

UNITED NATIONS

SECRETARIAT

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ADMINISTRATIVE INSTRUCTION

To: Members of the staff

Subject: REGULATIONS FOR THE CONTROL AND LIMITATION OF DOCUMENTATION

Addendum

PRICING OF UNITED NATIONS PUBLICATIONS

Principles of pricing policy

1. United Nations publications fall into the following categories:

- (a) Official records;
- (b) Recurrent publications;
- (c) Studies and reports;
- (d) Publications of a public information character.

2. The publications in categories (a), (b) and (c) are issued primarily for official use and, as such, are distributed free of charge in varying quantities to Governments, intergovernmental agencies, non-governmental organizations, information media, individual authorities on the subjects treated and United Nations depository libraries. They are also made available to the public on the grounds that it has a right to know what is being said and done in its name and to use the information and ideas so disseminated.

3. It is clear from the above that these publications are not planned or issued with a view to revenue. Indeed, the most expensive items in the production of a book, namely, the costs of author's services, typesetting and any art work that may be needed, are normally incurred without reference to the possibility of sale to the public. On the other hand, by placing a publication on sale, the Organization incurs the additional run-on costs of the copies produced for sale (see rule 2 below) and the costs of handling and marketing.

* This instruction supersedes document ST/PB/6 of 8 June 1956.

4. The publications listed in category (d) are prepared by the Office of Public Information (OPI) in implementation of its task of promoting an informed understanding of the work and purposes of the United Nations among the peoples of the world. Here again, such publications are not planned or issued with a view to revenue; many of the smaller pamphlets and booklets are distributed free of charge. The General Assembly, however, has expressly approved the principle that whenever it is desirable and possible the sale of OPI material should be encouraged, not only because the proceeds help to reduce printing expenses but because publications that are sold rather than freely distributed usually command greater respect and hence have greater impact.

5. The Secretary-General, in reporting to the General Assembly at its twenty-seventh session on the revenue-producing activities of the United Nations, stressed two guiding considerations:

"first, that profit is not the primary consideration in undertaking revenue-producing activities in the United Nations; second, that such activities should be run, as all other activities in the Organization, in as effective and economical a manner as possible. It naturally follows that, where profit is possible, it should be maximized to the extent that it does not conflict with other overriding considerations" (A/C.5/1479, para. 4).

This policy was not expressly endorsed by the General Assembly. Nevertheless, it is clear from the debates in the Fifth Committee and elsewhere that this policy is acceptable and that Member States consider it reasonable that the sales operations as a whole should be made to yield a profit, provided that this can be achieved without defeating the purpose for which publications are issued and made available to the public. Chapter II of income section 4 of the budget is prepared on the basis that the sales operation will contribute to revenue after all costs directly related to the sales operation have been met.

6. The basic formula followed in determining the sales price of publications has been to determine the run-on cost per unit of the sales copies and to charge a multiple thereof designed on the average to cover also the cost of marketing and to achieve a modest profit. Discretion has been permitted in pricing individual volumes, so as to allow for upward adjustment of prices that are found to be conspicuously lower than those of comparable commercial publications and for downward adjustment in the case of appropriate public information material. In practice, such discretion has not been exercised in an upward direction.

7. A pricing policy designed to maximize profit to the extent that it does not conflict with other overriding considerations must envisage more frequent upward adjustment from the basic formula, having regard for the varying purposes and sales potential of the different categories of publications. These categories are as follows:

(a) Official Records. Publications in these series are likely to be of interest mainly to libraries and similar institutions maintaining reference collections and to have limited sales potential. They should therefore be priced somewhat lower than the standard pricing schedule.

(b) Recurrent publications. A number of titles in this series have a comparatively wide circulation and enjoy high prestige. They are subscribed to in large part by large commercial organizations and by libraries that would be prepared to pay a higher price than that charged hitherto. The price of each title should be fixed at a level, determined by business judgement and experience, that will maximize revenue. In the case of less widely circulated recurrent publications, it may be necessary to set prices according to the basic formula.

(c) Studies and reports. Occasional items in this category deal with matters of wide public interest and may be expected to sell well. It is important that the Sales Section should be apprised in good time by author departments of projected publications deemed to be of unusual interest to specific groups and with good sales potential so that prices designed to maximize revenue may be set. The great majority of studies and reports should be priced according to the basic formula.

(d) Publications of a public information character. The price of such publications should be set in each case to achieve the most cost-effective dissemination of information about the United Nations. In practice, this may be difficult to determine. As a practical guide, the basic formula should be used, but further dissemination might be encouraged by setting lower prices for sales in the United Nations Bookshop and for bulk sales through non-governmental organizations.

Rules for the application of pricing policy

Rule 1. Responsibility for fixing the prices of publications in accordance with the principles laid down above shall rest with the Sales Section, Publishing Service, Office of Conference Services.

Rule 2. The Publications Board shall, from time to time, indicate in terms of a multiple of average run-on costs a basic price level for publications. For this purpose, run-on costs shall be estimated on the basis of current printing charges and shall represent the cost per unit of paper, presswork and binding in respect of the copies added to the press run for sales purposes. The present basic price level is 7 1/2 times run-on costs. For official records, the basic level shall be approximately 10 per cent less.

Rule 3. The Sales Section shall establish a schedule of standard prices expressed in United States dollars related to the basic price level stipulated by the Publications Board. These prices may be uniform for broad ranges of length and may be adjusted for costs accruing from factors other than mere page count. These prices are for publications issued in paperback form only and would be adjusted in the case of clothbound volumes or publications containing fold-outs, maps or costly illustrations according to the standard multiple of the additional costs involved.

Rule 4. The Sales Section is authorized according to its best judgement to make an upward adjustment in the price of selected recurrent publications or studies and reports with wide sales appeal with a view to maximizing revenue, provided that in no case shall the price be set in excess of those charged by commercial firms for comparable publications. The Sales Section is further authorized, in consultation with OPI to set certain OPI publications at prices lower than the standard price schedule where this would result in more effective dissemination of information about the United Nations without unreasonably affecting the overall profitability of the sales operation.

Rule 5. The Sales Section is authorized to reduce the price of publications that are not typeset by not more than one third.

Rule 6. The annual report of the Sales Section to the Publications Board shall include the standard schedule of prices for United Nations publications and details of substantial departures from the standard schedule for particular publications.
