



General Assembly

Distr.
GENERAL

A/AC.172/75
30 April 1982

ORIGINAL: ENGLISH

COMMITTEE ON CONFERENCES
Series of substantive meetings
Item 7 (a) of the provisional agenda*

CALCULATION AND PRESENTATION OF CONFERENCE-SERVICING COSTS:
ANALYSIS OF BUDGETARY TECHNIQUES

Report of the Secretary-General

1. The General Assembly, by section III of its resolution 36/117 A of 10 December 1981, requested the Secretary-General to submit to the Committee on Conferences and to the Advisory Committee on Administrative and Budgetary Questions a comprehensive analysis of the existing budgetary techniques used in the calculation and presentation of conference-servicing costs in statements of administrative and financial implications pursuant to rule 153 of the rules of procedure of the General Assembly, the consolidated statement of conference-servicing costs and the programme budget and invited both organs to submit appropriate recommendations relevant to their respective areas of competence to the Assembly at its thirty-seventh session. The present report has been prepared in compliance with this request.

I. STATEMENTS OF ADMINISTRATIVE AND FINANCIAL
IMPLICATIONS PURSUANT TO RULE 153 OF THE
RULES OF PROCEDURE OF THE GENERAL ASSEMBLY

Background

2. The present procedure with respect to the calculation and presentation of conference-servicing costs in statements of administrative and financial implications was first introduced at the thirty-first session of the General Assembly and has been in effect ever since.

* A/AC.172/69.

3. The main features of the present procedure, as indicated in the first consolidated statement of administrative and financial implications in respect of conference-servicing costs, 1/ are as follows:

(a) At the level of the substantive organ concerned, a statement is made indicating the full costs of the meeting;

(b) At the level of the Fifth Committee, a statement is made showing:

(i) The net additional appropriations required, if any, in respect of non-conference-servicing activities, e.g. travel of representatives or of substantive staff, equipment, communications;

(ii) The full costs of conference services in respect of the proposal being considered, without however a request for additional appropriations for those services at that stage;

(c) Towards the close of the session of the General Assembly, a consolidated statement is prepared recapitulating the estimated conference costs of all of the substantive decisions taken during the year, item by item. This statement shows how much of the costs can be absorbed within the existing resources and the net additional appropriations required to service the revised level of meetings for which the organizational units providing conference services at Headquarters, Geneva or Vienna are responsible in the forthcoming financial period in accordance with the calendar of conferences and meetings adopted by the General Assembly.

Rationale for the current procedure

4. The rationale for the introduction of the current procedure can be found by analysing the former procedure followed in the preparation of statements of administrative and financial implications.

5. Prior to the thirty-first session of the General Assembly, additional conference-servicing requirements were determined in the light of the calendar of conferences as it evolved. Additional appropriations were requested, if necessary, in each statement of administrative and financial implications. This method tended to provide the decision-making organs of the United Nations with a misleading picture of conference-servicing requirements since:

(a) Statements of administrative and financial implications containing conference-servicing costs submitted at the early stages of a session of the General Assembly tended to request smaller additional conference-servicing appropriations than those submitted at later stages since the existing resources were allocated on a "first come, first earmarked" basis. This occasionally caused misunderstandings when the "more expensive" proposals were compared with the "cheaper" ones;

1/ A/C.5/31/94 of 16 December 1976.

(b) The additional resources required for a given conference would vary depending on the location of the conference because of different patterns of conference servicing in New York and Geneva, and the differing amounts of temporary assistance funds already available in the initial budgets of the two locations; however, additional appropriations required for New York were often offset by savings in Geneva, and vice versa;

(c) The system being followed placed a very heavy burden on the Secretariat during the General Assembly, since it required that the Secretariat should be able to assess, often at a very short notice, the impact of a large number of proposals which were being made, virtually simultaneously, in the various Main Committees;

(d) The large number of proposals containing financial implications for conference services also complicated the work of the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee, both of which found it difficult to assess the validity of the Secretary-General's requests when they were presented on a piecemeal basis.

(e) In the last analysis, it was not the individual meeting to which the need for additional temporary assistance could be attributed, but the cumulative effect of the total meeting schedule at a given period of time.

6. As a result of the foregoing difficulties, the Secretary-General concluded that a preferable procedure would be to inform each Committee of the full costs of the proposals for conference servicing, without inviting the Committee at that stage to consider the extent to which existing appropriations might be available for the purpose. In his view, there were advantages in approaching the question of additional costs on a consolidated basis, once the final calendar of conferences was known. This approach did not prevent the Department of Conference Services, in preparing the schedule prior to consideration by intergovernmental bodies, from preparing meeting times and venues which would make the optimum use of permanent staff, within the constraints of the time-tables of the bodies concerned. In practice, experience has shown that in the end, there are very few occasions in the course of a year when conference requirements fall below the capacity of the permanent staff, thereby causing temporary redundancy.

