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SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1970

Report of the Fifth Committee

Rapporteur: Mr. Mohamed EL BARADEI (United Arab Republic)

1. At its 1359th, 1360th and 1361st meetings, held on 9, 12 and 13 October 1970, the Fifth Committee considered the supplementary estimates for 1970 on the basis of the report of the Secretary-General (A/8083), the related report of the Advisory Committee on Administrative and Budgetary Questions (A/8090) and the revised draft resolution provided by the Secretariat (A/C.5/L.1039, annex).
2. In his report (A/8083) the Secretary-General requested credits that would increase the appropriation for 1970 by \$985,350 to a total of \$169,405,350, and submitted revised estimates of income which would increase the approved estimated income by \$1,235,100 to a total of \$30,359,225. Of the total \$985,350 in additional credits requested by the Secretary-General, \$72,900 related to commitments for which the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions had been obtained under the terms of General Assembly resolution 2614 (XXIV) on unforeseen and extraordinary expenses for the financial year 1970; \$334,600 to commitments in respect of the maintenance of peace and security entered into under authority of paragraph 1 (a) of the same resolution; and \$105,500 to expenses incurred by the Secretary-General for assistance to Member States in cases of natural disasters, as provided for in General Assembly resolution 2435 (XXIII), and amended by resolution 2614 (XXIV). The balance of \$472,350 requested by the Secretary-General represented expected additional requirements for which revised appropriations were being requested at this time.

3. In its related report (A/8090), the Advisory Committee recommended an increase of \$735,350 in the appropriations for 1970, representing a reduction of \$250,000 in the amount requested by the Secretary-General. There were no adjustments recommended in the Secretary-General's income estimates. On this basis, the amount to be appropriated for 1970 would be increased to a total of \$169,155,350; the amount available for credit to Member States in respect of their assessed contributions for 1971 would be \$499,750.

4. In recommending a total reduction of \$250,000 in the expenditure estimates submitted by the Secretary-General, the Advisory Committee suggested that \$20,000 be applied to section 2, \$15,000 to section 5, \$20,000 to sections 9 and 10, \$20,000 to section 15, \$40,000 to section 16, \$20,000 to section 17, and the remaining \$115,000 be applied at the discretion of the Secretary-General but mainly to sections 3 and 4. In this regard, the Secretary-General proposed that the entire reduction of \$115,000 be applied to section 3, and that the reduction suggested for sections 9 and 10 be applied equally in the amount of \$10,000 to each section. The recommendations of the Advisory Committee, including the Secretary-General's proposed allocation of the \$115,000 reduction, were incorporated in a revised draft resolution (A/C.5/L.1039).

5. In his statement before the Committee, the Chairman of the Advisory Committee stated that the Advisory Committee had been gratified at the Secretary-General's relatively favourable estimate of supplementary requirements. However, since all estimates involve an element of judgement, the Advisory Committee had subjected the supplementary estimates to its usual close scrutiny before arriving at its recommendations.

6. In the course of discussion of this item, some delegations expressed the view that the submission of supplementary estimates was unjustifiable, especially at this time in view of the poor financial position of the Organization. The request for supplementary funds had become an established practice rather than one to be followed in exceptional circumstances for expenditures of an urgent nature which could not have been foreseen at the time the initial estimates were prepared, and the postponement of which would be detrimental to the substantive work of the Organization. Such additional expenditure in some sections of the budget should, in any case, be offset by savings resulting in other sections.

7. In the view of other delegations, the submission of supplementary estimates was a necessary and normal budgetary procedure which met a need that could arise in any organization. Many delegations congratulated the Secretary-General for having submitted modest supplementary estimates. These delegations were pleased that the increase in expenditures over the authorized appropriations was a modest one and they felt that Member States should not adopt a rigid position towards them. Moreover, one of these delegations pointed out, most of the supplementary appropriations being requested at this time related to expenditure items which the Fifth Committee had decided to reduce when it approved the appropriations for 1970.

8. Some delegations welcomed the increased income which resulted essentially from the sale of stamps and commemorative medallions for the twenty-fifth anniversary of the United Nations and which more than offset the additional expenditure. Although a few of these delegations stressed that such a fortuitous increase in income did not justify over-expenditure and should not give rise to undue optimism in respect of future years, a number of delegations expressed the opinion that this unexpected development served to stress their contention that special attention should be devoted by the Secretariat to expanding the undertaking of new activities of a revenue-producing character.

