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### PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985

#### Activities of the Advisory Committee on Administrative and Budgetary Questions (spring and summer 1984)

#### First report of the Advisory Committee on Administrative and Budgetary Questions

##### A. General

1. The major functions of the Advisory Committee, as defined by the General Assembly in resolution 14 (I), section A, of 13 February 1946, are:

"(a) To examine and report on the budget submitted by the Secretary-General to the General Assembly;

(b) To advise the General Assembly concerning any administrative and budgetary matters referred to it;

(c) To examine on behalf of the General Assembly the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies;

(d) To consider and report to the General Assembly on the auditors' reports on the accounts of the United Nations and of the specialized agencies."

2. Under rule 156 of the rules of procedure of the General Assembly, the members of the Advisory Committee, no two of whom shall be nationals of the same State, shall be selected on the basis of broad geographical representation, personal qualifications and experience.

3. The members of the Advisory Committee are:

Mr. C. S. M. MSELLE (Chairman)  
Mr. Henrik AMNEUS  
Mr. Traian CHEBELEU  
Mr. Mohamed Maloum FALL  
Mr. Enrique FERRER VIEYRA  
Mrs. Virginia C. HOUSHOLDER  
Mr. Igor V. KHALEVINSKI  
Mr. Rachid LAHLOU  
Mr. MA Longde  
Mr. Mohammad Samir MANSOURI  
Mr. Andrew R. MURRAY  
Mr. Carl C. PEDERSEN  
Mr. Samuel PINHEIRO-GUIMARAES  
Mr. Banbit A. ROY  
Mr. Yukio TAKASU  
Mr. Christopher R. THOMAS

4. The Advisory Committee met in New York from 1 to 18 May, at Geneva from 22 May to 8 June, in Addis Ababa from 12 to 19 June and at Bangkok from 25 to 29 June 1984. Paragraphs 5 to 19 of the present report discuss in general terms the matters which were before the Committee in each of those locations. Certain other issues which were before the Committee are covered in more detail in paragraphs 20 to 46 below.

B. Meetings in New York

5. In New York, the Advisory Committee met with the representatives of the Administrator of UNDP and with the Executive Director of the United Nations Fund for Population Activities (UNFPA) and submitted reports to the Governing Council of UNDP at its thirty-first session (June 1984) on:

- (a) UNDP - revised budget estimates for the biennium 1984-1985; trust funds established in 1983; and annexes and amendments to UNDP Financial Regulations. 1/
- (b) UNFPA - inclusion of the UNFPA Deputy Representatives and limited core staff into the regular staffing table; and amendments to UNFPA Financial Regulations (DP/1984/40).

6. The Advisory Committee also considered the UNDP Administrator's proposals, submitted through the Secretary-General of the United Nations, on the administrative budget of the secretariat of the United Nations Financing System for Science and Technology for Development for the second half of 1984. This budget is met from voluntary contributions made available to the System for Science and Technology for Development.

7. The Advisory Committee submitted a report (UNEP/GC.12/1.6) to the Governing Council of the United Nations Environment Programme (UNEP) at its twelfth session (May 1984) concerning the administrative and financial matters dealt with in a report by the Executive Director (UNEP/GC.12/7).

8. The Advisory Committee also considered a report of the Secretary-General on the financing of the United Nations Interim Force in Lebanon (UNIFIL) for the period from 19 April to 18 October 1984, which was submitted pursuant to General Assembly resolution 38/38 A.

9. In accordance with paragraph 2 of General Assembly resolution 37/235, section C, I, the Advisory Committee considered a report of the Secretary-General on the work of the fall 1983 session of the United Nations Administrative Tribunal. Future reports on the work of the Tribunal will be made to the Advisory Committee on an annual basis.

10. Other matters considered by the Advisory Committee included the report of the Secretary-General on conditions of service and compensation for officials other than secretariat officials, and the financing of the administrative costs of the Office of the United Nations High Commissioner for Refugees. Separate reports on these items will be submitted to the General Assembly at a later stage.

#### C. Meetings in Geneva

11. In the context of the agenda item entitled "Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency", the Advisory Committee met at Geneva with agency representatives and discussed with them the administrative budgets of their respective organizations and other related matters. The Committee will report on this item to the General Assembly at its thirty-ninth session.

12. The Advisory Committee held a meeting with the Joint Inspection Unit (JIU) to discuss questions of common interest. These included, inter alia, the work being done by JIU, in the context of its work programme for 1984, on computerized information systems in Geneva-based organizations, field representation of organs and organizations in the United Nations system, and costs and efficiency of the United Nations Secretariat.

