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THE INTERNATIONAL ATOMIC ENERGY AGENCYReport of the Advisory Committee on Administrative
and Budgetary Questions

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I. INTRODUCTION

1. In accordance with its terms of reference, 1/ the Advisory Committee on Administrative and Budgetary Questions met in 1981 with the executive heads (or their senior representatives) of the following organizations whose agreements with the United Nations provide for transmittal of their budgets for review by the General Assembly: The International Labour Organisation (ILO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Civil Aviation Organization (ICAO), the Universal Postal Union (UPU), the World Health Organization (WHO), the World Meteorological Organization (WMO), the Inter-Governmental Maritime Consultative Organization (IMCO), the World Intellectual Property Organization (WIPO), the International Fund for Agricultural Development (IFAD), and the International Atomic Energy Agency (IAEA). One organization, the International Telecommunication Union (ITU), provided the required data by correspondence.
2. The Advisory Committee extends its thanks to the executive heads of the specialized agencies and AIEA for their assistance in connexion with the preparation of this report.
3. Section II below contains general observations and tables with comparative data on the agencies and the United Nations. Section III deals with the budgets of individual agencies, with particular reference to the approved budgets or budget estimates for 1982 (with the exception of IFAD) as compared with the budgets for 1981.
4. During the debate on the agenda item entitled "administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency" in the Fifth Committee at the thirty-fifth session of the General Assembly, suggestions were made concerning additional tables or analyses which might be included in future reports by the Advisory Committee (A/C.5/35/SR.22, 23 and 25). Some of those suggestions dealt with matters within the competence of the Committee for Programme and Co-ordination or the International Civil Service Commission (ICSC). Others would require special studies and, as such, could not be fitted by the Advisory Committee into its programme of work in 1981 when it had to report on the United Nations proposed programme budget for the biennium 1982-1983. In response to one suggestion (A/C.5/35/SR.22, para. 17), however, the Advisory Committee, after consultations with the specialized agencies and IAEA, has included in this report an additional table on voluntary funds administered by members of the United Nations system of organizations (table G below).

1/ General Assembly resolution 14 (I) of 13 February 1946 provides, inter alia, that one of the functions of the Advisory Committee is "to examine on behalf of the General Assembly the administrative budgets of specialized agencies and proposals for financial arrangements with such agencies".

5. The Advisory Committee reports to the General Assembly on administrative and budgetary co-ordination have been submitted hitherto on an annual basis. This practice dates back to the time when all the members of the United Nations system had annual budgets. This is not the case today. In the circumstances, the Advisory Committee has considered whether the periodicity of reporting could be changed to once every two years. The Committee recalls that on several occasions in recent years the Fifth Committee was prevented by pressure of more urgent business from considering the question of administrative and budgetary co-ordination. ^{2/} As the Fifth Committee is more likely to have time for this agenda item at sessions at which it does not have to deal with the proposed programme budgets of the United Nations, biennial reporting on administrative and budgetary co-ordination could be done in even-numbered years.

6. For the foregoing reasons, and bearing in mind that biennial reporting would lead to some economies especially in the areas of translation, typing and reproduction, the Advisory Committee recommends that its detailed reports on the budgets of the specialized agencies and IAEA be submitted once every two years, beginning in 1982, and that in the odd-numbered years it submit brief reports, which will be confined to the tabular material, supplemented, as need be, with studies of special topics.

II. GENERAL OBSERVATIONS AND COMPARATIVE TABLES

7. This section contains eight tables which provide comparative data on the following:

- A.1. Total amounts of approved regular budgets, including supplementary estimates, for 1973-1982;
- A.2. Member States' total net assessed contributions actually payable under approved regular budgets, including supplementary estimates, 1973-1982;
- B. Established posts, 1980-1982;
- C. Regular-budget contributions to technical co-operation activities, 1980-1982;
- D. Working capital funds, 1982;
- E. Scales of assessment, 1982;
- F. Collection of contributions, 1980 and 1981;
- G. Voluntary funds administered by members of the United Nations system of organizations, 1980 and 1981.

^{2/} The most recent was at the thirty-fourth session of the Assembly.

8. As can be seen from tables A.1 and A.2 3/ the regular budgets (or budget estimates) of the organizations, excluding IFAD, in 1982 will amount to \$1.6 billion, of which \$1.5 billion will be covered by assessed contributions. In percentage terms, the increase over 1981 is 9.6 per cent for the approved budgets and 6.5 per cent for assessed contributions. The Advisory Committee notes that the increase in dollar terms has been held down by the strengthening of the United States dollar in relation to other currencies in 1981.

9. In addition to contributing to the regular budgets of the United Nations, the specialized agencies and IAEA, Member States also contribute to several voluntary programmes and funds. Statistics compiled by the Committee on Contributions show that in 1980 Member States paid over a total of more than \$2.4 billion in voluntary contributions, the principal recipients being the United Nations Development Programme (UNDP) (\$674 million), the World Food Programme, (WFP) (\$544 million), the Food and Agriculture Organization of the United Nations (FAO) (\$257 million), the Office of the United Nations High Commissioner for Refugees (UNHCR) (\$244 million), the United Nations Children's Fund (UNICEF) (\$203 million), the United Nations Fund for Population Activities (UNFPA) (\$117 million) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) (\$116 million). 4/

10. According to the Committee on Contributions, Member States paid a total of over \$3.8 billion in 1980 to the organizations in the United Nations system, as follows:

	<u>Millions of</u> <u>United States dollars</u>	
Assessed contributions: Regular budgets	1 261.3	
Peace-keeping operations	144.4	1 405.7
Voluntary contributions (including \$16.8 million for the United Nations Peace-keeping Force in Cyprus (UNFICYP))		<u>2 412.8</u> <u>3 818.5</u>

11. As can be seen from table B, the number of established posts authorized or requested under the regular budgets of the specialized agencies (excluding IFAD) and IAEA for 1982 totals 12, 297, which is 85 more than the 1981 total of 12, 212 (excluding IFAD). The entire increase is accounted for by WHO. The reduction in

3/ The amounts of the approved regular budgets shown in these tables may vary from those indicated in previous reports by the Advisory Committee. Such variations are attributable to differences of presentation, including the use of different exchange rates.

4/ Official Records of the General Assembly, Thirty-sixth session, Supplement No. 11, addendum (A/36/11/Add.1).

the number of established posts in FAO is due to a special factor - the closing of a regional office which led to the termination of the appointments of local-level staff members (see para. 58). The grand total for the agencies (excluding IFAD), IAEA and the United Nations in 1982 is 23, 764.

12. While established posts still account for much of the agencies' personnel resources, they do not show the full picture. For example, the staff of ILO exceed the total of established posts, since the latter are occupied only by permanent officials (see para. 40). The FAO total excludes that organization's country representatives (see para. 59 below). Furthermore, the Advisory Committee has noted a trend in several organizations towards greater reliance on short-term staff and consultants.

13. Not all established posts are filled on a year-round basis; in recognition of this situation, several agencies apply a vacancy or turnover deduction to their staff costs. On the other hand, all organizations have available to them additional staffing resources under their regular budgets (e.g., temporary posts, temporary assistance) and from extrabudgetary funds, including agency support costs. On balance, the total number of staff members in posts on a given date tends to be larger than the number of regular-budget established posts. An indication of the organizations' staffing resources is also provided by the number of participants in the United Nations Joint Staff Pension Fund (UNJSPF) which covers all staff members with contracts of one year or more. In the following table the number of established posts is compared with the number of staff members in posts and the number of participants in the Pension Fund as at 30 December 1980.

<u>Organization</u>	<u>Established posts a/ (regular budget)</u>	<u>Staff members in posts b/</u>			<u>Participants c/ in UNJSPF</u>
		<u>Non-project</u>	<u>Project</u>	<u>Total</u>	
ILO	1 253	1 666	1 097	2 763	3 038
FAO	2 467	4 379	2 550	6 929	7 393
UNESCO	2 310	2 921	569	3 490	3 574
ICAO	705	865	400	1 265	1 274
UPU	120	145	31	176	d/
WHO	2 540	2 514	1 801	4 315	3 983
ITU	514	654	297	951	968
WMO	244	287	100	387	400
IMCO	214	241	46	287	281
WIPO	235	253	2	255	259
IFAD	150	137	-	137	143
IAEA	1 428	1 430	-	1 430	1 202
Subtotal (Specialized agencies and IAEA)	12 180	15 492	6 893	22 385	22 515
United Nations e/	<u>11 213</u>	<u>13 722</u>	<u>2 542</u>	<u>16 264</u>	<u>18 505</u>
Grand total	<u>23 393</u>	<u>29 214</u>	<u>9 435</u>	<u>38 649</u>	<u>41 020</u>

a/ 1980 figures from table B.

b/ Consultative Committee on Administrative Questions (CCAQ) personnel statistics for 31 December 1980.

c/ Based on Official Records of the General Assembly, Thirty-sixth Session, Supplement No. 9 (A/36/9), annex II. Figures for United Nations and WHO have been adjusted to make them comparable to those in the "Total staff members in posts" column.

d/ Not a participant in the UNJSPF.

e/ United Nations, UNHCR, international staff of UNRWA, ICSC and International Court of Justice.

14. According to personnel statistics compiled by CCAQ, the grade distribution of staff in the Professional and higher categories, paid from all sources of funds, was as follows at 31 December 1980, for the United Nations system as a whole:

	<u>Headquarters and other established offices</u>	<u>Project</u>
	(Percentage)	(Percentage)
P-1/2	14.5	15.1
P-3	24.4	8.8
P-4	28.1	30.9
P-5	21.1	35.3
D-1	7.7	8.0
D-2	2.7	1.9
Ungraded	<u>1.5</u> <u>100.0</u>	<u>-</u> <u>100.0</u>

15. A major innovation in the common system reported to the Advisory Committee has been the introduction by ILO of merit and long-service awards. The procedures applied by ILO are described in paragraphs 35 to 38.

16. The regular budget contributions to technical co-operation activities are shown in table C. As can be seen from that table, the United Nations, the specialized agencies and IAEA estimate that their regular programmes of technical co-operation in 1982 will amount to a total of \$202.9 million, of which \$143.3 million will be provided under the regular budget of WHO. The assessed budgets of the organizations also contribute towards the support costs of projects executed by them on behalf of funding programmes or under trust fund agreements. In the absence of cost accounting, the actual amounts of such contributions are not known. The United Nations, the specialized agencies and IAEA estimate, however, as an order of magnitude, that in 1982 their regular budgets will contribute \$84.6 million towards the support costs of projects. On that basis, the organizations estimate that, in 1982, their regular budget expenditures on technical co-operation activities will amount to a total of \$287.5 million, i.e., 17.8 per cent of their combined regular budgets indicated in table A.1. This percentage is unchanged from 1981.

17. The extrabudgetary resources administered by members of the United Nations system in 1980 and 1981 are given in table G.

18. Comprehensive statistical information on the operational activities for development of the United Nations system has been provided by the Secretary-General to the General Assembly at its current session in document A/36/478. Information

on United Nations system regular and extrabudgetary technical co-operation expenditures in 1980 financed from sources other than UNDP, is to be found in a report by the Administrator of UNDP to the Governing Council (DP/545).

19. Table D shows the amounts approved or proposed for the working capital funds of the organizations in relation to the gross budgets or budget estimates for 1982 and, where appropriate, to the gross budgets or estimates for the financial periods. The sizes of the working capital funds and the percentages those amounts bear to the gross budgets are not directly comparable, the reason being that there is no uniformity in the use to which working capital funds are put by the individual organizations in accordance with their respective constitutional requirements.

20. For the United Nations and all the organizations except WIPO, the scales of assessment applicable in 1982 given in table E show only minor variations compared with the scales for 1981 (A/35/481, table E). WIPO has a complex system of assessment which is described in paragraphs 168 and 169.

21. As can be seen from table F, the percentage of current year's contributions collected by most organizations as at 30 September 1981 was lower than at 30 September 1980. The total of all contributions outstanding regardless of year of account was as follows:

	<u>30 September 1981</u>	<u>30 September 1980</u>
	(thousands of United States dollars)	
United Nations	292,095	200,955
Specialized agencies and IAEA	<u>421,522</u>	<u>248,378</u>
Total	<u>713,617</u>	<u>449,333</u>

The total outstanding as at 30 September 1981 equalled 50 per cent of Member States' total net contributions actually payable in respect of 1981 (see table A.2). In their meetings with the Advisory Committee, representatives of the organizations voiced concern at the impact of the delays in the receipt of contributions on the cash flow in their organizations.

22. In section III, the Advisory Committee reports on steps taken by individual organizations to effect economies and increase revenue. In particular, the representative of IAEA informed the Committee that the Agency expects to earn substantial amounts of interest on temporary cash balances which have been held hitherto in non-interest-bearing bank accounts (see para. 219). The Advisory Committee is of the opinion that all organizations which keep funds in such accounts should review their cash management practices with a view to increasing their interest income.

Table A.1
Total amounts of approved regular budgets, including supplementary estimates a/
(Net of staff assessment)
(United States dollars)

Organization	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
United Nations	204 970 400	264 549 000	264 549 000	336 844 450	336 844 450	458 137 065	458 137 065	574 391 800	574 391 800	653 021 200 b/
ILO	35 751 500	47 534 500	47 534 500	80 308 203	80 308 203	100 534 829	100 534 830	104 962 658	104 962 659	113 164 735
FAO	40 830 000	54 400 000	54 400 000	83 500 000	83 500 000	105 675 000	105 675 000	139 370 000	139 370 000	184 008 000 b/
UNESCO	65 277 000	65 277 000	88 546 000	88 546 000	112 206 500	112 206 500	151 500 000	151 500 000	200 133 700	199 701 200
WHO	96 682 900	108 799 800	119 310 000	138 910 000	147 184 000	171 600 000	182 730 000	213 645 000	213 645 000	234 450 000
ICAO	10 692 951	12 121 435	14 295 595	16 756 438	18 223 111	18 924 400	20 187 400	21 041 400	23 025 000	24 262 000
UPU	2 877 813	4 039 124	4 365 000	5 614 016	6 467 373	8 343 584	10 862 625	10 378 830	11 133 216	11 824 912
ITU	13 513 094	18 545 037	21 183 308	25 566 311	31 032 350	38 174 335	44 363 125	41 978 187	44 350 877	52 570 175 b/
WMO	5 497 700	6 750 030	8 679 540	10 201 210	10 353 900	14 632 859	16 318 950	17 495 000	18 663 800	17 516 800
IMCO	2 075 156	2 924 000	3 226 265	5 259 800	5 989 600	6 034 400	6 626 900	9 651 100	14 785 400	13 185 700 b/
WIPO	4 094 375	5 430 292	6 613 534	8 524 590	11 386 175	14 746 243	15 961 272	18 336 257	19 094 152	21 280 994 b/
IFAD	-	-	-	-	-	6 943 380	10 450 000	12 648 000	18 500 000	n.a.
IAEA	19 935 786	24 320 843	32 175 000	37 236 299	46 341 000	53 079 000	66 377 000	80 643 000	88 677 000	86 369 000 b/
Specialized agencies and IAEA	297 228 275	350 142 061	400 328 742	500 422 867	552 992 212	650 894 530	731 587 102	821 649 432	896 340 804	958 333 516
Grand total	502 198 675	614 691 061	664 877 742	837 267 317	889 836 662	1 109 031 595	1 189 724 167	1 396 041 232	1 470 732 604	1 611 354 716

a/ This table shows the amounts of the expenditure estimates actually approved under regular budgets, taking account of any approved supplementary estimates. No adjustments have been made in the figures. Where organizations have an Undistributed Reserve it is excluded from the figures, so that the comparisons relate to effective working budgets. Estimated expenditures for the support of extrabudgetary activities are included where and to the extent that they are integrated in the regular budget. Estimated budgetary reimbursements to accounts drawn upon to finance expenditures under the budget or supplementary authorizations are reported in the period of reimbursement. Figures representing biennial budgets are divided into two equal annual figures. Budgets expressed in Swiss francs are translated into dollars at the United Nations operational rate of exchange at the end of each year, except for the 1981 and 1982 figures, which have been translated at the December 1980 rate. Rates used are as follows (Swiss francs to the dollar): 1973 - 3.20; 1974 - 2.74; 1975 - 2.66; 1976 - 2.44; 1977 - 2.17; 1978 - 1.73; 1979 - 1.60; 1980-1982 - 1.71.

b/ Preliminary, proposed or subject to further review.

Table A.2

Total net contributions of Member States actually payable under approved
regular budgets, including supplementary estimates a/

(United States dollars)

Organization	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
United Nations	187 898 126	222 919 784	280 149 489	320 320 848	338 035 102	402 958 699	500 339 574	533 781 593	595 883 631	625 691 050 b/
ILO	34 878 804	45 701 031	45 145 679	81 168 339	79 738 612	65 311 658	90 496 965	116 617 818	94 426 509	117 106 948
FAO	39 810 000	53 560 000	53 560 000	81 590 000	81 590 000	103 765 000	103 765 000	135 570 000	135 570 000	175 058 000 b/
UNESCO	54 720 000	61 720 000	77 890 000	84 990 000	108 150 000	108 150 000	145 200 000	145 200 000	199 160 000	199 160 000
WHO	89 941 400	104 328 800	112 240 000	133 300 000	142 584 000	159 400 000	179 520 000	211 445 000	211 445 000	219 950 000
ICAO	10 091 681	10 047 271	13 196 890	14 114 815	15 009 180	16 490 000	17 710 000	18 560 000	21 180 000	22 320 000
UPU	2 658 075	3 601 467	4 135 782	5 082 361	5 816 682	7 465 682	9 913 800	9 528 889	10 294 883	10 837 719
ITU	9 963 958	15 407 394	16 762 245	19 207 989	25 324 424	32 492 890	33 693 500	31 889 255	35 335 234	41 734 678 b/
WMO	4 996 700	6 720 380	7 975 040	9 826 400	10 319 400	13 195 546	15 814 450	17 495 000	18 582 800	15 666 300
IMCO	2 055 156	2 894 000	3 173 563	5 199 800	5 929 600	5 883 400	6 530 900	9 341 300	14 573 600	6 290 350 b/
WIPO	1 930 625	2 555 474	3 138 346	4 207 377	5 963 133	8 951 445	9 279 191	9 969 006	9 660 234	10 087 719 b/
IAEA	18 258 757	23 474 491	26 681 910	34 255 684	37 006 567	47 263 000	61 522 000	74 920 000	81 669 000	77 344 000 b/
Specialized agencies and IAEA	269 305 156	330 010 308	363 899 455	472 942 765	517 431 598	568 368 621	673 445 806	780 536 268	831 897 260	895 555 714
Grand Total	457 203 282	552 930 092	644 048 944	793 263 613	855 466 700	971 327 320	1 173 785 380	1 314 317 861	1 427 780 891	1 521 246 764

a/ This table shows the amounts of assessed contributions actually payable by Governments to finance regular budgets and any supplementary estimates. No other financing is reported. Where organizations have an Undistributed Reserve the corresponding amount of contributions is excluded from the figures. The effects of the operation of provisions concerning tax equalization funds are not taken into account. Assessments expressed in Swiss francs are translated into dollars on the same basis as Swiss-franc budget levels (see Table A.1, foot-note 1).

b/ Preliminary, proposed or subject to further review.

Table B. Established posts
(Excluding posts financed from agency support costs)

Key: n.a. = not available

Organization	1980	1981	1982	1982/1980		1982/1981	
				increase (decrease)		increase (decrease)	
				Number	Percentage	Number	Percentage
ILO	1 253 <u>a/</u>	1 253 <u>a/</u>	1 253 <u>a/</u>	-	-	-	-
FAO	2 467	2 467	2 431	(36)	(1.5)	(36)	(1.5)
UNESCO	2 310	2 436	2 442	132	5.7	6	0.2
ICAO	705	694	694	(11) <u>b/</u>	(1.6)	-	-
UPU	120	121	120 <u>c/</u>	-	-	(1)	(0.8)
WHO	2 540	2 540	2 627	87	3.4	87	3.4
ITU	514	525	529	15	2.9	4	0.8
WMO	244	244	246	2	0.8	2	0.8
IMCO	214 <u>d/</u>	217 <u>d/</u>	217 <u>e/</u> , <u>f/</u>		3	1.4	-
-							
WIPO	235	254 <u>g/</u>	263	28	11.9	9	3.5
IFAD	150	167	n.a.	n.a.	n.a.	n.a.	n.a.
IAEA	1 428	1 461	1 475	47	3.3	14	1.0
Subtotal							
(Specialized							
agencies and IAEA)	12 180	12 379	12 297 <u>h/</u>	267 <u>h/</u>	2.2 <u>h/</u>	85 <u>h/</u>	0.7 <u>h/</u>
United Nations	11 213	11 353	11 467	254	2.2	114	1.0
Grand total	23 393	23 732	23 764	521 <u>h/</u>	2.2 <u>h/</u>	199 <u>h/</u>	0.8 <u>h/</u>

a/ This figure excludes 39 posts financed from the executing agency costs account and 44 posts financed from other extrabudgetary resources. It represents the number of posts provided for in the 1980-1981 programme and budget as approved by the Conference at its June 1979 session.

b/ Representing posts financed from sources other than the regular budget (a technical adjustment).

c/ Excludes 15 posts reimbursed as support costs by UNDP (10 Professional and 5 General Service posts).

d/ Excludes 32 headquarters posts paid from the technical co-operation budget (10 Professional and 22 General Service posts).

e/ Excludes 6 posts financed from the Printing Fund and 32 headquarters posts paid from the technical co-operation budget (10 Professional and 22 General Service posts).

f/ One Professional post now proposed to be abolished which would reduce the total to 216.

g/ Increased by 6 posts for the Patent Co-operation Treaty (PCT), Administration as authorized by competent Governing Bodies.

h/ Excluding IFAD.

/...

