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BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1972

Joint UNCTAD/GATT International Trade Centre

Note by the Secretary-General

1. Attached is a copy of the budget estimates for the financial year 1972 for the joint UNCTAD/GATT International Trade Centre, as submitted by the Secretary-General of UNCTAD and the Director-General of GATT to the Joint Advisory Group on the International Trade Centre.<sup>1/</sup> The United Nations share of the Centre's requirements has been provided for under chapter III of section 15 of the budget estimates for 1972 (A/8406).
2. The International Trade Centre was established on 1 January 1968 in pursuance of General Assembly resolution 2297 (XVII) of 12 December 1967 and the decision of the Contracting Parties to the General Agreement on Tariffs and Trade dated 22 November 1967. Under the legislative authority granted, the Centre is operated jointly by UNCTAD and GATT on a continuing basis and in equal partnership, and its budget and work programme are determined by the governing bodies of UNCTAD and GATT on the basis of recommendations made annually by the Joint Advisory Group, which meets once a year to review the activities of the Centre. The Group is composed of representatives of any states members of UNCTAD or GATT which choose to participate.

<sup>1/</sup> Document ITC/AG/17.

3. The budget estimates for 1972 are based on a work programme formulated in the light of the demands made on the Centre by developing countries and the experience in meeting those demands. The programme proposals, together with their financial implications, were submitted in January 1971 to the Joint Advisory Group at its fourth session.<sup>2/</sup> Subject to the observations made in its report,<sup>3/</sup> the Group agreed to recommend to the governing bodies of UNCTAD and GATT the work programme for 1972, as submitted, as representing a minimum and a realistic programme that had been formulated after taking into account the budgetary considerations.

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<sup>2/</sup> Document ITC/AG/14.

<sup>3/</sup> Document ITC/AG/16.

# INTERNATIONAL TRADE CENTRE

UNITED NATIONS CONFERENCE  
ON TRADE AND DEVELOPMENT



GENERAL AGREEMENT  
ON TARIFFS AND TRADE

Villa Le Bocage  
Palais des Nations  
CH-1211 Geneva 10

ITC/AG/17  
15 April 1971

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BUDGET ESTIMATES

FOR

THE FINANCIAL YEAR 1972

SUBMITTED BY THE SECRETARY-GENERAL OF UNCTAD  
AND THE DIRECTOR-GENERAL OF GATT

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BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1972

Introduction by the Secretary-General of UNCTAD  
and the Director-General of GATT

1. By Resolution 2297 (XXII) of 12 December 1967 the United Nations General Assembly approved the accord establishing the International Trade Centre, effective 1 January 1968, to be operated jointly by UNCTAD and the General Agreement on Tariffs and Trade (GATT) on a continuing basis and in equal partnership. The CONTRACTING PARTIES to the GATT took a parallel decision on 22 November 1967 (GATT document SR.24/14). These decisions were taken with a view to integrating the resources and activities of UNCTAD and GATT in the field of export promotion.
2. The budget estimates for 1972 are based on the proposals for a work programme described in detail in document ITC/AG/14. These programme proposals, together with their financial implications, were submitted in January 1971 to the fourth session of the Joint Advisory Group on the International Trade Centre UNCTAD/GATT, which meets once a year to review the activities of the Centre. The Advisory Group's report on the work programme is contained in document ITC/AG/16.
3. In order to carry out this work programme, total budgetary expenditure has been estimated at \$1,875,800 under the assessed budget (Parts I and II) and \$318,000 under the budget for overhead costs relating to extra-budgetary projects (Part III). Extra-budgetary projects are estimated to amount to \$4,094,000 in 1972 against a comparative amount of \$2,986,800 in 1971 and of \$1,697,288 in 1970. Details are given in Annex B.
4. It is important that the figures for the regular budget should be considered together with those for extra-budgetary projects because of the financial implications that these projects inevitably have on the regular budget with regard to the backstopping of such projects.
5. The 1972 regular budget includes, for the first time, the cost of the additional supporting services hitherto provided by GATT to the Centre without charge to the Centre budget. There are four professional and 13 general service category posts, valued at \$150,000, which provide translation, typing and administrative services to the Centre. However, these posts are presently located within the respective divisions of the GATT secretariat. Details are given in Part II, Section 10.

6. The amount of \$150,000 for these additional supporting services and the increase of approximately \$220,000 in connexion with backstopping extra-budgetary projects, as mentioned in paragraph 4 above, represent a large part of the proposed increase over the 1971 estimates. However, with respect to the amount of \$150,000 it should be kept in mind that, as had been noted by the GATT Committee on Budget, Finance and Administration (document L/3454 of 27 October 1970), while the total budget of the Centre will increase, the increase in fact represents a transfer of charges from the GATT budget to the Centre budget to be shared equally by the parent organizations.

7. The proposed increase of the assessed budget under Parts I and II of \$517,200 over the approved credit for 1971 can be analyzed as follows:

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ANALYSIS OF THE INCREASES IN PARTS I AND II OF THE 1972 ESTIMATES  
BY COMPARISON WITH THE 1971 APPROPRIATIONS

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	\$	\$	%
1971 APPROPRIATIONS		1,358,600	
INCREASES IN 1972			
(a) <u>Increased cost of maintaining existing staff provisions</u>			
Part I - Direct cost of the Centre			
Established posts .....	133,200		
Part II - Services provided through the UNCTAD and GATT secretariats			
Established posts .....	<u>13,500</u>	146,700	10.80
(b) <u>Cost of new staff requirements 1972</u>			
Part I - Direct cost of the Centre			
4 professional and 7 general service posts...	80,200		
Part II - Services provided through the UNCTAD and GATT secretariats			
1 professional and 1 general service post ...	<u>16,300</u>	96,500	7.10

