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SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1956

Report of the Fifth Committee

Rapporteur: Mr. Francisco A. FORTEZA (Uruguay)

1. At its 536th meeting, held on 21 November 1956, the Fifth Committee considered the supplementary estimates for the financial year 1956. The estimates were submitted by the Secretary-General in documents A/3207 and Add.1; the Committee also had before it a report (A/3353) of the Advisory Committee on Administrative and Budgetary Questions.

2. The supplementary estimates submitted by the Secretary-General involved an increase of \$2,117,000 to the 1956 appropriations approved by the General Assembly at its tenth session in resolution 979 (X). In its report, the Advisory Committee analysed the additional requirements in broad categories as follows:

	Amount approved for 1956 by General Assembly resolution 979 (X) of 16 December	\$
		48,566,350
<u>Estimated additional requirements for 1956</u>		
(a) (i)	Commitments relating to the maintenance of peace and security.....	555,000
(ii)	Commitments entered into with the prior concurrence of the Advisory Committee.....	383,250
(iii)	Other requirements.....	778,750
		1,717,000

(b) Special costs related to the emergency special sessions of the General Assembly (November 1956) and meetings of the Security Council (October-November 1956).....	400,000
Revised 1956 appropriation proposed by the Secretary-General.....	50,683,350

3. The Advisory Committee's report further summarized the items noted in sub-paragraphs a (i), (ii) and (iii) of paragraph 2 above. While stating that in less abnormal circumstances, it might have questioned certain of the items, other than those related to the maintenance of peace and security, and might have recommended some reductions in the supplementary estimates, the Advisory Committee limited itself to certain specific observations and to the general suggestion that, in the preparation of initial budget estimates for future years, a careful study should be made of the factors that give rise to supplementary estimates. Subject to these comments, the Advisory Committee recommended approval of the increased appropriation as requested by the Secretary-General.

4. The comments expressed in the Fifth Committee on particular points to which attention had been called by the Advisory Committee are given below. On the supplementary estimates as a whole, however, it was felt by some delegations that a request for an additional provision of \$2,117,000 should not be acceded to lightly. While the circumstances had been exceptional, the amounts involved were nonetheless considerable and it was felt that delegations should have had more time to study the estimates before being asked to reach a decision upon them. It was recalled that, at a previous session, a number of delegations had expressed their concern at the increasing expenditure incurred by the United Nations and the specialized agencies. In consequence, they had urged the maximum economy in the utilization of United Nations resources, so that to the fullest extent possible funds might be released to meet urgent needs. Since the appropriation for 1956 had been larger than in previous years and an additional appropriation was now being requested, it was essential, in the view of some delegations, to consider the direction in which the United Nations expenditure was moving, for it did not appear to them that either the budget or the organization of the work of the

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United Nations as a whole had been stabilized. Some delegations expressed their inability to approve supplementary provisions for a number of activities which they believed to be in contravention of the Charter, and for which they had previously objected to any budget provision being made.

5. The Fifth Committee noted that the Advisory Committee had expressed satisfaction at the improved form of presentation of the supplementary estimates, which had facilitated its review. In referring to this point in the Fifth Committee, the hope was expressed that such improvement would be carried a step further and that the estimates for all sections of the budget would be presented in a uniform manner.

6. Discussion of the supplementary estimates in the Fifth Committee was directed particularly to certain items on which specific observations had been made by the Advisory Committee, namely:

(a) The deficit of \$305,000 at Headquarters and \$78,000 at Geneva due to the difference between the savings that were presently anticipated on account of turnover adjustment and the deduction rates that were assumed in the preparation of the 1956 budget;

(b) The deficit of \$328,800 at the United Nations Office at Geneva due in part to unforeseen and extraordinary expenses incurred, with the prior concurrence of the Advisory Committee, for Geneva sessions of various bodies; and

(c) The additional requirements for the special costs related to the emergency special sessions of the General Assembly (November 1956) and meetings of the Security Council (October-November 1956), and the specific procedures that were proposed for the administration of the amount of \$400,000 requested for this purpose.

Reduction for turnover of staff

7. In paragraph 9 of his foreword to the 1956 budget estimates,^{1/} the Secretary-General had given the reasons which had led him to apply a reduction of 5 per cent to the 1956 estimates for established posts at Headquarters and of

1/ Official Records of the General Assembly, Tenth Session, Supplement No. 5 (A/2904).

