



**ADVISORY COMMITTEE ON ADMINISTRATIVE  
AND BUDGETARY QUESTIONS**

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**SECOND TO SIXTEENTH REPORTS  
ON THE BUDGET ESTIMATES  
FOR  
THE FINANCIAL YEAR 1971**

**GENERAL ASSEMBLY**

OFFICIAL RECORDS : TWENTY-FIFTH SESSION

SUPPLEMENT No 8A (A/8008/Add.1-15)

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**UNITED NATIONS**

**New York, 1971**

#### 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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## NOTE

For the documents mentioned in this supplement which are identified only by symbol, see Official Records of the General Assembly, Twenty-fifth Session, Annexes, agenda item 73.

## ABBREVIATIONS

ACC	Administrative Committee on Co-ordination
CCAQ	Consultative Committee on Administrative Questions
ECA	Economic Commission for Africa
ECAFE	Economic Commission for Asia and the Far East
ECLA	Economic Commission for Latin America
IAEA	International Atomic Energy Agency
ICSAB	International Civil Service Advisory Board
ILO	International Labour Organisation
ITU	International Telecommunication Union
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
WHO	World Health Organization

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Second report

Revised estimates resulting from decisions taken by the  
Economic and Social Council at its forty-eighth and  
forty-ninth sessions

/Original: English/  
13 October 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report by the Secretary-General (A/C.5/1302) in which he indicates that additional appropriations in a total amount of \$598,250 would be required in 1971 for the purpose of implementing certain decisions taken by the Economic and Social Council at its forty-eighth and forty-ninth sessions. The Advisory Committee noted that those estimates do not take account of possible revisions to the requirements in 1971 for the United Nations Conference on the Human Environment, which will be the subject of a separate report to the General Assembly at its current session, after the Secretary-General has reviewed the planning of the Conference, in the light of the Council's view that all efforts should be made to keep the financial implications to the minimum compatible with the task of fulfilling the objectives of the Conference.
2. The total financial implications for the year 1971 arising from the decisions of the Council at its forty-eighth and forty-ninth sessions had been initially estimated at \$1,314,350, including \$345,000 for the Conference on the Human Environment, but, after reviewing the requirements in the context of the credits requested in his initial budget estimates for 1971, 1/ the Secretary-General has limited his request for additional credits to \$598,250.
3. The Advisory Committee noted that the financial implications of Economic and Social Council resolution 1521 (XLIX) - \$97,100 - include a request for additional posts under section 3, chapter V (Provisional staffing requirements). The Committee considered that the Secretary-General might wish to review that request in the light of his subsequent statement to the Fifth Committee (A/C.5/1309). Accordingly, the Committee's observations and recommendations in this report are confined to the balance of the Secretary-General's request. This amounts to \$501,150, divided as follows:

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1/ Official Records of the General Assembly, Twenty-fifth Session,  
Supplement No. 6 and errata.

		<u>United States</u> <u>dollars</u>
Section 1.	Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies . . . . .	3,750
Section 2.	Special meetings and conferences . . . . .	293,000
Section 3.	Salaries and wages . . . . .	158,800
Section 5.	Travel of staff . . . . .	19,000
Section 11.	Printing . . . . .	25,000
Section 17.	Special missions . . . . .	<u>1,600</u>
	TOTAL	<u>501,150</u>

4. The Advisory Committee has considered the Secretary-General's request for additional credits on a section-by-section basis, in the context of its own observations and recommendations 2/ on the initial budget estimates for 1971.

#### Section 1

5. The additional amount of \$3,750 requested under this section is intended to cover subsistence payments for a working group of the Sub-Commission on Prevention of Discrimination and Protection of Minorities (\$1,950) and the travel and subsistence of a Special Rapporteur of the Commission on Human Rights (\$1,800). The Advisory Committee believes that these additional costs can be met from within the credit of \$1,424,000 recommended by the Committee for section 1. 3/

#### Section 2

6. The request of \$293,000 under this section relates to the following conferences and meetings:

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2/ Ibid., Supplement No. 8.

3/ Ibid., para. 120.

	<u>United States</u> <u>dollars</u>
Conference of Plenipotentiaries for the Adoption of the Protocol on Psychotropic Substances, to be convened in 1971 . . . . .	101,600
Conference on international container transports to be held in 1972 . . . . .	93,000
Second United Nations Conference on the Standardization of Geographic Names, to be held in 1972 . . . . .	12,300
Meeting of the Committee on Natural Resources, 1971 . . . . .	40,000
Conference on the Participation of Youth in the Second United Nations Development Decade, 1971 . . . . .	46,100
TOTAL	<u>293,000</u>

7. In its consideration of the Secretary-General's request, the Advisory Committee recalled that, in its first report 4/ on the budget estimates for the financial year 1971, it drew attention to several factors which contributed to a steeper rate of increase in the cost of conferences and meetings than could be explained in terms of increased salaries and costs. Some of those factors, such as the engagement of additional staff for special conference secretariats during the preparatory period (instead of relying on regular staff for that purpose), and of large numbers of consultants, are present in the estimates for the meetings listed in the preceding paragraph. Furthermore, a considerable provision is included for the recruitment of short-term conference and language staff. The Advisory Committee would urge that in the servicing of special meetings and conferences more use be made of regular staff and, accordingly, recommends that the Secretary-General's request be reduced from \$293,000 to \$230,000, that is, by \$63,000.

### Section 3

8. The Secretary-General's request of \$158,800 under this section relates to chapter III (Other temporary assistance). It includes \$90,000 for temporary assistance and \$68,800 for experts and consultants. The Advisory Committee noted that the latter request is based on full attendance by the experts and consultants in question and does not take account of the possibility that some of those for whom fees are included may be government experts and, as such, are not entitled to fees. Furthermore, the Committee recalled that, in its first report 5/ on the budget estimates for 1971, it recommended a credit of \$3,312,000 for chapter III (an increase of nearly \$500,000 over the 1970 appropriation). In the Advisory

4/ Ibid., para. 134.

5/ Ibid., para. 163.

Committee's opinion, it should be possible for the Secretary-General to make some adjustments in the allocation of temporary assistance resources to individual organizational units so as to absorb some of the additional work-load arising from the implementation of decisions taken by the Economic and Social Council at its forty-eighth and forty-ninth sessions. Accordingly, the Advisory Committee recommends that the Secretary-General's request under chapter III be reduced by \$25,000, that is, from \$158,800 to \$133,800.

#### Section 5

9. Under this section, the Secretary-General requests an additional amount of \$19,000 for travel of staff. As the Advisory Committee stated in its first report on the budget estimates for 1971, such travel is based on plans decided by the Secretariat and, as such, is subject to tight administrative control. 6/ If the initial estimate as recommended by the Advisory Committee in that report is accepted by the General Assembly, the credits available to the Secretary-General for travel of staff, other than travel on home leave, will amount to just over \$1 million. In the circumstances, the Advisory Committee is of the opinion that the additional request of \$19,000 can be reduced by \$5,000 to \$14,000.

#### Section 11

10. The request for \$25,000 under this section relates to the printing of additional publications which the Economic Commission for Europe expects to be available for reproduction in 1971. Bearing in mind that the internal reproduction facilities in the Palais des Nations have been considerably expanded in recent years and the fact that the over-all publications programme is subject to numerous changes owing to the frequency of delays in the submission of manuscripts, the Advisory Committee concluded that the Secretary-General's request can be reduced by \$5,000 to \$20,000.

#### Section 17

11. Under this section, the Secretary-General requests \$1,600 relating to the programme of work in 1971 of the Ad Hoc Working Group of Experts established under resolution 2 (XXIII) of the Commission on Human Rights. In its consideration of this request, the Advisory Committee recalled that the initial estimates for 1971 already include \$33,000 under section 17, chapter VI, for the above purpose. The Advisory Committee is confident that it will be possible for the Secretary-General to carry out from within available resources the additional typing and translation for which the sum of \$1,600 is being requested. In the circumstances, it recommends that the additional provision of \$1,600 be deleted.

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6/ Ibid., para. 194.

Summary of recommendations 7/

	<u>Additional credits requested by Secretary-General</u>	<u>Reductions recommended by Advisory Committee</u>	<u>Additional credits recommended by Advisory Committee</u>
	\$	\$	\$
Section 1 . . .	3,750	3,750	--
" 2 . . .	293,000	63,000	230,000
" 3 . . .	158,800	25,000	133,800
" 5 . . .	19,000	5,000	14,000
" 11 . .	25,000	5,000	20,000
" 17 . .	1,600	1,600	-
TOTAL	<u>501,150</u>	<u>103,350</u>	<u>397,800</u>

7/ Excluding the financial implications of Economic and Social Council resolution 1521 (XLIX).



Third report

Electronic data processing in the United Nations  
family of organizations

/Original: English/  
28 October 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered a report by the Secretary-General on electronic data processing in the United Nations family of organizations (A/C.5/1305). In that report, the Secretary-General proposes United Nations participation in an interagency data processing facility in Geneva, along with consequential administrative measures, and participation in an Inter-Organization Board for information systems and related activities. The report contains estimates of the financial implications of the proposals.

A. Basic proposals

2. The Secretary-General's proposals derive from a report 8/ prepared by the Auditor-General of Canada at the request of the Administrative Committee on Co-ordination (ACC). The primary proposal in that report, which was transmitted in May 1970, was the creation of a separate facility in Europe for the United Nations system of organizations which would provide data processing, systems and information services on an interorganization basis.

3. The report has since been considered by ACC and by the Economic and Social Council. ACC accepted the primary proposal, and agreed on a number of specific points, enumerated by the Secretary-General in paragraph 3 of his report (A/C.5/1305), including the creation of an Inter-Organization Board for information systems on which all organizations would be represented. ACC agreed that it was desirable to set up in Geneva "at the earliest practicable date" a common data processing facility, and noted that the Secretary-General had agreed with the Administrator of the United Nations Development Programme (UNDP) and the Director General of the World Health Organization (WHO) that, subject to legislative decision, they would participate fully in such a facility. 9/

4. At its forty-ninth session, the Economic and Social Council expressed its interest in the proposals arising from the report of the Auditor-General of Canada. In resolution 1551 (XLIX), the Council, inter alia, endorsed in principle - subject to further consideration at its resumed forty-ninth session - the idea of establishing a common centre in Geneva, urged all specialized agencies concerned

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8/ A.M. Henderson, Auditor-General of Canada, "Electronic data processing in the United Nations family of organizations", vol. I, "A concept for effective growth and utilization" (see A/8072).

9/ Document E/4893 (mimeographed), para. 8 (e).

to participate in it, and expressed the opinion that its establishment would make it possible for the agencies concerned to stabilize their computer equipment at present levels. The Council also welcomed the measures agreed upon by ACC for the proposed Inter-Organization Board, which would replace the existing Computer Users' Committee.

5. In the light of these developments, the Secretary-General has put forward four specific interrelated proposals:

(a) Participation by the United Nations with WHO and UNDP - and other agencies which might later agree - in the establishment of a separate data processing facility in Geneva, to be known as the International Computing Centre (ICC);

(b) United Nations participation with other agencies in the Inter-Organization Board for information systems and related activities;

(c) Transfer of part of the staff of the existing United Nations Computing Centre and its data banks from New York to Geneva, for incorporation into ICC; and

(d) Outposting of part of the staff of the United Nations Statistical Office from New York to Geneva.

6. The Secretary-General envisages that the Centre might be established early in 1971 in premises to be made available by WHO. Details of the proposals as they relate to equipment needs, staffing, and administration and management are summarized in the following paragraphs.

#### Equipment

7. The central facility to be set up at the premises of WHO would consist of a rented IBM 360/65 computer, a large-capacity third-generation model. Installation of this machine would enable WHO to dispense with its own computer, a smaller-capacity IBM 360/40. At United Nations Headquarters, the transfer of about 50 per cent of the present volume of data processing work to Geneva would make possible a reduction, but not the elimination, of the rented equipment which at present serves the United Nations Computing Centre, consisting of an IBM 7044 computer and an IBM 360/30; these would be replaced by a model 360/40, that is, a machine equivalent to that relinquished by WHO. 10/ The Advisory Committee has been informed that the work which would continue to be carried out in New York is of the kind that could be adequately handled by a 360/40 model, while leaving some room for expansion. In purely "machine" terms, the 360/40 has about half the capacity of the two models currently in use, but, in practice, the nature of the operations is such that it would be able to handle somewhat more than half the present workload.

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10/ Prior to the proposal to set up a central facility in Geneva, the Secretary-General had intended to replace in 1970 the 7044 and 360/30 models at Headquarters with a model 360/65 such as is now proposed for the central unit; provision for the replacement had been made in the budget for 1970. The annual cost of a 360/40 model is estimated at \$395,000, as against about \$735,000 for the 7044 and 360/30 models combined (see section B below).

8. At present, UNDP has no data processing equipment, but makes use of the United Nations Computing Centre at Headquarters. Under the proposed arrangement, UNDP would not only participate in the Geneva facility, but would continue to use the reduced equipment in New York, data being exchanged between the two installations.

#### Staffing arrangements

9. The Secretary-General proposes a staff of 43 (18 Professional, 25 General Service) for ICC in Geneva, as follows:

(a) Sixteen Professional posts transferred from the United Nations Computing Centre in New York (one D-1, one P-5, three P-4, four P-3 and seven P-2 posts); these posts would henceforth be financed from the budget of ICC, on a shared-cost basis, and would represent a reduction in the United Nations manning-table;

(b) Twenty-five General Service posts, also financed from the budget of ICC, on a shared-cost basis, and filled by staff at present employed and financed by WHO;

(c) Two additional Professional posts, at the P-5 and D-2 levels, the latter providing for the Director of ICC.

10. Provision would also be made in the budget of ICC for consultants.

11. Aside from the official responsible for directing its work programme, the Inter-Organization Board would have a staff of four (two P-5, two General Service posts), the costs of which (including travel) would be shared by the organizations represented on the Board in accordance with the usual cost-sharing formula of the Consultative Committee on Administrative Questions; the United Nations share of these costs would thus be 30 per cent.

12. As a consequence of the creation of the International Computing Centre in Geneva, 16 posts in the United Nations Statistical Office in New York would be transferred to Geneva (one P-4, one P-3, three P-2 and 11 General Service). These posts would continue to be financed from the United Nations regular budget. The staff concerned would deal, as at present, primarily with work on trade statistics, which, in the Secretary-General's view, is ideally suited to the computer envisaged for ICC.

#### Administration and management

13. All organizations in the United Nations system would be entitled to be represented on the proposed Inter-Organization Board for information systems and related activities. The Board would be concerned principally with uniformity of terminology, definitions and classifications among the organizations, for data processing purposes: thus, its work would be related to, but distinct from, the day-to-day operation of the computer facility - the ICC - which would be directed by a management committee consisting of representatives of the executive heads of the three participating organizations, and of any others which might join later. It is envisaged that the management committee, while not subordinate to the Inter-Organization Board, would benefit from its "advice and consultation". 11/

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11/ This formula was agreed to by ACC (document E/4893 (mimeographed), para. 8 (f)).

14. It is the hope of the Secretary-General that a single official at the D-2 level would act as Director of the work programme resulting from the Board's decisions and as Director of the Centre; however, as he indicated in his report (A/C.5/1305, para. 11), this point has not yet been decided at the intersecretariat level. The method of financing the post is also subject to further discussion.

Reasons advanced by the Secretary-General in support of his proposals

15. In paragraph 6 of his report, the Secretary-General voices the expectation that the proposed common facility will benefit the agencies which use it by enabling them to perform their computing work more quickly and efficiently, and creating a potential for greater computer capability, thereby stimulating the use of modern technology in solving problems. It could also, in his view, satisfy the wishes expressed for more effective co-ordination of data processing activities. He also states (paragraph 18) that the proposals would lead to a much greater data processing capacity for the United Nations and for the system as a whole, in addition to opening up new possibilities for integrated data storage and retrieval. In his view, the outposting of part of the staff of the Statistical Office, an integral element in the proposals, is "feasible, practicable and economical" (paragraph 13); the Advisory Committee understands that this measure would not have an adverse effect on the activities that would continue to be performed at Headquarters.

B. Financial implications

16. The Secretary-General estimates the net financial implications to the United Nations in 1971 of his proposals at \$113,400; this amount takes into account non-recurring start-up costs estimated at \$213,400. For purposes of clarity of presentation, the gross financial implications can be divided into the United Nations share of (a) the regular operating budget of ICC; (b) start-up costs; and (c) staff costs for the Inter-Organization Board. From these gross costs must be subtracted offsetting savings in a number of areas.

(i) United Nations share of the operating budget of the  
International Computing Centre - \$640,000

17. The Secretary-General estimates the operating budget of the Centre for 1971 as follows:

United States dollars

1.	Salaries and wages	
	43 established posts (18 professional, 25 general service) . . . . .	340,000
	consultants . . . . .	30,000
2.	Common staff costs . . . . .	85,000
3.	Travel . . . . .	10,000
4.	Permanent equipment (\$20,000 for equipment transferred from WHO, \$10,000 for new equipment . . . . .	30,000
5.	General expenses (\$860,000 for computer rental, \$100,000 for data processing supplies, \$10,000 for purchase of books, journals, etc.) . . . . .	970,000
6.	Contingency <u>a/</u> . . . . .	135,000
	TOTAL	<u>1,600,000</u>

a/ Not envisaged as a recurring charge, but to provide a revolving fund to be replenished by those receiving ICC service.

18. On the basis of expected usage of the new computer facility, it is proposed that this global cost be shared as follows: 40 per cent by the United Nations, 20 per cent by UNDP, 30 per cent by WHO and 10 per cent by other users. On that basis the United Nations share would amount to \$640,000.

(ii) United Nations share of start-up costs - \$213,400

19. Global start-up costs are estimated as follows:

United States dollars

1.	Conversion of part of WHO premises to provide for larger computer and for offices for ICC staff . . . . .	458,000
2.	Cost of travel, removal and installation of 16 staff of the United Nations Computing Centre from New York to Geneva . . . . .	76,000

20. The United Nations share of the costs under item 1 would be 30 per cent, or \$137,400; <sup>12/</sup> the entire cost of item 2 would be borne by the United Nations. The start-up costs to be met by the United Nations would accordingly total \$213,400.

(iii) United Nations share of staff costs of the  
Inter-Organization Board - \$22,000

21. The cost to all participants of the staff and travel proposed to carry out the work programme decided by the Board is estimated at \$74,000; it is envisaged that the United Nations would meet 30 per cent of this cost, or about \$22,000.

Offsetting savings - \$762,000

22. The sum of the three categories of expenses detailed above amounts to \$875,400. This amount would be partly offset by the following savings, in a total amount of \$762,000:

	<u>United States dollars</u>
<u>Reduction</u> for salaries of staff transferred from the computing centre in New York, henceforth carried against the ICC budget . . . . .	240,300
<u>Reduction</u> in common staff costs for the above . . . . .	59,700
<u>Reduction</u> in computer rental in New York (\$395,000 estimated for rental of 360/40 computer, as against \$817,000 provided in the Secretary-General's initial estimates for 1971 for computer rental in New York . . . . .	422,000
<u>Reduction</u> in data processing supplies in New York (from \$100,000 as provided for in the initial estimates for 1971, to \$60,000) . . . . .	<u>40,000</u>
Total offsetting savings . . . . .	<u>762,000</u>

23. The implications of these adjustments on estimated requirements in 1971, on a section-by-section basis, are set out in tabular form in the Secretary-General's report (A/C.5/1305, para. 17).

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<sup>12/</sup> It is suggested that WHO would contribute 55 per cent (\$251,900) and UNDP 15 per cent (\$68,700); WHO has agreed to the larger share because the conversion would result in the improvement of part of its premises.

## C. Observations of the Advisory Committee

### (i) General

24. The Advisory Committee has long concerned itself with the question of data processing facilities within the United Nations family of organizations. As the activities of the organizations have developed, the potential advantages to be derived from the rational application of computer technology, not only to substantive work, but also to administrative functions such as payroll computation and accounting, have become more and more apparent.

25. However, the introduction of electronic data processing techniques by agencies in the United Nations family took place on an ad hoc basis, as a result of independent decisions of separate legislative organs. No clearly defined over-all programme was charted, and the question therefore arose whether the benefits derived from the use of different computers programmed along different lines were costing Member States more than was really necessary. In view of its responsibilities for interagency administrative and budgetary co-ordination, the Advisory Committee has in recent years sought ways to rationalize this situation.

26. At the nineteenth session of the General Assembly, the Advisory Committee called attention to the savings that would accrue from the use of a central computer system, 13/ and, some three years later, one of its recommendations led to the creation by ACC of the Computer Users' Committee, 14/ to deal with questions concerning the use of computers in Geneva and to develop co-ordination and co-operation in related matters of general concern.

27. For the above reasons the Advisory Committee took an early interest in the report presented in May 1970 by the Auditor-General of Canada, 15/ with its central recommendation that a separate data processing facility be established in Europe on an interorganization basis. It considers that the creation of such a facility, should its cost prove to be within reasonable bounds, could add significantly to the benefits which the organizations and Member States alike stand to derive from the use of computer techniques. It is in this light that the Committee has considered the proposals contained in the report of the Secretary-General.

28. The Committee notes, however, that a number of uncertainties still surround those proposals. While representation on the Inter-Organization Board for information systems and related activities would be open to all organizations in the United Nations system, only three organizations - the United Nations, UNDP and WHO - have agreed at the secretariat level to participate in establishing the proposed central computer facility. Moreover, in all three cases the agreement

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13/ Official Records of the General Assembly, Twentieth Session, Annexes, agenda item 82, document A/5859, paras. 32-35.

14/ Ibid., Twenty-second Session, Annexes, agenda item 79, document A/6910, paras. 43-53.

15/ The report was made available to the Advisory Committee at its summer 1970 session; see Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8, paras. 93-100.

is subject to endorsement by the relevant legislative organs. A number of questions linked to the functioning of the proposed Inter-Organization Board, to its role vis-à-vis the proposed ICC, and to the responsibilities of the Director of ICC, have yet to be clarified. The Advisory Committee considers that clear agreement on rights and responsibilities must be arrived at if the activities of the Board and of ICC are to proceed smoothly.

29. The proposals are not ideal. For example, UNDP, which would be a partner in ICC, would be deprived by distance of instant access to the large central computer, and would have to rely to some extent on the transmission of data by mail or pouch, with attendant delays. The specialized data processing staff of the United Nations and the staff of the Statistical Office would both be divided into two groups stationed in New York and Geneva, an arrangement which has obvious administrative drawbacks.

30. Notwithstanding the above observations, the Advisory Committee believes that there is merit in the basic proposals of the Secretary-General. They would provide, as a first step, for common participation by three organizations in a large central data processing unit, and so make available to all three, at relatively low cost, information which is at present dispersed among them, particularly economic and social indices of value in development planning. At the same time, Geneva-based agencies which do not at present propose to participate in the establishment of ICC would have the opportunity to make use of it and thus better to evaluate the advantages which they might derive from full participation. The Advisory Committee has also borne in mind the probability that technological advance would in the foreseeable future place the central facility within easier operational reach of agencies situated outside Geneva. The Inter-Organization Board, as conceived in the Secretary-General's proposals, would seek to promote uniform computer systems among the organizations, an aspect whose importance the Auditor-General of Canada has emphasized in his report. <sup>16/</sup> The fact that the outposted staff of the Statistical Office would be concerned mainly with trade statistics should, the Advisory Committee believes, favour co-ordination with the United Nations Conference on Trade and Development (UNCTAD), which is based in Geneva.

#### (ii) Observations on the financial implications

31. As estimated by the Secretary-General, the net additional cost to the United Nations in 1971 of his proposals amounts to \$113,400; however, as has been noted above, expenditures estimated at \$213,400 are non-recurring. If these are left out of account, the actual operating cost in 1971 would be somewhat less than the amounts already provided in the Secretary-General's initial estimates for similar activities in that year. The Advisory Committee has carefully noted the Secretary-General's statement in his report that the proposals "should allow for a stabilization of equipment needs in Geneva and New York for some time to come". (A/C.5/1305, para. 16).

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<sup>16/</sup> See document A/8072, para. 41.



32. In response to inquiries, the Committee was informed that at the outset the new facility in Geneva is expected to function on about a one-shift basis. Thus, considerable reserve capacity would become available by the introduction of a second or a third shift, with no change in the basic equipment installed. <sup>17/</sup> The Secretary-General is unable to forecast accurately how rapidly the volume of work handled by ICC might increase, as that would depend not only on the needs of the United Nations, UNDP and WHO, but also on those of other organizations which might decide to use it. However, the Advisory Committee was informed that although terminals and other peripheral equipment might be required should additional organizations decide to make use of ICC, the Secretary-General does not expect that the rental of additional major equipment items would be necessary for five years. In any event, the Advisory Committee would hope that the use of ICC will be limited to operations for which the application of computer techniques has clearly demonstrated its value.

33. The Advisory Committee considers that the staffing proposals for ICC, as set out in paragraphs 9 to 11 above, realistically reflect the initial requirements, to the extent that they can be estimated at this stage. It has been informed that requirements for staff may well increase should the organizations in Geneva make greater use of ICC; for example, the move from one-shift to two-shift operation would involve the addition of some three General Service posts. However, it is expected that contributions by the users would offset the extra costs involved.

34. No provision is made in the estimates for the United Nations share of costs arising from the appointment of a director of the work programme of the Inter-Organization Board, should that post not be funded from the budget of ICC; however, the Advisory Committee notes that, should any additional requirements arise in 1971 for this purpose, the Secretary-General would endeavour to provide for them from savings.

35. The Advisory Committee has noted that the discontinuance of the Computer Users' Committee, whose functions would be taken over by the Inter-Organization Board, <sup>18/</sup> would result in a saving to the United Nations of \$10,000, corresponding to the United Nations share of the Committee's costs as provided for in section 12 of the initial budget estimates for 1971. The net additional cost to the United Nations in 1971 of the proposals under consideration would accordingly amount to \$103,400, rather than \$113,400, as estimated in the Secretary-General's report.

36. In summary, the Advisory Committee believes that the Secretary-General's estimates of the financial implications of his proposals to the United Nations in 1971 are in general well founded. It considers further that the aggregate increase of \$103,400 which would be required in the appropriations for 1971 is not an unreasonable price to pay for the advantages which can be expected to result from implementation of the Secretary-General's proposal.

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<sup>17/</sup> However, the cost of staff and supplies and the rental cost of the computer (which is based on the hours of use) would rise as usage increased (see para. 33).

<sup>18/</sup> See document E/4893 (mimeographed), para. 10.

## Recommendations of the Advisory Committee

37. In the light of the above observations, the Advisory Committee recommends that the General Assembly authorize the Secretary-General, subject to appropriate action by the legislative bodies of UNDP and WHO, to proceed with the four proposals set out in paragraph 5 above. Should such a course commend itself to the Assembly, the Committee urges that the necessary action be initiated with a minimum of delay: the Committee has been informed that, barring unforeseen delays, it should be possible for ICC to be operational by 1 March 1971.

38. The Advisory Committee suggests that the Assembly might wish to invite all other agencies in the United Nations system to consider seriously the possibility of joining with the United Nations, UNDP and WHO, as partners in the International Computing Centre in Geneva, with the aim of deriving the full benefits from its capacity. In the view of the Advisory Committee, participation in the common facility should commend itself in the first place to all agencies in Geneva, especially to those which have indicated their need to expand their computer installations, that is, the ILO and ITU. In this connexion, the Committee endorses the conclusions of the Auditor-General of Canada that those agencies should reconsider their plans to acquire additional independent capacity in the light of the services which could be provided by ICC. <sup>19/</sup> Indeed, the Advisory Committee believes that experience in the operation of ICC might demonstrate to all Geneva-based organizations that it would be more advantageous to them to entrust all their computer operations to the Centre, rather than indefinitely to retain their in-house capacities.

