



Twenty-first session  
Agenda items 41 (b) and 74

## ACTIVITIES IN THE FIELD OF INDUSTRIAL DEVELOPMENT

## BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1967

Financial and administrative implications of the location of the  
United Nations Industrial Development Organization at ViennaReport of the Fifth Committee

Rapporteur: Mr. David SILVEIRA da MOTA (Brazil)

1. At its 1170th meeting, on 16 December 1966, the Fifth Committee considered the statement of financial and administrative implications (A/C.5/1110) submitted by the Secretary-General related to the proposed location of the headquarters of the United Nations Industrial Development Organization (UNIDO) at Vienna. The related report of the Advisory Committee on Administrative and Budgetary Questions was presented orally by the Chairman of that Committee.
2. The representative of Austria expressed his country's gratification at the decision of the Second Committee and assured the Fifth Committee that his Government would do everything possible to facilitate the functioning of UNIDO at Vienna. The representative of the Controller, responding to questions raised by one delegation, advised the Committee that the secretariat of UNIDO would, if the Assembly approved the Second Committee's proposal, be moved from New York to Vienna during 1967. The very fact of transferring staff at present located in New York, with their dependants and household effects, would imply an expenditure estimated at about \$300,000. He added that the difference in the cost of living between Vienna and New York, which would have the effect of reducing staff costs at Vienna, had been fully taken into account in the very tentative estimates provided to the Second

Committee (A/C.2/L.935). The resulting economies, however, would be more than offset by the necessity of creating those essential conference and general services for the new headquarters of UNIDO which were generally available in New York. The outcome of estimating both the economies and the additional expenses involved, was reflected in the tentative estimates, which showed that the additional costs in the initial full year at Vienna would be an estimated \$1,295,200 more than the amount of \$5.2 million already approved in first reading for section 21 of the budget for 1967. However, in view of the very tentative nature of the estimates and the necessity of negotiating a full agreement with the intended host country, the provisions of which would have an important effect on the eventual financial and administrative requirements if UNIDO of located at Vienna, the Secretary-General had suggested the alternative which had been discussed with and approved by the Advisory Committee.

3. The Fifth Committee, accepting the recommendation of the Advisory Committee to this effect, decided to recommend that, if it approved the proposal of the Second Committee, the General Assembly should: (a) make provision in the amount of \$500,000 under section 21 of the budget for 1967, on the understanding that no expenditures would be incurred against this provision without the prior concurrence of the Advisory Committee upon receipt of detailed estimates to be submitted by the Secretary-General as soon as they become available in 1967; and (b) authorize the Secretary-General, with the prior concurrence of the Advisory Committee, to meet any expenditures that might be necessary in excess of this amount initially under the terms of the resolution relating to unforeseen and extraordinary expenses in 1967.

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