

#### *Regulation 15*

The Secretary-General shall provide machinery through which members of the staff may participate in the discussion of questions relating to appointment and promotion.

### 3. SALARIES

#### *Regulation 16*

Pending the adoption of a permanent classification plan, the salaries of the members of the staff other than Assistant Secretaries-General and Directors shall be determined by the Secretary-General within a range between the salary adopted by the General Assembly for the post of Director and the best salaries and wages paid for stenographic, clerical, and manual work at the seat of the United Nations.

### 4. HOURS OF WORK

#### *Regulation 17*

The whole time of members of the staff shall be at the disposal of the Secretary-General. The Secretary-General shall establish a normal working week.

### 5. LEAVE

#### *Regulation 18*

Members of the staff shall be allowed sick leave, maternity leave, special leave, annual local leave and home leave, as prescribed by the Secretary-General.

### 6. DISCIPLINARY MEASURES

#### *Regulation 19*

The Secretary-General may impose disciplinary measures on members of the staff whose conduct or work is unsatisfactory. He may discharge a member of the staff who persistently fails to give satisfactory service. He may summarily dismiss a member of the staff for serious misconduct.

### 7. TERMINATION OF APPOINTMENTS

#### *Regulation 20*

The normal age of retirement for members of the staff shall be 60 years. In exceptional circumstances the Secretary-General may, in the interest of the Organization, extend this age limit to 65 years if it would be in the interest of the United Nations to do so.

#### *Regulation 21*

The Secretary-General may terminate the appointment of a member of the staff if the necessities of the service require the abolition of the post or a reduction of the staff, or if the services of the individual concerned prove unsatisfactory.

#### *Regulation 22*

If the Secretary-General terminates an appointment under regulation 21 he shall give at least three months' notice and pay an indemnity equivalent to at least three months' salary. The amount of the indemnity shall be increased with length of service up to a maximum of nine months' salary. These provisions of notice and indemnity shall not apply to probationers, to persons holding short-term contracts, or to persons summarily dismissed.

#### *Regulation 23*

The Secretary-General shall establish administrative machinery for inquiry and appeal in disciplinary and termination cases. This machinery shall provide for staff participation.

### 8. TRAVELLING EXPENSES AND ALLOWANCES

#### *Regulation 24*

The travel expenses and travel allowances of members of the staff in respect of authorized journeys on the business of the United Nations shall be paid by the Organization subject to such conditions as may be prescribed by the Secretary-General.

#### *Regulation 25*

Subject to such conditions as may be prescribed by the Secretary-General, the United Nations shall pay the removal costs and the travel expenses and travel allowances of members of the staff, and, in appropriate cases, their wives and dependent children:

(a) upon appointment to the Secretariat and on subsequent change of official station;

(b) at appropriate intervals for a journey to and from the place recognized as the staff member's home at the time of the initial appointment; and

(c) upon termination of appointment.

### 9. STAFF PROVIDENT FUND

#### *Regulation 26*

Pending the establishment of a permanent staff retirement scheme, a deduction shall be made from the salaries of members of the staff and paid into a staff provident fund to which the United Nations shall make an additional contribution.

### 10. SPECIAL INDEMNITIES

#### *Regulation 27*

A member of the staff who is injured as the result of an accident incurred in the course of his duty or who is compelled to discontinue his employment as a result of sickness directly attributable to his work in the service of the United Nations shall receive reasonable compensation. Should the staff member die in such circumstances, reasonable compensation shall be paid to his widow or such dependents as the Secretary-General may determine.

### 11. GENERAL PROVISIONS

#### *Regulation 28*

These regulations may be supplemented or amended by the General Assembly without prejudice to the acquired rights of members of the staff.

#### *Regulation 29*

The Secretary-General shall report annually to the General Assembly such staff rules and amendments thereto as he may make to implement these regulations.

## 14(1). BUDGETARY AND FINANCIAL ARRANGEMENTS

### A.

The permanent budgetary and financial arrangements of the United Nations should be so designed as to promote efficient and economical administration and command the confidence of Members.

*Therefore the General Assembly resolves that:*

1. Arrangements be made on the basis of the general principles set out in section 2 of chapter IX of the Report of the Preparatory Commission and of the provisional financial regulations, for budgetary procedures, the collection and custody of funds, the control of disbursements and the auditing of accounts.

2. To facilitate the consideration of administrative and budgetary questions by the General Assembly and its Administrative and Budgetary Committee, there be appointed at the beginning of the second part of the first session of the General Assembly, an Advisory Committee on Administrative and Budgetary Questions of nine members (instead of seven as laid down in rule 37 of the provisional rules of procedure) with the following functions:

(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 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.

