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BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1957

Revised estimates for sections 3, 8, 13, 14, 15, 21, 28a, 29

Twenty-fifth report of the Advisory Committee on Administrative and Budgetary Questions to the eleventh session of the General Assembly

1. The Advisory Committee on Administrative and Budgetary Questions has considered two reports of the Secretary-General (A/C.5/663 and 666) in which he proposes upward revisions, totalling \$409,150^{1/}, in various sections of the 1957 budget estimates for the purpose of implementing decisions taken by the Economic and Social Council at its twenty-first and twenty-second sessions (1956). These revisions do not cover all the costs expected to arise out of the Council's decisions, inasmuch as no provision is made for the extra expenditure involved in the translation and printing of related reports and publications. Account will be taken of these further items when the Secretary-General revises the over-all 1957 requirements for temporary assistance and contractual printing, principally in the light of the prolongation into 1957 of the eleventh session of the General Assembly.

2. In considering the revised estimates, the Advisory Committee has taken account of the general budgetary situation for the years 1956 and 1957. For 1956, the Fifth Committee has recommended (A/3419) supplementary appropriations to a total amount of \$2,117,000, bringing the 1956 budget to \$50,683,350. While the final level of the Secretary General's estimates for 1957 cannot yet be determined, present indications are that the total of these estimates will exceed \$49.3 million. For assessment purposes, the supplementary 1956 appropriations will be added to the

^{1/} \$399,150 of this amount is covered by document A/C.5/663 and the balance of \$10,000 by document A/C.5/666.

amount initially appropriated for 1957, with the result that the gross amount on which assessments will be based will reach, according to the estimates submitted by the Secretary-General, a figure of about \$51.5 million, subject, of course, to adjustments for miscellaneous income and other credits.

3. The revisions in the initial estimates for economic and social activities, including an increase of \$78,400 proposed by the Secretary-General in a separate report (AC.5/664) for economic studies in the Middle East and Africa, amount to a total of \$487,550. The estimates as originally submitted reflected a proposed total expenditure of some \$13 million for activities in these fields in 1957, as compared with a corresponding 1956 figure of some \$12 million.

4. Among other things, a budget constitutes authority for the execution of the work programmes for which it contains financial provision. It is, therefore, important that the budget for a given financial period should be conceived in comprehensive terms covering all programmes to be undertaken during that period, and that subsequent additions to, and revisions of, the budget should be considered as exceptional. Furthermore, in the case of the United Nations budget, it is often difficult to make an isolated appraisal of revisions or supplementary requests after the budget has been formulated and reviewed as one comprehensive whole.

5. Admittedly, it is unavoidable in present circumstances that the Secretary-General's annual budget estimates have to be formulated, and even their detailed examination undertaken by the Advisory Committee, in advance of the most important yearly review of programmes in the economic and social fields, which, from a budgetary point of view, constitute the largest segment of the total activities of the Organization. The Secretary-General's initial estimates for these fields of activity thus comprise several elements of varying degrees of importance and priority: the approved continuing work-programmes; projects recommended by such of the subsidiary bodies as have met before the estimates are prepared; re-adjustments in the programme on the basis of desires generally expressed by Member States; and, at times, proposals submitted by the Secretary-General himself for the effective development of programmes. These several elements are doubtless fitted together on the basis of the Secretary-General's best judgement as to their relative priority and in the light of such views as may have been

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expressed in the course of discussion in various bodies. It is, however, a matter of great difficulty, once a comprehensive programme has been conceived with care and formulated, so to re-arrange its component elements as to take account of changes in priorities that may result from major decisions subsequently taken by the various organs. The Advisory Committee is not convinced that such attempts as have been made in this direction have been entirely successful, or that certain projects of a relatively low priority, included in the initial estimates, have in fact been deleted or postponed in favour of more important projects approved at a later date.

6. The problem is indeed a more general one, as is shown by the large number of individual revisions that have been submitted since the issuance of the initial budget estimates for 1957. In so far as these arise from proposals of programme organs, e.g., the Economic and Social Council, which are, of course competent to offer such proposals at any time, the General Assembly may wish to consider ways and means by which additions to a total programme of work which has already been formulated for a given year may be kept to a minimum. For example, it may be felt that the implementation of any proposals, except the most urgent, which are decided upon after the issuance of the initial estimates for a given budget year should be deferred for one year and be reflected for the first time in the initial estimates for the second year.

7. As regards budgetary revisions which are not related to decisions or recommendations of programme organs, the Advisory Committee would recommend the fixing of a time-limit in each year, after which upward revisions could not be submitted in respect of the estimates for the following year. Such a time-limit might appropriately be set at some point between the issuance of the initial estimates and the opening of the relevant regular session of the General Assembly.

