



**ADVISORY COMMITTEE ON ADMINISTRATIVE  
AND BUDGETARY QUESTIONS**

---

**FIRST REPORT ON THE BUDGET ESTIMATES**

**FOR**

**THE FINANCIAL YEAR 1972**

**GENERAL ASSEMBLY**

**OFFICIAL RECORDS: TWENTY-SIXTH SESSION**

**SUPPLEMENT No. 8 (A/8408)**

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New York, 1971

#### **NOTE**

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## FOREWORD

1. The functions of the Advisory Committee on Administrative and Budgetary Questions are defined by the General Assembly in resolution 14 A (I) of 13 February 1946.

The members of the Committee are:

Mr. John I.M. Rhodes (Chairman);  
Mr. Albert F. Pander, Jr.;  
Mr. Paulo Lopes Corrêa;  
Mr. Mohsen S. Esfandiary;  
Mr. Ahmad Tewfik Khalil;  
Mr. Mario Majoli;  
Mr. C.S.M. Mselle;  
Mr. André Nandy  
Mr. V.K. Palamarchuk;  
Mr. José Piñera;  
Mr. Salim A. Saleem;  
Mr. József Tardos.

2. We met in Vienna from 12 to 21 May 1971, where we revised the programme and budget procedures and the administrative and management practices of the International Atomic Energy Agency. We are grateful to Dr. Sigvard Eklund, the Director-General of the IAEA, and his colleagues for their collaboration.

3. While in Vienna we also visited the United Nations Industrial Development Organization where we began consideration of the United Nations budget estimates for 1972.

4. During the period from 24 May to 9 July we met in Geneva and New York and continued our consideration of the estimates. We also had discussions with the Joint Inspection Unit and the Board of Auditors and considered other matters of an administrative and budgetary nature.

5. The estimates for 1972 are presented by the Secretary-General in conventional form. The mock-up in the new form which was envisaged last year as a first step towards programme-budgeting was not available during our summer session.

6. Our own report follows tradition but we have tried to condense its contents. We hope that neither clarity nor cogency have been lost in the process.

7. Throughout our hearings we have been accorded every courtesy and consideration by the officials responsible for the various sectors of the Organization. We thank them all for their co-operation.

8. Above all, we are indebted to our own staff. They have given unstintingly of their time and energy and have responded magnificently to our every request.

(Signed) John I.M. RHODES  
Chairman

9 July 1971

# FIRST REPORT ON THE BUDGET ESTIMATES FOR 1972

## CHAPTER I

### THE BUDGET ESTIMATES FOR 1972

#### GENERAL

1. The Secretary-General's initial budget estimates for 1972 1/ provide for a gross expenditure of \$207,721,500, which is about \$15.5 million, or 8.1 per cent, more than the gross appropriation of \$192,149,300 approved for 1971. 2/ In the foreword to his estimates the Secretary-General has predicted a number of additional requirements for which his very provisional estimate is about \$6.8 million. Some of them involve questions of policy on which the General Assembly will have to decide. These additional requirements are discussed in paragraphs 12-14 below; other decisions which the Assembly might take at its twenty-sixth session may have further financial implications.
2. Income in 1972 is estimated by the Secretary-General at \$35,570,800, an increase of \$3,793,800 over the approved estimate for the current year. 3/ Thus, on the basis of the initial estimates the net requirements of the Organization for 1972 would be \$172,150,700, compared with \$160,372,300 in 1971. This is an increase of \$11,778,400, or 7.3 per cent. The additional requirements referred to in paragraph 1 above would generate increased income, but no estimate of the amount can now be made.
3. The Advisory Committee has examined in detail the justifications for all the requests of the Secretary-General. It has taken into account extensive oral and written information received from him and his representatives and has examined administrative and operational practices affecting the estimates.
4. In this report the Advisory Committee recommends reductions totalling \$2,403,200 to the Secretary-General's initial gross expenditure estimates, and reductions of \$165,000 to the estimate of income. It also recommends that \$1,063,000 be excluded from the initial expenditure estimates 4/ and \$200,000 from the estimated income 5/ pending the submission of revised estimates. Thus, the Committee's recommendations would reduce the net expenditure level for 1972 from \$172,150,700 to \$169,049,500. A table comparing those recommendations by section with the initial estimates is provided in chapter II below. Detailed comments on the budget sections are contained in chapter III, along with the Committee's specific recommendations on the amounts to be appropriated.

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1/ Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 6 (A/8406).

2/ General Assembly resolution 2738 (XXV) of 17 December 1970.

3/ Ibid.

4/ See paragraphs 131 and 147 of the present report.

5/ See paragraph 317 of the present report.

5. States Members of the United Nations also contribute to the budgets of other organizations in the United Nations system to which they belong. The estimates of those organizations in 1972 total approximately \$281 million as compared with \$256 million appropriated for 1971 and expenses of \$224 million in 1970. Details of the agency budgets will be provided by the Advisory Committee when it reports to the General Assembly on the administrative and budgetary co-ordination of the United Nations and the specialized agencies and the International Atomic Energy Agency.

6. Governments of Member States also contribute to the following voluntary programmes: the United Nations Development Programme, the United Nations Children's Fund, the voluntary funds of the United Nations High Commissioner for Refugees, the United Nations Relief and Works Agency for Palestine Refugees in the Near East, and the United Nations Institute for Training and Research. In 1970 contributions paid or pledged by Governments towards these programmes totalled about \$316 million, and pledges announced or foreseen for 1971 amount to \$335 million. Furthermore, for the two-year period 1969-1970 Governments pledged \$261.1 million in cash, commodities and services to the World Food Programme, and a further \$216.1 million has already been pledged for 1971-1972. Some Governments also contribute to a number of trust funds 6/ and to voluntary programmes of the specialized agencies.

7. Certain Governments also contribute to the United Nations Peace-keeping Force in Cyprus set up under Security Council resolution 186 (1964). As of 30 June 1971, forty-nine Member Governments and four non-member Governments had pledged \$124.9 million to the Special Account of UNFICYP, while a further \$1.1 million had been received from miscellaneous.

8. The rest of the present chapter is devoted to a general comparison of the initial estimates for 1972 with the 1971 appropriations and expenses in 1970, and to certain budgetary and administrative matters.

#### COMPARISON OF 1972 ESTIMATES WITH 1971 APPROPRIATIONS

9. Table 1 gives the comparative figures for the Secretary-General's initial estimates for 1972 and the appropriations for 1971 and actual expenses in 1970, section by section. Both the 1972 and 1971 figures are subject to modification by decisions to be taken by the General Assembly at its twenty-sixth session.

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6/ For details, see the financial report of the Secretary-General for the year ended 31 December 1970 (Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 7) (A/8407).

Table 1. Comparison of 1970 expenses, 1972 appropriations and 1972 initial estimates

<u>Budget parts and sections</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>appropri-</u> <u>ations</u>	<u>1970</u> <u>expenses</u>	<u>1972</u> <u>increase or</u> <u>(decrease)</u> <u>by comparison</u> <u>with 1971</u>
	\$	\$	\$	\$
<u>Part I. Sessions of the General Assembly, the councils, commissions and committees; special meetings and conferences</u>				
Section 1. Travel and other expenses of representatives, members of commissions, committees and other subsidiary bodies . . . .	1,364,500	1,387,100	1,330,444	(22,600)
Section 2. Special meetings and conferences . . . . .	<u>2,326,800</u>	<u>3,317,800</u>	<u>1,691,802</u>	<u>(991,000)</u>
TOTAL, part I . . . . .	3,691,300	4,704,900	3,022,246	(1,093,600)
<u>Part II. Staff posts and related expenses</u>				
Section 3. Salaries and wages . . . . .	94,338,000	86,158,700	76,204,908	8,179,300
Section 4. Common staff costs . . . . .	21,356,000	19,585,300	17,483,080	1,770,700
Section 5. Travel of staff . . . . .	2,635,100	2,598,300	2,414,233	36,800
Section 6. Payments under annex I, paragraphs 2 and 5 of the Staff Regulations; hospitality . . . . .	<u>159,000</u>	<u>159,000</u>	<u>129,163</u>	<u>-</u>
TOTAL, part II . . . . .	118,488,100	108,501,300	96,231,384	9,986,800
<u>Part III. Construction, alteration improvement and major maintenance of premises</u>				
Section 7. Construction, alteration improvement and major maintenance of premises . . . . .	<u>11,240,500</u>	<u>9,040,900</u>	<u>4,883,967</u>	<u>2,199,600</u>
TOTAL, part III . . . . .	11,240,500	9,040,900	4,883,967	2,199,600
<u>Part IV. Equipment, supplies and services</u>				
Section 8. Permanent equipment . . . . .	1,063,400	962,700	828,568	100,700
Section 9. Maintenance, operation and rental of premises . . . . .	6,688,000	6,318,000	5,751,498	370,000
Section 10. General expenses . . . . .	5,867,000	5,349,900	6,026,103	517,100
Section 11. Printing . . . . .	<u>3,288,000</u>	<u>3,112,300</u>	<u>2,838,221</u>	<u>175,700</u>
TOTAL, part IV . . . . .	16,906,400	15,742,900	15,444,390	1,163,500
<u>Part V. Special expenses</u>				
Section 12. Special expenses . . . . .	<u>10,374,900</u>	<u>10,647,500</u>	<u>9,603,930</u>	<u>(272,600)</u>
TOTAL, part V . . . . .	10,374,900	10,647,500	9,603,930	(272,600)