Full costing

7. In order to be free from the problems enumerated in the foregoing paragraphs, conference-servicing requirements are currently estimated on a full-cost basis, in which it is assumed that the costs of the services which will be required as a result of the additional conference activities envisaged are non-absorbable within existing resources.

8. Whenever a proposal is made necessitating additional conference activities, corresponding work-loads are estimated in conformity with the conference-servicing entitlements set forth by the General Assembly. Estimated work-loads are then converted into monetary terms making use of the work-load standards and unit rates which are discussed below.

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9. It should be mentioned that in most cases the costs which are estimated in statements of administrative and financial implications are limited to those which are subject to variations as a result of additions to or reductions in the calendar of conferences. In addition to the variable costs there are a number of fixed costs with respect to managerial, supervisory and certain other conference-servicing staff. When meetings are scheduled at established offices, i.e. New York, Geneva, Vienna, these costs are usually considered to be absorbed within existing resources and, therefore, are not included in statements of administrative and financial implications.

Work-load standards

10. When a proposal involving conference-servicing activities is made, conference-servicing requirements are initially estimated in terms of the number of meetings requiring meeting services, including interpretation, summary records and verbatim records, the language and number of pages with respect to documentation requirements, and the number of documents with respect to distribution requirements.

11. Then, requirements expressed in the units described above are converted into work-days through the application of work-load standards which have been developed to measure the output expected to be produced by one person in one day. For reproduction and distribution, requirements are shown in terms of the number of page-impressions and documents, respectively.

12. The standards were first introduced in 1977 with amendments reflecting recommendations by the Advisory Committee on Administrative and Budgetary Questions. Annex I to this report sets forth the work-load standards currently applied in the calculation of the financial implications of conferences and meetings.

Unit rates

13. Once conference-servicing requirements are developed in terms of work-days, page-impressions and documents, the final stage of the calculation is to convert them into monetary terms by multiplying them by unit rates.

14. Annex II to this report shows the unit rates applied to statements of administrative and financial implications proposed during the thirty-sixth session of the General Assembly.

15. As shown in annex II, unit rates have been developed based on certain assumptions. These assumptions are reviewed from time to time in order to reflect actual practices in connexion with the recruitment of temporary staff. Further, the assumption on annual rates of inflation as well as rates of exchange are updated in line with the projections made and applied to the calculation of other budgetary estimates.

II. CONSOLIDATED STATEMENT OF ADMINISTRATIVE
AND FINANCIAL IMPLICATIONS IN RESPECT OF
CONFERENCE-SERVICING COSTS

Background

16. As indicated in paragraph 3 (c) above, a consolidated statement has been prepared and submitted for the consideration of the General Assembly towards the close of each Assembly session since 1976 ^{2/} in order to determine the net financial impact of the various statements of administrative and financial implications in the context of the over-all conference-servicing work-load.

Determination of work-loads exceeding available capacity

17. The consolidated statement recapitulates all of the statements of administrative and financial implications containing conference-servicing requirements reported to the General Assembly, together with the corresponding estimated costs contained therein.

18. Based on the over-all conference-servicing requirements envisaged for the following year taking into consideration the above-mentioned recapitulation, the work-loads which exceed the capacity of the permanent staff and are consequently to be covered by temporary assistance are determined in each functional area of conference services. The method by which this is done is discussed in the following paragraphs.

19. At Headquarters, the work-load of the interpretation services is examined for each week of the year and compared with the weekly capacity of the permanent staff during a year. The shortfall in permanent capacity must be covered by temporary assistance. As to requirements for documentation, a similar approach is taken notwithstanding the fact that it is more difficult to anticipate the flow of the estimated work-load and that the amount of work to be handled at a certain time is determined by both the total volume of documentation and the available time to process it. Temporary assistance requirements for verbatim records are determined by comparing the total output required at a certain time of year with the capacity of two records a day produced by the permanent staff. Additional requirements for other functions, e.g. conference officers, documents distribution clerks, etc., are estimated in the light of the pattern of conferences and meetings as well as past experience. Finally, where conference-servicing staff are required to travel at United Nations expense, this is taken into consideration so that any necessary appropriations for travel and subsistence as well as rental of meeting rooms, offices and office equipment may be requested.

^{2/} See documents A/C.5/31/94 and Add.1, A/C.5/32/110, A/C.5/33/100, A/C.5/34/98, A/C.5/35/117, A/C.5/36/105.

20. In Geneva, experience has shown that the estimated daily work-load remains at least at the level of permanent capacity throughout a year since the proportion of the total work-load performed by permanent staff is considerably lower than that at Headquarters. Consequently, additional requirements to be covered by temporary assistance are determined on a yearly basis by comparing the total estimated work-load for the following year with the yearly permanent capacity. As is the case for Headquarters, it is sometimes necessary to provide for an element of travel.

