntary funds at the disposal of the High Commissioner, as reflected in Income section 2.

300. In its twentieth report to the General Assembly at its twentieth session,<sup>47</sup> the Advisory Committee examined the detailed report submitted by the Secretary General, concerning the organization, staffing and operations of the Geneva headquarters, branch and sub-office of the Office of the High Commissioner for Refugees, as requested by the Committee in its report to the General Assembly on the initial budget estimates for 1966.

<sup>47</sup> Official Records of the General Assembly, Twentieth Session, Annexes, agenda item 76, document A/6138.

<sup>48</sup> *Ibid.*, Supplement No. 7 (A/6007), para. 329.

## Detailed recommendations on the budget estimates

Table 19

### SECTION 18. OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

Chapter	1967 estimate	1966 appropriation	1965 expenditure	Increase or (decrease) between 1966 and 1967
	\$	\$	\$	\$
I. Salaries and wages .....	2,356,000	2,157,800	1,784,376	198,200
II. Common staff costs .....	523,400	464,000	408,570	59,400
III. Travel of staff .....	165,000	165,000	126,272	—
IV. Public relations and information activities .....	26,000	26,000	16,025	—
V. Hospitality .....	5,000	4,000	2,000	1,000
VI. Permanent equipment for field offices .....	19,000	16,000	7,409	3,000
VII. General expenses and supplies ..	177,000	169,000	141,679	8,000
VIII. Contractual printing .....	9,000	10,000	932	(1,000)
TOTAL GROSS, Section 18	3,280,400 <sup>a</sup>	3,011,800 <sup>a</sup>	2,487,263	268,600
<i>Deduct:</i>				
Income from staff assessment..	427,000	394,000	325,648	33,000
Grant-in-aid from voluntary funds .....	390,000 <sup>b</sup>	390,000 <sup>b</sup>	150,000	—
	817,000	784,000	475,648	33,000
TOTAL NET, Section 18	2,463,400	2,227,800	2,011,615	235,600

<sup>a</sup> Includes provision for thirty-nine posts financed from voluntary funds up to the end of 1965.

<sup>b</sup> Provisional figure.

301. The Secretary-General's report stressed the changing nature and emphasis of the programmes administered by the High Commissioner since adoption of the Statute of the Office in 1950<sup>49</sup> and subsequent directives of the General Assembly, the extent of the current programmes, the administrative structure and budget of the Office, and the level of the subvention for the grant-in-aid to the regular budget of the United Nations.

302. Following examination of the administrative structure of the Office, the Advisory Committee considered that it had not been presented with sufficient evidence to justify an increase of 14 in the number of established posts, although it suggested that the sum of \$50,000 be added in temporary assistance funds for staff required to deal with new refugee situations. Additionally, in the absence of sufficient supporting evidence, the Committee recommended a 50 per cent reduction in the estimate proposed for the re-classification of 14 professional posts and one general service post. The Committee also commended to the attention of the High Commissioner a number of specific administrative matters raised in the Secretary-General's report.

303. As regards the level of the grant-in-aid paid from voluntary funds to the United Nations budget, the Committee over the years had pointed out that the amount of the grant-in-aid varied from year-to-year and was arrived at on an *ad hoc* basis, depending on the

level of voluntary funds expected to be available for current programmes. In examining this matter, the Advisory Committee agreed with the observation made by the Secretary-General to the extent that the real question at stake was whether the costs of management and administration of those activities of the High Commissioner which were financed from voluntary funds should be borne by the United Nations budget in their entirety, or whether they should continue to be borne partly by the United Nations regular budget and partly by voluntary funds.

304. In submitting its observations and conclusions to the General Assembly<sup>50</sup> the Committee stated that it could not recommend arrangements whereby all the administrative expenses of the Office would be borne by the budget of the United Nations without reimbursement. After having studied all possible solutions, the Committee recommended a cost-sharing principle by which the grant-in-aid would be established at 10 per cent of the volume of the High Commissioner's annual current programme, to become effective on 1 January 1966. The Committee also considered that this would have an added advantage in that all administrative requirements would be shown in this regular budget of the United Nations thereby permitting an annual review of all costs by Member Governments. Accordingly, all staff requirements would appear under one Manning table, which would include for 1966 the 39 posts previously financed by voluntary funds. Additionally, the

<sup>49</sup> General Assembly resolution 428 (V) of 14 December 1950.

<sup>50</sup> Official Records of the General Assembly, Twentieth Session, Annexes, agenda item 76, document A/6138, paras. 36 to 44.

Advisory Committee suggested that the arrangements be reviewed after some years experience had been acquired.

305. Although the High Commissioner stated that he continued to believe that the administrative costs of all activities financed by voluntary funds should be borne by the United Nations in their entirety, he also indicated that should the suggested solution be acceptable to all parties involved, he too would accept it.

306. The suggested formula was subsequently approved by the Executive Committee of the Office of the High Commissioner and the General Assembly at its twentieth session<sup>51</sup> and resulted in a subvention of \$390,000 to the United Nations budget for 1966, based on the anticipated level of \$3.9 million for the High Commissioner's current programme for that year.

307. As regards the grant-in-aid included under the present estimates, the High Commissioner expects requirements for the 1967 current programme to exceed \$4 million, although the actual target for 1967 will only be determined by the Executive Committee in October 1966. Pending such legislative consideration, the Secretary-General has provisionally included the same amount as for 1966 (\$390,000) as a grant-in-aid for 1967 under Income section 2. This figure therefore is subject to revision following approval of the High Commissioner's current programme for 1967.

