

UNITED NATIONS  
GENERAL  
ASSEMBLY



Distr.  
GENERAL

A/6571  
9 December 1966

ORIGINAL: ENGLISH

Twenty-first session  
Agenda items 37 and 74

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1967

Financial implications of two draft resolutions  
recommended by the Second Committee (A/C.2/L.932  
and A/C.2/L.933)

Twenty-sixth report of the Advisory Committee on Administrative and Budgetary  
Questions to the General Assembly at its twenty-first session

1. The Advisory Committee on Administrative and Budgetary Questions has considered a report of the Secretary-General (A/C.5/1090) submitting revised estimates for the United Nations Conference on Trade and Development (UNCTAD) under section 20 of the budget estimates for 1967.<sup>1/</sup>
2. The Secretary-General advises that the revised estimates are requested as a consequence of recommendations of the Second Committee contained in two draft resolutions (A/C.2/L.932 and L.933), in terms of which the General Assembly (a) would decide that the second session of the United Nations Conference on Trade and Development be convened at New Delhi for a period of seven weeks from 1 February until 25 March 1968; and (b) would invite the Trade and Development Board to hold a special session to be convened in New York for one day, on 21 December 1966, in order to review the calendar of meetings of UNCTAD for 1967 which it adopted at its fourth session, held in Geneva from 30 August to 24 September 1966.
3. The Secretary-General's initial budget estimates for 1967 under section 20 totalling \$9,100,000 included an amount of \$1,833,000 to cover the preparatory,

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

conference servicing and publication costs of the second session of UNCTAD. These estimates were based on the assumption that the second session of the Conference would be held at Geneva, the established Headquarters of UNCTAD. The Trade and Development Board in Geneva subsequently decided, at its fourth session, to accept the generous offer of the Government of India to serve as host for the Conference, to be held at New Delhi for a period of seven weeks beginning in September 1967.

4. However, in the light of the Second Committee's recommendation (A/C.2/L.932) that the second session of the Conference should be convened at New Delhi in February/March 1968, the Secretary-General advises that although certain of the expenditures relating to the issuing of preparatory documentation and to other necessary arrangements for the Conference would still need to be met in 1967, the major portion of the expense would be incurred in 1968. The Secretary-General has therefore redistributed his initial estimate of \$1,833,000 for the Conference, over the years 1967 and 1968, in the amounts of \$295,500 and \$1,537,500 respectively (A/C.5/1090).

5. As regards the second draft resolution of the Second Committee (A/C.2/L.933), inviting the Trade and Development Board to hold a special session in New York on 21 December 1966 to review the calendar of meetings of UNCTAD, the Secretary-General indicates that the servicing requirements could be undertaken within existing resources. Although the Board may need to revise its calendar of meetings for 1967, the Secretary-General believes that their number and duration are not likely to be altered and that the level of related costs as initially estimated should remain substantially the same, leaving little likelihood of achieving any reductions.

6. The Secretary-General also states that as a result of the need to revise the calendar of other meetings of UNCTAD for 1967, which in all probability would permit no reduction in the total meetings programme, any reduction in the revised estimates as now presented becomes extremely difficult, and he notes that such a possibility is made less likely by the decision of the Trade and Development Board at its fourth session to embark on new programmes of work, including studies concerning maritime freight rates, shipping services and shipping conference practices.

7. The Secretary-General states his intention of reviewing the costs in 1968 of holding the second session of the Conference at New Delhi and of including them in his initial budget estimates for that year, and also of providing an indication of the additional costs to be incurred as compared to a session in Geneva which, under the terms of General Assembly resolution 2116 (XX) of 21 December 1965, would be reimbursed by the host Government.

8. If the General Assembly approves the recommendations contained in the draft resolution A/C.2/L.932 adopted by the Second Committee concerning the convening of the second session of the Trade and Development Conference in 1968, the Secretary-General recommends that his initial estimate of \$9,100,000 under section 20 of the budget for 1967 be reduced by \$1,537,500 to \$7,562,500.