Table 1 (continued)

<u>Budget parts and sections</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>appropri-</u> <u>ations</u>	<u>1970</u> <u>expenses</u>	<u>1972</u> <u>increase or</u> <u>(decrease)</u> <u>by comparison</u> <u>with 1971</u>
	\$	\$	\$	\$
<u>Part VI. Technical programmes</u>				
Section 13. Economic development, social development and public administration; human rights advisory services; narcotic drugs control . . . . .	5,408,000	5,408,000	5,408,590	-
Section 14. Industrial development . . . . .	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,496,612</u>	-
TOTAL, part VI : . . . . .	6,908,000	6,908,000	6,905,202	-
<u>Part VII. United Nations Conference on Trade and Development</u>				
Section 15. United Nations Conference on Trade and Development . . . . .	<u>11,880,900</u>	<u>10,072,300</u>	<u>8,869,791</u>	<u>1,808,600</u>
TOTAL, part VII . . . . .	11,880,900	10,072,300	8,869,791	1,808,600
<u>Part VIII. United Nations Industrial Development Organization</u>				
Section 16. United Nations Industrial Development Organization . . . . .	<u>13,123,100</u>	<u>12,222,500</u>	<u>10,106,501</u>	<u>900,600</u>
TOTAL, part VIII . . . . .	13,123,100	12,222,500	10,106,501	900,600
<u>Part IX. Special missions and related activities</u>				
Section 17. Special missions . . . . .	<u>8,249,000</u>	<u>8,133,100</u>	<u>7,632,891</u>	<u>115,900</u>
TOTAL, part IX . . . . .	8,249,000	8,133,100	7,632,891	115,900
<u>Part X. Office of the United Nations High Commissioner for Refugees</u>				
Section 18. Office of the United Nations High Commissioner for Refugees . . . . .	<u>5,264,500</u>	<u>4,722,000</u>	<u>4,269,341</u>	<u>542,500</u>
TOTAL, part X . . . . .	5,264,500	4,722,000	4,269,341	542,500
<u>Part XI. International Court of Justice</u>				
Section 19. International Court of Justice . . . . .	<u>1,594,800</u>	<u>1,453,900</u>	<u>1,406,133</u>	<u>140,900</u>
TOTAL, part XI . . . . .	1,594,800	1,453,900	1,406,133	140,900
TOTAL . . . . .	<u>207,721,500</u>	<u>192,149,300</u>	<u>168,375,776</u>	<u>15,572,200</u>
Less: income other than staff assessment . . . . .	10,620,800	10,114,000	11,725,834	506,800
Income from staff assessment for credit to Member States through the Tax Equalization Fund. . . . .	24,950,000	21,663,000	19,345,515	3,217,000
NET EXPENDITURE LEVEL . . . . .	<u>172,150,700</u>	<u>160,372,300</u>	<u>137,304,427</u>	<u>11,778,400</u>

Major factors affecting the 1972 initial estimates, as compared  
with the 1971 appropriations

10. In a table annexed to the foreword of his initial estimates the Secretary-General has explained why the expenditure estimates for 1972 exceed the appropriations for 1971. The main elements are:

	\$
(a) Increased cost of air fares (sections 1 and 5) . . . . .	114,400
(b) Extra cost of maintaining in 1972 established and provisional posts approved for 1971 (including provisional posts which it is proposed to convert to established posts) (sections 3 and 4) . . . . .	8,218,200
(c) Cost of proposed new established and provisional posts (sections 3 and 4) . . . . .	1,174,700
(d) Higher salaries and wages for short-term staff, including those required for the servicing of meetings (\$323,200) (sections 2 and 3) . . . . .	476,500
(e) Higher overtime rates (\$104,000) and additional overtime (\$142,000) (section 3) . . . . .	246,000
(f) Net additional cost in 1972 of construction programmes at New York, Santiago, Bangkok and Addis Ababa (section 7) . . . . .	1,830,000
(g) Higher loan repayment to the Swiss Federal Government for the improvement programme at the Palais des Nations, Geneva (section 7) . . . . .	453,000
(h) Additional expenses arising from the progressive occupancy of the extension to the Palais (sections 3, 8, 9 and 10) . . . . .	521,800
(i) Higher rates and wages for contractual services (sections 9, 11, 16, 18 and 19) . . . . .	325,800
(j) Higher rates for telephone, postage, insurance and freight (section 10) . . . . .	199,400
(k) Other additional requirements for general expenses (section 10) . . . . .	272,700
(l) Extra cost of maintaining in 1972 established posts for UNCTAD and the UNCTAD/GATT International Trade Centre (section 15) . . . . .	857,000
(m) Expansion of UNCTAD activities, including the extra costs arising in 1972 from the Third Conference of UNCTAD (\$730,000) and the cost of proposed new established posts (section 15) . . . . .	780,000
(n) Expansion of the activities of the International Trade Centre (section 15) . . . . .	171,600
(o) Extra cost of maintaining in 1972 established posts for UNIDO (section 16) . . . . .	689,100



	\$
(p) Expansion of UNIDO's activities (section 16) . . . . .	186,500
(q) Extra cost of maintaining in 1972 approved establishments for special missions (section 17) . . . . .	354,200
(r) Extra cost of maintaining in 1972 established posts for the Office of the United Nations High Commissioner for Refugees (section 18) . . . . .	319,600
(s) Expansion of the activities of the Office of the United Nations High Commissioner for Refugees, including the cost of proposed new provisional posts (section 18) . . . . .	198,000

11. The above increases are partially offset by a number of reductions, principally due to a reduced meetings programme (sections 1, 2, 3 and 5), lower requirements for certain temporary assistance under section 3, and the absence from the initial budget estimates of provision for certain items under sections 12 and 17 for which appropriations were made in the 1971 budget.

Additional requirements foreseen by the Secretary-General for 1972

12. In paragraph 1 above the Advisory Committee called attention to certain additional requirements which the Secretary-General foresees in the foreword to his estimates, and for which his very provisional estimate amounts to about \$6,780,000. These items are: <sup>7/</sup>

	\$
(a) The financial implications in 1972 of decisions taken during 1971 by the Economic and Social Council at its fiftieth and fifty-first sessions . . . . .	1,300,000
(b) A possible request to increase from \$1.5 million in 1971 to \$2.5 million in 1972 the instalment required to finance the extension being built to the Palais des Nations, as a result of an expected increase in its cost to \$27.5 million . . . . .	1,000,000
(c) Possible financial implications of recommendations made by the Industrial Development Board and by the Special International Conference of UNIDO, held in June 1971 <sup>8/</sup> . . . . .	900,000
(d) Additional requirements for the Office of Public Information, should the General Assembly approve recommendations in a revised report on that Office which the Secretary-General is submitting to the Assembly at its twenty-sixth session . . . . .	about 500,000

<sup>7/</sup> For details of the Secretary-General's expectations see paragraphs 10-17 of the foreword to the budget estimates.

<sup>8/</sup> Pending the possible effects of decisions reached at those meetings, the initial estimates provide for the same level of staffing in UNIDO as for 1971.

(e) The cost of new staff-training activities which the Secretary-General intends to put before the Assembly at its twenty-sixth session . . . . .	about 325,000
(f) The additional cost of publishing in 1972 more volumes of the United Nations <u>Treaty Series</u> , should the General Assembly so decide; the Secretary-General indicates his intention to report on this matter to the Assembly at its twenty-sixth session . . . . .	about 255,000
(g) The effects of the revaluation in 1971 of the Swiss franc and the Austrian schilling . . . . .	about <u>2,500,000</u>
TOTAL	about <u><u>6,780,000</u></u>

13. The Secretary-General further notes in his foreword that the level of requirements for 1972 may be affected by the staffing proposals to be made for those secretariat units for which the Administrative Management Service expects to complete its manpower surveys in time for revised estimates to be submitted to the Assembly at its twenty-sixth session.

14. In the light of the above forecasts, and making allowance for the financial implications of decisions which the General Assembly may take on other matters that cannot be foreseen, the Secretary-General states in his foreword that a gross expenditure of between about \$213 and \$215 million may need to be envisaged for 1972. This would be an increase of about 11-12 per cent over the appropriations for 1971.

Additional requirements foreseen by the Secretary-General  
for 1971

15. The Secretary-General has reported to the Advisory Committee on expenditures during the first four months of 1971, and has provided a tentative forecast of probable requirements for the year as a whole, as compared with the appropriations approved by the General Assembly in resolution 2738 (XXV). The Secretary-General tentatively foresees over-expenditure totalling \$3,165,000 in eleven expenditure sections as compared with savings of \$35,000 in one section. Those sections for which the most substantial deficits are expected are sections 2 (Special meetings and conferences), 3 (Salaries and wages), 4 (common staff costs), 9 (Maintenance, operation and rental of premises), 10 (General expenses), 12 (Special expenses), 15 (UNCTAD) and 16 (UNIDO). He also believes that there might be a shortfall of about \$375,000 under the four income sections. Thus the net addition to the amount assessable on Member States for 1971 might be approximately \$3.5 million.