308. In presenting the estimates for administrative expenses for the Office of the High Commissioner for 1967, the Secretary-General advises that the High Commissioner kept in mind the recommendations of the Advisory Committee,<sup>52</sup> and endeavoured to meet the growing demands made upon his Office for international protection and assistance to refugees by a reallocation of staff resources. In this connexion, and as a result of a review of the European branch offices, the High Commissioner hopes to be able to transfer by the end of 1966 fifteen posts (5 professional and 10 general service) from these offices to Africa and Latin America, reducing the field staff in Europe from 96 to 81. The transfer of these fifteen posts, however, will not be sufficient to meet all the requirements in Africa and at headquarters, and the High Commissioner is requesting an increase of fifteen additional posts (5 professional and 10 general service) to enable him to cope with all the essential demands under the Statute of the Office. Of the fifteen new posts requested, 4 professional and 7 general service are required for the Geneva headquarters and one new professional and 3 general service posts for offices in Africa. It should be noted that the 4 professional and 5 of the 7 general service posts requested for the Geneva office for 1967 are being provided from temporary assistance funds in 1966.

309. The Advisory Committee is aware of the new demands being made on the Office of the High Commissioner and the measures required to deal with them, and therefore was interested to learn of some of the steps taken to meet those emergency problems from within existing staff resources as recommended by the Committee over the past years. However, while acknowledging that progress has been made in the reallocation of established staff due to a contraction of activities at the branch offices in Europe, the Com-

mittee considers that a further downward adjustment in the staffing of those offices is possible. In this connexion, the Advisory Committee is pleased to hear that the High Commissioner has taken additional steps to elicit the support of co-operating Governments and non-governmental voluntary organizations to undertake some of the functions and responsibilities at present carried out by the branch offices in Europe, and notes that the High Commissioner anticipates a favourable response to his appeal.

310. The Advisory Committee welcomes the assurance of the High Commissioner that every effort will be made to readjust staff resources in the light of lessening responsibilities as regards the older refugee programmes, in order to cope with the new emergency situations. In this connexion, the Committee suggests that the High Commissioner initially should consider using the temporary assistance funds placed at his disposal in responding to these more temporary and fluid emergency programmes, rather than establishing additional permanent posts and committing funds on a full-time basis.

311. As indicated in paragraph 302 above, the Advisory Committee in submitting its observations on the High Commissioner's 1966 proposals for the reclassification of 14 professional and one general service post,<sup>53</sup> stated that it saw no reason to change its original recommendation for a 50 per cent reduction in the estimates for that purpose, and reiterated its belief that proposals for reclassifications should be supported by evidence that an objective survey had been made between those posts proposed and comparable responsibilities.

312. In his 1967 budget proposals the High Commissioner advises that a complete survey of all substantive posts at UNHCR headquarters in Geneva was undertaken by a senior member of the United Nations Geneva Office, who compared the grading of UNHCR posts with similar posts at that Office. On the basis of the report on the survey, 11 professional and 2 general service posts are recommended for reclassification in 1967. However, provision is included in the 1967 establishment for 2 of these professional posts. It is stated that these reclassifications exclude a number of other recommendations within the assistant/associate officer and general service levels. The High Commissioner also expresses the hope that a similar survey could be undertaken in his field offices where the grading is, in his opinion, even less satisfactory than the present grading of his staff at Geneva.

313. While the Advisory Committee could appreciate that reclassifications or upgradings in certain individual cases may be warranted, it must express concern over the fact that the proposals represent some 12 per cent of the present professional staff. The Committee would recall its report to the General Assembly on Section I of the 1966 budget estimates,<sup>54</sup> in which it expressed its continuing concern over the criteria used for proposing post classifications, and suggested that the Secretary-General give consideration to undertaking a study and report on the comparable practices and mechanisms used throughout the United Nations family of agencies in the matter of post reclassifications. The Committee therefore feels that, to the extent possible, reclassifica-

<sup>51</sup> *Ibid.*, document A/6223, para. 60.

<sup>52</sup> *Ibid.*, document A/6138.

<sup>53</sup> *Ibid.*, para. 22.

<sup>54</sup> *Ibid.*, Supplement No. 7 (A/6007), para. 181.



## Detailed recommendations on the budget estimates

on of posts should await the outcome of the over-all study and report.

314. The Committee has also examined the 1967 estimates under the other chapters of the High Commissioner's budget, and is of the opinion that some savings are possible under most headings and in particular travel of staff (chapter III) and general expenses and supplies (chapter VII), which lend themselves to strict administrative control.

315. In the light of all preceding observations, the Advisory Committee recommends an appropriation under Section 18 of \$3,225,000 or a reduction of \$55,400 in the estimate submitted by the Secretary-General. It also recommends that the grant-in-aid for 1967 be provisionally established at \$390,000, subject to revision on the basis of subsequent approval of the High Commissioner's current programme for 1967.

*Education recommended:*

Section 18. Office of the High Commissioner for Refugees .....	\$ 55,400
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### **Part VIII. International Court of Justice**

#### **SECTION 19. INTERNATIONAL COURT OF JUSTICE**

Estimate submitted by the Secretary-General .....	\$ 1,164,900
Estimate recommended by the Advisory Committee .....	1,149,900
1965 (actual expense) .....	1,111,053
1966 (appropriation) .....	1,074,100

316. The net increase of \$90,800 under this section as compared with the appropriation for 1966 is due entirely to additional requirements under two of the four chapters included in the section, namely, chapter II (Salaries, wages and expenses of the Registry) and chapter III (Common services). Table 20 gives a chapter comparison of estimates and expenses over the years 1965, 1966 and 1967.