13. The Advisory Committee met with the Executive Secretary of the Economic Commission for Europe. An exchange of views was held on the work of the Commission and on matters of common interest relating to its administration.

14. During its meeting with representatives of the United Nations High Commissioner for Refugees, the Advisory Committee was informed of additional tasks which the Office of the High Commissioner (UNHCR) would have to undertake as a result of new refugee situations, and of the related financial and staffing requirements. The Advisory Committee will take into account that information when it submits, to the Executive Committee of the High Commissioner's Programme at its thirty-fifth session in October 1984, its observations on the High Commissioner's report on UNHCR assistance activities in 1983-1984 and proposed voluntary fund programmes and budget for 1985 (A/AC.96/639).

15. The Advisory Committee considered a report of the Executive Director of the World Food Programme (WFP) on WFP Field Costs (WFP/CFA.18/15), which contained information on field costs for 1983 and estimated field costs for 1984. This report, which is submitted to the FAO Finance Committee and the Committee on Food Aid Policies and Programmes, was provided to the Advisory Committee pursuant to a request it had made in its report on the WFP Administrative Budget estimates for 1984-85. In its comments on the report on WFP Field Costs, the Advisory Committee noted that changes may shortly be proposed in the format of the WFP budget and suggested to the Executive Director that certain revised modalities for presenting information on WFP Field Costs might be considered in that context.

16. The Advisory Committee also met with representatives of the Secretary-General who briefed the Committee on the latest situation in the United Nations Office at Geneva concerning technological innovations in the production of publications and documentation, office space requirements and security at the Palais des Nations.

#### D. Meetings in Addis Ababa and Bangkok

17. In Addis Ababa, the Advisory Committee discussed the adequacy of ECA's conference-servicing facilities with the Executive Secretary of the Commission and his representatives. The Advisory Committee will report separately on this issue to the General Assembly at its thirty-ninth session. The Committee also held a discussion with programme managers on matters of common interest relating to the work of the Commission, and exchanged views with the Resident Representative of the United Nations Development Programme.

18. In the context of the programme budget for the biennium 1984-1985, and in connection with the proposed construction project for the expansion of conference facilities at the Economic and Social Commission for Asia and the Pacific (ESCAP), the Advisory Committee met at Bangkok with the Executive Secretary of the Commission and his representatives. The Committee also held a discussion on matters of common interest with programme managers of ESCAP and exchanged views with the Resident Representative of UNDP.

19. As regards the proposed expansion of the conference facilities at ESCAP, the Committee was informed that, following the approval of the General Assembly at its thirty-eighth session, work has been proceeding on an architectural and engineering study. The schedule called for conceptual designs to be submitted in late July 1984. These would be costed by a quantity surveyor during the month of August, leading to the selection of an appropriate design for submission to the General Assembly at its thirty-ninth session. The Committee will report to the General Assembly at its thirty-ninth session once the report of the Secretary-General has been received.

E. Budget performance for the biennium 1982-1983  
and proposed transfers among sections

20. Pursuant to paragraph 2 of General Assembly resolution 38/226 A of 20 December 1983, the Advisory Committee has concurred in a request by the Secretary-General to transfer credits totalling \$2,858,214 from section 27 to sections 7, 11, 17, 18, 19, 25, 29 and 30 of the programme budget for the biennium 1982-1983.

21. The Secretary-General informed the Advisory Committee that actual expenditures and obligations for 1982-1983, as reflected in the closed accounts, amounted to \$1,462,414,227, as against revised appropriations of \$1,469,639,500 approved by the General Assembly in resolution 38/226 A. This leaves an uncommitted balance of \$7,225,273 or 0.5 per cent of the total amount appropriated.

22. Actual income recorded was in a total amount of \$255,078,741 as against a revised approved estimate of \$256,685,700 (General Assembly resolution 38/226 B), resulting in a shortfall of \$1,606,959 or 0.6 per cent. Of this amount, \$51,660 relates to a shortfall in income from staff assessment, which will be charged to the Tax Equalization Fund, while the remaining \$1,555,299 arises from a net overestimation of miscellaneous income (general income overestimated by \$2,654,912; revenue-producing activities underestimated by \$1,099,613).