16. The additional expenditure foreseen by the Secretary-General for 1971 includes requirements arising from the meetings in Geneva of the Committee on the Peaceful Uses of the Sea-Bed and Ocean Floor beyond the Limits of National Jurisdiction, for which the Advisory Committee has authorized the Secretary-General to enter into commitments not exceeding \$321,400, in accordance with General Assembly resolution 2739 (XXV) on unforeseen and extraordinary expenses. Advances made by the Secretary-General from the Working Capital Fund for emergency aid in cases of natural disasters, under the authority granted him in Assembly resolution 2435 (XXIII) account for another \$46,500.

17. The expected shortfall in sections 15 and 16 is mainly due to the revaluation in May 1971 of the Swiss franc and the Austrian schilling, which also affects seven other sections, including section 3. The aggregate effect of revaluation of the two currencies on the 1971 budget as a whole is tentatively estimated at \$1,146,400. Other substantial additional requirements are as follows:

(a) Section 3: A more rapid rise than expected in cost-of-living indices in Geneva (\$122,000); additional temporary assistance for the twenty-sixth session of the General Assembly (\$175,000); financing from temporary assistance credits on a full-year basis of staff in certain offices (\$219,000); and higher requirements for overtime than provided for in the budget (\$195,300);

(b) Section 9: Higher rates for utilities at Headquarters and Geneva (about \$150,000);

(c) Section 10: Higher expenditure on communications at Headquarters, at Geneva, at the information centres and Santiago (\$123,000), on rental and maintenance of equipment (\$67,000), on public information supplies and services (\$54,000) and on insurance premiums (\$70,000);

(d) Section 12: Higher costs than expected for the computing centre in New York, partly related to developments affecting the International Computing Centre in Geneva (\$180,000).

18. On the income side, the Secretary-General tentatively forecasts a shortfall of about \$435,000 under income section 4 (Revenue-producing activities) owing to a decline in revenue from the sale of publications (\$200,000) and lower income from the guided tour at Headquarters (\$234,700).

19. About half the additional requirements foreseen by the Secretary-General for 1971 arise from factors which are, at least to a degree, within his control. For that reason, and because of the magnitude of the additional requirements - equal to about 1.6 per cent of the gross expenditure budget of \$192.1 million approved by the General Assembly - the Advisory Committee trusts that in his supplementary estimates to be presented later in the year the Secretary-General will be able to reduce his estimate of additional needs for 1971. The Committee believes in particular that strenuous efforts should be made to reduce the additional expenditure foreseen for temporary assistance and overtime.

#### BUDGET PERFORMANCE FOR THE FINANCIAL YEAR 1970

20. The Advisory Committee has considered the Secretary-General's report on budget performance for 1970 (A/8322), which compares the expenditures and obligations actually incurred for each section and chapter of the budget with the appropriations, and explains the main variations. The report shows that total commitments under the 19 expenditure sections amounted to \$168,375,776, or \$581,174 less than the appropriation, while income fell short of the estimate by \$69,486. Thus \$511,688 will be available for credit to Member States against their assessed contributions for 1972.

21. In 14 expenditure sections commitments in 1970 were less than the appropriations, and in the remaining five there were deficits, notably in sections 9 (Maintenance, operation and rental of premises, \$68,498), 10 (General expenses, \$165,803) and 15 (UNCTAD, \$46,591). The Advisory Committee has concurred in the necessary year-end transfers between sections, which have been incorporated in the 1970 accounts.

22. Contrary to the practice of recent years, the report on budget performance does not contain an analysis of programme performance in the economic, social and human rights sectors. That information, however, was submitted to the Committee for Programme and Co-ordination at its ninth session, 9/ where it attracted considerable attention. The views expressed in that Committee are set out in chapter II of the report on its ninth session. 10/

#### 1972 ESTIMATES - GENERAL BUDGETARY CONSIDERATIONS

23. During the past year several questions touching on the financial responsibility of the Secretary-General have come to the notice of the Advisory Committee. Under the Financial Regulations and Rules of the United Nations the Secretary-General is required to decide upon the content of the estimates and to submit them to the General Assembly. With the growth in size and complexity of the Organization, this task of the Secretary-General has become increasingly difficult. Committees and subsidiary organs have proliferated while proposals emanating from within the Secretariat either as new initiatives or as interpretations of the broad policies formulated by the legislative organs have their own budgetary impact. At the same time the continuing process of decentralization has created additional and widespread centres of initiative concerned primarily with their own objectives but reliant for their financing upon the budget approved by the General Assembly on the basis of estimates presented by the Secretary-General. The creation in recent years of bodies such as UNCTAD and UNIDO with separate legislative organs has added a new dimension.

24. Delegation of authority provides only a partial answer to these problems. So long as the Secretary-General has over-all responsibility for the budget of the United Nations he must seek to ensure not only that there is a common approach to administrative and budgetary questions but also that priorities and projects are judged by common standards. He cannot deny the wishes of the legislative organs in regard to programme content. He must however retain authority for the translation of the programmes into budgetary terms. The fact that the United Nations budget now contains several sections which can be regarded as embryonic programme budgets does not relieve the Secretary-General of this basic responsibility under regulation 3.1 of the Financial Regulations. Indeed in paragraph 81 of his foreword to the budget the Secretary-General expressly states that the level of regular budget resources proposed for UNCTAD in 1972 is based on the programme as submitted to the Trade and Development Board (TD/B/336).

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9/ E/AC.51/52 and Corr.1 and Add.1.

10/ Official Records of the Economic and Social Council, Fifty-first Session, Supplement No. 9 (E/5038 - E/AC.51/55).

25. The Advisory Committee believes that it would have been desirable for the Secretary-General to follow the same practice for UNIDO and to have included in his initial budget estimates for 1972 his assessment of the provision required to enable that organization to execute the programme which was to be placed before the Industrial Development Board. If necessary, any variations in the programme could then have been accommodated in the revised estimates. The Committee recognizes that special considerations may obtain this year but hoped that it will be possible to proceed in this way next year so that the initial budget estimates may present as complete a picture as possible.

26. Even where there are no constitutional difficulties other considerations seem on occasion to blur the line of financial authority and accountability. The Advisory Committee was particularly conscious of this when considering the mounting costs of the extension to the Palais des Nations in Geneva. The Committee believes too, that some of the expense and problems associated with the foundation of the International Computing Centre in Geneva might have been avoided had a clearer line of authority been established at the outset.

27. Finally, there are the initiatives taken or prompted by the staff in the name of the Secretary-General. The Advisory Committee has no wish to stifle all such initiatives. But it is necessary to ensure that departmental or individual enthusiasms do not outrun the need to determine programme priorities on a wider basis and so compromise the Secretary-General's over-all responsibility for reconciling programme and budget.

28. The Advisory Committee recognizes the intractable nature of some of these problems. It believes, however, that the period of transition to programme budgeting not only accentuates the need to solve them but also provides the opportunity for so doing. In this connexion the Committee recalls that in a report on the form of presentation of the United Nations budget which was submitted to the General Assembly at its twenty-fifth session, 11/ the Secretary-General described arrangements for a closer integration of the programme- and budget-building activities of the United Nations. The Committee believes that if the will exists to make them work those arrangements would serve to remove the underlying causes of many of the problems that have exercised the Committee during its consideration of the 1972 budget estimates. In particular, the establishment of a high-level programme and budget review committee within the Secretariat, as proposed by the Secretary-General in the same report, could, in the Committee's opinion do much to avoid the dichotomy of views that has been apparent on occasion in recent years.

#### 1972 STAFFING REQUIREMENTS

29. The size and nature of the additional staffing requirements requested by the Secretary-General in his initial estimates for 1972 are affected in large part by the progress being made by the Administrative Management Service in carrying out its manpower utilization and deployment survey of the Secretariat. Four categories of Secretariat units may be distinguished:

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11/ Official Records of the General Assembly, Twenty-fifth Session, agenda item 80, document A/C.5/1335.



(a) Units for which the findings of the Service were reflected fully or partially in the 1971 budget appropriation (ECA, Office of Conference Services, Office of Public Information, UNCTAD and UNIDO).

While no new posts are requested for UNIDO or the Office of Conference Services, the Secretary-General proposes some strengthening of UNCTAD (fourteen posts) and the Office of Public Information (three posts) above the levels recommended by the Administrative Management Service for 1971; in ECA he proposes the addition of certain posts in accordance with a recommendation of the Service which was not fully implemented in 1971;

(b) Units for which the findings of the survey are reflected for the first time in the initial estimates for 1972 (ECE, ECAFE, ECLA and the United Nations Economic and Social Office at Beirut).