4 per cent to those of the Geneva Office. At the same time, he had warned the General Assembly that there was an element of doubt as to whether so large a saving for turnover would be made. In his report (A/3207), the Secretary-General explained that the anticipated deficits in the accounts for established posts at Headquarters and at the Geneva Office was due, almost wholly, to the fact that the actual rate of turnover of staff during 1956 had been lower than that which the relevant estimates had assumed. This, he explained, was the reason for the anticipated deficit of \$330,000 at Headquarters (except for an amount of \$25,000) and of \$78,000 at Geneva in the established post accounts for those offices.

8. The Advisory Committee, in commenting on this matter, noted that the savings now anticipated on turnover were 3.3 per cent at Headquarters and 1.7 per cent at Geneva, as compared with the deduction that had been used in the 1956 estimates of 5 per cent and 4 per cent, respectively. While appreciating the doubt which the Secretary-General had expressed in his 1956 budget foreword, the Advisory Committee was of the opinion that the margin of the actual difference was disproportionately wide and it believed that it should be possible to analyse more systematically the various elements involved, so that future budget adjustments might represent an informed judgement of savings likely to accrue under the heading of savings in respect of turnover of staff.

9. In the discussion of this question in the Fifth Committee, note was taken of the assurance which the Secretary-General had given to the Advisory Committee that a careful examination of the matter would be undertaken to ensure realistic estimates in the future to the extent that this was possible. The point was also made that a more flexible policy in the use of qualified staff would obviate the need for the substantial increase in appropriations for staff purposes that had been requested both by Headquarters and Geneva. It was further considered that the Fifth Committee should not normally be asked to approve such appropriations. While in exceptional circumstances it might be appropriate for the Secretary-General to request additional funds, he should at the same time provide adequate evidence that he had tried to remain within the initially approved estimate. The view was also expressed that if in the middle of the year it appeared that the savings from turnover would be less than anticipated, the Secretary-General should take drastic steps to absorb the additional costs during the second half of the year.

10. The representative of the Secretary-General gave the Committee further explanations of the shortfall and confirmed that every effort would be made to find a basis for a more realistic estimate of turnover savings. In the meantime, as had been noted by the Advisory Committee, the Secretary-General could give no absolute assurance that for 1957, the 4 per cent reduction made for turnover used in the 1957 estimates, would be fully realized. If the turnover estimates should prove inaccurate, everything possible would be done to absorb any resulting deficit. However, the Secretary-General, it was explained, had to make his staffing arrangements on the basis of the manning tables approved by the General Assembly, and he did not assume that, in order to meet a shortfall in the estimate of turnover savings, he was obligated to engage in retrenchment or dismissal of staff.

Venue of meetings

11. The Advisory Committee in its report observed that the deficit in section 18, United Nations Office at Geneva, was due in part to the costs for Geneva sessions of various bodies for which provision had not been included in the 1956 appropriations. In each such case, the commission or committee concerned either was outside the scope of the fixed Headquarters/Geneva conference pattern or had received authority from the General Assembly to meet away from Headquarters. Though technically no deviation from the pattern had occurred, the decision to meet in Geneva had led, in at least one instance, to heavy additional expenditure which appeared unwarranted if considered solely from the budgetary point of view. This aspect had been brought to the attention of the Economic and Social Council and the Advisory Committee's concurrence in the expenditures involved had been qualified accordingly.

12. In the discussion in the Fifth Committee, the view was expressed that approval was warranted of expenditure not provided for in the original budget estimates which was considered essential by an organ of the United Nations or by the Secretary-General, and which was concurred in by the Advisory Committee. It was necessary, however, that all bodies should exercise restraint in calling for special conferences or in initiating additional studies for which the General Assembly itself had made no appropriation. Since the possibility of

efficient and economical management was dependent in large measure upon advance planning, the action that had been taken by the Economic and Social Council had placed the Secretary-General and the Advisory Committee in a difficult position as regards intelligent planning of conferences and utilization of staff resources.

Special costs related to the emergency special sessions of the General Assembly (November 1956) and meetings of the Security Council (October-November 1956)

13. In his report (A/3207/Add.1) the Secretary-General pointed out that his original supplementary estimates (A/3207) in the amount of \$1,717,000 had covered all items known and foreseen as of 30 October 1956, which could not be met from the estimates already approved by the General Assembly. Since the issuance of that report, the Organization had been faced with a series of emergency commitments and expenditures stemming from the first and second emergency special sessions of the General Assembly, the extended meetings of the Security Council and related administrative and operational activities. While the full impact of the extra costs involved was not yet known, the Secretary-General gave tentative indications of the amounts that might be involved under various broad headings, and concluded that an amount of the order of \$400,000 would be required in addition to the supplementary estimates already put forward. He considered that the latter estimates were still valid to cover the anticipated expenses arising from "normal" activities. In the existing circumstances, the Secretary-General proposed that a separate section 35 should be added to the 1956 budget, entitled "Special costs related to the first and second emergency special sessions of the General Assembly" and that an amount of \$400,000 should be appropriated under the new section.