23. The uncommitted balance of appropriations (\$7,225,273) adjusted for the net shortfall in actual miscellaneous income (\$1,555,299) results in a net surplus of \$5,669,974 at 31 December 1983 in respect of the biennium 1982-1983. The Secretary-General will retain this uncommitted balance in accordance with paragraphs 1 (b) and 2 of General Assembly resolution 36/116 B.

24. The Advisory Committee was provided with explanations in the case of those sections of the budget which had the most significant surpluses or shortfalls. In a number of sections salaries and common staff costs had been underspent due, in part, to unanticipated vacancy situations which had arisen after the final performance report had been prepared. Surpluses were also noted under such items as printing, travel and contractual services. The largest shortfalls occurred in conference services, where the requirements for temporary assistance and overtime in the last quarter of the year were heavier than anticipated, and in miscellaneous income, due to an error which had been made in the final performance report in the calculation of anticipated refunds from the United Nations Joint Staff Pension Fund.

25. The Advisory Committee was informed that, as at 31 December 1983, unliquidated obligations comprised \$56,582,233 of the total expenditures and obligations for the biennium of \$1,462,414,227. Financial Regulations 4.3 and 4.4 state:

"4.3 Appropriations shall remain available for twelve months following the end of the financial period to which they relate to the extent that they are required to discharge obligations in respect of goods supplied and services rendered in the financial period and to liquidate any other outstanding legal obligation of the financial period. The balance of the appropriations shall be surrendered.

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"4.4 At the end of the twelve-month period provided in Regulation 4.3 above, the then remaining balance of any appropriations retained will be surrendered. Any unliquidated obligations of the financial period shall at that time be cancelled or, where the obligation remains a valid charge, transferred as an obligation against current appropriations."

26. Under the provisions of General Assembly resolution 36/116 B, the balance of appropriations surrendered under Regulations 4.3 and 4.4 will not be returned to Member States in respect of surpluses arising at the end of the 1980-1981 and 1982-1983 bienniums. In view of the magnitude of the provision for unliquidated obligations, the Advisory Committee sought information on the amounts of unliquidated obligations outstanding at the end of previous bienniums, and the extent to which these obligations have been surrendered in accordance with Financial Regulation 4.4. The following table shows this information for each of the last three bienniums:

<u>Biennium</u>	<u>Unliquidated obligations at end of biennium</u>	<u>Savings on subsequent surrender of obligations</u>	<u>Per cent of obligation saved on surrender</u>
	\$	\$	%
1976-1977	27 070 279	7 155 193	26
1978-1979	41 041 596	8 607 024	21
1980-1981	45 932 702	14 748 970	32

27. In respect of the biennium 1982-1983, it is premature to estimate what proportion of the unliquidated obligations of \$56,582,233 may be surrendered at the end of 1984. 2/ Nevertheless, the Advisory Committee is concerned that, if past trends continue, the amount involved may be considerable. This would be in addition to the net surplus of \$5,669,974 already realized for 1982-1983 referred to in paragraph 23 above.

28. While the Committee did not dispute the technical justifications provided in respect of the net surplus for 1982-1983, it believes that there is an urgent need to improve the procedures for estimating requirements and forecasting expenditures. In this connection, the Committee was informed by the representatives of the Secretary-General that new procedures are being or will be instituted with a view to achieving improvements in these areas.

29. The Advisory Committee intends to re-examine this problem at its fall 1984 session and, accordingly, has requested that it be provided with more information on the measures proposed by the Secretary-General.

F. Inclusion of Chinese among the working languages  
of the General Assembly and the Security Council

30. In a note submitted to the Advisory Committee at its spring session in New York, the Secretary-General informed the Committee of recent developments concerning the provision of services in the Chinese language. For a number of reasons services in Chinese have not up to now been provided on the same level as the other working languages of the General Assembly and the Security Council. During the thirty-eighth session efforts were made, within the resources then available, to ensure the simultaneous distribution of documentation in Chinese and the more timely provision of summary records in that language. The Committee was further informed that proposals to restructure the Chinese language service would be made to the General Assembly at its thirty-ninth session and at its fortieth session as part of the proposed programme budget for 1986-1987.

31. In the meantime, the Secretary-General requested the concurrence of the Advisory Committee to enter into additional commitments in 1984, in an amount not exceeding \$998,400, initially under the provisions of General Assembly resolution 38/237 on unforeseen and extraordinary expenses for the biennium 1984-1985. This amount would provide for the formation of a nucleus for a Chinese Verbatim Unit by the establishment of 18 posts (10 Professional and 8 General Service - initially on a temporary basis for the period 1 August to 31 December 1984); for temporary assistance equivalent to 24 posts for the period 1 October to 31 December 1984; and for costs related to acquisition of reproduction and specialized equipment, paper, office supplies and furniture and alterations to premises.

