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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

Science and technology for development

Administrative and financial implications of the draft resolution
contained in document A/C.2/36/L.144 as orally corrected

Statement submitted by the Secretary-General in accordance with
rule 153 of the rules of procedure of the General Assembly

1. In paragraph 3 of document A/C.5/36/99 the Secretary-General indicated that he intended to submit the Administrator's proposals for 1982 requirements for the administrative budget of the secretariat of the Financing System for Science and Technology for Development for approval to the Fifth Committee, through the Advisory Committee on Administrative and Budgetary Questions at the present session of the Assembly. This procedure would comply with the requirements of operative paragraph 8 as it would be consistent with procedures followed at the thirty-fourth session of the General Assembly when proposals were submitted in document A/C.5/34/101.

2. The proposals of the Administrator of UNDP are hereby presented for the review and approval of the General Assembly in the annex to this document.

ANNEX

Proposal of the Administrator of UNDP for the 1982 administrative budget of the secretariat of the United Nations Financing System for Science and Technology for Development

1. By draft resolution A/C.2/36/L.144 as orally corrected, the General Assembly would decide that the resources, organization and management of the Interim Fund will be transferred to the Financing System as of 1 January 1982, and that the procedures contained in the annex to General Assembly resolution 34/218 will apply to the operation of the Financing System during the transitional period. The draft resolution also recommends that the resources of the Financing System will be based on contributions from Member States and through other financial arrangements and requests the Secretary-General to convene a pledging conference in the first quarter of 1982 to receive pledges for the transitional year 1982.

2. The adoption of the draft resolution in document A/C.2/36/L.144 by the General Assembly would have the following administrative and support cost implications for the Financing System in 1982:

(a) The Financing System will incur administrative and support costs during 1982 which will be met from extrabudgetary resources contributed to it by Governments at the pledging conference 1/ to be held in the first quarter of 1982.

(b) For the period prior to the pledging conference the administrative and support costs (estimated at \$400,000) will be met by utilizing the resources transferred from the Interim Fund.

3. Tables I and II below set out the proposed staffing structure and related budgetary costs for the Financing System in 1982. The Administrator considers this structure is the minimum necessary to maintain the current level of operations through the transitional year 1982. It is proposed that the staffing levels of the Interim Fund as authorized by the General Assembly for 1980/1981, 2/ be increased by one P-3 and one G-3 post to consolidate and strengthen the operational team in managing the portfolio of projects approved during the interim period and the new commitments to be made in 1982. Other costs increased are explained in the reference notes to the table.

4. As called for in paragraphs 9 through 11 of the draft resolution an Ad Hoc Intergovernmental Group of the Whole, on the United Nations Financing System for

1/ The costs of convening the pledging conference is referred to in para. 2 of A/C.5/36/99.

2/ For 1980 the authorized level of expenditure was \$794,320, actual expenditures were \$640,000, for 1981 the authorized level of expenditure was \$1,145,140. It is estimated that actual expenditures will be within that level.

Science and Technology for Development, 3/ would hold meetings and prepare recommendations on the long-term institutional, organizational and financial arrangements of the Financing System. As it is expected that the Financing System will be called upon to assist in the work of the Ad Hoc Group, 12 months consultant services will also be required for this purpose.

5. Should the negotiations and level of contributions realized in 1982 and the outlook for 1983 and beyond warrant, the core staff would be augmented by up to 10 Professional posts as follows: 1 D-1, 4 P-5, 2 P-4, 1 P-3, 2 P-2 and 9 General Service posts. 4/

6. This level of staff and support costs, to be met by resources of the Financing System, is estimated at \$2,700,000. To ensure continuity through the first quarter of 1982 the Administrator, therefore, proposes to maintain the staffing structure shown in table I. He would adjust these levels within the limits outlined in paragraph 7 above, in the light of the results of the 1982 pledging conference. This would provide the essential flexibility to respond quickly during the transitional year to the circumstances that obtain after the pledging conference.

7. In accordance with the provisions of paragraph 8 of the draft resolution and of resolution 34/218 the Administrator will report on the progress and operations of the Financing System to the Intergovernmental Committee on Science and Technology for Development and the Governing Council of the UNDP during the transitional year of 1982.

3/ Provision for conference servicing costs of these meetings are referred to in paragraph 5 of document A/C.5/36/99.

4/ These posts would be added on a gradual basis depending on the over-all level of commitment authority and the specific requirements of different functions.

Table I
Staffing structure for 1982

<u>Professional</u>	<u>Interim Fund Level approved by GA for 1980/81</u>	<u>Financing System starting 1 January 1982</u>
ASG	1	1
D-2	1	1
D-1	4	4
P-5	3	3
P-4	2	2
P-3	-	1
P-2/1	-	-
	<u>11</u>	<u>12</u>
 <u>General Service</u>		
G-5	2	2
G-4/3	8	9
	<u>10</u>	<u>11</u>

Table II
Related administrative and support cost estimates

<u>Item of expenditure</u>	<u>IFSTD 1981 authorized</u>	<u>Financing System 1982 estimated</u>
1. Staff and related costs	775,740	1,195,815 a/
2. General operating	189,800	201,300 b/
3. Consultants	93,600	216,000 c/
4. Staff travel	86,000	99,000 d/
5. Reimbursement of support costs	-	180,000 e/
Totals:	<u>1,145,140</u>	<u>1,892,115</u>

a/ Includes provision for 1 additional P-3 and 1 additional G-3 post, and reflects cost increases due to inflation.

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b/ Includes rental of 5,500 sq.ft. of office space and a reimbursement to the United Nations for services provided.

c/ Based on two components as follows: (a) \$156,000 for 150 days of high-level consultancies at \$275, 150 days of mid-level consultancies at \$200, 300 days of per diem at \$90, and 16 trips costing approximately \$3,500; and (b) \$60,000 for 12 work months at \$5,000 per month for the activities outlined in paragraph 4 above.

d/ Based on 28 staff trips at approximately \$3,500 per trip.

e/ Represents the costs anticipated to be agreed between the Financing System and UNDP for services to be provided in 1982, e.g. personnel, travel, treasury and central administration. There was no such allocation to the Interim Fund in 1980-1981.
