



UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/34/7/Add.7
12 November 1979

ORIGINAL: ENGLISH

Thirty-fourth session
Agenda item 98

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981

- I. International Computing Centre - 1980 budget estimates
- II. Revised estimates under section 28 G, Electronic Data Processing and Information Systems Division - International Computing Centre, Geneva (United Nations share)

Eighth report of the Advisory Committee on
Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/34/19) in which he submits (a) budget estimates for 1980 of the International Computing Centre (ICC) and (b) revised estimates for 1980-1981 under section 28 G, Electronic Data Processing and Information Systems Division - International Computing Centre, Geneva (United Nations share). The Advisory Committee was provided with additional written and oral information by the Director of the Centre.
2. The Advisory Committee notes that the budget estimates of ICC have been submitted for review and approval by the General Assembly pursuant to section III of General Assembly resolution 31/208 of 22 December 1976.

I. International Computing Centre - 1980 budget estimates

3. The 1980 budget estimates of ICC amount to \$4,905,600. The Secretary-General states in paragraph 10 of his report (A/C.5/34/19) that, in accordance with arrangements agreed by the Administrative Committee on Co-ordination (ACC), the estimates have been reviewed by a panel composed of Consultative Committee on Administrative Questions (CCAQ) participants from ICC user organizations.
4. The 1980 estimate of \$4,905,600 is \$163,300, or 3.2 per cent, less than the approved 1979 estimate of \$5,068,900. However, as can be seen from table 5 in document A/C.5/34/19, the 1980 estimate has been converted into dollars at a rate of Sw. Fr. 1.73 = \$US 1, as against a rate of Sw. Fr. 1.63 = \$US 1, used for the 1979 estimate. The latter is equivalent to \$4,776,000 at Sw. Fr. 1.73 = \$US 1.

On this basis the 1980 estimate is \$129,600, or 2.7 per cent, higher. The increase is attributable almost entirely to equipment rental and related costs which will account for 58.10 per cent of the budget of ICC in 1980 as against 52.55 per cent in 1979. Salaries and related costs, on the other hand, show a decline of \$221,800 at 1980 rates, and account for 27.32 per cent of the budget of the Centre as against 32.70 per cent in 1979.

5. The Director of the Centre informed the Committee that the 1980 estimates had been prepared using a zero-base approach, which has led to lower budget levels for the constituent parts of ICC. In the process, the hardware content of each job had been increased, wherever possible, to improve productivity. The Director of ICC also informed the Committee that such preliminary estimates of usage in 1981 as had already been received indicated the same funding as in 1980 in some cases and a sharp decline in others.

6. The Committee understands that the latter trend is connected with user agencies' plans to install their own mini-computers, with a parallel reduction in the number of jobs which will be processed on the ICC computer. In this connexion the Advisory Committee has been informed that, in response to its observations in paragraphs 66 to 68 of the report on administrative co-ordination of Electronic Data Processing and Information Systems (A/33/304), the ICC Management Committee established a task force which studied the advantages of three approaches to providing data processing services so as to prevent the uncontrolled spread of mini-computers without standards. One approach assumed that all functions would be centralized, another that they would be decentralized, and the third that some functions would be centralized and others decentralized (the so-called "distributed" approach). The task force considered that the objective of the ICC approach to distributed processing should be to achieve the advantages of both centralized and decentralized processing by building a network that combined local autonomy with system-wide standards and central facilities. That approach could still use computers of varying size and capability, but they would be linked into a distributed network whose architecture and interfaces were planned in advance. The alternative would be an inadequate patchwork of incompatible systems which would be expensive to maintain and make application development extremely difficult.

7. The Advisory Committee understands that the increased requirements in 1980 under "equipment rental and related costs" (see A/C.5/34/19, table 5) include the rental of additional high-speed memory and direct-access storage equipment to enable the CALL/ICC 1/ network to operate at the level of service required by participating organizations. They also reflect higher rental rates and increased maintenance costs.

8. The lower requirements under salaries and related costs reflect the practice of ICC of funding only such posts within its approved staffing table as are

1/ CALL/ICC is the Time-Sharing Service available to agencies belonging to the United Nations system of organizations. It gives fast easy access to the ICC network and the associated data bases.

necessary to carry out its programme of work. The Advisory Committee was informed by the Director of the Centre that of the 43 posts on the staffing table 32 would be funded in 1980. The lower requirements are also due in part to a reduction in the estimate for temporary assistance.