To give effect to the recommendations of the Administrative Management Service the Secretary-General proposes the conversion to established posts of forty-nine provisional posts approved for these offices in 1971 (seventeen at the professional and higher levels, five general service, twenty-seven local level), and the addition of a further sixty established posts (twenty at the professional and higher levels, four general service, thirty-six local level);

(c) Units for which the findings of the survey are expected to be available in time to be reflected in revised estimates for 1972 to be presented by the Secretary-General to the General Assembly at its twenty-sixth session (Offices of the Under-Secretaries-General for Special Political Affairs, Office for Inter-Agency Affairs, Office of Legal Affairs, Department of Political and Security Council Affairs, Department of Trusteeship and Non-Self-Governing Territories, Department of Economic and Social Affairs, United Nations Office at Geneva (excluding ECE), Centre for Economic and Social Information, and the information centres).

In his initial estimates for each of these units the Secretary-General has retained the same number of established and provisional posts as were approved in 1971.

(d) Remaining units of the Secretariat, the surveys of which are scheduled for late 1971 or early 1972 and which therefore cannot be reflected in budgetary terms until the preparation of the initial or revised estimates for 1973 (Executive Office of the Secretary-General, Office of the Under-Secretary-General for Administration and Management (including the Office of the Controller and the Office of Personnel), Office of General Services, Division of Human Rights, United Nations Library at Headquarters, Office of the United Nations High Commissioner for Refugees, International Court of Justice and the special political missions).

The Secretary-General requests fifty-four additional provisional posts (twelve professional, thirty general service, twelve manual) for the Office of General Services, the Office of Personnel and the Office of the United Nations High Commissioner for Refugees, and a net increase of six posts in the special

missions financed from section 17 of the budget, 12/ he does not ask for new posts for the other offices in this category.

30. In addition to the above adjustments, the Secretary-General is requesting four new general service posts for the United Nations Postal Administration, which is charged to income section 4 of the budget. Finally, he proposes the deletion of two posts (one general service, one local level) from the staff attached to the United Nations Memorial Cemetery in Korea (section 12, chapter I).

31. The aggregate effect of all the above proposals is set out in the table below, which also takes into account nine proposed reclassifications from the general service to the professional category, eight of which affect section 3 and one section 15. The additional 150 established posts would raise the total United Nations establishment financed from all sections of the regular budget to 8,702, compared with 8,552 in 1971, 8,420 in 1970 and 8,328 in 1969.

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12/ Of which four (one professional, one general service and two local level) are for the travel documents office in Lusaka financed from chapter V of section 17; for 1971 the staff requirements of this office were not included in the Secretariat manning table, but were provided for by a lump sum appropriation.

NEW ESTABLISHED AND PROVISIONAL POSTS REQUESTED FOR 1972

	Professional		General Service		Local level		Manual workers		Total	
	Estab- lished	Provi- sional	Estab- lished	Provi- sional	Estab- lished	Provi- sional	Estab- lished	Provi- sional	Estab- lished	Provi- sional
Section 3										
New staff resources . . . . .	33	8	5	18	41	-	-	12	79	38
Conversion of provisional into established posts . . .	17	(17)	5	(5)	27	(27)	-	-	49	(49)
Upgradings to the professional category . . . .	-8	-	(8)	-	-	-	-	-	-	-
TOTAL SECTION 3 . . . . .	58	(9)	2	13	68	(27)	-	12	128	(11)
Section 12, Chapter I, United Nations Memorial Cemetery in Korea . . . . .	-	-	(1)	-	(1)	-	-	-	(2)	-
Section 15. UNCTAD										
New staff resources . . . . .	6 a/	-	8 b/	-	-	-	-	-	14	-
Upgradings to the professional category . . . .	1	-	(1)	-	-	-	-	-	-	-
TOTAL SECTION 15 . . . . .	7	-	7	-	-	-	-	-	14	-
Section 17. Special missions . .	-	-	1	-	5 c/	-	-	-	6	-
Section 18. UNHCR . . . . .	-	4	-	12	-	-	-	-	-	16
Income sections . . . . .	-	-	4 d/	-	-	-	-	-	4	-
	65	(5)	13	25	72	(27)	-	12	150	5

a/ Excludes five posts proposed for the UNCTAD/GATT International Trade Centre.

b/ Excludes eight posts proposed for the UNCTAD/GATT International Trade Centre.

c/ Includes four posts for the travel documents office in Lusaka; see foot-note 12 above.

d/ Financed in 1971 from temporary assistance credits.



32. The cost in 1972 of the new established and provisional posts proposed for that year is estimated at \$1,728,430, as follows:

	\$	\$
Section 3.		
New established posts . . . . .	666,530	
Increased costs of continuing as established posts forty-nine posts approved on a provisional basis for 1971 . . . . .	116,200	
New provisional posts . . . . .	316,600	1,099,330
Section 4. Common staff costs of new established and provisional posts . . . . .		275,000
Section 15. UNCTAD (new established posts) . . . . .		153,900 <u>a/</u>
Section 17. Special missions (new posts)		26,400 <u>b/</u>
Section 18. UNHCR (new provisional posts) . . . . .		143,000
Income sections. (new posts) . . . . .		<u>30,800</u>
	TOTAL	<u>1,728,430</u>

a/ Includes cost of one reclassification from the general service to the professional category; excludes cost of thirteen posts proposed for the UNCTAD/GATT International Trade Centre.

b/ Cost of established posts for travel documents office in Lusaka (\$41,400 - see foot-note 12 above), partly offset by a reduction of \$15,000 due to other adjustments to the manning table financed from section 17.

33. In paragraph 30 of the foreword to his initial estimates, the Secretary-General states that he views his budget proposals as an attempt "to do no more than take adequate provision for all immediately essential needs". He goes on to observe that one of the requirements which he considers to be a basic minimum is "adequate staffing to ensure a fair and even distribution of responsibility and effort". The Advisory Committee agrees that if the Organization is to carry out effectively the tasks assigned to it by its membership, it must be provided with the necessary staff. In its recommendations on the initial estimates for 1972 the Committee has attempted, on the basis of the evidence provided to it and of experience, to assess realistically what staff resources are in fact needed. In this connexion the Committee observes that the manpower available to the Secretary-General under the regular budget is not limited to the number of established and

provisional posts. The credits requested in the initial estimates for 1972 for temporary assistance amount to almost \$7.7 million, and for consultants to a further \$2.1 million. As the cost of established posts is estimated by the Secretary-General at about \$109.3 million, the credits for temporary assistance and consultants add about 9 per cent to the regular manpower resources of the Secretariat.

34. The Advisory Committee also shares the Secretary-General's view that in so far as possible the pressure of work in the Secretariat should be evenly spread. This objective was one of the factors which led the Committee, in 1968, to suggest a survey of manpower utilization and deployment in the Secretariat. The work being done by the Administrative Management Service should contribute to that objective by providing a global view of all Secretariat offices, the resources at their disposal and the work they have to do.

35. As stated in chapter III of the present report (see paragraph 109 below), the Advisory Committee concurs in the Secretary-General's request for new posts for the offices listed in paragraph 29 (b) above, the estimates for which take account of the findings of the surveys of the Administrative Management Service. On the other hand, the Committee was not convinced of the need for all the new posts that were requested for UNCTAD (see paragraph 232 below), and has accordingly recommended some reductions.

36. As for the offices grouped in paragraph 29 (c), the initial estimates have little significance as the Secretary-General intends to present revised estimates later in the year; the Advisory Committee notes from paragraphs 8 and 9 of the foreword to the initial estimates that, while the Secretary-General does not attempt to forecast what those revised estimates might be, he expects them to add to - and not reduce - the requirements set out in the initial estimates. The provisional posts in those offices will disappear (either by their outright deletion or by conversion to established posts) in the revised estimates, as their unique purpose has been to provide some relief to certain offices pending the completion of the surveys. In the circumstances, the Committee saw little meaning in retaining budgetary provision at this stage for the provisional posts in the offices concerned. It will be recalled that the Committee discussed this question in its first report on the budget estimates for 1971, 13/ in so far as it related to Secretariat units for which the Secretary-General expected to submit revised estimates late in 1970. Consistent with its action on that occasion, the Committee has excluded from the amounts which it recommends for appropriation all credits for the provisional posts in the offices listed in paragraph 29 (c) above, along with the consequential expenditure for common staff costs. The amounts involved are \$912,500 under section 3 and \$150,500 under section 4. The exclusion of these amounts at this time does not foreshadow a reduction in the initial estimates; the amounts are merely being put in suspense until revised estimates are placed before the General Assembly later this year, along with the Committee's related observations.

37. In the case of the offices listed in paragraph 29 (d) above, for which the manpower surveys will not be completed in time to be reflected in estimates

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13/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8 (A/8008), para. 56.

for 1972, the Secretary-General indicates in paragraph 32 of his foreword that he has requested new provisional posts only to meet the most pressing needs. The Advisory Committee is conscious of the restraint shown by the Secretary-General, but it has not felt able to support all the additions which he has proposed. Apart from the merits of individual requests, the Committee was guided by the view that it is not desirable to add appreciably to the resources of units which have yet to be surveyed by the Administrative Management Service. Similarly, the Committee concluded that requests for reclassifications in these areas should not be considered before the surveys to be done by the Service are completed.

