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SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1967

Report of the Fifth Committee

Rapporteur: Mr. Brian J. LYNCH (New Zealand)

1. At its 1175th and 1176th meetings, held on 9 and 10 October 1967, the Fifth Committee considered the supplementary estimates for 1967 on the basis of reports of the Secretary-General (A/6810), and the Advisory Committee on Administrative and Budgetary Questions (A/6852) and a note by the Secretariat (A/C.5/L.898) submitting to the Fifth Committee a revised draft resolution reflecting the recommendations of the Advisory Committee.
2. In his report (A/6810) the Secretary-General requested credits that would increase the estimated expenditure for 1967 by \$2,744,070 to a total of \$133,058,300 and estimated income by \$1,002,468 to a total of \$22,644,894. The net increase to be covered by the assessment of contributions on Member States would therefore be \$1,741,602. In determining his request for additional credits, the Secretary-General took into account commitments of \$3,529,650 which had been initially entered into under the terms laid down in General Assembly resolution 2243 (XXI) on unforeseen and extraordinary expenses for 1967, or within the provisions of General Assembly resolution 2034 (XX) relating to United Nations assistance in cases of natural disaster, as well as supplementary needs that arose in certain areas and reduced requirements which were anticipated under various other headings.
3. In its related report (A/6852) the Advisory Committee recommended an increase in credits for 1967 of \$2,469,070, a reduction of \$275,000 in the amount requested

by the Secretary-General. The total appropriation for 1967 would, accordingly, be raised to a level of \$132,783,300. The Advisory Committee accepted without change the Secretary-General's revised income estimates.

4. It was generally acknowledged that 1967 had been an unusual year and that the major portion of the increased requirements, namely, those related to the situation in the Middle East and to the move of the United Nations Industrial Development Organization to Vienna, could not have been foreseen. In these circumstances most delegations concurred in the view of the Advisory Committee that the justifications given for the supplementary estimates were, in general, satisfactory. Delegations also supported the proposals of the Advisory Committee as being moderate and well founded.

5. On the other hand several delegations expressed reservations about the submission of supplementary estimates as a matter of principle. Some of these delegations maintained that the increased requirements under certain headings that came to light during the year should be financed in the first instance by savings elsewhere. Other representatives acknowledged that part of the extra commitments incurred had indeed resulted from extraordinary developments but maintained that a more rational utilization of existing credits and stricter control would have eliminated over-expenditure in other sections. In this regard many delegations supported the Advisory Committee's view that further savings could be effected during the remaining months of the year.

6. Several delegations drew attention to the reservations expressed by the Advisory Committee as to whether certain of the expenditures for which its prior concurrence had been sought during 1967 could properly be financed under the General Assembly resolution relating to unforeseen and extraordinary expenses. They endorsed the Advisory Committee's recommendation that the rules governing the commitment of additional expenses should be reviewed at the current session with a view to reaching a more precise definition of the term "unforeseen and extraordinary" expenses. Some delegations felt that the question of the authority of subsidiary organs to take decisions involving financial implications without the prior approval of the Assembly should also be examined at an early date.

7. One delegation thought it unfortunate that the supplementary estimates did not provide any indication of the expenditure that had already been incurred

during the present year. Another delegation wondered, as regards those items for which a reduction was shown in the supplementary estimates or for which no change in the original appropriation was requested, whether it was a case of a reduction of activities or an over-estimation of requirements.

8. Reservations were expressed by various delegations on a number of items, including expenditures for the United Nations bond issue, certain special missions, the United Nations Cemetery in Korea, the United Nations Commission for the Unification and Rehabilitation of Korea and the United Nations Field Service. They considered that the inclusion of the expenses of these items in the regular budget was a contravention of the Charter.

9. Several delegations expressed satisfaction at the increase in income, in particular the additional revenue derived from the sale of United Nations postage stamps.

DECISIONS OF THE COMMITTEE

10. At its 1176th meeting, on 10 October 1967, the Committee voted on the following revised estimates, by section, as recommended by the Advisory Committee.

