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SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1971

Report of the Fifth Committee

Rapporteur: Mr. Babooram RAMBISOON (Trinidad and Tobago)

1. At its 1431st, 1434th-1437th and 1445th meetings, held on 15, 20-22 October and 2 November 1971 respectively, the Fifth Committee considered the supplementary estimates for 1971 on the basis of the report of the Secretary-General (A/8458), and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/8471).
2. In his report (A/8458) the Secretary-General submitted revised estimates that would have increased the appropriation for 1971 by \$2,689,600 to a total of \$194,838,900. The Secretary-General also submitted revised estimates of income involving a decrease in the approved estimates for income other than income from staff assessment by \$158,500 to a total of \$9,955,500, and an increase in income from staff assessment by \$637,000 to a total of \$22,300,000, resulting in a net increase of \$478,500 in the total estimated income. On this basis, the net effect on the assessment level for 1971 would have been an increase of \$2,211,100.
3. In calculating the net revised requirements it was necessary that the Secretary-General take into account the additional costs, estimated at some \$1.1 million, which had arisen as a result of the revaluation in May 1971 of the Swiss franc and the Austrian schilling. Other factors over which the Secretary-General had little or no control were increased salary costs as the result of the movement of cost-of-living indexes, higher rates for utilities and certain other contractual services of an essential nature, as well as increases in the cost of air and sea travel fares. The total additional commitments arising from these developments were estimated at some \$1.2 million.

4. Of the additional credits which were required, an amount of \$321,400 related to commitments for which the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions had been obtained under the terms of General Assembly resolution 2739 (XXV) on unforeseen and extraordinary expenses for the financial year 1971, and \$52,500 to expenses incurred by the Secretary-General for assistance to Member States in cases of natural disasters, as provided for under General Assembly resolution 2435 (XXIII). It was anticipated that commitments estimated at \$56,500, relating to the maintenance of peace and security, which were entered into under the authority granted to the Secretary-General in accordance with the provisions of paragraph 1 (a) of General Assembly resolution 2739 (XXV), could be met within the existing level of the appropriations under section 17 of the budget.

5. The Secretary-General, in paragraph 5 of his report (A/8458), drew attention to the fact that an amount of \$2 million appropriated for 1971 under section 7 to cover the costs for new construction and major alterations at Headquarters, authorized by General Assembly resolution 2618 (XXIV), would not be utilized in 1971, since it had not proved possible to achieve the total financing plan which had been envisaged as a prior condition to the initiation of the project.^{1/} If this amount were to be surrendered the total revised appropriations required would be reduced to \$689,600 and, after deducting the revised estimates of income, the net additional assessments to be levied would be \$211,100. The Secretary-General stated further that, in view of their manageable proportions, he would endeavour to absorb these additional requirements from resources made available to him under the budget as a whole. If the General Assembly agreed to the above-mentioned procedure, there would be no increase in the assessed contributions of Member States in respect of 1971. The Secretary-General added, however, that further possible needs which might arise in respect of measures for the the maintenance of peace and security and for assistance in cases of natural disaster were not precluded. Furthermore, it might be necessary to request that some provision be made to cover any additional commitments which might have been involved as a result of currency variations since August 1971.

^{1/} See A/C.5/1381.

6. The Advisory Committee on Administrative and Budgetary Questions in its report (A/8471) stated that it had decided that it would be premature at this stage to recommend changes in the revised appropriations sought by the Secretary-General under individual budget sections. In the meantime, however, the Advisory Committee recommended that the Secretary-General's over-all request, as contained in the draft resolution appearing in annex I of the Secretary-General's report (A/8458), be reduced by \$211,100. On the assumption that the General Assembly would decide to apply the \$2 million which remained unspent to reduce the total level of appropriations for 1971, the Advisory Committee recommended that the gross expenditures for 1971 should be set at \$192,627,800 and the estimate of income increased by \$478,500 as recommended by the Secretary-General.

7. At the 1434th meeting, the Controller indicated that the amount of \$211,100 which the Secretary-General had undertaken to absorb within the supplementary appropriations as a whole would be applied on a purely arbitrary basis to decrease the requirements under sections 3 and 4 in the amounts of \$150,000 and \$61,100 respectively.

8. The comments of delegations during the debate on this subject were directed mainly to the question of how to treat the appropriation of \$2 million under section 7 for 1971 which had been intended for the purpose of construction and major alterations at Headquarters. Some delegations were of the opinion that the suggestion that it be used to reduce the supplementary requirements and thus avoid any increase in the assessed contributions of Member States in respect of 1971 was a practical and realistic one. It was the opinion of other delegations, however, that since the amount in question had not been used for the purpose intended it could not be regarded as a savings and should therefore be treated separately from any consideration of supplementary estimates. The view was expressed that the sum in question could be used to reduce the level of assessments for 1972, but it was generally the opinion of these delegations that it should be used in 1972 for construction purposes, as was the original intention of the 1971 appropriation; some preferred that it be used to finance construction elsewhere than in New York, and others maintained that it should be allocated exclusively to Headquarters construction.