38. In its consideration of the staffing requirements of the United Nations the Advisory Committee was assisted by the information provided by the Administrative Management Service. Discussions with the head of that Service and its staff gave the Committee a better appreciation of the work of the unit.

39. The profitability of the surveys being carried out by the Administrative Management Service cannot be measured simply in terms of staff savings. Improvements in the efficiency of the Organization must be the first consideration. Some of the major recommendations of the Service involve reorganization of work, which may not bear immediate fruit. The longer-term benefits of such recommendations should however be reflected in future estimates. Other recommendations will have a more immediate impact on the number of staff, and there may be a natural tendency to oppose those which are unwelcome or to abandon them before they have been given a fair trial. The Advisory Committee does not suggest that the recommendations of the Service should invariably be accepted: but each recommendation must be judged on its merits if the full benefits of the surveys are to be secured. Furthermore, although it is recognized that some measure of flexibility may be necessary in the interests of good management, the effects of the recommendations of the Service should not be vitiated by excessive flexibility in the use of the manning tables.

40. Table 2 shows the progress made as of the end of June 1971 in the over-all survey of the Organization. It will be seen that the Administrative Management Service expects to complete the survey in 1972. The Advisory Committee feels that in the next phase of its work the Service might, with advantage, place more emphasis on productivity, particularly in those areas where output can be measured with some degree of accuracy. The increase in professional and higher salary rates with effect from 1 July 1971, which were approved by the General Assembly in resolution 2742 (XXV), constitutes an improvement in real income, and the Committee believes that it is reasonable to expect that the staff will respond with increased productivity. Such a response, if properly channelled by management, could place substantial additional capacity at the disposal of the Secretary-General and so reduce both potential demands for permanent staff and the present heavy reliance on temporary assistance and consultants. The Committee's recommendations for chapter III of section 3 should be viewed in this light.

41. In the course of its review of the initial budget estimates for 1972 the Advisory Committee was told by the representatives of several organizational units that their substantive and administrative staffs would require considerable strengthening in order to enable the departments concerned to furnish the necessary support services for the growing number of projects financed from extra-budgetary funds (mainly from UNDP) which they were expecting in the years immediately ahead.



42. The extent to which that additional manpower will be financed from allocations for overhead costs will depend upon decisions to be taken following the completion of a study now being undertaken at the instigation of the Administrator of UNDP.

43. Irrespective, however, of the source of finance the Advisory Committee cautions against a too precipitate expansion of staff to meet contingencies which may not materialize. With the advent of new procedures and the emphasis on country programming the traditional pattern of allocation of UNDP resources may not prevail. In these circumstances, over-insurance by individual executing agencies or departments against future developments could prove uneconomical.

#### INTERNATIONAL COMPUTING CENTRE

44. During its visit to Geneva in May 1971 the Advisory Committee discussed with representatives of the Secretary-General the International Computing Centre in that city, the establishment of which was authorized by the General Assembly in resolution 2741 (XXV). The Committee noted that the Centre had become operational on 1 March 1971 and that its director had been appointed and had taken up his duties.

45. As yet, however, no other organization in the United Nations system has agreed to join with the United Nations, the United Nations Development Programme and the World Health Organization as partners in the Centre. While some organizations have agreed to make use of the Centre's facilities and are participating in the Inter-Organization Board which provides over-all guidance on information systems and related matters, the organizations in general - including those located in Geneva - have continued to use and in some cases expand their own electronic data processing installations. The Advisory Committee was informed that once the International Computing Centre had fully established its work programmes and its procedures, it would be better placed to offer its services to agencies in the United Nations system on conditions which they may find attractive. The Committee can appreciate the reluctance of organizations to commit themselves to full participation while the Centre is in its formative stage. But such hesitation could jeopardize the success of the Centre and it would indeed be ironical if lack of participation by the specialized agencies belied the judgement of the Administrative Committee on Co-ordination, when it agreed that it was desirable to set up a common data-processing facility. The Committee therefore urges all concerned to review their policies so that, as was envisaged when it was created, the Centre may at a very early date become a truly common facility for the United Nations family.

46. In chapter III, the Advisory Committee comments on the initial budget estimates of the Centre for 1972 (see paragraphs 216-218 below). The Committee will return to this question when the additional information it has requested becomes available.

#### PUBLICATIONS AND DOCUMENTATION

47. In accordance with the provisions of paragraph 15 of General Assembly resolution 2609 (XXIV) of 16 December 1969 and paragraph 5 of resolution 2693 (XXV) of 11 December 1970, the Joint Inspection Unit has submitted a report on United



Nations documentation and on the organization of the proceedings of the General Assembly and its main bodies (A/8319). The Secretary-General's observations on this report were not available to the Advisory Committee at its summer session in 1971. Accordingly, the Committee deferred its own detailed discussion of the report until its autumn session. At first sight, however, the report appears to confirm the view, expressed repeatedly by the Committee, that with the concerted efforts of the Secretary-General and Member States a substantial reduction in the volume of documentation could be achieved without affecting the efficiency of the Organization. The Committee trusts therefore that the report, which is the first issued as a corporate effort of the Joint Inspection Unit, will receive the attention it deserves and that the specific observations which it contains will, at the first opportunity, be brought to the attention of the individual organs concerned.

48. Pursuant to General Assembly resolution 2732 (XXV) the Joint Inspection Unit will also submit to the Assembly at its twenty-sixth session a report on recurrent publications of the United Nations. This report was not available to the Advisory Committee at its summer 1971 session.

#### PUBLIC INFORMATION

49. The cost of public information activities in 1972 is estimated by the Secretary-General at about \$11.2 million on a gross basis, and a little more than \$9.7 million net. 14/

50. At the twenty-fifth session of the General Assembly the Secretary-General submitted a review and reappraisal of United Nations information policies and activities. 15/ In its report to the Assembly on that document the Advisory Committee expressed the view that many of the recommendations which it contained raised questions of policy on which the Assembly itself should take a position. 16/ The Fifth Committee began consideration of the Secretary-General's report but at its 1,411th meeting it decided to continue the discussion at the twenty-sixth session of the Assembly. 17/

51. At its summer 1971 session the Advisory Committee received from the Secretary-General a revised version of his review and reappraisal, which he intends to submit to the General Assembly at its twenty-sixth session. In general terms the recommendations contained in this revised document resemble those put forward by the Secretary-General last year, although certain of them have been modified.

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14/ Official Records of the General Assembly, Twenty-sixth Session, Supplement No. 6 (A/8406), vol. II, annex I, schedule VII.

15/ A/C.5/1320 and Corr.1.

16/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8A (A/8008/Add.1-15), document A/8008/Add.5.

17/ Ibid., Twenty-fifth Session, Annexes, agenda item 73, document A/8099, paras. 101-107.

52. The revised report did not contain a full statement of the financial implications of the recommendations for the United Nations budget for 1972 and subsequent years. The Advisory Committee asked for such details but received them too late to enable it to study them at its summer session. However, the Committee will take them into account when reporting to the General Assembly at its twenty-sixth session on the administrative and budgetary aspects of the Secretary-General's revised report.

53. The Advisory Committee believes that the General Assembly should be provided with an estimate of the additional volume of output which the Office of Public Information hopes to achieve if its request for additional resources is granted. In its report to the General Assembly last year the Committee listed the kind of data which, in its view, the Assembly might need to help it reach a decision on whether to approve the proposed regional production bureau at Addis Ababa. <sup>18/</sup> Such data have not been included in the revised report. Similarly, the Committee feels that the General Assembly should be provided with an estimate of the additional number of television programmes which the Office of Public Information would expect to put out if its request for extra equipment were granted. While such an estimate would naturally be approximate, actual output in recent years and the volume of past requests which that Office has had to turn down because of inadequate equipment would provide a fairly reliable basis.

54. Determination of the appropriate level of United Nations information activities necessarily involves an arbitrary decision. After weighing all the considerations the General Assembly must decide how much of the budget it is prepared to devote to these activities. The Advisory Committee for its part is only concerned to see that the Assembly takes its decision in full awareness of both the financial implications of the various proposals before it and of the improvement in services to be expected from any additional expenditure which may be authorized.

#### CONSOLIDATION OF PREMISES AND SERVICES AT OVERSEAS OFFICES

55. The Secretary-General has reported to the Advisory Committee on the progress made during the past twelve months towards the consolidation of premises and services at overseas offices.

56. At Geneva, Addis Ababa, Bangkok and Santiago, additional United Nations buildings are either under construction or being planned. The Advisory Committee's observations on the budgetary implications of this work are to be found in chapter III, paragraphs 162-164 below. As more detailed progress reports on some of those projects will be submitted by the Secretary-General to the General Assembly at its twenty-sixth session, the Committee will reserve its own detailed comments until then. The Committee is, however, disturbed at the rising cost of the extension of the Palais des Nations at Geneva, which appears to be attributable in part to lack of foresight in respect of a number of requirements.