	\$	\$	%
(c) <u>Other increases</u>			
Part I - Direct cost of the Centre			
Overtime and night differential .....	1,500		
Permanent equipment .....	2,000		
General expenses .....	62,600		
Printing .....	<u>11,600</u>	77,700	5.72
Part II - Services provided through the UNCTAD and GATT secretariats			
Temporary assistance and overtime .....	46,300		
Other supporting services provided to the Centre by GATT secretariat .....	<u>150,000</u>	196,300	14.45
Total 1972 increase		517,200	38.07
1972 ESTIMATES		1,875,800	

8. As in the 1971 budget, following the recommendation of the GATT Committee on Budget, Finance and Administration (document L/3289 of 8 December 1969), the overhead costs relating to extra-budgetary projects are set out separately in Part III with a provision of \$318,000. However, it is understood that expenditure under Part III would not exceed the amount of overhead income received but that in accordance with the above-mentioned recommendation it could exceed the estimate in Part III to the extent permitted by the existence of any excess income. It is further understood that any unspent balance of voluntary contributions in Part III would not lapse at the end of the financial year but would remain available in subsequent years for expenditure incurred in respect of projects to which they relate.

9. The combined assessed and overhead budget of the Centre is:

	\$
Part I - Direct cost of the Centre	1,400,200
Part II - Services provided by UNCTAD and GATT secretariats	475,600
Part III - Overhead costs relating to extra-budgetary projects	318,000
	<u>2,193,800</u>

The budget is to be financed as follows:	\$
GATT contribution	917,200
United Nations contribution	917,200
Transfer from Surplus account	16,364
Miscellaneous income	25,036
Contributions towards overhead costs relating to extra-budgetary projects	318,000
	<u>2,193,800</u>

10. It will be noted that these estimates show an increase of \$169,500 over the estimates for 1972 set out in the Centre's work programme for 1972 (document ITC/AG/14). This increase is due to the fact that the transfer of \$150,000 from the GATT budget in respect of additional supporting services provided to the Centre, referred to above, had not been made at the time that the work programme was prepared. In addition, the need to provide additional outside office space for 1972 due to the delay in availability of accommodation in the United Nations' building was not foreseen at that time. Further, the 1971 appropriations shown in this document for comparative purposes have been amended to reflect the reduction made by the UN General Assembly with respect to effective dates of salary scales adjustments. However, in view of certain additional unavoidable expenditure now expected to arise in 1971 the appropriations for that year will have to be further re-adjusted.



A. EXPENDITURE ESTIMATES

SUMMARY OF 1972 EXPENDITURE ESTIMATES

<u>Section</u>	<u>Amount in US dollars</u>			
	<u>1970</u> <u>Expenditure</u>	<u>1971</u> <u>Appropriations</u>	<u>1972</u> <u>Estimates</u>	
<u>PART I: DIRECT COST OF THE CENTRE</u>				
1	Salaries and wages	558,163	648,100	833,500
2	Common staff costs	153,448	222,600	252,100
3	Travel on official business	40,052	40,000	40,000
4	Hospitality	566	1,000	1,000
5	Permanent equipment	5,507	8,000	10,000
6	General expenses	105,696	114,400	177,000
7	Printing	<u>99,621</u>	<u>75,000</u>	<u>86,600</u>
	Total Part I:	<u>963,053</u>	<u>1,109,100</u>	<u>1,400,200</u>
<u>PART II: SERVICES PROVIDED THROUGH UNCTAD AND GATT SECRETARIATS</u>				
8	Salaries of staff providing services to the Centre	202,240	197,800	270,000
9	Common staff costs for posts under Section 8	39,616	51,700	55,600
10	Supporting services provided to the Centre by the GATT secretariat	<u>- 1/</u>	<u>- 1/</u>	<u>150,000</u>
	Total Part II:	<u>241,856</u>	<u>249,500</u>	<u>475,600</u>
	Sub-total:	<u>1,204,909</u>	<u>1,358,600</u>	<u>1,875,800</u>
<u>PART III: OVERHEAD COSTS RELATING TO EXTRA-BUDGETARY PROJECTS</u>				
11	Salaries and wages	69,360	158,000	261,000
12	Travel on official business	17,126	40,000	45,000
13	General expenses	<u>38,002</u>	<u>12,000</u>	<u>12,000</u>
	Total Part III:	<u>124,488</u>	<u>210,000</u>	<u>318,000</u>
	Total:	<u>1,329,397</u>	<u>1,568,600</u>	<u>2,193,800</u>

<sup>1</sup>Included in the GATT budgets without charge to the Centre.

EXPLANATORY NOTES ON 1972 EXPENDITURE ESTIMATES

PART I: DIRECT COST OF THE CENTRE

Section 1 - Salaries and Wages - \$833,500

1971: \$648,100  
1970: \$558,163

	<u>1970</u> <u>Expenditure</u> <u>US\$</u>	<u>1971</u> <u>Appropriations</u> <u>US\$</u>	<u>1972</u> <u>Estimates</u> <u>US\$</u>
(i) Established posts	543,991	637,100	821,000
(ii) Consultants and temporary assistance	13,040	10,000	10,000
(iii) Overtime and night differential	1,132	1,000	2,500
	<u>558,163</u>	<u>648,100</u>	<u>833,500</u>

(i) Established posts - \$821,000

1971: \$637,100  
1970: \$543,991

The estimate under this section covers the salaries of the base staff of the Centre. The total number of posts required for 1972 is 81, of which 40 are professional and 41 are general service posts (see manning table on page 14). Consequently the estimate includes proposals for four additional professional and seven additional general service posts as compared with the approved 1971 establishment. Four professional and five general service posts are proposed for regrading. The estimate provides for the following payments:

Professional posts:

Salaries as per salary scales effective from 1 July 1971;

Post adjustment as per scale Class 1; on the basis of projection of the trend of the cost of living index, an upward revision of the post classification for Geneva is anticipated by 1 July 1971 (Class 2);

Assignment allowance payable in accordance with Staff Rules.