39. Should the General Assembly accept the Advisory Committee's recommendation in paragraph 37 above, the Advisory Committee further recommends that the Secretary-General, in his capacity as Chairman of ACC, enter into consultations with a view to reaching final agreement at the secretariat level on the terms of reference and the administrative arrangements for the proposed Inter-Organization Board for information systems and related activities. The Committee endorses the proposal of the Secretary-General that the Director of ICC should also act as director of the work programme established by the Board.

40. The Assembly might wish to request the Secretary-General to report to it, at its twenty-sixth session, on all aspects of the implementation of his proposals, should he be authorized to proceed as the Advisory Committee has recommended.

41. In line with the recommendations above, the Advisory Committee recommends that the Assembly approve an additional appropriation of \$103,400 for 1971, distributed as follows:

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<sup>19/</sup> See document A/8072 paras. 169 and 170.

<u>Section</u>	<u>Increase or (decrease)</u>
	\$
3. Salaries and wages . . . . .	(240,300)
4. Common staff costs . . . . .	16,300
10. General expenses . . . . .	(462,000)
12. Special expenses . . . . .	789,400
	<hr/>
TOTAL . . . . .	103,400
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42. Looking to the future, the Advisory Committee would point out that the hesitations now apparent in the attitude of many Geneva-based organizations towards the interorganization centre would disappear more easily and more quickly if it were proved to them that participation in the common facility would be economically more advantageous than the operation of in-house installations. The Advisory Committee would therefore urge that every effort be made to ensure that the economies of scale that are to be expected to result from the operation of ICC will in fact be realized.

Fourth report

Salary scales for the Professional and higher categories

/Original: English/  
4 November 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report by the Secretary-General (A/C.5/1303) in which he proposes that, with effect from 1 January 1971, the salaries of the Professional and higher-level staff should be revised by the consolidation of two classes of post adjustment and an increase of 8 per cent in the scales, as recommended by the International Civil Service Advisory Board (ICSAB) at its eighteenth session (ibid., annex I, para. 30).

A. General background

2. With minor exceptions, the base salary scales for staff in the Professional category and above remained unchanged between 1950 and the end of 1961. During those years cost-of-living adjustments had been made from time to time; changes made after 1 January 1957 were based on the system of post adjustments recommended by the 1956 Salary Review Committee established under General Assembly resolution 975 (X). Since 1962, salary scales have been revised three times by General Assembly decisions based on the recommendations of ICSAB and related proposals by the Secretary-General. These three changes went into effect on the following dates:

(a) 1 January 1962, when new scales were introduced pursuant to General Assembly resolution 1658 (XVI); for married staff serving at Geneva, the new scales represented an increase of between 7 and 17 per cent net, depending on grade and step, after consolidation of two classes of post adjustment;

(b) 1 January 1966, when there was an increase in net remuneration ranging from 4.5 to 8.7 per cent after consolidation of three classes of post adjustment (General Assembly resolution 2050 (XX));

(c) 1 January 1969, when the General Assembly, in resolution 2485 (XXIII), approved an interim increase of 5 per cent gross, and the consolidation (thereafter) of one class of post adjustment.

3. The aforesaid three adjustments, and the reviews by ICSAB which preceded them, derived from the system of remuneration recommended by the 1956 Salary Review Committee (A/3209). 20/ The Salary Review Committee's recommendations have not been superseded, and they remain relevant to the consideration of the current proposal by the Secretary-General. In paragraph 15 of its report, the Salary Review Committee recommended, inter alia, that the base of the common system should

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20/ Official Records of the General Assembly, Eleventh Session, Annexes, agenda item 51 (separate fascicle).

be Geneva (instead of New York, as had previously been the case); hence, its recommendation as to the base salary scales was made in the context of their adequacy 'to attract and retain at Geneva staff of the highest degree of efficiency, competence and integrity, recruited on as wide a geographical basis as possible'. To preserve equivalent standards of living at different offices, the Salary Review Committee recommended a system of post adjustments 'determined primarily on the basis of the cost-of-living relationship between Geneva and the office concerned' and 'element of judgement' being applied to the statistical price level relationship.

4. In chapter V of its report, the Salary Review Committee discussed general principles affecting the recruitment and retention of staff. It appeared to the Committee that at that stage it would be pointless to attempt to assess the scales of pay on the basis of abstract principles, a more practical guide was experience in the recruitment and retention of staff. At the same time, the Salary Review Committee recognized (ibid., para. 34) that:

"... Recruitment may succeed because rates are too high; it may fail because recruitment methods are unsound. High turnover may not be due to inadequate pay; nor is low turnover proof of satisfactory conditions, in view of the difficulty which many civil service employees, particularly expatriates, encounter in throwing up their career and starting another. In other words, the question of pay scales cannot be dissociated from the question of recruitment and personnel policies, and other non-financial factors.

5. In the Salary Review Committee's view (ibid., para. 36):

"... the need for wide geographical distribution of staff has an important bearing on remuneration and allowances, and hence on costs, because if the principle is to be a reality in practice, it is necessary to fix salaries at levels which will be adequate to attract and retain personnel from various regions of the world, with differing standards and patterns of living and with different income levels.....

6. In discussing the non-financial factors in recruitment and retention of staff, the Salary Review Committee referred to four areas: the need to give staff a 'sense of belonging' to their organization, the opportunity to do constructive work on important problems; recognition of work well done; and a sense of security. The Committee pointed out (ibid., paras. 41 and 42) that:

"... Job satisfaction [is] ... dependent to an important extent on the degree to which the staff is convinced of the importance of the goals and the efforts of the organization as a whole. Such a conviction depends in large part on the attitudes displayed by higher echelons of the organization and, in particular, by supervisors ....

"The weeding out, from work programmes, of non-constructive work, of academic studies not likely to lead to action, and the substitution of worth-while activity, are essential if the staff is to retain its enthusiasm and give of its best..."

7. The first periodic review of the base scales was on the agenda of the 1961 session of ICSAB. The Board's recommendations were based on the movement of salaries outside the international organizations after 1955 (essentially the movement of national civil service salaries), and on recruitment difficulties which had been brought to its attention in a report by the Administrative Committee on Co-ordination (A/C.5/L.685, 21/ annex). The Board did not review the broad principles governing the remuneration of the international civil service, and confined itself to recalling the principle accepted by the League of Nations (that the scales of pay should be at a level based on the scales of the highest paid (home) civil service of any of the Member States, adjusted for the cost of living at the seat of the League and further adjusted for the factor of expatriation), the provisions of Article 101, paragraph 3, of the Charter, the relevant provisions of General Assembly resolution 13 (I) of 13 February 1946, and the views of the Salary Review Committee. As the Board indicated in a subsequent report, the effect of its recommendations was, broadly speaking, to re-establish the relationship which existed in 1957 - after the report of the Salary Review Committee - between United Nations salaries and those of the national public services which the 1956 Salary Review Committee considered to be specially important in influencing United Nations salaries. 22/

8. The next salary review was carried out by ICSAB at its 1965 session. In its report, the Board reviewed the questions raised in the Fifth Committee as to the validity of the criteria accepted by the Board. It concluded that "it is an over-simplification to imagine that so long as organizations can recruit all the staff they need salaries need never be adjusted; or conversely that if they cannot recruit them salaries must be increased". 23/ Despite the recruiting difficulties brought to its attention (especially those related to attracting North Americans to work outside North America), the Board expressed the view that it would be unduly expensive to raise salary levels to the point where the organizations had no recruiting difficulties. The Board, like the Salary Review Committee before it, rejected the possibility that staff of different nationalities might be remunerated at different rates, which would have meant that the highest pay would go to staff from the richest countries. The proposals which the executive heads made to the Board entailed, essentially, restoring the margins between United Nations remuneration at the base of the common system (Geneva) and United States remuneration in New York to what it had been on 1 January 1964.

9. In its observations in 1965, ICSAB discussed certain doubts it had about the way in which the "Moblemaire principle" that had been in use in the League of Nations (see paragraph 7 above) had been applied in the United Nations system. In the latter, the operation of the post adjustment system in conjunction with the use of Geneva as the base led to the result that a United States, French or Italian staff member received higher remuneration while working in his own country than when he was working in Geneva. Such results being - in the Board's opinion - clearly illogical, the Board felt that it would be desirable to examine further two possible forms of selectivity - the reintroduction of a system of expatriation allowances, and the division of Professional staff into transferable and non-transferable. The case presented to the Board by the executive heads was that

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21/ Ibid., Sixteenth Session, Annexes, agenda item 65.

22/ Ibid., Twentieth Session, Annexes, agenda item 77, document A/5918/Add.1, para. 14.

23/ Ibid., para. 18.

the scales recommended by the 1956 Salary Review Committee were just sufficient to permit recruitment at Geneva; though arrived at by the test of recruitment possibilities, those scales did in fact provide certain monetary margins over United States civil service scales. In the Board's opinion: "Too much importance should not be attached to margins on a particular date, because the United Nations and the national services obtain their increases on different dates". 24/ The Board also pointed out that an unexpectedly rapid rise in the cost of living, leading to the granting of additional post adjustments, would result in an appreciable widening of the margin over the United States scales, but that the margin would be reduced as soon as United States salaries were increased. The Board's recommendation after its 1965 review was to consolidate three classes of post adjustment at the dependence rate, and then to add percentage increases of approximately two thirds of those proposed by the executive heads (thereby offsetting any excessive widening of the margins due to the operation of the post adjustment system).

10. In its related observations, the Advisory Committee welcomed ICSAB's intention to undertake a thorough review of the principles which should underlie the establishment of salaries of the international civil service. It went on to say that:

"... the review should encompass, among other things, such matters as the effect of the present system on remuneration of international staff serving in their own countries; the validity of the present comparisons between United Nations salaries and the salaries in the highest paid home civil service; the validity of the job comparisons between grades in the International Civil Service and national civil services; and also whether a salary scale which is in effect based on the scale of the country having the highest paid civil service should be considered as appropriate to the base city, regardless of the difference in the cost of living. The Committee would point out, however, that administrative stability requires not too frequent reviews of the principles of complicated salary systems, and hopes that ICSAB's new study will be definitive." 25/

11. The principles underlying the international salary system were reviewed by the Board at its 1965, 1966 and 1967 sessions. In particular, the Board gave careful consideration to the reintroduction of the expatriation allowance. In the report of its seventeenth session, the Board stated that its conclusion was that "other inconsistencies would be created and over-all costs increased, while administration of the salary system would be seriously complicated and a divisive effect created within the secretariats"; 26/ in particular "all expatriate staff in the United Nations system -- over 90 per cent of the total -- would be paid more than at present, and economies would be made only on a comparatively small

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24/ Ibid., para. 72.

25/ Ibid., document A/6056, para. 45.

26/ Ibid., Twenty-fourth Session, Annexes, agenda item 83, document A/C.5/1240, annex, annex II, para. 9.

proportion of non-expatriate staff". 27/ The Board also considered - and rejected - the idea that the Professional staff could be divided into transferable and non-transferable. It discussed the replacement of the post adjustment system by annual or biennial reviews of base scales, and endorsed the former as a continuing feature of the United Nations salary system.

12. The Board completed its re-examination of the salary system by 1967. It concluded that no changes needed to be made in the structure as such, but that it would be desirable in future to establish the salary scales less by reference to the levels of the civil service of one particular Member State - as had been done under the Noblemaire principle - than by a study of what the Board called "world market rates" for the skills required by the organizations. Between such surveys, which would be relatively infrequent, adjustments might be made on the basis of a specially constructed salary index, based on the movement of real incomes in the civil services of the seven countries in which headquarters of United Nations bodies have been established. 28/

13. The International Civil Service Advisory Board next reviewed the salary scales themselves at its 1968 session. On the basis of changes in the salary index, the Board recommended an interim increase by 5 per cent gross as from 1 January 1969. The Secretary-General's related proposal, which also provided for the incorporation of one class of post adjustment, was approved by the General Assembly in resolution 2485 (XXIII).

14. At its 1969 session, the Board decided not to proceed with the "world market rates" approach to the problem of establishing the salaries of international civil servants. 29/ Instead, the Board invited the organizations to improve their arrangements for the collection and analysis of the data relevant to the establishment of salary scales for international civil servants.

#### B. Report by the Secretary-General

15. In his report on salary scales for the Professional and higher categories (A/C.5/1303), the Secretary-General proposes that, with effect from 1 January 1971, the salaries of the Professional and higher-level staff should, as recommended by ICSAB, be revised by the consolidation of two classes of post adjustment and an increase of 8 per cent in the scales.

16. The Secretary-General explains that he and his colleagues in the Administrative Committee on Co-ordination (ACC) (with the exception of the Director-General of IAEA) had informed the Board that an increase of the order of 10 per cent in gross scales would be justified, although the precise amount was a matter of judgement on which the Board's advice was requested. The Secretary-General indicates that a study of the movement, in real-income terms, of salaries in the civil services of

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27/ Ibid., para. 10.

28/ Ibid., Twenty-third Session, Annexes, agenda item 74, document A/7236, para. 4.

29/ Ibid., Twenty-fourth Session, Annexes, agenda item 83, document A/C.5/1240, annex, para. 11.



the seven headquarters countries had shown that, between January 1966 and January 1970, the movement in five of those countries had exceeded the corresponding movement in the United Nations system, while in two countries it had been less. On the basis of a weighted average of the movements in the seven countries, the United Nations system lagged, as of 1 January 1970, by up to 7.5 per cent. A study of the relationships in money terms between the level of United Nations net remuneration at Geneva, the base of the common system, and the level of after-tax remuneration in the United States Federal Civil Service at New York showed a more appreciable change (*ibid.*, para. 4): these relationships, however, do not reflect the effect of changes in the cost of living in the two cities, a fact which the International Civil Service Advisory Board pointed out in its report (*ibid.*, annex I, para. 20).

17. The Advisory Committee noted that in their submission to ICSAB the staff associations had sought increases substantially greater than those proposed by the organizations (16-17 per cent gross as against approximately 10 per cent gross), on the grounds that the larger increases were needed to restore the relationship that had existed between United Nations remuneration at Geneva and United States Federal Civil Service remuneration in New York in January 1962. The Board did not accept that view, for the reasons explained in its report (*ibid.*, para. 19 and para. 18, table). The January 1962 relationships were, on an average, 10 percentage points more favourable to the United Nations staff than the relationships in January 1957, after the 1956 salary review. The Board took the necessary corrective action in 1965, and the Advisory Committee agrees that a return to the 1962 margin could not be justified.

18. In its report the Board stressed that:

"... although there has never been - and in the view of the Board should not be - any arithmetical or automatic formula by which salaries in the organizations can be related to the salary levels of the country with the highest-paid national service, it is clearly desirable that some consistency of appreciation should be applied in successive pay reviews. Regard must be had, among other factors, to cost-of-living and expatriation problems, and to experience in recruitment and retention of staff." (*ibid.*, para. 15)

19. The Board recalled that at its seventeenth session it had:

"... reached the conclusion that the admitted anomalies and defects of the system were inherent in the complex problem of providing equitable conditions for a multi-national staff working in over one hundred countries; their removal would create other difficulties and perhaps extra cost. The Board accordingly concluded that it would be unwise to discontinue the existing system, even though it did not imply indefinite endorsement of the one-country principle." (*ibid.*, para. 16)

20. In the view of the Board:

"... the true changes in relationship between United Nations net remuneration at Geneva and United States net remuneration at New York can be expressed only in real-income terms. While the Board would agree that it is not possible to ignore completely the money relationships between the

United Nations at Geneva and the United States in New York, the most valid factor in assessing whether pay increases are justified is the relative change in real income since whatever date is regarded as an appropriate base. Other factors - such as recruitment or retention problems - might or might not justify a larger real-income increase in the United Nations system than in the highest-paid national service, but in the absence of full justification the international civil service should not be given greater increases in real income than employees of the United States Civil Service in New York. It will be equitably treated if its real-income changes match those in that service." (ibid., para. 22)

21. On the basis of a net-remuneration comparison between October 1960 and January 1970, the Board concluded that real-income increases in the United States Civil Service were approximately 8 per cent higher than those in the United Nations system. At the same time, the Board recognized that different base dates would yield different results and that increasing the United Nations base salaries would increase the substantial margin by which the emoluments of the non-expatriate United Nations staff member in New York exceeded those of his United States Civil Service counterpart in the same city - because of the operation of the post adjustment system and the use of Geneva as the base in the United Nations system.

22. The Board indicated that, after an extended examination of the latter problem, it had to take into account that Secretariat officials serving in their home country represented a small minority, perhaps only some 10 per cent, of the total Professional staff at such duty stations. The Board concluded that, within the present salary system, it could not withhold a recommendation which it found justified by all the data in the case of the 90 per cent of the staff who were expatriates.

"At the same time, the Board felt concern that ... existing rates of salaries of the international civil servants in New York are already higher than those of the national civil service of the United States, so that any increase of total salary will lead to an increase of salaries for these officials as well. Acknowledging that the rates of salaries of certain grades of officials of international organizations in Geneva are to some extent inferior to those in the United States national civil service, it noted, however, that taking into consideration the lower cost of living in Geneva in comparison with that of New York, the real wages of even these officials of international organizations in Geneva are still high."  
(ibid., para. 28)

23. The Board decided to recommend that gross salaries, after the consolidation of the two classes of post adjustment, be increased by 8 per cent, with effect from 1 January 1971. At the same time, it considered that energetic efforts should be made by the organizations to resolve the anomalies which existed in the present system, and to submit a further report to the Board.

24. The financial implications of the Board's recommendations (which are equivalent to net increases of between 7.5 per cent at P-1, step I to 6.6 per cent at D-2, step IV) are estimated by the Secretary-General at \$8,876,200 gross (\$5,541,200 net), on the basis of the levels of staffing recommended by the

Advisory Committee in its main report (A/8008) on the budget estimates. The Committee has been provided with the following breakdown of that estimate:

	<u>Increase in Expenditure Estimates</u>	<u>Increase in Income from Staff Assessment</u>	<u>Net Addition to Assessment Level</u>
<u>United States dollars</u>			
<u>Consolidation of post adjustment</u>			
Base salaries and post adjustment . . . . .	2,506,500	1,652,000	854,500
Common staff costs . . . . .	<u>646,300</u>	<u>44,100</u>	<u>602,200</u>
	3,152,800	1,696,100	1,456,700
Decrease in income deriving from revenue-producing activities . . . . .	<u>26,200</u>	<u>13,300</u>	<u>12,900</u>
	<u>3,179,000</u>	<u>1,709,400</u>	<u>1,469,600</u>
<u>8 per cent increase thereafter</u>			
Base salaries and post adjustment . . . . .	4,909,700	1,572,400	3,337,300
Common staff costs . . . . .	<u>741,500</u>	<u>41,000</u>	<u>700,500</u>
	5,651,200	1,613,400	4,037,800
Decrease in income deriving from revenue-producing activities . . . . .	<u>46,000</u>	<u>12,200</u>	<u>33,800</u>
	<u>5,697,200</u>	<u>1,625,600</u>	<u>4,071,600</u>
TOTAL			
Base salaries and post adjustment . . . . .	7,416,200	3,224,400	4,191,800
Common staff costs . . . . .	<u>1,387,800<sup>a/</sup></u>	<u>85,100</u>	<u>1,302,700</u>
	8,804,000	3,309,500	5,494,500
Decrease in income deriving from revenue-producing activities . . . . .	<u>72,200</u>	<u>25,500</u>	<u>46,700</u>
	<u>8,876,200</u>	<u>3,335,000</u>	<u>5,541,200</u>

<sup>a/</sup> Additional contributions to the United Nations Joint Staff Pension Fund - \$1,126,500; additional contributions to medical insurance plans - \$9,500; additional separation costs, \$251,800.

25. The additional credits that would be required under the relevant sections of the budget for 1971 are estimated by the Secretary-General (A/C.5/1303, para. 13) as follows:

#### EXPENDITURE

		<u>United States dollars</u>
<u>Section</u>		
2	Special meetings and conferences . . . . .	35,400
3	Salaries and wages . . . . .	5,915,300
4	Common staff costs . . . . .	1,081,500
12	Special expenses . . . . .	17,800
15	United Nations Conference on Trade and Development	629,400
16	United Nations Industrial Development Organization	689,000
17	Special missions . . . . .	86,100
18	Office of the United Nations High Commissioner for Refugees . . . . .	297,000
19	International Court of Justice . . . . .	52,500
TOTAL		<u>8,804,000</u>

#### INCOME

<u>Section</u>		
1	Increase in income from staff assessment . . . . .	3,335,000
3)	Decrease in income deriving from revenue-producing	1,600
4)	activities . . . . .	70,600

#### C. Developments subsequent to 1 January 1970

26. The recommendations of ICSAB are based on data up to January 1970. Since then an additional class of post adjustment became payable in New York on 1 June and a further class will become payable on 1 December. In Geneva, there has been no change in 1970, but an extra class will be payable as from January 1971.

27. On the assumption that there will be no change in the United States Federal Civil Service scales on or before 1 January 1971, the increase in the real income - net expressed as a percentage of the October 1960 base - of United Nations staff at Geneva compared with that of United States civil servants in New York will be as follows:

Grade	<u>Percentage increase</u>			
	<u>Oct. 1960--Jan. 1970</u>		<u>Oct. 1960--Jan. 1971</u>	
	<u>United Nations Geneva</u>	<u>United States New York</u>	<u>United Nations Geneva</u>	<u>United States New York</u>
P-3.I/GS-12.1 . .	13.8	19.2	13.9	12.2
P-4.I/GS-14.1 . .	13.5	20.2	13.6	13.1
P-5.I/GS-15.1 . .	15.8	22.2	15.7	15.0
D-1.I/GS-16.1 . .	14.8	24.5	14.7	17.2
D-2 max.GS-18 . .	16.3	29.2	15.2	21.6

28. Thus, on a straight arithmetic average, the percentage by which real income increases of United States civil servants in New York exceeded those of United Nations staff in Geneva will drop from approximately 8 per cent in January 1970 to about 1 per cent in January 1971 (on the assumption indicated in the preceding paragraph). This is due to the fact that, while the post adjustment system largely protects the purchasing power of United Nations staff, the real income of their United States civil service counterparts drops between one adjustment of their base scales and the next, the drop being particularly large just before an increase in pay scales comes into force.

29. While indicating that relative changes in real income constituted the most valid factor in assessing whether pay increases are justified, the Board agreed that it is not possible to ignore completely the money relationship between the United Nations rates at Geneva and the United States rates in New York. The following table compares the two scales (net for married officials with no children).

	<u>October 1960</u>		<u>January 1971</u>		<u>Percentage increase in money terms</u>	
	<u>United States New York</u>	<u>United Nations Geneva</u>	<u>United States New York a/</u>	<u>United Nations Geneva b/</u>	<u>United States New York a/</u>	<u>United Nations Geneva b/</u>
	\$	\$	\$	\$	\$	\$
P-3.V/GS-12.1	7,330	7,750	11,446	12,608	56.2	62.7
P-4.V/GS-14.1	9,655	9,250	15,200	15,024	57.4	62.4
P-5.I/GS-15.1	10,722	9,850	17,169	16,464	60.1	67.1
D-1.I/GS-16.1	11,760	11,175	19,179	18,508	63.1	65.6
D-2 max./GS-18	13,865	13,775	23,468	22,924	69.3	66.4

a/ Assuming no increase in salary after 1 January 1970.

b/ On the basis of an increase in post adjustment by one class effective 1 January 1971.

30. Bearing in mind the Board's observation that, if one takes into consideration that the cost of living at Geneva is lower than in New York, the real wages of international officials at Geneva are still high, by comparison with those in the United States Federal civil service, the Advisory Committee compared the latter, adjusted for the Geneva cost of living, with those in the United Nations system as of 1 January 1971, on the base of the salary scales currently in force. As can be seen from the following table, such a comparison indicated that United Nations salaries at Geneva will exceed the adjusted United States civil service salaries by between 21.5 and 39.6 per cent.

		<u>United States salaries a/</u>			
<u>United States</u>	<u>United Nations</u>	<u>New York</u>	<u>Adjusted for Geneva cost of living c/</u>	<u>United Nations salaries Geneva b/</u>	<u>Margin United Nations over United States</u>
		\$	\$	\$	%
GS-12.1	P-3.V	11,446	9,034	12,608	39.6
GS-14.1	P-4.V	15,200	11,997	15,024	25.2
GS-15.1	P-5.I	17,169	13,551	16,464	21.5
GS-16.1	D-1.I	19,179	15,137	18,508	22.3
GS-18	D-2 max	23,468	18,522	22,924	23.8

a/ Net; married, no children; assuming no increase in salary after 1 January 1970.

b/ Net; married, no children; assuming an increase in post adjustment of one class (to Class 3) on 1 January 1971.

c/ Adjusted on basis Geneva = 100.0, New York = 126.7.

#### D. Consideration of the question by the Advisory Committee

31. In its consideration of the question, the Advisory Committee recalled that one of the functions of ICSAB, as defined by the General Assembly on 17 December 1963, is to review and make recommendations on salaries and allowances of staff in the Professional and higher categories. In view of the acknowledged competence of ICSAB to deal with the many technical and complex issues involved, the Advisory Committee - as on past occasions - did not attempt to duplicate the detailed study conducted by the Board. Rather, the Committee concentrated its examination of ICSAB's recommendations and the Secretary-General's proposals on developments since 1 January 1970, and on the wider implications surrounding the policy and principles of the recommendations and their administrative and financial consequences. In the latter context, the Committee was mindful of the difficult financial situation facing not only the United Nations, but also one of the major specialized agencies.

32. As can be seen from paragraphs 26-30 above, the situation on 1 January 1971 in terms of relationships between real income movements since October 1960 for United Nations staff at Geneva and United States Federal civil servants in New York will be appreciably different from the corresponding situation on 1 January 1970, on which ICSAB has based its recommendations.

33. As ICSAB indicated in its report, the net salary relationships (in money terms) between the level of United Nations remuneration at Geneva and United States remuneration in New York fluctuate because pay increases in the United Nations and United States systems do not occur on the same date. Thus, immediately after an increase in United States scales, the relationships will be relatively low; immediately after an increase in the United Nations system they will seem high (A/C.5/1303, annex I, para. 18). Hence the position on 1 January 1970, the date as of which United States salary rates were raised, overstated the actual lag in United Nations salary movements; by the same token, a comparison based on calculations as of 1 January 1971 might well understate that lag. A fair assessment of those relationships would lie somewhere between these two approaches.

34. The Advisory Committee devoted considerable attention to the policy and principles of the recommendations. The Committee noted that ICSAB had based them mainly on the changes in the real incomes of United Nations staff in Geneva and United States Federal Civil Servants in New York. The use of Geneva as the base for United Nations salaries is consistent with the recommendations of the 1956 Salary Review Committee (see paragraph 3 above). The Advisory Committee agrees that, until such time as the base is changed by decision of the General Assembly, relationships with Geneva should continue to apply. At the same time, the Committee would point to the consequence in New York of the use of Geneva as the base for the United Nations salary system.

35. A characteristic feature of the period since a 5 per cent interim pay increase was granted to United Nations staff, effective 1 January 1969, has been that, while the cost of living in Geneva has remained fairly stable, New York has experienced a period of inflation. As a result, two classes of post adjustment will be added in New York in the course of 1970 (as of 1 December 1970, nine classes of post adjustment will be payable in New York). This will alter further the relationship between the net income of United Nations officials serving in New York and that of their United States Civil Service counterparts, increasing the margin by which the net income of the former exceeds the net income of the latter. In January 1971 the situation will be as follows:

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	<u>United States,</u> <u>New York a/</u>	<u>United Nations,</u> <u>New York a/</u>	<u>Margin</u>
	\$	\$	%
P-3.V/GS-12.1	11,446	15,452	35.0
P-4.V/GS-14.1	15,200	18,390	21.0
P-5.I/GS-15.1	17,169	20,136	17.3
D-1.I/GS-16.1	19,179	22,576	17.7
D-2 max/GS-18	23,468	27,748	18.2

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a/ Net for married officials with no children; assuming no increase in US scales after 1 January 1970.