317. The estimate of \$551,800 under chapter I (Salaries and expenses of Members of the Court) represents a small reduction of \$1,750 as compared with the 1966 figure. As in 1966, no provision has been made under item (vii) (*Ad Hoc* judges, assessors, witnesses and experts) since these expenses are of a contingent nature. However, as for 1966, provision has been made

in the draft resolution relating to unforeseen and extraordinary expenses in 1967, authorizing the Secretary-General to enter into commitments up to \$37,500 for *ad hoc* judges and \$25,000 for assessors, witnesses and experts. Actual expenses of this nature amounted to \$41,762 in 1965. The draft resolution authorizes the Secretary-General also to enter into commitments up to \$50,000 related to the maintenance in office of Judges who have completed their term of office and up to \$58,500 for the payment of pensions and travel and removal expenses of Judges not re-elected, and travel and removal expenses of new members of the International Court of Justice.

318. The increase of \$92,430 for chapter II (Salaries, wages and expenses of the Registry) is due mainly to \$77,000 for temporary assistance requirements for translation of the written pleadings in the Barcelona Traction case, the provision of a full team of French and English simultaneous interpreters for three months of public hearings and provision for translation of the extensive documentation for this case, and additional typing and servicing staff to assist with the workload resulting from the Court's deliberations. Additionally, some \$14,500 provides for regular salary increments including a ten per cent increase in general service salaries effective 1 February 1966.

319. As regards the appropriation of \$55,000 for temporary assistance for 1966, the Advisory Committee understands that actual expenses under this heading for 1966 may approximate \$110,000, or double the amount of the appropriation, due to the length and complexity of cases before the Court relating to South West Africa.

320. Having considered the level of the provision under Section 19 for 1967, the Advisory Committee believes that there is an adequate margin for possible savings of the order of \$15,000. While the establishment of the Registry is small and remains fairly constant, certain vacancies may materialize which would have an effect on the 1967 budget. It also seems reasonable, on the basis of experience, to expect that the provisions for travel of Judges and members of the Registry and their dependants, as well as other entitlements which are provided in full, may not be completely utilized. Additionally, some saving should be possible in the temporary assistance provision.

321. In the light of the preceding observations, the Advisory Committee recommends an appropriation

Table 20

INTERNATIONAL COURT OF JUSTICE: SUMMARY BY CHAPTER AND BY YEAR FOR  
1965, 1966 AND 1967

Chapter	1967 estimate	1966 appropriation	1965 expenditure	Increase or (decrease) between 1966 and 1967
	\$	\$	\$	\$
I. Salaries and expenses of Members of the Court .....	551,800	553,550	574,960	(1,750)
II. Salaries, wages and expenses of the Registry .....	518,550	426,120	438,396	92,430
III. Common services .....	87,050	77,930	75,620	9,120
IV. Permanent equipment .....	7,500	16,500	22,077	(9,000)
TOTAL, Section 19	<u>1,164,900</u>	<u>1,074,100</u>	<u>1,111,053</u>	<u>90,800</u>



## Detailed recommendations on the budget estimates

under Section 19 of \$1,149,900, or a reduction of \$15,000 in the estimate submitted by the Secretary-General.

### Reduction recommended:

\$

Section 19. International Court of Justice ..... 15,000

## Part IX. United Nations Conference on Trade and Development

### SECTION 20. UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

\$

Estimate submitted by the Secretary-General ..... 9,100,000

Estimate recommended by the Advisory Committee ..... 8,800,000

1965 (actual expense) ..... 2,592,861

1966 (appropriation) ..... 5,971,500

322. The estimates under Section 20 provide for the United Nations Conference on Trade and Development established as an organ of the General Assembly in accordance with its resolution 1995 (XIX) of 8 January 1965.

323. The estimate of \$9,100,000 represents an increase of \$3,128,500 over the appropriation for 1966 and is mainly attributable to the following factors:

- (i) \$1,833,000 for the Second Session of the Conference;
- (ii) \$413,000 for maintaining and continuing the 1966 posts establishment in 1967;
- (iii) \$486,000 for 76 new posts requested for 1967;
- (iv) \$396,430 for expert or advisory bodies and the cost of languages and documents services for the meetings programme.

324. Income from staff assessment in respect of established posts and temporary assistance posts is included under Income section 1 in the amount of \$815,000. As regards assessed contributions to be received from non-member States in respect of their participation in UNCTAD activities, the estimate of \$788,000 for this purpose will be credited to miscellaneous income under Income section 3.

325. It should be noted that the UNCTAD estimates for 1967 have been presented under three main headings: (i) sessions of the Conference and of expert and advisory bodies (\$1,948,000); (ii) secretariat of UNCTAD (\$3,980,000), and (iii) services provided through other offices of the United Nations (\$3,172,000). Table 21 below gives a breakdown of the main headings by chapter over 1965, 1966 and 1967.