General service category posts:

Salaries as per salary scale effective 1 October 1970;  
upward revisions are anticipated by July 1971 and  
August 1972;

Language allowance payable in accordance with Staff Rules;

Non-resident's allowance (Swiss francs 1,800 per annum) for  
each non-locally recruited staff member.

The increase of \$183,900, as compared with the 1971 approved credit  
of \$637,100, is accounted for by:

- (a) the creation of new posts (a delayed recruitment deduction of  
40 per cent has been applied for professional posts and 20  
per cent for general service posts):
    - (i) 4 professional posts - \$36,400
    - (ii) 7 general service posts - \$29,700
  - (b) the regrading of 4 professional and 5 general service posts -  
\$4,000
  - (c) the delayed recruitment deduction for new posts established  
in 1971:
    - (i) 4 professional posts - \$24,300
    - (ii) 2 general service posts - \$3,000
  - (d) the post adjustment classification from Class 1 to 2 for  
full year 1972 - \$20,300
  - (e) the adjustment of general service category salary scales  
for full year 1972 and anticipated adjustment as from  
August 1972 - \$9,100
  - (f) the adjustment of professional category salary scales for  
full year 1972 - \$20,100
  - (g) the elimination of the 5 per cent turnover deduction  
included in the 1971 budget - \$20,600
- No turnover deduction has been made in the 1972 budget in  
view of present experience whereby any post which becomes  
vacant can be filled immediately from temporary staff  
held against extra-budgetary programmes
- (h) regular salary increments - \$16,400.

NEW POSTS

Trade Promotion Advisory Service.

1 Trade Promotion Adviser, P.5  
1 Secretary, G.4

The Trade Promotion Advisory Service is now organized in three regional units and a fourth unit dealing with advisory services in the multinational product promotion field which is inter-regional in character. The regional units deal with: (a) Asia and the Far East; (b) Latin America and the Caribbean; (c) Africa and the Middle East and Europe. The chief officers in each of these four units have been called upon to undertake increased responsibilities during the past two years or thereabouts as a result of (a) the very substantial expansion in the demands for advisory services from developing countries, and (b) the requirements of the new country programming procedures decided upon by the Governing Council of the UNDP in mid-1970 in regard to assistance programmes financed by the UNDP. The responsibilities of these posts are clearly of P.5 level. The manning table already includes one P.5 post. It is now considered that a new P.5 post should be established in 1972 and that one P.4 should be regraded to P.5.

Owing to the expansion of the workload of the Trade Promotion Advisory Service and the consequent increase in the professional staff of this service, and taking into account the fact that the work of this service involves continuous use of all three working languages of the developing regions, it is considered necessary to provide for a bilingual secretary G.4.

Training Service

2 Training Officers, P.3  
2 Clerk-stenographers, G.3

The training programmes operated by the Training Service have significantly expanded, especially during the past year in response to the demands made by the developing countries and also as a result of the high priority accorded to work in the training field by the joint UNCTAD/GATT Advisory Group on the ITC. The expansion of activities under this service will continue as the integrated country programmes operated under the leadership of the Trade Promotion Advisory Service increase in number - all these country programmes have a large training element.

The staff of the Training Service, therefore, needs to be strengthened in order to cope with the increase in training programmes. At present the professional staff of the Training Service consists (apart from one Administrative Officer) of three officers who deal with the programming of training courses and seminars and the supervision of their implementation. It is requested that the complement of three training officers be strengthened by the addition of two more. In this connexion it must be noted that

most of the Centre's training courses involve three stages - organization and supervision of pre-course work in the requesting country; provision of formal courses of instruction; and finally, organization and supervision of market research in selected target markets.

Two posts of Clerk-stenographer, G.3, are needed to cope with the increasing secretarial work involved in the pre-course programming and preparatory work of the service in addition to providing supplementary secretarial support required for a larger complement of professional staff.

Market Research Service

1 Chief, Market Research Service, P.5

The Market Research Service, which in terms of staff is the largest of the four services of the Centre, does not have provision for a Chief of Service at P.5 level. Provision for this post was in fact made in the 1971 budget proposals but it had to be suppressed in order to effect economies that would add up to the overall global cut in the budget recommended by the ACABQ. The development of integrated assistance programmes under the leadership of the Trade Promotion Advisory Service involves close collaboration between the Trade Promotion Advisory Service and the Market Research Service; hence, apart from the purely organizational need of providing for a Chief of Service for the largest service of the Centre, the provision of such a post has now become more urgent in view of the need to have an officer who will have overall responsibility for the entire work programme of the Market Research Service and who would thus be able to participate in the programming of integrated assistance projects along with the Senior Trade Promotion Advisers.

Publishing Service

1 Clerk-stenographer, G.3

While in the past a number of the publications of the Centre were type-set, at present only the FORUM is type-set, and off-set printing has been adopted for the market surveys and technical handbooks as this process is more economical. Owing to the increase in off-set printing the secretarial staff of the Publishing Service are unable to cope with the work involved in the preparation of copy for off-set printing. The provision of an additional Stenographer G.3 is therefore necessary.

Documentation Service

1 Administrative Assistant, G.6  
2 Research Clerks, G.4

The Documentation Unit needs an Administrative Assistant at G.6 level to deal with the work involved in the preparation, processing and follow-up of orders for publications. This will release the time of the professional officer who attends to these duties at present for performing more responsible substantive work connected with the supervision of the scanning and classification of books and periodicals, which has increased considerably. The two Research Clerks at G.4 level are required to assist the professional officer in the scanning and classification of books and periodicals.