36. The above figures are based on the base salary scales currently in use. As can be seen from the following table, the introduction on 1 January 1971 of the scales recommended by ICSAB would widen the margin to between 47.3 per cent at the P-3.V/GS-12.1 level and 27.5 per cent at the D-1.I/GS-16.1 level, assuming no increase in United States scales:

	United States New York <u>a/</u>	United Nations New York <u>b/</u>	Margin
	\$	\$	%
P-3.V/GS-12.1 . . . .	11,446	16,861	47.3
P-4.V/GS-14.1 . . . .	15,200	19,991	31.5
P-5.I/GS-15.1 . . . .	17,169	21,932	27.7
D-1.I/GS-16.1 . . . .	19,179	24,460	27.5
D-2 max/GS-18 . . . .	23,468	30,035	28.0

a/ Net for married officials with no children; assuming no increase after 1 January 1970.

b/ Net for married officials with no children; scales recommended by ICSAB and seven classes of post adjustment.

37. The Advisory Committee inquired into the relationships between the United Nations base salary scales and the salaries of national civil servants in the seven headquarters countries (as of January 1970). In the absence of matching points for all grades, the Committee was provided with figures (gross; expressed in US dollar terms) for the graduate entry grade (which would correspond to P-1, step I, in the United Nations system) and for grades which could be regarded as broadly comparable with D-2 (maximum). 30/ For this reason and also because the figures leave out of account various benefits, they can be regarded only as very broadly comparable.

38. A main reason why the "Noblemaire" principle produced fewer anomalies when used by the League of Nations, was that the bulk of the League's Professional and higher staff were expatriates. In the United Nations system, about 10 per cent of such staff work in their home countries and yet receive salaries constructed to include an expatriation factor. This anomaly is very noticeable in New York where the United Nations employs a large number of non-expatriate Professional and higher staff (23 per cent of Professional staff at United Nations Headquarters are United States nationals). In this connexion, the Advisory Committee noted that ICSAB had expressed concern that existing rates of salaries of the international civil servants in New York are already higher than those of the national civil service of the United States.

30/ Begünstigte Dienstzweige/VIII - Höherer Ministerialdienst/VIII in Austria; Chemist Grade 5 and Economist Grade 4 for Canada; Directeur-adjoint and Sous-directeur in France; Direttore Generale in Italy; Grade 1 in Switzerland; Assistant Secretary in the United Kingdom; GS-18 in the United States.



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	<u>Graduate entry</u>	<u>Grade broadly equivalent to D-2 (max.)</u>
	\$	\$
Austria . . . . .	2,490	10,491
Canada . . . . .	5,400-7,380 <u>a/</u>	17,018-22,522 <u>a/</u>
France . . . . .	3,740	14,148
Italy . . . . .	2,932	9,980
Switzerland . . . . .	5,005	10,625
United Kingdom . . . . .	2,570	12,429
United States of America .	8,098	35,505
United Nations base pay . . (gross)	7,600 <u>b/</u>	28,520 <u>c/</u>

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a/ Depending on profession.

b/ P-1/I. Including post adjustment at the married rate the figure would be \$8,152 at Geneva and \$9,532 in New York.

c/ D-2 max. Including post adjustment at the married rate the figure would be \$30,128 at Geneva and \$4,148 in New York.

39. The Advisory Committee inquired into the operation of the post adjustment system and the effect of the proposed consolidation of two classes of post adjustment in the base salary. As indicated in paragraph 3 above, the system was recommended by the 1956 Salary Review Committee to preserve equivalent standards of living at different duty stations. The adjustments are made on both a time-to-time and a place-to-place basis, under the over-all supervision of the Expert Committee on Post Adjustments. To determine the post-adjustment classification of a given duty station, the cost of living at that station is compared with the cost of living at Geneva on the base date. For every 5 per cent by which the cost of living at the duty station exceeds that at the Geneva base, one class of post adjustment is added to the base salary; all the organizations, with the exception of WHO, also apply minus post adjustments at duty stations where the cost of living is lower than at Geneva on the base date. Time-to-time adjustments are made when the cost of living at a given duty station, having risen by 5 per cent over the Geneva base, remains at or above that level for four months. Wherever practicable, adjustments are based on the movements of the official local index (for example, the Bureau of Labor Statistics Index in New York). At some duty stations, however (for example, Geneva) a special index has been constructed to reflect conditions encountered by expatriate staff.

40. The amount of post adjustment is calculated on the basis of the net base salary for each grade and step. It does not fully compensate for the increase in the cost of living, being equal to between 4 and 4.5 per cent for each 5 per cent increase in the cost of living. 31/ Hence at high-cost duty stations, where

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31/ For staff with dependants; staff without dependants receive two thirds of the standard post adjustment rates.

several classes of post adjustment are payable, staff are relatively less well paid than at cheaper duty stations. Naturally, changes in the post-adjustment classifications of duty stations take place on different dates. Hence the over-all net remuneration of staff at different duty stations will not change uniformly from month to month; relative movements will differ depending on the dates chosen for purposes of comparison.

41. As post adjustments are not pensionable, at high-cost duty stations there is a considerable gap between the over-all remuneration of staff serving there and their pensionable remuneration, with a correspondingly lower pension entitlement upon retirement. This is one major reason why classes of post adjustment have been periodically incorporated in the base salary scales. Furthermore, as post adjustments are not subject to staff assessment, a situation in which the remuneration of staff consists to an appreciable extent of post adjustments has an adverse effect on the Tax Equalization Fund. Thirdly, the Advisory Committee was informed that having a higher proportion of emoluments in the form of base salary tends to facilitate recruitment.

42. To prevent a drop in take-home pay when post adjustments are incorporated in the base salary scales, consolidation is based on the standard rate, grossed up to take account of staff assessment. This, together with certain changes in the timing and amounts of post adjustment referred to in the following paragraph, explains the considerable difference between the gross and the net additional expenditure attributable to the proposed consolidation of two classes of post adjustments (see table in paragraph 24 above).

43. While all staff derive a deferred benefit from the consolidation of post adjustment (because it raises pensionable remuneration and, therefore, pensions), the immediate effect of consolidation on the amount of take-home pay varies from duty station to duty station. Indeed, staff without dependants benefit more than staff with dependants because, as stated above, consolidation is based on the standard rate, whereas prior to consolidation staff without dependants received post adjustment at two thirds of the standard rate. While increasing base salaries, consolidation reduces the amount payable by way of post adjustment. The post-adjustment status of individual duty stations is recalculated against the new base, to determine by how many classes it should be reduced. At the same time, the amount of each class of post adjustment (expressed in monetary terms) increases, because it is calculated as a percentage of a higher net base salary. These changes may result in an initial increase in the net total remuneration of all staff at a particular duty station; but, as the recalculation of the base more often than not delays future additions of post classification classes, this extra benefit to the staff tends to be of short duration. The Secretary-General calculates that, on a full-year basis, the extra remuneration payable to staff in 1971 as a result of the proposed consolidation would amount to approximately \$850,000 net, of which \$350,000 would represent the added advantage accruing to staff without dependants, and \$500,000 would be attributable to the other factors described above. Moreover, consolidation - by raising pensionable remuneration - increases the Organization's expenditure under common staff costs mainly because of higher payments to the Joint Staff Pension Fund (see table in paragraph 24 above).

#### E. The need for a thorough review of the system

44. Taking into account the anomalies to which the Board referred in its report and the fact that those anomalies are an inherent part of the system, the Advisory

Committee agreed that a thorough review of the system should be undertaken as a matter of priority. While the Committee saw merit in a suggestion that such a review, like the one carried out in 1956, be undertaken by a committee of experts appointed by Governments, it concluded that, on balance, the review should be entrusted to ICSAB because of the acknowledged competence of its members. The Advisory Committee is of the opinion, however, that, in order to carry out the review, the Board may have to devote to it an entire session (or more, if necessary) and that it would need greater resources than it now has at its disposal; inter alia, it should be in a position to secure the services of consultants to assist the members in studying individual aspects of the system that call for special attention.

45. The Advisory Committee is aware that, at its eighteenth session, ICSAB considered a proposal by the organizations to establish a Pay Research Unit to report directly to the Consultative Committee on Administrative Questions (CCAQ) as a whole. 32/ In no way intended to establish rates of pay or take decisions on the subject of salaries - as those were executive and legislative functions - the Unit would obtain and collate pay data; it could from time to time call upon government experts with a knowledge of different national systems for assistance. The organizations intended to assign a classification expert to the Unit. The Board noted with appreciation the first steps taken by the organizations in the direction of establishing a Pay Research Unit.

46. In the United Nations system, proposals for salary adjustments are submitted by the executive heads to ICSAB for independent expert advice. The Board's recommendations are then considered by the executive heads, who decide whether to submit them to the legislative organs. Under such a system, a Pay Research Unit reporting to CCAQ would help the executive heads determine whether there is a case for proposing an increase. In making its independent expert assessment of the proposals, however, ICSAB should be able to draw not only on the data furnished by the organizations, but also on data from other sources; hence, it can be argued that the proposed Pay Research Unit should be placed under ICSAB rather than CCAQ. The Advisory Committee has not reached a conclusion as to which of the two alternatives is to be preferred, and suggests that the question be studied further by both the Board and the organizations.

47. The Advisory Committee noted that the Board considered that energetic efforts should be made by the organizations to resolve the anomalies which exist in the present system, and submit a further report to the Board (A/C.5/1303, annex I, para. 30). While such a report would undoubtedly be useful, the Advisory Committee believes that the Board should not confine itself to a consideration of the suggestions to be made by the organizations but, on the contrary, should undertake such independent investigations as it might consider appropriate. In this connexion, the Advisory Committee recommends that the records of the discussion in the Fifth Committee on the question of the salary scales for the Professional and higher categories should be transmitted to the Board.

48. As nearly a decade and a half has elapsed since the 1956 salary review, the Advisory Committee believes that the new review it is recommending should encompass both the basic principles underlying the salary system and their application in practice. While the Committee is aware that the Board has already

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32/ ICSAB/XVIII/1, paras. 37-41.

given consideration to the questions it had raised in 1965 (see paragraph 10 above), it recommends that they could usefully be considered further in the new review. Other points which deserve consideration are the operation of the post adjustment system; the implications of comparing United States salary scales with United Nations scales using Geneva as the base for the system, and how it operates at high-cost duty stations (in this connexion, the Board may wish, as it has done in the past, to invite the views of the Expert Committee on Post Adjustments); whether the relationship between the salary level for the entry grade and the salaries of the senior grades is appropriate in the present situation; the possibility of reintroducing an expatriation allowance; and the question of relating salary levels to the transferability of staff.

49. Furthermore, the Board may wish to give more detailed consideration to the recruitment difficulties of certain organizations, as it did in 1961 (see paragraph 7 above). These difficulties and the means employed by the organizations to overcome them (recruitment at higher grade or step than strictly warranted) appear to have changed little in the past decade, despite the intervening improvement in the real income of United Nations officials, which might suggest that insufficient attention has been paid to some of the non-financial factors in recruitment and retention discussed by the 1956 Salary Review Committee.

F. The recommendation of the International Civil Service Advisory Board  
for a salary increase

50. The Board's recommendation that United Nations gross salaries be increased by 8 per cent after consolidation of two classes of post adjustment with effect from 1 January 1971 was based on data for the period up to January 1970. As the Advisory Committee has indicated (see paragraphs 26-30 above), the addition of a class of post adjustment on 1 January 1971 at Geneva, combined with the fact that United States scales in New York have not been adjusted to compensate for increases in the cost of living in 1970, will alter the relationship between United Nations remuneration at Geneva and United States remuneration in New York. In the circumstances, to implement the ICSAB recommendation would recreate a situation similar to the one in January 1962, when an increase based on figures for 1960 combined with post adjustment increases between 1960 and 1962, had led to a considerable widening of the margins (which the Board felt obliged to correct in its subsequent review in 1965).

51. The Committee did not feel, therefore, that it could subscribe unreservedly to the ICSAB recommendation. As the Board itself has recognized, and as the figures quoted above show, the timing of comparisons is a crucial factor. During the course of the current year, the shortfall in the United Nations salaries which the Board was seeking to rectify was in the process of being rectified by the operation of the system of post adjustments - whereas United States scales have not been adjusted to take account of the rise in the cost of living in 1970. That process has accelerated since the Board met. One class of post adjustment has already been added in New York this year and further adjustments in both New York and Geneva are imminent. The Committee recognizes that in the meantime there may have been some temporary under-compensation of United Nations salaries. But short-term variations are to be expected when comparing different systems of pay, and they do not necessarily call for special remedial action.

52. In consequence, in the course of its deliberations on the ICSAB recommendations, the Advisory Committee considered four alternative approaches:

(a) To defer further consideration of increases in salary scales so that a group of government specialists could study this question and submit an expert opinion for the consideration of the decision-making bodies;

(b) To recommend that salaries be increased on 1 January 1971 by 4 per cent, after consolidation of two classes of post adjustment (as recommended by ICSAB), with the expectation of a further increase on 1 January 1972 if warranted by the circumstances and after further review of developments by ICSAB in 1971;

(c) To recommend an increase of 5 per cent without any consolidation of post adjustments or any expectation of a further increase (other than by way of post adjustments) pending completion of the thorough review of the salary system;

(d) To recommend that the increase, as proposed by the Board, be made effective on 1 July 1971 rather than 1 January 1971.

53. Under alternative (a) above, no financial implications would arise in 1971. The financial implications in 1971 of alternative (b) would be approximately \$6 million gross (\$3.5 million net); for alternative (c) they would be approximately \$3.5 million gross (\$2.5 million net); and for alternative (d) - \$4.4 million gross (\$2.8 million net).

54. As indicated in paragraph 44 above, the Committee reached the conclusion that ICSAB should be requested to carry out a thorough review of the United Nations salary system. In the circumstances, and given the acknowledged competence of the members of the Board, the Committee did not feel that the recommendations before it - which reflect the Board's best judgement in applying the system currently in force - should be referred to a Committee of government experts (as indicated in alternative (a)). Nor did the course of deferring all salary adjustment until the system has been reviewed by ICSAB commend itself to the Committee. The thorough review which the Committee believes is essential is unlikely to be completed within a brief period of time (regardless of whether it is carried out by a body of government experts or by ICSAB). The General Assembly (unlike some national Governments) has been opposed, as a matter of policy, to retroactive salary adjustments for the Professional and higher categories. In the circumstances, to maintain the current scales until after the thorough review has been completed and its conclusions have been approved by the General Assembly, might unduly delay the implementation of adjustments which the review might find warranted. For the above reasons, the Advisory Committee did not select alternative (a) or its variant discussed in this paragraph.

55. Somewhat similar considerations applied to alternatives (b) and (c) which were both in the nature of interim adjustments. Having decided that a thorough review of the present system was essential, the Committee was not satisfied that either of these two alternatives would be appropriate in the present situation. On the one hand, the Committee was reluctant to make a recommendation which would require the Board to devote its 1971 session to tinkering with the present system on the basis of short-term movements in the pay scales of national civil services which might prove misleading in the long run. In the process, the thorough study of the salary system - which the Committee considers essential -

might well be postponed. On the other hand, the Committee did not wish to make a recommendation which might put the Board under pressure to complete the thorough study in a shorter period of time than would be appropriate for a major review of this kind. Moreover, alternative (c) did not take account of the arguments advanced in favour of the consolidation of two classes of post adjustment (see paragraph 41 above).

56. Taking into account all the foregoing considerations, the Committee felt that the most equitable course would be to accept the recommendations of ICSAB, but to defer their implementation until 1 July 1971 (alternative (d)). The Committee recommends, however, that thereafter no further adjustments in United Nations base salary rates be made until such time as the proposed detailed review of the United Nations salary system has been completed and a decision taken thereon by the General Assembly. While such a solution could not be regarded as ideal, it would take account of developments in 1970 and would - together with the post adjustment system - provide a margin for the period of time when the Board was reviewing the salary system, thereby obviating a possible need for a retroactive adjustment. As stated in paragraph 53 above, in 1971 the approximate cost of adopting this course would be \$4.4 million gross (\$2.8 million net).

77. This report reflects the fact that the Advisory Committee has subjected the ICSAB recommendation to a detailed study - in part because ICSAB itself is obviously concerned about the manner in which the Professional salary system is operating, and in part because the difficult financial situation facing the United Nations and one of the specialized agencies makes it particularly essential to ensure that all expenditures, including those for salaries, are fully justified. At the same time, the Committee feels that its detailed study has resulted in a recommendation for a salary increase which is equitable to the Professional staff.

#### G. Conclusions of the Advisory Committee

58. On the basis of its consideration of the question and of the observations described above, the Advisory Committee concluded:

(a) That ICSAB should be requested to undertake a thorough review of the United Nations salary system, bearing in mind the observations to be made in the course of the discussion of the question in the Fifth Committee, and also the views set out in paragraphs 48 and 49 above;

(b) That the General Assembly may wish to increase the salary scales for the Professional and higher categories, after consolidation of two classes of post adjustment, by 8 per cent with effect from 1 July 1971, it being understood that no further adjustment of the said scales would be made until such time as the aforesaid review has been completed and its results approved by the General Assembly.

59. If the General Assembly decides as under (b) above, the revised salary scales for the Professional and higher categories will be as given in annex II to the report by the Secretary-General (A/C.5/1303), and the schedule of post adjustments will be as in annex III to the same report.

60. The additional credits that would need to be approved in 1971 would be of the order of \$4.4 million gross (\$2.8 million net). The exact figure would depend on the decisions still to be taken on the staffing levels for 1971.

Fifth report

Revised estimates under expenditure sections 3, 4, 5, 8, 9,  
10, 16 and 18 and under income sections 1 and 4

/Original: English/  
13 November 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered document A/C.5/1322 and Corr.1 in which the Secretary-General submits revised budget estimates for the financial year 1971 under expenditure section 3, 4, 5, 8, 9, 10, 16 and 18, and income sections 1 and 4. When compared with the Secretary-General's initial budget estimates, 33/ the global implications of his proposals are a reduction of \$2,128,800 in the estimates for the eight expenditure sections involved, and a reduction of \$227,300 in the estimates for the two income sections.

2. Using the initial estimates as his starting point, the Secretary-General took the following subsequent developments into account in arriving at his revised estimates for the sections concerned:

(a) The recommendations of the Advisory Committee on Administrative and Budgetary Questions in its first report 34/ on the budget estimates for 1971;

(b) The reductions recommended by the Advisory Committee in its report (A/8008/Add.1) on the revised estimates resulting from decisions taken by the Economic and Social Council at its forty-eighth and forty-ninth sessions;

(c) Revised estimates for the Economic Commission for Africa (ECA), the Office of Conference Services, the Office of Public Information and the United Nations Industrial Development Organization (UNIDO) following completion of the manpower utilization and deployment surveys of those units;

(d) The Secretary-General's proposal to maintain the total level of staff resources for all offices and departments for 1971 within that approved for 1970, including both established and provisional posts;

(e) The application of an increased turnover deduction to the cost of maintaining certain provisional posts in departments and offices for which the manpower utilization and deployment survey has not been completed;

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33/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 6 and errata.

34/ Ibid., Supplement No. 8.



(f) Reduced requirements as a result of an expected delay in the upward revision of the class of post adjustment payable to UNIDO staff in Vienna;

(g) Finally, a request for \$97,100 for new projects added to the work programme of the Economic Commission for Asia and the Far East (ECAFE), in accordance with a decision of the Economic and Social Council. 35/

3. The Advisory Committee has noted that the revised estimates do not take account of the following factors:

(a) The proposals for an increase in the salary scale of staff in the Professional and higher categories, and for United Nations participation in a proposed International Computing Centre in Geneva, on which reports by the Secretary-General (A/C.5/1303 and A/C.5/1305) and the Advisory Committee (A/8008/Add.3 and A/8008/Add.2) are currently before the General Assembly.

(b) Revised requirements for preparatory work for the United Nations Conference on the Human Environment, which are now being reassessed and which will be dealt with in later reports of the Secretary-General and the Advisory Committee;

(c) Additional requirements estimated at \$231,000 arising from decisions of the Trade and Development Board, which are still subject to consideration by the Second Committee of the General Assembly at its current session;

(d) Additional requirements for the projected introduction of class 9 post adjustment at New York from 1 December 1970 rather than 1 March 1971, as foreseen in the initial estimates;

(e) Additional requirements for General Service salaries at Headquarters, including the effect of the proposed restructuring of that category;

(f) Possible additional requirements arising from decisions of the General Assembly at its current session.

4. In the case of items (d) and (e) above, the Secretary-General intends to submit estimates later in the General Assembly's current session, when the number of staff to be provided for in 1971 has been determined.

5. The table on the following page shows, for each of the eight expenditure sections and two income sections involved, the initial estimate of the Secretary-General, the estimate recommended by the Advisory Committee in its first report, and the revised estimate now submitted by the Secretary-General; columns 4 and 5 indicate

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35/ In its report (A/8008/Add.1) on the revised estimates arising from decisions of the Council, the Advisory Committee suggested that the Secretary-General might wish to review this requirement; the Secretary-General has maintained his request (A/C.5/1322 and Corr.1), but has proposed that the additional manpower resources initially requested under chapter V (Provisional staffing requirements) be provided for instead under section 3, chapter III (Other temporary assistance).



Section	1	2	3	4	5
	<u>Initial estimate submitted by the Secretary-General</u>	<u>Estimate recommended by the Advisory Committee</u>	<u>Revised estimate submitted by the Secretary-General</u>	<u>Increase (decrease) in revised estimate compared with the initial estimate (column 3 less column 1)</u>	<u>Increase (decrease) in revised estimate compared with Advisory Committee recommendation (column 3 less column 2)</u>
	\$	\$	\$	\$	\$
3. Salaries and wages:					
Chapter I. Established posts . .	73,996,000	73,801,000	74,226,400	230,400	425,400
Chapter II. Temporary assistance for meetings . . . . .	1,866,000	1,716,000	1,716,000	(150,000)	-
Chapter III. Other temporary assistance . . . . .	3,362,000	3,312,000	3,634,400	272,400	322,400
Chapter IV. Overtime and night differential . . . . .	1,424,000	1,339,000	1,339,000	(85,000)	-
Chapter V. Provisional staffing requirements . . . . .	2,970,000	2,470,000 <sup>a/</sup>	1,250,700	(1,719,300)	(1,219,300)
TOTAL . . . . .	83,618,000	82,638,000	82,166,500	(1,451,500)	(471,500)
4. Common staff costs . . . . .	19,128,000	19,028,000 <sup>b/</sup>	18,843,000	(285,000)	(185,000)
5. Travel of staff . . . . .	2,635,200	2,575,200	2,598,300	(36,900)	23,100
8. Permanent equipment . . . . .	1,021,700	981,700	942,700	(79,000)	(39,000)
9. Maintenance, operation and rental of premises . . . . .	6,241,000	6,241,000	6,244,000	3,000	3,000
10. General expenses . . . . .	5,968,000	5,900,000	5,806,900	(161,100)	(93,100)
16. United Nations Industrial Development Organization . . . .	11,898,000	11,823,000 <sup>c/</sup>	11,808,000	(90,000)	(15,000)
18. Office of the United Nations High Commissioner for Refugees . . . . .	4,596,300	4,596,300	4,568,000	(28,300)	(28,300)
Total for the above expenditure sections . . . . .	135,106,200	133,783,200	132,977,400	(2,128,800)	(805,800)
Income section 1. Income from staff assessment . . . . .	20,200,000	19,771,000 <sup>d/</sup>	19,730,000	(470,000)	(41,000)
Income section 4. Revenue-producing activities . . . . .	2,718,500	2,793,500	2,961,200	242,700	167,700
Total for the above income sections . . . . .	22,918,500	22,564,500	22,691,200	(227,300)	126,700

a/ Includes \$674,700 for provisional posts in the Department of Economic and Social Affairs, the Economic Commission for Africa and the Office of Conference Services which the Advisory Committee excluded in its consideration of the initial estimates, pending the completion of the manpower surveys of those units by the Administrative Management Service.

b/ Includes \$135,000 related to the \$674,700 mentioned in foot-note a/.

c/ Includes \$748,000 for costs related to provisional posts subject to the findings of the manpower survey, which was excluded from the Advisory Committee's consideration of the initial estimates.

d/ Related to reductions recommended under sections 3, 15 and 16.

the difference between the initial estimate and the revised estimate, and the difference between the revised estimate and the recommendation of the Advisory Committee in its first report on the estimates.

6. It will be noted that the expenditure estimates are \$805,800 lower than those recommended by the Advisory Committee in its first report, and the income estimates \$126,700 higher, for the sections concerned.

7. With reference to section 3, chapter V, section 4, and section 16, the Advisory Committee recalls that, in its report 36/ on the initial budget estimates for 1971, it excluded from its recommendations an amount of \$1,557,700 relating to provisional posts for the Department of Economic and Social Affairs, the Economic Commission for Africa (ECA), the Office of Conference Services and UNIDO, on the grounds that these units were due to be surveyed by the Administrative Management Service in 1970 and to be the subject of revised estimates in the light of its findings. The number of provisional posts requested by the Secretary-General for them was the same as that approved for 1970, except for one extra post requested for the Office of Conference Services. 37/ The revised estimates now presented for ECA, the Office of Conference Services and UNIDO exclude any provision for provisional posts in 1971, as the surveys of those offices (along with the Office of Public Information) have in fact been completed. In the case of the Department of Economic and Social Affairs, the survey of which has not been completed, the Secretary-General has included in his revised estimates the amount for provisional posts which the Advisory Committee excluded in making its earlier recommendations; he has, however, applied a greater reduction for delayed recruitment, as indicated in paragraph 2 above.

8. The Advisory Committee notes that those recommendations arising from the manpower surveys by the Administrative Management Service which have a bearing on the revised estimates for 1971 have been reported in some detail in the Secretary-General's report on the revised estimates. In the course of its consideration of the estimates, the Advisory Committee was also provided with information on more general recommendations in the areas of management, administrative practices etc., and has drawn attention to salient points in the present report.

### Section 3. Salaries and wages

#### Chapter I. Established posts

9. In chapter I of section 3, the revised estimate is \$425,400 greater than that recommended by the Advisory Committee in its report on the initial estimates. This increase is due exclusively to additional requirements affecting that chapter as a result of the manpower surveys of ECA (\$174,200), the Office of Conference Services (\$89,400) and the Office of Public Information (\$161,800). The three offices are dealt with separately below.

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36/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8, para. 56.

37/ Ibid., Supplement No. 6 (and errata) vol. I, p. 44, para. 138; p. 61, para. 190; p. 66, para. 208; and para. 16.13.

(a) Economic Commission for Africa

10. The approved regular-budget establishment of the Economic Commission for Africa for 1970 totalled 403 posts (149 Professional and above, 254 local level), including 6 Professional and 10 local-level posts on a provisional basis. After surveying the Commission, the Administrative Management Service recommended a total of 419 posts, representing an increase of 11 Professional and 5 local-level posts. In addition, the Administrative Management Service recommended the upward reclassification of a number of Professional posts. Comparative figures are provided in the following table:

Economic Commission for Africa

	<u>Category and level</u>								<u>II</u> <u>Local</u> <u>level</u>	<u>Grand</u> <u>total</u>
	<u>I</u> <u>Professional and above</u>									
	<u>ASG</u>	<u>D-2</u>	<u>D-1</u>	<u>P-5</u>	<u>P-4</u>	<u>P-3</u>	<u>P-2/1</u>	<u>Total</u>		
								<u>I</u>		
1970 approved establishment <u>a/</u>	1	1	10	20	32	51	34	149	254	403
1971 establishment recommended by AMS . . . . .	1	1	10	23	36	58	31	160	259	419

a/ Including provisional posts.