Table C. Regular budget contributions to technical co-operation activities

(Thousands of United States dollars)

Organization	1980			1981			1982		
	Excess of			Excess of			Excess of		
	Regular programme	support costs over reimbursement	Total	Regular programme	support costs over reimbursement	Total	Regular programme	support costs over reimbursement	Total
ILO	10 511	7,829	18 340	10 611	7 565	18 176	9 445	9 960	19 405
FAO	13 776	15 100	28 876	17 345	15 400	32 745	23 000	16 000	39 000
UNESCO	3 033	3 222	6 255	5 016	3 330	8 346	5 016	4 200	9 216
ICAO	-	-	-	-	-	-	-	-	-
UPU	492	415	907	690	743	1 433	690	694	1 384
WHO	132 000	19 000	151 000	132 000	19 000	151 000	143 260	21 600	164 860
ITU	1 295	-	1 295	1 344	-	1 344	1 299	-	1 299
WMO	1 526	-	1 526	1 783	-	1 783	1 846	-	1 846
IMCO	-	249	249	-	433	433	-	396	396
WIPO	2 324	-	2 324	2 343	-	2 343	2 192	-	2 192
IAEA	-	600	600	-	600	600	-	650	650
Subtotal (specialized agencies and IAEA)	164 957	46 415	211 372	171 132	47 071	218 203	187 263	52 985	240 248
United Nations	12 433	22 664 a/	35 097	15 602	28 024 a/	43 626	15 608	31 693 a/	47 301
Grand Total	177 390	69 079	246 469	186 734	75 095	261 829	202 871	84 678	287 549

a/ Includes support for industrial development activities.

Table D. Working capital funds
(Thousands of United States dollars)

Organization	1982 gross budget or budget estimate	Gross budget or estimate for financial period	Working Capital Fund	Percentage of column (3) to column (1)	Percentage of column (3) to column (2)
ILO	113 165 <u>a/</u>	226 329 <u>a/</u>	3 350 <u>b/</u>	2.96	1.48
FAO	184 008	368 016	13 250 <u>c/</u>	7.2	3.6
UNESCO	208 458	625 374	20 000	9.59	3.20
ICAO	29 382	88 867	1 500	5.10	1.69
UPU ^{d/}	-	-	-	-	-
WHO	261 467	522 933	11 129	4.26	2.13
ITU ^{d/}	-	-	-	-	-
WMO	20 755 <u>e/</u>	87 158 <u>f/</u>	2 500	12.05	2.87
IMCO	13 186	29 465	650	4.9	2.2
WIPO	21 281	-	2 668	12.5	-
IAEA	86 369	-	2 000	2.3	-
United Nations	767 995	1 535 989	40 000	5.2	2.6

a/ This figure relates to the Effective Working Budget, i.e., the total budget for the period less the Undistributed Reserve corresponding to the amount of the contributions assessed on those member States that are not participating in any way in the work of the organization and are not paying their assessed contributions.

b/ No specific level is set for the Working Capital Fund; the amount here shown is the estimated cash level of the Fund at 1 January 1982.

c/ Proposed.

d/ Organization has no working capital fund.

e/ Net budget: \$17,516,800 plus staff assessment estimated at \$3,238,100.

f/ For the financial period 1980-1983, the net budget is \$74.4 million plus staff assessment estimated at \$12,758,000.

/...

Table E. Scales of assessment applicable to 1982
(Percentage)

Members a/	United Nations	ILO	FAO	UNESCO	ICAO	UPU	WHO	ITU	WMO	IMCO b/	WIPO	IAEA
Afghanistan	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	-	0.01
Albania	0.01	-	0.01	0.01	-	0.09	0.01	0.12	0.05	-	-	0.01
Algeria	0.12	0.12	0.15	0.12	0.16	0.47	0.12	0.23	0.09	0.30	0.29	0.12
Angola	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.09	0.03	-	-
Argentina	0.78	0.77	0.95	0.77	0.83	1.90	0.77	0.70	1.34	0.62	1.86	0.79
Australia	1.83	1.82	2.24	1.81	1.92	2.37	1.80	4.21	1.79	0.40	3.10	1.85
Austria	0.71	0.70	0.87	0.70	0.55	0.47	0.70	0.23	0.58	0.03	1.66	0.72
Bahamas	0.01	0.01	0.01	-	0.06	0.09	0.01	0.12	0.05	0.03	0.14	-
Bahrain	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	-	-
Bangladesh	0.04	0.04	0.05	0.04	0.07	1.42	0.04	0.23	0.05	0.10	-	0.04
Barbados	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.01	0.03	-
Belgium	1.22	1.21	1.49	1.21	1.13	1.42	1.20	1.17	1.25	0.44	2.81	1.23
Benin	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.01	0.15	-
Bhutan	0.01	-	-	-	-	0.09	-	-	-	-	-	-
Bolivia	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.22	-	-	0.01
Botswana	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	-	-
Brazil	1.27	1.26	1.55	1.26	1.51	2.37	1.25	1.17	1.34	1.09	2.85	1.28
Bulgaria	0.16	0.16	0.20	0.16	0.16	0.28	0.16	0.23	0.35	0.31	0.43	0.16
Burma	0.01	0.01	0.01	0.01	0.06	0.28	0.01	0.12	0.17	0.03	-	0.01
Burundi	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.08	-
Byelorussian Soviet Socialist Republic . .	0.39	0.39	-	0.38	-	0.28	0.38	0.23	0.49	-	0.03	0.40
Canada	3.28	3.25	4.01	3.24	3.21	4.73	3.22	4.21	2.64	0.78	2.13	3.32
Cape Verde	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	-	-
Central African Republic	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.13	-
Chad	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.17	-
Chile	0.07	0.07	0.09	0.07	0.13	0.47	0.07	0.23	0.35	0.16	0.16	0.07
China	1.62	1.61	1.98	1.60	0.83	4.73	1.59	4.68	3.85	1.65	-	-
Colombia	0.11	0.11	0.13	0.11	0.23	0.28	0.11	0.70	0.31	0.08	0.03	0.11
Comoros	0.01	0.01	0.01	0.01	-	0.09	0.01	0.12	0.05	-	-	-
Congo	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	0.14	-
Costa Rica	0.02	0.02	0.02	0.02	0.06	0.09	0.02	0.12	0.09	-	0.05	0.02
Cuba	0.11	0.11	0.13	0.11	0.12	0.28	0.11	0.23	0.26	0.22	0.26	0.11
Cyprus	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.51	0.43	0.01
Czechoslovakia	0.83	0.82	1.02	0.82	0.63	0.95	0.81	0.70	0.94	0.05	1.91	0.84
Democratic Kampuchea . .	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.01	-	0.01
Democratic People's Republic of Korea . . .	-	-	0.06	0.05	0.06	0.47	0.05	0.12	0.09	-	0.08	0.05
Democratic Yemen	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	-	-
Denmark	0.74	0.73	0.91	0.73	0.67	0.95	0.73	1.17	0.71	1.29	2.11	0.75
Djibouti	0.01	0.01	0.01	-	0.06	0.09	0.01	0.12	0.05	0.01	-	-
Dominica	0.01	-	0.01	0.01	-	0.09	-	-	0.05	0.01	-	-
Dominican Republic . . .	0.03	0.03	0.04	0.03	0.06	0.28	0.03	0.12	0.09	0.02	0.26	0.03
Ecuador	0.02	0.02	0.02	0.02	0.06	0.28	0.02	0.23	0.09	0.08	-	0.02

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Members <u>a/</u>	United Nations	ILO	FAO	UNESCO	ICAO	UPU	WHO	ITU	WMO	IMCO <u>b/</u>	WIPO	IAEA
Egypt	0.07	0.07	0.09	0.07	0.17	1.42	0.07	0.47	0.44	0.15	0.42	0.07
El Salvador	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.03	0.01
Equatorial Guinea	0.01	0.01	-	0.01	0.06	0.28	0.01	0.12	-	0.02	-	-
Ethiopia	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.23	0.05	0.02	-	0.01
Fiji	0.01	0.01	0.01	-	0.06	0.09	0.01	0.12	0.05	-	0.05	-
Finland	0.48	0.47	0.59	0.47	0.41	0.95	0.47	0.70	0.53	0.62	2.02	0.49
France	6.26	6.21	7.66	6.19	5.77	4.73	6.15	7.02	4.66	2.86	5.42	6.33
French Overseas Territories	-	-	-	-	-	-	-	-	0.10 <u>c/</u>	-	-	-
Gabon	0.02	0.02	0.02	0.02	0.06	0.09	0.02	0.12	0.05	0.03	0.14	0.02
Gambia	0.01	-	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.01	0.03	-
German Democratic Republic	1.39	1.38	-	1.37	-	1.42	1.37	0.70	1.38	0.38	2.60	1.41
Germany, Federal Republic of	8.31	8.25	10.17	8.22	6.81	4.73	8.17	5.85	4.93	2.01	5.62	8.40
Ghana	0.03	0.03	0.04	0.03	0.06	0.28	0.03	0.23	0.14	0.07	0.09	0.03
Greece	0.35	0.35	0.43	0.35	0.47	0.28	0.34	0.23	0.26	9.39	0.60	0.35
Grenada	0.01	0.01	0.01	0.01	-	0.09	0.01	-	-	-	-	-
Guatemala	0.02	0.02	0.02	0.02	0.06	0.28	0.02	0.23	0.09	-	-	0.02
Guinea	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	0.05	-
Guinea-Bissau	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.01	-	-
Guyana	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	-	-
Haiti	0.01	0.01	0.01	0.01	0.06	0.28	0.01	0.12	0.05	0.01	0.26	0.01
Holy See	-	-	-	-	-	0.09	-	0.12	-	-	0.14	0.01
Honduras	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.06	-	-
Hong Kong	-	-	-	-	-	-	-	-	0.05	0.21	-	-
Hungary	0.33	0.33	0.40	0.33	0.30	0.95	0.32	0.23	0.53	0.03	0.72	0.33
Iceland	0.03	0.03	0.04	0.03	0.08	0.09	0.03	0.12	0.09	0.06	0.43	0.03
India	0.60	0.59	0.73	0.59	0.71	2.37	0.59	3.04	1.83	1.42	0.54	0.61
Indonesia	0.16	0.16	0.20	0.16	0.26	0.95	0.16	0.23	0.62	0.35	0.26	0.16
Iran	0.65	0.64	0.80	0.64	0.56	0.47	0.64	0.23	0.40	0.32	0.88	0.66
Iraq	0.12	0.12	0.15	0.12	0.19	0.47	0.12	0.12	0.09	0.36	0.26	0.12
Ireland	0.16	0.16	0.20	0.16	0.19	0.95	0.16	0.47	0.26	0.06	1.91	0.16
Israel	0.25	0.25	0.31	0.25	0.37	0.28	0.24	0.23	0.26	0.12	0.56	0.25
Italy	3.45	3.42	4.22	3.41	2.97	2.37	3.39	2.34	2.24	2.66	2.87	3.49
Ivory Coast	0.03	0.03	0.04	0.03	0.06	0.28	0.03	0.23	0.09	0.06	0.25	0.03
Jamaica	0.02	0.02	0.02	0.02	0.07	0.09	0.02	0.12	0.09	0.02	0.03	0.02
Japan	9.58	9.51	11.73	9.48	8.14	4.73	9.42	4.68	2.55	9.76	5.16	9.69
Jordan	0.01	0.01	0.01	0.01	0.09	0.09	0.01	0.12	0.05	0.01	0.09	0.01
Kenya	0.01	0.01	0.01	0.01	0.06	0.28	0.01	0.12	0.05	0.02	0.26	0.01
Kuwait	0.20	0.20	0.25	0.20	0.23	0.95	0.20	0.23	0.14	0.61	-	0.20
Lao People's Democratic Republic	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	-	-
Lebanon	0.03	0.03	0.04	0.03	0.26	0.09	0.03	0.23	0.09	0.08	0.45	0.03
Lesotho	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	-	-
Liberia	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.23	0.05	19.08	-	0.01
Libyan Arab Jamahiriya	0.23	0.23	0.28	0.23	0.19	0.47	0.22	0.35	0.09	0.23	0.43	0.21

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Members <u>a/</u>	United Nations	ILO	FAO	UNESCO	ICAO	UPU	WHO	ITU	WMO	IMCO <u>b/</u>	WIPO	IAEA
Liechtenstein	-	-	-	-	-	0.09	-	0.12	-	-	0.15	0.01
Luxembourg	0.05	0.05	0.06	0.05	0.06	0.28	0.05	0.12	0.09	-	0.19	0.05
Madagascar	0.01	0.01	0.01	0.01	0.06	0.28	0.01	0.23	0.05	0.04	0.25	0.01
Malawi	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.09	-
Malaysia	0.09	0.09	0.11	0.09	0.15	0.28	0.09	0.70	0.35	0.18	-	0.09
Maldives	0.01	-	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.05	-	-
Mali	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.05	0.01
Malta	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.05	0.14	-
Mauritania	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.01	0.14	-
Mauritius	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	0.09	0.01
Mexico	0.76	0.75	0.93	0.75	0.86	1.42	0.75	0.70	0.85	0.25	1.42	0.77
Monaco	-	-	-	0.01	0.06	0.09	0.01	0.12	-	-	0.19	0.01
Mongolia	0.01	0.01	0.01	0.01	-	0.09	0.01	0.12	0.05	-	0.03	0.01
Morocco	0.05	0.05	0.06	0.05	0.12	0.47	0.05	0.23	0.17	0.10	0.45	0.05
Mozambique	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.09	0.02	-	-
Namibia	-	0.01	0.01	-	-	-	0.01	-	-	-	-	-
Nauru	-	-	-	-	0.06	0.09	-	0.12	-	-	-	-
Nepal	0.01	0.01	0.01	0.01	0.06	0.28	0.01	0.12	0.05	0.01	-	-
Netherlands	1.63	1.62	2.00	1.61	1.84	1.42	1.60	2.34	1.12	1.37	3.13	1.65
Netherlands Antilles . .	-	-	-	-	-	0.09	-	-	0.05	-	-	-
New Zealand	0.27	0.27	0.33	0.27	0.37	1.90	0.26	0.70	0.53	0.08	0.71	0.27
Nicaragua	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.23	0.05	-	-	0.01
Niger	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.14	0.01
Nigeria	0.16	0.16	0.20	0.16	0.16	0.95	0.16	0.47	0.26	0.13	0.26	0.16
Norway	0.50	0.49	0.61	0.49	0.50	0.95	0.49	1.17	0.62	5.24	2.06	0.51
Oman	0.01	-	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	-	-
Pakistan	0.07	0.07	0.09	0.07	0.28	1.42	0.07	0.47	0.22	0.13	0.16	0.07
Panama	0.02	0.02	0.02	0.02	0.06	0.09	0.02	0.12	0.09	5.76	-	0.02
Papua New Guinea	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	-	-
Paraguay	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	-	0.01
Peru	0.06	0.06	0.07	0.06	0.10	0.28	0.06	0.12	0.31	0.19	0.03	0.06
Philippines	0.10	0.10	0.12	0.10	0.22	0.09	0.10	0.23	0.39	0.47	0.43	0.10
Poland	1.24	1.23	1.52	1.23	1.02	0.95	1.22	0.70	1.29	0.88	1.71	1.25
Portugal	0.19	0.19	0.23	0.19	0.33	0.47	0.19	0.12	0.26	0.34	1.61	0.19
Qatar	0.03	0.03	0.04	0.03	0.06	0.47	0.03	0.12	0.09	0.04	0.09	0.03
Republic of Korea	-	-	0.18	0.15	0.53	0.95	0.15	0.23	0.17	1.05	0.23	0.15
Romania	0.21	0.21	0.26	0.21	0.24	0.47	0.20	0.23	0.40	0.46	1.15	0.21
Rwanda	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	-	-
Saint Lucia	0.01	0.01	0.01	0.01	0.06	0.09	0.01	-	0.05	0.01	-	-
Saint Vincent and the Grenadines	0.01	-	-	-	-	0.09	-	-	-	-	-	-
Samoa	0.01	-	0.01	-	-	-	0.01	-	-	-	-	-
San Marino	-	-	-	0.01	-	0.09	0.01	0.12	-	-	0.26	-
Sao Tome and Principe . .	0.01	-	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	-	-
Saudi Arabia	0.58	0.57	0.71	0.57	0.43	2.37	0.57	0.23	0.17	0.39	-	0.59
Senegal	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.23	0.05	0.02	0.25	0.01

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Members a/	United Nations	ILO	FAO	UNESCO	ICAO	UPU	WHO	ITU	WMO	IMCO b/	WIPO	IAEA
Seychelles	0.01	0.01	0.01	0.01	0.06	0.09	0.01	-	0.05	0.01	-	-
Sierra Leone	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.01	-	0.01
Singapore	0.08	0.08	-	0.08	0.47	0.09	0.08	0.23	0.09	1.83	-	0.08
Solomon Islands	0.01	-	-	-	-	-	-	-	-	-	-	-
Somalia	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	-	-
South Africa	0.42	-	-	-	0.58	-	0.41	1.87	0.80	-	1.42	0.43
Spain	1.70	1.69	2.08	1.68	1.85	2.37	1.67	0.70	1.25	1.94	2.45	1.72
Sri Lanka	0.02	0.02	0.02	0.02	0.06	0.47	0.02	0.12	0.22	0.04	0.14	0.02
Sudan	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.23	0.14	0.04	0.03	0.01
Suriname	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.02	0.17	-
Swaziland	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	-	-	-	-
Sweden	1.31	1.30	1.60	1.30	1.13	1.42	1.29	2.34	1.38	1.02	3.45	1.33
Switzerland	-	1.04	1.29	1.04	1.21	1.42	1.03	2.34	1.16	0.09	3.32	1.06
Syrian Arab Republic . .	0.03	0.03	0.04	0.03	0.08	0.09	0.03	0.12	0.17	0.02	0.26	0.03
Thailand	0.10	0.10	0.12	0.10	0.24	0.28	0.10	0.35	0.31	0.11	0.10	0.10
Togo	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.14	-
Tonga	-	-	-	0.01	-	0.09	0.01	0.12	-	-	-	-
Trinidad and Tobago . . .	0.03	0.03	0.04	0.03	0.06	0.09	0.03	0.23	0.09	0.02	0.26	-
Tunisia	0.03	0.03	0.04	0.03	0.06	0.47	0.03	0.47	0.09	0.05	0.45	0.03
Turkey	0.30	0.30	0.37	0.30	0.33	0.47	0.29	0.47	0.53	0.36	0.43	0.30
Tuvalu	-	-	-	-	-	0.09	-	-	-	-	-	-
Uganda	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.09	0.01
Ukrainian Soviet Socialist Republic . .	1.46	1.45	-	1.44	-	0.95	1.44	0.70	1.61	-	0.03	1.48
Union of Soviet Socialist Republics . .	11.10	11.02	-	10.98	10.64	2.37	10.91	7.02	10.35	5.64	4.09	11.22
United Arab Emirates . .	0.10	0.10	0.12	0.10	0.10	0.09	0.10	0.23	-	0.05	0.09	0.10
United Kingdom of Great Britain and Northern Ireland . . .	4.46	4.43	5.46	4.41	4.92	4.73	4.38	7.02	5.73	6.47	5.38	4.51
United Kingdom Overseas Territories .	-	-	-	-	-	0.47	-	-	0.05 d/	-	-	-
United Republic of Cameroon	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.03	0.25	0.01
United Republic of Tanzania	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.03	0.26	0.01
United States of America	25.00	25.00	25.00	25.00	25.00	4.73	25.00	7.02	24.56	4.45	5.93	25.00
Upper Volta	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	-	0.14	-
Uruguay	0.04	0.04	0.05	0.04	0.06	0.28	0.04	0.12	0.31	0.06	0.14	0.04
Venezuela	0.50	0.49	0.61	0.49	0.54	0.28	0.49	0.70	0.53	0.22	-	0.51
Viet Nam	0.03	0.03	0.04	0.03	0.06	0.09	0.03	0.12	0.09	-	0.26	0.03
Yemen	0.01	0.01	0.01	0.01	0.06	0.09	0.01	0.12	0.05	0.01	0.03	-
Yugoslavia	0.42	0.42	0.51	0.41	0.45	0.47	0.41	0.23	0.53	0.60	0.77	0.43
Zaire	0.02	0.02	0.02	0.02	0.06	0.28	0.02	0.23	0.17	0.04	0.43	0.02
Zambia	0.02	0.02	0.02	0.02	0.06	0.28	0.02	0.12	0.09	-	0.09	0.02
Zimbabwe	0.02	0.01	-	-	-	-	0.01	0.23	-	-	0.11	-

(Foot-notes on following page)

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Foot-notes to Table E

a/ A dash (-) opposite the name of a member indicates that it is not a member of the organization in question or that its assessment has not been determined.

b/ Assessments for 1981.

c/ French Polynesia, New Caledonia.

d/ British Caribbean Territories.

Table F. Collection of contributions

Organization	Percentage of current year's contributions collected at		Total of all contributions outstanding at 30 September (regardless of year of account)			
					(Thousands of US dollars)	
	30 June	30 September	30 June	30 September	1980	1981
	1980	1981	1980	1981	1980	1981
ILO	60.16	38.06 <u>a/</u>	67.29	48.12	73 642	88 128
FAO	61.23	40.08	76.82	59.35	34 534	65 950
UNESCO	57.47	37.40	72.69	48.12	42 384	107 695 <u>b/</u>
ICAO	62.77	49.48	82.42	66.00	3 380	8 214
UPU	n.a.	93.72	n.a.	94.30	1 204	1 511
WHO	51.32	45.40	72.99	57.74	59 624	92 623
ITU	92.77	94.40	94.14	95.38	5 524 <u>c/</u>	3 948 <u>d/</u>
WMO	61.93	62.07	76.74	70.09	5 357	6 646
IMCO	64.06	49.78	75.00	71.65	2 488	4 384
WIPO	55.60	66.75	76.21	75.19	4 236	4 372 <u>e/</u>
IAEA	51.83	45.52	81.68	54.67	16 005	38 051
United Nations	58.79	52.41	74.05	65.01	200 955	292 095

a/ On the basis of contributions assessed for the year concerned, including contributions of new members assessed after the adoption of the budget, but excluding contributions the expected non-receipt of which is offset by the inclusion in the programme and budget of an Undistributed Reserve.

b/ Excluding 1982 and 1983 regular programme assessments.

c/ At 1.63 Swiss francs to the United States dollar.

d/ At 2.13 Swiss francs to the United States dollar.

e/ At 1.71 Swiss francs to the United States dollar.