REGRADINGS

Office of the Director

1 Deputy Director D.1 to  
Director of Programmes D.2

In view of the considerable increase in the activities of the Centre, particularly in respect of its work as a technical assistance agency providing backstopping facilities for projects in the field of trade promotion financed by UNDP and by voluntary contributions, some reorganization of the Centre's Directorate has been necessary. It has been decided that the post of Deputy Director should be changed to Director of Programmes. The Director of Programmes is concerned with the day to day operation of the Centre, while the Director, who is now designated Director for Promotion, will be responsible for promotional functions such as the negotiation of trust funds and the counselling and review of technical assistance projects. It is felt that the responsibilities of the Director of Programmes as controller of day to day operations of the Centre is such as to warrant the post being graded at D.2 level.

Trade Promotion Advisory Service

1 Trade Promotion Adviser,  
from P.4 to P.5

See comments made above with respect to the new post of Trade Promotion Adviser, P.5.

Market Research Service

1 Market Research Officer,  
from P.2 to P.3

The responsibilities of a qualified market research officer are of P.3 level. In the initial years of the Centre's operations a number of young officers with limited experience in the market research field were recruited at P.1 and P.2 levels since the Centre found it difficult to recruit, at UN salary scales, more experienced market research officers for whom there was a great demand in private consultant firms. Now that the officers recruited at lower grades are fully qualified and are in fact carrying out the responsibilities of P.3 market research officers, it is necessary to reclassify their posts. Although three posts fall into this category in 1972, it is proposed that this situation be regularized over a period of years and therefore only one reclassification is requested in this budget.

Publishing Service

1 Counsellor, from P.4 to P.5

The Counsellor, as Head of the Publishing Service, is responsible not only for the printing and production of all the publications of the Centre but also for the overall supervision of the publications programme and for the clearance of all publications with a view to ensuring that the texts conform to GATT and UNCTAD requirements. This last function used to be exercised in the past by the Director of the Centre but due to the expansion of the work programme of the Centre the Director has been obliged to delegate this responsibility to the Head of the Publishing Service. The responsibilities of the Head of Service have therefore substantially increased and the reclassification proposed reflects this.

ESTABLISHED POSTS

(Part I: Direct Cost of the Centre)

	Year	Professional Category and above							General Service Category							Total
		D2	D1	P5	P4	P3	P2/1	Sub- Total	G7	G6	G5	G4	G3	G2	Sub- Total	
Office of the Director .....	1971	1	2	1	-	1	-	5	-	2	2	4	2	-	10	15
	1972	2	1	1	-	1	-	5	-	2	4	2	2	-	10	15
Trade Promotion Advisory Service	1971	-	-	1	3	3	-	7	-	-	1	-	2	-	3	10
	1972	-	-	3	2	3	-	8	-	1	-	2	1	-	4	12
Training Service .....	1971	-	-	1	1	1	1	4	-	-	1	1	-	-	2	6
	1972	-	-	1	1	3	1	6	-	-	1	1	2	-	4	10
Market Research Service	1971	-	-	-	4	2	5	11	1	3	-	3	2	-	9	20
	1972	-	-	1	4	3	4	12	1	3	-	4	1	-	9	21
Export Promotion Techniques Research Service .....	1971	-	-	1	2	-	-	3	-	-	1	-	2	-	3	6
	1972	-	-	1	2	-	-	3	-	-	1	-	2	-	3	6
Publishing Service .....	1971	-	-	-	1	-	2	3	-	-	1	-	-	-	1	4
	1972	-	-	1	-	-	2	3	-	-	1	-	1	-	2	5
Documentation Service .....	1971	-	-	-	1	-	2	3	-	-	3	1	1	1	6	9
	1972	-	-	-	1	-	2	3	-	1	3	3	1	1	9	12
<b>TOTALS</b>	1971	1	2	4	12	7	10	36	1	5	9	9	9	1	34	70
	1972	2	1	8	10	10	9	40	1	7	10	12	10	1	41	81



(ii) Consultants and temporary assistance - \$10,000

1971: \$10,000

1970: \$13,040

This item provides for consultants and for temporary assistance during peakload periods, and during the absence of regular staff on maternity and extended sick leave.

(iii) Overtime and night differential - \$2,500

1971: \$1,000

1970: \$1,132

The estimate under this item provides for overtime payments to regular and temporary staff of the general service category required to work beyond working hours and at week-ends. The increased provision takes into account the higher rates payable to general service category staff and the trend of expenditure in recent months.

Section 2 - Common Staff Costs - \$252,100

1971: \$222,600

1970: \$153,448

The estimate under this section provides for the common staff costs of staff on established posts of the Centre proposed under Section 1.

	<u>1970</u> <u>Expenditure</u> <u>US\$</u>	<u>1971</u> <u>Appropriations</u> <u>US\$</u>	<u>1972</u> <u>Estimates</u> <u>US\$</u>
(i) Dependency allowance	27,197	33,900	37,600
(ii) Education grants and related travel	11,855	16,000	16,000
(iii) Contributions to the United Nations Joint Staff Pension Fund	86,463	110,400	141,500
(iv) Travel and removal expenses on appointment and separation	5,853	7,000	7,000
(v) Installation grants	3,780	6,000	6,000
(vi) Travel on home leave	8,544	29,500	20,500
(vii) Separation payments	556	6,500	6,500
(viii) Other common staff costs	<u>9,200</u>	<u>13,300</u>	<u>17,000</u>
Total	<u>153,448</u> =====	<u>222,600</u> =====	<u>252,100</u> =====

The increase over the 1971 appropriations is mainly due to the delayed recruitment for new posts established in 1971, the creation of 11 new posts in 1972, salary scales adjustments for professional and general service category staff, etc. The estimates take into account expenditure in connection with the normal turnover of staff. In addition, the estimate provides for the ITC's share in the cost of the Joint Medical Service, the Joint Housing Service, the CCAQ staff office, the ILO's work on the international comparison statistics for post adjustment, the language courses and the contribution to the UN Staff Mutual Insurance Society against Sickness and Accident.