326. In conjunction with its examination of the 1967 estimates, the Advisory Committee reviewed the status of the 1966 budget for this section. It was noted that the Trade and Development Board at its third session in February 1966, adopted programmes of work not previously included in UNCTAD's 1966 programme,

Table 21

### UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Chapter	1967 estimates	1966 appropriations	1965 expenses
	\$	\$	\$
<i>A. Sessions of the Conference and of Expert and Advisory Bodies</i>			
I. Second session of the Conference .....	1,833,000	—	—
II. Sessions of expert and advisory bodies ..	115,000	21,900	17,606
TOTAL, sessions	1,948,000	21,900	17,606
<i>B. Secretariat of UNCTAD</i>			
III. Salaries and common staff costs .....	3,425,000	2,347,930	984,838
IV. Consultants .....	200,000	350,000	148,325
V. Temporary assistance and overtime .....	55,000	175,000	55,071
VI. Travel on official business .....	160,000	179,000	89,718
VII. Hospitality .....	10,000	9,000	6,185
VIII. General expenses .....	95,000	173,000	116,738
IX. Permanent equipment .....	35,000	50,000	127,399
TOTAL, secretariat	3,980,000	3,283,930	1,528,274
<i>C. Services provided through other offices of the United Nations</i>			
X. General administrative services .....	587,000	510,000	231,347
XI. Languages services .....	1,922,000	1,589,400	664,462
XII. Documents services .....	663,000	566,270	151,172
TOTAL, services	3,172,000	2,665,670	1,046,981
GRAND TOTAL, Section 20	9,100,000	5,971,500	2,592,861

ng to the Committee on Shipping and the Com-  
e on Invisibles and Financing related to Trade.  
as reported that since these new programmes are  
ly of a continuing nature, the staff of the Division  
nvisibles will need to be increased by ten profes-  
l and ten general service staff members. These  
posts have been requested in the 1967 budget esti-  
s. However, to enable a start to be made on the  
programmes, an additional credit of some \$330,000  
quired in 1966 for consultants or other profes-  
l staff, supporting general service staff and the  
l of two expert groups. Additionally, although  
pace of recruitment of the UNCTAD secretariat  
roving satisfactory, indicating that the turnover  
ctions of 40 per cent and 20 per cent taken, re-  
ively, on new professional and general service  
for 1966 may not be achieved, it is possible that  
tting savings may arise from the delays in recruit-  
of new posts authorized for staff providing ser-  
to UNCTAD through other offices. It was in-  
ed that the total estimated expenditures for 1966  
dependent on certain factors which could result  
e need to submit supplementary estimates for 1966  
a total expenditure for Section 20 that would be  
close to the appropriation of \$5,971,500.

7. In order to make the Advisory Committee's  
vations and recommendations more readily com-  
ple with the Secretary-General's submission, the  
ent report follows, as far as possible, the sequence  
format of the 1967 budget estimates for Section 20.

#### *Sessions of the Conference and of expert and advisory bodies*

8. In its twenty-third report to the General As-  
sly at its twentieth session,<sup>55</sup> on the revised 1966  
ates for UNCTAD, Section 20,<sup>56</sup> the Advisory  
mittee noted that postponement of the second  
on of the Conference from 1966 to 1967 would  
ite the need for the provisional estimate of \$2 mil-  
contained in the initial 1966 budget estimates for  
purpose. However, the Secretary-General pointed  
hat it would be necessary to maintain some pro-  
n for the preparation of the basic documentation  
red for the Conference, and bearing in mind the  
resources already requested for the Conference  
ariat for 1966 and the additional staff requested  
s revised estimates, the Secretary-General believed  
these requirements could be met by providing the  
erence with additional consultant and temporary  
with related secretarial assistance for undertaking  
udies and preparatory documentation, up to a total  
ated expenditure of \$250,000 in 1966. It was indi-  
<sup>57</sup> that with these additional resources the Secre-  
General of UNCTAD would be able to expedite  
on certain priority programmes as laid down by  
Trade Board, and as a consequence to produce the  
ed basic documentation required for the second  
on of the Conference.

9. In submitting its observations on the revised  
estimates, the Advisory Committee stated<sup>58</sup> that  
it could agree that certain preparatory work  
d be necessary for the efficient servicing of the  
d session of the Conference, it assumed that the

expenditures incurred in 1966 would be taken into  
account in the preparation of the estimates for the  
Conference. The Committee is therefore somewhat sur-  
prised to find an item of \$235,500 for pre-conference  
documentation in the 1967 estimates showing a con-  
tinuing need for consultants (\$56,000), travel (\$25,000),  
translation (\$76,500) and reproduction (\$78,000).  
Noting that the 1967 estimates provide for translation  
and reproduction of the total estimate of 3,000 pages  
for pre-conference documentation, it would appear to  
the Committee that the \$250,000 authorized for 1966  
is being spent on temporary assistance and consultancy  
fees and related travel, and not being utilized for any  
translation or reproduction of documentation as origi-  
nally indicated.

330. The Committee was also concerned over the  
estimated provision of \$963,000 for language and con-  
ference service staff for the second session of the Con-  
ference. In addition to 181 staff members to be assigned  
from the regular establishment, the estimates provide  
for 413 temporary staff at an estimated cost of approxi-  
mately \$900,000 for salaries, travel and *per diem* for  
the latter group.