11. In the light of his decision to request for 1971 implementation of the manpower surveys only to the extent that the total number of posts approved for 1970 is not exceeded, the Secretary-General proposes that the 1971 establishment be retained at 149 Professional and above and 254 local-level posts. The provisional posts approved for 1970 would, however, become established posts (resulting in an increase of \$160,100 under chapter I, offset by an equal reduction of chapter V of section 3), and 10 Professional posts would be reclassified \$14,100).

12. The Secretary-General explains in paragraph 3.4 of his revised estimates that his staffing proposals for the Economic Commission for Africa are made in the light of existing vacancies and of expectable recruitment delays in 1971. He goes on to state that, should the number of available suitable candidates in 1971 exceed the number of vacancies and should the Commission be in any real difficulty in implementing its work programme, he would undertake to alleviate the situation by temporary recourse to other resources at his disposal.

13. Upon inquiry, the Advisory Committee was informed that the number of vacancies in ECA at the Professional level and above had declined considerably during 1970, from 16 at the end of April to 11 at the end of September. The Advisory Committee trusts that the Secretary-General will interpret flexibly his assurance in paragraph 3.4, in order to satisfy legitimate needs which might become apparent in 1971.

14. The Advisory Committee was informed that, in order to reduce further the number of vacancies in ECA, the Administrative Management Service recommended a more intensified recruitment effort, and suggested that greater flexibility might be required, at least for a time, in the application of the Staff Rules and Regulations and over-all personnel policies; the Committee believes that attention will have to be paid to these particular problems.

15. On a unit-by-unit basis, the principal recommendations of the administrative Management Service on manpower utilization and deployment are as follows: the addition of three Professional posts (two P-5, one P-3) to the Natural Resources and Transport Division, in addition to the establishment of the provisional posts approved for 1970 in this division; strengthening of the Human Resources Development Division by five posts (two P-4, one P-3, two local-level) most of which would be allocated to the Manpower and Training Section; the net addition of two Professional posts and one local-level post in the Industry and Housing Division, in response to an expanding work programme; the transfer of the Editorial Control Unit from the Division of Administration to the Office of the Executive Secretary, in order to improve ECA documentation; the addition of two posts (one P-3, one local-level) in the Technical Assistance and Programme Co-ordination Office, and its reorganization to improve control and follow-up of technical assistance projects; the strengthening of the Information Unit by one P-5 and one local-level post; the upgrading of four Professional posts in the Joint ECA/FAO Agriculture Division, to provide adequate staff at more senior levels for this important sector, and some redeployment of staff resources within the Division of Administration, including provision for the appointment of a medical officer for ECA.

16. The Advisory Committee was informed that in certain areas the Administrative Management Service considered that future developments might call for a re-examination of the staffing levels which it recommended. For example, in the case of the four subregional offices of ECA (in Kinshasa, Lusaka, Niamey and Tangiers), the Administrative Management Service recommended that the staff establishment be maintained at the present level pending clarification of the role, functions, authority and responsibilities of those offices. Another example is the Cartography Unit of the Natural Resources and Transport Division: the Administrative Management Service recommended the redeployment of one Professional post from this Unit to the Science and Technology Section until agreement is reached between ECA and interested Governments on the design, location and financing of regional centres recommended by ECA for training in photogrammetry, photo-interpretation and geophysical surveys. The Administrative Management Service considered that the professional establishment of the Centre for Economic Co-operation should not be changed pending further progress towards such co-operation among the countries of Africa.

17. It was reported to the Advisory Committee that the Administrative Management Service made recommendations to improve co-ordination between ECA and other units of the United Nations system, particularly the Department of Economic and Social Affairs, UNCTAD, and UNIDO. It also found evidence of insufficient co-ordination within the Commission, and of organizational fragmentation; however, it did not recommend major organizational changes at this time. A major recommendation was to establish an integrated management system in ECA to deal with planning, programming, budgeting, programme implementation, reporting and evaluation. The Administrative Management Service urged more staff training in both languages and substantive subjects, better scheduling and control of documents, and a study of ECA of how increased emphasis might be given by the

Information Unit to preparing information material on United Nations activities in Africa. It further recommended that ECA and UNIDO explore the possibility of establishing a joint programme for industrial development in Africa, that measures be taken to integrate better the work of the Joint ECA/FAO Agriculture Division and that of FAO, and that ECA's data processing applications and processing arrangements be carefully reviewed in the light of the computer facilities of the United Nations as a whole.

18. The Advisory Committee was informed that the Executive Secretary concurs in most of the above recommendations of the Administrative Management Service and that in many cases he has started action to implement them.

(b) Office of Conference Services

19. For 1970, the approved establishment of the Office of Conference Services was 1,145 posts, consisting of 524 at the Professional level and above, 602 General Service and 19 manual workers; 16 Professional and 27 General Service posts were on a provisional basis. In his initial estimates for 1971, the Secretary-General proposed the conversion to an established basis of nine of the Professional and all 27 of the General Service provisional posts.

20. After surveying the Office, the Administrative Management Service recommended no change in the total number of Professional and higher posts and manual posts, and the reduction of one General Service post. These recommendations are reflected in the revised estimates. The net effect on the estimate for chapter I of section 3 - taking into account also seven upward reclassifications recommended by the Administrative Management Service - is an increase of \$89,400. On the other hand, the provision for chapter V is reduced by \$118,500 to reflect the deletion of all the provisional posts for the Office (see paragraph 39 below). Comparative figures are provided in the following table:

Office of Conference Services

Category and level

	USG	I Professional and above						Total I	II General Service	III Manual workers	Grand total
		D-2	D-1	P-5	P-4	P-3	P-2/1				
1970 approved establishment a/. .	1	3	10	21	137	281	71	524	602	19	1,145
1971 proposed establishment . . .	1	3	10	26	137	275	72	524	601	19	1,145

a/ Including provisional posts.

21. In explanation of the staffing level proposed for the Office of Conference Services, the Secretary-General points out (paragraph 3.41 of his report) that the recommendations of the Administrative Management Service are based on the workload which existed and which could be reasonably projected at the time of the survey; it was not possible for the Service to determine the ultimate impact of a number of resolutions adopted by the General Assembly at its past two sessions aimed at reducing documentation and the meetings programme. In the light of the variations which characterize the workload of the Office of Conference Services, the Administrative Management Service endorsed the present practice of supplementing an establishment based on average workload with temporary assistance and overtime during periods of peak activity. In section 3, chapter III (Other temporary assistance) the Secretary-General has included an additional estimate of \$56,000 in line with a recommendation by the Administrative Management Service for temporary assistance to liquidate translation backlogs (see paragraph 37 below).

22. Within the global establishment of the Office (which, as indicated in paragraph 20 above, is reduced by one General Service post), a number of adjustments have been made between units, on the recommendation of the Administrative Management Service. The most important of these affect the Translation Service and the Interpretation and Meetings Service: six additional Professional (5 P-5, 1 P-4) and two additional General Service posts are proposed for the Translation Service, while the establishment of the Interpretation and Meetings Service would be reduced by seven P-3 and two General Service posts. The P-5 posts in the Translation Service would be for one senior reviser in each of the official language sections to organize and carry out on-the-job training of new staff, to prepare instruction manuals, to organize and conduct discussion meetings and to advise new translators; their functions would thus be essentially training-oriented, an area where the Administrative Management Service found an urgent need for improvement. Most of the Professional posts which would be discontinued in the Interpretation and Meetings Service are interpreters' posts which in 1970 were available on a provisional basis; the Secretary-General considers that the existing permanent establishment of 70 Professional posts in this section can be maintained unless the meetings schedule is significantly changed. In accordance with a recommendation of the Administrative Management Service, the Secretary-General proposes to strengthen the Editorial and Official Records Service by two Professional posts (one P-4, and one P-3) and one General Service post to reflect the workload of the Service and to improve supervision.

23. Three Professional posts would be transferred from the Office of Conference Services to the Department of Economic and Social Affairs, and three General Service posts to the Library; as neither of the latter two units has yet been surveyed, the Secretary-General has undertaken not to include these posts in their manning-tables for 1971, but rather to carry out the work required from resources already requested for that year.

24. It was reported to the Advisory Committee that, subject to some minor regroupings, the Administrative Management Service endorsed the existing organization of the Office of Conference Services. However, it recommended the relocation of the Arabic Translation Section from New York to Beirut, a move intended to benefit both the work of the Section and the United Nations Economic and Social Office in Beirut; in the view of the Administrative Management Service, the recommended relocation would not prejudice the ability of the Section to service Headquarters. The Advisory Committee was informed that this recommendation is being studied by the Secretary-General.

25. The Administrative Management Service made recommendations intended to reduce recruitment difficulties in the Office, particularly as they affect typists and document reproduction staff. It also recommended improvements in physical facilities. The Advisory Committee was informed that on the basis of its survey of the Translation Service, the Administrative Management Service recommended the regular maintenance of daily records of output by each language section as a guide for estimating purposes; the Service was not able to come to any firm opinion as to the productivity of the translation staff. The Advisory Committee trusts that the Administrative Management Service will follow up this question energetically, and reiterates the hope expressed in its report 38/ on the initial estimates that studies of this question will lead to increased productivity.

26. Other recommendations of the Administrative Management Service brought to the attention of the Advisory Committee were increased emphasis on in-service training, measures to facilitate the projection of documentation needs, the more flexible use of verbatim reporters, a reduction in stocks of publications, and the development of a sales promotion plan for sales publications and regular review of their prices.

(c) Office of Public Information

27. In its review of the revised estimates as they affect the office of Public Information, the Advisory Committee took into account a report of the Secretary-General embodying a review and reappraisal of the United Nations information policies and activities (A/C.5/1320 and Corr.1). That report is currently before the General Assembly and the Advisory Committee intends to report separately on it. The Committee notes that while in some limited areas the review and reappraisal contains proposals which have been recommended by the Administrative Management Service and reflected in the revised estimates, its implications go beyond the budget for 1971.

28. The staff at the disposal of the Office of Public Information in 1970 consists of 259 established posts under chapter I of section 3 (160 Professional and above, 99 General Service), 12 contractual personnel financed from a global credit under chapter III of section 10 (8 Professional, 4 General Service), and 31 posts in the Visitors' Service, financed under income section 4 (9 Professional, 22 General Service). The total thus amounts to 177 Professional and 125 General Service (excluding 240 local-level posts available for the information centres). On the basis of its survey of the Office, the Administrative Management Service recommended a staff level of 170 Professional and 116 General Service posts, that is, a reduction of 7 in the Professional and 9 in the General Service category. As its survey did not include the totality of the field establishment of the Office, the

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38/ Ibid., Supplement No. 8, para. 151.

changes recommended by the Administrative Management Service are confined to the Headquarters establishment. Comparative figures are provided in the table below:

Office of Public Information

<u>Category and level</u>											
	<u>I</u>							<u>II</u>	<u>III</u>		
	<u>Professional and above</u>						<u>Total</u>	<u>General</u>	<u>Local</u>	<u>Grand</u>	
<u>ASG</u>	<u>D-2</u>	<u>D-1</u>	<u>P-5</u>	<u>P-4</u>	<u>P-3</u>	<u>P-2/1</u>	<u>I</u>	<u>Service</u>	<u>level</u>	<u>total</u>	
<hr/>											
1970 approved establishment <u>a/</u>	1	3	10	30	50	46	37	177	125	240	542
1971 establishment recommended by AMS <u>b/</u>	1	3	11	29	45	46	35	170	116	240	526

a/ Includes 12 positions filled on a full-time basis by contractual personnel and financed under section 10, chapter III, and 31 posts charged against revenue under income section 4.

b/ Includes 20 posts charged against revenue under income section 4.

29. The Advisory Committee notes from paragraph 3.50 of the Secretary-General's report on the revised estimates that in 1970 the Office of Public Information, while remaining within the limits of its authorized establishment, had used a number of posts for purposes other than those for which they had originally been authorized. The Committee considers that, while redeployment is often advantageous, any future redeployment of staff within the Office should be subject to proper authorization by the Office of the Controller, and should be reflected in subsequent manning tables.

30. The recommendations of the Administrative Management Service provide for the following changes to the manning-table for 1970, as actually utilized. The addition of one Professional and two General Service posts in the Office of the Assistant Secretary-General to strengthen central planning, direction and co-ordination and to provide for the transfer of the Administrative Unit of the Radio and Visual Services Division to this Office; the addition of one Professional post and the elimination of two General Service posts in the Press and Publications Division; a reduction of eight Professional and seven General Service posts in the Radio and Visual Services Division on the basis of an extensive redeployment of staff among organizational units (and taking into account the transfer of the Administrative Unit mentioned above); and a reduction of one Professional and two General Service posts in the External Relations Division.



31. The recommended reductions have been only partly accepted by the Secretary-General and reflected in the revised estimates. Specifically, the Secretary-General has retained an additional four Professional and two General Service posts over and above the recommended level. Three of the Professional posts are for film editors currently working under special service agreements, and the fourth is for a French-language writer/producer in Radio Services. Whereas the Administrative Management Service considered that the work done by the film editors should be assumed by an outside contractor who regularly performs similar work for the Office, the Secretary-General decided that the specialized nature of the activity warranted inclusion of the three posts in the regular establishment. As a result of these adjustments to the recommendations of the Administrative Management Service, the proposed staff resources of the Office of Public Information show a global reduction of three Professional and seven General Service posts, compared with the approved level for 1970, rather than seven Professional and nine General Service posts, as the Administrative Management Service had recommended.

32. The revised estimate for chapter I of section 3 is also affected by the transfer to that chapter of eleven positions formerly financed on a contractual basis under chapter III of section 10 (8 Professional, 3 General Service), and of eight of the posts provided for under income section 4 (2 Professional, 6 General Service). Along with the reclassification of a number of posts, these changes result in an increase of \$161,800 in the estimate under chapter I of section 3, compared with the initial estimate. The Advisory Committee notes that the decision to create established posts for the eleven positions formerly financed from section 10 will increase their cost to the United Nations by upwards of \$50,000.

33. The Advisory Committee was informed that the Administrative Management Service found a tendency towards organization fragmentation in the Office of Public Information and recommended a more logical grouping of units. Some of these recommended changes are reflected in the revised estimates. Thus, provision is made for a new Correspondent Liaison Unit and a Central Writing and Editing Unit in the Press and Publications Division; consolidation of the Radio and Visual News Desk and the Central Programming Service into a News and Central Programme Section of the Radio and Visual Services Division; and regrouping of a number of small units in the same Division. On the other hand, the Advisory Committee was informed that other recommended organizational changes will require further study before a decision can be taken on their full implementation.

34. The Administrative Management Service recommended improved management practices for the Office - including efforts to determine the expected audience impact of its activities - and re-examination of proposals for the purchase of new equipment in the light of an inventory to be carried out by the Office of General Service. 39/

35. The Advisory Committee notes that the Office of Public Information has suggested a procedure for a more selective press release coverage of United Nations

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39/ The proposals for the purchase of equipment are dealt with in detail in the Secretary-General's report on a review and reappraisal of United Nations information policies and activities (A/C.5/1320 and Corr.1), on which the Advisory Committee intends to report separately.

meetings, based on the nature and the degree of the news interest they can be expected to generate (see A/C.5/1320 and Corr.1, paras. 93-98). The Office of Public Information has estimated that this would reduce by about 25 per cent the amount of press release material issued, and allow a reduction in permanent staff as well as in temporary staff recruited for the sessions of the General Assembly. The Administrative Management Service recommended early implementation of the suggested procedure. The Secretary-General, however, has not taken it into account in his revised estimates. The Advisory Committee understands that the Office of Public Information wishes to consult the major users of its press release service before going ahead; it hopes that the consultations will be carried out as soon as possible so that should the proposal prove acceptable it could be implemented in 1971.

## Chapter II. Temporary assistance for meetings

36. The reduction of \$150,000 is as recommended by the Advisory Committee in its report 40/ on the initial estimates.

## Chapter III. Other temporary assistance

37. The revised estimate for chapter III is \$272,400 above the initial estimate submitted by the Secretary-General. The difference is accounted for by the following factors:

(a) The additional provision of \$133,800 recommended by the Advisory Committee in its report on the revised estimates arising from decisions of the Economic and Social Council at its forty-eighth and forty-ninth sessions;

(b) \$6,300 for new projects added to the work programme of ECAFE, as endorsed by the Council; this amount constitutes part of the request of \$97,100 referred to in paragraph 2 above;

(c) \$125,600 arising from proposals of the Administrative Management Service for the Office of Conference Services and the Office of Public Information: \$56,000 for temporary revisers, and \$69,600 for temporary assistance to eliminate a work backlog on the Yearbook of the United Nations and to review and catalogue television films;

(d) The reduction of \$50,000 recommended 41/ by the Advisory Committee in the initial estimate for chapter III.

## Chapter IV. Overtime and night differential

38. The reduction of \$85,000 is as recommended by the Advisory Committee in its report 42/ on the initial estimates.

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40/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8, para. 158.

41/ Ibid., para. 163.

42/ Ibid., para. 164.

## Chapter V. Provisional staffing requirements

39. The reduction of \$1,719,300 proposed under chapter V, compared with the initial estimate, is due to four factors:

(a) Elimination of provisional staffing requirements for the Economic Commission for Africa and the Office of Conference Services in the light of the completion of the manpower surveys of those units (\$278,600);

(b) The reduction recommended by the Advisory Committee in its report 43/ on the initial estimates (\$500,000);

(c) A further reduction by the Secretary-General in line with his proposal that total staff resources for 1971 be maintained at the 1970 level (\$682,700);

(d) An increase from 5 per cent to 30 per cent in the delayed recruitment deduction applied to the balance of provisional posts proposed for 1971 (\$258,000).

40. On the basis of the revised proposals, chapter V would provide for 51 provisional posts in the Professional and higher categories, and 77 in the General Service category.

### Section 4. Common staff costs

41. The global reduction of \$285,000 is consequential to the revised proposals described above under chapters I, III and V of section 3 taking into account the reduction of \$100,000 recommended by the Advisory Committee in its report 44/ on the initial estimates for section 4.

### Section 5. Travel of staff

42. Three factors account for the reduced estimate for section 5: the reduction of \$60,000 recommended 45/ by the Advisory Committee to the initial estimate; an additional \$14,000 recommended by the Committee in its report on the revised estimates arising from decisions of the Economic and Social Council (A/8008/Add.1); and an additional \$9,100 requested for new projects of the Economic Commission for Asia and the Far East (ECAFE), as endorsed by the Council. The aggregate effect of these factors is a decrease of \$36,900.

### Section 8. Permanent equipment

43. The decrease of \$79,000 reflects the reduction of \$40,000 recommended 46/ by the Advisory Committee compared to the initial estimate, along with a further reduction of \$42,000 as a result of the Secretary-General's proposal to maintain

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43/ Ibid., para. 171.

44/ Ibid., para. 186.

45/ Ibid., para. 196.

46/ Ibid., para. 223.

the level of staff for 1971 at the 1970 level; these items are partially offset by a request for \$3,000 for new projects for ECAFE.

#### Section 9. Maintenance, operation and rental of premises

44. The increase of \$3,000 is sought for ECAFE IN connexion with the Association of South-East Asian Nations (ASEAN) Study included in the Commission's work programme (A/C.5/1302, paras. 45 and 46).

#### Section 10. General expenses

45. In its report 47/ on the initial estimates the Advisory Committee recommended a reduction of \$68,000 for section 10. The Secretary-General proposes a further reduction of \$93,100 under chapter III (Public information supplies and services) in view of the proposed establishment of 11 posts under section 3, chapter I, for the Office of Public Information, in place of credits for contractual services under section 10 (see paragraph 32 above).

#### Section 16. United Nations Industrial Development Organization

46. The decrease of \$90,000 in the initial estimate is due to the following factors:

(a) The reduction recommended by the Advisory Committee in its report 48/ on the initial estimates (\$75,000);

(b) A reduction resulting from the expectation that the upward revision of the class of post adjustment payable in Vienna will take place on 1 July 1971 instead of 1 January 1971 (\$86,100);

(c) Increased requirements arising out of the recommendations of the Administrative Management Service (\$71,000).

47. The recommendations of the Administrative Management Service affect chapters III (Salaries and wages), IV (Common staff costs) and XI (Headquarters planning and administrative management).

48. The total regular budget establishment of UNIDO in 1970, including 48 provisional posts, was 732, consisting of 301 Professional and above, 345 General Service and 86 manual worker posts. In line with the Administrative Management Service recommendations, the Secretary-General proposes a global establishment of the same number, but with a greater emphasis on Professional posts: 312 Professional and above (an increase of 11), 344 General Service (a decrease of 1) and 76 manual worker posts (a decrease of 10). Chapter III shows a decrease of

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47/ Ibid., para. 244.

48/ Ibid., para. 334.

nine posts, fully offset by new posts proposed under chapter XI. Comparative figures are provided in the table below:

United Nations Industrial Development Organization

		<u>Category and level</u>							<u>II</u>	<u>III</u>	
		<u>I</u>					<u>Total</u>	<u>General</u>	<u>Manual</u>	<u>Grand</u>	
<u>USG</u>	<u>D-2</u>	<u>D-1</u>	<u>P-5</u>	<u>P-4</u>	<u>P-3</u>	<u>P-2/1</u>	<u>I</u>	<u>Service</u>	<u>workers</u>	<u>Total</u>	
<hr/>											
1970 approved establishment <u>a/</u>	1	6	16	55	92	90	41	301	345	86 732	
1971 proposed establishment	1	6	20	55	93	95	42	312	344	76 732	

a/ Including provisional posts.

49. In addition to the 27 provisional posts in the Professional category approved for 1970, which would be placed on an established basis, the Secretary-General proposes the addition of five Professional posts in the Industrial Policies and Programming Division, to reflect the expanding workload of UNIDO in this area; the addition of three Professional posts in the Industrial Technology Division, for a similar reason; the addition of two Professional posts in the Technical Co-operation Division, to strengthen the area sections; and the addition of two Professional posts in the Office of Headquarters Planning and Administrative Management, to provide for a civil engineer and a mechanical engineer required for the planning of the new headquarters of UNIDO. On the other hand, a reduction of one Professional post is proposed in the Division of Administration, Conference and General Services. There is a considerable redeployment of General Service posts among divisions of UNIDO. The upward reclassification of nine Professional posts is proposed, along with the reclassification of six manual worker posts to the General Service category. The staffing proposals of the Secretary-General reflect in full the recommendations of the Administrative Management Service.

50. The Advisory Committee was informed that the staffing recommendations of the Administrative Management Service take into account the expectation that recruitment will improve and that all the additional staff proposed will be employed during 1971. Professional vacancies at 30 September 1970 numbered 11.

51. According to information provided to the Committee, the Administrative Management Service found that, following a period of rapid early growth, UNIDO might now require a period in which to develop more effective methods and assess its accomplishments and its future direction. The Administrative Management Service pointed to problems of co-ordination between UNIDO and some of the specialized agencies and between it and the regional economic commissions; on the other hand, it found that, in general terms, relationships with United Nations Headquarters are good. In its study of the organizational structure of UNIDO, the Administrative Management Service again noted a tendency towards fragmentation; it recommended changes affecting principally the Office of the Executive Director

and the Technical Co-operation Division. The Advisory Committee was informed that the Executive Director favours postponing action on these recommendations pending the special conference on UNIDO planned for 1971.

52. The Administrative Management Service also recommended improved planning and control systems in UNIDO, a personnel development programme (orientation, career development, staff rotation, training), and a number of other management innovations, including tighter control over staff travel. It noted that the ratio of General Service to Professional staff in UNIDO is relatively high, and expressed the view that implementation of its recommendations and other improvements initiated by UNIDO should make it unnecessary to increase the General Service staff beyond the level proposed for 1971 even if the Professional staff is increased somewhat in the years ahead.

#### Section 18. Office of the United Nations High Commissioner for Refugees

53. The reduction of \$28,300 proposed by the Secretary-General under this section relates to the salaries and common staff costs of four General Service posts added to the manning-table in the initial estimates, and now deleted in line with the Secretary-General's policy to maintain staff at the 1970 level.

#### Income section 1. Income from staff assessment

54. The reduction of \$470,000 proposed in the estimate for this category of income arises from recommendations of the Advisory Committee in its report 49/ on the initial estimates (\$331,300), and the revised staffing proposals presented under expenditure sections 3 and 18 (\$133,700).

#### Income section 4. Revenue-producing activities

55. In its report 50/ on the initial estimates, the Advisory Committee recommended an increase of \$75,000 in estimated income under this section. The Secretary-General now proposes further increases of \$167,700 arising from staffing adjustments recommended by the Administrative Management Service, as follows:

(a) Transfer of eight posts in the Public Inquiries Unit of the Visitors' Service to the regular establishment of the Office of Public Information financed from section 3 (\$104,700);

(b) Elimination of three other posts in the Visitors' Service (\$45,000);

(c) Elimination of two General Service posts in the Sales Section of the Publishing Service of the Office of Conference Services (\$18,000).

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49/ Ibid., para. 374.

50/ Ibid., para. 403.

## CONCLUSIONS OF THE ADVISORY COMMITTEE

56. Of the seven factors outlined in paragraph 2 above which have a bearing on the revised estimates as now presented by the Secretary-General, the principal new elements are the staffing proposals arising from the manpower surveys of the Economic Commission for Africa, the Office of Conference Services, the Office of Public Information and UNIDO, and the impact of the Secretary-General's proposal to maintain the total level of staff resources for all offices and departments within that approved for 1970. The Advisory Committee notes that the surveys carried out by the Administrative Management Service to this date have shown that in some areas a reduction of staff below the level approved for 1970 can be achieved. On the other hand, the recommendations arising from the survey of the Economic Commission for Africa point to the need for an aggregate increase of 16 posts above the 1970 level, for which the Secretary-General has not provided in his revised estimates, subject to the understanding in paragraph 3.4 of his report (A/C.5/1322 and Corr.1), to which the Advisory Committee has referred in paragraph 13 above.

57. The global regular budget establishment proposed in the revised estimates for the Economic Commission for Africa, the Office of Conference Services, the Office of Public Information and UNIDO shows a reduction of 11 posts: against eight proposed new Professional posts, 19 General Service and manual worker posts would be eliminated. Although the adjustment is a small one, in a total of 2,800 posts, the Advisory Committee observes that when the recommendations of the Administrative Management Service are viewed at the level of divisions, and more especially at the level of units within divisions, their impact is more significant, involving a number of redeployments.

58. In general terms, the Advisory Committee agrees with the recommendations of the Administrative Management Service as reflected in the revised estimates and accepts the Secretary-General's estimate of their cost. The Committee similarly finds merit in the other recommendations of the Administrative Management Service, for example, in the areas of management, organizational structure, work practices etc. It notes that, while certain of those recommendations are reflected in the revised estimates, others either are without financial implications or are still being considered by the Secretary-General. The Committee received the impression that the Administrative Management Service recommendations have been accepted more readily in some areas than in others; it urges that all recommendations be given the most serious consideration. Moreover, the Committee trusts that, when the current manpower survey of the entire Secretariat has been completed the Administrative Management Service will have the opportunity to review the implementation of its recommendations: which ones have been put into effect, to what extent they have proved beneficial, and, as necessary, the reasons for the non-implementation of others.

59. From its analysis of the staffing patterns recommended by the Administrative Management Service, the Advisory Committee noted a tendency towards an increase in the proportion of higher-level posts (P-5 and above). Thus, while the revised estimates for the Economic Commission for Africa, the Office of Conference Services the Office of Public Information and UNIDO provide for a net increase of eight posts in the Professional and higher categories, the number of posts at P-5 and above shows an increase of 12. The Advisory Committee is concerned at the tendency towards a top-heavy structure in the Secretariat, and urges that all proposals for up-grading of posts be given particularly careful scrutiny.