Section 3 - Travel on Official Business - \$40,000

1971: \$40,000  
1970: \$40,052

The estimate under this section provides for travel on official business as follows:

Office of the Director - \$5,000 (1971: \$5,000; 1970: \$7,000) to cover travel cost of the Centre's senior staff to attend international export promotion meetings, lectures, visit Centre's liaison agencies, etc.

Trade Promotion Advisory Service - \$6,000 (1971: \$6,000; 1970: \$9,095) to cover travel cost in connection with fact-finding missions for processing and evaluating country requests.

Training Service - \$2,000 (1971: \$2,000; 1970: \$4,350) to cover travel cost in connection with planning of training courses.

Market Research Service - \$25,000 (1971: \$25,000; 1970: \$18,127) to cover travel cost for major market surveys on selected products, market surveys and information on particular aspects of marketing and other related subjects.

Export Promotion Techniques Research Service - \$2,000 (1971: \$2,000; 1970: \$1,480) to cover travel cost in connection with the Centre's trade promotion handbooks for on-the-spot enquiries in both developed and developing countries.

Section 4 - Hospitality - \$1,000

1971: \$1,000  
1970: \$ 566

- (a) The Director-General of GATT and the Secretary-General of UNCTAD are authorized on the basis of appropriate justification and/or reporting to reimburse the Director, up to a maximum of \$500, for hospitality expenditures incurred in the interest of the Centre in the course of the performance of his official duties.

- (b) An additional amount of \$500 is available to cover reimbursement to other senior members of the Centre for official hospitality rendered in the course of their functions. Payments are to be made at the discretion of the Director-General of GATT and the Secretary-General of UNCTAD, after appropriate justification and/or reporting in accordance with the United Nations rules and procedures.

Section 5 - Permanent Equipment - \$10,000

1971: \$8,000  
1970: \$5,507

The estimate under this section provides for the purchase of miscellaneous office furniture and equipment.

Section 6 - General Expenses - \$177,000

1971: \$114,400  
1970: \$105,696

	<u>1970</u> <u>Expenditure</u> <u>US\$</u>	<u>1971</u> <u>Appropriations</u> <u>US\$</u>	<u>1972</u> <u>Estimates</u> <u>US\$</u>
(i) Rental of premises and related expenses	35,728	51,000	84,000
(ii) Maintenance of equipment and cars	4,542	4,000	6,000
(iii) Cables and long-distance calls	7,333	7,800	10,000
(iv) Telephone (rental and local calls)	3,000	3,000	5,000
(v) Postage and freight	26,763	20,000	29,000
(vi) Stationery and office supplies	14,311	12,000	17,000
(vii) Books and information material	6,894	9,000	12,000
(viii) Insurance premiums	1,348	1,200	5,000
(ix) External audit	1,500	1,500	2,500
(x) Miscellaneous supplies and services	<u>4,277</u>	<u>4,900</u>	<u>6,500</u>
Total	105,696 =====	114,400 =====	177,000 =====

(i) Rental of premises and related expenses - \$84,000

1971: \$51,000  
1970: \$35,728

The provision covers the rental for the full year 1972 of outside office space required to accommodate staff for whom space is not available on GATT and United Nations premises and on the understanding that accommodation will not be available for Centre staff in 1972 in the new wing of the United Nations building. Seventy offices are rented at "Parc de Budé", "Les Charmilles" and "La Voie Creuse" at a total of \$84,000 (including electricity, water supply, heating and contractual cleaning). The 1971 budget included provision for the rent of 52 offices of which 30 for 8 months only. Since the offices in the Palais des Nations were not available in 1971, as anticipated, additional outside offices had to be rented from March 1971.

(ii) Maintenance of equipment and cars - \$6,000

1971: \$4,000  
1970: \$4,542

The estimate provides for continuing charges such as (a) maintenance and repairs of typewriters, adding and calculating machines, dictaphones and electrical installations; and (b) maintenance and repairs of two service cars, including petrol and oil. The higher provision reflects the increased commercial cost.

(iii) Cables and long-distance calls - \$10,000

1971: \$7,800  
1970: \$7,333

The estimate covers the cost of official cables and long-distance telephone calls. The higher provision reflects the increasing scope of operation.

(iv) Telephone (rental and local calls) - \$5,000

1971: \$3,000  
1970: \$3,000

The estimate provides for rental of telephone installations and a token amount for local calls payable to the United Nations. The higher provision takes into account the increased amount payable in respect of local calls, which is based on the total number of staff, and the cost of renting telephone installations at "La Voie-Creuse" not included in the 1971 budget.

(v) Postage and freight - \$29,000

1971: \$20,000  
1970: \$26,763

The estimate provides for the cost of postage on correspondence, documents and publications dispatched through the United Nations Mailing Section. It also provides for the Centre's share in the cost of the United Nations Mailing Section and for freight charges. The higher provision reflects the increasing scope of operation and higher commercial cost.

(vi) Stationery and office supplies - \$17,000

1971: \$12,000  
1970: \$14,311

The estimate provides for the purchase of stationery, stencils and general office supplies, supplies for reproduction of documents and in respect of photocopying machines and the printing of visiting cards. The higher provision reflects the increasing scope of operation and higher commercial cost.

(vii) Books and information material - \$12,000

1971: \$9,000  
1970: \$6,894

The estimate provides for the purchase of technical books and periodicals necessary as sources of information and for reference. The higher provision reflects the increasing scope of operation.