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Table G. Voluntary funds administered by members of the United Nations system of organizations
(Thousands of United States dollars)

Organization	1980			1981		
	Actual			Estimated		
	UNDP	Other United Nations funds	Non-United Nations funds	UNDP	Other United Nations funds	Non-United Nations funds
ILO a/, d/	67 235	8 151	30 996	71 090	10 120	38 880
FAO b/	172 218	1 644	100 558	148 200	4 700	107 700
UNESCO b/	53 870	12 980	23 460	55 000	15 000	32 000
WHO a/	25 979	24 285	108 787	30 968	43 457	111 346
ICAO b/	36 325	112	14 964	52 226	306	27 844
UPU b/	3 600	-	545	3 200	-	930
ITU b/	27 054	734	5 568	32 000	1 100	5 500
WMO	9 958 b/	618 c/	3 536 a/	11 000 b/	800 c/	4 800 a/
IMCO a/	6 898	350	2 353	4 802	368	2 000
WIPO b/	400	-	221	498	-	320
IAEA b/	5 018	581	16 321	6 770	403	21 544
Sub-total						
Specialized agencies and IAEA	408 555	49 455	307 309	415 754	76 254	352 864
United Nations a/	242 376 e/	58 713	35 024	253 731 e/	83 045	42 967
Total	650 931	108 168	342 333	669 485	159 299	395 831

a/ Including agency support costs.

b/ Excluding agency support costs.

c/ No agency support costs.

d/ Excluding voluntary contributions used to finance regular-budget activities because of non-receipt of assessed contributions and the resources of bodies in close relationship with the ILO which have independent sources of financing.

e/ Includes indicative planning figure (IPF), Programme reserve, Special Measures Fund for the Least Developed Countries, counterpart contributions and UNFPA.

III. COMMENTS ON THE BUDGETS OF THE SPECIALIZED AGENCIES
AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

\$

Approved net expenditure budget for 1982-1983 226,329,469

Approved net expenditure budget for 1980-1981 (as revised) . . . 209,925,317

Increase . . 16,404,152

7.81 per cent

23. The Advisory Committee discussed the programme and budget of the International Labour Organisation with representatives of the Director-General of ILO.

1. Appropriations for 1980-1981

24. The Advisory Committee reported to the General Assembly at its thirty-fifth session that the revised net expenditure budget for 1980-1981, as approved by the International Labour Conference in June 1980, amounted to \$209,925,317 (A/35/481, para. 22). According to information provided by the Director-General, the ILO Governing Body had at its subsequent sessions, up to and including June 1981, approved supplementary credits totalling \$20.4 million, including \$4.5 million to meet the outstanding liabilities of the International Centre for Advanced Technical and Vocational Training at Turin, as approved by the Conference in June 1980, \$4.1 million for other programme needs, \$10.1 million for inflation and other cost increases (after deduction of savings of \$2.1 million expected as a result of a favourable change in the United States dollar-Swiss franc exchange rate) and \$1.7 million for some 18 officials still surplus to programme resources, a number of the originally surplus staff having been absorbed through the additional programme provisions. The Governing Body noted that normal attrition was expected to resolve the problem of the remaining redundant staff by 1982-1983. In accordance with the usual practice, the supplementary expenditures authorized by the Governing Body were to be financed in the first instance by savings in part I of the budget and, failing that, they were to be charged to part II (Unforeseen Expenditure); to the extent that this was not possible, they would be financed by withdrawal from the Working Capital Fund. The amount finally paid to the Turin Centre to cover its outstanding liabilities was \$3,538,940, or nearly \$1 million less than the supplementary credit approved for the purpose.

25. The representatives of the Director-General further stated that, while the ILO over-all budget situation for 1980-1981 appeared to be satisfactory, the cash position was giving cause for concern. As a result of late payments of contributions by Member States, by the end of August 1981 expenditure had exceeded income by \$15.3 million. To cover the shortfall it had been necessary, inter alia, to draw some \$10.6 million from the Working Capital Fund which was now exhausted and \$10.1 million from the Terminal Benefits Fund. In the event that overdue payments were not immediately forthcoming, it might become necessary to borrow from commercial banks at prevailing high interest rates some \$3 million to \$4 million by mid-October and \$10 million by the end of November 1981.

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2. Appropriations for 1982-1983

26. The Advisory Committee was informed that the Director-General's programme and budget proposals were prepared in the light of the discussions by the Governing Body and the Conference of the medium-term plan for 1982-1987. This had been submitted by the Director-General in 1980 not for formal adoption but as a basis for the presentation of views concerning the programme and budget proposals to be drawn up for each of the three biennia concerned. The plan provided for a return by the last biennium of the period to a level of activities approximately the same as that approved by the Conference for 1978-1979, before the temporary withdrawal of the United States, with a relatively large increase in the first biennium. With these considerations in mind the Director-General had prepared initial programme and budget proposals for 1982-1983 amounting to \$245,144,000 (\$241,197,182 for the Effective Working Budget and \$3,946,818 for the Undistributed Reserve).

27. Subsequently, in February-March 1981, the Governing Body had made reductions and other adjustments in the proposed programme and approved a draft programme and budget for submission to the Conference in the total amount of \$238,746,000 (Effective Working Budget \$234,902,190), representing a programme increase over 1980-1981 of 8.93 per cent. In May 1981, the Governing Body noted that the United States dollar-Swiss franc market exchange rate had become more favourable and adjusted the proposed 1982-1983 budgetary rate from 1.73 to 1.85 Swiss francs to the United States dollar, reducing the total estimates by \$9,723,000. That action was taken on the understanding that the Governing Body would review the position in one year's time to determine whether or not any adjustments in the rate would be needed for 1983. The Governing Body requested that it be provided at its November 1981 session with information on procedures for dealing with savings arising from exchange rate fluctuations, and at its May 1982 session with an analysis of the effects of the exchange rate fluctuations on the budget. In May 1981, the Governing Body also approved adjustments to the salaries and allowances of General Service staff at Geneva, which had the effect of increasing the 1982-1983 estimates by \$1,010,000. The revised draft programme and budget finally submitted to the Conference by the Governing Body thus amounted to \$230,033,000, including an Effective Working Budget of \$226,329,469. The revised proposals represented the same 8.93 per cent programme increase over 1980-1981 as the proposals originally submitted by the Governing Body.

28. The revised programme and budget proposals were adopted by the Conference on 16 June 1981.

29. The over-all structure of the 1982-1983 programme and budget is the same as in 1980-1981 except that:

(a) A new major programme, No. 120 (General Analysis of Labour Problems) has been created under the Technical Programmes chapter, regrouping certain elements of that chapter with the Central Library and Documentation programme formerly included in major programme No. 210 (Information Systems) under the Service and Support Activities chapter;

(b) the former Regional Services and Relations chapter has been divided into two new chapters entitled "Relations" and "Regional Services";

(c) a new major programme, No. 291 (International Centre for Advanced Technical and Vocational Training, Turin), without financial provision, has been included in the Other Budgetary Provisions chapter (see para. 32).

In addition, some changes have been made in the distribution of activities between major programmes to reflect organizational changes, and a large proportion of the total provision for regular-budget technical co-operation has been included in the regional major programmes (instead of the entire provision being made in the technical programmes as previously) in line with the intention to decentralize responsibility for the administration of a substantial part of the activities to the regional directors. Corresponding changes have been made in the 1980-1981 column of the following table which provides a comparison of the ILO expenditure budget for 1982-1983 of \$226,329,469 as approved by the Conference - both in constant 1980-1981 dollars and at estimated actual cost - with the revised appropriations for 1980-1981.

Item	Title	1980-1981 Budget	1982-1983 estimates (in constant 1980- 1981 dollars) a/	1982-1983 estimates (recosted) b/
Part I. Ordinary budget				
Policy Making Organs:				
10	International Labour Conference	4 896 064	5 313 776	5 841 270
20	Governing Body	1 112 000	1 117 400	1 341 676
30	Major Regional Meetings	711 814	664 764	799 580
	Total	6 719 878	7 095 940	7 982 526
General Management:				
40	General Management	3 478 844	4 018 577	4 384 020
Technical Programmes:				
50	International Labour Standards and Human Rights	6 039 604	7 030 745	7 914 361
60	Employment and Development	7 586 634	7 778 185	8 740 115
70	Training	6 322 586	6 449 628	7 235 815
80	Industrial Relations	7 067 801	7 337 162	8 579 890
90	Working Conditions and Environment	10 241 312	10 326 098	11 583 460
100	Sectoral Activities	8 139 531	8 823 307	10 102 160
110	Social Security	2 882 119	3 059 224	3 471 416
120	General Analysis of Labour Problems	3 965 814	4 709 131	5 177 961
130	Statistics	3 280 890	3 399 065	3 800 987
150	International Institute for Labour Studies and International Social Security Association	1 656 850	1 863 850	2 071 250
	Total	57 183 141	60 776 395	68 677 415
Service and Support Activities:				
160	Personnel	5 767 270	6 441 278	6 958 221
170	Financial and Central Administrative Services	20 953 736	21 627 268	22 956 629
180	Editorial and Document Services	20 809 389	23 846 507	25 461 902
190	Legal Services	1 129 990	1 213 540	1 335 722
200	Programming and Management	2 147 612	2 573 792	2 893 685
210	Information Systems	3 995 227	4 400 106	4 813 050
	Total	54 803 224	60 102 491	64 419 209
Relations:				
220	Relations and Meetings	8 486 652	9 966 383	11 161 657
230	Public Information	1 923 544	2 221 434	2 439 710
240	Liaison with the United Nations, New York	869 146	877 510	1 073 530
	Total	11 279 342	13 065 327	14 674 897
Regional Services:				
250	Management of Field Programmes in Africa	10 424 826	11 241 016	13 682 862
260	Management of Field Programmes in the Americas	9 477 104	10 633 626	13 416 742
270	Management of Field Programmes in Asia and the Pacific	9 101 011	10 032 618	12 186 302
280	Management of Field Programmes in Europe	3 375 900	3 437 315	4 452 295
285	Management of Field Programmes in Arab States	2 218 138	2 425 795	2 915 607
	Total	34 596 979	37 770 370	46 653 808
Other Budgetary Provisions:				
290	Other Budgetary Provisions	10 313 054	12 507 650	12 212 311
291	International Centre for Advanced Technical and Vocational Training, Turin	-	-	-
	Sub-Total	178 374 462	195 336 750	219 004 186
	Adjustment for Staff Turnover	(873 802)	(717 545)	(834 145)
	Total of Part I	177 500 660	194 619 205	218 170 041
Part II. Unforeseen Expenditure				
295	Unforeseen Expenditure	275 000	275 000	275 000
Part III. Working Capital Fund				
296	Working Capital Fund	32 149 657	7 884 428	7 884 428
Part IV. Effects of Exchange Rate Adjustments				
297	Effects of Exchange Rate Adjustments	-	-	-
	Effective Working Budget (Parts I-IV)	209 925 317	202 778 633	226 329 469
Part V. Undistributed reserve				
298	Undistributed reserve	9 016 901	3 318 158	3 703 531
	Total (Parts I-V)	218 942 218	206 096 791	230 033 000

a/ 1980-1981 cost levels and exchange rate (1.73 Swiss francs to the US dollar).

b/ At 1982-1983 cost levels and exchange rate (1.85 Swiss francs to the US dollar).

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30. According to ILO budgetary practices, only part I of the budget (called the "ordinary budget") directly relates to the programme of work for the biennium. Part II (Unforeseen expenditure) is a contingency provision, whereas part III normally contains appropriations necessary to reimburse the Working Capital Fund for withdrawals made to cover expenditure in previous biennia, or to adjust the level of the Fund.

31. As can be seen from the table following paragraph 29 above, the total resources approved for the programmes of activity in 1982-1983 (i.e., part I of the budget, excluding major programmes Nos. 290 and 291) amount to \$182,111,555 in constant 1980-1981 dollars. This is \$14,923,949 or 8.9 per cent more than the corresponding figure of \$167,187,606 for 1980-1981, excluding supplementary credits. The programme increase of \$14,923,949 in 1982-1983 (in constant 1980-1981 dollars) includes an amount of \$3.1 million for language services in Arabic. If this item is excluded, programme growth in 1982-1983 becomes \$11,823,949; this corresponds to 7.1 per cent of the 1980-1981 budget, excluding supplementary credits (\$167,187,606). The Director-General attributes the programme increase of \$11,823,949 in the main to additional tasks arising from prior decisions by intergovernmental bodies and to the rapid expansion since 1978 of extrabudgetary technical co-operation activities, the service and support of which are only partly covered by the outside funds received. In this connexion, the Director-General expresses the view that since the 1980-1981 programme of activity was 21.7 per cent lower than the programme originally approved for 1978-1979, the programme proposed for 1982-1983 is lower, in real terms, than the programme originally approved for 1978-1979 by 14.7 per cent if the increase attributable to Arabic language services is taken into account, or by 16.1 per cent if that increase is disregarded.

32. The budget for 1982-1983 includes a new major programme, No. 291 (International Centre for Advanced Technical and Vocational Training, Turin), for which no appropriation is shown at this time (see para. 29 and the table following it. This reflects a decision of the Governing Body not to include a proposed provision of \$2.2 million to meet the difference between the estimated needs and the foreseeable income of the Centre in 1982-1983 in the expectation that at least part of the amount required might be found from voluntary contributions; and the understanding that, should regular-budget participation prove necessary in 1982-1983, funds not exceeding \$2.2 million could be provided through a supplementary credit.

33. As is stated in paragraph 27, the approved budget for 1981-1983 includes an amount of \$1,010,000 for adjustments to the salaries and allowances of General Service staff at Geneva, as follows:

(a) An increase of 3 per cent on 1 January 1982 for General Service staff paid on the old scale;

(b) An increase of 5 per cent on 1 January 1982 for General Service staff recruited on the new scale;

(c) An increase of 5 per cent on 1 January 1983 for all General Service staff.

The Advisory Committee understands that the Governing Body also approved salary and allowance adjustments for 1981, retroactive to 1 March 1981, of 3 per cent for General Service staff at Geneva on the old scale and of 5 per cent for those on the new scale, at an additional cost of some \$400,000. In view of the fact that the adjustments to the salaries and allowances of General Service staff at Geneva on the old scale were at variance with the recommendation of the International Civil Service Commission, the Advisory Committee sought additional clarification.

34. The representatives of the Director-General informed the Advisory Committee that the decision of ILO to grant its Geneva General Service staff who remained on the pre-1978 scale a 3 per cent increase, effective 1 March 1981, had been part of an over-all set of decisions taken by the Governing Body following proposals made by the Director-General after long negotiations with the staff. The other decisions on General Service salaries were in line with the ICSC recommendations. The Director-General had been required to negotiate with the staff both on the basis of the opinion of the judges of the ILO Administrative Tribunal and on the basis of the constitutional position of ILO on staff-management relations and the statutory right of the staff to participate in the process of determining its conditions of employment. The increase was a temporary action only as it was still expected that the new scale would catch up with the old scale (including this increase) during 1982. The ILO Governing Body had been fully aware of the background and of all its implications when it took its decision.

35. The Advisory Committee was informed that the standard cost factors used in calculating staff costs included financial rewards for meritorious and long service (in accordance with ILO Staff Regulations approved by the Governing Body at its 214th session, in November 1980).

36. The Advisory Committee observes that this provision, which came into effect on 1 April 1981, is new. The Committee recalls that when, in the spring of 1980, it was collecting information for its report to the General Assembly on the reclassification of regular-budget posts ^{5/} it was not apprised of the ILO thinking on the question of merit and long-service increments.

37. The representatives of the Director-General provided the Committee, at its request, with the relevant articles in chapter 6 of the ILO Staff Regulations. They read as follows:

"Article 6.5

"Special Merit Increments

"1. The responsible chief may recommend the grant of an additional increment to an official whose performance during the period under review has been appraised pursuant to Article 6.7 as being superior or outstanding and who is not in receipt of maximum salary attaching to his grade.

^{5/} Ibid., Thirty-fifth Session, Supplement No. 7 (A/35/7/Add.1-32), document A/35/7/Add.8.

"2. The responsible chief's recommendation shall be reviewed by the official to whom the responsible chief reports who, if he concurs, shall refer the recommendation to the Reports Board for decision.

"3. The timing of special merit increments as well as the number of recommendations which may be made each year will be subject to limitations defined by the Director-General after consulting the Administrative Committee.

"Article 6.6

"Special Increments beyond the Maximum Salary Rate

"1. The responsible chief may recommend the grant of not more than one additional special increment to an official who is in receipt of the maximum salary attaching to his grade, and whose performance during the preceding review period has been appraised pursuant to Article 6.7 as superior or outstanding.

"2. The responsible chief's recommendation shall be reviewed by the official to whom the responsible chief reports who, if he concurs, shall refer the recommendation to the Reports Board for decision.

"3. The timing of the increments provided for in paragraph 1 as well as the number of recommendations which may be made each year will be subject to limitations defined by the Director-General after consulting the Administrative Committee.

"4. An official who has completed more years of service in his grade than the number of years which it would normally take to progress from the minimum to the maximum of the salary scale attaching to his grade, and who is at the maximum, shall be eligible to receive one additional special increment on completion of more than 20 years of continuous service and one additional special increment on completion of more than 25 years of continuous service.

"5. The total number of additional special increments payable to any official under the provisions of this article shall be limited to two, and not more than one such increment shall be paid to any official in any one year."

38. ILO Personnel Circular No. 192, dated 8 December 1980, which explains in greater detail the modalities involved in the granting of financial awards for meritorious and long service, specifies that the number of merit increments should be limited to 15 per cent of the staff in the General Service, Professional and Director grades taken together. Officials eligible for long-service increments are also eligible for merit increments, but no more than one special increment may be granted in any one year. The amount of an increment above the maximum will be the equivalent in net salary, gross salary and pensionable remuneration of the immediately preceding increment.

39. As can be seen from the table following paragraph 29, the appropriation of \$12,507,650 (in constant 1980-1981 dollar terms) in 1982-1983 under major programme No. 290 (Other Budgetary Provisions), is \$2,194,596 more than the corresponding appropriation of \$10,313,054 for 1980-1981, excluding supplementary credits. The major part of the increase is due to the fact that, in 1982-1983, building loan annuities will be fully financed through the programme and budget (whereas in 1980-1981 they were financed in part by a withdrawal of \$1,016,290 from the Building and Accommodation Fund) and to the need for increased payments into the ILO Staff Pension Fund to amortize its actuarial deficit and to the Staff Health Insurance Fund for the insurance of retired officials.

3. Staff

40. The staff resources of the ILO are expressed in work-years and work-months. They consist of established posts 6/ (one post equals two work-years over the biennium), which are occupied by permanent officials, and additional work-years, which are available for the recruitment of fixed-term and short-term staff. The following table shows total staff resources likely to be available to the ILO in 1982-1983 from the regular budget and other sources, as compared with those available in 1978-1979 (initial and reduced programmes) and in 1980-1981. (For the sake of simplicity, all posts are shown as occupied for two years, even though some of them are frozen.)

6/ The ILO has both regular-budget and extrabudgetary established posts. Regular budget posts are established by the Conference and extrabudgetary posts by the Governing Body.

	Regular budget									
	Posts					Total				
	(Work-years/months)	P and above a/	GS	P and above	GS	Additional work-years/months	P and above	GS	work-years/months	Total work-years/months
Initial										
1978-1979	657 (1 314)	699 (1 398)		120/09	439/10		1 434/09	1 837/10	147/07	212/02
									1 582/04	2 050/00
Revised										
1978-1979	612 (1 224)	637 (1 274)		-52/11	221/04		1 171/01	1 495/04	158/04	189/06
									1 329/05	1 684/10
1980-1981	612 (1 224)	637 (1 274)		-55/05	195/06		1 168/07	1 469/06	166/00	258/05
									1 334/07	1 727/11
1982-1983	613 (1 226)	636 (1 272)		51/11	330/11		1 277/11	1 602/11	208/04	326/04
									1 486/03	1 929/03

a/ Excluding 4 reserve posts for officials seconded to other organizations.

41. The schedule of established posts for 1982-1983 approved by the Conference provides for one more post of Deputy Director-General and one less post of Assistant Director-General than in 1980-1981 and for the regrading from D-1 to D-2 of the former post of Chief of the Employers' Relations Programme as a result of the creation of a combined programme to handle both assistance to employers' organizations and employers' relations. The schedule also incorporates changes in the classification of posts below the grade D-1, which the Director-General is empowered to make on his own authority on the basis of internal reviews of the duties and responsibilities attaching to such posts, on the understanding that he reports every second year in his programme and budget proposals on all regradings approved by him during the preceding financial period. The distribution of regular-budget established posts by grade is as follows:

	Initial 1978-1979	Revised 1978-1979	1980-1981	1982-1983
Director-General	1	1	1	1
Deputy Director-General . . .	3	2	2	3
Assistant Director-General .	7	7	7) 7 <u>a/</u>
Legal Adviser (Assistant Director-General)	1	1	1))))
Director:				
D-2	15	15	16	17
D-1	47	45	45	44
Special post D-1 . . .	2	2	2	2
Professional:				
P-5	101	96	101	123
P-4	169	159	170	174
P-3	182	167	158	140
P-3/2	1	1	-	-
P-2	40	37	40	33
Special post P-2 . . .	19	17	9	8
P-1	44	43	40	40
Other posts	29 <u>b/</u>	23 <u>c/</u>	24 <u>d/</u>	25 <u>e/</u>
Subtotal	661	616	616	617
General Service	699	637	637	636
Total	1 360	1 253	1 253	1 253 <u>f/</u>

a/ One of the 8 Assistant Director-General posts provided for in 1980-1981 (as yet not identified) is to be abolished from 1 January 1982.

b/ Includes 25 posts in external offices and 4 reserve posts for officials seconded to other organizations.

c/ Includes 19 posts in external offices and 4 reserve posts for officials seconded to other organizations.

d/ Includes 20 posts in external offices and 4 reserve posts for officials seconded to other organizations.

e/ Includes 21 posts in external offices and 4 reserve posts for officials seconded to other organizations.

f/ As in 1980-1981, 282 posts (176 in the Professional category) will remain frozen pending the outcome of a review of the post system which will be carried out shortly.

/...

4. Management improvement programme

42. The representatives of the Director-General informed the Advisory Committee that the renegotiation of external contracts for cleaning services at Headquarters, for maintenance of office equipment and for printing had resulted in economies. The installation at a cost of some 300,000 Swiss francs of a heat-recovery plant in the air-conditioning system was expected to yield savings of 60,000 Swiss francs a year at current fuel prices. Another management improvement effort involved the computerization of equipment-purchasing for technical co-operation projects.

5. Working Capital Fund

43. The provision of \$7,884,428 (in constant 1980-1981 dollars) in part III of the budget (Working Capital Fund) (see table following para. 29) is for the reimbursement in 1982, in accordance with the Financial Regulations, of the shortfall of budgetary income against expenditure at the end of 1980. This amount is \$24,265,229 less than the part III provision in 1980-1981, which covered withdrawals from the Fund in 1976-1977 and 1978-1979. The amount of any withdrawal from the Fund at the end of 1981 to meet any further shortfall of income against expenditure under the budget or supplementary credits in 1980-1981 will be notified to the Conference in June 1982 for assessment on member States in 1983 in accordance with the Financial Regulations.