<u>Appropriation section</u>	<u>Revised estimate</u> \$	<u>In favour</u>	<u>Against</u>	<u>Abstentions</u>
1. Travel and other expenses of representatives and members of committees, commissions and other subsidiary bodies	1,261,200	89	0	0
2. Special meetings and conferences	1,549,270	90	0	0
3. Salaries and wages	57,286,000	80	10	0
4. Common staff costs	13,457,000	80	0	10
5. Travel of staff	2,107,630	81	0	10
7. Buildings and improvements to premises	4,928,700	90	0	0
8. Permanent equipment	723,900	89	0	0
9. Maintenance, operation and rental of premises	4,095,500	82	0	8
10. General expenses	5,566,400	76	0	15
11. Printing	1,820,900	90	0	0
12. Special expenses	9,132,200	65	11	12
16. Special missions	4,163,500	73	11	5
17. United Nations Field Service	2,051,000	78	10	2
18. Office of the United Nations High Commissioner for Refugees	3,260,000	80	0	10
19. International Court of Justice	1,142,100	86	0	1
20. United Nations Conference on Trade and Development	7,227,000	88	2	0
21. United Nations Industrial Development Organization	6,490,000	91	0	0

11. Since no change was proposed in the level of the original appropriations in sections 6, 13, 14 and 15 the Committee took no vote on these sections of the budget.

12. The Committee approved draft resolution I in document A/C.5/L.898, by 78 votes to 1, with 11 abstentions, thereby recommending to the General Assembly a revised appropriation of \$132,783,300 for the financial year 1967.

13. The Committee adopted unanimously draft resolution II in the same document establishing a revised estimate of income for the financial year 1967 totalling \$22,644,894.

14. Subsequently, the Committee, at its 1207th, 1222nd, 1225th and 1226th meetings, considered the following additional items having financial consequences for the financial year 1967:

<u>Appropriation section</u>	<u>Change in revised estimate</u> \$	<u>In favour</u>	<u>Against</u>	<u>Abstentions</u>
2. Special meetings and conferences. Conference of the Eighteen-Nation Committee on Disarmament (A/C.5/1150)	95,000	73	0	2
16. Special missions. United Nations Truce Supervision Organization in Palestine - strengthening of military observer operation in the Suez Canal sector (A/C.5/1146), (A/6953)	315,900	64	0	11
16. Special missions. United Nations Middle East Mission (A/C.5/1154), (A/6983)	49,800	67	0	4
21. United Nations Industrial Development Organization (A/C.5/1155)	(160,000)	64	0	0
Income Section 1. Staff assessment income. Increase in Headquarters general service salary scales (A/C.5/1136)	8,000	no	vote	

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RECOMMENDATIONS OF THE FIFTH COMMITTEE

15. The Fifth Committee therefore recommends to the General Assembly the adoption of the following draft resolution:

Supplementary estimates for the financial year 1967

A

Budget appropriations for the financial year 1967

The General Assembly

1. Resolves that for the financial year 1967 the amount of \$US130,314,230 appropriated by its resolution 2242 (XXI) of 20 December 1966 shall be increased by \$US2,769,770 as follows:

<u>Section</u>	<u>Amount appropriated by resolution 2242 (XXI)</u> \$	<u>Increase (decrease)</u> \$	<u>Revised appro- priation</u> \$
<u>Part I. Sessions of the General Assembly, the councils, commissions and committees; special meetings and conferences</u>			
1. Travel and other expenses of representa- tives and members of commissions, committees and other subsidiary bodies . . .	1,241,750	19,450	1,261,200
2. Special meetings and conferences	<u>1,818,150</u>	<u>(173,880)</u>	<u>1,644,270</u>
TOTAL, PART I	<u>3,059,900</u>	<u>(154,430)</u>	<u>2,905,470</u>
<u>Part II. Staff costs and related expenses</u>			
3. Salaries and wages	57,046,500	239,500	57,286,000
4. Common staff costs	13,572,700	(115,700)	13,457,000
5. Travel of staff	2,011,630	96,000	2,107,630
6. Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; hospitality . . .	121,000	-	121,000
TOTAL, PART II	<u>72,751,830</u>	<u>219,800</u>	<u>72,971,630</u>