(viii) Insurance premium - \$5,000

1971: \$1,200  
1970: \$1,348

The estimate provides for insurance of furniture and equipment, insurance of service cars, insurance against accidents for drivers and messengers and insurance for travel by air for staff hired on short-term basis. It also provides for the insurance against the organization's liabilities under Appendix D of the Staff Rules, which was not included in the 1971 budget.

(ix) External audit - \$2,500

1971: \$1,500  
1970: \$1,500

The estimate provides for fees payable to the external auditors in respect of the external audit of the accounts of the Centre. The increased provision covers the higher fees payable in 1972 as a result of the increased length of time required by the auditors for auditing the Centre accounts as well as higher cost.

(x) Miscellaneous supplies and services - \$6,500

1971: \$4,900  
1970: \$4,277

The estimate provides for miscellaneous expenditure such as the cost of casual labour, rental of office furniture and equipment, bank charges, fees for visas, laissez-passer, renewal of passports, photos, advertisements, etc. The higher provision reflects the increasing scope of operation and higher commercial cost.

Section 7 - Printing - \$86,600

1971: \$75,000  
1970: \$99,621

The estimate under this section provides for the printing costs, including paper, of the publications:

	<u>US\$</u>
<u>FORUM</u>	
4 issues of 48 pages each in English, French, Spanish, 30,000 copies	39,600
<u>Trade Promotion handbooks</u>	
2 handbooks of 300 pages each in English, French, Spanish, 8,000 copies	14,600
<u>Market Surveys</u>	
4 surveys of 300 pages each in English, French, Spanish, 8,000 copies	29,200
Miscellaneous printing	<u>3,200</u>
Total	86,600 =====

PART II: SERVICES PROVIDED THROUGH UNCTAD AND GATT SECRETARIATS

Section 8 - Salaries of staff providing services to the Centre - \$270,000

1971: \$197,800  
1970: \$202,240

	<u>1970</u> <u>Expenditure</u> <u>US\$</u>	<u>1971</u> <u>Appropriations</u> <u>US\$</u>	<u>1972</u> <u>Estimates</u> <u>US\$</u>
(i) Established posts	141,808	164,100	190,000
(ii) Temporary assistance	58,339	32,700	76,000
(iii) Overtime and night differential	<u>2,093</u>	<u>1,000</u>	<u>4,000</u>
Total	202,240 =====	197,800 =====	270,000 =====

(i) Established posts - \$190,000

1971: \$164,100  
1970: \$141,808

Following the decisions of the Governing Bodies of UNCTAD and GATT, the GATT secretariat provides the administrative, financial, personnel and housekeeping services to the Centre and therefore the staff on the posts of this item are placed within the various sections in the GATT secretariat. Supervisory services in all fields concerned are provided by officers of the GATT secretariat.

The total number of posts required is 23, of which 7 are professional and 16 are general service posts. These posts include 4 revisers/translators and 5 stenographers necessary to cope with the typing of translation work (see manning table on page 23). These requirements do not include further supporting services provided under Section 10. The 1972 estimate includes one additional post P.1/P.2 - Travel Officer and one additional general service post in the Personnel Section (G.3 - Clerk-Stenographer). These two posts have been added to the establishment in order to regularize the situation arising from the very substantial increase of activity which has necessitated the employment of temporary assistance since 1970 under Part III of the budget. The Travel Officer, with the help of one clerk, deals with the travel of all regular and extra-budgetary staff of the Centre, including trainees, representing total cost of approximately \$286,000 in 1970. In

addition, he is in charge of arranging hotel accommodation for participants (180 in 1970) of Centre training courses and deals with incoming and outgoing freight shipments (140 in 1970). With regard to the clerk-stenographer post in the Personnel Section, the need for strengthening the section's clerical staff stems from the continuing increase of clerical work related to the selection and recruitment of experts under bilateral or multilateral assistance programmes with which the staff of the section are not able to cope.

The estimate under this item covers the salaries of the above-mentioned administrative and languages staff necessary to service the Centre. The increase of \$25,900 as compared with the 1971 approved credit of \$164,100 is accounted for by:

- (a) the creation of new posts:
  - (i) 1 professional post - \$8,100
  - (ii) 1 general service post - \$4,900
- (b) the post adjustment classification from Class 1 to 2 for full year 1972 - \$3,000
- (c) the adjustment of general service category salary scales for full year 1972 and anticipated adjustment as from August 1972 - \$3,700
- (d) the adjustment of professional category salary scales for full year 1972 - \$3,900
- (e) the elimination of the 5 per cent turnover deduction included in the 1971 budget (see Part I - Section 1) - \$3,900
- (f) regular salary increments - \$1,500
- (g) appointments made at a lower salary level than that provided in the 1971 budget - \$3,100.



ESTABLISHED POSTS

(Part II: Services provided through UNCTAD and GATT Secretariats)

	Year	Professional Category and Above						General Service Category						Total		
		D2	D1	P5	P4	P3	P2/1	Sub-Total	G7	G6	G5	G4	G3		G2	Sub-Total
<b>Administrative and Financial Division</b>																
Personnel Section .....	1971	-	-	-	-	1	-	1	-	2	-	-	-	-	2	3
	1972	-	-	-	-	1	-	1	-	2	-	-	1	-	3	4
Internal Services and Travel Section .....	1971	-	-	-	-	-	-	-	-	-	-	-	3	-	3	3
	1972	-	-	-	-	-	1	1	-	-	-	-	3	-	3	4
Budget and Control Section ....	1971	-	-	-	-	1	-	1	-	2	-	1	1	-	4	5
	1972	-	-	-	-	1	-	1	-	2	-	1	1	-	4	5
Finance and Accounts Section ..	1971	-	-	-	-	-	-	-	-	-	1	-	-	-	1	1
	1972	-	-	-	-	-	-	-	-	-	1	-	-	-	1	1
Stenographic and Typing Section .....	1971	-	-	-	-	-	-	-	-	-	-	-	5	-	5	5
	1972	-	-	-	-	-	-	-	-	-	-	-	5	-	5	5
Languages Division .....	1971	-	-	-	1	3	-	4	-	-	-	-	-	-	-	4
	1972	-	-	-	1	3	-	4	-	-	-	-	-	-	-	4
<b>TOTALS</b>	1971	-	-	-	1	5	-	6	-	4	1	1	9	-	15	21
	1972	-	-	-	1	5	1	7	-	4	1	1	10	-	16	23