6. Exchange rate adjustments

44. As in 1980-1981, there is no appropriation for part IV of the budget (Provision for effects of exchange rate adjustments). This is because in recent years ILO practice has been to include in the individual programme estimates any cost differences resulting from a change in the budgetary exchange rate. The programme and budget for 1982-1983, as approved by the Conference, was costed at 1.85 Swiss francs to the United States dollar, which, in comparison with the estimates as costed at the 1980-1981 budgetary exchange rate of 1.73 Swiss francs to the dollar, produced a total saving of \$9,725,121, including a saving of \$9,568,547 in the Effective Working Budget. Provision is now made in part IV only in the context of a revision of the programme and budget by the Conference in the first year of the biennium.

7. Technical co-operation

45. The Advisory Committee has been informed that the provision for regular-budget technical co-operation activities will be maintained at the same level in real terms as in 1980-1981, namely, \$10,822,000 in constant 1980-1981 dollars. A substantial proportion of this provision is now shown under the regional major programmes (Nos. 250 to 285) and will be administered directly by the regional directors, enabling the Office to respond more rapidly and flexibly to requests for assistance from member States.

46. Direct expenditure on technical co-operation projects financed from UNDP and other extrabudgetary sources, which amounted to \$132 million in 1978-1979, is expected to reach about \$200 million in 1980-1981 and \$257 million in 1982-1983. In real terms, after allowing for the effects of inflation, delivery is expected to rise by about 20 per cent in 1980-1981 in relation to 1978-1979 and by a further 10 per cent or more in 1982-1983. The number of experts working on these projects, which had reached its highest level of 912 in December 1975 and had fallen to its subsequent lowest level of 594 in September 1977, rose from 631 in May 1978 to 793 in May 1981 (after attaining a seasonal peak of 837 in November 1980).

47. A new development in the field of ILO technical co-operation is the inclusion in the regular-budget regional programmes of resources to cover the positions of the directors of ILO regional centres, dealing with employment, training and labour administration, which are financed from a variety of sources, including UNDP and multi-bilateral funds and regular-budget technical co-operation funds. In this way the centres will be integrated more closely into the ILO regional structures, where they are expected to play an important role.

8. Accommodation

48. The Advisory Committee understands that ILO is now occupying the whole of its headquarters building except for 110 modules (equivalent to some 37 offices), which have been leased to WHO until the latter's additional prefabricated premises are ready, by about the summer of 1982. Part of the space to be released by WHO will be required immediately by ILO. The remainder will form a small reserve which it is hoped will meet the needs of ILO at least until 1984 or 1985.

9. Scale of assessments

49. In June 1981 the Conference approved a scale of assessments for 1982-1983 based on the scale for 1981 adjusted to take account of the assessment (at 0.01 per cent) of a new member State - Equatorial Guinea. The ILO 1981 scale was based on the United Nations scale for 1980-1982, adjusted to take account of the difference in membership of the two organizations.

B. Food and Agriculture Organization of the United Nations

	\$
Proposed total effective working budget for 1982-1983 . . .	368,016,000 a/
Total effective working budget for 1980-1981	<u>278,740,000 b/</u>
Increase	89,276,000
	32 per cent

50. The Advisory Committee discussed the proposed budget of FAO for 1982-1983 and related matters with a representative of the Director-General of the organization.

1. Proposed budget for 1982-1983

51. The Director-General of FAO has submitted to the Conference of the organization a proposed programme of work and budget for 1982-1983 in an amount of \$368,016,000, net of staff assessment, calculated at a rate of 1,175 Italian lire to the United States dollar. The proposals are based on the summary programme of work and budget for the biennium, as recommended by the Council at its seventy-ninth session, in June/July 1981.

52. The final rate of exchange on which the appropriations will be based will be determined by the Conference. In paragraph 4.29 of the explanatory notes to his programme budget proposals (FAO document C 81/3), the Director-General provides the following table of hypothetical budget levels for 1982-1983 at different rates of exchange:

<u>Italian lire to \$US 1</u>	<u>\$</u>
820	415,230,000
1,000	390,400,000
1,100	377,720,000
1,150	371,340,000
1,175	368,016,000
1,200	365,840,000
1 225	363 400 000
1 250	361 060 000

a/ At 1,175 lire to the United States dollar.

b/ At 820 lire to the United States dollar.

53. At 820 lire to the dollar (i.e., at the rate used for the 1980-1981 budget) the proposals for 1982-1983, in the amount of \$415,230,000, exceed the appropriations of \$278,740,000 for 1980-1981 by \$136,490,000 or 49 per cent. In table P in paragraph 7.2 of the explanatory notes in document C 81/3, the Director-General provides the following analysis of the cost increases and programme increase in 1982-1983:

	<u>\$</u> (at 820 lire to \$US 1)	<u>Percentage</u>
(1) Base	278,740,000	
(2) Cost increase	<u>105,734,000</u>	37.9
	384,474,000	
(3) Programme increase	22,312,000	5.8
(4) Cost increase on (3)	<u>8,444,000</u>	2.2
	<u>415,230,000</u>	

Thus programme increases, including the related cost increases, amount to \$30,756,000 at 820 lire to the United States dollar, i.e., to 8 per cent of the recosted base of \$384,474,000.

54. If cost increases are left out of account, the programme increases proposed for 1982-1983 total \$22,312,000 (at 820 lire to the United States dollar). Their distribution by programme is as follows:

Chapter and major programme	1982-1983 proposed	1980-1981 approved	Programme increase (decrease)	Percentage increase (decrease)
	(thousands of US dollars)			
<u>1. General policy and direction</u>				
1.1. Governing Bodies	9 147	8 827	320	3.6
1.2. Policy, direction and planning	5 898	5 858	40	0.7
1.3. Legal	2 548	2 498	50	2.0
1.4. Liaison	5 939	5 889	50	0.8
Total, Chapter 1	23 532	23 072	460	2.0
<u>2. Technical and economic programmes</u>				
2.1. Agriculture	105 909	97 132	8 777	9.0
2.2. Fisheries	18 136	16 784	1 352	8.1
2.3. Forestry	12 284	11 340	944	8.3
Total, Chapter 2	136 329	125 256	11 073	8.8
<u>3. Development support programmes</u>				
3.1. Field programme planning and liaison	3 669	3 319	350	10.5
3.2. Investment	15 403	13 608	1 795	13.2
3.3. Special programmes	1 806	1 767	39	2.2
3.4. FAO Representatives	23 977	20 866	3 111	14.9
3.9. Programme management	608	608	-	0
Total, Chapter 3	45 463	40 168	5 295	13.2
<u>4. Technical co-operation programme</u>	37 910	32 638	5 272	16.2
<u>5. Support services</u>				
5.1. Information and documentation	14 349	13 122	1 227	9.4
5.2. Administration	30 021	30 196	(175)	(0.6)
5.9. Programme management	1 154	1 154	-	0
Total, Chapter 5	45 524	44 472	1 052	2.4
<u>6. Common services</u>	11 694	12 534	(840)	(6.7)
<u>7. Contingencies</u>	600	600	-	0
Grand total	301 052	278 740	22 312	8.0

/...

55. In paragraphs 88 to 96 of his introduction to document C 81/3, the Director-General sets out his approach to the preparation of his programme budget proposals. In paragraph 93 he states that "the so-called policy of 'zero-growth', which is desired by certain Governments, has not so far been considered by or accepted by the Governing Bodies of FAO". The Director-General also states that "every effort has been made to maintain and expand essential programmes by eliminating obsolete and low priorities, adjustments in other priorities, further economies, and redistribution of resources".

56. The Advisory Committee was informed by the representative of the Director-General that, in terms of objects of expenditure, increases in real terms are being proposed for consultants, contractual services, training activities and other non-staff areas. The changes proposed in the number of established posts are summarized in paragraph 58 below.

57. In the following table, the proposals for 1982-1983, including cost increases, and the effect of the change in the rate of exchange from 820 lire to 1,175 lire to the United States dollar are compared with the approved budget for 1980-1981.

<u>Appropriation line</u>	1982-1983 proposed budget	1980-1981 approved budget	Increase 1982-1983 over 1980-1981	Percentage increase
	(thousands of US dollars)			
1. General policy and direction	28,756	23,072	5,684	24.6
2. Technical and economic programmes	164,281	125,256	39,025	31.2
3. Development support programmes	60,420	40,168	20,252	50.4
4. Technical co-operation programme	47,387	32,638	14,749	45.2
5. Support services	52,087	44,472	7,615	17.1
6. Common services	14,485	12,534	1,951	15.6
7. Contingencies	600	600	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total effective working budget	368,016	278,740	89,276	32.0

58. For 1982-1983 the Director-General proposes a total of 2,431 regular-budget posts. This total excludes jointly-financed posts of the FAO/World Bank Co-operative Programme, the Joint FAO/WHO Food Standards Programme and the General Service staff in the Joint FAO/IAEA Division at Vienna and also the staff of the offices of FAO Representatives. In the following table the proposals for 1982-1983 are compared with the 1980-1981 establishment (A/34/684, para. 53).

	<u>1982-1983</u>	<u>1980-1981</u>	<u>Increase (decrease)</u>
Director-General	1	1	-
Deputy Director-General	1	1	-
Assistant Director-General	11	11	-
D-2	27	27	-
D-1	77	74	3
P-5	241	224	17
P-4	337	353	(16)
P-3	165	162	3
P-2	84	87	(3)
P-1	<u>11</u>	<u>15</u>	<u>(4)</u>
Subtotal	955	955	-
General Service	<u>1 476</u>	<u>1 512</u>	<u>(36)</u>
Total	<u>2 431</u>	<u>2 467</u>	<u>(36)</u>

The Advisory Committee understands that the decrease in the number of General Service posts is attributable to a decision taken by the Conference in 1979 to close the Regional Office for the Near East at Cairo, which led to the termination of the appointments of 40 local-level staff members.

59. In paragraphs 80 to 87 of his introduction to document C 81/3, the Director-General discusses the structure of FAO outside headquarters - namely, the FAO Representatives' offices and the regional offices. In paragraph 82, he proposes the establishment in 1982-1983 of a further 12 Representatives' offices. It is thus envisaged that, by the end of the biennium, 74 Representatives' offices will have been established. The estimate for 1982-1983 amounts to \$34,483,000 as against an appropriation of \$20,866,000 for 1980-1981. The staffing resources of the Representatives' offices are not listed in document C 81/3.

60. Miscellaneous income in 1982-1983 is estimated at \$17,910,000, of which \$13.8 million is expected to accrue from interest on bank accounts and deposits.

61. In paragraph 2.1 of the explanatory notes in document C 81/3, the Director-General states that he is not proposing any organizational changes affecting the general structure of FAO.

2. Extrabudgetary resources

62. The Director-General estimates that extrabudgetary resources in a total amount of \$683 million will be available to FAO in 1982-1983, i.e., nearly double the amount in the regular budget. UNDP will remain the principal single source of extrabudgetary funds. In paragraph 3.5 of the explanatory notes in document C 81/3, the Director-General states that, whereas in 1970 UNDP provided 86 per cent of FAO extrabudgetary resources, that share declined to 61 per cent in 1979 and 1980. FAO delivery for projects executed for UNDP amounted to \$131.5 million in 1979 and \$167 million in 1980. In the latter year, total delivery for projects financed from trust funds amounted to \$98.9 million. In paragraph 3.17 of the explanatory notes, the Director-General expresses the fear that UNDP delivery in 1982-1983 may fall substantially in real terms.

63. The representative of the Director-General informed the Advisory Committee that the bulk of the voluntary contributions to trust funds related to special operations; contributions to special action programmes (such as the Prevention of Food Losses Programme) have not been substantial.

64. In paragraph 3.18, the Director-General states that FAO support costs in 1980 totalled \$52.4 million (at 820 lire to the United States dollar) of which \$37.3 million was reimbursed, leaving a balance of \$15.1 million to be met from the regular budget. As can be seen from the following table the bulk of the shortfall relates to trust funds.

	<u>Total support costs</u>	<u>Reimbursement</u>	<u>Difference</u>
	(millions of US dollars)		
UNDP	27.8	23.1	4.7
Trust funds	17.3	8.0	9.3
WFP	<u>7.3</u>	<u>6.2</u>	<u>1.1</u>
	<u>52.4</u>	<u>37.3</u>	<u>15.1</u>

65. As at 1 January 1981, FAO had a total of 1,444 posts financed from sources other than the regular budget. A summary by category and source of funding is given in the following table:

<u>Source of funding</u>	<u>Professional and above</u>	<u>General Service</u>	<u>Total</u>
UNDP	234	524	758
Trust funds	53	109	162
World Food Programme	37	85	122
Other funds	<u>173</u>	<u>229</u>	<u>402</u>
	<u>497 a/</u>	<u>947</u>	<u>1,444</u>

3. Other matters

66. The Advisory Committee was informed that, as of July 1981, unbudgeted cost increases in 1980-1981 were estimated at \$18.5 million. After allowing for \$5.6 million withdrawn from the Special Reserve Account, and \$5.9 million withdrawn from the Working Capital Fund, there remained a balance of some \$7 million which would have to be met through programme cuts. The Committee was further informed that an additional amount of approximately \$15 million in unbudgeted income attributable to the recent high interest rates could not be used to offset the unbudgeted cost increases.

67. The Director-General's representative also informed the Advisory Committee that in order to meet cash flow and liquidity problems, attributable in part to the delays in the receipt of assessed contributions, three proposals would be submitted to the Governing Bodies of FAO, namely:

(a) Increasing the Working Capital Fund from its present level of \$6.5 million to \$13.25 million;

(b) Increasing the Special Reserve Account from 2.5 per cent to 5 per cent of the effective working budget, and making it possible to use all the currency gains to offset unbudgeted inflation;

(c) Obtaining discretionary authority to borrow.

Should these proposals be approved, recourse to the funds in question would be subject, in all cases, to review by the Finance Committee and/or Council.

a/ 4 D-2, 48 D-1, 121 P-5, 172 P-4, 87 P-3, 57 P-2, 8 P-1.

C. United Nations Educational, Scientific and Cultural Organization

\$

Approved budget for the triennium 1981-1983 a/. 625,374,000

Approved budget for the biennium 1979-1980 303,000,000

a/ Exceptional transitional measure decided upon by the General Conference of UNESCO at its twentieth session, held in November 1979, in order to synchronize UNESCO biennial budget cycles with those of other organizations as from 1984.

68. The Advisory Committee discussed the UNESCO approved programme and budget for the triennium 1981-1983 and related matters with representatives of the Director-General of UNESCO.

1. Approved programme and budget for 1981-1983

69. At its twenty-first session (23 September to 28 October 1980) the General Conference of UNESCO adopted the programme and budget for the triennium 1981-1983 in the amount of \$625,374,000. The approved budget for 1981-1983 is \$322,374,000 more than the approved budget of \$303,000,000 for the biennium 1979-1980. It is also \$4,996,000 higher than the estimate of \$620,378,000 which the Director-General had initially proposed (UNESCO document 21C/5). In this connexion, the representatives of the Director-General informed the Advisory Committee that the increase was of a mandatory nature (adjustments for inflation) and did not affect the real programme growth rate of 6.34 per cent (calculated on a biennial basis) as previously reported by the Advisory Committee to the General Assembly, at its thirty-fifth session (A/35/481 and Add.1, para. 45).

70. The main changes compared with the approved programme and budget for 1979-1980 and the costing procedures and budgeting techniques employed in the preparation of the initial estimates for 1981-1983 were described by the Advisory Committee in its report to the General Assembly at its thirty-fifth session (A/35/481 and Add.1, paras. 38-55). The following table summarizes the appropriations for 1979-1980, the initial estimates for 1981-1983, as submitted by the Director-General, and the approved budget for 1981-1983.

/...

Appropriation line		1979-1980 Appropriations (1)	1981-1983 Estimates (2)	1981-1983 Appropriations (3)	Increase (3) over (2) <u>a/</u> (4)
		\$	\$	\$	\$
Part I:	General policy and direction	18 275 000	23 329 000	28 024 000	4 695 000
Part II:	Programme operations and services	179 094 000	282 634 000	343 901 000	61 267 000
Part III:	General administrative services	21 343 000	35 913 000	43 060 000	7 147 000
Part IV:	Conference, language and document services	17 981 000	33 510 800	40 307 000	6 796 200
Part V:	Common services	20 958 000	32 685 000	41 469 000	8 784 000
	Reserve for draft resolutions submitted by member States	-	1 000 000	- <u>b/</u>	(1 000 000) <u>b/</u>
	Subtotal	257 651 000	409 071 800	496 761 000	87 689 200
Part VI:	Appropriation reserve	13 004 000	46 408 000	52 183 000	5 775 000
Part VII:	Capital expenditure	6 229 000	8 700 000	8 700 000	-
Part VIII:	Currency fluctuation	26 116 000	79 937 000	70 813 000	(9 124 000)
Inflation costs for 1979-1980 distributed to relevant appropriation lines		-	76 261 200	- <u>b/</u>	(76 261 200) <u>b/</u>
Less: Sum for financing the International Programme for the Development of Communication and the International Information System on New and Renewable Sources of Energy, to be absorbed within the total approved budget in the course of the triennium		-	-	(3 083 000) <u>c/</u>	(3 083 000)
Total		303 000 000	620 378 000	625 374 000	4 996 000

a/ The increases between columns (1) and (3) have not been shown as they involve budget periods 1979-1980 and 1981-1983 which are not directly comparable.

b/ Distributed directly to relevant appropriation lines.

c/ See para. 75 below for explanation.

/...

71. The Advisory Committee has been informed that the increase of \$4,996,000 net is attributable to the following factors:

	\$	\$
(a) Increase due to the acceleration of inflation in 1978-1980	8,345,000	
(b) Increase due to inflation for the first 18 months of the triennium 1981-1983 - Part VI of the budget (Appropriation reserve)	<u>5,775,000</u>	14,120,000
Less: Savings deriving from the increase in the value of the United States dollar (from 4.05 French or 1.60 Swiss francs to the dollar, the basis of calculation for the estimates contained in document 21C/5, to 4.15 French or 1.65 Swiss francs to the dollar, the rate prevailing in September 1980) - Part VIII of the budget (Currency fluctuation)		<u>(9,124,000)</u>
	Net increase	<u>4,996,000</u>

72. According to the Director-General the increase of \$8,345,000 in the provision for acceleration of inflation in 1979-1980 was due to additional requirements arising from the upward movement of the post adjustment indices for Paris and in the field (\$2,566,000), increased pension fund contributions for staff in the Professional category and above (\$863,000), pensionable salary adjustments for staff in the General Service category, both at Headquarters and in the field (\$3,279,000), and cost of goods and services (\$1,637,000). As a consequence, provision for inflation during the first 18 months of the triennium 1981-1983 (in accordance with the UNESCO practice of "semi-full" budgeting) shown under part VI of the budget (Appropriation reserve) has had to be increased by \$5,775,000.

73. Savings in the amount of \$9,124,000 under part VIII (Currency fluctuation) are expected as a result of the more favourable exchange rates prevailing recently for the United States dollar vis à vis the French and Swiss francs. In this connexion, the Advisory Committee notes paragraph (b) (ii) of the appropriation resolution for 1981-1983 by which the General Conference resolves that this provision in part VIII of the budget

"... may be used by the Director-General if and when the rates of exchange between the United States dollar and the French and Swiss franc are lower than those assumed (i.e. 4.90 French francs or 2.48 Swiss francs to one United States dollar) in Parts I to VII of the budget approved by the General Conference. On the other hand, if the rates of exchange between the United States dollar and the French and Swiss franc are higher than those assumed (i.e. 4.90 French or 2.48 Swiss francs to one United States dollar) in Parts I to VII of the budget approved by the General Conference, the sum so saved shall be credited by the Director-General to this part of the budget. However, under no circumstances shall funds in this part be available for transfer for other purposes ... If any saving accrues therein at the end of the triennium it shall be surrendered to Member States."

74. In paragraph (c) of the appropriation resolution the General Conference also resolved that, if the rates of exchange decline below the rates used in the establishment of part VIII of the budget (i.e. 4.15 French or 1.65 Swiss francs to one United States dollar), the deficit would be covered by supplementary estimates under article 3.9 of the Financial Regulations of UNESCO. Should that prove to be inadequate, the Conference would be convened in extraordinary session.

75. The Advisory Committee notes the Director-General's statement in paragraph 6 of his foreword to the approved programme and budget for 1981-1983 (UNESCO document 21C/5 Approved) that

"In adopting a budget of \$625,374,000, the General Conference also approved the Director-General's suggestion that the \$3,083,000 required to meet the additional cost of activities arising from the International Information System on New and Renewable Energy Sources and the International Programme for the Development of Communication, which are contained respectively in Chapters 2 - Natural Sciences and their Application to Development - and 4 - Culture and Communication - should be found within the total budgetary provision, on the basis of adjustments to be made at a later stage."

2. Approved staffing for 1981-1983

76. By paragraph (h) of its appropriation resolution for 1981-1983, the General Conference resolved that:

"The total number of established posts at Headquarters and in the Field ... shall not exceed 2,714 for 1981, 2,722 for 1982 and 2,724 for for 1983.... The Director-General may, however, establish additional posts on a temporary basis beyond this total, if he is satisfied that they are essential for the execution of the programme and for the good administration of the Organization and do not require transfers of funds to be approved by the Executive Board."

The Advisory Committee understands that the ceilings established for each year of the triennium include a reserve of 104 posts to provide a margin for meeting programme requirements: no grade levels have been established for these reserve posts. Excluding this reserve of 104 posts, the total number of established posts approved by the General Conference for each year of the triennium is as follows: 2,618 for 1981, 2,618 for 1982 and 2,620 for 1983. The following table provides a summary of the established posts by grade:

	1980	1981	1982	1983	1983/1980 Increase/ (decrease)
Director-General	1	1	1	1	-
Deputy Director-General	1	1	1	1	-
Assistant Director-General	8	10	10	10	2
D-2	22	25	26	26	4
D-1	61	65	64	64	3
P-5	298	297	298	299	1
P-4	328	355	357	357	29
P-3	206	226	226	226	20
P-2/1	151	163	164	164	13
Subtotal	1,076	1,143	1,147	1,148	72
General Service	1,394	1,467	1,471	1,472	78
Total	2,470	2,610	2,618	2,620	150

77. As can be seen from the above table, by the end of 1983 the UNESCO establishment will increase by 150 posts (72 Professional and above and 78 General Service) to 2,620 posts as compared to 2,470 posts for 1980. This is 13 posts (6 Professional and above and 7 General Service) more than the staffing establishment of 2,607 posts for 1983 in the Director-General's proposed programme and budget for the triennium 1981-1983 (UNESCO document 21C/5) and reported by the Advisory Committee to the General Assembly at its thirty-fifth session (A/35/481 and Add.1, para. 50 and tables). These 13 additional posts will be deployed under part II (Programme operations and services) against the programmes for Education, Natural sciences and their application to development, Social sciences and their applications, Culture and communication, Copyright, information systems and services, and Statistics. The following table provides a summary of established posts by part of the budget.