Advisory Committee's observations and recommendations

9. In its consideration of the Secretary-General's report, the Advisory Committee recalled its observations and recommendations on the estimates for UNCTAD (section 20 of the budget estimates for 1967),<sup>2/</sup> contained in its sixth report to the General Assembly at its twenty-first session.<sup>3/</sup> At that time the Committee recommended a reduction of \$300,000 in the total estimate of \$9.1 million submitted by the Secretary-General. The Committee's recommendation was based primarily on the following considerations:

- (a) That the duration of the second session of the Conference itself could possibly be shortened;
- (b) That a more selective approach should be taken to the inclusion of all pre-conference documentation in the printed proceedings of the second session of the Conference;
- (c) That some reduction might be possible in the over-all number of sessions and meetings of the Trade and Development Board and its subsidiary bodies;
- (d) That in view of the specialized requirements of some of the new posts requested for 1967, inevitable delays would occur in recruitment for those posts;

2/ Ibid., Supplement No. 5 (A/6305).

3/ Official Records of the General Assembly, Twenty-first Session, Supplement No. 7 (A/6307, paras. 322-342).

(e) That some reduction in expenditures under other chapters should be possible since, by their nature, they were subject to strict administrative discipline and control.

10. As regards the present estimates (A/C.5/1090) the Committee notes that the Secretary-General has not taken into account the reduction of \$300,000, recommended by the Advisory Committee, and has used as a basis for the revisions his initial total estimate of \$9.1 million for UNCTAD for 1967. Having made provision for the preparatory documentation and other arrangements considered necessary for the Conference in the amount of \$295,500, the Secretary-General envisages a reduction of \$1,537,500, or a total requirement of \$7,562,500 for UNCTAD (section 20) for 1967.

11. The Committee recognizes that the decision of the Second Committee has necessitated a re-examination and reappraisal of the total conference and meetings programme for UNCTAD in 1967 and that subsidiary bodies of the Trade and Development Board will be required to meet and submit reports to the second session of the Conference. The Committee nevertheless continues to be of the opinion that much of the reasoning given in support of its recommendation for a reduction of \$300,000 in the initial estimates for UNCTAD for 1967 remains valid, whereas the revised estimate now recommended by the Secretary-General is a result of fortuitous factors relating to the postponement of the second session of the Conference, rather than to any proposed administrative decisions taken in implementing the programme of work of UNCTAD in 1967.

12. The Advisory Committee, while recognizing the efforts that have been made, continues to be of the view that a more rational approach to the total conference and meetings programme of UNCTAD, and a thorough reappraisal and the adoption of selective criteria for issuing of its related documentation are necessary in the formative years of this new organization. The Committee hopes, therefore, that the Secretary-General in reviewing the conference and meetings programme of UNCTAD will take all possible measures to ensure that the prerequisites for convening such meetings are fully met, having uppermost in mind the essential needs of the conferences and meetings and their efficient functioning.

13. As regards the staffing requirements of the UNCTAD secretariat in 1967, the Advisory Committee would repeat its previous observations that a more prudent and less hasty approach to expanding the establishment would be desirable, and it is

convinced that not all of the highly specialized new posts requested for 1967 will be occupied for the full year. In this connexion, the Committee understands that besides the \$400,000 reduction recommended by the Advisory Committee for 1966 and approved by the General Assembly, delays in recruitment in 1966 will result in significant further savings under this heading, which will, of course, have its concomitant effect in 1967.

14. The Advisory Committee, therefore, while acknowledging the new requirements of UNCTAD in 1967 resulting from the decisions of the Second Committee and taking into account its earlier recommendations, remains of the opinion that savings are possible in most of the estimates. Accordingly, the Committee recommends a reduction of \$162,500 in the Secretary-General's revised estimates of \$7,562,500 or a total of \$7.4 million for UNCTAD (section 20) for 1967.

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