57. During the year under review Governments of host countries have generously increased their assistance to information centres and to UNDP and UNICEF field offices. These Governments now pay full rentals for thirty-six information centres (two more than in 1970), eighty-three UNDP field offices (an increase of eight), and eleven UNICEF field offices (also an increase of eight).

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<sup>18/</sup> Ibid., Twenty-fifth Session, Supplement No. 8A (A/8008/Add.1-15), document A/8008/Add.5, para. 12.

58. Of the 103 UNDP field offices, seventy-three are now housed in shared premises (an increase of eight over 1970). The number of UNICEF field offices in shared premises rose by four, to thirteen. But the number of information centres so housed declined by two, to twenty-nine.

59. As regards future prospects for the consolidation of premises and services, the Secretary-General has informed the Advisory Committee that he intends to be guided by indications received from the Governments of host countries, through the Resident Representatives, as to possibilities and as to the degree of assistance that the Governments would be prepared to offer. The Committee agrees with the Secretary-General that he should proceed cautiously and deal initially with individual cases where realistic possibilities for further progress appear to exist. The Committee concurs in the Secretary-General's suggestion that, once the most promising locations have been identified, the competent Headquarters departments should render all possible assistance to reinforce the local efforts and provide help in preparing space requirements, cost figures and other detailed information. The objective in all cases should be to determine the most effective and economical arrangements from the point of view of both the United Nations and the host Governments concerned.

#### CO-OPERATION WITH THE COMMITTEE FOR PROGRAMME AND CO-ORDINATION

60. In its desire to maintain close contacts and co-operation with the Committee for Programme and Co-ordination (CPC), the Advisory Committee has followed with interest deliberations at the eighth and ninth sessions of that Committee (22 March-8 April 1971, 24 May-14 June 1971).

61. At its eighth session CPC had on its agenda the Advisory Committee's report to the General Assembly at its twenty-fifth session on general co-ordination matters; 19/ this was in line with the Assembly's request that the Secretary-General refer the report, inter alia, to CPC for information and for its comment. 20/ The observations of CPC are contained in chapter III of the report on its eighth session. 21/ The Advisory Committee notes that on certain questions of interorganization co-ordination the views of CPC are close to its own. As to the questions raised in paragraph 24 of the report on its eighth session, which deals with a suggestion of the Advisory Committee that the present reporting system of the Administrative Committee on Co-ordination might be modified, the Advisory Committee has concluded that the most convenient way to bring to the attention of the Fifth Committee information on expenditures on activities financed on an interagency basis is to report thereon in its main budget report; the Committee has done this in chapter III, paragraphs 209-214 and 216-218, below.

62. The Advisory Committee has frequently called attention to the close relationship between programme-review and budget-review. In this connexion the Committee notes that for reasons related to the conduct of the manpower utilization

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19/ Ibid., Twenty-fifth Session, Annexes, agenda item 79, document A/8158.

20/ General Assembly resolution 2731 (XXV).

21/ Official Records of the Economic and Social Council, Fiftieth Session, Supplement No. 5 (E/4989-E/AC.51/51).



and deployment survey, the Secretary-General's annual report on the United Nations work programme in the economic, social and human rights fields and its budgetary requirements was not available to CPC at its ninth session. 22/ In place of that report CPC considered a report of the Secretary-General on programme implementation in 1970 and related matters. 23/ Thus the Advisory Committee, during its consideration of the Secretary-General's initial budget estimates for 1972, did not have the benefit of the views of CPC on those aspects of the work programme which are of interest to that Committee.

#### CO-OPERATION WITH THE JOINT INSPECTION UNIT

63. In its first report to the General Assembly on the budget estimates for 1971 24/ the Advisory Committee listed those reports of the Joint Inspection Unit - together with the Secretary-General's comments thereon - which it had considered at its summer 1970 session. Since the conclusion of that session the Committee has considered the following additional reports, along with the related comments of the Secretary-General and, where applicable, those of the Administrator of UNDP and the executive heads of the specialized agencies:

(a) Observations on the work of the United Nations Office of Technical Co-operation in Colombia (JIU/REP/70/2-1 - E/4906);

(b) Observations on the work of the United Nations Office of Technical Co-operation in Madagascar (JIU/REP/70/6-1 - E/4932);

(c) Report on the activities of the Economic Commission for Latin America (JIU/REP/70/3 - E/4935 and addenda);

(d) Report on the activities of the United Nations family of organizations in some Central American countries (JIU/REP/70/5 - E/4941/Rev.1 and addenda);

(e) Report on the activities of the United Nations in some Central American countries (JIU/REP/70/5-1 - E/4941/Rev.1 and addenda);

(f) Report on United Nations activities and operations in Nepal (JIU/REP/70/4 - E/4951 and addenda);

(g) Observations on the work of the Office of Technical Co-operation of the United Nations in Burma (JIU/REP/71/1-2 - E/5049 and Add.1);

(h) Report on United Nations activities in Indonesia (JIU/REP/71/3 - E/5048 and Add.1).

The Advisory Committee's observations on the above reports have been transmitted to the Economic and Social Council.

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22/ See the summary record of the 325th meeting of CPC (E/AC.51/SR.325).

23/ E/AC.51/52 and Corr.1 and Add.1.

24/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8 (A/8008).

64. During its visit to Geneva in May 1971 the Advisory Committee again met informally with the members of the Joint Inspection Unit to discuss questions of common interest. Among the matters dealt with was how to ensure that recommendations of the inspectors are effectively followed up. The Committee and the Unit agreed that in reporting to the General Assembly on the implementation of recommendations made by the Unit the Secretary-General should aim at brevity and clarity and should precisely indicate to the Assembly those areas where further action is needed.

65. The advisory Committee has been kept informed by the Unit of its programme of work for 1971, and has likewise informed the Unit of its own projected activities and of matters of special interest to it.

## CHAPTER II

### DRAFT RESOLUTIONS

66. In his initial estimates for 1972 the Secretary-General includes four draft resolutions on the budget for the financial year 1972, as follows:

#### Draft budget resolution

67. As the Secretary-General expects to submit substantial additions to his initial estimates for 1972, the Advisory Committee concluded that it would be premature to prepare a draft resolution based on its present recommendations.

68. However, to assist the General Assembly in its consideration of the budget estimates for 1972, the Advisory Committee submits hereunder a comparative table showing the initial estimates proposed by the Secretary-General and the Committee's recommendations thereon. A comparison between the former and the appropriations for 1971 and actual expenses in 1970 is given in table 1. above.

COMPARATIVE TABLE OF APPROPRIATIONS AS PROPOSED BY THE SECRETARY-GENERAL  
AND RECOMMENDED BY THE ADVISORY COMMITTEE

Expenditure estimates

		<u>Secretary- General's budget esti- mates for 1972</u>	<u>Advisory Committee's recommen- dations</u>	<u>Decrease</u>
		\$	\$	\$
Part I.	<u>Sessions of the General Assembly, the councils, commissions and committees; special meetings and conferences</u>			
<u>Section</u>				
1.	Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies . . . . .	1,364,500	1,279,500	85,000
2.	Special meetings and conference .	2,326,800	1,941,800	385,000
Part II.	<u>Staff costs and related expenses</u>			
<u>Section</u>				
3.	Salaries and wages . . . . .	94,338,000	92,580,200 <sup>a/</sup>	1,757,800 <sup>a/</sup>
4.	Common staff costs . . . . .	21,356,000	21,147,000 <sup>b/</sup>	209,000 <sup>b/</sup>
5.	Travel of staff . . . . .	2,635,100	2,585,100	50,000
6.	Payments under annex I, paragraphs 2 and 5, of the Staff Regulations; hospitality . . . . .	159,000	159,000	
Part III.	<u>Construction, alteration, improvement and major maintenance of premises</u>			
<u>Section</u>				
7.	Construction, alteration, improvement and major maintenance of premises . . . . .	11,240,500	11,175,500	65,000

COMPARATIVE TABLE OF APPROPRIATIONS AS PROPOSED BY THE SECRETARY-GENERAL  
AND RECOMMENDED BY THE ADVISORY COMMITTEE (continued)

Expenditure estimates

		<u>Secretary- General's budget esti- mates for 1972</u>	<u>Advisory Committee's recommen- dations</u>	<u>Decrease</u>
		\$	\$	\$
Part IV.	<u>Equipment, supplies and services</u>			
	<u>Section</u>			
8.	Permanent equipment . . . . .	1,063,400	1,018,400	45,000
9.	Maintenance, operation and rental of premises . . . . .	6,688,000	6,553,000	135,000
10.	General expenses . . . . .	5,867,000	5,800,000	67,000
11.	Printing . . . . .	3,288,000	3,218,000	70,000
Part V.	<u>Special expenses</u>			
	<u>Section</u>			
12.	Special expenses . . . . .	10,374,900	10,356,400	18,500
Part VI.	<u>Technical programmes</u>			
	<u>Section</u>			
13.	Economic development, social development, public administration, human rights advisory services and narcotic drugs control . . . . .	5,408,000	5,408,000	-
14.	Industrial development . . . . .	1,500,000	1,500,000	-
Part VII.	<u>United Nations Conference on Trade and Development</u>			
	<u>Section</u>			
15.	United Nations Conference on Trade and Development . . . . .	11,880,900	11,640,400	240,500