	1980 (approved)			1981 (approved)			1982 (approved)			1983 (approved)			1983/1980 increase (decrease)	
	P	GS	Total	P	GS	Total	P	GS	Total	P	GS	Total	P	GS
Part I: General policy and direction	60	58	118	64	63	127	64	63	127	64	63	127	4	5
Part II: Programme operations and services	811	919	1 730	854	956	1 810	858	956	1 814	858	957	1 815	47	38
Part III: General administrative services	86	243	329	86	247	333	86	247	333	86	247	333	-	4
Part IV: Conference, language and document services	119	167	286	139	191	330	139	195	334	140	195	335	21	28
Part V: Common services	-	7	7	-	10	10	-	10	10	-	10	10	-	3
	1 076	1 394	2 470	1 143	1 467	2 610	1 147	1 471	2 618	1 148	1 472	2 620	72	78
														150

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3. Medium-term plan

78. The representatives of the Director-General informed the Advisory Committee that the next medium-term plan of UNESCO, which will cover the period 1984 to 1989, is under preparation. An extraordinary session of the General Conference will be convened during 1982 to consider the plan which would, inter alia, provide the foundation for the next UNESCO biennial budget for 1984-1985.

D. International Civil Aviation Organization

	\$
Appropriations for 1982	24,262,000 a/
Appropriations for 1981.....	<u>23,025,000 a/</u>
Increase	1,237,000
	5.37 per cent

a/ Net of staff assessment.

79. The Advisory Committee discussed the budget of the International Civil Aviation Organization (ICAO) for 1982 and related matters with a representative of the Secretary-General of the organization.

80. ICAO has a triennial budget. Every three years its Assembly approves appropriations for each year of the succeeding triennium. The budget estimates, prepared by the Secretary-General on the basis of the expected programme of work approved by the Council of ICAO, are submitted for consideration by the Council. Subsequently, the Council's budget estimates are submitted to the Assembly. The budget estimates for the financial years 1981, 1982 and 1983 were approved by the Assembly at its twenty-third session in September - October 1980 and are described by the Advisory Committee in its report to the General Assembly at its thirty-fifth session (A/35/481 and Add. 1).

1. 1982 appropriations

81. The approved appropriations for 1982 may be summarized and compared with appropriations for 1981 as follows:

SUMMARY OF APPROPRIATIONS

(in United States dollars)

Parts of the budget	Appropriations 1981	Appropriations 1982
	\$	\$
I. Meetings	<u>669 000</u>	<u>278 000</u>
II. The Secretariat		
Salaries, wages and other pay items	16 550 000	16 863 000
Common staff costs	<u>4 490 000</u>	<u>4 572 000</u>
	<u>21 040 000</u>	<u>21 435 000</u>
III. General Services		
Hospitality	11 000	11 000
Communications services	639 500	645 600
Rental and maintenance of premises and equipment	1 312 300	1 340 200
Internal and external printing	310 200	310 200
Travel on official business	292 000	302 000
Audio-visual training programme	44 000	44 000
Miscellaneous supplies and services	<u>712 000</u>	<u>712 000</u>
	<u>3 321 000</u>	<u>3 365 000</u>
IV. Equipment	<u>190 000</u>	<u>195 000</u>
V. Other Budgetary Provisions	<u>126 000</u>	<u>126 000</u>
VI. Contingencies	<u>2 460 000</u>	<u>3 903 000</u>
VII. Establishment of New Regional Office	<u>-</u>	<u>80 000</u>
Total, Parts I to VI, Gross	27 806 000	29 382 000
Staff Assessment	<u>(4 781 000)</u>	<u>(5 120 000)</u>
Total, Excluding Staff Assessment	<u>23 025 000</u>	<u>24 262 000</u>

82. The 1982 appropriations are to be financed as follows:

	\$
(a) By miscellaneous income	7,062,000
(b) By assessment on Contracting States (General Fund)	<u>22,320,000</u>
	<u>29,382,000</u>

83. In terms of the amounts net of staff assessment (see table following para. 81), the 1982 appropriations of \$24,262,000, exceed the 1981 appropriations of \$23,025,000, by \$1,237,000, or 5.37 per cent. The increase reflects the following factors:

	\$
Net increase in staff salaries not attributable to inflation	248,000
Home leave travel (an item which varies from year to year)	29,000
Various other items (Rental of premises and computer; additional equipment and travel)	49,000
Contingencies (primarily provision for inflation)	1,222,000
New regional office - initial provision	80,000
Less:	
Variation in annual meetings programme	(391,000)
	1,237,000

84. The Committee has been informed that the provision of \$80,000 for the establishment of a new regional office is an initial amount for the opening of an office in Eastern Africa. A further \$300,000 is scheduled to be spent in 1983, the year in which the office is expected to open. It is expected that once the office is operational the ongoing costs will be approximately \$500,000 a year, depending on the host-country arrangements, which will be formulated once a site has been selected.

85. The establishment for 1982 remains unchanged from 1981, i.e., 694 posts (277 Professional and above and 417 General Service).

86. The appropriations for parts I to V of the budget for 1982 were based on salary, allowance and price levels in effect at the time of final preparation of the estimates, i.e., 1 January 1980. They do not take account of salary and price increases likely to occur during the triennium because of inflation. These are provided for under part VI of the budget (Contingencies). In terms of amounts net of staff assessment, the increase of \$1,222,000 under part VI, 1981, results from the provision for an estimated average of 8 per cent increase in post adjustment and General Service salaries and 6 per cent in major items under parts III, IV and V of the budget.

2. Working Capital Fund

87. The 23rd session of the ICAO Assembly left unchanged the level of the Working Capital Fund at \$1,500,000 for the triennium 1981-1983. The Advisory Committee was informed that the Assembly also decided that the Council would report to the Assembly at its next ordinary session:

(a) On the adequacy of the level of the Working Capital Fund in the light of experience during 1980, 1981 and 1982;

(b) Whether the financial position of the General Fund and the Working Capital Fund would indicate the need for assessing Contracting States for cash deficits caused by arrears of contributions.

88. The Committee notes that to finance regular and supplementary appropriations that cannot be financed from the General Fund and the Working Capital Fund, the Secretary-General has been authorized by the Assembly, with the prior approval of the Finance Committee of the Council, to borrow amounts needed to meet immediate obligations of the Organization. He is required to repay such amounts as rapidly as possible; the outstanding total of such indebtedness of the Organization at no time is to exceed \$400,000 during the year 1981, and is at no time to exceed \$500,000 during the remainder of the triennium.

3. Disposition of net realized surplus

89. the Committee was informed that on 31 December 1979, the amount of realized net surplus was \$2,334,248. On this basis the ICAO Assembly decided that

"the Organization, from the net realized surplus as of 31 December 1979, dispose of the amount of \$2,000,000 (\$1,500,000 on 1 January 1981 and \$500,000 on 1 January 1982) as credits to Contracting States, on the basis of the amounts assessed for the years to which the realized surplus relates, starting from the earliest, such credits to be applied in the usual order, first to any advances due to the Working Capital Fund, second to any contributions in arrears, and third to contributions then currently due. However, with the agreement of the State concerned, its credit or a part thereof may first be applied to settle any indebtedness it might have to the Organization."

4. Administrative and operational services costs
of technical assistance

90. The funds which finance technical assistance programme activities (UNDP, trust funds and other funds) are kept separate from funds provided by the regular budget, and the regular budget is, to the extent possible, fully reimbursed for all services rendered by the regular programme to extrabudgetary activities. In 1980, the total field programme expenditures relating to technical assistance activities financed by extrabudgetary funds amounted to \$51,401,000 as compared to \$40,667,399 the year before. The net administrative and operational services cost of those activities amounted to \$5,674,328 and \$4,548,111 respectively. The costs for 1981 are estimated at \$6,783,000 and those for 1982 at \$6,735,000. The number of extrabudgetary posts in 1981 is 195 (64 Professional and 131 General Service). No change is foreseen at this stage for 1982.

E. Universal Postal Union

	<u>Swiss francs</u>	<u>US dollars a/</u>
Net budget 1982.....	18,532,500	10,837,719
Net budget 1981.....	<u>17,604,250</u>	<u>10,294,883</u>
Increase	928,250	542,836
	5.3 per cent	

a/ The budget of UPU is expressed in Swiss francs and all US dollar amounts are based on an exchange rate of 1.71 Swiss francs to \$US 1.

91. The Advisory Committee discussed the budget of UPU for 1982 and related matters with representatives of the Director-General of UPU.

1. Summary analysis of the budget 1982

92. The budget of the Union is subject to annual net expenditure limits set by the Universal Postal Congress. The eighteenth UPU Congress, held at Rio de Janeiro in 1979, fixed the ceiling for the years 1981-1985 with the following rates of growth: 2.45 per cent in 1982, 1.49 per cent in 1983, 1.90 per cent in 1984 and 2.03 per cent in 1985. The average annual rate of growth for 1982-1985 is thus 2 per cent. Congress also authorized the annual ceiling to be raised to allow for inflation in staff costs and general expenses.

93. On a gross basis, the 1982 estimates of 20,220,600 Swiss francs (\$11,824,912) represent an increase of 6.2 per cent over the 1981 appropriations.

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94. The following table compares the estimates for 1982 with the appropriations for 1981:

	<u>1981</u>	<u>1982</u> (Swiss francs)	<u>Increase</u>
1. Staff costs	14,584,400	15,284,500	700,100
2. General expenses	4,053,400	4,556,100	502,700
3. Other budgetary provisions	<u>400,000</u>	<u>380,000</u>	<u>(20,000)</u>
Total (gross)	19,037,800	20,220,600	1,182,800
Miscellaneous income	<u>1,433,550</u>	<u>1,688,100</u>	<u>254,550</u>
Total net	<u>17,604,250</u>	<u>18,532,500</u>	<u>928,250</u>

95. The Advisory Committee has been informed that the budget presentation for 1982 for the first time includes an indication of real growth (see para. 97 below).

96. As can be seen from the table in paragraph 94, staff costs have increased by 700,100 Swiss francs (\$409,415), or 4.8 per cent, over 1981. This increase is due almost entirely to inflation, with no staff increases proposed for 1982. The staffing table will thus remain at 135 established posts, of which 15 are assigned to technical assistance activities financed by UNDP. The Advisory Committee was informed that 50.6 per cent of the costs of those 15 posts is paid for out of the reimbursement for agency support costs.

97. General expenses for 1982 show an over-all increase of 502,700 Swiss francs (\$293,978) or 12.4 per cent over 1981. The Committee was informed that inflation accounts for a 4.8 per cent increase, while the remaining 7.6 per cent is attributable to real growth relating to the replacement of equipment and machinery in accordance with a programme of replacement approved by the UPU Congress for 1981-1985.

98. Miscellaneous income is estimated as follows:

	<u>1981</u>	<u>1982</u>
	(Swiss francs)	
Reimbursement of agency support costs by UNDP	537,600	788,500
Sale of Publications	254,000	180,000
Rental of Premises	515,000	546,000
Other income	<u>126,950</u>	<u>173,600</u>
Total	<u>1,433,550</u>	<u>1,688,100</u>

2. New system of financing

99. The UPU Congress has approved the introduction of a system of self-financing which started in 1981. This system, similar to the practices of the other organizations in the United Nations system, is based on assessed contributions payable in advance in accordance with an approved budget. In the past, payments from members were made "after the fact" on the basis of expenses, the Swiss Government having made the necessary advances for the costs of operation. The Advisory Committee has been informed that thus far the new system has been working very satisfactorily. On 1 January 1981, 79 per cent of contributions for the year had already been collected. That percentage rose to 94 by 30 June.

F. World Health Organization

	\$
Effective working budget for 1982-1983	468,900,000
Effective working budget for 1980-1981	<u>427,290,000</u>
Increase	41,610,000
	9.7 per cent

1. The budget for the financial period 1982-1983

100. The effective working budget as originally proposed by the Director-General for 1982-1983 amounted to \$484,300,000, which was \$57,010,000, or 13.34 per cent, more than the approved budget for 1980-1981. The cost estimates relating to expenditures in Swiss francs included in the 1982-1983 programme budget had been based on an exchange rate of 1.63 Swiss francs per United States dollar, which was the United Nations WHO operational accounting rate of exchange at the time the proposed programme budget was finalized. The total effective working budget of \$484,300,000 proposed by the Director-General for 1982-1983 was recommended by the Executive Board for approval by the Thirty-fourth World Health Assembly in May 1981.

101. In view of certain favourable trends with respect to the relationship between the United States dollar and the Swiss franc and to the availability of casual income, which developed subsequent to the Executive Board's session in January 1981, the Director-General submitted a special report to the Thirty-fourth World Health Assembly containing proposals for an adjustment in the budgetary rate of exchange for 1982-1983 as well as in the amount of casual income to be used to help finance the budget for that biennium. In the light of its consideration of this matter, the Health Assembly decided to establish a budgetary rate of exchange for 1982-1983 of 1.85 Swiss francs per United States dollar (instead of 1.63 Swiss francs as originally proposed) and to use \$24,400,000 of available casual income to help finance the budget (instead of \$12,000,000 as originally proposed).

102. Consequently, the World Health Assembly approved an effective working budget for 1982-1983 amounting to \$468,900,000 instead of \$484,300,000 as originally proposed and recommended by the Executive Board. The difference of \$15,400,000 resulted entirely from the adjustment in the budgetary rate of exchange between the United States dollar and the Swiss franc and did not affect the proposed programme of activities for 1982-1983.

103. The effective working budget of \$468,900,000 for 1982-1983 is \$41,610,000 or 9.74 per cent higher than the approved budget for 1981-1982. It provides for a net real increase of 2.25 per cent over the effective working budget for 1980-1981, i.e., slightly more than 1 per cent per annum. The Advisory Committee notes that this real increase is within the limit of up to 4 per cent set by the World Health Assembly for the biennium. The balance of the budget increase, 7.49 per cent, represents cost increases due to inflation amounting to 11.93 per cent, offset by cost decreases of 4.44 per cent resulting from the adjustment in the United States dollar/Swiss franc budgetary rate of exchange.

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104. Taking into account the Undistributed Reserve and staff assessment the total amount appropriated by the Thirty-fourth World Health Assembly for the financial period 1982-1983 is \$522,933,500 as follows:

	\$
(a) Effective working budget	468,900,000
(b) Undistributed Reserve equalling the assessment on inactive members (Byelorussian Soviet Socialist Republic and Ukrainian Soviet Socialist Republic) and on South Africa	10,033,500
(c) Staff assessment	<u>44,000,000</u>
Total	<u>522,933,500</u>

105. The approved appropriations are to be financed by assessments on members amounting to \$493,933,500 as follows:

	\$
Total appropriations	522,933,500
<u>Less:</u>	
Estimated reimbursement of programme support costs relating to activities financed by UNDP	(4,600,000)
Casual income	<u>(24,400,000)</u>
	<u>493,933,500</u>

106. When the amounts to be contributed by individual members are calculated their assessments are reduced by the amount standing to their credit in the Tax Equalization Fund, except that the credits of those members who require staff members of WHO to pay taxes on their WHO emoluments are reduced by the estimated amounts of such tax reimbursements to be made by the Organization.

107. The programme budget for 1982-1983 provides for the following increases compared to 1980-1981:

<u>Appropriation section</u>	<u>Purpose appropriation</u>	<u>1980-1981</u> \$	<u>1982-1983</u> \$	<u>Increase (decrease)</u> \$
1	Policy organs	10 128 600	9 615 200	(513 400)
2	General programme development, management and co-ordination	56 581 900	63 362 100	6 780 200
3	Development of comprehensive health services	77 994 100	88 493 400	10 499 300
4	Disease prevention and control	76 250 600	86 054 200	9 803 600
5	Promotion of environmental health	26 157 000	30 927 800	4 770 800
6	Health manpower development	52 362 500	60 056 100	7 693 600
7	Health information	42 881 000	44 525 900	1 644 900
8	General service and support programmes	<u>84 934 300</u>	<u>85 865 300</u>	<u>931 000</u>
	Total effective working budget	<u>427 290 000</u>	<u>468 900 000</u>	<u>41 610 000</u>

Some 75 per cent of the total budget increase in 1982-1983 represents cost increases due to inflation, mainly in the regions (see para. 103).

2. Staff

108. The 1982-1983 budget provides for a net increase of 87 posts in established offices as compared to 1980-1981. The following table shows the post at headquarters and regional levels for the two biennia:

	<u>1980-1981</u>	<u>1982-1983</u>	<u>Increase (Decrease)</u>
Headquarters	1,018	1,035	17
Regional	<u>1,522</u>	<u>1,592</u>	<u>70</u>
	<u>2,540</u>	<u>2,627</u>	<u>87</u>

/...

109. The significant difference between the number of regional posts in 1980-1981 reported last year (1,172) and as now shown above (1,522) is due almost entirely to a change in regional budgetary presentation. In previous years, the number of posts pertaining to regional custodial staff was not reflected in regional budget documents and thus was not included in the WHO consolidated programme budget. As from the 1982-1983 biennium, all such posts are included in the programme budget document and for comparative purposes the related 1980-1981 figures have been correspondingly adjusted.

110. The Advisory Committee notes that, in the programme budget documents of WHO, staff resources are not related to programmes. The Committee understands that it has been the practice of WHO not to indicate established post requirements in the programme narratives and that staffing data contained in the proposed programme budget document are for the information of the World Health Assembly; the Assembly does not approve a staffing table for the organization.

3. Resources of the Integrated International Health Programme

111. In addition to its regular budget, WHO directly or indirectly administers funds from several sources. The following table shows the estimated costs of activities financed or planned to be financed for 1980-1981 and 1982-1983 and the corresponding figures for the regular budget:

	<u>1980-1981</u>	<u>1982-1983</u>
	\$	\$
<u>Regular budget</u>	<u>427 290 000</u>	<u>468 900 000</u>
<u>Other sources</u>		
Pan American Health Organization	109 870 300	112 902 700
Voluntary Fund for Health Promotion	93 139 200	92 469 500
Income from United Nations sources:		
UNICEF	140 000	160 000
UNDP	61 935 800	30 682 700
United Nations Fund for Drug Abuse Control	1 058 900	-
UNEP	2 753 300	2 524 000
UNFPA	82 962 200	52 717 900
Trust funds	100 506 600	116 853 500
Special Account for Servicing Costs	2 349 800	2 755 600
International Agency for Research on Cancer	<u>17 783 600</u>	<u>18 926 400</u>
Subtotal, other sources	<u>472 499 700</u>	<u>429 992 300</u>
Total	<u>899 789 700</u>	<u>898 892 300</u>
Level of call-forwards for health projects as estimated by UNICEF	<u>226 000 000</u>	<u>372 000 000</u>

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112. As can be seen from the above table, extrabudgetary resources to be made available to the organization in 1982-83 are estimated at \$430.0 million, as compared with \$469.0 million under the regular budget. WHO carries out all its activities in a fully integrated manner, irrespective of the sources of their financing. Pursuant to this policy, the costs of all administrative and technical support are consolidated in the regular budget. On the other hand, the organization collects reimbursement of programme support costs for activities financed by UNDP and from other extrabudgetary funds, normally at a rate of 13 per cent of programme delivery (see para. 119). The proceeds are credited to the Special Account for Servicing Costs and are used primarily to help finance the regular budget.

113. WHO co-operates with UNICEF on projects that are jointly assisted by the two organizations. WHO, however, does not administer the UNICEF contributions to such projects. The approximate level of assistance which UNICEF has indicated may be expected to be allocated globally to joint health projects in 1982-1983 is \$372 million as compared with \$226 million in 1980-1981.

4. Other matters

Use of casual income to reduce adverse effects of currency fluctuations on the programme budget for 1982-1983

114. The World Health Assembly in 1979 authorized the Director-General to use available casual income up to a maximum of \$15 million to cover the net additional costs to the organization under the regular budget resulting from differences in 1979 between the WHO budgetary rate of exchange and the UN/WHO accounting rates of exchange for the Swiss franc in relation to the United States dollar. A similar authorization for the same purpose and in the same amount was given by the World Health Assembly for 1980-1981.

115. Following the action taken by it concerning the 1982-1983 budgetary rate of exchange as outlined in paragraph 101 above, the Thirty-fourth World Health Assembly authorized the Director-General to use up to \$20 million of available casual income to cover the net additional costs to the organization under the regular budget resulting from differences between the WHO budgetary rate of exchange and the UN/WHO accounting rates of exchange with respect to the United States dollar/Swiss franc relationship prevailing during that biennium.

Travel costs

116. The Committee was informed that, in May 1981, the World Health Assembly approved new arrangements pertaining to the travel costs of representatives of Governments to the regional committees of WHO. Traditionally, these costs had been borne by Governments. However, in recent years certain Governments had found it financially difficult to meet such costs and in a few cases had even been unable to send any representative to a particular session of a regional committee. The Assembly decided that the actual travel cost, excluding per diem, of one

representative to sessions of regional committees may be financed by the Organization upon request of the members and associate members whose contributions to the WHO regular budget are at the minimum rate in the scale of assessments.

Accommodation

117. The World Health Assembly considered a report on headquarters accommodation by the Director-General, which had been reviewed and endorsed by the Executive Board. As pointed out by the Director-General, there is a serious shortage of office accommodation and storage space at WHO headquarters at Geneva. This shortage is attributable to the increase in extrabudgetary and short-term staff (which has more than offset a reduction in regular-budget staff), a decrease in the number of available offices through partial demolition of a prefabricated building (owing to road construction) and an increased need for space to accommodate equipment and for storage.

118. In view of the seriousness of the situation, the Director-General proposed the construction - on land owned by WHO - of an extension to another prefabricated building which was constructed in 1975-1976. This extension would be composed of prefabricated elements and consist of a ground floor and four additional floors providing for some 150 offices plus space for reception, registry and minor meeting-room requirements. The total cost of the construction is estimated at 9.8 million Swiss francs. The Committee has been informed that the Executive Board and the World Health Assembly have approved a series of measures by which this cost will be financed.