9. Some delegations reiterated their objection to the inclusion in the regular budget of some items of expenditure under sections 12, 13, 14 and 17 including the United Nations bond issue, technical programmes, the United Nations Memorial

Cemetery in Korea and the United Nations Commission for the Unification and Rehabilitation of Korea, which they considered to be in contravention of the Charter of the United Nations. These delegations also reiterated the view that the submission of supplementary estimates was unjustifiable; another delegation was of the opinion that it was a questionable practice and that any over-expenditure in some sections of the budget should be met from savings resulting in other sections.

Decisions of the Committee

10. At its 1445th meeting, on 2 November 1971, the Committee rejected, by a roll-call vote of 50 to 32, with 6 abstentions, the proposal that the unexpended sum of \$2 million which had been appropriated for new construction and major alterations at Headquarters under section 7 be surrendered.

11. At the same meeting, the Committee voted, section by section on the revised estimates as follows:

<u>Appropriation section</u>	<u>Revised estimate</u>	<u>In favour</u>	<u>Against</u>	<u>Abstentions</u>
1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies	1,387,100	adopted unanimously		
2. Special meetings and conferences . . .	3,545,100	74	0	0
3. Salaries and wages	86,625,000	66	7	3
4. Common staff costs	19,822,900	70	9	0
5. Travel of staff	2,748,300	70	0	9
6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations: hospitality	159,000	adopted unanimously		
7. Buildings and improvements to premises .	8,981,900	49	12	21
8. Permanent equipment	928,100	86	0	1
9. Maintenance, operation and rental of premises	6,627,000	80	1	8
10. General expenses	5,984,900	80	0	9
11. Printing	3,112,300	adopted unanimously		
12. Special expenses	10,546,100	77	12	2

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<u>Appropriation section</u>	<u>Revised estimate</u>	<u>In favour</u>	<u>Against</u>	<u>Abstent- ions</u>
Part V. Technical programmes	6,908,000	76	7	3
15. United Nations Conference on Trade and Development	10,330,400	77	0	8
16. United Nations Industrial Development Organization	12,508,500	83	0	6
17. Special missions	8,133,100	74	10	4
18. Office of the United Nations High Commissioner for Refugees	4,781,000	79	0	9
19. International Court of Justice	1,499,100	87	0	1

12. At the request of the representative of the Union of Soviet Socialist Republics the Committee voted on the continuation of the appropriations figure for part V, technical programmes, as a whole, and approved the appropriation of \$6,908,000 by 76 votes to 7 with 3 abstentions.

13. The Committee approved by 65 votes to 6 with 14 abstentions, a total revised estimate for 1971 in the amount of \$194,627,800.

14. The Committee also unanimously adopted revised estimates of income for the financial year 1971 totalling \$32,255,500.

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RECOMMENDATIONS OF THE FIFTH COMMITTEE

15. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolutions:

Supplementary estimates for the financial year 1971

A

Budget appropriations for the financial year 1971

The General Assembly

Resolves that for the financial year 1971:

1. The amount of \$US192,149,300 appropriated by its resolution 2738 A (XXV) of 17 December 1970 shall be increased by \$US2,478,500 as follows:

	Amount appro- priated by resolution 2738 A (XXV)	Increase or (decrease)	Revised appro- priation
(US dollars)			
<u>Section</u>			
<u>Part I. Sessions of the General Assembly, the councils, commissions and committees: special meetings and conferences</u>			
1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies	1,387,100	-	1,387,100
2. Special meetings and conferences	<u>3,317,800</u>	<u>227,300</u>	<u>3,545,100</u>
TOTAL, PART I	<u>4,704,900</u>	<u>227,300</u>	<u>4,932,200</u>
<u>Part II. Staff costs and related expenses</u>			
3. Salaries and wages	86,158,700	466,300	86,625,000
4. Common staff costs	19,585,300	237,600	19,822,900
5. Travel of staff	2,598,300	150,000	2,748,300
6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations: hospitality .	<u>159,000</u>	<u>-</u>	<u>159,000</u>
TOTAL, PART II	108,501,300	853,900	109,355,200