21. In Vienna, the total estimated work-load for United Nations units other than the United Nations Industrial Development Organization (UNIDO) needs to be covered fully by temporary assistance since no established posts exist for this purpose.

Determination of additional funds to be requested

22. At Headquarters and Geneva, the work-loads exceeding permanent capacity, as explained in the foregoing paragraphs, are then converted into monetary terms on the basis of short-term rates applicable to the following year. The minimum additional funds to be requested in a consolidated statement are determined by subtracting the amount which is already available for the forthcoming year and the amount which may be saved as a result of overprogramming/under-recruitment in the area of interpretation from the total requirements under temporary assistance. In Vienna, the work-load pattern for units other than UNIDO permits some of the required temporary assistance to be recruited on fixed-term contracts of longer duration in order to attain maximum economy and sound personnel practice. Work-loads which can be covered by staff with longer-term contracts are converted into monetary terms making use of standard salary rates while the remaining work-loads are calculated in monetary terms at short-term rates. Any funds already available for the following year under temporary assistance are deducted from the total temporary assistance requirements. The technique of over-programming/under-recruitment is also taken into consideration as well as the likelihood that a certain amount of documentation might be absorbed by the permanent staff of UNIDO, thereby leading to reductions in the total requirements.

III. PROPOSED PROGRAMME BUDGET

23. As has been discussed in the earlier sections of the report, statements of administrative and financial implications and consolidated statements of administrative and financial implications in respect of conference-servicing costs examine only the direct and variable costs, mainly under the heading of temporary assistance for meetings. The proposed programme budget, for its part, deals with all objects of expenditure pertaining to conference-servicing activities, presented on a programmatic basis.

24. In order to have an over-all picture of conference-servicing costs, itemized appropriations for the biennium 1982-1983, as approved by the General Assembly at its thirty-sixth session, are shown in annex III to this report.

25. The major portion of the costs is related to posts. Any change in this connexion, i.e. new posts, or the discontinuation or reclassification of posts, is explained in detail in the document. The required number of posts is also reviewed in the light of the past pattern of conferences and meetings so as to attain the maximum economy by converting from temporary assistance to established posts. Requirements with respect to consultants are determined by an analysis of the costs required for each study which requires outside expertise. Temporary assistance for meetings is usually requested on a provisional basis at the same levels as were appropriated in the preceding biennium unless a significant change in the work-load for the following biennium is already foreseen at the time the programme budget is being prepared. The level of the requirements for overtime and contractual services is basically determined in the light of past experience.

26. Among the non-personnel related costs, requirements under supplies and materials form the largest part. These requirements are determined in relation to the estimated total output during the biennium taking past performance into account as well as technical innovations in the reproduction process which affect the extent to which work can be done internally rather than on a contractual basis. Furniture and equipment costs are determined with reference to outgoing replacement programmes, supplemented by additional equipment intended to meet the technological requirements of the programme.

Annex I

WORK-LOAD STANDARDS FOR THE CALCULATION OF
CONFERENCE-SERVICING REQUIREMENTS

Documentation (Pre-, in- and post-session)

- (a) Translation: 1 work-day for every 1,650 words
- (b) Revision: 1 work-day for every 4,950 words
- (c) Typing: (i) 1 work-day for every 1,650 words of translated text
(ii) 1 work-day for every 3,300 words of original language text
- (d) Reproduction and distribution:

The following table indicates the standard roll figure for each language to be used for the costing purposes.

	<u>Arabic</u>	<u>Chinese</u>	<u>English</u>	<u>French</u>	<u>Russian</u>	<u>Spanish</u>
Pre- and post-session documentation	600	200	3,500	1,250	500	650
In-session documentation	500	200	3,000	1,000	400	500

Meeting services

(a) Interpretation : 1.5 work-days per meeting (of 2-1/2 to 3 hours' duration) per language for English, French, Russian and Spanish; 2 work-days per meeting per language for Arabic and Chinese.

(b) Supporting staff:

Conference Officer: 1 work-day for a meeting of 50 or more participants;
0.5 work-day for a meeting of less than 50 participants;

Documents Distribution Clerk: 0.5 work-days per meeting.

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Summary records

- (a) Précis-writing/translation: 3 work-days of précis-writing per meeting; 2 work-days of translation per language per meeting.
- (b) Revision: 0.5 work-day per language per meeting.
- (c) Typing: 3 work-days per language per meeting.
- (d) Reproduction and distribution.

The standard roll figures used for summary records of Headquarters meetings are as follows:

<u>Arabic</u>	<u>Chinese</u>	<u>English</u>	<u>French</u>	<u>Russian</u>	<u>Spanish</u>
500	200	3,000	1,000	400	500

For costing purposes, in calculating page impressions it is assumed that each summary record will consist of 13 pages of printed text.