Support costs

119. The Director-General submitted a comprehensive report on this matter to the Executive Board and the World Health Assembly early in 1981, recommending that the new 13 per cent formula approved by the United Nations General Assembly for the reimbursement to executing agencies of support costs relating to operational activities should be endorsed and that, in the interests of consistency and uniformity of application throughout the United Nations system, it should be applied to all extrabudgetary activities. These recommendations were endorsed by the Executive Board and approved by the World Health Assembly in May 1981.

Periodicity of World Health Assemblies

120. The World Health Assembly in May 1981 once again considered the question whether or not to change the periodicity of its sessions from an annual to a biennial basis. The Assembly had before it extensive documentation outlining the numerous implications of such a change, together with the views of the Regional Committees and the Executive Board. Whereas a number of Governments would have preferred to change from annual to biennial Assemblies, the majority considered that, for the time being, it would be advisable to continue with the present system of annual World Health Assemblies. The Assembly also decided that, commencing in 1982, the duration of the Assembly would be limited to not more than two weeks in even-numbered years, when there was not a proposed programme budget to consider.

Interim financial reports

121. The Committee was informed that the World Health Assembly had decided to introduce a system of interim financial reports relating to the first year of each biennium. This type of report will not contain audited accounts; it will be largely descriptive, will cover such matters as budget implementation, receipt of contributions, and other significant financial developments during the first year of the biennium. It will have a minimum of tabular material attached to it, but will contain more details than heretofore on extrabudgetary sources of funds.

G. International Telecommunication Union

	<u>Regular and supplementary publications budgets</u>		<u>Technical Co-operation special accounts budget</u>	
	<u>Swiss francs</u>	<u>US dollars a/</u>	<u>Swiss francs</u>	<u>US dollars a/</u>
1982 net budget	89 895 000	52 570 000	10 522 000	6 153 000
1981 net budget	<u>75 940 000</u>	<u>44 409 000</u>	<u>9 417 000</u>	<u>5 507 000</u>
Increase	13 955 000	8 161 000	1 105 000	646 000
Increase (percentage) ..	18.38 per cent		11.73 per cent	

a/ The budget of the Union is expressed in Swiss francs and the United States dollar figures are based on an exchange rate of 1.71 Swiss francs to the dollar on 31 December 1980.

122. At its thirty-sixth session in 1981, the Administrative Council approved the budget for 1982 which amounted to:

	<u>Swiss francs</u>	<u>US dollars</u>
Ordinary budget	77 965 000	45 594 000
Supplementary publications budget	<u>11 930 000</u>	<u>6 976 000</u>
Total	<u>89 895 000</u>	<u>52 570 000</u>

123. The Administrative Council also approved the technical co-operation special accounts budget (administrative costs) in the amount of 10,522,000 Swiss francs (\$6,153,000).

124. The following table compares the 1982 budget with that for 1981.

	<u>1981</u> (SwF)	<u>1982</u> (SwF)	<u>Increase</u>	
			(SwF)	(Percentage)
Ordinary budget	65 728 000	77 965 000	12 237 000	18.62
Supplementary publications budget	10 212 000	11 930 000	1 718 000	16.82
Technical co-operation special accounts budget	<u>9 417 000</u>	<u>10 522 000</u>	<u>1 105 000</u>	<u>11.73</u>
Total	<u>85 357 000</u>	<u>100 417 000</u>	<u>15 060 000</u>	<u>17.64</u>

125. The increase under the ordinary budget is largely due to the extended use of the computer for the work of the International Frequency Registration Board (IFRB) which accounts for an increase of 8 million Swiss francs. In addition, a heavier programme of conferences and meetings gives rise to increased expenditure of 1,362,500 Swiss francs. Of the remainder of the increase, some 1.4 million Swiss francs is accounted for by higher staff costs, including the creation of four new posts. A further 1,435,000 Swiss francs represents a payment into the Reserve Account to adjust its balance.

126. The supplementary publications budget is higher because of the expansion of the service publications programme and the increase in printing cost.

127. The increase of 11.73 per cent in the technical co-operation special accounts budget is accounted for by the creation of three new posts and increased credits for supernumerary staff, plus mandatory cost increases within the United Nations common system.

128. Estimated expenditure for 1982, compared with 1981, is apportioned as follows according to category of expenditure (excluding the technical co-operation special accounts budget):

	1981		1982	
	(SwF)	(\$ US)	(SwF)	(\$ US)
I. Staff (excluding staff assessment) <u>a/</u>				
Established staff	45 642 500	26 691 500	47 470 000	27 760 000
Supernumerary staff	9 486 000	5 547 400	10 352 000	6 054 000
II. General services				
Operational budget	7 211 000	4 217 000	7 474 000	4 371 000
Conferences and meetings	3 253 500	1 902 600	3 824 000	2 236 000
III. Special projects and activities				
Publications	10 212 000	5 971 900	11 230 000	6 567 000
Extended use of the computer	-	-	8 000 000	4 678 000
IV. Other budget estimates	<u>135 000</u>	<u>78 600</u>	<u>1 545 000</u>	<u>904 000</u>
Total (gross)	75 940 000	44 409 000	89 895 000	52 570 000
Miscellaneous income	<u>10 962 850</u>	<u>6 411 000</u>	<u>12 117 150</u>	<u>7 086 000</u>
Net total	<u>64 977 150</u>	<u>37 998 000</u>	<u>77 777 850</u>	<u>45 484 000</u>

a/ Only net salaries of Union officials are entered in the budget.

129. Estimated expenditure for 1982 under the technical co-operation special accounts budget compared with 1981 is apportioned as follows by category of expenditure:

	1981		1982	
	(SwF)	(\$ US)	(SwF)	(\$ US)
I. Staff	8 731 000	5 106 000	9 789 000	5 725 000
II. General services	<u>686 000</u>	<u>401 000</u>	<u>733 000</u>	<u>428 000</u>
Total	<u>9 417 000</u>	<u>5 507 000</u>	<u>10 522 000</u>	<u>6 153 000</u>

/...

The technical co-operation special accounts budget, which is used for administrative expenses, is financed by contributions from UNDP and by trust funds.

130. The Advisory Committee was informed that the need for supernumerary staff would be higher in 1982 than in 1981 mainly because of a heavier conference and meetings programme, which also accounts for the increase under general services for conferences and meetings.

131. The table below shows the budget estimates for the conferences and meetings to be held in 1982 and the corresponding figures for 1981.

	1981		1982	
	(SwF)	(\$ US)	(SwF)	(\$ US)
Plenitopentiary Conference	-	-	2 800 000	1 638 000
World Administrative Radio Conferences	325 000	190 000	340 000	199 000
Study Groups and XVth Plenary Assembly (1982) of the International Radio Consultative Committee	3 650 000	2 135 000	625 000	365 000
Study Groups of the International Telegraph and Telephone Consultative Committee	2 067 000	1 209 000	3 100 000	1 813 000
Regional Administrative Broadcasting Conferences:				
Region 2	2 411 500	1 410 000	-	-
Regions 1 and 3	-	-	2 035 000	1 190 000
Seminars	300 000	175 000	100 000	58 000
Common expenditure for conferences and meetings (translation, typing and document reproduction)	3 384 000	1 979 000	4 500 000	2 632 000
Total	12 137 500	7 098 000	13 500 000	7 895 000

132. The estimates of miscellaneous income for the years 1981 and 1982 are as follows:

	1981		1982	
	(SwF)	(\$ US)	(SwF)	(\$ US)
Income from the sale of ITU publications	10 212 000	5 972 000	11 930 000	6 977 000
Withdrawal from the ITU contingency provision	500 000	292 000	-	-
Other income	250 805	147 000	187 150	109 000
Total	10 962 850	6 411 000	12 117 150	7 086 000

H. World Meteorological Organization

	\$
Approved budget 1982	17,516,800
Approved budget 1981	<u>18,663,800</u>
Decrease	1,147,000
	(6.1) per cent

1. Four-year budgetary cycle

133. WMO follows a four-year budgetary cycle. Its Congress meets every four years and establishes a budgetary ceiling for the ensuing four-year financial period. Within that ceiling individual budgets for each year are approved by the Executive Committee. The Executive Committee is empowered by the Congress to authorize necessary additional expenditures under "flexibility clauses" which make it possible to exceed the level of the maximum expenditures for the financial period.

134. The programme and budget for 1982 covers the third year of the eighth financial period of WMO, 1980-1983. As noted by the Advisory Committee in its report to the General Assembly at its thirty-fourth session (A/34/684, para. 116), the eighth World Meteorological Congress, held in April-May 1979, authorized the Executive Committee to incur maximum expenditures of \$74,400,000 (net) for the period 1980-1983. This amount was based on salary scales, prices and exchange rates (1.68 Swiss francs to the United States dollar) prevailing on 1 April 1979. In resolution 42 (VIII) on maximum expenditures, the Congress also authorized the Executive Committee under the "flexibility clauses":

(a) To incur necessary expenditures resulting from any increase in staff salaries and allowances, consequent to changes in the United Nations common system of salaries and allowances;

(b) To incur any necessary expenditures up to \$500,000, resulting from changes in currency exchange rates from items other than salaries;

(c) To incur other necessary expenditures not exceeding \$500,000 in total, which might be agreed by member States of WMO to meet unforeseen programme activities of an urgent character.

135. The Advisory Committee was informed that the year-to-year variations in WMO expenditure within the four-year budgetary cycle were due to the uneven distribution of the organization's activities. For example, the WMO Congress meets in the last year of the financial period and therefore the bulk of expenditures under part I (Policy-making organs) will be in 1983.

136. The Committee was informed further that the World Climate Programme, which was approved by the last WMO Congress, was gradually being implemented. The largest portion of the appropriations approved by the Congress will be spent in 1982 and 1983.

2. Programme and budget for 1982

137. The Executive Committee at its thirty-third session approved the programme and budget of WMO for 1982 in the amount of \$17,516,800 (net of staff assessment). The approved budget is based on salary scales and prices prevailing on 1 June 1981. For the 1982 budget the Executive Committee adopted the currency exchange rate of 1.96 Swiss francs to the dollar. The eighth Congress, in its resolution 42 on maximum expenditures for the financial period 1980-1983, specified that the budget would be reduced to reflect such savings as might arise because of exchange rate fluctuations. The amount which might thus be surrendered on 31 December 1981, provided the average rate of exchange for 1981 is 2.02 Swiss francs to the dollar, would be \$1,841,600. This amount would then be used to reduce the assessed contributions for the year 1983, as laid down in WMO financial regulations.

138. The following table provides a summary, by parts of the WMO approved budget for 1982 as compared with the initial approved budget for 1981 as well as with the revised 1981 budget as mentioned in the preceding paragraph:

Part	1982 approved budget (1)	1981 approved budget (2)	1981 revised estimated reduced budget consequent to favourable rates of exchange (3)	1982	
				approved budget (1-2)	increase (decrease) from 1981 (1-3)
	\$	\$	\$	\$	\$
1. <u>Policy-making organs</u>	518 400	451 000	411 000	67 400	107 400
2. <u>Executive management</u>	827 200	918 000	860 100	(90 800)	(32 900)
3. <u>Scientific and technical programmes</u>					
3.1 World Weather Watch	2 627 200	2 769 000	2 516 100	(141 800)	111 100
3.2 Meteorological applications and environment	1 311 300	1 388 200	1 184 700	(76 900)	126 600
3.3 Research and development	1 469 300	1 828 000	1 645 200	(359 500)	(175 900)
3.4 World climate	986 400	921 000	852 900	65 400	133 500
3.5 Hydrology and water resources	775 300	857 200	770 700	(81 900)	4 600
4. <u>Supporting programmes</u>					
4.1 Technical co-operation	208 700	202 100	180 500	6 600	28 200
4.2 Regional	1 232 500	943 000	898 500	289 500	334 000
4.3 Education and training	944 400	1 016 900	968 500	(72 500)	(24 100)
5. <u>Programme supporting activities</u>	3 345 900	3 770 700	3 317 000	(424 800)	28 900
6. <u>Administration and common services</u>	2 837 900	3 115 900	2 774 800	(278 000)	63 100
7. <u>Other budgetary provisions</u>	432 300	482 000	442 200	(49 700)	(9 900)
Total	17 516 800	18 663 800	16 822 200	(1 147 000)	694 600

139. The programme approved for 1982 is basically a continuation of the programme for 1981. It seeks to implement the programme adopted by the eighth Congress as fully as possible during the financial period 1980-1983. The Committee was informed that the increase under part 4.2 of the budget for regional supporting programmes related mainly to the new Regional Office for Africa in Bujumbura, which was established in February 1981.

140. In 1982, WMO will have a total of 246 established posts as authorized by the WMO Congress at its eighth session for the financial period 1980-1983 (the corresponding ceiling for the previous financial period 1976-1979 was 238 posts).

141. The number of 246 posts for 1982 (104 Professional and above, 142 General Service) represents an increase of 2 Professional posts over 1981, one for the Agriculture and Desertification Programme and the other for the Regional Office in Latin America.

I. Inter-Governmental Maritime Consultative Organization

	\$
Proposed gross budget 1982-1983 a/	29,464,600
Approved gross budget 1980-1981	<u>24,436,500</u>
Increase	5,028,100
	20.6 per cent

a/ Budget proposals submitted to the IMCO Council at its forty-sixth session, in June 1981 (see paras. 155 and 156 below).

1. Budgetary situation in 1980-1981

142. The appropriation approved by the IMCO Assembly for 1980 was \$9,651,100, but owing to adverse exchange rates and inflationary developments, the actual expenditure for the year amounted to \$10,117,600. The average exchange rate in 1980 was \$2.32 to the pound sterling which represented a 10.5 per cent increase over the rate of \$2.10 on which the appropriation for the year had been based. This exchange rate factor is estimated to have added some \$820,000 to expenditures in 1980. Higher than estimated inflation in the United Kingdom led to further additional expenditure of approximately \$160,000. However, there were considerable savings in the course of the year, mostly due to the staggering of recruitment to vacant posts, which reduced the shortfall of \$980,000 from exchange and cost factors by about \$513,500.

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143. The IMCO Assembly approved an appropriation for 1981 of \$12,813,500 on the basis of an exchange rate of \$2.10 to the pound, but authorized the Council to make any necessary recalculation of the appropriations for 1981 using the exchange rate prevailing at its forty-fifth session in October 1980. The Council adopted an exchange rate of \$2.43 and the additional budgetary provision for 1981 resulting from this recalculation, amounting to \$1,971,900, was distributed pro rata throughout the individual appropriation lines of the budget, resulting in a total appropriation for the year of \$14,785,400.

144. During the first eight months of 1981, the operational rate of exchange dropped sharply below \$2.43, reaching \$1.80 in August and \$1.835 in September. If the September rate remains unchanged to the end of the year, the average exchange rate for 1981 will be \$2.025 to the pound.

145. A broad estimate on that basis would suggest that the budget surplus for the year might be of the order of \$1.6 million. A further full review of the budgetary situation for 1981 will be undertaken in September/October and the Secretary-General will report on this to the IMCO Council at its eleventh extraordinary session, to be held just before the twelfth regular session of the IMCO Assembly in November 1981.

146. For the biennium as a whole, it is thus almost certain that expenditures will be well below appropriations, although the level of the cash surplus at the end of 1981 will also be determined by the effect of arrears of contributions. The Secretary-General has proposed, and the Council has accepted, that the Exchange Reserve Fund, which had been used up to help finance the 1980 deficit, should be built up again from the cash surplus likely to arise at the end of the current biennium.

2. Budget for 1982-1983

147. The budget proposals submitted by the Secretary-General to the IMCO Council at its forty-sixth session, in June 1981, reflected the work programme approved by the main committees of the organization. One factor influencing the level of the 1982-1983 proposals was the move to the new headquarters building (see paras. 159-162 below).

148. In presenting his budget proposals, the Secretary-General referred to the extensive work of the committees of the organization in the fields of maritime safety, prevention and control of marine pollution from ships, and technical co-operation with developing countries and to the successful progress on implementation of the treaty instruments of the organization. In this regard, the Advisory Committee noted the emphasis placed by the IMCO Council and the IMCO Assembly on the implementation of existing standards and regulations.

149. The budget proposals for 1982-1983 are summarized by main appropriation lines and compared with the 1980-1981 appropriations in the following table:

Section	1980-1981 biennium	1982-1983 biennium a/		Increase (decrease) 1982-1983 over 1980-1981	Percentage increase (decrease)
		1982	1983		
	\$	\$	\$	\$	\$
I. Meetings.....	1 633 600	1 155 400	1 136 600	2 292 000	658 400 40.3
II. Personnel.....	14 460 700	8 761 400	9 962 400	18 723 800	4 263 100 29.5
III. General services.....	2 752 100	2 620 900	4 341 600	6 962 500	4 210 400 153.0
IV. Printing and publications.....	132 300	80 300	89 200	169 500	37 200 28.1
V. Other budgetary provisions	5 457 800	567 700	749 100	1 316 800	(4 141 000) (75.9)
Total (gross)	24 436 500	13 185 700	16 278 900	29 464 600	5 028 100 20.6
Less: Miscellaneous income	521 600	605 000	580 000	1 185 000	663 400 127.2
Total (net)	23 914 900	12 580 700	15 698 900	28 279 600	4 364 700 18.3

a/ Budget proposals submitted to the IMCO Council at its forty-sixth session.

150. Exchange rate movements have had no effect on the comparison between the appropriations for the two biennia as the average of the two rates used for 1980-1981 is broadly equal to the rate of \$2.27 that was prevailing at the time of preparation of the budget proposals and was adopted for 1982-1983. Accordingly, the increase of 20.6 per cent in the 1982-1983 budget proposals over the 1980-1981 appropriations is attributable mainly to inflation, with the estimated rise in the United Kingdom Retail Price Index being 11 per cent in both 1982 and 1983. It may be noted, however, that the 20.6 per cent increase for the proposed gross budget is somewhat less than the simple cumulative effect of 11 per cent inflation over the two years, which would amount to 23 per cent. Other factors contributing to the increase are statutory pay increments, a proposed legal diplomatic conference (reflected in section I of the budget) and the increased cost of rent, operation and maintenance in the new headquarters building (reflected in section III). There is also a substantial offsetting element as regards headquarters expenditure (reflected in section V) because no budget provision is required in the next biennium to meet installation expenditure in the new headquarters premises as the balance of requirements will be covered by a financial gift, loans and a credit facility from certain member States (see para. 160).

151. The details of the proposed 20.6 per cent increase are as follows:

	\$	<u>Percentage</u>
Inflation	4 678 400	19.1
Statutory increments	412 000	1.7
Legal conference (sect. I)	254 000	1.1
Additional use of languages (sect. I)	167 000	0.7
New posts and upgradings (sect. II)	151 800	0.6
New headquarters - additional operation maintenance costs (sect. III)	3 652 000	14.9
New headquarters - saving on installation expenditure (sect. V)	<u>(4 287 100)</u>	<u>(17.5)</u>
	5 028 100	20.6

152. The increase of \$151,800 for staffing comprises approximately \$93,000 for new posts and \$58,800 for upgradings. The new posts under the regular budget (one translator and one typist as of 1983) relate to the decision taken by the Assembly in 1975 for the gradual extension of the use of the Chinese language (see also para. 158).

153. In his submission to the Council the Secretary-General referred to the situation in respect of the Working Capital Fund. The Council, at its forty-fifth

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session, had approved an increase in the level of the Working Capital Fund (which at present is only sufficient to cover one week's expenditure of the organization) but left the precise amount to be determined in the context of the 1982-1983 budget. The Secretary-General suggested that a prudent provision in the Working Capital Fund would be equivalent to one month's expenditure of the organization, approximately \$1.2 million, but said that in order to avoid the need for a budgetary provision in 1982-1983, he was proposing to transfer \$400,000 from the surplus in the Printing Fund as a first step, which would increase the Working Capital Fund from \$250,000 to \$650,000. The Printing Fund is a self-financing fund set up by the Assembly for the production of the publications of the organization and the surplus balance has arisen from the higher than expected level of sales.

154. The Pre-Council Budgetary Working Group and the Council at its forty-sixth session noted that the budget proposals were based on the level of work set by the main committees, but some delegations expressed the view that there should be a reduction in the number of meeting-weeks and that several other economies should be sought. In this connexion, it may be recalled that, as reported previously by the Advisory Committee (A/34/684, para. 129), there had already been a reduction in the number of meeting-weeks for the current biennium.

155. A consensus emerged at the Council on the following savings:

(a) No provision to be made for a legal conference in the 1982-1983 biennium although the Council should be authorized to review the matter at its session in mid-1982;

(b) The budget appropriation for meetings of the Maritime Safety Committee of the organization in 1982 and 1983 should be reduced by a minimum of 5 per cent and 10 percent respectively and certain other reductions in meetings should take place;

(c) A reduction should be made in travel, overtime and temporary assistance along with certain other savings;

(d) The Secretary-General should be requested to find further economies of \$150,000.

156. The Council also decided that the budget should be approved at an exchange rate to be determined by the Assembly: to request the Assembly to authorize the Council to review the budget appropriations for 1981 in October 1982, in the light of developments during the first year of the biennium, in particular, with respect to the rate of exchange; and to endorse the Secretary-General's proposal with respect to the Working Capital Fund and the Exchange Reserve Fund.

157. The total over-all saving following the Council's recommendations is approximately \$750,000 and, as a result, the 1982-1983 gross budget would be reduced from \$29.46 million to \$28.71 million. The recalculation of the budget at the exchange rate to be decided by the Assembly is also likely to lead to further substantial savings.

3. Staff

158. The IMCO staffing table for 1980-1981 comprises 217 regular-budget posts (including 74 in the Professional category and above) and 32 posts (including 10 at the Professional level) financed from the technical co-operation budget, making a total of 249 posts. For the 1982-1983 biennium, the Secretary-General has proposed two new regular-budget posts (see para. 152). It should be noted, however, that it is proposed that the further economy of \$150,000 requested by the Council (see para. 155) is to be achieved through the abolition of one Professional post. It should be noted further that it has been proposed to create a limited number of fixed-term posts dealing with publications, financed from the Printing Fund, mainly to replace temporary personnel. This proposal is on the understanding that, at the end of the fixed term (an initial three years with provision for an extension of two years) the continuation of these posts would be periodically reviewed by the Council in the light of the needs and over-all situation of the Printing Fund.

4. Headquarters accommodation

159. It is now expected that the construction of the new headquarters building will be completed on 15 June 1982. For purposes of administrative and financial planning, however, it has been agreed with the United Kingdom Government that October 1982 will be assumed to be the date when the premises will be handed over to IMCO.

