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PROGRAMME BUDGET FOR THE BIENNIUM 1974-1975

PROGRAMME OF ACTION ON THE ESTABLISHMENT OF A NEW INTERNATIONAL
ECONOMIC ORDER

Administrative and financial implications of the draft resolution
contained in document A/C.2/L.1417 as amended by document
A/C.2/L.1423

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

1. At its 1651st meeting, the Second Committee adopted the draft resolution contained in document A/C.2/L.1417, with the amendments contained in document A/C.2/L.1423. The Committee had also before it a statement of administrative and financial implications, document A/C.2/L.1422.
2. In accordance with the terms of the draft resolution, "the Special Fund shall operate as an organ of the General Assembly". Furthermore, the Board of Governors would be composed of representatives of 36 States Members of the United Nations or members of the specialized agencies and the International Atomic Energy Agency elected by the General Assembly (article III (a)).
3. It is assumed that the travel and subsistence costs for the members of the Board of Governors would be borne by their respective Governments. Financial implications, therefore, would only arise in respect of documentation and conference servicing costs. The cost of each two-week meeting of the Board of Governors is estimated as follows:

Interpretation (C,E,F,R,S)	\$13,500
Documentation (200 pages)	<u>40,000</u>
	<u>\$53,500</u>

4. In accordance with article V, "the chief executive officer of the Special Fund ... shall be the Executive Director", and "the Executive Director shall be assisted by a small secretariat within the framework of the United Nations Secretariat".

5. The extent of voluntary contributions to the Special Fund and the extent of its activities will determine the eventual staffing requirements. However, since it is evident that the Special Fund will not be fully operational in the early part of 1975, it is proposed that the Secretary-General should be authorized to designate an acting executive director from among ranking officials already in the service of the Secretariat. This procedure would allow sufficient time for the Secretary-General to select the most suitable candidate for the post of executive director to be approved by the General Assembly at its thirtieth session. The acting executive director would be expected, in the first instance and as a matter of priority, to explore the prospects of immediate and future contributions to the Fund and to make the necessary preparations for the meetings of the Board of Governors. At the same time, he would formulate the details of the structural organization of the Fund as envisaged in article V, including managerial, operational and administrative arrangements, as well as conduct consultations regarding the relationship that will be established between the Fund and the relevant organizations and institutions referred to in article V (c). He would also determine the modus operandi of the mandated function of the Special Fund as a central monitoring body for bilateral and multilateral assistance and in general as a focal point for and stimulus to emergency relief and development assistance to the countries most seriously affected, in accordance with the relevant provisions of section X of General Assembly resolution 3202 (S-VI).

6. To perform the tasks described above, the acting executive director would be assisted by a small staff, on a temporary assistance basis for 1975, composed of one D-2 to act as director of external relations and secretary of the Board of Governors, two D-1, one P-5, one P-4 and one P-3 officers and seven General Service staff members, to assist in the preparation of proposals for the administrative, substantive, financial and legal policies and procedures of the Special Fund for consideration by the Board of Governors. In addition, to the maximum extent possible within the approved programme budget of each organizational unit, use would be made of existing facilities, information and services of the United Nations and, where appropriate, those of the specialized agencies.

7. The estimated requirements for 1975 can be summarized as follows:

Temporary assistance (50 per cent reduction on Professional and higher posts, 25 per cent on General Service)	\$167,000
Common Staff costs	58,000
Travel of staff	50,000
Rental of office space	28,000
Furniture and equipment	17,500
Supplies and materials	2,000
Communications	7,500
Documentation	40,000
Interpretation	13,500
Miscellaneous	1,500
Total	<u>\$385,000</u>

8. In the absence of any indication to the contrary, it is assumed that the posts referred to in paragraph 7 will constitute a charge upon the regular budget of the United Nations. It is further assumed that one meeting of the Board of Governors will be held during 1975. As indicated above, the estimated conference servicing cost is \$53,500; pending a decision on the date of the meeting, no appropriation for this purpose is being requested at this time. An additional appropriation is therefore requested of \$276,500 under section 1 and \$55,000 under section 28 of the programme budget for the biennium 1974-1975. In addition, an appropriation of \$58,000 would be required under section 34, which would be offset by a corresponding increase in income section 1.