8. In any event, it would assist the appraisal of the budgetary consequences of the inclusion of new projects if modifications in the initial estimates were reflected in a completely revised presentation of the relevant budget sections, rather than in the form of additional project-type estimates. The addition, for example, of a project involving the full time of one official during the year does not necessarily call for the creation of a new post, and the revised estimates should clearly reflect the extent to which the work of the interested department or division has been reviewed, with the object of absorbing the new project in

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preference to a less important project that may appropriately be deferred. Specifically, as regards the decisions of the Economic and Social Council, such a revised presentation would affect mainly the present budget sections 8 (Department of Economic and Social Affairs), 13 (Temporary assistance and consultants), 14 (Travel of staff), and 21 and 22 (secretariats of the Economic Commissions for Asia and the Far East and for Latin America).

9. The Advisory Committee wishes also to stress the importance of scrupulously observing the administrative prerogatives and responsibilities that are vested in the Secretary-General, who, as the chief administrative officer, heads a principal organ of the United Nations. It rests with him to determine, at any rate initially, whether a project which has been recommended or decided on by the competent programme organ is to be implemented through an addition to the established strength of the Secretariat or in some other manner. Likewise, such questions as the method of financing given programmes and the related organizational adjustments must be the responsibility of the Secretary-General, with whom it rests to make appropriate proposals for consideration by the General Assembly. These matters are touched upon at this point because the Advisory Committee has occasionally had before it recommendations from programme organs explicitly calling for an increase in staff or other organizational readjustments.

Recommendations of the Advisory Committee

I. Commission on Narcotic Drugs

10. The Advisory Committee recommends the inclusion of an additional provision of \$1,100 to cover the subsistence costs of the representatives of the Permanent Central Opium Board and the Drug Supervisory Body and of substantive staff during the proposed additional week of the 1957 session of the Commission on Narcotic Drugs.

II. Department of Economic and Social Affairs

A. Studies of atomic energy and other new sources of energy

11. The Secretary-General estimates that additional funds under section 13, amounting to \$22,250, will be needed in 1957 in respect of the study on atomic energy called for under Economic and Social Council resolution 597B (XXI). Of this amount, \$16,250 is required for the costs of a seven-member panel of experts due to meet early in 1957, and the balance (\$6,000) to provide for the continued services during 1957 of one of the consultants engaged on the project in 1956.

12. The Advisory Committee has some doubt both as regards the number of members proposed for the panel of experts, and as regards the payment of a daily fee of \$50 in addition to subsistence allowance. Furthermore, as provision for other similar ad hoc groups of experts is included in section 8, chapter II, of the 1957 estimates, that section, appropriately augmented - rather than section 13 (Temporary assistance and consultants) - might be used to finance the panel on atomic energy as well. The Advisory Committee accordingly considers that the appropriation under section 8, chapter II, should be increased by \$10,000, on the understanding that any additional requirements for the expert panel would be found from available funds in that chapter by the postponement or curtailment, if necessary, of other activities.

13. As to the \$6,000 for one consultant in 1957, an effort should be made to cover, without specific addition, the necessary costs from the total funds in section 13.

14. The Advisory Committee notes that the 1957 expenditure for the report on new sources of energy requested by Council resolution 598 (XXI) will be limited to printing costs which, as stated in paragraph 1 above, will be taken into account in a revision of total publication costs in 1957.

B. Industrialization

15. The total anticipated requirements for 1957 in respect of the programme of work on industrialization and productivity which was generally approved in Council resolution 618 (XXII) of 6 August 1956 amount to \$97,000, exclusive of certain translation and printing costs. The organizational arrangements contemplated for this programme include the strengthening of the permanent staff at Headquarters (\$33,500), the utilization of consultant services for special studies (\$30,000), meetings of expert groups (\$27,000), and improved consultations between Headquarters and the regions as well as between the United Nations and interested specialized agencies (\$6,500).

16. Details of the proposed work programme, which constitutes an initial approach to a necessarily wide area of activity, are contained in a report of the Secretary-General (E/2895)^{2/}, on the basis of which the Council adopted resolution 618 (XXII). There is no question of the growing importance of the problem of industrialization

^{2/} Official Records of the Economic and Social Council, Twenty-second Session, Annexes, agenda item 4.

and urbanization and of the need for international action, as illustrated by the increasing number of requests for technical assistance in specific industrial fields. It is no less important that full advantage should be taken of the experience gained from such technical assistance assignments in meeting the over-all problem and in relating specific experience to more general solutions. Nevertheless, the programme of work proposed for 1957 is admittedly a first step. As such, it should be undertaken with great care, and particularly since the evidence before the Advisory Committee suggests that the lines along which the future programme will be developed still remain to be determined.