	Amount appro- priated by resolution 2738 A (XXV)	Increase or (decrease)	Revised appro- priation
	(US dollars)		
<u>Section</u>			
<u>Part III. Premises, equipment, supplies and services</u>			
7. Buildings and improvements to premises	9,040,900	(59,000)	8,981,900
8. Permanent equipment	962,700	(34,600)	928,100
9. Maintenance, operation and rental of premises	6,318,000	309,000	6,627,000
10. General expenses	5,349,900	635,000	5,984,900
11. Printing	<u>3,112,300</u>	<u>-</u>	<u>3,112,300</u>
TOTAL, PART III	<u>24,783,800</u>	<u>850,400</u>	<u>25,634,200</u>
<u>Part IV. Special expenses</u>			
12. Special expenses	<u>10,647,500</u>	<u>(101,400)</u>	<u>10,546,100</u>
TOTAL, PART IV	<u>10,647,500</u>	<u>(101 400)</u>	<u>10,546,100</u>
<u>Part V. Technical programmes</u>			
13. Economic development, social development and public administration; human rights advisory services; narcotic drugs control.	5,408,000	-	5,408,000
14. Industrial development	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
TOTAL, PART V	<u>6,908,000</u>	<u>-</u>	<u>6,908,000</u>
<u>Part VI. United Nations Conference on Trade and Development</u>			
15. United Nations Conference on Trade and Development	<u>10,072,300</u>	<u>258,100</u>	<u>10,330,400</u>
TOTAL, PART VI	<u>10,072,300</u>	<u>258,100</u>	<u>10,330,400</u>

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	Amount appro- priated by resolution 2738 A (XXV)	Increase or (decrease)	Revised appro- priation
	(US dollars)		
<u>Section</u>			
<u>PART VII. United Nations</u>			
<u>Industrial Development</u>			
<u>Organization</u>			
16. United Nations Industrial Development Organization	12,222,500	286,000	12,508,500
TOTAL, PART VII	12,222,500	286,000	12,508,500
<u>PART VIII. Special missions</u>			
17. Special missions	8,133,100	-	8,133,100
TOTAL, PART VIII	8,133,100	-	8,133,100
<u>PART IX. Office of the United</u>			
<u>Nations High</u>			
<u>Commissioner for</u>			
<u>Refugees</u>			
18. Office of the United Nations High Commissioner for Refugees . . .	4,722,000	59,000	4,781,000
TOTAL, PART IX	4,722,000	59,000	4,781,000
<u>PART X. International Court of</u>			
<u>Justice</u>			
19. International Court of Justice . . .	1,453,900	45,200	1,499,100
TOTAL, PART X	1,453,900	45,200	1,499,100
GRAND TOTAL	192,149,300	2,478,500	194,627,800

2. The Secretary-General shall be authorized to transfer credits between sections of the budget with the concurrence of the Advisory Committee on Administrative and Budgetary Questions:

3. The appropriations for technical assistance programmes under part V shall be administered in accordance with the Financial Regulations of the United Nations, except that the definition of obligations and the period of validity of obligations shall be in accordance with the procedures and practices established for the Technical Assistance component of the United Nations Development Programme.

4. The provisions under sections 1, 3, 5 and 11, in a total amount of \$281,000 relating to the International Narcotics Control Board shall be administered as a unit;

5. In addition to the appropriations voted under paragraph 1 above, an amount of \$19,000 is appropriated from the accumulated income of the Library Endowment Fund for the purchase of books, periodicals, maps and library equipment and for such other expenses of the Library at the Palais des Nations as are in accordance with the objects and provisions of the endowment.

B

Income estimates for the financial year 1971

The General Assembly

Resolves that for the financial year 1971:

1. The estimates of income approved by its resolution 2738 B (XIV) of 17 December 1970 shall be revised as follows:

	Estimate approved by resolution 2738 B (XV)	Increase or (decrease)	Revised estimate
	(US dollars)		
<u>Income section</u>			
<u>Part I. Income from staff assessment</u>			
1. Income from staff assessment . . .	<u>21,663,000</u>	<u>637,000</u>	<u>22,300,000</u>
TOTAL, PART I	<u>21,663,000</u>	<u>637,000</u>	<u>22,300,000</u>
<u>Part II. Other income</u>			
2. Funds provided from extra- budgetary accounts	2,436,400	139,000	2,575,400
3. General income	4,755,400	65,500	4,820,900
4. Revenue-producing activities . . .	<u>2,922,200</u>	<u>(363,000)</u>	<u>2,559,200</u>
TOTAL, PART II	<u>10,114,000</u>	<u>(158,500)</u>	<u>9,955,500</u>
GRAND TOTAL	<u>31,777,000</u>	<u>478,500</u>	<u>32,255,500</u>

2. The income from staff assessment shall be credited to the Tax Equalization Fund in accordance with the provisions of General Assembly resolution 973 (X) of 15 December 1955:

3. Direct expenses of the United Nations Postal Administration, services to visitors, catering and related services, and the sale of publications shall be charged against the income derived from those activities.