The Committee shall deal with personnel matters only in their budgetary aspects, and representatives of the staff shall have the right to be heard by the Committee.

3. A standing expert Committee on Contributions of ten members (instead of seven as laid down in rule 40 of the provisional rules of procedure) be appointed with instructions to prepare a detailed scale of apportionment of expenses, based on the principles set out in paragraph 13 of section 2 of chapter IX of the Report of the Preparatory Commission for consideration at the second part of the first session.

#### B.

With a view to the integration of the administrative and budgetary planning of the Organization,

*the General Assembly:*

4. *Recommends* that the Secretary-General appoint at an early date a small advisory group of experts, as described in paragraphs 23-26 of section 2 of chapter IX of the Report of the Preparatory Commission to perform the functions suggested by the Preparatory Commission in paragraphs 23-26 of section 2 of chapter IX of its Report, including those specified in the provisional financial regulations.

#### C.

Having made a general examination of the draft provisional financial regulations submitted by the Preparatory Commission,

*the General Assembly:*

5. *Adopts* the provisional financial regulations, as amended, and reproduced in annex I to this report.

#### D.

The opportunities of Members to participate in the activities of the United Nations should be equalized as far as possible.

*Therefore the General Assembly resolves that:*

6. The actual travelling expenses of representatives or their alternates to and from meetings of the General Assembly shall be borne by the United Nations budget provided that the number of persons whose expenses will be so paid is limited to five in all per Member. The maximum travelling allowances shall be restricted to the equivalent of first-class accommodation by recognized public transport *via* an approved route from the capital city of a Member to the place where the General Assembly is meeting, and shall not include the payment of subsistence, except where this is included as an integral part of the regular posted schedule for first-class accommodation for recognized public transport. Actual travelling expenses to and from the meetings of the General Assembly of representatives or their alternates shall be reimbursed to each Member by means of an adjustment in the Member's annual contribution.

#### E.

*The General Assembly resolves that:*

7. The Secretary-General, after consultation with the Advisory Group referred to above, should be prepared to recommend to the General Assembly during the second part of the first session necessary action on administrative and budgetary questions, including the following:

(a) the form of the budget;

(b) procedure for the examination of the budget by the Advisory Committee on Administrative and Budgetary Questions, and for submission of the Committee's report to the General Assembly;

(c) machinery for the control of expenditure;

(d) means of meeting extraordinary expenditure;

(e) provision of working capital;

(f) character and scope of special funds; and

(g) scope and method of audit of accounts and the procedure for the submission of the auditor's report to the Advisory Committee and the General Assembly.

#### F.

*The General Assembly:*

8. Notes the observations made in paragraphs 5, 10 and 11 of section 2 of chapter IX of the Report of the Preparatory Commission dealing with the formulation, presentation and execution of the budget, the collection and management of funds and the currency of account, and transmits them to the Secretary-General for his information and consideration.

#### G.

*The General Assembly resolves that:*

9. An amount of \$21,500,000 is hereby appropriated for the following purposes:

	US \$
Section I For expenses of the General Assembly and the Councils .....	1,500,000
Section II For expenses of the Secretariat .....	16,510,750
Section III For expenses of the International Court of Justice .....	617,250
Section IV For unforeseen expenses....	2,000,000
Section V For the expenses of the Preparatory Commission and the cost of convening the General Assembly for the first part of the first session.....	872,000

10. The above amounts are to be available for the payment of obligations incurred prior to 1 January 1947. The Secretary-General may transfer by written order credits among or within the above listed classifications.

#### H.

*The General Assembly resolves that:*

11. A working capital fund is established at the amount of \$25,000,000 (US).

12. Members shall make advances to the working capital fund in accordance with the attached provisional scale which is merely a matter of convenience and in no sense a precedent for the assessment of contributions.

13. These advances shall be readjusted at the time of the second part of the first session of the General Assembly in accordance with the scale to be adopted by the General Assembly for contributions of Members to the first annual budget.

14. Except for any readjustments which may result from a revision of the scale referred to in paragraph 3, advances to the working capital fund shall not be offset against contributions of Members to the first annual budget.

15. The General Assembly at the second part of its first session (September 1946) shall determine the amount at which the working capital fund should be maintained and the method and timing of consequential set-offs against contributions or other adjustments.