9. The Advisory Committee was informed that the 1980 estimates include the reclassification of the post of the Director of the Centre from D-1 to D-2; the reclassification in question had been recommended by the ICC Management Committee, and CCAQ had agreed with it. The Committee recalls that the reclassification of the post of the Director of ICC had previously been requested in 1976 and 1977 (A/C.5/31/3, A/C.5/32/85), but that on both occasions the Committee did not concur in the request. 2/

10. The Advisory Committee understands that the question has since been reviewed by the Classification Section of the United Nations Office of Personnel Services. On the basis of the information contained in the post description, the evaluation findings of the Classification Section support the ICC Management Committee's recommendation to upgrade the post of the Director of ICC to D-2. The Advisory Committee has no objection to the proposed reclassification.

11. With regard to the estimate for common services (\$425,000 for 1980 as against \$441,800 in 1979), the Advisory Committee was informed that approximately \$360,000 relates to ICC's payment to WHO for rental of office accommodation, air conditioning, utilities and custodial services. The balance was to provide for additional office space at Petit Saconnex which is rented from the United Nations, and for other costs such as telephones, freight, pouch and postage charges. The Director of the Centre also informed the Advisory Committee that ICC was facing an acute shortage of office space. As no additional space was available either in the WHO building or at Petit Saconnex, he was exploring the possibility of renting office space from UNESCO's International Bureau of Education (IBE).

12. As can be seen from table 5 in document A/C.5/34/19, the estimate of \$215,000 for supplies in 1980 reflects a negative programme growth of \$3,700. The Advisory Committee was informed that the pattern of expenditure under this heading was affected by the timing of the long-term bulk purchasing agreements between ICC and its suppliers.

13. The ICC budget estimate for 1980, like the approved budget for 1979, includes a flexibility element. The Advisory Committee notes that the amount requested for 1980, when converted into Swiss francs ($\$67,000 \times 1.73 = \text{Sw. Fr. } 116,000$), is the same as the provision in 1979 ($\$71,000 \times 1.63 = \text{Sw. Fr. } 116,000$). In paragraph 12 of his report, the Secretary-General states that the CCAQ panel, in its review of the ICC's budget estimates for 1980, had noted "without challenging

2/ A/31/255, para. 49; Official Records of the General Assembly, Thirty-second Session, Supplement No. 8A (A/32/8/Add.1-30), document A/32/8/Add.25, para. 10.

3/ The figure of \$81,000 shown in document A/C.5/34/19 is a typographical error.

the need for the flexibility element, that this represented a balancing item providing for costs that were not covered by firm commitments on the part of users but as such could constitute a potential financial liability for the user organizations. More generally, it appeared to the panel that the budgeting concepts which were applicable to budgets financed by assessed contributions were of limited relevance in the case of a semi-commercial establishment like ICC, which was required to respond to changing demands for services, without making corresponding adjustments in the rates charged for such services."

14. The Advisory Committee has no objection to the budget estimates of ICC for 1980 in the amount proposed in document A/C.5/34/19, namely, \$4,905,600.

15. The Committee notes the information in table 4 which lists the estimated contributions by the 12 participating organizations to the ICC budget for 1980. The table shows that the largest amount (\$1,777,880) will be provided by the United Nations.

II. Revised estimates under Section 28 G, Electronic Data Processing and Information Systems Division - International Computing Centre, Geneva (United Nations share)

16. In his programme budget proposals for 1980-1981 the Secretary-General included a provisional amount of \$3,136,400 for the United Nations share of the cost of ICC pending the approval of the budget proposals of the Centre by the Administrative Committee on Co-ordination (ACC). 4/ The Advisory Committee, in its related report, noted the provisional nature of those estimates. 5/

17. In paragraph 14 of document A/C.5/34/19, the Secretary-General estimates United Nations usage of ICC in 1980-1981 at \$3,647,300, comprising \$1,777,900 for 1980 (see para. 15 above) and \$1,869,400 for 1981. However, if the General Assembly approves the proposed installation of a computer-connected work station in the United Nations Office at Geneva there will be a consequential reduction in estimated usage of ICC by the United Nations office at Geneva by \$160,000. 6/ On that basis, estimated usage of ICC by the United Nations as a whole in 1980-1981 would be reduced to \$3,487,300. The latter amount is \$350,900 more than the provisional estimate of \$3,136,400 already included in the proposed programme budget (see para. 16 above). In paragraph 16 the Secretary-General states, however, that he is not requesting an increased appropriation at this time, since "experience has shown that in some instances during the early stages of new system development results have lagged behind expectations".

18. The Advisory Committee agrees with the Secretary-General's proposal.

4/ Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 6 (A/34/6), vol. II, paras. 28 G.17 to 28 G.24.

5/ Ibid., Supplement No. 7 (A/34/7), paras. 28.69 and 28.70.

6/ Ibid., Supplement No. 6 (A/34/6), vol. II, paras. 28 H.12-28, H.13; ibid., Supplement No. 7 (A/34/7), para. 28.75.