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	Amount appropriated by resolution 2242 (XXI) \$	Increase (decrease) \$	Revised appro- priation \$
<u>Part III. Premises, equipment, supplies and services</u>			
7. Buildings and improvements to premises	4,930,700	(2,000)	4,928,700
8. Permanent equipment	633,900	90,000	723,900
9. Maintenance, operation and rental of premises	4,000,500	95,000	4,095,500
10. General expenses	5,122,900	443,500	5,566,400
11. Printing	<u>1,835,900</u>	<u>(15,000)</u>	<u>1,820,900</u>
TOTAL, PART III	<u>16,523,900</u>	<u>611,500</u>	<u>17,135,400</u>
<u>Part IV. Special expenses</u>			
12. Special expenses	<u>9,072,200</u>	<u>60,000</u>	<u>9,132,200</u>
TOTAL, PART IV	<u>9,072,200</u>	<u>60,000</u>	<u>9,132,200</u>
<u>Part V. Technical programmes</u>			
13. Economic development, social activities and public administration	6,105,000	-	6,105,000
14. Human rights advisory services	220,000	-	220,000
15. Narcotic drugs control	<u>75,000</u>	<u>-</u>	<u>75,000</u>
TOTAL, PART V	<u>6,400,000</u>	<u>-</u>	<u>6,400,000</u>
<u>Part VI. Special missions and related activities</u>			
16. Special missions	3,163,000	1,366,200	4,529,200
17. United Nations Field Service	<u>1,824,000</u>	<u>227,000</u>	<u>2,051,000</u>
TOTAL, PART VI	<u>4,987,000</u>	<u>1,593,200</u>	<u>6,580,200</u>

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	Amount appropriated by resolution 2242 (XXI) \$	Increase (decrease) \$	Revised appro- priation \$
<u>Part VII. Office of the United Nations High Commissioner for Refugees</u>			
18. Office of the United Nations High Commissioner for Refugees	3,233,000	27,000	3,260,000
TOTAL, PART VII	3,233,000	27,000	3,260,000
<u>Part VIII. International Court of Justice</u>			
19. International Court of Justice	1,149,900	(7,800)	1,142,100
TOTAL, PART VIII	1,149,900	(7,800)	1,142,100
<u>Part IX. United Nations Conference on Trade and Development</u>			
20. United Nations Conference on Trade and Development	7,407,000	(180,000)	7,227,000
TOTAL, PART IX	7,407,000	(180,000)	7,227,000
<u>Part X. United Nations Industrial Development Organization</u>			
21. United Nations Industrial Development Organization	5,729,500	600,500	6,330,000
TOTAL, PART X	5,729,500	600,500	6,330,000
GRAND TOTAL	130,314,230	2,769,770	133,084,000

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

3. The appropriations for technical assistance programmes under part V shall be administered in accordance with the Financial Regulations of the United Nations, except that the definition of obligations and the period of validity of obligations

shall be in accordance with the procedures and practices established for the Technical Assistance component of the United Nations Development Programme;

4. The provisions under sections 1, 3, 5 and 11, in a total amount of \$179,880 relating to the Permanent Central Opium Board and the Drug Supervisory Body, shall be administered as a unit;

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

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

B

Income estimates for the financial year 1967

The General Assembly

1. Resolves that the estimates of income for the financial year 1967, approved by its resolution 2242 (XXI) of 20 December 1966, shall be revised as follows:

	Estimate approved by resolution 2242 (XXI) \$	Increase (decrease) \$	Revised estimate \$
<u>Income section</u>			
<u>Part I. Income from staff assessment</u>			
1. Staff assessment income	13,249,800	223,000	13,472,800
TOTAL, PART I	13,249,800	223,000	13,472,800
<u>Part II. Other income</u>			
2. Funds provided from extrabudgetary accounts	2,196,276	205,668	2,401,944
3. General income	2,777,400	45,800	2,823,200
4. Sale of United Nations postage stamps (United Nations Postal Administration)	1,800,000	700,000	2,500,000
5. Sale of publications	827,650	(170,000)	657,650
6. Services to visitors and catering services	791,300	6,000	797,300
TOTAL, PART II	8,392,626	787,468	9,180,094
GRAND TOTAL	21,642,426	1,010,468	22,652,894

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

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