60. The Committee intends to report separately to the General Assembly at its twenty-fifth session on more general matters relating to the work of the Administrative Management Service on the basis of a further report to be submitted by the Secretary-General.

61. Although the Advisory Committee does not recommend a reduction in the estimate of \$97,100 under sections 3, 4, 5, 8 and 9 to cover the cost of projects to be undertaken by ECAFE (see paragraph 2 above), it considers that, on the basis of the detailed presentation of this request (A/C.5/1302, paras. 45 and 46), some economies are within reach.

62. In the light of the above observations, the Advisory Committee concurs in the revised estimates submitted by the Secretary-General for sections 3, 4, 5, 8, 9, 10, 16 and 18, and income sections 1 and 4, as set out in column 3 of the table in paragraph 5 of the present report.



Sixth report

Review and reappraisal of United Nations information  
policies and activities

/Original: English/  
25 November 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered a review and reappraisal of United Nations information policies and activities, submitted in the form of a report by the Secretary-General to the General Assembly (A/C.5/1320 and Corr.1).
2. At the origin of the report is a suggestion made by the Advisory Committee in 1963 that the Secretary-General might envisage instituting a procedure for "the thorough review of the public information programme, either on a continuing basis or at regular intervals", to consider the emphasis given to the various media in the United Nations programme in responding as rapidly as possible to the changing needs of the developing countries. 51/ In June 1965, the Committee was advised that the Secretary-General intended to institute a review of existing public information policies and programmes. 52/
3. Submission to the Advisory Committee of the internal study prepared by the Office of Public Information was delayed from 1968 to 1969 in order to enable the newly-appointed Assistant Secretary-General to make his personal survey and assessment of the Office's activities. When it considered the study in the summer of 1969, the Committee suggested that, before submitting it to the General Assembly for action, the Secretary-General might wish to obtain an independent appraisal of past and present information programmes, and that, in further evaluating the study, he take into account the survey of the Office by the Administrative Management Service. 53/ The Committee was subsequently informed by the Secretary-General that, in his view, the review carried out by the Office, along with the survey by the Administrative Service and other surveys, such as that carried out by the Committee on the Reorganization of the Secretariat, would provide him with sufficient information upon which to submit his own recommendations to the Advisory Committee and to the General Assembly in 1970. Those recommendations are embodied in the report now before the Assembly (A/C.5/1320 and Corr.1).
4. The first part of the report is devoted mainly to a review of the constitutional directives underlying the work of the Office of Public Information

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51/ Ibid., Eighteenth Session, Supplement No. 7, para. 86.

52/ Ibid., Twentieth session, Supplement No. 7 (and erratum), para. 113.

53/ Ibid., Twenty-fourth session, Supplement No. 8 (and erratum), para. 89.

and to an examination of the nature of information work within the context of the objectives of the United Nations. In the second part, recommendations are put forward for each unit in turn. The main conclusions and recommendations are presented in summary form in paragraph 262.

5. The Advisory Committee notes that, with the exception of two recommendations for which provision has already been made in revised estimates for 1971 presented by the Secretary-General, <sup>54/</sup> the conclusions and recommendations of the review and reappraisal do not have financial implications for the budget for that year. Some of them, however, would have considerable financial implications for later years, should they be approved by the Assembly. The Secretary-General's conclusions and recommendations can conveniently be broken down into three main categories, as follows:

A. Secretary-General's conclusions and recommendations on broad information policy

(i) While the broad terms of reference established for the Office of Public Information in General Assembly resolution 13 (I) remain a valid and practical framework, certain constituent elements of the organization and operations of the Office of Public Information should, within that framework, be strengthened (A/C.5/1320 and Corr.1, paragraph 262, item 1).

(ii) The essential role of the Office of Public Information should continue to be to provide basic services and support for national outlets, but it needs to intensify its own supplementary information output, in all media; national outlets rely on it not only for basic services, but also for sustained stimulation (ibid., item 2).

B. Conclusions and recommendations with financial implications after 1971

(i) Continuation of the printing of a French edition of the periodical Objective: Justice (\$24,000 per year) (ibid., item 4).

(ii) A three-year programme of modernization of television, film and radio equipment at Headquarters, Geneva and other offices, and a regular programme of replacement of existing television, film and radio equipment at Headquarters (ibid., items 8 and 9). Cost estimates for this recommendation are presented in annex II of the Secretary-General's report; the modernization programme is estimated to cost \$870,800, spread over a three-year period, and the replacement programme about \$275,000 a year.

(iii) Improvement of the United Nations capacity to produce colour photographs for displays, exhibitions and illustrations (ibid., item 11). The Advisory Committee has been informed that this proposal would involve the expenditure of about \$11,000 annually.

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<sup>54/</sup> Para. 262, items 10 and 13 of the report (A/C.5/1320 and Corr.1). These questions were dealt with by the Administrative Management Service in its survey of the Office. See the report on the revised estimates (A/C.5/1322 and Corr.1, paras. 3.57-3.64) and the related report of the Advisory Committee (A/8008/Add.4, paras. 30-33).

(iv) Provision of additional travel funds to enable the Educational Liaison and Non-Governmental Organizations Sections to hold seminars and conferences, and an expansion of fellowship and seminar programmes (ibid., item 14). The Advisory Committee has been informed that the amounts involved would be of the order of \$14,500 annually.

(v) Establishment on an experimental basis of a Regional Production Bureau for Africa in Addis Ababa (ibid., item 15). The financial implications, estimated at \$164,100 on an annual basis, are set out in detail in annex I of the Secretary-General's report.

(vi) The convening of meetings of directors of Information Centres every five years at Headquarters, and, in the intervening years, regional meetings of Centre directors on a rotating basis in Africa, Asia, Europe and Latin America (ibid., item 16). It is estimated that the former proposal would cost \$64,000 every five years, beginning in 1972, and the latter \$12,000 a year.

(vii) The Secretary-General further indicates that, based on an evaluation to be made in 1971 of the Centre for Economic and Social Information, 55/ a recommendation may be made to the General Assembly at its twenty-sixth session that some posts financed from extra-budgetary funds be transferred as a charge against the regular budget (ibid., item 18).

#### C. Conclusions and recommendations without financial implications

(i) Greater use of the Working Capital Fund to finance, on a reimbursable basis, publications with a high sales potential which are too expensive to be financed from the budget allocation of the Office of Public Information for leaflets, booklets and pamphlets (ibid., item 5).

(ii) Greater efforts to encourage independent publishers to produce material on subjects of interest and concern to the United Nations (ibid., item 6).

(iii) Maintenance of the present publications output and of present radio services (ibid., items 3 and 12). The Secretary-General indicates that additional resources may be needed for publications to offset higher costs and to enable an increased output during the Disarmament Decade and the Second United Nations Development Decade.

(iv) Maintenance of the press release service; in this area savings would be possible should the users of the service agree to a procedure for the selective coverage of United Nations meetings, based on the news interest they might be expected to generate (ibid., item 7).

#### OBSERVATIONS OF THE ADVISORY COMMITTEE

6. In the Advisory Committee's view, the questions of information policy raised in the report are not within its competence and call for consideration by the General

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55/ Set up in the Office of Public Information in 1968, and currently a unit of the Department of Economic and Social Affairs. The Secretary-General proposes that, from 1 January 1971, it operate as a division of OPI, but with the guidance of an interdepartmental committee (see A/C.5/1320 and Corr.1, 243-245).

sembly. This applies not only to the two conclusions summarized in paragraph 5-A above, but also to a degree to some of the other major conclusions and recommendations. For example, the recommendation for modernization and replacement of television, radio and film equipment, with its substantial financial implications, raises the policy question of the emphasis to be given by the Office of Public Information to these three media, and particularly to colour television. The establishment of a Regional Production Bureau for Africa would imply greater emphasis on a regional approach in information activities, a question which should be discussed and decided by Member States.

8. While the Advisory Committee recognizes that other conclusions and recommendations in the Secretary-General's report do not directly involve questions of information policy, it believes that all the matters raised in the report are to an extent interrelated and should therefore be taken as a whole, rather than dealt with piecemeal. This is all the more so since the Secretary-General has not indicated what priorities he attaches to the recommendations. 56/ The Committee therefore does not intend to make recommendations on the value of the proposals, except to the extent that it has already taken into account some of them in its report on the revised estimates submitted by the Secretary-General. 57/

9. The Advisory Committee nevertheless considers that the report represents a constructive attempt by the Secretary-General to place the information role of the United Nations in a perspective which takes account of the Organization's increasing activities and the changing conditions - technological and other - in which it functions. It also gives some attention to an assessment of the impact of information work in the separate media, an area where it is by no means easy to arrive at reliable conclusions.

10. Notwithstanding its comments in paragraphs 6 and 7 above, the Advisory Committee believes that it can offer observations on some of the Secretary-General's conclusions and recommendations which, if approved, would involve financial implications after 1971.

11. As was stated in paragraph 5-B (i) above, the Secretary-General estimates that a provision of \$24,000 a year would be required to continue printing the French edition of the periodical Objective: Justice. The Advisory Committee was informed that the printing of the issues of this periodical produced so far has been financed from appropriations voted for United Nations activities in decolonization and related fields, and that in 1971 the Secretary-General proposes to accommodate this item within the appropriations already requested. The Advisory Committee is of the opinion that, if it is decided that Objective: Justice will be published on a regular basis, the related costs should be included in the programme of publications of the Office of Public Information instead of being financed on an ad hoc basis.

12. The Advisory Committee understands that one objective of the proposed equipment modernization and replacement programme (see paragraph 5-B (ii) above) is to maintain and, if possible, increase the revenue accruing to the United Nations

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56/ For the Advisory Committee's comments on this point in 1969, see Official Records of the General Assembly, Twenty-fourth Session, Supplement No. 8 (and erratum), para. 89.

57/ See foot-note 54/.

from the use of its television, radio and film services and facilities. As the Committee has indicated in its report (A/8008/Add.4, para. 34) on revised estimates for certain sections of the budget for 1971, the Administrative Management Service has considered equipment proposals of the Office of Public Information and recommended that they be re-examined in the light of an inventory of equipment to be made by the Office of General Services. Although the Committee was informed that much of the equipment at present in use is old and frequently breaks down, it sees much merit in the recommendation of the Administrative Management Service, particularly as the Secretary-General does not propose a start on the re-equipment programme before 1972.

12. The Committee notes that the purposes of the suggested Regional Production Bureau in Addis Ababa (see paragraph 5-B (v) above) would be to expand existing United Nations information services in the field, and to extend such services to areas where they do not yet exist. It is envisaged that the Bureau would be staffed by four Professional officers who, at regular intervals, would visit countries of the continent, preparing and distributing information about the United Nations and stimulating its dissemination. As the Committee stated in paragraph 6 above, it believes that this question should be discussed and decided by the Member States. The financial implications are estimated by the Secretary-General at \$164,100 a year; the Committee is not certain that that amount would be sufficient to enable the Bureau to carry out the tasks envisaged for it. It believes that before a decision is taken on this suggestion, the Secretary-General should submit a more detailed statement of administrative and financial implications, indicating the number of visits to individual countries envisaged each year, the average duration of such visits and the expected results. The Advisory Committee fears that, in the absence of a more clear-cut programme of work, the suggestion might merely lead to unproductive travel.

13. As for the suggestion that greater use be made of the Working Capital Fund to finance, on a reimbursable basis, certain publications with a high sales potential (see paragraph 5-C (i) above), the Advisory Committee would favour a cautious approach. Bearing in mind the financial difficulties of the Organization, it would be imprudent to tie up any part of the Fund in publications, the sale of which might prove slower than anticipated. In the circumstances, alternative methods of financing, such as through a special publications revolving fund, might be explored.

14. The suggestion that savings could be realized by a more selective press release coverage of United Nations meetings (see paragraph 5-C (iv) above), has already been referred to by the Advisory Committee in its report (A/8008/Add.4, para. 35) on the revised estimates in which it expressed the hope that consultations would be carried out as soon as possible so that, should the procedure be feasible, it could be implemented during 1971.

15. Bearing in mind its observations in paragraphs 6 and 7 above, the Advisory Committee suggests that the General Assembly might wish to take a decision of principle on the matters raised in the Secretary-General's report. Should this decision be taken at the current session, it would be possible for the Secretary-General to reflect it, as necessary, in his initial estimates for 1972. If, on the other hand, pressure of other business compels the Fifth Committee to postpone action until the twenty-sixth session of the General Assembly, the financial implications could be considered either by way of revised estimates for 1972 or of initial estimates for 1973.

Seventh report

Question of Namibia

Administrative and financial implications of draft resolutions I and II  
submitted by the Fourth Committee in document A/8186

/Original: English/  
27 November 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the notes by the Secretary-General (A/C.5/1334 and A/C.5/1338) on the administrative and financial implications of the recommendations contained in the draft resolutions adopted by the Fourth Committee (A/8186, para. 33, draft resolutions I and II).

(a) Draft resolution I

2. Operative paragraph 14 of draft resolution I requests the Secretary-General to continue to provide the necessary assistance and facilities to the United Nations Council for Namibia to discharge its duties and functions. The Advisory Committee understands that the terms of this paragraph would not lead to additional appropriations since the Secretary-General has already included a provision of \$252,300 for the Office of the United Nations Commissioner for Namibia and \$45,400 for the travel documents office in East Africa, under chapter V of section 17 of his initial budget estimates for the financial year 1971. 58/

3. Operative paragraph 13 of the same draft resolution requests the United Nations Council for Namibia to continue to perform the functions entrusted to it in the relevant resolutions of the General Assembly, including consultations, in Africa or at United Nations Headquarters, with the representatives of the Namibian people and of the Organization of African Unity. The Secretary-General has estimated that, should the Council proceed to Africa, the travel and subsistence costs of eleven members of the Council and eight supporting staff would be \$35,200 for an itinerary New York-Lusaka-Dar es Salaam-Kampala-Nairobi-Addis Ababa-New York, while general expenses would amount to \$6,000, making a total estimate of \$41,200.

4. Prior to the adoption by the Fourth Committee of the draft resolution, the Secretary-General had informed that Committee that, should the Council decide to hold the consultations in New York rather than in Africa, the draft resolution contained no provision that would serve as a basis for a statement of financial implications. Subsequently, the sponsors of the draft resolution declared that it was their intention that, should the consultations be held in New York, the travel and subsistence costs of the representatives of the Namibian people would be borne by the United Nations. The cost of round-trip economy-class air travel and

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58/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 6 and errata.

subsistence at the Secretariat rate for six representatives of the Namibian people is estimated by the Secretary-General at \$11,000.

5. The Advisory Committee is of the opinion that, on the basis of experience, it is unlikely that all eleven members of the Council would be able to travel to Africa, should the Council decide to hold the consultations there. Moreover, the number of supporting staff could be reduced without impairing the work of the Council. In view of these considerations, the Advisory Committee believes that the estimated cost of the journey could be decreased by \$7,200 to \$34,000.

6. In the light of the foregoing, the Fifth Committee may wish to inform the General Assembly that, should it adopt the draft resolution of the Fourth Committee, there would be need for an additional appropriation of \$34,000 under section 17, chapter V, of the budget for 1971.

7. Should the Council decide not to proceed to Africa, the additional costs would be limited to the \$11,000 referred to in paragraph 4 above. In this connexion, the Fifth Committee may wish to indicate in its report that adoption of the draft resolution would provide authority to the Secretary-General to enter into commitments not exceeding \$11,000, from within the revised appropriation of \$331,700 for chapter V of section 17, to defray the costs of travel to New York and subsistence of six representatives of the Namibian people.

(b) Draft resolution II

8. Under the terms of draft resolution II the General Assembly would decide to establish a comprehensive United Nations Fund for Namibia and would request the Secretary-General to make a detailed study and report to the General Assembly at its twenty-sixth session on the development, planning execution and administration of a comprehensive programme of assistance to Namibians in various fields. Moreover, the Secretary-General would be authorized, in consultation with the Chairman of the Advisory Committee on the United Nations Educational and Training Programme for Southern Africa, the Chairman of the Committee of Trustees of the United Nations Trust Fund for South Africa, and the United Nations High Commissioner for Refugees, to make interim grants from the regular budget of the United Nations for 1971, not exceeding a total amount of \$50,000 over and above the assistance provided at present, in order to enable the existing United Nations programmes to provide greater assistance, as necessary, to Namibians.

9. The Secretary-General has stated that the costs of the detailed study and report could be met from within the resources that will be available to him during 1971, while the provision of the interim grants would require an additional appropriation of \$50,000 under a new chapter in section 12 of the budget for 1971.

10. The Advisory Committee recommends that the Fifth Committee may wish to inform the General Assembly that adoption of the draft resolution of the Fourth Committee would necessitate the appropriation of an amount of \$50,000 under section 12 of the budget for the financial year 1971. The Fifth Committee may also wish to indicate in its report that the inclusion of this provision should not be regarded as prejudging in any way the decision to be taken by the General Assembly as to the manner in which the United Nations Fund for Namibia is to be financed.



Eighth report

The policies of apartheid of the Government of South Africa

Administrative and financial implications of draft resolutions C and D  
submitted by the Special Political Committee in document A/8106/Add.1

/Original: English/  
27 November 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the notes by the Secretary-General (A/C.5/1340 and A/C.5/1337) on the administrative and financial implications of two draft resolutions adopted by the Special Political Committee (A/8106/Add.1, para. 30, draft resolutions C and D).

(a) Draft resolution D

2. Under operative paragraph 1 of draft resolution D the General Assembly would request the Secretary-General to take appropriate steps in consultation with the Special Committee on Apartheid, to promote the widest possible campaign against apartheid during 1971, the International Year for Action to Combat Racism and Racial Discrimination. Under operative paragraph 2, the Assembly would request and authorize the Special Committee, within the budgetary provision to be made for that purpose at the current session: (a) to hold consultations with experts and representatives of the oppressed people of South Africa, as well as anti-apartheid movements; (b) to send a mission to consult with specialized agencies, regional organizations and non-governmental organizations on means to promote further concerted international action against apartheid; and (c) to send representatives to the United Nations seminar at Yaoundé, as well as to international conferences on apartheid during 1971.

3. In his note (A/C.5/1337) on the administrative and financial implications of the draft resolution, the Secretary-General states that he will endeavour to comply with the request in operative paragraph 1 of the draft resolution without the need for additional appropriations. As for the mission of the Special Committee and its representation at the United Nations seminar at Yaoundé, referred to in operative paragraphs 2 (b) and (c), the Secretary-General estimates that an appropriation of \$8,650 would be required for travel and subsistence, on the understanding that the two activities could be combined, that three members of the Special Committee and one Secretariat official would participate, and that the duration involved would be about three weeks. The Advisory Committee concurs in this estimate.

4. On the subject of the consultations envisaged in operative paragraph 2 (a), the Secretary-General calls attention to paragraph 140 of the report of the Special Committee, 59/ in which the Committee recommends that budgetary allocation be made for "not more than two members of the liberation movement and the anti-apartheid organizations to visit United Nations Headquarters in 1971 for consultations". On

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59/ Ibid., Supplement No. 22.



this basis, expenditures are estimated at \$2,750 for round-trip economy-class air travel and subsistence for one week. The Advisory Committee agrees with the calculations made by the Secretary-General in arriving at this estimate.

5. At the same time, the Secretary-General considers that "specific authority by the General Assembly" would be required to enable him to enter into such commitments. The Advisory Committee recalls that a similar situation arose at the twenty-fourth session of the Assembly, in connexion with a draft resolution which envisaged the travel to New York for consultations of representatives of the anti-apartheid movement in South Africa. 60/ At that time, the Advisory Committee agreed with the Secretary-General that he would need specific authority by the General Assembly to enter into such commitments. Moreover, the Advisory Committee recommended that any future invitations of the same type be carefully considered on their merits by the competent organ, and that the case then under consideration should not be interpreted as establishing a precedent. 61/ In the view of the Advisory Committee, those observations are fully applicable to the present case.

6. The total financial implications of draft resolution D would thus amount to \$11,400. However, as a provisional amount of \$5,000 was included for the Special Committee in the Secretary-General's initial estimates for 1971 (A/8006), adoption of the draft resolution would require an additional appropriation of \$6,400 under section 17, chapter VII of the budget for that financial year.

(b) Draft resolution C

7. Under operative paragraph 1 of draft resolution C the General Assembly would request the Secretary-General to take appropriate steps to ensure the widest dissemination of information on the evils and dangers of apartheid, while under operative paragraph 4 it would request him to arrange for the preparation of special studies and papers on the evils of apartheid and, through the Office of Public Information and the Unit on Apartheid of the Secretariat, to increase the dissemination of such information in various languages.

8. In his statement of administrative and financial implications (A/C.5/1340), the Secretary-General indicates that certain activities which he would envisage in 1971 in response to the above requests would not require additional appropriations. However, in order to increase by 5,000 copies the press run and distribution of three issues in 1971 of the English edition of the periodical Objective: Justice, additional resources of \$5,000 would be required. Moreover, he estimates that \$4,500 would be needed to translate into French 300 pages of publications prepared by the Unit on Apartheid, and an additional \$6,300 to publish translations in other languages through the Information Centres.

9. The Secretary-General indicates that he could comply with the provisions of other operative paragraphs of the draft resolution within existing resources. Thus the additional appropriations required for implementation of the draft resolution would amount to the sum of the three amounts mentioned in paragraph 8 above, that is, \$15,800, consisting of \$10,800 under section 3 for translation, and \$5,000 under section 10 for public information supplies and services.

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60/ Twenty-fourth Session, Annexes, agenda item 34, documents A/7773, para. 1 and A/C.5/1262.

61/ Ibid., document A/7775, para. 6

10. The Advisory Committee concurs in the above estimate; however, given the relatively small amount involved and the existence of sizeable resources in the 1971 estimates under both sections 3 and 10 for the purposes envisaged, the Advisory Committee believes that it should be possible for the Secretary-General to limit his actual additional requirements to less than the amount requested.

(c) Recommendations of the Advisory Committee

11. Taking into account the above observations, and particularly those in paragraphs 4, 5, 6, 9 and 10, the Advisory Committee recommends that the Fifth Committee may wish to inform the General Assembly that adoption of draft resolution D of the Special Committee would require an additional appropriation of \$6,400 under section 17, chapter VII, of the budget for 1971, and that adoption of draft resolution C would require additional appropriations of \$10,800 under section 3, chapter III, and \$5,000 under section 10, chapter III.

12. At the same time, the Fifth Committee may wish to indicate in its report that adoption of draft resolution D would constitute specific authority by the General Assembly to enable the Secretary-General to enter into commitments for the purpose of defraying the travel and subsistence costs of not more than two persons for the purposes indicated in paragraph 140 of the report of the Special Committee on the Policies of Apartheid of the Government of the Republic of South Africa. 62/

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62/ See foot-note 59.

Ninth report

Programme of major maintenance and improvement of  
the Palais des Nations, Geneva

Extension of the Palais des Nations

/Original: English/  
30 November 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports by the Secretary-General on the programme of major maintenance and improvement of the Palais des Nations at Geneva (A/C.5/1332) and the extension of the Palais (A/C.5/1331). Section I below (paragraphs 2 to 20) deals with the first report, and section II (paragraphs 21 to 30) with the second. A summary of budgetary implications is provided in paragraphs 31 and 32.

I. PROGRAMME OF MAJOR MAINTENANCE AND IMPROVEMENT OF  
THE PALAIS DES NATIONS

General background

2. In a report to the General Assembly last year, 63/ the Advisory Committee traced the history of this programme, which was approved by the Assembly in 1965 64/ and started in 1966. Its cost, originally estimated at \$4,894,200, was later reduced to \$4,856,047, to be financed by eight annual budgetary provisions from 1967 to 1974. Four appropriations of \$612,000 each were made in the budgets for 1967, 1968, 1969 and 1970, and a fifth is included in the Secretary-General's initial estimates for 1971 (section 7, chapter II). The annual budgetary allocations in 1970-1974 include reimbursement of an interest-free loan of 8.5 million Swiss francs (\$1,967,000) from the Swiss Federal Government.

3. Since the beginning of the programme, the Secretary-General has submitted regular reports on its progress to the General Assembly. In his report to the Assembly at its twenty-fourth session, 65/ he indicated that the cost estimate for the programme had increased by \$180,500, from \$4,856,047 to \$5,036,547, and that the time-table for completion of some projects had been modified. At the same time,

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\* Incorporating document A/8008/Add.8/Corr.1, of 9 December 1970.

63/ Official Records of the General Assembly, Twenty-fourth Session, Annexes, agenda item 74, document A/7767.

64/ Ibid., Twentieth Session, Annexes, agenda item 76, document A/6223,  
para. 39.

65/ Ibid., Twenty-fourth Session, Annexes, agenda item 74, document A/C.5/1245.

The Secretary-General indicated that he intended to submit to the Assembly, at its twenty-fifth session, a revised programme which would include some new projects additional to the original 25, along with a revised proposal for its financing.

In its related report 66/ to the Assembly at its twenty-fourth session, the Advisory Committee expressed the hope that, when presenting his revised programme, the Secretary-General would give close attention to the possibility of effecting reductions in the estimates for those projects requiring integration with the extension of the Palais. It expressed the wish that the Secretary-General clearly indicate the extent to which the original projects had been modified since the programme was originally drawn up, and suggested that in order to limit the effects of upward price and wage pressures the Secretary-General speed up the execution of certain of the projects.

#### The Secretary-General's report

The latest report of the Secretary-General and its attached annexes indicate that:

(a) The Secretary-General has been able to double the amount of work originally scheduled for execution in 1970, in line with the Advisory Committee's recommendation mentioned in paragraph 4 above;

(b) The estimated cost of the programme, excluding new projects, has increased by a further \$472,300 in the past year, from \$5,036,547 to \$5,508,847; 67/

(c) It has not proved possible to reduce the estimated cost of projects requiring integration with the Palais extension, as the Advisory Committee had hoped; and

(d) The Secretary-General is proposing eight new projects of improvement and major maintenance estimated to cost \$845,000, including a \$20,000 provision for contingencies. Inclusion of these projects would raise the global cost of the programme to \$6,353,847.

With reference to subparagraph (a) above, columns 4 and 5 of annex II to the Secretary-General's report compare the work programme for 1970 as foreseen last year and as subsequently expanded in the light of the Advisory Committee's comments. The projects mainly affected are those for air conditioning, lighting, and roads and car parks. It can be seen from the same annex that the Secretary-General expects that by the end of 1970 all but seven of the original 25 projects will have been completed. 68/

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66/ Ibid., document A/7767, paras. 12, 14 and 18.

67/ Annex I of the Secretary-General's report indicates the effects of price increases and project modifications on the cost estimates during the past two years.

68/ One project, an additional grill-bar, was cancelled.

7. The increase in estimated costs referred to in paragraph 5 (b) above can be broken down as follows:

	<u>Increase (decrease) compared with</u> <u>estimates submitted in 1969</u> \$
(a) <u>Projects</u>	
Air conditioning . . . . .	25,000
Press and public services area . . . . .	328,000
Roofs . . . . .	18,800
Elevators . . . . .	20,000
Floorings . . . . .	(70,000)
Central heating . . . . .	3,000
Armillary sphere . . . . .	(2,500)
<u>TOTAL (a) . . . . .</u>	<u>322,300</u>
(b) <u>Other costs</u>	
Contingencies . . . . .	70,000
Fees for services of architectural and engineering firms . . . . .	80,000
<u>TOTAL (b) . . . . .</u>	<u>150,000</u>
GRAND TOTAL . . . . .	<u><u>472,300</u></u>

8. As the above table indicates, the items mainly responsible for the increase are the project for the press and public services area, the contingency provision, and fees for the services of architectural and engineering firms; these items are discussed in paragraphs 9 and 10 below. The increases for air conditioning, roofs, lifts and central heating are due almost entirely to further price increases in the past year, as noted by the Secretary-General in paragraphs 6 and 8 of his report. The reduction of \$70,000 in the estimate for floorings arises from the fact that some flooring which was to have been replaced is in acceptable condition and can be retained for some years. As for the armillary sphere in the grounds of the Palais, the Secretary-General does not propose to go ahead with its reconditioning, as the cost is now estimated at about \$100,000. Besides, the sphere has been found not to constitute a hazard. In the circumstances, the project has been limited to reconditioning of the pool at the base of the sphere.