160. With respect to the installation of furniture and equipment in the new headquarters building, contracts have been placed for the purchase of all major items. The total expenditure for installation, now estimated at \$6.8 million, is fully covered by the financial gift (\$780,000), soft loans (\$1.1 million) and a credit facility (\$200,000) obtained by the Secretary-General from certain members, together with the budgetary provision of \$4.3 million made in 1980-1981 and a transfer of \$0.75 million made in 1978 to the Headquarters Installation Fund from the 1976-1977 cash surplus. In the circumstances, no budgetary provision under this heading is needed in 1982-1983.

161. Following negotiations with the United Kingdom Government, it has been agreed that the notional annual rent for the new headquarters premises will be 12 per cent of the agreed total capital cost of the project which is currently estimated at approximately £40 million. On this basis, the total notional rate will be £4.8 million but, as in the present premises, 80 per cent of this amount will be reimbursed to IMCO by the United Kingdom Government and the IMCO share will therefore be approximately £960,000. However, the Secretary-General has negotiated a transitional arrangement whereby the full 20 per cent of the annual rent will not be paid by IMCO for the first eight years of occupation of the new Headquarters. The rent for the first two years will be fixed at £500,000 and it will then be increased by £50,000 every two years until the ninth year when the full 20 per cent will become payable. The rent will remain unchanged for the remaining 42 years of the lease. The reduced rental in the first eight years will save IMCO approximately £3 million.

162. The new building is approximately three times larger than the combined areas of the three separate buildings in which IMCO is at present housed and the facilities are considerably more complex. Accordingly, there will be a substantial increase in the cost of rent, rates (real estate taxes), utilities and maintenance following the move to the new premises. These costs would have amounted to approximately \$1.65 million for the biennium if the organization had remained in its present headquarters and, on the assumption that the move to the new headquarters will take place in October 1982, they will amount to \$5.30 million, an increase of some \$3.65 million. The Advisory Committee has been informed that IMCO intends to rent out its conference facilities when they are not needed for meetings of the organization and to sublet surplus office space.

5. Assessment of budget contributions

163. As reported previously by the Advisory Committee (A/35/481, paras. 121 and 122), the IMCO Assembly decided to refer the question of apportionment of assessed contributions to an ad hoc working group open to all members. The Working Group met in October 1980 and June 1981 and its report will be submitted to the IMCO Assembly at its twelfth session, in November 1981. With certain reservations and one objection, the Working Group has made the following recommendations to the Assembly:

(a) To increase the total of the basic assessments of IMCO members (which are calculated according to the members' percentage contribution to the United Nations budget) to 10 per cent of the budget from the present level of 2 per cent;

(b) To index-link the basic assessments so that they remain at the level of 10 per cent of the budget;

(c) To alter the tonnage assessments (which are calculated according to gross register tonnage of members' merchant shipping) so that no member pays any contribution on the first 50,000 tons;

(d) Further to alter the tonnage assessments so that any member paying 0.01 per cent or 0.02 per cent of the United Nations contribution and having more than 7.5 per cent of the tonnage of all IMCO members receives a 20 per cent reduction on that part of its tonnage above 7.5 per cent of the tonnage of all IMCO members.

6. Exchange rate fluctuations and the IMCO budget

164. The Advisory Committee previously reported (A/35/481, para. 123) that the IMCO Council had received a proposal from one member for expressing the IMCO budget in pounds sterling or a combination of pounds sterling and United States dollars. The Council requested the Secretary-General to submit a paper on the practical implications of this proposal and, at its forty-fifth session, the Council considered a detailed study prepared by the IMCO secretariat. The study gave information on the consideration given to this question in CCAQ, the Administrative Committee on Co-ordination (ACC), ACABQ and the United Nations Working Group on

Currency Instability, on discussions within United Nations organizations, including IMCO on assessing the budget in local currency or a combination of local currency and dollars, as well as on the experience and practices within these organizations with respect to exchange rate fluctuations over the past decade. A number of alternative methods of assessing the budget expressed in either United States dollars or local currency were presented, with mention of their main advantages and disadvantages as described during the various debates in organizations of the United Nations system. After considering the study, the IMCO Council decided that there should be no change in the currency of the IMCO budget but that the subject should be kept under review.

J. World Intellectual Property Organization

	<u>Swiss francs</u>	<u>US dollars a/</u>
Draft expenditure Budget 1982-83	72 781 000	42 562 000
Expenditure Budget 1980-81	<u>64 006 000</u>	<u>37 430 000</u>
Increase	8 775 000	5 132 000
	13.7 per cent	

a/ At 1.71 Swiss francs to the United States dollar.

165. The Advisory Committee discussed the draft programme and budget of WIPO for 1982-83 with representatives of the Director-General of that organization. The Advisory Committee noted that the draft programme and budget document also included the report of the WIPO Budget Committee and the Director-General's comments on that report.

166. The competent Governing Bodies of WIPO have unanimously adopted a resolution providing for the provisional application, until 1985, of a system of biennial budgets ^{7/} starting in even-numbered years, as is being done by the United Nations and several organizations in the United Nations system. The first biennial budget was for 1980-81.

167. The budgets of WIPO reflect the fact that this organization is also an amalgam of separate Unions. As a consequence, WIPO budgets are, in effect, of a dual nature. They cover, on the one hand, the budget of the WIPO Conference and the budget of expenses common to the Unions and, on the other, the budgets of the Unions themselves, which are administered by WIPO. The programme and budget

^{7/} The biennial budgets are adopted by the WIPO General Assembly (budget of expenses common to the Unions), the WIPO Conference (budget of the Conference), and the Assemblies of the Paris and Berne Unions and of the Special Unions (the budgets of those Unions).

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document is presented by "major activities", each of which is subdivided into programmes and shows the expenses, by object of expenditure, connected with each programme and the share of the interested Unions or other units in its financing.

168. The expenses common to the Unions are met from assessments on the Unions in accordance with a scale established by the Governing Bodies. ^{8/} Furthermore, the Union for the Protection of New Varieties of Plants (UPOV), which has a separate administration, ^{9/} contributes in an agreed amount (termed "agreed contributions" in the budget) towards common expenses. Additional income is derived from publications revenue and miscellaneous credits, which are accounted for in the budget under the heading "Publications and miscellaneous".

169. Substantive activities of the Unions themselves are financed in a variety of ways. Mandatory contributions (included in the budget as "ordinary contributions") are paid by members of the Paris, Berne, Nice, Locarno and International Patent Classification (IPC) Unions, and by such States members of WIPO as are not members of any of the Unions. Activities related to the Madrid, The Hague and Lisbon Unions are financed by fees collected by the three international registration services established under these Unions (entered in the budget as "fees"). Fees are also collected from applicants for international applications under the Patent Co-operation Treaty (PCT). "Mixed contributions" consist of "ordinary" (mandatory) contributions of member States under the PCT and "Special" (voluntary) contributions towards the PCT by States not party to that Treaty.

1. Programme and budget for 1982-1983

170. The programme and budget covers 1982 and 1983. As can be seen from the table in paragraph 172 below, a distinction is made between programme activities (PRG) and registration activities (REG). According to WIPO, the programme activities serve two aims:

^{8/} The Governing Bodies of WIPO and the Unions administered by WIPO are the intergovernmental organs referred to in the foot-note to paragraph 166 and also the WIPO Co-ordination Committee and the Executive Committees of the Paris and Berne Unions.

^{9/} The Director-General of WIPO is also the chief administrative office of UPOV. The other Unions of WIPO are all administered jointly by the International Bureau of Intellectual Property, which constitutes the secretariat of WIPO.

(a) To maintain and spread throughout the world - both in developed and in developing countries - the protection of intellectual creations;

(b) To make a particular contribution to the development process in developing countries in the field of intellectual property.

WIPO classifies "registration activities" as the receiving and processing of international applications under the Patent Co-operation Treaty (PCT), the Madrid Agreement (International Registration of Marks) and The Hague Agreement (International Deposit of Industrial Designs).

171. WIPO believes that the distinction between programme activities and registration activities is useful because the two activities are different in their nature - that is, conceptual and administrative, respectively - and because their financing and budgeting are fundamentally different. Programme activities are financed by the member States, and the member States have complete control over those activities. On the other hand, registration activities are normally financed by fees paid by applicants. ^{10/} Neither the States nor the International Bureau have any real control over registration activities: their nature is defined in treaties, and their extent is a simple and direct consequence of the desire of the persons and enterprises using them. Since the extent of such desire is difficult to forecast, the budgets of the PCT, Madrid and Hague Unions are, and always will be, highly tentative. The role of the member States in these Unions consists essentially in keeping a constant watch on the International Bureau's administration to ensure that it is efficient and economical.

172. The following table analyzes the cost increases/decreases and activity increases from 1980-1981 to 1982-1983 by type of activity:

^{10/} The representatives of WIPO pointed out that only about 50 per cent of the budget is financed by contributions from member States.

(Thousands of Swiss francs)

	(A)	(B)	(C)	(D)	(E)	(F)		
		1982-1983 programme costed at same cost rates as 1980-1981 budget	Programme variation (B) - (A)	Cost variation	1982-1983 programme costed at the rate of costs appli- cable for 1982-1983 (B) + (D)	Percentage of expenses in total draft budget for 1982-1983		
Major acti- vities	1980-1981 budget							
Programme activities (PRG)	29 120	30 389	1 269	+4.4	3 642	+12.5	34 031	46.8
Registration activities (REG)	30 331	30 653	322	+1.1	2 779	+9.2	33 432	45.9
Governing Bodies and management (DIR)	3 807	4 171	364	+9.6	379	+10.0	4 550	6.3
Union for the Protection of New Varieties of Plants (UPOV)	748	698	(50)	-6.6	70	+9.3	768	1.0
Total	64 006	65 911	1 905	+3.0	6 870	+10.7	72 781	100.0

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173. The total expenses in the budget proposed for 1982-1983 amount to 72,781,000 Swiss francs (\$42,565,000), an increase of 8,775,000 Swiss francs (\$5,132,000) or 13.7 per cent over the expense budget for 1980-1981.

174. As reflected in the table in paragraph 172 and as far as the programme activities are concerned:

(a) The programme variation shows an increase of 4.4 per cent in the 1982-1983 biennium over the 1980-81 biennium, which represents an increase of 1.9 per cent in each of the years 1982 and 1983 over the programme expenditure level of the budget for the years 1981 (14,773,000 Swiss francs) and 1982 respectively; this rate of increase is in conformity with the objective that the level of programme expenditure should not show an increase above 2 per cent per annum;

(b) The cost variation shows an increase of 12.5 per cent in the 1982-1983 biennium over the 1980-1981 biennium, which represents an increase of 7.1 per cent in each of the years 1982 and 1983 over the programme expenditure level of the budget for the years 1981 (14,773,000 Swiss francs) and 1982 respectively; this rate of increase reflects the rate of increases estimated by the United Nations organizations at Geneva for the years 1982 and 1983, and the fact that - although no provision for inflation was included in the budget for the 1980-1981 biennium (except 5 per cent for printing) - the cost of living has risen in both 1980 and 1981.

175. As regards registration activities:

(a) The programme variation shows a net increase of 1.1 per cent in the 1982-1983 biennium over the 1980-1981 biennium. This increase reflects the expected increase in the number of international patent applications filed under the PCT (9,500 in the 1982-1983 biennium against 6,800 according to the revised budget for the 1980-1981 biennium) and in the number of the international trademark registrations under the Madrid Agreement (25,000 in the 1982-1983 biennium against 22,900 according to the budget for the 1980-1981 biennium). The increase also takes into account the expected savings in the PCT and Madrid Unions consequent upon the computerization of some of their administrative and printing operations; in other words, computerization will almost absorb the increase which the higher number of international patent applications and international trademark registrations will bring about;

(b) The cost variation shows an increase of 9.2 per cent in the 1982-1983 biennium over the 1980-1981 biennium; the observations made in paragraph 174 (b) apply to this variation too.

2. Staff

176. The total number of posts shown in the draft programme and budget document for 1981 was 242. However, 12 posts were subsequently added, bringing the total up to 254. Six of the additional posts result from the decision of the Governing Bodies concerning increased use of Arabic, Russian and Spanish; the other six

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additional posts relate to the decision to adjust the number of posts servicing the PCT to the number of the international applications.

177. For 1982-1983 a total of 273 posts are requested, an increase of 19 over the level of 254 for 1980-81. Nine of the new posts (5 Professional, 4 General Service) would be added in 1982; the remaining 10, all General Service, would be added in 1983.

178. The reasons for the increases in Professional posts have been described to the Advisory Committee as follows:

(a) Four Professional posts (one each in the Industrial Property Division, the Classifications and Patent Information Division, the Copyright Units and the Development Co-operation Division) relate to the greater involvement of the Divisions or Units concerned in development co-operation activities;

(b) One Professional post in the External Relations Division is requested because of the increase in the number of States that have become members of WIPO and/or the Unions administered by WIPO, as well as the greater efforts necessary to promote further accessions to WIPO and the various Unions;

(c) One Professional post is provided for in the Pension and Staff Insurance Section because this Section, which until 1976 was responsible only for the Secretariat of the WIPO Pension Fund, has also been entrusted with the servicing, on behalf of the United Nations Joint Staff Pension Fund, of the WIPO Pension Committee. It is foreseen that one Professional post will be abolished in 1982 in the Data Processing Section, since the computerization of certain administrative operations in connexion with the international registration of marks will be completed by then.

3. Headquarters facilities

179. WIPO now occupies the whole of the new building into which it moved in May 1978. Two floors of the (old) BIRPI building are also used by WIPO and two other floors are being rented, at commercial rates, to outside tenants.

180. The Advisory Committee was informed that costs for the rental of premises in 1982-1983 would increase by 108,000 Swiss francs (\$63,200) over 1980-1981 due to the fact that the ground rent paid by WIPO to the Republic and Canton of Geneva for the land on which the WIPO buildings stand, fixed in 1970 at 48,500 Swiss francs per year had been raised by 100 per cent to 97,000 Swiss francs per year for the period 1980 to 1989. Moreover, the increase of 48,500 Swiss francs in respect of 1980 would be payable in nine yearly instalments of 5,400 Swiss francs each in 1981-1989. As a result, the amount payable as ground rent per biennium increased from 97,000 to 205,000 Swiss francs (i.e., by 111.3 per cent).

181. Maintenance of premises will increase by 1,241,000 Swiss francs (\$725,730,000), or 48.6 per cent over 1980-1981. The increase is mainly due to two factors:

(a) The budget for the 1980-1981 foresaw no cost increase over the 1979 costs since it was believed that there would be practically no inflation in Switzerland. In actual fact, costs have risen by approximately 5 per cent in each of the years 1980 and 1981. Moreover, it is estimated that costs will increase by 6 per cent in each of the years 1982 and 1983. Thus the cumulative cost increase for the 1982-1983 biennium over the cost level used to establish the budget for the 1980-1981 is estimated at 20.3 per cent.

(b) When the budget for the 1980-1981 biennium was prepared (January 1979), the new WIPO headquarters building had been operational for only six months and therefore expenditure on its maintenance had to be largely estimated without the help of previous experience.

4. Joint Inspection Unit

182. The Advisory Committee was informed that the Governing Bodies, at their 1979 sessions, decided that "unless the WIPO General Assembly decided otherwise at its 1981 session, WIPO would accept the Statute of the Joint Inspection Unit with effect from 1 January 1982, and that the Director-General should prepare, for the 1981 session of the General Assembly, a detailed report on the tasks, composition and accomplishments of the said Unit". In order to be able to respond fully to the WIPO General Assembly's request, the Director-General retained the services of an outside consultant fully familiar with JIU. The consultant's report, which is annexed to the draft programme and budget for 1982-1983, concluded that it would be preferable for WIPO not to become formally associated with the Unit, and the Director-General has agreed with this recommendation. The Advisory Committee was also informed that written comments on the consultant's report had been received from JIU and would be made available to the WIPO General Assembly for the discussion of that question.

K. International Fund for Agricultural Development

	\$
Budget 1981.....	18 500 000
Budget 1980.....	<u>12 696 000</u>
Increase	5 804 000
	45.7 per cent

183. The Advisory Committee discussed the IFAD programme and budget for 1981 and 1982 with a representative of the President of the Fund. The Advisory Committee was informed that the proposed budget for 1982, which had originally been placed before the IFAD Board in September 1981, was being reformulated for resubmission in December 1981. Under the circumstances, and in view of the fact that the Advisory Committee's previous report (A/35/481 and Add. 1) discussed IFAD budgets for 1979 and 1980, the committee's discussion, for purposes of the present report, will be limited to the years 1980 and 1981.

1. Budget performance - 1980

184. The budget for 1980 was approved in the amount of \$12,848,000, including a contingency of \$612,000. The table below indicates actual expenditure for the year compared with the budget allocations for each budget category.

1980 approved budget and actual expenditure
(thousands of US dollars)

	Approved budget allocation	Estimated expenditure for year	Transfer from contingency	Approved reallocation between categories a/
Governing Council	156	229	73	
Executive Board	450	616	166	
Staff costs	5 972	5 829		(143)
Official travel	696	545		(70)
Co-operating institutions and consultants	3 570	4 117	334	213
Operational and adminis- trative	1 301	1 294		
Support for United Nations committees	41	26		
Cost relating to replenishment	50	40		
	12 236	12 696	573	
Retroactive General Service salary increase	-	-	-	
Contingency	612			
TOTAL	12 848	12 696	573	

a/ In accordance with regulation VI, paragraph 3, of the Financial Regulations, the Executive Board at its tenth session in September 1980 approved the reallocation of \$300,000 from staff costs and \$70,000 from official travel for payments to co-operating institutions and consultants.

2. Budget 1981

185. The administrative budget for 1981 was approved in an amount of \$18,500,000 as follows:

	\$
1. Governing Council	252 000
2. Executive Board	753 000
3. Staff costs	8 091 000
4. Official travel	840 000
5. Co-operating institutions and consultants	6 449 000
6. Operational and administrative Expenses	1 776 000
7. Support for special United Nations committees and activities	<u>39 000</u>
	18 200 000
Contingency	<u>300 000</u>
Total	<u>18 500 000</u>

186. The Advisory Committee notes from the report of the fourth session of the IFAD Governing Council that the budget resolution (17/IV) merely makes reference to the document containing the proposed budget for 1981 and that it does not specify the amounts approved. The Governing Council may wish to give consideration in future to adopting an appropriation resolution as is done by the other specialized agencies and by the United Nations itself.

187. The budget for 1981 is based on a projected commitment level of \$450 million for 1981. The budget estimates also contain the total staffing requirements, both Professional and support staff, for the proposed work programme.

188. The 1981 budget request, excluding the contingency, is \$18,200,000. The increase of \$5,504,000 over the expenses of \$12,696,000 in 1980 is the result of three major factors. First, \$2,287,000 is attributable to inflation which affects every budget category, with 1981 costs estimated to increase on average by 17.9 per cent over 1980. Secondly, \$1,965,000 is attributable to the increase in payments to co-operating institutions and consultants reflecting the proposed increase in the level of the Fund's operations in 1981. Thirdly, \$1,094,000 is attributable to increases in staff costs: \$424,000 is for the additional costs for 12 months' occupancy in 1981 of all the approved staff positions and \$670,000 is for 17 new posts proposed for 1981. These specific increases in the 1981 budget over the 1980 expenditures are shown in the table below:

/...

Analysis of 1981 budget increases over 1980 expenditures
(thousands of US dollars)

Increase due to inflation

Increase due to inflation affecting
all budget categories which is
estimated to average 17.9 per cent.
This includes \$1.16 million for
mandatory increases in regular staff
salaries and benefits in accordance
with the United Nations common system 2 287

Increase in cost of operations

Additional operations to be undertaken in 1981:

Identifications	349	
Appraisals	336	
Supervision missions	600	
Monitoring and evaluation	150	

Increase arising from the additional work-weeks required by co-operating institutions for project operations.....	246	
--	-----	--

Increase in travel and administrative costs associated with higher level of operations	<u>284</u>	1 965
--	------------	-------

Increase in staff costs

Additional costs for full 12 months' occupancy in 1981 of the approved positions.....	424	
---	-----	--

Increase in staff costs for 17 new positions proposed for 1981	<u>670</u>	1 094
---	------------	-------

<u>Other increases a/.....</u>		<u>158</u>
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Total increase.....		<u>5 504</u>
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a/ Includes small increases for temporary staff, overtime and new office equipment.

3. Staff costs

189. An analysis of the increases in 1981 salaries and benefits over the staff costs for 1980 is given below:

Analysis of increases in staff costs (thousands of US dollars)

1980 estimated staff costs

Salaries and benefits.....	5 249
Temporary staff and overtime.....	271
Relocation/recruitment expenses.....	<u>139</u>
	5 659
Retroactive General Service salary increases...	<u>170</u>
	5 829

1981 mandatory increases

Additional cost for full 12 months' occupancy in 1981 of the approved positions..	424	
Mandatory increases in salaries and benefits in accordance with United Nations common system representing an average of 18 per cent over 1980 levels	<u>1 168</u>	1 592

1981 other increases

Salaries and benefits of 17 new positions proposed for 1981 including relocation costs...	<u>670</u>
--	------------

<u>1981 budget - staff costs.....</u>	<u>8 091</u>
---------------------------------------	--------------

190. As can be seen from the above table, 17 new positions have been proposed and approved for 1981. Of the 167 posts in 1981, 74 are in Professional category and above and 93 are support staff. The additional posts have been allocated as follows:

Project Management Department	4 Project Controllers (P-4/5) 3 support staff posts
Financial Services Division	1 Assistant Loan Administrator (P-2/3) 1 Computer Officer (P-3) 1 support staff post
Office of the Secretary of IFAD	2 support staff posts
Office of the President	1 Administrative officer (P-3/4)
Other	4 support staff posts

191. Furthermore, the Advisory Committee understands that a reorganization within the Project Management Department has resulted in the creation of a new Division (Near East-North Africa). A similar new Division is to be established in the Economic and Planning Department. The 1981 budget as submitted to the Executive Board made no provision for the additional staff needed for these new Divisions in view of the current budget constraints. However, in the light of the discussions on this subject at the tenth session of the Executive Board, the establishment of the new divisions will be initiated through the internal realignment of some staff positions in 1981; the additional staff required will be requested in the 1982 budget.