17. In view of this general consideration, the Advisory Committee considers that the additional 1957 provision for the programme on industrialization should be limited to \$65,000. This recommendation would not appear to involve any substantial curtailment of the proposed programme, provided that every effort is made to utilize - where necessary on a priority basis - the resources now available in the Secretariat. Furthermore, the implementation of the programme at a slightly reduced pace might be envisaged without detriment to its purposes.

18. On the details of the estimate, the Committee regards the additional provision for consultant services (paragraph 12(d)) as unduly large: studies on only two projects are definitively proposed for 1957, the third project being included on a tentative basis. Some savings should also be possible in respect of the two expert meetings (paragraph 12(e)), and particularly if, as the Committee recommends, the larger meeting were also held at Headquarters. A retarding of the programme would also lead to decreases in salary and travel costs.

C. Statistical advisory services

19. In accordance with Economic and Social Council resolution 622A (XXII), the Secretary-General proposes that initially three statisticians, who would function under the supervision of Headquarters, should be detailed one each to the Economic Commissions for Asia and the Far East and for Latin America, and the third to the Middle East. The Council's resolution cites the general purpose of this programme as a strengthening of the provision to Member States, at their request, of assistance in various statistical fields, directed principally at improving the quality and coverage of national and regional statistical data.

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20. The Advisory Committee is informed that, although the primary objective is to assist requesting Governments in improving their statistical organization and procedures - and there are similar projects at present being financed from technical assistance funds - the over-all need and importance of adequate national and regional statistics in relation to the basic work of the Organization, and particularly in the economic and social fields, make it desirable to include the proposed activity within the regular programme.

21. While the proposal is generally acceptable to the Advisory Committee, specific reductions in the estimate are recommended on the following grounds:

(a) In view of the existing complement of high-level posts in the Statistical Office, it is not considered necessary to classify all three posts at the Senior Officer (P-5) level;

(b) Because of the specialized nature of the posts, recruitment for them or for related replacement posts at Headquarters is likely to be delayed; allowance might be made for an interval of two months;

(c) Fuller account might be taken in the estimate for travel costs of the fact that travel to countries undertaken at the request of Governments in connexion with technical assistance projects is chargeable to such projects.

22. The Committee accordingly recommends an appropriation of \$40,000, the reduction of \$13,000 to be distributed as follows: \$10,000 in section 8 for salary costs; \$2,000 in section 14 for travel costs; and \$1,000 in section 15 for common staff costs. It is understood that staff will be assigned from the Headquarters Statistical Office in rotation, for periods of not less than two years.

D. Human rights

23. As compared with the financial implications (estimated for 1957 at some \$135,000) of the recommendations made by the Commission on Human Rights at its twelfth session (E/2844)^{3/}, the proposals in paragraph 21-22 of the Secretary-General's report (A/C.5/663) represent an attempt at the concentration of effort and resources. Excluding printing and related costs, the additional provision requested for 1957 amounts to \$45,800, comprising \$38,200 for salaries and \$7,600 for common staff costs. As the strength of the Human Rights Division has been

3/ Official Records of the Economic and Social Council Twenty-second Session, Supplement No. 3.

appreciably reduced in recent years, the Advisory Committee concurs in the proposed staffing additions. The Secretary-General's estimate takes account of possible recruitment delays.

III. Secretariat of the Economic Commission for Asia and the Far East

24. As regards the proposed joint FAO-ECAFE study of timber trends and prospects in Asia and the Far East, the Advisory Committee has taken account of the following considerations:

(a) While agreeing that the project was an important one and including it in the category of ad hoc projects of high priority, ECAFE made no positive recommendation as to the extent of ECAFE participation;

(b) Apart from the support accorded to the project during the discussions in the Economic and Social Council, there is no indication of a formal endorsement of the study by the Council; and

(c) As the programme and budget of FAO for 1957 were generally approved in 1955, any necessary matching provision, if it was considered of sufficiently high priority, might have been included in the initial 1957 estimates of the United Nations.

25. It appears to the Advisory Committee to be open to question in this particular case whether procedures for the formulation of programmes have been followed in such a manner as to leave no doubt regarding the relevant programme decisions or the priority accorded to the project in the over-all programme of the Organization. Nevertheless, in view of the fact (a) that the project is to be undertaken jointly by ECAFE and FAO; (b) that the latter organization has taken a positive decision to proceed with the project; and (c) that it has been represented to the Committee that the Secretary-General attaches importance to the project, the Advisory Committee concurs in the proposal, provided that the additional budget provision for 1957 is reduced by \$5,000 to \$20,000.

IV. Technical programmes: public administration

26. In adopting resolution 623A II (XXII), the Economic and Social Council recognized the growing need for assistance in the field of public administration and took note of a statement by the Secretary-General concerning the inadequacy of available funds in relation to expanding requirements. The Council also requested the Secretary-General to provide the General Assembly with full documentation in

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support of his request for additional funds, and recommended that the Assembly, in the light of that material, should give special attention to the adequate financing of the programme.