14. The Secretary-General added, in the report, that he would submit to the Advisory Committee, as early as feasible, a more detailed breakdown of the charges under this section for the purposes of control, and that, though he considered the global appropriation of \$400,000 as reasonable, he would inform the General Assembly before the end of 1956 if there were any basis that would clearly justify a modification of the amount. Alternatively, the Secretary-General would, if the facts known early in 1957 so warranted, make a suitable downward adjustment in the 1957 assessments.

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15. In its report (A/3355) the Advisory Committee stated that it was prepared, in the circumstances, to recommend the provisional appropriation of \$400,000, on the understanding that it would receive, not later than the end of 1956, a detailed justification in support of the charges or groups of charges on the basis of which the Advisory Committee would report to the General Assembly, at its current session, on the expenditures in question.

16. In discussing this question, several representatives referred in the Fifth Committee to the unusual circumstances under which these additional costs were being incurred. In view of this fact, they were prepared to endorse the special procedure that had been proposed by the Secretary-General and agreed to by the Advisory Committee, on the understanding that details of the expenditures actually incurred would be subsequently reported on by the Secretary-General, through the Advisory Committee, during the current session. They urged that every effort be made to keep such expenditures to a minimum. Differing views were expressed in the discussion on the second alternative which the Secretary-General had suggested and which is noted in paragraph 14 above. One delegation believed that, should the appropriation prove to be too high, the Secretary-General had proposed a reasonable solution. Another delegation did not believe that that procedure was desirable. It was pointed out to the Committee that, in the further report to be prepared, Member States would be informed in advance of any adjustment to the special appropriation of \$400,000 which might be reflected in the 1957 assessments.

17. The Fifth Committee approved, by 49 votes to 7, with 3 abstentions, the recommendation of the Advisory Committee that the amount of \$48,566,350 appropriated for the financial year 1956 under General Assembly resolution 979 (X) of 16 December 1955 should be increased by \$2,117,000 to \$50,683,350. Accordingly, the Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

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SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1956

The General Assembly

Resolves that for the financial year 1956:

1. The amount of \$US 48,566,350 appropriated by its resolution 979 (X) of 16 December 1955 is increased by \$US 2,117,000 as follows:

	<u>Amount appropriated (adjusted, where necessary under para- graph 3(b) or resolution 979 (X))</u>	<u>Supplementary appropriation, increase or decrease</u>	<u>Revised amounts of appro- priation</u>
A. UNITED NATIONS (In US dollars)			
<u>Section</u>			
<u>Part I. Sessions of the General Assembly, the Councils, Commissions and Committees</u>			
1.	The General Assembly, Commissions and Committees	457,500	22,650
2.	The Security Council, Commissions and Committees	---	66,500
3.	The Economic and Social Council, Commissions and Committees	107,500	25,300
3a.	Permanent Central Opium Board and Drug Supervisory Body.	29,400	---
3b.	Regional economic commissions.	37,000	(1,000)
4.	The Trusteeship Council, Commissions and Committees.	50,000	11,600
	TOTAL, PART I	681,400	125,050
<u>Part II. Special missions and related activities</u>			
5.	Special missions and related activities	1,991,450	303,550
5a.	United Nations Field Service	584,600	105,300
	TOTAL, PART II	2,576,050	408,850
		480,150	66,500
		132,800	29,400
		36,000	61,600
		806,450	2,295,000
		689,900	2,984,900

<u>Section</u>	<u>Amount appro- priated (ad- justed where necessary under para- graph 3(b) of resolution 979 (X))</u>	<u>Supplementary appropriation, increase or decrease</u>	<u>Revised amounts of appro- priation</u>	
	(in US dollars)			
<u>Part III. Headquarters, New York</u>				
6.	Offices of the Secretary-General	2,079,400	82,200	2,161,600
6a.	Office of Under-Secretaries without Department	140,600	(7,100)	133,500
7.	Department of Political and Security Council Affairs	566,700	17,500	584,200
7a.	Secretariat of the Military Staff Committee	110,100	900	111,000
8.	Department of Economic and Social Affairs	3,337,400	(25,700)	3,311,700
9.	Department of Trusteeship and Information from Non-Self- Governing Territories	751,000	13,500	764,500
10.	Department of Public Information	2,531,600	39,900	2,571,500
10a.	Visitors Service	404,500	(11,500)	393,000
11.	Department of Conference Services	6,391,400	76,600	6,468,000
11a.	Library	495,000	8,400	503,400
12.	Office of General Services	3,056,200	135,300	3,191,500
13.	Temporary assistance and consultants	493,000	-	493,000
14.	Travel of staff	1,170,000	-	1,170,000
15.	Common staff costs	3,273,600	109,500	3,383,100
16.	Common services	3,645,700	200,000	3,845,700
17.	Permanent equipment	165,000	60,000	225,000
	TOTAL, PART III	28,611,200	699,500	29,310,700