COMPARATIVE TABLE OF APPROPRIATIONS AS PROPOSED BY THE SECRETARY-GENERAL  
AND RECOMMENDED BY THE ADVISORY COMMITTEE (continued)

Expenditure estimates

		<u>Secretary- General's budget esti- mates for 1972</u>	<u>Advisory Committee's recommen- dations</u>	<u>Decrease</u>
		\$	\$	\$
<u>Part VIII.</u>	<u>United Nations Industrial Development Organization</u>			
<u>Section</u>				
16.	United Nations Industrial Development Organization . . . . .	13,123,100	12,954,000	169,100
<u>Part IX.</u>	<u>Special missions</u>			
<u>Section</u>				
17.	Special missions . . . . .	8,249,000	8,160,700	88,300
<u>Part X.</u>	<u>Office of the United Nations High Commissioner for Refugees</u>			
<u>Section</u>				
18.	Office of the United Nations High Commissioner for Refugees. . . . .	5,264,500	5,218,500	46,000
<u>Part XI.</u>	<u>International Court of Justice</u>			
<u>Section</u>				
19.	International Court of Justice . . . . .	1,594,800	1,559,800	35,000

Recapitulation:

Secretary-General's estimates . . . . . \$207,721,500

Advisory Committee's recommendations:

(a) Total reduction . . . . . \$2,403,200

(b) Total excluded pending submission  
of revised estimates . . . . . \$1,063,000      3,466,200

Initial estimates recommended by the  
Advisory Committee . . . . . \$204,255,300

COMPARATIVE TABLE OF APPROPRIATIONS AS PROPOSED BY THE SECRETARY-GENERAL  
AND RECOMMENDED BY THE ADVISORY COMMITTEE

Income estimates

		<u>Secretary- General's budget esti- mates for 1972</u>	<u>Advisory Committee's recommen- dations</u>	<u>Increase or (decrease)</u>
		\$	\$	\$
<u>Part I.</u>	<u>Income from staff assessment</u>			
<u>Income Section</u>				
1.	Income from staff assessment . . . . .	24,950,000	24,540,000 <sup>c/</sup>	(410,000) <sup>c/</sup>
<u>Part II.</u>	<u>Other income</u>			
<u>Income Section</u>				
2.	Funds provided from extra- budgetary accounts . . . . .	2,499,400	2,499,400	
3.	General income . . . . .	4,943,000	4,953,000	10,000
4.	Revenue-producing activities . . . . .	3,178,400	3,213,400	35,000
	<u>Recapitulation:</u>			
	Secretary-General's estimates . . . . .		\$35,570,800	
	Advisory Committee's recommendations:			
	(a) Total reduction . . . . .	165,000		
	(b) Total excluded pending submission of revised estimates . . . . .	<u>200,000</u>		<u>365,000</u>
	Initial estimate recommended by the Advisory Committee . . . . .			\$35,205,800

<sup>a/</sup> After allowing, inter alia, for the exclusion of the credits (\$912,500) described in paragraph 131 below.

<sup>b/</sup> After allowing, inter alia, for the exclusion of the credits (\$150,500) described in paragraph 147 below.

<sup>c/</sup> After allowing, inter alia, for the exclusion of the credits (\$200,000) explained in paragraph 317 below.

Draft resolution on unforeseen and extraordinary expenses

69. The draft resolution as submitted by the Secretary-General follows the form of General Assembly resolution 2739 (XXV) of 17 December 1970 on unforeseen and extraordinary expenses for the financial year 1971. This is consistent with the decision taken by the Fifth Committee at its twenty-fifth session to defer further consideration of the procedures suggested by the Advisory Committee at the twenty-fourth session of the Assembly. 25/ The Advisory Committee recommends adoption of the text proposed by the Secretary-General.

Draft resolution on the Working Capital Fund

70. The Secretary-General recommends a draft resolution along the lines of General Assembly resolution 2740 (XXV) of 17 December 1970. Regarding operative paragraph 5 of the text, the Advisory Committee was informed that, with the growth of the regular budget, the Secretary-General had made increasing use in recent years of his authority to borrow from special funds and accounts in his custody.

71. The Advisory Committee recalled that in a submission to the twelfth session of the Governing Council of UNDP, the Administrator recommended that articles IV and V of the Financial Regulations of the Programme be revised so as to confer on him, rather than on the Secretary-General, direct responsibility for the custody and investment of UNDP funds. 26/ In its related observations the Committee indicated that the Administrator's recommendation might have an impact on the United Nations budget and the level of the Working Capital Fund. The Committee recommended - and the Governing Council agreed - that a decision should be deferred until the thirteenth session of the Council and that in the meantime the Administrator's proposals should also be brought to the attention of the General Assembly. 27/

Draft resolution on the agreement with the Carnegie Foundation

72. In draft resolution IV the Secretary-General recommends that the General Assembly should approve a supplementary agreement between the United Nations and the Carnegie Foundation, whereby the annual contribution payable by the International Court of Justice in respect of the use of the Peace Palace would be raised to 225,000 Netherlands florins net, with effect from 1 January 1972, as against 150,000 florins in 1971.

73. The Secretary-General's reasons for making this proposal and the Advisory Committee's observations thereon are set out in chapter III (paragraph 309 below). The proposed increase in the payment to the Carnegie Foundation consists of two distinct elements, one of which constitutes an increase in the amount of the annual contribution and the other a supplementary contribution towards the cost of the

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25/ Official Records of the General Assembly, Twenty-fifth Session, Annexes, agenda item 73, document A/8099.

26/ DP/L.174.

27/ DP/L.179/Add.1.



restoration of the Peace Palace, on which work is expected to be completed in 1974. The Advisory Committee believes that those two elements should be clearly differentiated in the supplementary agreement. Accordingly it recommends that the annex to draft resolution IV be amended as follows:

"1. The United Nations and the Carnegie Foundation hereby agree that article II of the Agreement between the United Nations and the Carnegie Foundation concerning the use of the premises of the Peace Palace at The Hague as contained in annex A to General Assembly resolution 84 (I) of 11 December 1946, as amended by the Supplementary Agreements contained in the annexes to General Assembly resolutions 586 (VI) of 21 December 1951 and 1343 (XIII) of 13 December 1958, shall be amended to read as follows:

'Article II

The annual contribution payable by the International Court of Justice in respect of the use of the Peace Palace is hereby fixed at 200,000 Netherlands florins net.'

"2. The two parties further agree that in 1972, 1973 and 1974 the International Court of Justice shall pay to the Carnegie Foundation a supplementary contribution of 25,000 Netherlands florins a year towards the cost of the restoration of the Peace Palace.

"3. This Supplementary Agreement shall enter into force with effect from 1 January 1972."

CHAPTER III

DETAILED RECOMMENDATIONS ON THE BUDGET ESTIMATES

EXPENDITURE ESTIMATES

PART I. SESSIONS OF THE GENERAL ASSEMBLY, THE COUNCILS,  
COMMISSIONS AND COMMITTEES; SPECIAL MEETINGS  
AND CONFERENCES

Section 1. Travel and other expenses of representatives and  
members of commissions, committees and other  
subsidiary bodies

	\$
Estimate submitted by the Secretary-General . . . . .	1,364,500
Estimate recommended by the Advisory Committee . . . . .	1,279,500
1971 (appropriation) . . . . .	1,387,100
1970 (actual expense) . . . . .	1,330,444

74. Section 1 contains provision for travel and, as appropriate, subsistence and/or honoraria relating to the programme of meetings of the General Assembly, the Security Council, the Economic and Social Council and the Trusteeship Council, and their commissions and committees scheduled to take place in 1972.

75. Legislative authority for the payment of travel and subsistence allowances to members of United Nations organs is contained in General Assembly resolution 1798 (XVII) of 11 December 1962, as amended by resolution 2128 (XX) of 21 December 1965 and resolution 2245 (XXI) of 20 December 1966, and in resolution 2489 (XXIII) of 21 December 1968, which laid down additional rules. These resolutions provide that reimbursement of travel expenses by the United Nations is limited to the cost of economy-class accommodation by air, or its equivalent, except that one representative of each Member State attending sessions of the General Assembly, and all persons serving in their individual capacities are reimbursed for actual expenses up to the cost of first-class accommodation by air, or its equivalent, via a direct route.

76. A comparison by chapter of the 1972 estimates, the 1971 appropriations and the 1970 actual expenses is shown in table 3 below.