*Thirty-first plenary meeting, 13 February 1946.*

PROVISIONAL SCALE OF ADVANCES TO WORKING CAPITAL FUND

	<i>Proposed scale adjusted</i>	<i>Amount of advances (US dollars)</i>
Argentina .....	2.983	745,750
Australia .....	2.875	718,750
Belgium .....	1.329	332,250
Bolivia.....	0.256	64,000
Brazil .....	2.983	745,750
Byelorussian SSR .....	0.738	184,500
Canada .....	4.362	1,090,500
Chile .....	0.994	248,500
China.....	6.400	1,600,000
Colombia .....	0.610	152,500
Costa Rica .....	0.049	12,250
Cuba .....	0.610	152,500
Czechoslovakia .....	1.447	361,750
Denmark .....	0.640	160,000
Dominican Republic .....	0.049	12,250
Ecuador .....	0.049	12,250
Egypt .....	1.497	374,250
El Salvador .....	0.049	12,250
Ethiopia .....	0.256	64,000
France.....	5.602	1,400,000
Greece .....	0.394	98,500
Guatemala .....	0.049	12,250
Haiti .....	0.049	12,250
Honduras .....	0.049	12,250
India .....	4.391	1,097,750
Iran .....	0.610	152,500
Iraq .....	0.384	96,000
Lebanon .....	0.049	12,250
Liberia.....	0.049	12,250
Luxembourg .....	0.049	12,250
Mexico.....	1.615	403,750
Netherlands .....	1.428	357,000
New Zealand .....	0.994	248,500
Nicaragua .....	0.049	12,250
Norway .....	0.640	160,000
Panama .....	0.049	12,250
Paraguay .....	0.049	12,250
Peru .....	0.610	152,500
Philippines .....	0.256	64,000
Poland.....	1.231	307,750
Saudi Arabia .....	0.295	73,750
Syria .....	0.197	49,250
South Africa .....	1.989	497,250
Turkey.....	1.497	374,250
Ukrainian SSR .....	1.231	307,750
USSR.....	6.892	1,723,000
United Kingdom .....	14.768	3,692,750
United States.....	24.614	6,153,500
Uruguay .....	0.502	125,500
Venezuela .....	0.502	125,500
Yugoslavia .....	0.738	184,500
	<u>100.000</u>	<u>25,000,000</u>

ANNEX I

PROVISIONAL FINANCIAL REGULATIONS

I. THE FINANCIAL YEAR

*Regulation 1*

The financial year shall be the calendar year, 1 January to 31 December.

II. THE PROVISIONAL BUDGET

*Regulation 2*

The Secretary-General shall submit to the first part of the first session of the General Assembly a provisional budget for the financial year 1946. The provisional budget as adopted by the General Assembly shall remain in force pending its substitution by the adoption of the first annual budget of the Organization by the General Assembly during the second part of the first session.

*Regulation 3*

Estimates of expenditure to be incurred under the provisional budget shall be divided into two separate parts: the Secretariat and the organs served by it; the International Court of Justice. The first part shall be divided into general broad headings of expenditure, such as Salaries, Wages, Travelling Expenses, Incidental Expenses, Rent of Buildings, Office Equipment, Library, and Contingencies, and shall be presented in a form to be determined by the Secretary-General after consultation with the Advisory Group of Experts.

*Regulation 4*

The provisional budget shall cover expenditures for the calendar year 1946, the costs of the Preparatory Commission and the costs incidental to the convening of the first session of the General Assembly incurred prior to 31 December 1945.

III. WORKING CAPITAL FUND

*Regulation 5*

Expenditures under the provisional budget shall be financed by a working capital fund, to consist of advances made by Members in accordance with a scale of allocation determined by the General Assembly.

*Regulation 6*

After the General Assembly has adopted the provisional budget, and established the total of the working capital fund, the Secretary-General shall

(a) inform Members of their maximum commitments in respect of the working capital fund;

(b) request them to remit their advances in amounts and at times as may be determined;

(c) call upon Members thereafter, from time to time, as funds are required, to remit outstanding instalments of the advances agreed upon.

*Regulation 7*

All advances to the working capital fund shall be calculated and paid in the currency of the State in which the United Nations is situated.

IV. FIRST ANNUAL BUDGET

*Regulation 8*

The Secretary-General shall submit the first annual budget of the United Nations to the General Assembly during the second part of the first session. He shall arrange for this budget to be examined beforehand by the Advisory Group of Experts.

*Regulation 9*

Estimates of expenditure to be incurred under the first annual budget should be divided into separate parts and under broad headings of general expenditure as indicated in regulation 3. The exact form of estimates shall be determined by the Secretary-General after consultation with the Advisory Group of Experts.