<u>Section</u>	<u>Amount appro- priated (ad- justed where necessary under para- graph 3(b) of resolution 979 (X))</u>	<u>Supplementary appropriation, increase or decrease</u>	<u>Revised amounts of appro- priation</u>	
	<u>(in US dollars)</u>			
<u>Part IV. European Office of the United Nations</u>				
18.	European Office of the United Nations (excluding direct costs, chapter III, Joint secretariat of the Permanent Central Opium Board and Drug Supervisory Body) Chapter III, Joint secretariat of the Permanent Central Opium Board and Drug Supervisory Body	4,932,750	325,770	5,258,500
19.	Office of the United Nations High Commissioner for Refugees	65,970	2,030	68,000
	685,000	(1,300)	683,700	
	TOTAL, PART IV	5,683,700	326,500	6,010,200
<u>Part V. Information Centres</u>				
20.	Information Centres (other than the Information Centre, European Office of the United Nations).	940,000	13,000	953,000
		940,000	13,000	953,000
<u>Part VI. Secretariats of the regional economic commissions (other than the Economic Commission for Europe)</u>				
21.	Secretariat of the Economic Commission for Asia and the Far East	1,198,200	(23,200)	1,175,000
22.	Secretariat of the Economic Commission for Latin America .	1,015,100	200,300	1,215,400
	TOTAL, PART VI	2,213,300	177,100	2,390,400

		<u>Amount appro- priated (ad- justed where necessary under para- graph 3(b) of resolution 979 (X))</u>	<u>Supplementary appropriation, increase or decrease</u>	<u>Revised amounts of appro- priation</u>
<u>Section</u>		<u>(in US dollars)</u>		
	<u>Part VII. Representation and hospitality expenses</u>			
23.	Special payments under annex I paragraph 2, of the Staff Regulations	50,000	-	50,000
24.	Hospitality	20,000	-	20,000
	TOTAL, PART VII	70,000	-	70,000
	<u>Part VIII. Contractual printing</u>			
25.	Contractual printing (excluding chapter I, article (v), Permanent Central Opium Board and Drug Supervisory Body)	1,382,460	(60,000)	1,322,460
	Chapter I, article (v), Permanent Central Opium Board and Drug Supervisory Body	9,440	-	9,440
	TOTAL, PART VIII	1,391,900	(60,000)	1,331,900
	<u>Part IX. Technical programmes</u>			
26.	Technical Assistance Administra- tion	386,700	-	386,700
27.	Economic development	479,400	-	479,400
28.	Social activities	1,000,000	-	1,000,000
28a.	Human rights activities	50,000	-	50,000
29.	Public administration	145,000	-	145,000
	TOTAL, PART IX	2,061,100	-	2,061,100

<u>Section</u>	<u>Amount appro- priated (ad- justed where necessary under para- graph 3(b) of resolution 979 (X))</u>	<u>Supplementary appropriation, increase or decrease</u>	<u>Revised amounts of appro- priation</u>	
(in US dollars)				
<u>Part X. Special expenses</u>				
30.	Transfer of the assets of the League of Nations to the United Nations	649,500	-	649,500
31.	Amortization of the Headquarters construction loan	2,000,000	-	2,000,000
	TOTAL, PART X	2,649,500	-	2,649,500
<u>Part XI. Joint Staff Pension Board and United Nations Staff Pension Committee</u>				
32.	Joint Staff Pension Board and United Nations Staff Pension Committee	107,200	-	107,200
	TOTAL, PART XI	107,200	-	107,200
B. THE INTERNATIONAL COURT OF JUSTICE				
<u>Part XII. International Court of Justice</u>				
33.	The International Court of Justice	620,000	(27,000)	593,000
	TOTAL, PART XII	620,000	(27,000)	593,000
C. SPECIAL ITEMS				
<u>Part XIII. Special items</u>				
34.	International Conference on the Peaceful Uses of Atomic Energy	961,000	54,000	1,015,000
35.	Special costs related to the first and second emergency special sessions of the General Assembly	-	400,000	400,000
	TOTAL, PART XIII	961,000	454,000	1,415,000
	GRAND TOTAL	48,566,350	2,117,000	50,683,350