(ii) Temporary assistance - \$76,000

1971: \$32,700  
1970: \$58,339

The estimate under this item covers temporary assistance required to service the Centre to the extent that such work cannot be absorbed either by staff on established posts provided in these estimates or by the staff provided within the resources of the GATT and UNCTAD budgets. This UNCTAD and GATT permanent staff performs work for the Centre as and when UNCTAD's and GATT's own work commitments allow, thereby achieving full use of available manpower and benefiting the Centre, especially at peak-load periods.

The estimate also provides for the cost of temporary staff needed to replace regular staff on sick leave, maternity leave or annual leave whose salaries are charged to this section.

The proposed estimate has been substantially increased in view of the fact that in 1970 UNCTAD's capacity to furnish services from available staff resources was already exceeded and supplementary funds had to be requested. Funds provided for this purpose in 1971 are also inadequate.

(iii) Overtime and night differential - \$4,000

1971: \$1,000  
1970: \$2,093

The estimate provides for overtime payments to regular and temporary staff of the general service category required to work beyond working hours and at week-ends. The increased provision takes into account the higher rates payable to general service category staff and the trend of expenditure in recent months.

Section 9 - Common Staff Costs for Posts under Section 8 - \$55,600

1971: \$51,700  
1970: \$39,616

The estimate under this section provides for the common staff costs of staff on established posts proposed under Section 8.

	1970	1971	1972
	<u>Expenditure</u>	<u>Appropriations</u>	<u>Estimates</u>
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
(i) Dependency allowance	10,186	10,300	11,000
(ii) Education grants and related travel	2,974	4,000	4,000
(iii) Contributions to the United Nations Joint Staff Pension Fund	22,741	29,000	32,000
(iv) Travel and removal expenses on appointment and separation	317	1,000	1,000
(v) Installation grants	270	1,000	1,000
(vi) Travel on home leave	904	2,200	1,900
(vii) Separation payments	195	1,500	1,500
(viii) Other common staff costs	2,029	2,700	3,200
Total	<u>39,616</u>	<u>51,700</u>	<u>55,600</u>

The increase over the 1971 appropriations is mainly due to the creation of two new posts in 1972 and salary scale adjustments. The estimate takes into account expenditure in connexion with the normal turnover of staff.

Section 10 - Supporting services provided to the Centre by the GATT Secretariat - \$150,000

1971: \$ -  
1970: \$ -

The estimate covers the cost of additional supporting services hitherto provided by the GATT to the Centre without charge to the Centre budget. These services are in addition to those provided by staff on posts under Section 8.

At its session in October 1970 the GATT Committee on Budget, Finance and Administration recognized that, taking into consideration the growth of the Trade Centre, present arrangements with regard to these supporting services seemed to have become unsatisfactory and noted that it was the intention of the secretariat, in consultation with UNCTAD, to make the necessary budgetary adjustment (document L/3454, page 25, paragraph 18). The transfer of the amount of \$150,000 from the GATT budget to the Centre budget has been made on the basis of GATT's minimum establishment requirements for 1972, on the assumption that the Centre were not administered by GATT. Consequently, the cost of posts included in the GATT budget over and above these minimum requirements is now transferred to the Centre budget under this section. The posts continue to be located within the respective divisions of the GATT secretariat and remain on the GATT manning table.

Details are as follows:

- (a) \$84,000 for four translators and two clerks in the Languages Division;
- (b) \$48,000 for eight stenographers and typists in the Stenographic and Typing Section;
- (c) \$18,000 for three general service category posts in the Administrative and Financial Division.

It should be understood that the amount of \$150,000 included under this section is just a transfer of charges hitherto included in the GATT budget and does not represent an increase in activity or cost.

In earlier budgets the calculation of these supporting services to the Centre was made on the basis of a pro rata allotment of their cost to provide indicative figures only. The method of calculation now used excludes a charge for supervisory services as no additional post was added to the GATT establishment for the purpose of supervising supporting staff.

PART III: OVERHEAD COSTS RELATING TO EXTRA-BUDGETARY PROJECTS

In accordance with the recommendation by the GATT Committee on Budget, Finance and Administration contained in document L/3289, the overhead costs relating to extra-budgetary assistance projects are set out separately in this Part of the budget estimates. The level of these overhead costs has been set at \$318,000, based on estimated total overhead contributions to be received in 1972, as follows:

<u>Projects</u>	<u>Total value of projects US\$</u>	<u>Receipts for overhead costs US\$</u>
1. Voluntary contribution	1,400,000	140,000
2. UNDP	2,550,000	178,000
	-----	-----
	3,950,000	318,000
	=====	=====

In accordance with the above-mentioned recommendations, it is understood that, in view of the contingent nature of the estimates, which are dependent upon the level of the extra-budgetary projects under execution, the expenditure estimates under this Part may be exceeded in parallel with any increase of actual receipts of overhead contributions to ensure effective backstopping of such projects.

Section 11 - Salaries and Wages \$261,000

This section provides for the payment of salaries and common staff costs of 8 professional and 14 general service posts (\$231,000) and for consultants and temporary assistance (\$30,000) required in 1972 for the additional backstopping of extra-budgetary assistance projects not included in Parts I and II of the budget.