331. The Advisory Committee is not in a position  
to make a meaningful appraisal of such provisions,  
which presumably are based on known or anticipated  
requirements taking into account the experience gained  
at the first session of the Conference. However, the  
Committee feels bound to express some apprehension  
in view of the total costs involved, representing almost  
50 per cent of the cost of the second session of the  
Conference. Although the Committee is not in a po-  
sition to evaluate fully the particular requirements  
for the Conference, it suggests that serious consideration  
might be given to limiting the duration of the meetings,  
which would serve to reduce costs under all items  
of expenditure. In making this suggestion the Com-  
mission has in mind the observations to the same effect  
made by some of the Members attending the third  
session of the Trade Board (TD/B/66). The Advisory  
Committee appreciates that the duration of conferences  
and meetings is primarily determined by the content  
and extent of their agenda. In this connexion, the Com-  
mittee considers that it might be mutually beneficial  
to Member States participating in these large and im-  
portant meetings, and the secretariat charged with the  
responsibility of servicing them, if small expert bodies  
or groups were appointed in the first instance to de-  
termine the items to be included in the agenda and  
their priority, thereby limiting the number of items,  
having uppermost in mind the essential needs of the  
conference and its efficient functioning.

332. The Advisory Committee considers also that  
there might be advantage in a merger of some of the  
subsidiary bodies of the UNCTAD, leading to a con-  
solidation of operational objectives and a rationalization  
of its programme of conferences and meetings. The  
Committee would also look forward to the time when  
the Trade Board might consider that it could discharge  
its responsibilities by meeting once rather than twice  
a year. In making these suggestions the Committee  
does not wish to convey the impression that it is con-  
sidering the conference and meetings programme of  
UNCTAD in isolation; on the contrary, in paragraphs  
41 to 51 of this report the Advisory Committee has  
dealt extensively with the growing problem of the ex-  
pansion of meetings and conferences of the United

*bid.*, Annexes, agenda item 76, document A/6144.

*bid.*, document A/C.5/1042.

*bid.*, para. 5.

*bid.*, A/6144, para. 5.

Nations, and has stated that only at such time as there is a co-ordinated approach to the problem will the Organization be able adequately to fulfil its obligations to Member States.

333. As regards the estimates for publication of the proceedings of the Conference (\$415,000), the Committee appreciates the directive of the Trade Board at its third session, calling for a selective approach to the material to be included in the printed proceedings. However, it notes that the present proposal provides for inclusion of all the pre-conference documentation, and the Committee considers that the same selective approach might be taken with this material. Additionally, in view of the amount of time considered necessary to translate and prepare the documentation the Committee doubts whether the estimated cost of \$415,000 for printing the proceedings will be required in 1967.

#### B. Secretariat of UNCTAD

334. The estimate of \$3,425,000 for salaries and common staff costs, including home leave of the UNCTAD secretariat, provides for an increase of 76 new posts (29 professional, 34 secretaries and clerks, and 13 statisticians), giving a total establishment of 272 staff for 1967. The estimate shows an increase of some \$1,077,000 as compared with the 1966 appropriation.

335. It is represented in the budget text that the 76 new posts are required to provide a secretariat of sufficient strength for the first year in which the organizational machinery will be in full operation and that by 1967 the terms of reference and the work programmes of the Board and its functional committees will all be in effect.

336. While the Committee recognizes that the UNCTAD secretariat should be adequately staffed to provide the essential services necessary to ensure effective implementation of the operational programmes of UNCTAD as requested by Member States, it doubts whether all of the posts authorized for 1966 will in fact be filled by the end of that year, and also whether those of the more highly specialized new posts requested for 1967 will in fact be occupied for the full year. The Committee therefore is of the opinion that some savings will accrue through staff vacancies in 1967.

337. Although the Advisory Committee is not in a position to examine fully the detailed staffing requirements of the various divisions of the UNCTAD secretariats it is of the view that a less hasty approach to establishing and expanding certain organizational units would be desirable. It has particularly in mind the proposed expansion of the Research Division and the establishing of a Technical Assistance Unit. In the case of the former, the Committee feels that the assistance available in existing areas should be fully explored before UNCTAD embarks on further expansion in this sector, thereby minimizing any possible duplication of effort. As regards the proposed Technical Assistance Unit, the Committee feels that establishing such a unit at this time might be somewhat premature and it would hope that such a decision might be delayed until such time as experience shows a clear need for such a unit in UNCTAD.

338. As regards the estimates for the other chapters of the UNCTAD secretariat, which by their nature are

subject to strict administrative discipline and control, the Advisory Committee is convinced that appreciable savings can be realized in 1967.

#### C. Services provided through other offices of the United Nations

339. The estimate of \$3,172,000 under this heading allows for those essential services provided to the UNCTAD secretariat by the general administrative language and documents services. The estimate for 1967 shows an increase of some \$506,000 over the 1966 appropriation, of which approximately \$332,000 relates to the language services, \$96,000 to documents services and \$77,000 to general administrative services.

340. As regards the total 1967 estimates of \$1,922,000 for language services, some \$959,000 provides for 70 established posts and \$963,000 for temporary assistance requirements, based on the workload arising from the tentative calendar of meetings shown in table 20-18 of the budget estimates. The tentative calendar of meetings will be submitted for consideration and approval by the Trade and Development Board in August-September 1966 at its fourth session. The Committee notes that the calendar provides for two commodity conferences and that should a third be required, it is intended to request the necessary funds under the terms of the General Assembly resolution relating to unforeseen and extraordinary expenses for 1967.

341. The estimate of \$663,000 for documents services (chapter XII), includes \$219,000 for contractual external printing and \$444,000 for internal reproduction. The amount for external printing provides for the publication of the records of the fifth and sixth sessions of the Board in 1967 and six special studies. Considering the tentative nature of these estimates, which are based on anticipated documentation requirements, and in the hope that the Trade and Development Board might find it possible to hold only one meeting in 1967 as suggested in paragraph 332 above, the Committee feels that savings could be realized under chapter XII in 1967.