9. An amount of \$412,000 was included in the original programme of improvement and major maintenance at the Palais for alteration and modernization of the press and public services areas on the ground floor of Building C. However, execution of this project was deferred on the recommendation of the Advisory Committee pending a reappraisal of needs in the light of the Palais extension. The Secretary-General has now presented a new and expanded project which is intended to take into account the extension and the modified traffic patterns expected to result from it. It provides for improved facilities for the post office and mail office, the telegraph and telephone office, the bank, the travel agency, the press, the United Nations Postal Administration stamp counter, the publications sales counter, the bookshop and the news-stand. The cost is estimated at \$740,000, an increase of \$328,000.

10. The provision of \$70,000 for contingencies has been added as the original provision of \$280,000 included for this purpose has proved inadequate. The additional \$80,000 foreseen for fees of architectural and engineering firms arises from the general increase in cost of the improvement and major maintenance programme and changes in the nature and scope of some projects.

11. The additional projects proposed by the Secretary-General for incorporation into the programme are described in paragraphs 17 to 26 of his report. In summary form, they are as follows:

<u>Project</u>	<u>Estimated cost</u> \$
<u>I. Improvements</u>	
Installation of fire and flood alarm systems . . . . .	110,000
Installation of location and directional signs . . . . .	25,000
Transformation of room XIV into a cinema for guided tours . . . . .	75,000
<u>II. Major maintenance</u>	
Replacements in the electric power system .	225,000
Replacement of clocks . . . . .	15,000
Replacement of lifts and freight elevators	115,000
Replacement of outside ducts and piping . .	120,000
Cleaning and restoring of rooms and galleries in the Assembly building and Library . . . . .	140,000
	<hr/> 825,000
<u>Plus:</u> Provision for contingencies . . . .	20,000
	<hr/> 845,000
TOTAL . . . . .	<hr/> <hr/> 845,000

12. The Advisory Committee notes that certain of the above projects had been considered for inclusion in the original programme drawn up in 1965, but had been omitted as being not sufficiently urgent. However, they have become more urgent with the passage of time, and, in addition, new requirements have arisen. 69/

13. The effect of the cost increases which have occurred in the past year and of the new projects now proposed by the Secretary-General would be to raise the global estimate for the major maintenance and improvement programme at the Palais des Nations from \$5,036,547 - the estimate provided in 1969 - to \$6,353,847. However, as indicated in paragraph 2 above, the financing programme agreed to in 1965 by the Assembly was based on an estimated total cost of \$4,894,200, and provided for eight annual budgetary appropriations of about \$612,000. Assuming no change in the 1971 appropriation, an amount of \$3,060,000 will have been allocated by the end of that year, leaving \$3,293,847 outstanding. The Secretary-General proposes (paragraph 31 of his report) that this amount be provided from the budget in three annual instalments of \$1,098,000 each in 1972, 1973 and 1974.

14. The above proposal takes into account the agreement by the Swiss Federal Government that its loan of \$1,967,000 be repaid in four equal instalments beginning in 1971, rather than in five equal instalments beginning in 1970, as originally agreed (see paragraph 2 above).

#### Observations of the Advisory Committee

15. The Advisory Committee notes from the Secretary-General's latest estimates for the projects making up the original programme that he has not found it possible to avoid the impact of further price increases in addition to those reported to the General Assembly at its twenty-fourth session. However, it believes that their effect has been mitigated by the acceleration of work carried out in 1970, in line with the Committee's suggestion of last year. Since building and related costs in Geneva seem likely to rise still further, the Committee trusts that the Secretary-General will continue wherever possible to expedite work on those projects which have yet to be completed.

16. Leaving aside the eight additional projects which the Secretary-General has proposed, the major cost increase is that arising from the modification of the original proposal to improve the press and public service area of Building C of the Palais. Although the Advisory Committee is aware that some of the services affected - for example, the post office, the mail office, the telegraph and telephone office, the bank and the travel agency - are at present operating under extremely cramped conditions, it is concerned at the cost of the Secretary-General's proposals, particularly in view of all the other demands on the limited resources of the United Nations. During its visit to Geneva in the spring of 1970, the Advisory Committee had the opportunity of examining the proposals first-hand; it notes that they include a considerable increase in the space allotted to the press. The Committee appreciates that the press needs to be provided with good working facilities if it is to report adequately United Nations activities originating from the Palais, but it points out that quite extensive press facilities will be provided in the extension which is now under construction. In the view of the Secretary-General, even after the new conference wing is in use, some conference activity will continue in the other part of the Palais, and adjacent facilities for the press will therefore be necessary. The Advisory Committee nevertheless trusts that the Secretary-General will scrutinize very closely the related cost

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69/ See Official Records of the General Assembly, Twenty-fourth Session, Annexes, agenda item 74, document A/C.5/1245, para. 31.

estimates, and make every effort to reduce the cost of the improvements to the press and public service area. Moreover, it suggests that the Secretary-General investigate the possibility of soliciting rental payments from the commercial offices operating in this area, in the light of the heavy capital outlay which the latest proposals would involve.

17. On the basis of the justifications presented by the Secretary-General, the Advisory Committee concurs in the inclusion in the major maintenance and improvement programme of the eight new projects listed in paragraph 11 above. The Committee recognizes that in a complex of buildings the size and age of the Palais, expenditures of the type envisaged cannot be avoided. Given the relatively small contingency provision included for these items (\$20,000, or about 2.4 per cent of the estimated cost), close control of these projects will be necessary to avoid over-expenditure.

18. The Advisory Committee has been informed that the Secretary-General is considering a new approach to budgeting for major maintenance and improvement of the Palais des Nations. The objective would be to eliminate the need for special programmes lasting a number of years, such as the one now being carried out. Rather, the Secretary-General would estimate the volume of foreseeable major maintenance, looking ahead as far as possible, along with related costs; additionally, on the basis of experience, he would assess what expenditures might be needed to provide for unexpected maintenance items and for projects intended to improve the premises. Using this data as a guide, it might be possible to arrive at a reasonable figure which could be incorporated each year into the budget estimates, so as to permit major maintenance and improvement work to go ahead steadily on an annual basis at a fairly regular pace.

19. In the view of the Advisory Committee, there is much to commend this suggestion, which recognizes that the upkeep and the improvement of premises such as the Palais are, at least in part, continuing tasks for which it should normally be possible to budget on a regular basis. It would have the advantage of minimizing the significant upward and downward variations in budgetary allocations which accompany the start and the completion of major programmes such as the one currently being carried out, and it would encourage supervision of the state of the premises and thus reduce the risk of undetected deterioration. The Committee understands that the Secretary-General envisages making a formal proposal along these lines once the present programme of major maintenance and improvement has been carried out. On the basis of the projections which he might be in a position to make at that time, the Advisory Committee could consider whether there would be advantage in going ahead with such a proposal, and if so, whether it might be applied to other United Nations buildings besides the Palais.

20. Taking into account the above observations, and particularly those in paragraphs 15 to 18, the Advisory Committee recommends that the General Assembly approve the revised programme put forward by the Secretary-General, along with the revised schedule for repayment of the loan by the Swiss Federal Government as described in paragraph 30 of his report. Should the General Assembly so decide, no adjustment would be required in the budget estimates for 1971; however, it would be necessary to appropriate \$1,098,000 annually in 1972, 1973 and 1974 (under section 7, chapter II), rather than about \$612,000 as provided for under the Assembly's decision at its twentieth session.



## II. EXTENSION OF THE PALAIS DES NATIONS

21. By its resolution 2246 (XXI) of 20 December 1966, the General Assembly authorized the Secretary-General to proceed with the preparation of plans for the extension of the Palais des Nations. Subsequently, the Secretary-General proposed extensive modifications to the original plan and these, along with revised financial arrangements, were approved by the General Assembly in resolution 2488 (XXIII) of 21 December 1968. Under the same resolution, the Secretary-General was asked to keep the Advisory Committee informed of developments and to report annually to the Assembly until the construction was completed. The Secretary-General's latest report on the progress of work on the extension (A/C.5/1331) brings up to date the report he submitted to the Assembly at its twenty-fourth session. 70/

### Progress of work

22. Work on the extension of the Palais des Nations, which was begun in 1968, had fallen four to five months behind schedule by the end of 1969, mainly as a result of a shortage of steel. The Secretary-General had hoped that the delay could be made up during the winter and in the first half of 1970, 71/ but his latest report reveals that this was not possible, owing to bad weather, a severe shortage of manpower and delays in the delivery of some of the architect's final plans. While the Secretary-General indicates that the new conference rooms and the office building might be ready for use by 1972, the Advisory Committee understands that this is a somewhat optimistic forecast and represents the earliest possible date that can be foreseen at this time. The Committee was informed that a more definite estimate of the date of occupancy could be made in the early part of 1971, when the situation would be clearer.

23. Modifications resulting from recommendations of the architects have led to substantial increases in the cost estimates for a number of items. A notable example, referred to in paragraph 14 of the Secretary-General's report, is the decision to move the entire structure about 20 yards to the rear of the original site, for the sake of greater harmony with the rest of the Palais. Moreover, further additional expenditures will arise owing to increases in the cost of materials and labour. The table below gives a breakdown for the seven items affected. The Committee notes that the estimates provided in the Secretary-General's report are considerably higher than those supplied to it during its visit to Geneva in the spring of 1970.

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70/ Ibid., document A/C.5/1248.

71/ Ibid., para. 6.

<u>Item</u>	<u>Increase in estimates</u>	<u>Increase in estimates</u>	<u>Total increase</u>
	<u>due to</u>	<u>due to</u>	
	<u>modifications</u>	<u>price increases</u>	
	\$	\$	\$
Garage . . . . .	380,000	30,000	410,000
Earthwork, concrete and masonry . . . . .	310,000	350,000	660,000
Steel structures . . . . .	140,000	210,000	350,000
Façades . . . . .	330,000	50,000	380,000
Air-conditioning . . . . .	240,000	260,000	500,000
Electrical installations . .	390,000	-	390,000
Telephone installations and equipment . . . . .	420,000	-	420,000
Total . . . . .	<u>2,210,000</u>	<u>900,000</u>	<u>3,110,000</u>

#### Cost estimates

24. As a result of the above adjustments the present estimate for the construction of the extension, including architectural, engineering and administrative costs, is \$24.5 million, compared with the \$22 million initially approved by the General Assembly. The Advisory Committee is concerned at this increase and trusts that further modifications to the plans will be avoided. Contracts for work to the value of about \$18.5 million have already been issued; the Advisory Committee understands that this figure provides a margin for possible price increases and is therefore considered to be reasonably firm. The Secretary-General states that it is not yet possible to give firm estimates for the balance of \$6 million for which contracts have yet to be finalized. Much of this work relates to interior decorating, external landscaping and access roads, and the rising trend of wages and prices of materials could lead to further additional costs. In this connexion, the Committee draws attention to its report to the General Assembly at its twenty-fourth session, in which it expressed the hope that the Secretary-General might be able to enter into firm contractual commitments for the remaining work at the earliest possible time. 72/

25. The table below compares the latest estimates with those approved by the Assembly at its twenty-third session, and shows the work contracted for as of 1 October 1970, and the work for which contracts were still to be concluded at that date:

72/ Ibid., document A/7767, para. 30.

	<u>Estimates as approved by the twenty- third session of the General Assembly (1968)</u>	<u>Revised estimates</u>	<u>Work contracted for as of 1 October 1970</u>	<u>Work for which contracts are still to be concluded</u>
	\$	\$	\$	\$
A. New Building				
Structure . . . . .	5,260,000	5,950,500	5,950,500	-
Installations and equipment . . . . .	10,378,000	13,085,300	8,557,400	4,527,900
<u>Total A . . . . .</u>	<u>15,638,000</u>	<u>19,035,800</u>	<u>14,507,900</u>	<u>4,527,900</u>
B. Connecting tunnels	442,000	493,600	391,900	101,700
C. Cafeteria . . . . .	625,000	795,600	731,950	63,650
D. Restaurant extension	592,000	592,000	76,300	515,700
E. Outside work, garage . . . . .	715,200	1,364,800	800,000	564,800
F. Fees for architects and engineers and administrative costs . . . . .	1,963,000	1,963,000	1,963,000	-
G. Provision for contingencies . . . .	2,024,800	255,200	-	255,200
<u>GRAND TOTAL . . . . .</u>	<u>22,000,000</u>	<u>24,500,000</u>	<u>18,471,050</u>	<u>6,028,950</u>

### Financing arrangements

26. It will be recalled that the financing arrangements approved by the General Assembly in its resolution 2488 (XXIII) provided for a series of budgetary appropriations totalling \$24,850,000, spread over the period 1967-1982. This amount was intended to cover the construction costs (\$22 million) and interest on a loan of up to 61 million Swiss francs (\$14,120,000) offered by the Fondation des immeubles pour les organisations internationales. The arrangement took into account

the offer of a grant of 4 million Swiss francs (\$925,000) by the Swiss Federal Government and the Republic and Canton of Geneva towards the cost of the project. The distribution of budgetary allocations approved at that time was as follows:

	<u>Annual instalments</u>
	\$
1967-1970 . . . . .	1,000,000
1971-1974 . . . . .	1,500,000
1975-1981 . . . . .	1,860,000
1982 . . . . .	1,830,000

27. As a result of the increase of \$2.5 million in the estimated cost of construction, the above schedule of appropriations, which has been followed since 1967, will have to be revised. The Secretary-General considers that the following schedule might be envisaged:

	<u>Annual instalments</u>	<u>Totals</u>
	\$	\$
1967 to 1970 . . . . .	1,000,000	4,000,000
1971 . . . . .	1,500,000	1,500,000
1972 . . . . .	2,000,000	2,000,000
1973 . . . . .	3,500,000	3,500,000
1974 to 1981 . . . . .	1,860,000	14,880,000
1982 . . . . .	1,470,000	1,470,000
TOTAL		<u>27,350,000</u>

However, since final costs cannot yet be estimated and since the need to draw on the loan has been retarded by the delays in the construction project, thus tending to reduce interests costs, the Secretary-General does not propose any immediate changes in the series of budgetary appropriations as currently approved and intends to return to the question in his report to the Assembly at its twenty-sixth session. He indicates that, when firmer cost estimates are available, it might be desirable to review the terms of the loan agreement in order to obtain a more even distribution of budgetary requirements than the one indicated above, particularly for the year 1973.

#### Secretary-General's proposals, and observations of the Advisory Committee

28. In the meantime, the Secretary-General proposes, subject to the approval of the General Assembly, to proceed with the extension to the Palais "as expeditiously as possible in view of the inflationary trends". While the Advisory Committee

agrees that, in the circumstances, this is the best course of action, it would urge the Secretary-General to exercise close and constant vigilance with the object of avoiding further increases in the cost of the project. In this connexion, the Committee considers it essential that every effort be made to ensure that contractors provide the materials and services in accordance with their contracts. Should it ever become necessary to renegotiate a contract - as has been the case with the extension project - the Secretary-General must take all reasonable steps to protect the Organization from the consequences of circumstances for which it is not responsible, such as bad weather or shortages of labour.

29. In paragraphs 23 and 24 above, the Advisory Committee has referred to the effects on the cost estimates of modifications to the plans carried out on the recommendation of the architects, and expressed a desire that further modifications be avoided. The Committee is aware that in undertaking a construction project of this magnitude, a certain amount of flexibility in the plans may be necessary and that there are times when - in order to avoid the adverse effects of a delay - decisions involving additional costs might have to be taken without waiting for the prior consent of the General Assembly. This flexibility, however, must be exercised within strict limits, in order to ensure that the decisions taken by the General Assembly are respected. In particular, the Secretary-General must take all appropriate steps to keep costs within the authorized level. Decisions which would have the effect of increasing the cost of the project beyond that level should be taken only when all other practical alternatives have been exhausted. In the circumstances, the Advisory Committee has reservations about the additional expenditure attributable to the decision to change the alignment of the new wing with the rest of the Palais.

30. On the basis of the foregoing observations, the Advisory Committee suggests that the General Assembly might wish to approve the course of action outlined by the Secretary-General in paragraph 28 of his report, to the effect that he proceed as expeditiously as possible with work on the extension to the Palais, and that in his progress report to the Assembly at its twenty-sixth session he review the existing financing arrangements.

### III. SUMMARY OF BUDGETARY IMPLICATIONS OF THE BUILDING PROGRAMMES AT GENEVA

31. Approval by the General Assembly of the Secretary-General's proposals as contained in his reports on the major maintenance and improvement programme (A/C.5/1332) and the extension project (A/C.5/1331) would not involve any change in the estimates for 1971: these will remain at \$612,000 for the former and \$1.5 million for the latter, or a total of \$2,112,000.

32. The Secretary-General is not yet in a position - for the reasons indicated in paragraph 27 above - to indicate the precise amounts which would have to be appropriated for the Geneva building programmes in the budgets for 1972 and subsequent years. The following schedule is provided only as an indication of the possible order of magnitude:

<u>Year</u>	<u>Major maintenance</u> <sup>a/</sup>	<u>Extension</u> <sup>b/</sup>	<u>Total</u>
	\$	\$	\$
1972 . . . . .	1,098,000	2,000,000	3,098,000
1973 . . . . .	1,098,000	3,500,000	4,598,000
1974 . . . . .	1,098,000	1,860,000	2,958,000
1975-1981 (annually) . . . . .	-	1,860,000	1,860,000
1982 . . . . .	-	1,470,000	1,470,000

a/ See paragraph 20 above.

b/ See paragraph 27 above.

Tenth report

Progress made by the Administrative Management  
Service in conducting the manpower utilization  
survey of the Secretariat

/Original: English/  
2 December 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered a report by the Secretary-General (A/C.5/1333) on the progress made by the Administrative Management Service in its survey of manpower utilization and deployment in the Secretariat.
2. The report is in two parts: part one describes how the Administrative Management Service was set up, how its surveys have been carried out and the progress it has made so far; and part two provides general information on the results of the five individual surveys that have been completed: those of the Office of Public Information, the Office of Conference Services, the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO) and the Economic Commission for Africa (ECA).

Survey machinery and methodology, and the progress made up to November 1970

3. After discussing the historical background of the proposal for a manpower survey of the Secretariat, the Secretary-General, in paragraph 6 of his report, outlined the reasons which led him to constitute the Administrative Management Service as a separate internal management unit, staffed by persons both from within and from outside the Organization, and utilizing the services of internal and external consultants. The Secretary-General observed that such a unit could combine the self-appraisal and continuity offered by an "in-house" survey with the objectivity and fresh perspective that can be expected from a survey done by a group outside the Secretariat. Provided the unit is used imaginatively and remains receptive to original approaches, the Advisory Committee recognizes that there is some merit in such a combination.
4. As indicated in paragraph 8 of the Secretary-General's report, the 14 Professional officers attached to the Service represent a number of different national and educational backgrounds and have experience in several substantive areas of importance to the United Nations, including management and public administration. The six consultants whose services have been used so far are drawn from five Member States. The Advisory Committee welcomes the intention expressed in paragraph 12 to rotate a proportion of the staff of the Service. Experience in the Administrative Management Service would enable staff who are rotated to other areas of the Secretariat to apply in their new posts the knowledge of improved management techniques they would have acquired in their survey work. At the same time, the Service itself would benefit from the insights, backgrounds and experience of the new recruits.

5. In paragraphs 10 to 14 of his report, the Secretary-General outlines the methodology followed in conducting the survey. While it is clear that the Service has been able to ascertain the views and examine the work of a significant proportion of the staff of the units surveyed, the Secretary-General has not made use of the "desk-by-desk" approach which the Advisory Committee and the Fifth Committee had suggested might be preferable; 73/ the Advisory Committee was informed by the Secretary-General that, apart from the volume of work which a desk-by-desk survey would entail, he had reason to believe that a less detailed approach could provide the information needed to assess manpower utilization and deployment. While recognizing the validity of these arguments, the Committee believes that in certain areas of the Secretariat a more searching examination might provide useful insights into the work of individual staff members and ways of improving productivity. The Committee hopes that in its future work the Service will not lose sight of this possibility.

6. The Advisory Committee inquired into the role of the Secretariat Advisory Group on the manpower survey, referred to in paragraph 16 of the Secretary-General's report, consisting of five senior Secretariat officials. It was informed that the Secretary-General's intention in setting up the Advisory Group was to enhance the effectiveness of the survey by making available to the Administrative Management Service the views of officials possessing a wide variety of experience. As a result of the comments of the Advisory Group, some changes were made in the procedures adopted for the manpower survey, and subsequently the Group was informed of the progress made and of certain specific questions arising from the survey, such as the process of consultation with the heads of units on the findings of the Service. The Secretary-General intends to convene meetings of the Group about twice a year so that its advice on the conduct of the survey will continue to be available.

7. The Advisory Committee welcomes the policy of the Service of maintaining close contact with other internal and external bodies concerned with administrative questions, as well as its discussions with specialized agencies and other intergovernmental organizations whose activities are related to those of the United Nations.

8. With regard to the progress made in the implementation of the manpower survey, the Secretary-General states that, aside from the five units on which work has been completed (see paragraph 2 above), work is currently under way on the Department of Economic and Social Affairs, the Economic Commission for Asia and the Far East, the Economic Commission for Europe, the Economic Commission for Latin America and the United Nations Economic and Social Office in Beirut; for the most part these surveys are expected to be completed by the end of 1970. Thus, at that time units comprising about 60 per cent of the established posts in the Secretariat will have been surveyed.

9. It is the intention of the Secretary-General that the Administrative Management Service would survey the remaining units, accounting for 40 per cent of the established posts, during 1971. In response to inquiries, the Advisory

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73/ Ibid., Twenty-third Session, Supplement No. 7, para. 50; and ibid., Twenty-third Session, Annexes, agenda item 74, document A/7476, para. 65.



Committee was informed that it was unlikely that the global Secretariat survey would be completed in time for its implications to be considered by the General Assembly at its twenty-sixth session. However, the Secretary-General hopes to be able to present at that session a synthesis of findings of the Service on the totality of the economic and social activities of the United Nations. In the view of the Committee, it would be useful if it could have the benefit of such a synthesis during its consideration of the initial budget estimates for 1972; similarly, the Committee for Programme and Co-ordination might find it of value in its review of the United Nations work programme in the economic, social and human rights areas and its budgetary requirements.

#### Results of the survey as of November 1970

10. In his initial budget estimates for 1971, 74/ and in a statement made by his representative in the Fifth Committee on 11 November 1970, 75/ the Secretary-General indicated in general terms the findings of the Service arising from its survey of UNCTAD. Similar information concerning the Economic Commission for Africa, the Office of Conference Services, the Office of Public Information and UNIDO was included in the Secretary-General's revised estimates for certain sections of the 1971 budget (A/C.5/1322 and Corr.1). Moreover, in its report on the revised estimates for the latter four units, the Advisory Committee drew attention to a number of the recommendations made by the Service on the basis of information made available to it (A/8008/Add.4). Part two of the Secretary-General's progress report on the work of the Service draws together much of this material, indicating a number of problem areas which have been identified during the five individual surveys that have been completed. A number of positive factors noted by the Service are enumerated in paragraph 27 of the report.

11. In paragraph 25 of his report the Secretary-General called attention to the difficulty of quantifying output in the United Nations Secretariat, and thus in determining accurately organizational efficiency and effectiveness. The Advisory Committee was informed that in the course of its surveys the Service proposed a review of output norms wherever it considered that productivity could be quantified. In paragraph 25 of its report on revised estimates (*ibid.*) relating to the Office of Conference Services, the Committee noted that the Administrative Management Service had recommended the regular maintenance of daily records of output for the translation service. The Committee believes that in this and a number of other areas of the Secretariat it should be possible, by making use of output statistics, to judge with a fair degree of accuracy whether productivity is what it should be; it invites the Secretary-General to give increased attention to this question in those surveys that are currently under way or have not yet been started, and - in the case of units which have already been surveyed - to ascertain what use is being made of records introduced on the recommendation of the Service.

12. The report of the Secretary-General goes on to describe problems identified by the Administrative Management Service arising from misunderstanding or lack of information as to the priorities and objectives of Secretariat units, insufficient co-ordination between the United Nations and other organizations of the United Nations system, unsuitable organizational structure, the absence in

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74/ Ibid., Twenty-fifth Session, Supplement No. 6 (and errata), paras. 15.13-15.20.

75/ Ibid., Twenty-fifth Session, Fifth Committee, 1382nd meeting.

many units of integrated management systems, and insufficient attention to personnel management (paragraphs 28-48). The Advisory Committee found the conclusions and recommendations of the Service on the above matters extremely pertinent. In particular, the Committee calls attention to the conclusions that certain units - such as UNIDO, UNCTAD and ECA, and their subunits - tend to act in isolation from one another and from Headquarters (paragraph 31); that there has been a tendency on occasion towards excessive organizational fragmentation (paragraph 38); and that management practices need to be improved and more emphasis given to staff supervision (paragraphs 40-43). In the area of personnel management the Service identified many problems, but the Secretary-General observes that its recommendations for dealing with them are for the most part tentative as other units of the Secretariat, including the Office of Personnel itself, have not yet been surveyed.

13. In paragraphs 49 to 58 of his report, the Secretary-General discusses the findings of the Service on a number of particular questions: meetings and documentation, equipment and space, temporary assistance, consultants and special service agreements, and travel.

14. In the view of the Advisory Committee, the value of the recommendations on such administrative and organizational matters as those dealt with in the preceding paragraphs will depend upon the extent to which they are implemented. For this reason the Committee considers it essential that the Service have the opportunity to follow up its recommendations. Such follow-up should be carried out after a major sectoral area of the Secretariat - for example, economic and social activities, or central administrative services - has been surveyed in its entirety; in this way, the Service would have an over-all view of the activities and interrelations of all the units involved, rather than of just a few. In paragraph 22 of his report, the Secretary-General indicated his intention, at various stages of the manpower survey, to examine and synthesize the conclusions reached for individual units, to recommend any further required action and to present more specific conclusions and recommendations on certain matters in the light of the over-all picture that emerges from the survey. The Committee trusts that at the same time he will concern himself with the implementation of earlier recommendations.

15. In its report 76/ on the initial budget estimates for 1971 and in its report on revised estimates (A/8008/Add.4), the Advisory Committee discussed the staffing recommendations of the Administrative Management Service for the five offices that have been surveyed so far. Those recommendations are presented in summary form in paragraphs 61 to 63 of the Secretary-General's report, and in the table accompanying paragraph 62. It should be noted, however, that in the cases of the Office of Public Information and UNCTAD the staff levels for 1971 indicated in the table are greater than those recommended by the Service, as they include a total of eight additional Professional and 15 additional General Service posts which the Secretary-General decided to add to the recommended establishment. Taking this factor into account, the global establishment recommended by the Service for the five offices showed an increase of 17 Professional posts, rather than 25 as the table suggests, and a decrease of 33 General Service posts.

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76/ Ibid., Twenty-fifth Session, Supplement No. 8, paras. 280-285.

rather than 18. In the case of ECA, the figures in the table reflect the increase of 11 Professional and five General Service posts recommended by the Service; however, the Secretary-General did not seek provision for these posts in his revised estimates.