32. The Advisory Committee concurred in the Secretary-General's request, noting that it was his intention to include revised estimates in an amount not exceeding \$998,400 in the context of the first performance report for the biennium 1984-1985.

G. Satellite communications for peace-keeping and emergency  
relief activities of the United Nations

33. The Advisory Committee considered a note from the Secretary-General requesting authority to enter into an immediate lease with the International Telecommunications Satellite Organization (INTELSAT) of a space segment capacity (a quarter transponder) on one of INTELSAT's satellites to meet the telecommunications requirements of the United Nations peace-keeping and emergency relief activities. The lease would have a term of five years at a cost of \$200,000 per annum. The request was made because of the withdrawal from service, at short notice, of the experimental satellite which the United Nations has utilized free of charge since 1976. No financial commitment authority was requested from the Committee in respect of 1984 costs relating to the lease (\$91,500 for the period from 15 July to 31 December) or the non-recurrent start-up expenses (\$26,000), since it was intended to absorb these costs within the existing provisions for peace-keeping activities.

34. The Advisory Committee concurred in the request, noting that the Secretary-General would include it among other proposals he intends to submit to the General Assembly at its thirty-ninth session in the context of a comprehensive report on communications facilities in the United Nations.

#### H. Human rights

35. In the context of General Assembly resolution 38/237 of 20 December 1983 on unforeseen and extraordinary expenses for the biennium 1984-1985, the Advisory Committee concurred with the Secretary-General's request to enter into commitments in a total amount not exceeding \$517,000 to implement human rights activities resulting from resolutions and decisions of the Economic and Social Council at its first regular session, 1984. These commitments will be reported by the Secretary-General to the General Assembly at its thirty-ninth session in the context of his report "Revised estimates arising from resolutions and decisions of the Economic and Social Council at its first and second regular sessions, 1984".

#### I. Rental subsidy at Baghdad

36. The Committee considered a note of the Secretary-General relating to the payment of rental subsidies to internationally-recruited General Service staff at Baghdad. Pending the completion of the permanent residential buildings to be made available by the Government of Iraq, a lease was entered into with the Government in 1982 to accommodate 101 internationally-recruited General Service staff of ECWA. Budgetary provision was made in the biennium 1982-1983 for a rental subsidy which would ensure that these staff were not required to pay for rent more than 20 per cent of their net remuneration.

37. No budgetary provision was made for the subsidy in 1984-1985, because the completion of the permanent residential buildings was initially expected in mid-1983. In his note to the Committee, the Secretary-General indicated that it now appears that the completion of the permanent buildings has been further delayed, and accordingly, it may be necessary to continue with the arrangements throughout the present biennium. In view of this, the concurrence of the Advisory Committee was sought for the continuation of subsidy payments until the end of 1985, or until the completion of the permanent residential buildings, whichever is earlier. The cost was estimated at approximately \$225,600 for the biennium 1984-1985, but in view of the current high vacancy rate in ECWA, it was expected that sufficient funds would be available in section 14 as a whole for the continuation of the payment.

38. The Advisory Committee concurred with the request of the Secretary-General.

#### J. Parking in the United Nations garage

39. Pursuant to the Advisory Committee's request in its first report on the proposed programme budget for 1984-1985, 3/ the Secretary-General reported to the Committee on parking in the United Nations garage.

40. The Committee was informed, inter alia, that the Garage Review Board, established in 1982 by the Secretary-General, had recently completed a review of all parking authorizations except those of delegates 4/ and had established procedures for future annual reviews. According to the Secretary-General, the measures recommended by the Garage Review Board adequately addressed the problem of staff and related parking. Consequently, the bulk of the Secretary-General's report dealt with a discussion of the problems of parking diplomatic cars.



41. In the light of the information provided by the Secretary-General and his representatives, the Advisory Committee recommends that the following interim measures be implemented:

(a) Increase the number of parking spaces for delegates from 200 to 300 by immediately making available 100 additional spaces in the second level. This represents one half of the parking spaces recently released by the completion of construction at Headquarters and the reconfiguration of the third basement.

(b) Make available, as of September 1985, an additional 100 spaces for delegate parking during the General Assembly, it being understood that these spaces would be reallocated for staff parking at the completion of the General Assembly's regular sessions.