#### Conclusions

342. In the light of the foregoing observations, and in particular its comments in paragraphs 331 to 332, 336 to 338, 340 and 341, the Advisory Committee recommends a total expenditure estimate of \$8,800,000 for Section 20 (the United Nations Conference on Trade and Development) for 1967, or a reduction of \$300,000 in the estimate proposed by the Secretary-General.

#### Reduction recommended:

	\$
Section 20. United Nations Conference on Trade and Development .....	300,000

#### Estimates of income

343. Table 22 below provides a summary of estimates of income for 1967 as compared with the approved estimated income for 1966 and actual income received for 1965.

# Detailed recommendations on the budget estimates

Table 22

## SUMMARY OF ESTIMATES OF INCOME FOR 1967, COMPARED WITH APPROVED ESTIMATES FOR 1966 AND ACTUAL INCOME FOR 1965

Income sections	1967 estimates	1966 approved estimates	1965 actual income	Increase or (decrease) between 1966 and 1967
	\$	\$	\$	\$
1. Income from staff assessment .....	13,350,000	13,114,900	10,327,836	235,100
2. Funds provided from extra-budgetary accounts .....	2,196,276	1,916,200	1,741,793	280,076
3. General income .....	2,673,400	1,566,200	1,878,701	1,107,200
4. Sale of United Nations postage stamps (United Nations Postal Administration) .....	1,785,000	1,670,000	2,071,165	115,000
5. Sale of publications .....	827,650	718,000	675,628	109,650
6. Services to visitors and catering services .....	791,300	805,400	700,286	(14,100)
TOTAL, income other than staff assessment .....	8,273,626	6,675,800	7,067,573	1,597,826
TOTAL INCOME	21,623,626	19,790,700	17,395,409	1,832,926

### PART I. INCOME FROM STAFF ASSESSMENT

#### Income section 1. Staff assessment income

Estimate submitted by the Secretary-General .....	\$ 13,350,000
Estimate recommended by the Advisory Committee .....	13,350,000
1965 (actual income) .....	10,327,836
1966 (estimated income) .....	13,114,900

344. The estimate under this section relates to anticipated revenue from assessments levied on salaries and emoluments paid to staff in accordance with regulation 3.3 of the Staff Regulations. The full amount of this revenue will be credited to the Tax Equalization Fund and distributed from that Fund to the Member States in accordance with General Assembly resolution 973 (X) of 15 December 1955.

345. The anticipated total of \$13,350,000 for 1967 is \$235,000 higher than the estimate approved for 1966, and includes \$66,000 in respect of the International Court of Justice (Section 19); \$427,000 for the Office of the High Commissioner for Refugees (Section 18); and \$815,000 for the United Nations Conference on Trade and Development (Section 20).

346. Income from staff assessment is in direct relationship to salaries and certain common staff costs provided for in Sections 3, 4, 16, 17, 18, 19 and 20 of the budget.

347. Accordingly, the Advisory Committee recommends a figure of \$13,350,000 as revenue under Income section 1.

### PART II. OTHER INCOME

#### Income section 2. Funds provided from extra-budgetary accounts

Estimate submitted by the Secretary-General .....	\$ 2,196,276
Estimate recommended by the Advisory Committee .....	2,196,276
1965 (actual income) .....	1,741,793
1966 (estimated income) .....	1,916,200

348. The total estimate of \$2,196,276 covers the following anticipated contributions to the regular budget:

(a) \$1,418,932 from the Technical Assistance component of the United Nations Development Programme, as a contribution towards administrative and operational services costs incurred by the United Nations as a participating organization;

(b) \$390,000 from the voluntary funds at the disposal of the High Commissioner for Refugees as a grant-in-aid of the administrative costs provided in Section 18 of the budget;

(c) \$387,344 from the United Nations Joint Staff Pension Fund towards the expenses of this activity which are met initially from the regular budget of the United Nations.

349. The 1967 estimate shows a net increase of \$280,076 as compared with the approved estimate for 1966, as a result of increased subventions from the United Nations Development Programme and from the United Nations Joint Staff Pension Fund.

350. The level of the contribution from the Technical Assistance component of the United Nations Development Programme, representing a lump-sum payment towards the Programme's administrative and operational service costs of the United Nations, is calculated on the basis of 14 per cent of the total provisional programme costs for the biennium 1965/1966, established in accordance with the terms of Economic and Social Council resolution 1060 (XXXIX) which stipulated that the subvention should represent 14 per cent of one half of the approved field programme of the previous biennium.

351. The General Assembly at its twentieth session, on the recommendation of the Advisory Committee,<sup>59</sup> adopted, *inter alia*, a new formula for the grant-in-aid from the voluntary funds of the High Commissioner for Refugees, established at ten per cent of the actual commitments under the current programme, excluding commitments for administrative expenditure covered

<sup>59</sup> Official Records of the General Assembly, Twentieth Session, Annexes, agenda item 76, document A/6138.

directly by the programme. Inasmuch as the actual target for the current programme for 1967 will only be determined in October 1966, the contribution for 1967 at this time is maintained at the 1966 level of \$390,000.

352. The estimated contribution of \$387,344 for 1967 from the Joint Staff Pension Fund is based on a mutual agreement for the apportionment of the cost of the Fund. These costs are met initially by the United Nations regular budget, followed by reimbursement by the Fund. The increase of \$98,850 over the 1965 actual figure is accounted for partly by the higher provision for investment costs, by increased staff costs and by a higher rate of reimbursement for the cost of computer and related data-processing services, cost of external audit, and other administrative expenses.