192. The total staffing of IFAD, by department and division, is as follows:

1981 budget
Staff requirements

	<u>Professional Staff</u>				<u>Support Staff</u>
	<u>D-1 and above</u>	<u>P-5</u>	<u>P-4 and below</u>	<u>Total</u>	
<u>Office of the President a/</u>	<u>1</u>	<u>-</u>	<u>2</u>	<u>3</u>	<u>5</u>
<u>Project Management Department</u>					
Assistant President	1	-	-	1	2
Africa Division	1	9	2	12	6
Asia Division	1	5	3	9	4
Latin America Division	1	3	1	5	3
Interdivisional staff b/	<u>1</u>	<u>4</u>	<u>4</u>	<u>9</u>	<u>5</u>
	<u>5</u>	<u>21</u>	<u>10</u>	<u>36</u>	<u>20</u>
<u>Economic and Planning Department</u>					
Assistant President	1	-	-	1	1
Africa Unit	1	1	1	3	2
Asia Unit	1	-	1	2	1
Latin America Unit	1	1	-	2	1
Monitoring and Evaluation Unit	-	1	-	1	1
Library	-	-	-	-	<u>2 c/</u>
	<u>4</u>	<u>3</u>	<u>2</u>	<u>9</u>	<u>8</u>
<u>General Affairs Department</u>					
Assistant President	1	-	-1	1	1
Secretary of IFAD d/	1	1	3	5	11
External Relations Division	1	-	1	2	2
Information and Communications Unit	-	1	1	2	2
Administrative Services Unit	-	<u>1</u>	<u>2</u>	<u>3</u>	<u>27</u>
	<u>3</u>	<u>3</u>	<u>7</u>	<u>13</u>	<u>43</u>
<u>Legal Services Division</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>4</u>	<u>3</u>
<u>Financial Services Division</u>					
Treasury	-	1	-	1	2
Controller's Office	-	1	3	4	6
Loan Administration	-	-	<u>2</u>	<u>2</u>	<u>1</u>
	<u>-</u>	<u>2</u>	<u>5</u>	<u>7</u>	<u>9</u>
<u>Personnel Services Division</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>2</u>	<u>5 e/</u>
Grand Total	<u>16</u>	<u>30</u>	<u>28</u>	<u>74</u>	<u>93</u>

(foot-notes on following page)

/...

a/ Professional staff consists of the Chef de Cabinet, the Internal Auditor and the Administrative Officer. Support staff includes secretaries for the President, Vice President, Chef de Cabinet and an assistant to the Internal Auditor. The President and the Vice President are not included in the staffing figures.

b/ Professional staff consists of the Senior Operations Officer, five Technical Advisers and three Project Economists.

c/ Librarian and Library clerk.

d/ Includes the Translation Unit consisting of three Professional translators and four bilingual typists.

e/ Includes position of nurse (part-time).

Note: Salaries of Professional and support staff are in accordance with the scale established under the United Nations common system.

4. Co-operating institutions and consultants

193. The cost to IFAD of co-financed projects is mainly limited to IFAD staff and related travel costs for selective participation in project identification, appraisal and in periodic supervision visits conducted by the co-operating institutions. These expenses are included under Staff costs and Official travel.

194. Payments to co-operating institutions and consultants are therefore for project work related to IFAD-initiated projects and Special Programming Missions. Fees to co-operating institutions are on the basis of reimbursement of direct costs with no overheads, as has been agreed with the major international financial institutions and is in the process of being negotiated with other co-operating institutions.

195. The increase of \$2,332,000 over 1980 levels for payments to co-operating institutions and consultants is attributable to three major factors: inflation is estimated at \$651,000; a higher number of operations in 1981 is estimated to cost \$1,435,000; and approximately \$246,000 is for increases in the average number of work-weeks required by co-operating institutions, especially for project appraisals and for supervision of implementation.

196. The cost for project identification missions in 1981 is expected to increase by \$528,000, which is largely accounted for by the increase in the number of missions to 28 and the slight increase in the average cost per operation.

197. The 1981 budget provides for an increase in appraisal costs of \$1,014,000. the number of appraisals will increase to 25 as against 22 for 1980. This higher level of appraisals is required to meet the higher 1981 level of operations and to provide an adequate pipeline for 1982-1983. The increase in the average cost per operation is the result of inflation and a change in the estimated number of work-weeks required. The co-operating institutions have informed the Fund that, based on their current experience, small-farmer and rural development projects require more work-weeks to appraise than had been anticipated. Consequently, some of the co-operating institutions are increasing their average appraisal time for such projects.

198. By the end of 1980, 27 Fund-initiated projects had been approved. Co-operating institutions are expected to undertake the required supervision missions in 1981 for these projects and also supervision for Fund-initiated projects approved early in 1981. As the IFAD loan portfolio expands, payments to co-operating institutions for supervision missions will increase progressively. In 1981 the estimated supervision costs are \$600,000 higher than in 1980. It should be noted that co-operating institutions are requiring more time to supervise small-farmer projects effectively.

199. As IFAD projects enter into the implementation stage, monitoring and evaluation become more important. This is reflected in the doubling of these activities in 1981 compared to 1980, with estimated increased costs of \$150,000.

200. According to IFAD, the Special Programming Missions are proving extremely useful in helping countries to identify the main constraints which adversely affect the economic and social conditions of small farmers and to develop appropriate strategies and projects. Five projects have been derived from Special Programming Missions previously undertaken and many more are expected to follow. The costs of such missions vary with the country visited and the number of consultants included in the mission. The 1981 budget provides for five missions at an average cost of \$110,000.

5. Meetings - Governing Council and Executive Board

201. The amount of \$252,000 requested for the fifth session of the Governing Council is to cover salaries, daily subsistence allowance and travel costs for translators, bilingual typists and other personnel involved in the preparation of documentation for the session, as well as simultaneous interpretation and other conference services. It also includes printing, communications and other local expenses. The salaries of interpreters and translators are fixed at United Nations standard rates which are adjusted periodically for inflation.

202. The budget allocation of \$753,000 for meetings of the Executive board in 1981 is calculated on the basis of three meetings, each of four days' duration. Of the increase of \$137,000 over 1980 expenditure, some \$57,000 is attributable to inflation, and the balance of \$80,000 to the additional workload in 1981 arising from the increased volume of translation and printing. The estimated travel and daily subsistence expenses of the Executive Directors and Alternates are provided for under this heading.

6. Official travel

203. Increases for this item over the 1980 expenses include \$124,000 due to increases in air fares and in United Nations subsistence rates. Another \$171,000 is included for additional travel in support of a higher level of programme operations in 1981. The co-operating institutions will undertake periodic supervision field visits and it will be necessary for IFAD staff to participate selectively in missions to assure that loan implementation is proceeding satisfactorily. The level of IFAD staff participation in monitoring and evaluation field work is also expected to increase in 1981. Participation in United Nations and other meetings of particular interest to IFAD, both as a United Nations specialized agency and as a development institution primarily concerned with food problems and rural poverty, will continue at the same level as in 1980.

7. Operational and administrative expenses

204. There is an increase of \$418,000 in the budget allocation for operational and administrative expenses, which are almost entirely paid in Italian lire. The rate of inflation for Italy during the past twelve months was about 21 per cent. However, the increases for certain services have been held down to 10 per cent and 13 per cent on the basis of three-year contracts. The amount attributable to

price increases is about \$146,000, or an over-all average of 11.2 per cent. The remaining increases include \$137,000 for additional supplies, telex, telephone and other services related to a higher level of operations in 1981, and \$135,000 for new office equipment. Due to budgetary restraint, the mechanization of various office operations is being undertaken in phases. In 1979, IFAD acquired equipment for printing, word-processing, and a small computer for accounting. There have been no major equipment purchases in 1980. However, in 1981 there will be an urgent need for additional word-processing machines and for equipment for permanent recording and storage of the computer data and documentation.

8. Support for special United Nations committees and activities

205. IFAD is expected to share in the expenses of certain special activities which are financed by contributions from United Nations agencies that have a particular interest in the activity concerned. The budgeted amount for this item is \$39,000, including contributions to the ACC Sub-committee on Nutrition, CCAQ Questions and Development Forum, a publication sponsored by the UN.

9. Contingency provision

206. The provision for contingency was 10 per cent in 1979 and was reduced to 5 per cent in 1980. Based on two complete years of actual experience, it is proposed to reduce the contingency provision to \$300,000. In the opinion of IFAD, the uncertainty of the US dollar/Italian lira exchange rate, which affects about 40 per cent of the costs included in the budget, the high world-wide rates of inflation and other unforeseen circumstances justify the inclusion of the proposed contingency provision.

L. International Atomic Energy Agency

	\$
Approved regular budget for 1982	86 369 000
Adjusted regular budget for 1981	<u>88 677 000</u>
Decrease	(2 308 000)
	(2.6) per cent

207. The Advisory Committee discussed the budget of IAEA for 1982 and related matters with a representative of the Director-General of the Agency.

208. The Agency's consolidated budget for 1982 is estimated at \$115,671,000 as follows:

	\$
Regular budget	86 369 000
Technical Assistance Fund	16 700 000
Extrabudgetary resources (excluding contributions in kind) provided by individual member states, UNDP and other sources	<u>12 602 000</u>
	<u>115 671 000</u>

1. Regular budget for 1982

209. At its September 1981 session, the General Conference of the Agency approved the regular budget for 1982 in the amount of \$86,369,000 which is \$2,308,000 less than the 1981 adjusted budget of \$88,677,000. As can be seen from the following table, the decrease is attributable to the strengthening of the United States dollar in relation to the Austrian schilling in which most of the Agency's expenditure is incurred. The adjustment attributable to this factor (\$12,620,000) more than offsets the estimated price increases (\$8,236,400) and programme increases (\$2,075,600).

Programme	1981		Price increase		Programme increase		Total change		1982 estimate	
	Adjusted budget	\$	\$	%	\$	%	\$	%	\$	%
A. Technical assistance and training (Regular Budget)	4 055 000		329 700	8.1	92 300	2.3	422 000	10.4	4 477 000	
B. Nuclear Power	2 635 000		204 200	7.7	436 800	16.6	641 000	24.3	3 276 000	
C. Nuclear Fuel Cycle	2 937 000		216 500	7.4	6 500	0.2	223 000	7.6	3 160 000	
D. Nuclear Safety	4 836 000		472 800	9.8	86 200	1.8	559 000	11.6	5 395 000	
E. Nuclear explosions for peaceful purposes	115 000		2 000	1.7	(103 000)	(89.5)	(101 000)	(87.8)	14 000	
F. Food and agriculture	4 019 000		352 500	8.8	11 500	0.3	364 000	9.1	4 383 000	
G. Life sciences	2 959 000		217 300	7.3	(3 300)	(0.1)	214 000	7.2	3 173 000	
H. Physical sciences	6 301 000		470 800	7.5	(233 800)	(3.7)	237 000	3.8	6 538 000	
J. International Centre for Theoretical Physics (Regular Budget)	966 000		172 000	17.8	69 000	7.1	241 000	24.9	1 207 000	
K. International Laboratory of Marine Radio-activity (Regular Budget)	971 000		147 000	15.1	90 000	9.3	237 000	24.4	1 208 000	
L. Safeguards	25 003 000		2 407 200	9.6	1 759 800	7.1	4 167 000	16.7	29 170 000	
M. Information and technical services	4 705 000		457 400	9.7	(80 400)	(1.7)	377 000	8.0	5 082 000	

...

Programme	1981		Price increase		Programme increase		Total change		1982 estimate	
	Adjusted budget	\$	\$	%	\$	%	\$	%	\$	%
N. Policy-making organs	2 683 000		234 000	8.7	191 000	7.1	425 000	15.8	3 108 000	
O. Executive Management and technical programme planning	1 677 000		124 100	7.4	(57 100)	(3.4)	67 000	4.0	1 744 000	
P. Administration	8 439 000		804 700	9.5	117 300	1.4	922 000	10.9	9 361 000	
Q. General services	13 313 000		1 342 200	10.1	(1 341 200)	(10.1)	1 000	-	13 314 000	
R. Agency programmes	85 614 000		7 954 400	9.3	1 041 600	1.2	8 996 000	10.5	94 610 000	
S. Cost of work for others	3 063 000		282 000	9.2	1 034 000	33.8	1 316 000	43.0	4 379 000 a/	
Subtotal	88 677 000		8 236 400	9.3	2 075 600	2.3	10 312 000	11.6	98 989 000 a/	
T. Adjustment of programme cost estimates	-		(12 620 000)	-			(12 620 000)		(12 620 000)	
Regular Budget	88 677 000 a/		(4 383 600)	(4.9)	2 075 600	2.3	(2 308 000)	(2.6)	86 369 000 b/	

a/ Based on an exchange rate of 12.90 Austrian schillings to the dollar.

b/ Based on an exchange rate of 15.50 Austrian schillings to the dollar.

210. As can be seen from the above table, the programme increase of \$2,075,600 (based on an exchange rate of 12.90 Austrian schillings to the dollar is a net amount which results from both upward and downward changes for individual programmes.

211. The largest increase (\$1,759,800, or 7.1 per cent) has been approved for the Safeguards programme. Nearly half the increase relates to inspection travel. The number of established posts will increase by 13 (6 Professional and 7 General Service) to 368. In paragraph 16 of the introduction to the Agency's budget for 1982 (IAEA document GC(XXV)/646), it is stated that with the reduction in the number of facilities still to be covered by some type of safeguards agreement, there will be a slowing-down in the rate of increase of safeguards staff, and that the only appreciable increase in safeguards commitments which can be foreseen after 1985 is that resulting from a growth in the nuclear industry.

212. The next largest increase in dollar terms - and the largest in percentage terms (\$436,800; 16.6 per cent) - has been approved for the Nuclear Power programme. The increase is for conferences, symposia and seminars and the related printing and publishing requirements. The Advisory Committee was informed that the programme, which was sharply cut back in the 1981 budget, would now be restored to its previous level.

213. The programme increase of \$191,000 (7.1 per cent) for policy-making organs is attributable to additional meetings of the Board of Governors and its committees.

214. The largest programme decrease (\$1,341,200, or 10.1 per cent) has been approved for general services. It will be applied to common services, supplies and equipment. The Advisory Committee has been informed that all possible efforts are being made to reduce energy consumption at the Vienna International Centre. The measures taken include: shortening the hours of operation of the air-conditioning and heating systems; rewiring electrical circuits to reduce consumption for lighting; and using reflecting foil on windows. It may also prove possible to alter the window frames in some parts of the complex so that windows can be opened and air-conditioning turned off.

215. The second largest decrease in dollar terms (\$233,800, or 3.7 per cent) has been approved for the Physical sciences programme; it relates mainly to laboratory services.

216. A reduction of \$103,000 (89.5 per cent) has been approved for the Nuclear explosions for peaceful purposes programme. The Advisory Committee understands that the activities under this programme have been reduced to a marginal level.

217. The programme increase of \$1,034,000 (33.8 per cent) under "Cost of work for others" relates to library services, data processing services, medical services and printing services which the Agency operates as common services on behalf of all the occupants of the Vienna International Centre. Most of the programme increase relates to data processing services (\$901,000). The cost of the work done for others is covered by income in the same amount (see para. 220 below).

218. The 1982 regular budget of \$86,369,000 is to be financed as follows:

	\$
Assessment on member states	77 344 000
Income from work for others.....	3 710 000
Miscellaneous income	<u>5 315 000</u>
	<u>86 369 000</u>

219. The estimate of \$5,315,000 for miscellaneous income includes \$1 million in UNDP programme support costs, \$1.4 million from the sale of publications, and \$2,165,000 in investment and interest income (double the approved estimate for 1981). The Advisory Committee has been informed that a review of the Agency's cash management had revealed that substantial cash balances were held year-round in a non-interest-bearing account; this practice will be discontinued and the Agency expects to earn substantial amounts of interest on the cash balance in question.

220. Of the \$3.7 million (at 15.50 Austrian schillings to the dollar) in income from work for others, nearly \$1.5 million relates to data processing and \$1.2 million to printing services. In this connexion, the Advisory Committee was informed that the common printing facility has been operating at a loss, partly because of the reduced volume of printing done for UNIDO. The Advisory Committee referred to this question in its first report on the proposed programme budget for the biennium 1982-1983. 11/

2. Operation of the Vienna International Centre

221. The Agency estimates that, in 1982, its share of the operating costs of the Vienna International Centre will amount to \$8,286,000 (at 12.90 Austrian schillings to the dollar), broken down as follows:

	\$
Utilities	2 865 000
Maintenance services (contractual)	3 031 700
Maintenance services (in-house)	1 050 000
Security services (in-house)	1 030 000
Building and maintenance supplies	276 000
Contribution to the Sinking Fund for major repairs	<u>33 300</u>
	<u>8 286 000</u>

11/ Official Records of the General Assembly, Thirty-sixth Session, Supplement No. 7 (A/36/7), para. 17.19.

The total of \$8,286,000 at 12.90 Austrian schillings to the dollar corresponds to \$6,901,700 at 15.50 Austrian schillings to the dollar (the rate used in the 1982 regular budget as approved).

222. The various steps taken by the Agency to reduce consumption of utilities are referred to in paragraph 214 above. The Advisory Committee was informed that further economies are expected to result from the replacement of outside contractual maintenance services by in-house services provided by UNIDO.

Staff

223. In the following table the Agency's staffing resources are summarized by grade of post and by department:

Grade of post	Number of established posts						
	1980 adjusted	1981	1981 adjusted	Change	1982	1983 preliminary estimate	1984 preliminary estimate
Director-General	1	1	1	-	1	1	1
Deputy Director-General	5	5	5	-	5	5	5
Director	21	22	22	-	22	22	22
P-5	138	145	145	(1)	144	146	150
P-4	223	229	229	5	234	243	251
P-3	153	158	158	3	161	168	174
P-2	41	37	37	1	38	39	40
P-1	10	10	10	(3)	7	7	7
Subtotal	592	607	607	5	612	631	650
General Service	756	774	774	11	785	810	822
Manual and Operative	80	80	80	(2)	78	78	78
Total	1 428	1 461	1 461	14	1 475	1 519	1 550

Table (continued)

Grade of post	Number of established posts							1983 preliminary estimate	1984 preliminary estimate
	1980 adjusted	1981	1981 adjusted	Change			1982		
				P	GS	M+O			
Department:									
Office of the Director-General	15	15	15	-	-	-	15	16	16
Department of Technical Assistance and Publications	222	224	225	-	3	(1)	227	231	233
Department of Technical Operations	235	236	238	-	2	-	240	249	254
Department of Research and Isotopes	254	254	252	(1)	-	-	251	251	252
Department of Safeguards	324	354	355	6	7	-	368	393	415
Department of Administration	378	378	376	(1)	-	(1)	374	379	380
Total	1 428	1 461	1 461	4	12	(2)	1 475	1 519	1 550

224. The staffing table in paragraph 223 above excludes 23 posts in the Library and printing shop which are on loan from UNIDO or are otherwise funded by the United Nations. Six of those posts are in the Professional category, 16 are General Service posts, and one is for a manual worker.

225. In its report to the General Assembly at its thirty-fifth session on reclassification of regular-budget posts, the Advisory Committee stated that IAEA had a limited system of personal grades for meritorious service. ^{12/} The incumbents of three more P-5 posts, who have reached the top of the grade, are to

^{12/} Ibid., Thirty-fifth Session, Supplement No. 7 (A/35/7 and Add.1-32), document A/35/7/Add.8, para.17.

/...

be upgraded in 1982 to the rank of Principal Officer on the grounds of personal merit. These upgradings are not reflected in the staffing table in paragraph 223 above, as they will lapse when the incumbents leave their posts.

3. Voluntary funds

226. As was indicated in paragraph 208 above, the Agency's resources in 1982 will comprise - in addition to the regular budget - also a technical assistance fund of \$16.7 million and other extrabudgetary resources totalling approximately \$12.6 million.

227. The \$16.7 million for the Technical Assistance Fund includes \$700,000 in miscellaneous income (principally investment income and assessed programme costs). The balance of \$16 million is a target which has been approved by the competent organs of IAEA for 1982 (the target for 1981 is \$13 million). The Advisory Committee was informed that voluntary contributions by Member States did not normally fully reach the target. However, in addition to payments to the Technical Assistance Fund, Member States finance on an individual basis technically sound projects in order to reach adequate implementation of the technical assistance programme.

228. Of the approximately \$12.6 million in other extrabudgetary resources, \$6 million will be provided by UNDP, \$400,000 by UNESCO (for the International Centre for Theoretical Physics) and the balance by individual States or groups of States.

229. As can be seen from the following table, the bulk of the Agency's voluntary resources in 1982 will be spent on technical assistance and training:

Total Resources - 1982

(At 15.50 Austrian schillings to the United States dollar)

Programme	Regular budget	Technical Assistance Fund	Extra- budgetary resources	Total
A. Technical assistance and training	3 877 000	16 700 000	8 275 000	28 852 000
B. Nuclear Power	2 859 000	-	-	2 859 000
C. Nuclear Fuel Cycle	2 777 000	-	-	2 777 000
D. Nuclear Safety	4 745 000	-	65 000	4 810 000
E. Nuclear explosions for peaceful purposes	12 000	-	-	12 000
F. Food and agriculture	3 887 000	-	450 000	4 337 000
G. Life sciences	2 846 000	-	-	2 846 000
H. Physical sciences	5 718 000	-	200 000	5 918 000
J. International Centre for Theoretical Physics	1 179 000	-	1 557 000	2 736 000
K. International Laboratory of Marine Radioactivity	1 208 000	-	125 000	1 333 000
L. Safeguards	25 693 000	-	1 930 000	27 623 000
M. Information and technical services	4 410 000	-	-	4 410 000
N. Policy-making organs	2 694 000	-	-	2 694 000
O. Executive management and technical programme planning	1 523 000	-	-	1 523 000
P. Administration	8 084 000	-	-	8 084 000
Q. General services	11 147 000	-	-	11 147 000
S. Cost of work for others	3 710 000	-	-	3 710 000
	86 369 000	16 700 000	12 602 000	115 671 000

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4. Preliminary estimates for 1983 and 1984

230. The budget document includes preliminary estimates for two years beyond the budget year. Based on the exchange rate used for the 1982 appropriations, namely 15.50 Austrian schillings to the dollar, the preliminary estimate for the regular budget for 1983 is \$97,626,000 and for 1984 \$106,047,000. After subtracting miscellaneous income, the preliminary estimates of assessment on Member States are \$88,122,000 in 1983 and \$95,882,000 in 1984. The preliminary estimates reflect forecasts of staffing requirements and requirements for other objects of expenditure by programme and subprogramme. Thus, they are not purely mathematical projections. The preliminary staffing table for 1983 shows 1,519 posts (including 631 in the Professional and higher categories) and that for 1984 shows 1,550 posts (including 650 in the Professional and higher categories).