9. One representative, referring to chapter I of section 17, United Nations Truce Supervision Organization in Palestine (UNTSO), called attention to the military observers who had been killed or wounded in the service of UNTSO and voiced his delegation's concern as to whether sufficient protection was being provided to these observers. The representative of the Secretary-General assured him that the safety of the United Nations military observers was a matter of constant concern to the Secretary-General and was an area in respect of which budgetary considerations were not overriding.

10. Some delegations reiterated their position of principle against the inclusion in the regular budget of expenditures under chapter III of section 12 relating to the United Nations bond issue. These delegations maintained that since the proceeds of the bond issue were utilized to finance peace-keeping operations, the related expenditures should be subject to a scale of assessment different from that for the regular budget. Certain other delegations expressed their long-standing

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objection to the inclusion in the regular budget of some items under sections 12 and 17, including the United Nations bond issue, the United Nations Memorial Cemetery in Korea and the United Nations Commission for the Unification and Rehabilitation of Korea, and sections 13 and 14, Technical programmes, which they considered to be in contravention of the Charter of the United Nations. One of these delegations reiterated its position on the latter two sections which, it maintained, should be financed entirely from voluntary contributions. Regarding section 17, one delegation expressed its reservations concerning chapter XIII, and another delegation stated that it had abstained in the vote on section 17 because it objected to the allocation of funds under chapters XI and XIII for the same reasons which had prompted it to vote against the resolutions establishing the bodies in question.

DECISIONS OF THE COMMITTEE

11. At its 1360th meeting on 12 October 1970, the Committee voted, by section, on the revised estimates as follows:

<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 commissions, committees and other subsidiary bodies	1,402,350	81	0	0
2. Special meetings and conferences	1,741,800	80	0	0
3. Salaries and wages	76,670,000	70	9	1
4. Common staff costs	17,483,000	70	0	8
5. Travel of staff	2,522,900	71	7	2
8. Permanent equipment	840,000	78	0	0
9. Maintenance, operation and rental of premises	5,683,000	68	0	8
10. General expenses	5,860,300	67	0	12
11. Printing	2,824,300	76	0	0
12. Special expenses	9,575,000	63	10	3
15. United Nations Conference on Trade and Development	8,823,200	80	0	0
16. United Nations Industrial Development Organization	10,110,000	80	0	0
17. Special missions	7,655,200	61	9	7
19. International Court of Justice.	1,438,000	77	0	0

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12. Since no change was proposed in the level of the original appropriations under sections 6, 7 and 18, the Committee took no vote on these sections of the budget. At the request of the Union of Soviet Socialist Republics the Committee voted on the continuation of the appropriations figure for part V as a whole, and approved the original appropriation of \$6,908,600 by 71 votes to 6, with 3 abstentions.

13. The Committee approved by 67 votes to 5, with 5 abstentions, draft resolution A on supplementary estimates for the financial year 1970 contained in document A/C.5/L.1039, thereby recommending to the General Assembly a revised appropriation of \$169,155,350 for the financial year 1970.

14. The Committee unanimously adopted draft resolution B establishing a revised estimate of income for the financial year 1970 totalling \$30,359,225.

15. At its 1419th meeting, held on 12 December 1970, the Fifth Committee considered an addendum to the Secretary-General's report on supplementary estimates for 1970 (A/8083/Add.1). Compared with the amounts already approved by the Fifth Committee, these revised estimates involved a total reduction of \$198,400 under the expenditure sections for a total of \$168,956,950, and a total increase of \$781,610 under the estimates of income for a total of \$31,140,835. As a result the amount which would be available for credit to Member States against their 1971 assessments would be increased by \$980,010, to a total of \$1,479,760.

16. The Advisory Committee on Administrative and Budgetary Questions in its related report (A/8090/Add.1) concurred in the Secretary-General's recommended revisions.

17. The Fifth Committee decided to approve the revised supplementary estimates presented in document A/8083/Add.1 and to recommend to the General Assembly that the amounts already approved for supplementary estimates in 1970 be revised accordingly.