353. Subject to the above observations, the Advisory Committee recommends an estimate of \$2,196,276 for Income section 2 as proposed by the Secretary-General in his initial estimates for 1967.

#### *Income section 3. General income*

	\$
Estimate submitted by the Secretary-General	2,673,400
Estimate recommended by the Advisory Committee	2,700,000
1965 (actual income)	1,878,701
1966 (estimated income)	1,566,200

354. Income section 3 shows a net increase of \$1,107,200 as compared with the approved estimate for 1966 and an increase of some \$794,700 over the actual income for 1965.

355. There is a slight increase over 1966 of \$5,500 under item (i) Rental income, and a reduction of about \$117,000 as against 1965 actual income primarily as a result of the move of the World Health Organization from the Palais des Nations, Geneva, to its own premises in 1966. The Advisory Committee understands that a review of the rental arrangements at Headquarters has been made which should lead to increased income under this heading in future years.

356. While there is a net increase of \$194,600 under item (ii), Reimbursement of staff and services furnished to specialized agencies and others, there are a number of increases and offsetting decreases in the various items which comprise this section as described in the budget text. The major new item under this heading provides an amount of \$113,600 as reimbursement from the Latin American Institute for Economic and Social Planning in respect of common services and space afforded to the Institute in the newly constructed United Nations building in Santiago, Chile.

357. An increase of \$737,000 is reflected under item (vi), Contributions from non-member States, relating to their participation in the following United Nations activities: the International Court of Justice, the international control of narcotic drugs, the International Bureau for Declarations of Death of Missing Persons, the Economic Commissions for Europe and Asia and the Far East, and the United Nations Conference on Trade and Development. The non-member States, which will be assessed on the basis of actual expenditure, will be advised during the course of 1967 of their contributions towards the related expenditures incurred in the preceding year. The present estimates are based on the expected level of expenditures in 1966.

358. Item (vii) provides for revenue from television and similar services and is estimated at \$353,500 for 1967; an increase of \$43,500 over the estimated income for 1966 and a decrease of some \$27,000 as compared with actual income in 1965.

359. An amount of \$120,000 is included under item (ix) to provide reimbursement for part of the construction costs of the new United Nations building in Santiago, Chile. At its twentieth session the General Assembly decided to provide in the regular budget under Section 7 an amount of \$200,000 in 1965 and \$1 million in 1966 towards the cost of completing the construction of the United Nations building in Santiago, Chile. These provisions were made on the basis of an agreement between the United Nations and the Government of Chile that the latter would reimburse the total amount of \$1.2 million in local currency over a period of ten years. The first payment by the Government of Chile was received in September 1965, and the payment to be received in 1966 will be reflected in the supplementary estimates for that year.

360. The Advisory Committee is of the opinion that the level of income proposed under the items of this section might well be exceeded in some measure, particularly as regards items (ii), (iv), (vi) and (vii).

361. Accordingly, the Advisory Committee recommends an estimate of \$2,700,000 for Income section 3, or an increase of \$26,600 in the estimate submitted by the Secretary-General.

#### *Increase recommended:*

	\$
Income section 3. General income	26,600

#### *Income section 4. Sale of United Nations postage stamps (United Nations Postal Administration)*

	\$
Estimate submitted by the Secretary-General	1,785,000
Estimate recommended by the Advisory Committee	1,800,000
1965 (actual income)	2,071,165
1966 (estimated income)	1,670,000

362. Net income from the sale of United Nations postage stamps is estimated at \$1,785,000, which represents an increase of \$115,000 above the approved level for 1966, and a decrease of \$286,165 as compared with the actual income for 1965. Gross sales are estimated at \$2,550,000 which would be \$200,000 higher than the level approved for 1966. The additional costs of salaries for established posts and common staff costs of the staff of the Postal Administration at Headquarters and Geneva, in the amount of \$398,800 for 1967, are provided for in the appropriate budget sections. On this basis the estimated actual excess of income from the sale of stamps over the expenses directly attributable to that activity is \$1,386,200.

363. As in past years, the Advisory Committee notes with satisfaction the very effective work done by the United Nations Postal Administration in stimulating public interest in the United Nations, at the same time procuring substantial revenue for the Organization. The continued promotional activities devised by the Postal Administration have served to enlarge the field of distribution, both to the public and governmental postal administrations.

364. The Advisory Committee, noting the effectiveness of the present promotional activities and the in-



## Detailed recommendations on the budget estimates

novations planned for the future, recommends an estimate of \$1,800,000 for Income section 4, or an increase of \$15,000 in the estimate submitted by the Secretary-General.

*Increase recommended:*

Income section 4. Sale of United Nations Postage Stamps .....	\$ 15,000
---	-----------

### *Income section 5. Sale of publications*

Estimate submitted by the Secretary-General .....	\$ 827,650
Estimate recommended by the Advisory Committee .....	827,650
1965 (actual income) .....	675,628
1966 (estimated income) .....	718,000

365. This section relates to the sale of United Nations publications and information material, as well as publications of the specialized agencies.

366. Income from the above sources is estimated at \$827,650 for 1967, representing an increase of some \$109,000 over the level approved for 1966 and \$152,000 over 1965 actual income.

367. Gross sales for 1967 are estimated at \$1,510,000 compared with an estimate of \$1,393,000 for 1966 and \$1,223,509 actual gross sales in 1965. Deductions in 1967 are expected to consist of \$237,500 for costs of sales and \$444,850 for expenses charged against revenue. Net credit to income therefore is set at \$827,650, compared with an estimate of \$718,000 for 1966 and actual net revenue of \$675,628 in 1965.