27. The Secretary-General has accordingly submitted a report on this question (A/C.2/189) to the General Assembly at its current session. This report will be considered in the first instance by the Second Committee, whose comments and recommendations on the substantive aspects of, and necessity for, the programme in question will doubtless be available to the Fifth Committee.

28. The Advisory Committee has previously expressed the view (A/3160, paragraph 268)¹ that the appropriate lump-sum amounts to be allocated from the regular budget towards the cost of technical programmes depend primarily on a decision of policy concerning the level of such programmes to be taken by the General Assembly in the light of over-all budgetary considerations. Confining itself to those considerations and to the total budget requirements for 1957, the Advisory Committee considers that, should the Assembly approve an expansion in technical programmes in the field of public administration, the increase in the appropriation under section 29 for this purpose should be limited to \$55,000, making a total appropriation for that section of \$200,000.

29. The Advisory Committee has also considered a separate report of the Secretary-General (A/C.5/666) proposing that the 1957 estimate for section 28a, Technical programmes: human rights activities, should be increased by \$10,000 to \$60,000. For the reasons stated in the preceding paragraph, the Committee recommends that the increase should be held to a maximum of \$5,000.

Summary of recommendations

30. The recommendations contained in the foregoing paragraphs may be summarized as follows. For convenience of reference, the recommendations are related by appropriation sections of the 1957 budget, to the summary of the Secretary-General's proposals contained in document A/C.5/663 (pages 12-13):

Revisions in the 1957 estimates

Section and item ^{a/}	Amount recommended		Reduction
	Secretary-General's estimate	by the Advisory Committee	
	\$	\$	\$
<u>A/C.5/663</u>			
3. Economic and Social Council, Commissions and Committees			
a. Commission on Narcotic Drugs (para. 10)	1,100	1,100	-
Total - section 3	<u>1,100</u>	<u>1,100</u>	<u>-</u>
8. Department of Economic and Social Affairs			
a. Additional staff for industrialization (paras. 17-18)	28,000	19,000	9,000
b. <u>Ad hoc</u> meetings of experts on industrialization (para. 17-18)	27,000	18,000	9,000
c. Additional staff for human rights (para. 23)	38,200	38,200	-
d. Additional staff for statistical advisory services (paras. 21-22)	40,000	30,000	10,000
e. Panel of experts - atomic energy (para. 12) ^{b/}	16,250	10,000	6,250
Total - section 8	<u>149,450</u>	<u>115,200</u>	<u>34,250</u>
13. Temporary assistance and consultants ^{c/}			
a. Consultants - industrialization (paras. 17-18)	30,000	20,000	10,000
b. Consultants - atomic energy (para. 13) ..	6,000	-	6,000
Total - section 13	<u>36,000</u>	<u>20,000</u>	<u>16,000</u>
14. Travel			
a. Travel on official business - industrialization (paras. 17-18)	6,500	3,500	3,000
b. Travel on official business - statistical advisory services (paras.21-22)	6,000	4,000	2,000
Total - section 14	<u>12,500</u>	<u>7,500</u>	<u>5,000</u>

a/ Paragraph references are to the present report.

b/ This item is included under section 13 in the Secretary-General's proposals.

c/ In the Secretary-General's proposals, this section includes also item (e) in section 8 above.

	Secretary- General's estimate \$	Amount recommended by the Advisory Committee \$	Reduction \$
15. Common staff costs			
a. Additional staff for industrialization (paras. 17-18)	5,500	4,500	1,000
b. Additional staff for human rights (para. 23)	7,600	7,600	-
c. Additional staff for Statistical advisory services (paras. 21-22).....	<u>7,000</u>	<u>6,000</u>	<u>1,000</u>
Total - section 15	20,100	18,100	2,000
21. Secretariat of the Economic Commission for Asia and the Far East			
a. Timber study (paras. 24-25)	<u>25,000</u>	<u>20,000</u>	<u>5,000</u>
Total - section 21	25,000	20,000	5,000
25. Contractual printing	- <u>d/</u>	- <u>d/</u>	- <u>d/</u>
29. Technical programmes - public administration (paras. 26-28)	<u>155,000</u>	<u>55,000</u>	<u>100,000</u>
Total - section 29	155,000	55,000	100,000
<u>A/C.5/664</u>			
28a. Technical programmes - human rights (para. 29)	<u>10,000</u>	<u>5,000</u>	<u>5,000</u>
Total - section 28a	<u>10,000</u>	<u>5,000</u>	<u>5,000</u>
Grand total - revisions	<u>409,150</u>	<u>241,900</u>	<u>167,250</u>

d/ Amounts to be proposed at a later stage.