Verbatim records

- (a) Verbatim reporting: 4 work-days per meeting per language;
- (b) Verbatim revision: 1 work-day per meeting per language;
- (c) Typing: 4 work-days per meeting per language;
- (d) Reproduction and distribution.

The standard roll figures used for verbatim records of Headquarters meetings are as follows:

<u>Arabic</u>	<u>Chinese</u>	<u>English</u>	<u>French</u>	<u>Russian</u>	<u>Spanish</u>
500	200	3,000	1,000	400	500

For costing purposes, in calculating page impressions it is assumed that each verbatim record will consist of 25 pages of printed text.

Meetings away from Headquarters

For budgetary purposes, there are additional staffing requirements in respect of meetings to be held away from a headquarters location. For example, the number of revisers should be increased by 50 per cent and the number of typists by 30 per cent in anticipation of uneven work-load requirements during the course of the meetings. There will also be a need to provide for supervisory and other support personnel in the case of meetings to be held away from a headquarters location.

Annex II

UNIT RATES FOR THE CALCULATION OF CONFERENCE-SERVICING REQUIREMENTS
 DURING THE THIRTY-SIXTH SESSION OF THE GENERAL ASSEMBLY

Assumptions

(a) Status of temporary staff:

	<u>New York</u>	<u>Geneva</u>	<u>Vienna</u>
Interpreters	non-local	partially non-local <u>a/</u>	non-local
Translators senior translators	non-local	non-local	non-local
Typists	local	local	non-local
Other	local	local	local

(b) Duration of short-term contract:

It is assumed that non-local temporary staff are recruited for the duration of three weeks for the purpose of calculating the travel portion in daily rates.

(c) Inflation rates and exchange rates:

In order to arrive at unit rates for 1982 and 1983, unit rates for 1981 had been established as a base using the salary, subsistence and travel costs effective as at 1 July 1981, which were then adjusted by the projected inflation and exchange rates as follows:

	<u>New York</u>		<u>Geneva</u>		<u>Vienna</u>	
	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>
Inflation rates (%)	11	7	5	5	6.5	6
Exchange rates (local currency to \$US 1)	NA	NA	1.71	1.71	13.30	13.30

a/ Non-local for Arabic and Chinese; local for English, French, Russian and Spanish.

	<u>Rates</u>					
	<u>New York</u>		<u>Geneva</u>		<u>Vienna</u>	
	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>
Translation	302	323	282	297	226	239
Revision (per cal. day)	315	337	314	330	247	262
Typing (per cal. day)	170	182	81	85	145	154
Interpretation (per cal. day)						
4 languages (E,F,R,S)	362	387	237	249	342	362
5 languages (C,E,F,R,S)	377	404	288	302	368	391
6 languages (A,C,E,F,R,S)	375	401	298	313	368	391
Other staff (per cal. day)	39	42	54	56	48	51
Reproduction (per page impressions)	0.010	0.011	0.014	0.014	0.020	0.121
Distribution (per document)	0.050	0.054	0.105	0.110	0.048	0.051

Annex III

APPROVED APPROPRIATIONS FOR THE BIENNIUM 1982-1983
(Thousands of US dollars)

	<u>Headquarters</u>	<u>Geneva</u>	<u>Vienna</u>	<u>Total</u>	<u>Per cent</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>%</u>
1. Established posts	79 802.4	58 382.1	-	138 184.5	59.69
2. Temporary assistance for meetings	11 864.4	18 316.9	6 739.1	36 920.4	15.95
3. General temporary assistance	576.6	202.5	-	779.1	0.34
4. Consultants	57.3	-	-	57.3	0.02
5. Overtime	2 100.6	475.8	-	2 576.4	1.11
6. Temporary posts	216.2	-	114.2	330.4	0.14
7. Common staff costs	25 583.3	15 148.8	35.3	40 767.4	17.61
8. Representation allowance	12.8	1.2	-	14.0	0.01
9. Travel of staff	101.4	18.0	-	119.4	0.05
10. Contractual translation	1 121.7	336.3	-	1 458.0	0.63
11. External printing and binding	75.5	-	-	75.5	0.03
12. Rental and maintenance of equipment	1 425.8	414.3	-	1 840.1	0.79
13. Communications	36.7	-	-	36.7	0.02
14. Hospitality	1.6	.7	-	2.3	0.01
15. Supplies and materials	5 288.8	2 082.7	-	7 371.5	3.18
16. Furniture and equipment	589.3	297.7	-	887.0	0.38
17. Joint printing and reproduction services	-	-	101.9	101.9	0.04
	<u>128 854.4</u>	<u>95 677.0</u>	<u>6 990.5</u>	<u>231 521.9</u>	<u>100.0</u>