368. Additional expenses related to this activity are included under regular budget appropriations for established posts and common staff costs for the sales units at Headquarters and Geneva (Sections 3 and 4), for the run-on cost—cost of paper, presswork and binding—or producing sales copies of publications (Section 11), and for utilities and maintenance of the

Bookshop at Headquarters (Section 9). These additional expenses are estimated at \$533,000 for 1967, compared with \$497,000 in 1966. On this basis, the actual excess of income over the expenses directly attributable to the sale of publications is estimated at \$294,650 for 1967, compared with \$220,100 for 1966 and actual income of \$230,817 in 1965.

369. The Secretary-General advises that the anticipated increase in gross sales reflects the substantial continuing growth in international sales, attributed primarily to an active sales programme. Additionally, the present pricing policy is under review and it is anticipated that additional revenue will accrue from the revised price schedule for the sale of all United Nations publications.

370. The Advisory Committee recommends an estimate of \$827,650 for Income section 5 for 1967, as proposed by the Secretary-General.

### *Income section 6. Services to visitors and catering services*

Estimate submitted by the Secretary-General .....	\$ 791,300
Estimate recommended by the Advisory Committee .....	791,300
1965 (actual income) .....	700,286
1966 (estimated income) .....	805,400

371. The estimates under this section are presented in two chapters which distinguish between services to visitors and the public in chapter I (guided tours, gift centre and souvenir shop at Headquarters and guided tours at Geneva) and services of primary benefit to national representatives and United Nations staff in chapter II (catering services).

372. Table 23 gives an analysis of the 1967 estimates for the various services together with comparable figures for 1966 and 1965.

Table 23

### SERVICES TO VISITORS (CHAPTER I) AND CATERING SERVICES (CHAPTER II): GROSS REVENUE AND NET INCOME<sup>a</sup>

	1965 actual revenue		1966 estimates		1967 estimates	
	Gross	Net	Gross	Net	Gross	Net
	\$	\$	\$	\$	\$	\$
<b>HEADQUARTERS</b>						
<i>Chapter I. Services to visitors</i>						
Guided tours .....	768,375	25,226	864,300	145,500	850,000	110,700
United Nations Gift Centre .....	550,135	133,016	520,000	127,000	530,000	132,300
Souvenir shop .....	616,095	239,743	580,000	216,000	600,000	227,000
Deduct: Undistributed charge for utilities and maintenance .....	—	(195,500)	—	(199,000)	—	(202,200)
TOTAL, chapter I	1,934,605	202,485	1,964,300	289,500	1,980,000	267,800
<i>Chapter II. Catering services</i> .....	2,317,756	6,779	2,183,000	—	2,400,000	—
<b>GENEVA</b>						
<i>Chapter I. Services to visitors</i>						
Guided tours including sale of postcards and souvenirs .....	51,037	(9,132)	54,000	(8,800)	51,800	(12,300)

<sup>a</sup> Net income after deduction of (i) direct expenses charged against revenue and (ii) additional expenses under regular budget appropriations.



373. It will be noted that the gross fees (\$850,000) for the guided tours operation at Headquarters show a slight decrease of \$14,300 as compared with the 1966 estimate (\$864,300), attributed primarily to the change in the ratio of adult versus student visitors (the fee for the latter is at a lower rate), based on the experience of the last eighteen months. The estimated increase in income for 1967 and 1966 over 1965 takes account of the increase in fees for visitors taking the tour, implemented in January 1966.

374. The expenses to be charged against revenue show a small increase as compared with 1966 and a decrease of approximately \$30,000 against actual expenses in 1965.

375. In examining the estimates under this heading, the Advisory Committee noted that the number of visitors taking the Headquarters tour over the past three years and also the projections for 1966 and 1967 exceeded the figure of one million, and that there was only a slight variation in the number each year. The Committee therefore enquired whether the estimates were based primarily on the experience over the last years, or whether the physical facilities of the Organization limited the number of visitors that could be accommodated. It was presented to the Committee that while the estimates of the number of visitors were based on actual experience, it was considered that the congestion of visitors traffic was reaching the saturation point, and that it was becoming increasingly difficult if not physically impossible to accommodate any increase in traffic. The Committee was also informed that any improvement in the situation would primarily

depend on an expansion of facilities to be made available for the guided tours operation and those of the public who visit the United Nations or patronize the gift centre, bookshop and souvenir shop but do not necessarily take the guided tour, although such plans are not under active consideration at this time.

376. The Advisory Committee would take this opportunity to express its satisfaction with the manner in which over the years the guided tours operation at Headquarters has rendered an important public relations service to the United Nations at the same time making an appreciable contribution to the income estimates of the Organization.

377. The estimate of \$2,430,000 for gross sales and other income under chapter II (Catering services) is based on the assumption that gross revenue will cover the total expenses charged against revenue. The policy under which the catering services are managed provides that the price structure should be so designed and adjusted from time to time as to achieve a break-even point in over-all results.

378. While the Advisory Committee has no specific observations to make under this heading, it assumes that the Secretary-General has these operations under continuous review, thereby ensuring full compliance with the policy directives noted in the preceding paragraph.

379. In the light of the foregoing observations, the Advisory Committee recommends an estimate of \$791,300 for Income section 6 for 1967 as proposed by the Secretary-General.

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