Section 12 - Travel on Official Business - \$45,000

This section provides for the payment of travel expenses, subsistence allowance and other incidental expenses relating to missions carried out by the Centre staff in order to assist governments of developing countries in the programming and the preparation of extra-budgetary assistance projects and subsequent supervision and evaluation of these projects.

Section 13 - General Expenses - \$12,000

This section provides for the payment of general expenses relating to extra-budgetary assistance projects not included in Parts I and II of the budget.

B. ESTIMATES OF INCOME

SUMMARY OF 1972 ESTIMATES OF INCOME

It is proposed that the 1972 budget be financed as follows:

	<u>Amount in US dollars</u>		
	<u>1970 Actual</u>	<u>1971 Estimates</u>	<u>1972 Estimates</u>
(a) GATT contribution	671,600	672,200	917,200
(b) United Nations contribution	525,400	672,200	917,200
(c) Transfer from Surplus Account		-	16,360
(d) Miscellaneous income	23,334	14,000	25,000
Sub-total:	<u>1,220,334</u>	<u>1,358,600</u>	<u>1,875,800</u>
(e) Contributions towards overhead costs relating to extra-budgetary projects	124,488	210,000	318,000
Total:	<u>1,344,872</u>	<u>1,568,600</u>	<u>2,193,800</u>

MISCELLANEOUS INCOME

	<u>Amount in US dollars</u>		
	<u>1970 Actual</u>	<u>1971 Estimates</u>	<u>1972 Estimates</u>
(a) Interest on investments	8,652	4,000	6,000
(b) Sale of publications	13,503	8,000	16,000
(c) Profit or loss on exchange	(1,647)		<u>Pro-memoria</u>
(d) Savings on previous year's outstanding obligations	351		<u>Pro-memoria</u>
(e) Refund of the organization's contribution to the United Nations Joint Staff Pension Fund in respect of participant withdrawals	872		<u>Pro-memoria</u>
(f) Other income	1,652	2,000	3,000
Total:	<u>23,384</u>	<u>14,000</u>	<u>25,000</u>

## ANNEX A

ESTIMATED EXPENDITURE BY MAIN ACTIVITY AND PROGRAMME  
(in US dollars)

	Staff costs		Travel		Printing and distribution costs		General expenses		Total		Increase
	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972	
1. Office of the Director	178,600	215,600	5,000	5,000	-	-	-	-	183,600	220,600	37,000
2. Trade Promotion Advisory Service	136,900	193,500	6,000	6,000	-	-	-	-	142,900	199,500	56,600
3. Training Service	83,400	120,500	2,000	2,000	-	-	-	-	85,400	122,500	37,100
4. Market Research Service	241,500	284,300	25,000	25,000	-	-	-	-	266,500	309,300	42,800
5. Export Promotion Techniques Research Service	86,000	91,200	2,000	2,000	-	-	-	-	88,000	93,200	5,200
6. Publishing Service	56,500	65,800	-	-	86,500	98,600	-	-	143,000	164,400	21,400
7. Documentation Service	88,800	115,700	-	-	-	-	9,000	12,000	97,800	127,700	29,900
8. Other services and general expenses:											
(a) <u>Staff costs:</u>											
Translation (incl. Doc. Control)	95,200	215,500							95,200	215,500	120,300
Stenographic and Typing Assistance	40,500	107,200							40,500	107,200	66,700
Personnel, Budget and Finance	75,600	92,000							75,600	92,000	16,400
Internal Services	20,500	37,400							20,500	37,400	16,900
Sale of Publications	11,000	11,500							11,000	11,500	500
(b) <u>General expenses:</u>											
Equipment							8,000	10,000	8,000	10,000	2,000
Office supplies, cables, telephone, insurance, postal services, etc.							42,900	69,000	42,900	69,000	26,100
Reproduction of documents							3,000	6,000	3,000	6,000	3,000
Distribution cost of publications					3,700	6,000			3,700	6,000	2,300
Rental for additional office space							51,000	84,000	51,000	84,000	33,000
Sub-total	1,114,500	1,550,200	40,000	40,000	90,200	104,600	113,900	181,000	1,358,600	1,875,800	517,200
9. Overhead costs relating to extra-budgetary projects	158,000	261,000	40,000	45,000	-	-	12,000	12,000	210,000	318,000	108,000
<b>Total</b>	<b>1,272,500</b>	<b>1,811,200</b>	<b>80,000</b>	<b>85,000</b>	<b>90,200</b>	<b>104,600</b>	<b>125,900</b>	<b>193,000</b>	<b>1,568,600</b>	<b>2,193,800</b>	<b>625,200</b>

ANNEX B

SUMMARY OF COST OF BUDGETARY AND EXTRA-BUDGETARY  
PROJECTS OF THE INTERNATIONAL TRADE CENTRE UNCTAD/GATT

(in US dollars).

	<u>1970</u>	<u>1971</u>	<u>1972</u>
I. Regular Budget:			
- Direct cost of the Centre and services provided through UNCTAD and GATT secretariats	1,204,909	1,358,600	1,875,800 <sup>1/</sup>
- Overhead costs relating to extra-budgetary projects	124,488	210,000	318,000
II. Trust Funds (excluding overhead contributions)	687,888	1,250,000	1,400,000
III. UNDP	896,000	1,600,000	2,550,000
IV. Prepaid personnel seconded to the Centre	113,400	136,800	144,000
V. Additional supporting services provided by GATT	195,000	200,000	<u>1/</u>
Total	<u>3,221,685</u>	<u>4,755,400</u>	<u>6,287,800</u>

<sup>1/</sup> Provision included in the 1972 regular budget.