RECOMMENDATIONS OF THE FIFTH COMMITTEE

18. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolutions:

Supplementary estimates for the financial year 1970

A

Budget appropriations for the financial year 1970

The General Assembly

Resolves that for the financial year 1970:

1. The amount of \$US168,420,000 appropriated by its resolution 2613 A (XXIV) of 17 December 1969 shall be increased by \$US536,950 as follows:

	Amount appro- priated by resolution 2613 A (XXIV)	Increase (or decrease)	Revised appro- priation
(US dollars)			

Section

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

1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies	1,496,500	(94,150)	1,402,350
2. Special meetings and conferences .	2,091,000	(349,200)	1,741,800
TOTAL, PART I	3,587,500	(443,350)	3,144,150

Part II. Staff costs and related expenses

3. Salaries and wages	75,546,325	1,123,675	76,670,000
4. Common staff costs	17,549,275	(66,275)	17,483,000

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	Amount appro- priated by resolution 2613 A (XXIV)	Increase (or decrease)	Revised appro- priation
(US dollars)			
5. Travel of staff	2,314,400	208,500	2,522,900
6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations; hospitality	145,000	-	145,000
TOTAL, PART II	95,555,000	1,265,900	96,820,900
<u>Part III. Premises, equipment, supplies and services</u>			
7. Buildings and improvements to premises	5,202,600	(250,000)	4,952,600
8. Permanent equipment	820,000	20,000	840,000
9. Maintenance, operation and rental of premises	5,584,950	98,050	5,683,000
10. General expenses	5,699,600	160,700	5,860,300
11. Printing	2,856,450	(32,150)	2,824,300
TOTAL, PART III	20,163,600	(3,400)	20,160,200
<u>Part IV. Special expenses</u>			
12. Special expenses	9,502,700	110,600	9,613,300
TOTAL, PART IV	9,502,700	110,600	9,613,300
<u>Part V. Technical programmes</u>			
13. Economic development, social development, public administration; human rights advisory services and narcotic drugs control	5,408,600	-	5,408,600
14. Industrial development	1,500,000	-	1,500,000
TOTAL, PART V	6,908,600	-	6,908,600

	Amount appro- priated by resolution 2613 A (XXIV)	Increase (or decrease)	Revised appro- priation
(US dollars)			
<u>Part VI. United Nations Conference on Trade and Development</u>			
15. United Nations Conference on Trade and Development	8,911,200	(88,000)	8,823,200
TOTAL, PART VI	8,911,200	(88,000)	8,823,200
<u>Part VII. United Nations Industrial Development Organization</u>			
16. United Nations Industrial Development Organization	10,433,000	(323,000)	10,110,000
TOTAL, PART VII	10,433,000	(323,000)	10,110,000
<u>Part VIII. Special missions</u>			
17. Special missions	7,618,300	50,200	7,668,500
TOTAL, PART VIII	7,618,300	50,200	7,668,500
<u>Part IX. Office of the United Nations High Commissioner for Refugees</u>			
18. Office of the United Nations High Commissioner for Refugees	4,270,100	-	4,270,100
TOTAL, PART IX	4,270,100	-	4,270,100
<u>Part X. International Court of Justice</u>			
19. International Court of Justice . .	1,470,000	(32,000)	1,438,000
TOTAL, PART X	1,470,000	(32,000)	1,438,000
GRAND TOTAL	168,420,000	536,950	168,956,950

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2. The Secretary-General shall be authorized to transfer credits between sections of the budget with the 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 \$249,460 relating to the International Narcotics Control Board, shall be administered as a unit;

5. In addition to the appropriations voted under paragraph 1 above, an amount of \$19,000 is appropriated from the accumulated income of the Library Endowment Fund for the purchase of books, periodicals, maps and library equipment and for 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 1970

The General Assembly

Resolves that for the financial year 1970:

1. The estimates of income approved by its resolution 2613 B (XXIV) of 17 December 1969 shall be revised as follows:

	Estimate approved by resolution 2613 B (XXIV)	Increase (or decrease)	Revised Estimate
(US dollars)			
<u>Income section</u>			
<u>Part I. Income from staff assessment</u>			
1. Income from staff assessment . . .	19,180,000	25,000	19,205,000
TOTAL, PART I	19,180,000	25,000	19,205,000

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	Estimate approved by resolution 2613 B (XXIV)	Increase (or decrease)	Revised estimate
(US dollars)			
<u>Part II. Other income</u>			
2. Funds provided from extra- budgetary accounts	2,451,400	4,200	2,455,600
3. General income	4,173,500	589,610	4,763,110
4. Revenue-producing activities . . .	3,319,225	1,397,900	4,717,125
TOTAL, PART II	9,944,125	1,991,710	11,935,835
GRAND TOTAL	29,124,125	2,016,710	31,140,835

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

3. Direct expenses of the United Nations Postal Administration, services to visitors, catering and related services, and the sale of publications shall be charged against the income derived from those activities.