(c) Eliminate dead storage parking. Those who have been reassigned to another duty station, or those no longer acting in their official capacity, should not be allowed to leave their cars in the garage and their parking privileges should be revoked.

(d) Discontinue the practice of allowing delegation chauffeurs to park their own vehicles in the garage when they remove an official delegation vehicle.

(e) Permit the parking of delegation rented cars (which, by definition, do not have DPL registration) only if they are rented from an established and bona fide rental company. The Advisory Committee notes that this regulation is needed in order to prevent evasion of the garage admission rules and is also important for security reasons.

(f) Limit parking privileges to one car per delegate.

(g) As of September 1985, suspend the parking privileges of any delegate whose parking fees are in arrears by more than three months, it being understood that these privileges will be restored once the arrears have been paid in full. In this connection, the Advisory Committee also suggests that procedures be worked out whereby each mission assumes more responsibility for ensuring that its delegates pay their garage bills. Furthermore, the additional information submitted to the Advisory Committee has led it to conclude that the Garage Administration should compile accurate and up-to-date statistics on DPL and other vehicles owned by delegates and missions and that, for this purpose and for more effective management of the garage, close co-ordination should be maintained with the Protocol and Liaison Service of the Secretariat.

42. The Advisory Committee also notes that the Secretary-General intends to augment the garage administration staff as at 1 January 1985, with one additional clerk (GS/2/4) and six Security Officers, the related costs of which would total \$242,600 (gross) in 1985. In this connection, the Advisory Committee notes that, as indicated in the proposed programme budget for 1984-1985, 5/ the Garage Administration at Headquarters currently has one General Service post (other levels) and two Security Service posts, and that the 1984-1985 Headquarters garage revenue (gross) has been estimated at \$989,900. In the light of the information submitted to it, the Advisory Committee concurs in the Secretary-General's proposal.

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43. The Advisory Committee believes that the effect of the above measures should be continually monitored and evaluated. If further remedial action is warranted, consideration can be given to other measures including an increase in the overnight parking fee or the elimination of 24 hour and overnight parking, particularly during regular sessions of the General Assembly.

#### K. Other matters

44. Pursuant to the terms of paragraph 2 of General Assembly resolution 38/236 A of 20 December 1983, the Advisory Committee has concurred with a request by the Secretary-General to the exchange of the post at the Assistant-Secretary-General level in the Office for Special Political Questions in section 1 of the programme budget for a post at the D-2 level in the Department of International Economic and Social Affairs under section 6 of the budget, effective 1 April 1984. The regularization of this exchange of posts would be proposed in the context of the first performance report for the current programme budget to be submitted to the General Assembly at its thirty-ninth session.

45. In accordance with the terms of section II, paragraph 2, of General Assembly resolution 35/217 of 17 December 1980, the Advisory Committee has concurred with a request by the Secretary-General to establish two extrabudgetary posts until 31 December 1985 - one at the Assistant-Secretary-General level and the other at the D-1 level. The creation of these posts relates to the preparation and implementation of the activities to commemorate the fortieth anniversary of the United Nations. The expenditures incurred would be charged to the Trust Fund for Interest on the Contribution to the United Nations Special Account.

46. The Advisory Committee took note of the temporary appointment by the Secretary-General, for the period 16 January to 31 December 1984, of a personal representative at the Assistant-Secretary-General level. This personal representative would follow, on behalf of the Secretary-General, ongoing global and regional efforts to increase confidence in international relations. The cost of the temporary appointment would be charged against the Trust Fund for Personal and Real Property Willed to the United Nations under a bequest that specified that the funds shall be used for the furtherance of peace.

#### Notes

1/ DP/1984/56. Reference was also made in the Advisory Committee's report to the Committee's consideration of two other reports by the UNDP Administrator on government contributions to local office costs and the concept of extrabudgetary resources.

2/ Certain obligations incurred under Section 24 of the regular budget remain valid for a period longer than 12 months. The procedures applicable to this section are specified in General Assembly resolution 36/240 A, paragraph 4.

3/ Official Records of the General Assembly, Thirty-eighth Session, Supplement No. 7 (A/38/7), para. IS3.14.

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Notes (continued)

4/ The terms of reference of the Garage Review Board are to advise the Secretary-General on matters pertaining to the allocation of garage space to all qualified users at Headquarters except those in possession of DPL and accredited FC licence plates.

5/ Official Records of the General Assembly, Thirty-eighth Session, Supplement No. 6 (A/38/6), tables IS3.20 and IS3.22.

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