16. The Advisory Committee calls attention to an apparent tendency towards an increase in the number of high-level posts in certain units surveyed. In paragraph 59 of its report on the Secretary-General's revised estimates, the Committee discussed this question in so far as it relates to some units; the Committee's comments on the situation in UNCTAD are contained in its report 77/ on the initial budget estimates for 1971. The Committee reiterates the views, set out in those reports, to the effect that the actual level of responsibilities of individual posts should be assessed and that all proposals for the upgrading of posts should be given particularly careful scrutiny.

17. Taking into account its comments in the above paragraphs, the Advisory Committee is of the view that the Administrative Management Service has so far proved itself a useful internal management tool and that its survey of manpower utilization and deployment of the Secretariat is being conducted along lines which are basically sound. After an initial period in which the Service was forced to move rather slowly and cautiously as it sought to evolve suitable procedures and criteria for its work, it has been able to push ahead with its task and has provided a fresh insight into the functioning of a number of Secretariat units. The Committee trusts that in the course of its future work the Service will put to good use the experience it has gained so far, not only of the nature of the Secretariat and the way it operates, but also of the techniques that have proved themselves best adapted to the conduct of the manpower survey.

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77/ Ibid., para. 283.

Eleventh report

Revised estimates resulting from decisions of the Economic and Social Council at its forty-eighth and forty-ninth sessions

United Nations Conference on the Human Environment

/Original: English/  
3 December 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/1302/Add.1) on the revised estimates resulting from decisions taken by the Economic and Social Council at its forty-eighth and forty-ninth sessions, as they relate to the United Nations Conference on the Human Environment. Although this Conference is to be convened in 1972, provision for preparatory work is included in the appropriations for 1970 and the estimates for 1971.
2. The Secretary-General's initial budget estimates for 1971 78/ contained a provision of \$914,700 for costs related to the Conference, based on a statement of financial implications submitted to the General Assembly at its twenty-fourth session (A/7707). 79/ However, when the initial budget estimates were being considered, the Advisory Committee was informed by the Secretary-General that he intended to submit revised estimates which would reflect the recommendations of the Preparatory Committee of the Conference. Accordingly, as stated in paragraph 132 of its first report 80/ on the budget estimates for 1971, the Advisory Committee decided to review the cost estimates for the Conference at its autumn session in 1970, after it had received the revised figures in question.
3. The additional appropriation required for 1971 is now estimated by the Secretary-General at \$248,400 over and above the initial estimate of \$914,700, resulting in a total request of \$1,163,100. This figure is based on modified arrangements for the preparation of the Conference, which are described in a note submitted by the Secretary-General to the General Assembly at its twenty-fifth session (A/8065/Add.1) and in a statement by Mr. Maurice Strong, Secretary-General of the Conference, made to the Economic and Social Council. The following table gives an item-by-item comparison of the revised estimates for 1971 with the original estimates:

78/ Ibid., Supplement No. 6 and errata (A/8006), paras. 2.25-2.27.

79/ Ibid., Twenty-fourth session, Annexes, agenda item 21.

80/ Ibid., Twenty-fifth session, Supplement No. 8.

Table 1

<u>Item</u>	<u>Original estimate</u>	<u>Revised estimate</u>
	<u>United States dollars</u>	
(a) Meetings of the Preparatory Committee . . . . .	8,600	34,600
(b) Staff costs . . . . .	160,000	537,000 <sup>a/</sup>
(c) Travel of staff . . . . .	5,000	39,500
(d) Experts and consultants . . . . .	51,500	315,000
(e) Participation of developing countries . . . . .	-	72,000
(f) Documentation, including printing of the final report . . . . .	689,600	150,000
(g) Servicing of the Conference . . . . .	-	-
(h) Information services . . . . .	-	-
(i) General expenses . . . . .	-	15,000
TOTAL	<u>914,700</u>	<u>1,163,100</u>

<sup>a/</sup> Not including the cost of any increase in Professional salary scales which might be approved by the General Assembly at its current session.

4. The table shows that there are increases in the estimates for meetings of the Preparatory Committee, travel of staff, and especially staff costs (increased by \$377,000) and experts and consultants (increased by \$263,500). Moreover, the revised estimates contain provisions for two items (the participation of developing countries and general expenses) which were not included in the original estimates. The increases are offset to a large extent by a very substantial reduction in the estimate for documentation (reduced by \$539,600). The Advisory Committee commends this reduction, which was effected in response to the views of Member States that the volume of documentation envisaged in the original estimates was not commensurate with a conference which is intended to be action-oriented.

5. The Secretary-General of the Conference has informed the Advisory Committee that the reduction in the volume of documentation and the accompanying steep increase in the estimate for staff and experts and consultants derive from the decision to emphasize the action-oriented nature of the Conference: a greater

investment in "brain power" is considered necessary to refine and synthesize the material received from many sources, in order to produce concise documentation in a form which will facilitate the taking of decisions by the Conference. Thus the revised estimate provides for a larger Conference secretariat than was originally foreseen, consisting of the Secretary-General, 2 Directors (D-2), 4 principal officers (D-1), 4 senior officers (P-5), 1 second officer (P-3) and 14 General Service staff. While the Advisory Committee realizes that some of these staff would have to be specially recruited for the Conference, it recommends that efforts be made to draw staff from the United Nations Secretariat, wherever possible, and that the specialized agencies be approached for the loan of qualified personnel, on a non-reimbursable basis.

6. The revised estimate for experts and consultants makes provision for 126 man-months of consultant services at an average figure of \$2,500 per consultant man-month, resulting in a total revised estimate of \$315,000, or \$263,500 above the original figure. The Advisory Committee recognized that the services of experts and consultants are necessary for a conference of this nature, but believes that it should be possible to achieve savings under this item by obtaining such services from the United Nations and its agencies on a non-reimbursable basis.

7. The estimate for travel of staff provides for the Secretary-General of the Conference to hold consultations with Governments in each of the regions, in addition to travel between New York, Stockholm and Geneva. It further provides for staff to attend meetings of the Administrative Committee on Co-ordination, for intra-regional trips to consult with Governments regarding the preparations for the Conference and for a minimum amount of travel between New York and Geneva to assist with Conference preparations.

8. The item for the participation of developing countries resulted from the decision of the Economic and Social Council that efforts should be made to involve the developing countries in the work of the Conference. The estimate of \$72,000 is based on the assumption that there would be four regional meetings of experts, three of which would be held during 1971. The United Nations would provide the travel and subsistence costs of the experts attending the meetings, which would last for approximately one week. The second item for which no provision was made in the initial estimates, general expenses, covers freight, cables, telephones, furnishings, equipment and supplies.

9. The Advisory Committee notes that the total costs of the Conference, covering the estimates for the years 1970, 1971 and 1972 would amount to \$1,968,400, according to the revised estimates - an increase of \$404,400 over the initial estimate of \$1,564,000 submitted to the General Assembly at its twenty-fourth session, but \$40,200 less than the figures submitted by the Secretary-General to the Economic and Social Council (E/4828) 81/ at its forty-ninth session on the basis of the recommendations of the Preparatory Committee. The table below compares the revised estimates with the initial estimates and the estimates which were submitted to the forty-ninth session of the Economic and Social Council, for the years 1970, 1971 and 1972, on an item-by-item basis. As can be seen from the table, the principal characteristics of the global revised estimates for the Conference are the same as those identified in paragraph 4 above, with respect to the estimates for 1971: a significant reduction in documentation costs, offset by much higher costs for staff and experts and consultants.

Table 2

Item	1970			1971			1972 <sup>a/</sup>			Total		
	A/7701	E/4828		A/7701	E/4828	New Estimate	A/7701	E/4828	New Estimate	A/7701	E/4828	New Estimate <sup>b/</sup>
<u>Thousands of United States dollars</u>												
(a) Meetings of the Preparatory Committee . . . . .	16.7	8.3		8.6	34.6	34.6	9.7	9.7	9.7	35.0	52.6	52.6
(b) Staff costs . . . . .	81.0	81.0		160.0	320.0	537.0	120.0	255.0	270.0	361.0	656.0	888.0
(c) Travel of staff . . . . .	5.0	5.0		5.0	34.0	39.5	10.0	39.0	22.0	20.0	78.0	66.5
(d) Experts and consultants . . . . .	68.5	8.0		51.5	112.0	315.0	37.5	37.5	85.0	157.5	157.5	408.0
(e) Participation of developing countries. . . . .	-	-		-	65.0	72.0	-	-	24.0	-	65.0	96.0
(f) Documentation, including printing of the final report. . . . .	-	-		689.6	689.6	150.0	118.6 <sup>a/</sup>	118.6 <sup>a/</sup>	100.0	808.2	808.2	250.0
(g) Servicing of the Conference. . . . .	-	-		-	-	-	123.8	123.8	123.8	123.8	123.3	123.8
(h) Information services. . . . .	-	-		-	4.5	-	58.5	63.0	58.5	58.5	67.5	58.5
(i) General expenses. . . . .	-	-		-	-	15.0	-	-	10.0	-	-	25.0
TOTAL	171.2	102.3		914.7	1,259.7	1,163.1	478.1	646.6	703.0	1,564.0	2,008.6	1,968.4

<sup>a/</sup> Including 1973 provisions indicated in A/7707 and E/4828 for item (f) (printing of the final report).

. Bearing in mind its comments in paragraphs 5 and 6 above, and the fact that the estimates for the Conference secretariat assume that all staff will be on duty 1 January 1971, the Advisory Committee believes that some reduction can be made in the 1971 estimate of costs arising from the Conference, without in any way prejudicing the vital preparatory work which must be done. The Advisory Committee therefore recommends an appropriation of \$1,111,000, that is, a reduction of \$2,100; in the view of the Advisory Committee, \$37,000 of the reduction should be applied to staff costs, and the balance to the cost of experts and consultants. The Advisory Committee would also like to draw attention to the recommendation, expressed in paragraph 132 of its first report on the budget estimates for the financial year 1971, that the possibility of obtaining assistance and contributions from academic institutions and private foundations be energetically explored, along with the sales potential of conference background papers and reports.



Twelfth report

Economic and social consequences of the armaments  
race and its extremely harmful effects on world  
peace and security

Administrative and financial implications of the draft resolution  
submitted by the First Committee in document A/8184

/Original: English/  
3 December 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the Secretary-General's statement (A/C.5/1345) on the administrative and financial implications of the draft resolution recommended by the First Committee (A/8184, paragraph 7).
2. Under the terms of operative paragraph 3 of the draft resolution the General Assembly would request the Secretary-General to prepare, with the assistance of qualified consultant experts appointed by him, a report on "the economic and social consequences of the arms race and of military expenditures". The Secretary-General estimates that to carry out that task additional appropriations of \$153,100 would be required in 1971 to cover travel, subsistence and fees of the consultant experts, together with interpretation and the translation, typing and printing of 1,100 pages of documentation. The estimate is based on the assumption that the services of 12 consultant experts would be required (including some government experts not entitled to receive fees), and that they would hold three series of meetings at United Nations Headquarters, with a total duration of about five weeks.
3. In its consideration of the above estimates the Advisory Committee recalled that under the terms of a draft resolution submitted by the Second Committee (A/8203/Add.1, paragraph 47, draft resolution VI), the General Assembly would request the Secretary-General to prepare, in consultation with such advisers as he deemed necessary, a report containing, inter alia, proposals establishing a link between the Disarmament Decade and the Second United Nations Development Decade. The Secretary-General estimated (A/C.5/1343) the cost of implementing that proposal at \$65,000, divided between 1971 and 1972; he undertook to endeavour to provide the 1971 costs, amounting to \$37,500, from within the resources available to him during that year.
4. Upon inquiry, the Advisory Committee was informed that the purposes of the two reports, as set out in the respective draft resolutions, would not be the same; in the circumstances the Secretary-General did not envisage making use of the same experts to prepare both reports. It appeared to the Advisory Committee, however, that some of the documentation arising from the meetings of consultant experts referred to in paragraph 2 above might be useful in the preparation of the report requested in the draft resolution of the Second Committee. In the interests of

efficiency and economy the Advisory Committee would therefore strongly urge the Secretary-General to ensure that the Secretariat units concerned co-operate closely so that whatever documentation and resources could serve the purposes of both groups be made available to them.

5. Taking into account the above observations, the Fifth Committee may wish to inform the General Assembly that adoption of the draft resolution recommended by the First Committee would require an additional appropriation of \$153,100 for the financial year 1971, consisting of \$150,800 under section 3, chapter III and \$2,300 under section 11.

Thirteenth report

United Nations accommodation in Bangkok and Addis Ababa

/Original: English/  
5 December 1970

I. INTRODUCTION

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on United Nations accommodation in Bangkok (A/C.5/1325 and Add.1), and in Addis Ababa (A/C.5/1328 and Add.1). In these reports, the Secretary-General proposes the construction of new United Nations premises in both cities which would be sufficient to satisfy expected needs up to 1983.

2. At its twenty-fourth session, by its resolution 2616 (XXIV) the General Assembly, acting on the basis of reports submitted by the Secretary-General and the Advisory Committee, authorized the Secretary-General to conduct architectural and engineering surveys for possible United Nations construction in Bangkok and Addis Ababa. An amount of \$100,000 was appropriated for this purpose on the understanding that, to the extent the Governments of the host countries provided services cost-free, the full amount would not be spent. The Secretary-General was to review the space requirements of the Economic Commission for Asia and the Far East (ECAFE) and the Economic Commission for Africa (ECA), inquire into arrangements by which other members of the United Nations family might participate in the cost of new construction or share in operating costs of a common building, and deal with some legal questions outstanding in both cities.

3. The Advisory Committee analyses the Secretary-General's report on the situation in Bangkok in section II below, and the report on the situation in Addis Ababa in section III. The Advisory Committee's observations and recommendations are contained in section IV below.

II. UNITED NATIONS ACCOMMODATION IN BANGKOK

4. The Secretary-General reports that, while some United Nations agencies in Bangkok consider their present accommodation adequate, the United Nations Development Programme (UNDP), the International Atomic Energy Agency (IAEA) and the International Labour Organisation (ILO) asked that provision be made for their needs in any new United Nations building. Taking into account this request and the needs of the Economic Commission for Asia and the Far East (ECAFE) itself, the Secretary-General considered the feasibility of obtaining rented premises in Bangkok, but rejected this as a long-term solution on the grounds of cost, the unavailability of suitable premises and the dispersion of offices that would result.

5. As for certain legal matters raised during the discussion of this question in the General Assembly at its twenty-fourth session, the Secretary-General reports that, at its twenty-sixth session (April 1970), ECAFE recommended to the Economic and Social Council that Bangkok should be declared the headquarters of the Commission. This recommendation was approved by the Council in its resolution 1522 (XLIX) (July 1970). Moreover, at the request of the Commission, the Council recommended to the General Assembly that the United Nations accept the offer by the Government of Thailand of the use of an additional plot of land adjacent to the existing premises of ECAFE for the construction of a new building. This land would be made available at nominal rental for an initial period of 20 years, renewable for a further 10-year period; subsequently a new agreement might be entered into under similar terms and conditions. In his report (A/C.5/1325, paragraphs 7 and 8), the Secretary-General discusses certain technical aspects of the arrangements foreseen with the Government of Thailand for the use of the land and the construction on it of a United Nations building; the Advisory Committee notes from paragraph 9 that the Secretary-General trusts that a mutually satisfactory understanding will be reached on these points.

6. The Secretary-General goes on to describe the construction project developed from the architectural and engineering study carried out in 1970. The project consists of a three-building complex:

(a) A 14-storey office building, which would include space for the reproduction, printing and storage of documents and conference servicing activities;

(b) A conference building connected to the office building by a bridge, containing one medium-size conference room, a delegates' lounge and conference servicing facilities;

(c) A seven-storey service building containing, in addition to some office space, a library, a machine room and data-processing centre, a dining room, a cafeteria, a staff recreation area, the medical service, and parking space for about 200 vehicles.

7. The gross area of the buildings would be 45,326 square metres (487,708 square feet), and the net usable space would be 35,488 square metres (381,851 square feet). Plans, elevations and sections of the project are contained in the addendum to the Secretary-General's report. All three buildings would be centrally air-conditioned.

8. The Advisory Committee notes from paragraph 13 and annex I of the Secretary-General's report that the buildings are considered sufficient to meet the needs of the United Nations and the agencies concerned up to 1983, assuming an average annual growth rate of 5 per cent (not compounded) for the staff of the Commission and somewhat less for the other users. The buildings currently used by ECAFE would continue to be available to it and rented offices in Bangkok would no longer be required.

9. The cost of the project is estimated at \$7,600,000, broken down as follows:

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	\$
Excavation and foundations . . . . .	545,000
Building construction . . . . .	5,575,000
Fixed equipment and conference room furniture . . . . .	255,000
Demolition . . . . .	75,000
Site improvement and landscaping . . . . .	150,000
Engineering consulting services . . . . .	50,000
Administration . . . . .	260,000
Contingencies . . . . .	690,000
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TOTAL . . . . .	7,600,000
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10. The Secretary-General notes that the above estimates have been established by the architect of the Government of Thailand in consultation with construction engineers and are based on current costs in Bangkok and those which could be expected if construction were to begin during the second half of 1971, as proposed. They have been reviewed by United Nations engineers and are considered "satisfactory for the project as proposed" (A/C.5/1325, para. 16).

11. As indicated in paragraph 17 of his report, the Secretary-General envisages that, following the preparation of working drawings and plans and the calling and evaluation of tenders, excavation could be started in October 1971 and the new buildings could be occupied in December 1973. On that basis, the Secretary-General foresees the following pattern of expenditure for 1971, 1972 and 1973:

	\$
1971 . . . . .	1,140,000
1972 . . . . .	2,860,000
1973 . . . . .	3,600,000
	<hr/>
	7,600,000
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12. The Advisory Committee has noted the Secretary-General's expectation (paragraph 20 of his report) that rental arrangements could be negotiated with the agencies which have requested space in the new buildings so as to provide, in addition to annual maintenance costs, an element representing retroactive participation in the construction costs.

13. As a result of the assistance offered by the Government of Thailand in preparing the preliminary plans and estimates, the Secretary-General expects that at year-end 1970 there will remain a substantial unspent balance of the \$50,000 appropriated for this purpose by the General Assembly at its twenty-fourth session. This balance will be surrendered.

14. On the basis of his proposals, the Secretary-General recommends to the General Assembly that it (a) approve in principle the building project at an estimated cost of \$7,600,000; (b) accept the offer of the Government of Thailand for the use of the land for the buildings, subject to agreement on matters dealt with in paragraphs 7 and 8 of his report; and (c) appropriate \$1,200,000 for expenses in 1971, the funds of which would be placed in a building account, which would be carried forward annually until the project is completed. The Secretary-General suggests that the balance of the cost of the project might be met by equal appropriations of \$3.2 million in 1972 and 1973.

### III. UNITED NATIONS ACCOMMODATION IN ADDIS ABABA

15. The Secretary-General reports that all the agencies of the United Nations system with offices in Addis Ababa expressed interest in being accommodated in a common building, subject to agreement on financial arrangements. 82/

16. On the question of legal arrangements, the Secretary-General indicates that he has concluded an agreement with the Government of Ethiopia for the continued use by the Economic Commission for Africa (ECA) of six floors of Africa Hall, and its joint use of the conference area, free of charge. Furthermore, the Government has offered to transfer to the United Nations title to Africa Hall, to the land on which it stands and to additional adjacent land, provided the United Nations agrees to build on that land. The Secretary-General trusts that, should the General Assembly agree to his proposals, the legal formalities could be completed with dispatch.

17. As in the case of Bangkok, the building project at Addis Ababa consists of three units:

(a) A ten-storey office building directly behind Africa Hall, equipped with a central air-conditioning system;

(b) A three-storey library building with an independent air-conditioning system;

(c) A two-storey cafeteria building which would also contain language class-rooms, offices for teachers and a staff recreation area.

18. The three buildings and Africa Hall would be interconnected. Gross area of the new building would be 25,595 square metres (275,403 square feet) and net usable area 15,536 square metres (167,167 square feet). A photograph, plans, elevations and sections are contained in the addendum to the Secretary-General's report (A/C.5/1328/Add.1).

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82/ The World Health Organization favoured incorporation of its Liaison Office for ECA, but not the office of its country representative in Ethiopia.

19. The above construction project, like that at Bangkok, is intended to meet the needs of the United Nations and the agencies concerned up to 1983. It is based on a projected annual growth rate of 5 per cent (not compounded) in the staff of the Commission, a much smaller growth rate for UNDP staff in Addis Ababa, and no increases for the other users (based on their own estimates), as indicated in paragraph 9 and annex I of the Secretary-General's report (A/C.5/1328). Africa Hall would continue to be available to ECA, as noted in paragraph 16 above. Commenting on the absence of conference facilities in the proposed new construction, the Secretary-General observes that, while the conference facilities of Africa Hall are not entirely suited to the long-range needs of the Commission, he considers that their improvement is less pressing than other needs at Addis Ababa.

20. The cost of the project is estimated at \$6,200,000 broken down as follows:

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	\$
Excavation and foundations . . . . .	540,000
Building construction . . . . .	3,900,000
Equipment and furnishings . . . . .	175,000
Site improvement and landscaping . . . . .	210,000
Architectural and engineering fees . . . . .	535,000
Engineering consulting services . . . . .	25,000
Administration . . . . .	250,000
Contingencies . . . . .	565,000
TOTAL . . . .	<u>6,200,000</u>

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21. The Advisory Committee has been informed that the above estimates, like those for the Bangkok project, are based on current costs at the site and those which could be expected if construction were to begin during the second half of 1971, as the Secretary-General proposes.

22. The construction schedule presented by the Secretary-General in paragraph 13 of his report, which is similar to that for the Bangkok project, calls for a start on excavation by October 1971 and occupancy of the buildings by December 1973. Should that schedule be followed, the Secretary-General foresees the following pattern of expenditure for 1971, 1972, 1973 and 1974:

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	\$
1971 . . . . .	945,000
1972 . . . . .	2,285,000
1973 . . . . .	2,600,000
1974 . . . . .	370,000 <sup>a/</sup>
TOTAL . . . .	<u>6,200,000</u>

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a/ Local practice provides for final payments to be made only after occupation.

23. The Advisory Committee notes the Secretary-General's intention (paragraph 16 of his report) to negotiate rental arrangements with those agencies which would occupy space in the new buildings so as to provide, in addition to annual maintenance costs, an element representing retroactive participation in the construction costs.

24. During 1970, the Government of Ethiopia, like the Government of Thailand, helped in the preparation of the preliminary plans and estimates for the project, with the result that the Secretary-General expects a substantial amount of the appropriation of \$50,000 made for this purpose by the General Assembly to remain unspent at year-end. This balance will be surrendered.

25. The Secretary-General's recommendations are similar to those for the Bangkok project, (see paragraph 14 above): that the Assembly approve, in principle, the construction project at Addis Ababa, at an estimated cost of \$6,200,000; that the Assembly accept, subject to the negotiation of mutually acceptable terms and conditions, the offer by the Government of Ethiopia to transfer to the United Nations title to Africa Hall, to the land on which it stands and to an adjoining plot of land; and finally, that the Assembly appropriate \$1 million for expenses in 1971. As in the case of the Bangkok project, it is proposed that funds appropriated for the project be placed in a building account and carried forward annually.

26. The Secretary-General suggests that the balance of the cost of the project be met by equal appropriations of \$2.6 million in 1972 and 1973.

#### IV. OBSERVATIONS AND RECOMMENDATIONS OF THE ADVISORY COMMITTEE

27. In its report to the General Assembly at its twenty-fourth session <sup>83/</sup> on accommodation requirements at Bangkok and Addis Ababa, the Advisory Committee accepted the Secretary-General's conclusion that the existing premises of ECAFE

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<sup>83/</sup> Official Records of the General Assembly, Twenty-fourth Session, Annexes, agenda item 74, document A/7806.



and ECA were insufficient for their needs. Furthermore, the Committee expressed the belief that the membership of the Organization as a whole might consider assuming some responsibility for remedying that situation. The Advisory Committee recommended the development of exploratory plans for the expansion of premises at the two sites, a course of action to which the General Assembly agreed in resolution 2616 (XXIV). Thus in the present case the Advisory Committee has confined itself essentially to considering whether the Secretary-General's proposals for new construction provide a rational and economical solution to the overcrowding which has been shown to exist at Bangkok and Addis Ababa.

28. The Committee is pleased to note that the situation in both cities has been somewhat clarified in the course of 1970. Most of the legal uncertainties to which the Committee referred last year have been cleared up, and the Governments of the host countries have come forward with offers of assistance which have given the Secretary-General a firm basis on which to develop his proposals. The General Assembly may wish to express its gratitude to the two Governments for their generous co-operation.

29. Moreover, the Committee is encouraged by the generally favourable reaction of the agencies to the Secretary-General's proposal that provision be made for their needs in new United Nations buildings at Bangkok and Addis Ababa. The Committee is convinced that the additional capital investment involved in grouping offices of the United Nations and the agencies in common premises can be justified by the strengthening of the Organization's image and the improved co-ordination at the local level which can be expected to result from it; moreover, it may well result in lower over-all expenditures for accommodation.

30. In the view of the Secretary-General, his proposals for new construction are well conceived and will satisfy the immediate and longer-range needs of ECAFE, ECA and the agencies involved. The Advisory Committee notes that the Secretary-General has provided for expected expansion of staff at both Bangkok and Addis Ababa up to 1983, that is, 10 years after the estimated completion date of the new buildings. The estimates of space required at the two locations are considerably higher than the indicative figures provided in the Secretary-General's reports of last year, which were based on requirements only up to 1979. 84/ On the basis of experience, the Advisory Committee believes that, when planning new accommodation of the type envisaged, it is prudent to look well into the future.

31. The Advisory Committee inquired into the inclusion in the project at Addis Ababa of a provision for a central air-conditioning system - that is, one providing ventilation and, when required, cool air - at an estimated cost of \$540,000. It was informed that although only one existing building at Addis Ababa is so equipped, the Secretary-General recommends such a system in the proposed new construction on the grounds that dependence on natural ventilation (as is the case with Africa Hall) would require larger individual offices and thus a larger building, and would introduce problems of noise control that would not arise with the design which has been proposed. Moreover, the Secretary-General has taken account of the fact that air-conditioning is coming into wider

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84/ Ibid., documents A/C.5/1264 and A/C.5/1265.

use, and that it helps prevent deterioration of certain stored material (for example, library books and archives). The system envisaged in the project at Addis Ababa would combine three main functions: air circulation, dehumidification and air cooling. Of these, the air cooling equipment would account for between \$75,000 and \$100,000, that is, between 14 and 19 per cent of the total cost of the system. Although it is not fully convinced that air-conditioning is necessary for office and conference facilities in a climate such as that of Addis Ababa, the Advisory Committee concurs in the proposal by the Secretary-General, bearing in mind the advantages referred to above. At the same time, the Committee considers that air-conditioning should by no means be regarded as an automatic requirement in all United Nations buildings, but should be considered in each case on its merits, taking into account the climate at the site concerned.

32. A related question is that of heating, which the Advisory Committee understands is desirable at Addis Ababa for short periods of the year. The Committee was informed that the plans presented by the Secretary-General do not provide for central heating, but that, should experience with the new buildings prove that heating would be desirable, heating units could be installed in the ventilation system at a cost of between \$20,000 and \$30,000.

33. The Advisory Committee has noted the assumptions upon which the cost estimates for the projects in Bangkok and Addis Ababa have been arrived at, as described in paragraphs 10 and 21 above. Bearing in mind recent experience with other United Nations construction undertakings, notably those at Santiago and Geneva, the Committee trusts that those assumptions will be borne out in fact, and that, should the General Assembly decide to go ahead with the new projects, the costs will not exceed the current estimates, which include a contingency provision of about 10 per cent to cover possible price increases. As the Committee has pointed out in its report to the Assembly on the major maintenance and improvement programme at the Palais des Nations and the extension of the Palais, cost increases can often be avoided or minimized by not permitting such projects to drag on longer than provided for in the initial construction schedule (A/8008/Add.8). In this connexion, the Committee emphasizes the importance of negotiating contracts which protect the United Nations from the consequences of circumstances for which it cannot be held responsible, and of administering such contracts with firmness.