#### Regulation 10

The budget shall be accompanied by:

- (a) a summary of the estimated expenditure under the separate parts divided into the appropriate general headings;
- (b) a statement of total income; and
- (c) a statement showing the amount to be contributed by each Member in accordance with the approved scale of contributions.

#### Regulation 11

After the General Assembly has adopted the budget and the total amount voted has been apportioned among Members on the scale agreed upon, the Secretary-General shall transmit all relevant documents to Members and request them to remit their contributions as soon as possible.

### V. CURRENCY OF THE CONTRIBUTION

#### Regulation 12

The contributions of Members shall be assessed and paid in the currency of the State in which the United Nations has its headquarters.

### VI. APPROPRIATION OF FUNDS

#### Regulation 13

The adoption of the budget by the General Assembly shall constitute an authorization to the Secretary-General to incur expenditures for the purposes for which credits have been voted up to the amounts so voted. The Secretary-General shall allot in writing the appropriations voted by the General Assembly to the various headings of expenditure prior to the incurring of obligations, commitments or expenditures therefore. He shall keep a record of such allotments and all liabilities incurred showing at all times the amount available under each heading.

### VII. INTERNAL CONTROL

#### Regulation 14

The Secretary-General shall:

- (a) establish detailed financial rules and budgetary procedure in order to ensure effective financial administration and the exercise of economy;
- (b) cause an accurate record to be kept of all capital acquisitions and all supplies purchased and used;
- (c) render to the auditors with the accounts a statement as at 31 December 1946, showing the supplies in hand and the assets and liabilities of the Organization;
- (d) cause all payments to be made on the basis of supporting vouchers and other documents which ensure that the services or commodities have been received and that payment has not previously been made;
- (e) designate the officials who may incur liabilities and make payments on behalf of the Organization;
- (f) maintain an internal financial control which shall provide for an effective current examination or review of financial transactions in order to ascertain:
  - (i) the regularity of the receipt, disposal and custody of all funds and other financial resources of the Organization;
  - (ii) the conformity of all expenditure with the estimates voted by the General Assembly; and
  - (iii) any uneconomic use of the resources of the Organization.

#### Regulation 15

Where in the discretion of the Secretary-General it seems desirable, tenders for supplies shall be invited by advertisement.

### VIII. THE ACCOUNTS

#### Regulation 16

The accounts of the Organization shall be kept in the currency of the State in which the United Nations has its headquarters.

#### Regulation 17

There shall be established one cash control record to which shall be credited all cash receipts accruing to the benefit of the Organization. The cash control record shall be divided into such subsidiary receipts classifications as may be deemed necessary.

#### Regulation 18

Cash shall be deposited in one or more bank accounts as required; branch accounts, or special funds which involve a separation of cash assets, shall be established as charges to the cash control record under appropriate regulations as to objects, purposes and limitations of such accounts and funds.

#### Regulation 19

The accounts shall consist of:

- (a) budget accounts showing within the appropriations:
  - (i) the original allotments;
  - (ii) the allotments after modification by any transfers;
  - (iii) the actual obligations or expenditures incurred; and
  - (iv) the unobligated balance of allotments.
- (b) cash account showing all cash receipts and actual disbursements made;
- (c) a working capital fund account;
- (d) property records showing:
  - (i) capital acquisitions;
  - (ii) equipment and supplies purchased and on hand; and
- (e) a record which will provide a statement of assets and liabilities at 31 December 1946.

### IX. APPOINTMENT OF EXTERNAL AUDITORS

#### Regulation 20

Auditors, who shall be persons not in the service of the United Nations, shall be appointed in a manner to be determined by the General Assembly during the second part of its first session. The auditors shall be appointed for the purpose of auditing the accounts for the period ending 31 December 1946.

### X. CUSTODY OF FUNDS

#### Regulation 21

The Secretary-General shall, in consultation with the Advisory Group of Experts designate the bank or banks in which the funds of the Organization shall be kept.

### XI. TRANSFERS UNDER THE BUDGET DURING THE FINANCIAL YEAR 1946

#### Regulation 22

Transfers by the Secretary-General within the budget shall be permitted during the financial year 1946 and shall be effected only under his written authority.

## 15(I). AMENDMENTS TO THE PROVISIONAL RULES OF PROCEDURE

*The General Assembly resolves that:*

Rules 37 and 40 and supplementary rules J and K of the provisional rules of procedure be amended to read as follows:

#### Rule 37

The General Assembly shall appoint an Advisory Committee on Administrative and Budgetary Questions (hereinafter called the "Advisory Committee") with a membership of nine, including at least two financial experts of recognized standing.

#### Rule 40

The General Assembly shall appoint an expert Committee on Contributions, consisting of ten members.