34. The Secretary-General proposes in his reports that primary responsibility for supervision of the projects rest with the executive secretaries of ECAFE and ECA; however, the Office of General Services at United Nations Headquarters would provide technical advice, would undertake periodic inspections and would review all major decisions concerning the construction prior to their adoption (A/C.5/1325, paragraph 19 and A/C.5/1328, paragraph 15). In the view of the Advisory Committee, such central control is essential in undertakings of this type. In particular, decisions which might involve additional costs should in all cases be referred to United Nations Headquarters, and, except in cases of force majeure, to the General Assembly or, should that not be practicable for reasons of timing, to the Advisory Committee.

35. The Advisory Committee considers that the proposed construction schedule for the projects, which calls for their completion by December 1973, is an optimistic one. It may not be beyond reach, however, and the Committee therefore urges that, should the General Assembly authorize the Secretary-General to proceed according to his proposals, he should press ahead vigorously with the projects, in order to avoid the additional costs which seem inevitably to accompany delays in undertakings of this type. As far as expenditures in 1971 are concerned, the Committee believes that it might be more realistic to make budgetary provision for \$1,100,000 in the case of the project at Bangkok, rather than the \$1,200,000 recommended by the Secretary-General, and for \$900,000 in the case of the project at Addis Ababa, rather than \$1 million; should work advance so well in the latter part of 1971 that these amounts prove insufficient, the Secretary-General could approach the General Assembly for a supplementary appropriation. If the Assembly were to agree to the above appropriations, there would remain (based on the present estimates) \$6,500,000 to be appropriated in future years for the project at Bangkok, and \$5,300,000 for the project at Addis Ababa.

36. Bearing in mind all of the above observations, the Advisory Committee recommends that the General Assembly approve in principle the building projects at Bangkok and Addis Ababa, as the Secretary-General has proposed. It further recommends that the Assembly accept the offers of the Government of Thailand and the Government of Ethiopia (A/C.5/1325, paragraph 21 (b), A/C.5/1328, paragraph 17 (b), see paragraphs 14 and 25 above). Should it decide on such a course, the Assembly might wish to appropriate for 1971 an amount of \$1,100,000 for the project at Bangkok, and an amount of \$900,000 for the project at Addis Ababa, to be included as separate chapters under section 7 of the budget. Moreover, the Committee urges that the Secretary-General proceed with dispatch to settle all outstanding legal questions and to come to a firm arrangement with the agencies which would be allocated offices in the new buildings as to the rentals which they should pay.

Fourteenth report

United Nations Building in Santiago, Chile

/Original: English/  
11 December 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the Secretary-General's progress report on the United Nations Building in Santiago (A/C.5/1349). The report deals with the programme of modification and improvement of existing premises, the proposed construction of an additional office building and the possibility of constructing common premises.

Programme of modification and improvement of existing premises

2. The Secretary-General reports that, for the most part, the schedule of work for 1970, as presented to the General Assembly at its twenty-fourth session, will be completed by the end of the year. However, a number of items remain on which additional work will have to be carried out during 1971. The Secretary-General envisages that in the absence of unforeseen circumstances, the entire programme would be completed during the first half of that year.

3. For reasons given in paragraphs 4 and 5 of his report, the Secretary-General has been able to achieve considerable savings under the programme. As a consequence the Secretary-General proposes to surrender \$250,000 at this time, thereby reducing the credit approved for 1970 from \$669,500 to \$419,500. On this basis, the total amount made available to him in 1969 and 1970 would be reduced to \$1,078,500, of which \$710,500 had been spent as of 31 October 1970. The Secretary-General requests authority to carry forward to 1971 any unspent credits remaining at the end of 1970, to meet commitments in 1971.

4. The Advisory Committee commends the Secretary-General for the savings which have been achieved and concurs in his request that the unencumbered balance of the 1970 appropriation be credited to the Santiago building account for 1971.

Proposed construction of an additional office building

5. The Secretary-General had been authorized by the General Assembly at its twenty-fourth session to proceed with the development of plans for a building containing 4,000 square metres (43,000 square feet) gross floor space. However, since it has been calculated that a building of that size would be filled to capacity immediately upon completion in 1973, the architects were also asked to design a building which, in conjunction with the existing edifice, would absorb the probable expansion of the Economic Commission for Latin America and the Latin American Institute for Economic and Social Planning over the ten years 1973-1983.

6. The architects submitted two plans, one for a building with a 10-storey tower at an estimated cost of \$3,932,400, and the other for a building with a seven-storey tower at an estimated cost of \$3,124,700. The plans for both buildings provide space for the library and the staff cafeteria and incorporate the Documents Research Centre, which will be financed from the sum of \$500,000 to be made available for this purpose by the Netherlands Government, as an integral part of the satellite building.

7. The Secretary-General, after a preliminary examination of the plans, a review of the entire building project and consultation with ECLA officials and technical advisers, reports that, for the reasons indicated in paragraphs 17 to 19 of his report, he is unable to recommend the construction of the satellite building as proposed by the architects. The Advisory Committee was also informed that the architects' design incorporated certain expensive architectural features. The Committee understands that the Secretary-General has in mind a building which would provide the requisite office space within a simpler and more functional design than that proposed by the architects. Moreover, the Secretary-General considers that the Documents Research Centre should be accommodated in a building of its own as quickly as possible, and that there would be little advantage in moving the library and cafeteria from their present locations.

8. In the light of the foregoing observations the Secretary-General proposes two alternatives:

(a) He might be authorized to obtain revised preliminary plans and cost estimates for the project. The revised plans could be developed within the balance of about \$27,000 which remains from the original appropriation of \$41,000 provided for this purpose. Should the cost estimates for the redesigned building be less than the \$3,932,400 foreseen for the current design, the Secretary-General suggests that he be allowed to spend a further \$200,000 on the preparation of detailed estimates and working drawings for the revised building design. This would enable him to submit detailed plans and cost estimates to the twenty-sixth session of the General Assembly. Should they be accepted, construction could start at the beginning of 1972;

(b) He might be authorized to obtain preliminary plans and cost estimates only and submit them to the General Assembly at the twenty-sixth session, for its approval. Under this alternative, construction could not begin before the autumn of 1972, since the working drawings would first have to be prepared.

9. The Advisory Committee is of the opinion that in building projects of this magnitude a cautious approach is to be preferred and that it would be desirable to provide the General Assembly with an opportunity to study carefully the revised preliminary plans and approve the design before the working drawings are prepared. In the light of these considerations, the Committee recommends that the General Assembly approve the alternative summarized in paragraph 8 (b) above, which would not require the appropriation of additional funds in 1971.

#### The possibility of constructing common premises

10. At its twenty-fourth session, the General Assembly had recommended that the Secretary-General, together with other interested organizations, should set up a committee in Santiago to examine the advantages and disadvantages of the

construction of a separate common building at some later date, and the modalities of its financing. 85/ The Secretary-General reports that the committee has been formed and has met to exchange views on the possibility of common premises in Santiago. He further expresses his intention to continue to press the study of the question of common premises.

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85/ Ibid., document A/7916, para. 112 (d).

Fifteenth report

Revised estimates under expenditure sections 1,  
2, 3, 4, 7, 8, 9, 11, 12, 15, 16, 17, 18 and 19  
and income sections 1, 3 and 4

/Original: English/  
14 December 1970

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General submitting revised budget estimates for 1971 under expenditure sections 1, 2, 3, 4, 7, 8, 9, 11, 12, 15, 16, 17, 18 and 19, and under income sections 1, 3 and 4 (A/C.5/1358).
2. The purpose of the revised estimates is to consolidate a number of additional requirements which have become apparent since the submission of three earlier reports by the Secretary-General on the 1971 estimates: his initial budget estimates for that year, 86/ his revised estimates resulting from decisions of the Economic and Social Council (A/C.5/1302 and Add.1), and his further revised estimates for a number of budget sections submitted on 30 October (A/C.5/1322 and Corr.1). The Fifth Committee took those earlier reports into account, along with the accompanying reports of the Advisory Committee, 87/ in its first reading of the budget estimates for 1971.
3. As the Secretary-General points out in his report (A/C.5/1358, paragraph 2), the revised estimates now submitted would have the effect of raising the gross expenditure budget for 1971 from \$181,627,600, the amount approved in first reading, to \$190,017,700, an increase of \$8,390,100. On the other hand, the estimate of income would increase from \$29,384,900, the first reading figure, to \$31,609,300, an increase of \$2,224,400. Thus the effect of the revised estimates is to increase the amount to be assessed on Member States in respect of the 1971 budget by \$6,165,700.
4. The Advisory Committee calls attention to the fact that the revised estimates submitted by the Secretary-General (A/C.5/1358) do not represent the totality of estimated requirements for 1971. They exclude upward revisions arising from resolutions adopted or to be adopted by the General Assembly at its current

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86/ Ibid., Twenty-fifth Session, Supplement No. 6 and errata.

87/ Ibid., Supplement No. 8 and documents A/8004/Add.1, 4 and 10.

session on the basis of recommendations of its Main Committees. On the other hand, they take into account the decision taken by the Fifth Committee at its 1403rd meeting on 1 December, to recommend that salary scales for the Professional and higher categories be increased by 8 per cent, after incorporation of two classes of post adjustment, as from 1 July 1971.

5. As for the total potential level of requirements for 1971, taking into account all items of expenditure which can be foreseen at this time, the Advisory Committee calls attention to the note which the Secretary-General has submitted for purposes of information in document A/C.5/L.1047/Rev.1.

6. The main element in the revised estimates (A/C.5/L.1358) is the decision taken by the Fifth Committee at its 1403rd meeting to recommend an increase in salary scales for the Professional and higher categories from 1 July 1971; it accounts for an increase of \$4,569,300 in the estimates for nine expenditure sections offset in part by a net increase of \$1,686,200 under two income sections. Four other major contributing factors may also be singled out:

(a) A proposal by the Secretary-General to increase the salaries of Field Service personnel, in consequence of the proposed increase in salaries of the Professional and higher categories;

(b) Increases in the salaries of General Service personnel, manual workers and local staff, along with the restructuring of General Service grade levels and scales at Headquarters;

(c) Increased requirements arising from the need, based on current estimates, to provide for upward post classification movements for professional staff in New York earlier than had already been provided for; and

(d) Inclusion of an appropriation for new construction and major alterations to the Headquarters premises.

7. The table below indicates, for each section involved, the adjustments proposed by the Secretary-General.



SectionIncrease  
(decrease)Expenditure sections

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1.	Travel and other expenses of representatives, members of commissions, committees and other subsidiary bodies . . .	(36,900)
2.	Special meetings and conferences . . . . .	106,300
3.	Salaries and wages . . . . .	4,123,800
4.	Common staff costs . . . . .	726,000
5.	Travel of staff . . . . .	-
6.	Payments under annex I, paragraphs 2 and 5, of the Staff Regulations; hospitality . . . . .	-
7.	Buildings and improvements to premises . . . . .	2,000,000
8.	Permanent equipment . . . . .	20,000
9.	Maintenance, operation and rental of premises . . . . .	74,000
10.	General expenses . . . . .	-
11.	Printing . . . . .	42,500
12.	Special expenses . . . . .	32,300
13.	Economic development, social development and public administration, human rights advisory services and narcotic drugs control . . . . .	-
14.	Industrial development . . . . .	-
15.	United Nations Conference on Trade and Development . . . .	310,500
16.	United Nations Industrial Development Organization . . . .	414,500
17.	Special missions . . . . .	395,800
18.	Office of the United Nations High Commissioner for Refugees	154,000
19.	International Court of Justice . . . . .	27,300
	TOTAL . . .	<u>8,390,100</u>

Income sections

1.	Income from staff assessment . . . . .	1,933,000
3.	General income . . . . .	330,400
4.	Revenue-producing activities . . . . .	(39,000)
	TOTAL . . .	<u>2,224,400</u>

8. Information on individual sections, including the Advisory Committee's comments where appropriate, is set out below.

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

9. The reduction of \$36,900 proposed by the Secretary-General arises from a decision by the Board of Auditors - taking into account comments by the Advisory Committee on the rising costs of the external audit 88/ - to amend the scope of its audit by eliminating as from 1 January 1971 management or operational audits. The Board will, however, continue where appropriate to make observations on management aspects in its regular audit reports.

Section 2. Special meetings and conferences

10. The net increase of \$106,300 proposed under this section derives from the following factors:

(a) Increased requirements totalling \$56,200 under four chapters arising from the decision of the Fifth Committee to recommend a salary increase for staff in the Professional and higher categories from 1 July 1971;

(b) A reduction of \$47,000 in the estimated cost of the fourteenth session of the Economic Commission for Latin America, as a result of the decision that it take place in Santiago rather than in Guatemala City;

(c) Increased requirements of \$97,100 for the Conference of Plenipotentiaries for the Adoption of the Protocol on Psychotropic Substances. Of this amount, \$16,700 will be required to provide conference services in Chinese, in response to a request addressed to the Secretary-General. The balance of \$80,400 represents the additional costs involved in holding the Conference in Vienna, at the invitation of the Government of Austria, rather than at Geneva. As such additional costs are reimbursed by the Government of the host country, the Secretary-General has included an additional \$80,400 under income section 3 (see paragraph 29 below).

Section 3. Salaries and wages

11. Of the aggregate increase of \$4,123,800 foreseen for this section, \$3,009,300 would arise from the decision of the Fifth Committee, which has been referred to above, to recommend, with effect from 1 July 1971, an increase of 8 per cent in the gross salary scales of staff in the Professional and higher categories, after the incorporation of two classes of post adjustment.

12. A further increase of \$435,200 is considered necessary by the Secretary-General to take into account new forecasts of the probable effects of cost-of-living changes on post classifications for Professional staff at New York, Geneva and the

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88/ Ibid., Supplement No. 8, para. 117.

regional economic commissions. In the case of New York, the Secretary-General notes that the class 9 post adjustment came into effect on 1 December 1970, instead of on 1 March 1971 as foreseen in his initial estimates; on the basis of a further anticipated rise in the cost-of-living index, he estimates that the next level might be reached by mid-1971, rather than 1 November 1971, as the initial estimates provide. These adjustments would require additional appropriations of \$482,300. On the other hand, the Secretary-General expects savings totalling \$47,100 as a result of slower upward movements than expected in cost-of-living indices at Geneva and the sites of the regional economic commissions.

13. While accepting the Secretary-General's estimate of the effects of post adjustment changes, the Advisory Committee points out that they are based on projections which may or may not be justified by actual cost-of-living movements in the coming year. Should the upward movement in New York be less than foreseen, the Advisory Committee would expect the Secretary-General to surrender at year-end 1971 that part of the funds appropriated for post adjustment increases which is not in fact, required.

14. Changes in the salary rates of General Service, manual worker and local staff account for \$679,300 of the increase in the estimate under section 3. At Geneva and the sites of the regional economic commissions, the Secretary-General has reduced his earlier estimates by a total of \$104,000, as he expects that increases in the rates of pay for General Service and manual worker staff will become effective later than had been foreseen. However, increased requirements totalling \$783,300 are foreseen at Headquarters. Of this amount, \$96,300 is accounted for by higher costs than had been foreseen arising from a pay increase for manual workers granted on 1 June 1970 and a further increase expected to be granted on 1 June 1971. The balance of \$687,000 relates to the salaries of General Service staff (including the security service) at Headquarters: whereas provision had been made for an increase on 1 January 1971, salaries were raised on 1 October 1970, and the Secretary-General expects that a further increase, along with a restructuring of General Service grade levels and scales, will be introduced in mid-1971.

15. The guidelines followed in the United Nations for the determination of General Service salaries are that such salaries should be based on best prevailing local conditions. The Secretary-General has authority to adjust salaries within those guidelines and within the limits of the appropriations made by the General Assembly. The proposed restructuring of the General Service category, however, has wider implications. The Secretary-General provides only general information on this question in his report on the revised estimates, although the Advisory Committee was informed that the restructuring is tentatively estimated to account for about \$100,000 of the additional costs expected under section 3. The Committee believes that, before recommending the inclusion of budgetary provision for the restructuring of the General Service category, it should have an outline of the proposal. Moreover, the proposal might be of interest to the special ad hoc committee which would be set up to review the common system of salaries, allowance and other benefits, pursuant to the draft resolution (A/C.5/L.1053/Rev.1) approved by the Fifth Committee at its 1403rd meeting. For the above reasons, the Advisory Committee recommends the exclusion from the revised estimates for section 3 of an amount of \$100,000. If, in the course of 1971, the Secretary-General comes forward with firm proposals for the restructuring of the General Service category, the Advisory Committee could consider any related request for additional budgetary resources by way of supplementary estimates for that year.

#### Section 4. Common staff costs

16. Of the increase of \$726,000 which the Secretary-General has estimated for this section, \$541,800 is directly consequential to the recommendation for an increase in the salaries of Professional and higher-level staff provided for under section 3. A further \$96,200 is consequential to the proposed changes in General Service, manual and local salary rates referred to in paragraph 14 above. The balance of \$88,000 is attributable to considerable increases due to go into effect on 1 January 1971 in medical insurance premium rates at Headquarters, of which the United Nations shares the cost.

#### Section 7. Buildings and improvements to premises

17. Under Section 7, the Secretary-General proposes an additional appropriation of \$2,000,000 for new construction and major alterations to existing premises at Headquarters. In this connexion, the Advisory Committee recalled that in paragraph 1 of resolution 2618 (XXIV) of 17 December 1969, the General Assembly decided "to authorize the Secretary-General to proceed with the execution of the Headquarters project on the basis set forth in paragraph 26 of his report, 89/ taking into account the related observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions in its report". 90/ In paragraph 2 the Assembly further decided "that the United Nations budgetary appropriations for the purpose of the Headquarters project should not in any circumstances exceed \$25 million, to be spread over a period of ten years beginning in 1971".

18. In the meantime the Secretary-General was authorized to proceed on the understanding that he would not enter into commitments or expenditure in excess of the \$250,000 appropriated by the Assembly at its twenty-third session, unless and until the necessary funds other than those to be obtained by budgetary appropriations were firmly pledged and the total financing plan had been reviewed and approved by the Advisory Committee. The total financing plan in question has not as yet been put together; in the circumstances, the Advisory Committee has been unable to review it, as requested by the General Assembly in its resolution 2618 (XXIV). However, the Secretary-General states in his report on the revised estimates that his request for an appropriation of \$2 million for the Headquarters project in 1971 is made in the expectation that all the stated conditions will be met "during the earlier part of 1971" (A/C.5/1358, paragraph 28). He proposes that the balance of the \$25 million to be provided from the United Nations budget be spread over the nine-year period 1972-1980.

19. The effect of the Secretary-General's request would be to make available in 1971 an appropriation of \$2 million which could be applied to the cost of the Headquarters project as soon as the Advisory Committee has been able to review and approve the financing plan. Pending such approval, the Secretary-General would not be authorized to enter into commitments or expenditures against that amount.

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89/ Ibid., Twenty-fourth Session, Annexes, agenda item 74, document A/C.5/1246.

90/ Ibid., document A/7835.

#### Section 8. Permanent equipment

20. The increase of \$20,000 requested by the Secretary-General is for the installation of a quick copy system at the United Nations Office at Geneva, intended to reduce reserve stocks of documents; the Secretary-General estimates that acquisition of this equipment will lead to annual savings of about £27,000.

#### Section 9. Maintenance, operation and rental of premises

21. The estimate for this section shows an increase of \$74,000, due entirely to higher electricity and water rates at Headquarters.

#### Section 11. Printing

22. At the time he submitted his supplementary estimates for the financial year 1970, the Secretary-General indicated that because he would be unable in 1970 to obligate funds for French, Russian and Spanish versions of an up-dated edition of The United Nations and Disarmament 1945-1965, he intended to surrender at year-end an appropriation which had been approved for that purpose (A/8083, paragraph 11.2). At the same time, he indicated that he would have to request an additional \$42,500 in 1971 to provide for the same work. This item accounts for the whole of the additional request under section 11.

#### Section 12. Special expenses

23. Three main factors account for the increase of \$32,300 in the estimate under this section: the recommendation for an increase in salary scales of staff in the Professional and higher categories, changes in the expected movement of post classifications, and changes in General Service salaries, all of which have been referred to above in the context of section 3. The Secretary-General also notes that provision was inadvertently omitted from section 12, as well as from sections 15 (UNCTAD), 16 (UNIDO), 17 (Special missions), 18 (Office of the United Nations High Commissioner for Refugees) and 19 (International Court of Justice) for increased contributions by the United Nations to the Joint Staff Pension Fund, in accordance with the procedure approved by the General Assembly in resolutions 2122 (XX) and 2524 II (XXIV).

#### Section 15. United Nations Conference on Trade and Development

24. The Secretary-General estimates additional requirements for UNCTAD at \$310,500. An amount of \$325,100 arises from the recommendation for an increase in the salaries of staff in the Professional and higher categories from 1 July 1971, and the pension contributions referred to in paragraph 23 above would add a further \$13,500. However, changes in the expected movement of post classifications and General Service salaries would result in reductions of \$28,100. The estimate for UNCTAD excludes the financial implications of draft resolutions relating to its work approved by the Second Committee at the current session of the General Assembly (see A/C.5/1353).

## Section 16. United Nations Industrial Development Organization

25. Almost the total increase of \$414,500 which the Secretary-General requests under section 16 results from the recommended salary increase for staff in the Professional and higher categories.

## Section 17. Special missions

26. The estimated increase of \$395,800 is explained mainly by four factors:

(a) The recommendation for a salary increase for staff in the Professional and higher categories (\$43,000);

(b) Changes in the expected movement of post classifications and of General Service staff (\$21,400);

(c) The Secretary-General's decision to review the salary scales of administrative and technical personnel in the Field Service category, in the light of the recommended increase in salaries for the Professional category and above. Such Field Services personnel are internationally recruited, and the Secretary-General notes that, since July 1967, their salary scales have been revised at the same time and on the same basis as those of Professional staff (\$171,000);

(d) Lastly, the inclusion of an estimate of \$146,600 for the United Nations Middle East Mission (the mission of the Secretary-General's Special Representative to the Middle East). In view of the uncertainties surrounding the nature and duration of the Mission, no provision was made for it in the initial budget estimates for 1971. The Secretary-General has considered it prudent at this time to request the same amount as was appropriated for the current year.

## Section 18. Office of the United Nations High Commissioner for Refugees

## Section 19. International Court of Justice

27. The increases of \$154,000 and \$27,300 requested for sections 18 and 19, respectively, are due almost entirely to the recommendation for an increase in the salary scales of staff in the Professional and higher categories.

## Income section 1. Income from staff assessment

28. The Secretary-General estimates an increase of \$1,933,000 in income from staff assessment, of which \$1,713,000 would arise from the recommendation for an increase in the salary scales of staff in the Professional and higher categories. Other increases reflect staffing proposals arising from decisions of the Economic and Social Council at its forty-eighth and forty-ninth sessions, as approved by the Fifth Committee in first reading (\$38,000); revised proposals for the United Nations Conference on the Human Environment, approved by the General Assembly on

7 December (\$56,000); and the proposed salary changes for staff in the General Service and Field Service categories (\$176,000). There would be a reduction of \$50,000 arising from the decision taken by the Fifth Committee on United Nations participation in the International Computing Centre at Geneva, as a result of the removal of certain staff from the United Nations manning table to that of the Centre.

### Income section 3. General income

29. Under this section the Secretary-General estimates an increase in income of \$330,400. Some \$80,400 is accounted for by the reimbursement by the Government of Austria of certain costs of the Conference of Plenipotentiaries for the Adoption of the Protocol on Psychotropic Substances, which is referred to in paragraph 10 above; the balance of \$250,000 reflects the Secretary-General's expectation, based on 1970 experience, 91/ that refunds to the United Nations by the Joint Staff Pension Fund of contributions paid for participants who withdraw within five years without qualifying for a benefit will be higher than had been estimated.

### Income section 4. Revenue-producing activities

30. The Secretary-General foresees a reduction of \$39,000 under income section 4, as the proposals for increased Professional and General Service salaries, and the changes expected in the movement of post classifications would constitute an additional charge against revenue.

31. The Advisory Committee noted that the Secretary-General does not provide for any increase above his earlier estimate in revenue from the sale of United Nations postage stamps in 1971. In the light of the very substantial increase to which he calls attention in his recent report on supplementary estimates for 1970, 92/ the Committee believes that the estimates under income section 4 may have been understated.

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32. On the basis of the above observations, and in particular those contained in paragraph 15, the Advisory Committee recommends a reduction of \$100,000 in the Secretary-General's revised estimates under expenditure sections (A/C.5/1358) to be applied to section 3 (Salaries and wages). The additions to the expenditure estimates would thus amount to \$8,290,100, for a total of \$189,917,700. The revised estimates of income would be as calculated by the Secretary-General, that is, in a amount of \$31,609,300, an increase of \$2,224,400.

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91/ See document A/8083/Add.1.

92/ Ibid., para. 11.

Sixteenth report

Draft resolutions relating to the budget estimates for the financial year 1971 recommended by the Advisory Committee

/Original: English/  
14 December 1970

1. In its first report 93/ on the Secretary-General's initial budget estimates for 1971, the Advisory Committee did not recommend any draft resolutions on the budget as, in view of the developments which were expected to occur before the submission of the final estimates, such drafts would have been of little use to the Assembly and might indeed have misled it.

2. In the light of the Committee's recommendations contained in its first report and in the addenda (A/8008/Add.1-14) to it, as well as those communicated to the Fifth Committee in oral reports, the Advisory Committee now recommends to the General Assembly the draft budget resolutions contained in the annex below.

3. As for the annual General Assembly resolution on unforeseen and extraordinary expenses, the Advisory Committee recalls that, at the twenty-fourth session, the Fifth Committee decided that an inquiry should be made in 1970 into how the system relating to such expenses, which the Advisory Committee had suggested in its fifth report to the Assembly at that session, would have worked out had it been in force. 94/ The Secretary-General has reported on the results of that inquiry (A/C.5/1351); 95/ the relevant comments of the Advisory Committee are contained in a separate report to the General Assembly (A/8230). 96/ As noted in paragraph 2 of that report, the Committee agrees with the Secretary-General's conclusion that experience during 1970 has not provided a sufficient basis for testing adequately the suggested procedures. It also points out that this question is related to the studies being made on the form of the budget and the budget cycle. Accordingly, the Committee recommends that further consideration of the question of unforeseen and extraordinary expenses be deferred until such time as it can be reviewed in

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93/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8, para. 106.

94/ Ibid., Twenty-fourth Session, Annexes, agenda item 74, document A/7916, para. 104.

95/ Mimeographed document, dated 7 December 1970.

96/ See Official Records of the General Assembly, Twenty-fifth Session Annexes, agenda item 80.



the broader context of the form of the budget and the budget cycle, and on the basis of fuller data than are available at present. The General Assembly may therefore wish to adopt for 1971 a draft resolution on unforeseen and extraordinary expenses in the same form as that adopted for 1970, that is, as set out in chapter II of the Advisory Committee's first report on the budget estimates for 1971.

4. With respect to the draft resolution on the Working Capital Fund for the financial year 1971, the Advisory Committee recommends adoption of the text proposed by the Secretary-General.

ANNEX

DRAFT RESOLUTIONS ON THE BUDGET FOR THE FINANCIAL YEAR 1971

/For the text, subsequently adopted by the General Assembly, see Official  
Records of the General Assembly, twenty-fifth session, Supplement No. 28,  
resolution 2738 (XXV)/

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