Table 3

<u>Chapter</u>	<u>1972 estimates</u>	<u>1971 appropriations</u>	<u>1970 actual expenses</u>	<u>Increase (decrease) between 1971 and 1972</u>
	\$	\$	\$	\$
I. The General Assembly, commissions and committees	1,118,400	1,040,500	1,051,318	77,900
II. The Security Council, commissions and committees	-	-	-	-
III. The Economic and Social Council, commissions and committees . . . . .	246,100	306,600	249,755	(60,500)
IV. The Trusteeship Council, commissions and committees . . . . .	-	40,000	29,371	(40,000)
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TOTAL, section 1 . .	1,364,500	1,387,100	1,330,444	(22,600)
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77. The 1972 estimate of \$1,364,500 for this section shows a decrease of \$22,600, compared with the 1971 appropriation. This difference is accounted for by a decrease of \$60,500 under chapter III (The Economic and Social Council commissions and committees) and by the fact that no costs are included under chapter IV (The Trusteeship Council, commissions and committees). The decreases are offset to some extent by the increase of \$77,900 under chapter I (The General Assembly, commissions and committees).

78. The 1972 estimates take into account an increase of approximately 7 per cent in trans-Pacific air travel fares with effect from 1 March 1971, and an increase of 4 to 6 per cent in trans-Atlantic air travel fares with effect from 1 April 1971.

79. The increase under chapter I is due to higher estimates for the travel of representatives and members to the General Assembly (up \$60,000), the Advisory Committee on Administrative and Budgetary Questions (up \$4,000), the United Nations Administrative Tribunal (up \$2,000), the United Nations Scientific Committee on the Effects of Atomic Radiation (up \$6,500), the International Law Commission (up \$7,500) and the United Nations Commission on International Trade Law (up \$1,000).

Decreases are shown, under the same chapter, for the Committee on Contributions (down \$3,000) and the United Nations Joint Staff Pension Board (down \$100).

80. The decrease in the estimate for chapter III (The Economic and Social Council, commissions and committees) is due to three factors. First, three commissions which met in 1971 are not scheduled to meet in 1972, resulting in savings of \$45,900: the Commission for Social Development, the Population Commission, and the Commission on Narcotic Drugs. Secondly, there are decreases of \$1,000 each in the estimates for the Sub-Commission on Prevention of Discrimination and Protection of Minorities and the Advisory Committee of Experts on the Prevention of Crime and Treatment of Offenders. Thirdly, the Secretary-General has made no provision in his initial estimates for the Advisory Committee on the Application of Science and Technology to Development (for which \$78,000 is appropriated for 1971) as the current terms of reference of this body expire on 31 December 1971. The above savings and decreases are offset to some extent by provisions for the Commission on the Status of Women (\$24,000) and the Statistical Commission (\$14,000), for which no appropriations are included in the 1971 budget, and by increases for the Commission on Human Rights (up \$8,500), the Committee for Development Planning (up \$14,000) and the International Narcotics Control Board (up \$4,700).

81. There is no provision under chapter IV (The Trusteeship Council, commissions and committees) since no visiting mission was scheduled for 1972 at the time the initial estimates were prepared.

82. The Advisory Committee has noted in the past that the non-exercise of entitlements relating to travel to sessions of the General Assembly has usually been higher than anticipated. Moreover, the estimates for section 1 with the exception of travel to session of the General Assembly, are drawn up on the assumption of full attendance, although it is seldom that all the entitlements are exercised in full. The Advisory Committee therefore, recommends that the Secretary-General's estimate for section 1 should be reduced by \$85,000.

Reduction recommended

	\$
Section 1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies . . . . .	85,000
 <u>Section 2. Special meetings and conferences</u>	
	\$
Estimate submitted by the Secretary-General . . . . .	2,326,800
Estimate recommended by the Advisory Committee . . . . .	1,941,800
1971 (appropriation) . . . . .	3,317,800
1970 (actual expense) . . . . .	1,691,802

83. This section covers estimates for the regular sessions of ECAFE, ECLA and ECA and for conferences of an extraordinary character, which vary in number and size from year to year. The sessions of ECE (which are serviced from within resources available to the United Nations Office at Geneva) and those of the General Assembly, the councils, commissions and other subsidiary organs are serviced by staff whose salaries and common staff costs are included under sections 3 and 4 and travel under section 5. The estimates for conferences of UNCTAD and UNIDO are given under sections 15 and 16.

84. The estimate for chapter I (Conference of the Committee on Disarmament), at \$852,000, is \$93,000 more than the 1971 appropriation of \$759,000, and \$234,152, or nearly 38 per cent, above actual expenditure in 1970 (\$617,848). Of the 1970 expenditure, approximately \$588,000 was attributable to the cost of temporary assistance. The Conference held forty-six meetings in 1970, so the average cost of the temporary assistance was approximately \$13,000 per meeting. The Advisory Committee was informed that a major factor contributing to the high cost of meetings of the Conference is the provision of verbatim records: if summary records were provided instead of verbatim records the 1972 estimate could be reduced by nearly \$231,000. Furthermore, verbatim reporters recruited for the Conference are not fully employed on the days when the Conference is not meeting, whereas translators, interpreters and other Conference staff can be assigned to other duties.

85. The Advisory Committee recognizes that the Conference of the Committee on Disarmament has traditionally been provided with verbatim records. In the intervening years, however, the General Assembly has adopted a number of resolutions on the control and limitation of documentation; it has indicated the desire to control the volume of records and has requested the Advisory Committee and other bodies to make suggestions to that effect. Considering the high cost of the provision of verbatim records to the Conference, the Committee recommends that the General Assembly consider whether they should be continued after 1971. Such a review would be consistent with the spirit of operative paragraph 10 (b) of resolution 2538 (XXIV), wherein the General Assembly decided that:

"Verbatim or summary records shall not be provided for a newly established subsidiary body of the General Assembly - rule 60 of the rules of procedure of the Assembly notwithstanding - or for a special meeting or conference, unless they are specifically authorized in the enabling resolution."

86. Accordingly, the Advisory Committee recommends that, pending a decision by the General Assembly, the estimate for chapter I should be reduced by \$230,000. The Committee also believes that the Secretary-General's estimate for the expenses of the Conference for 1972 may have been too high. On the basis of actual expenses in 1970, excluding the cost of verbatim records but adjusted to take account of higher salary rates, the Committee recommends that the initial estimate for chapter I should be reduced by a further amount of \$70,000, for a total reduction of \$300,000, i.e. from \$852,000 to \$552,000. The Committee will review this estimate again when the question of the records of the Conference has been resolved.

87. The Committee on the Peaceful Uses of Outer Space (chapter II) had not taken a decision on its programme of meetings for 1972 at the time the Secretary-General's initial budget estimates were being prepared. Accordingly, the 1972 provision of \$95,000 for meetings of its Sub-Committees is based on the 1971 appropriation.

88. The 1972 estimate for chapter III (twenty-eighth session of ECAFE) is \$26,000, compared with \$35,000 for 1971. The 1972 figure includes a provisional amount of \$20,000 for the twenty-eighth session, which will be held in Bangkok and detailed cost estimates will be submitted to the General Assembly at its twenty-sixth session. The balance of \$6,000 is intended to cover miscellaneous expenses to be incurred by the Commission in respect of the sixth session of the Council of Ministers for Asian Economic Co-operation.

89. Chapter IV shows an estimate of \$268,200 for the Conference on International Container Traffic which will be undertaken jointly by the United Nations and the Inter-Governmental Maritime Consultative Organization; the latter organization has included an amount of \$76,000 for the Conference in its 1972/1973 budget for consideration by its Assembly in October 1971; if approved it is expected that \$60,000 could be made available to the United Nations as a contribution towards the costs of the Conference (this amount would be shown as a revised estimate of income under Income section 3), the balance of \$16,000 would be earmarked for travel and subsistence of IMCO staff.

90. The Advisory Committee was informed that the estimate includes \$170,000 for temporary conference servicing staff (sixteen interpreters, thirty translators, ten revisers, thirty typists and thirty-one other general service staff for five weeks, and an additional complement of eight interpreters, eighteen translators, four revisers and eighteen typists for three days). The Committee notes that summaries and minutes of the discussions will be drawn up from tape recordings of the proceedings of the Conference, a method which, while delaying somewhat the issuance of records, can lead to savings in manpower. For this reason, and also because it expects that the Geneva office will provide some support from its own resources, the Committee believes that some savings are possible on temporary conference-servicing staff. The Committee also urges that savings be effected under the item for consultants and reproduction and distribution of in-session documentation. The Committee recommends, that the estimate under chapter IV be reduced by \$15,000 to \$253,200.

91. The estimate of \$13,000 for chapter V (Sixth United Nations Regional Cartographic Conference for Asia and the Far East) covers the contractual printing costs of the French version of volume II of the final report and technical papers of the Conference. This is \$5,600 above the sum earmarked for the same purpose in the original cost estimates for the Conference. However, the Advisory Committee was informed that while the costs of volume II had been underestimated in the original submission, the costs of volume I had been over-estimated so that total printing costs would not go beyond the amount indicated in the initial estimates.

92. Chapter VI provides \$73,800 for the Second United Nations Conference on Standardization of Geographical Names to be held in the first half of 1972. Together with the 1971 appropriation of \$10,800, this provision makes up to the \$84,600 estimated as the total costs of the Conference in the Statement of financial implications. 28/ The 1972 figure includes \$28,000 for the printing of the final report in three languages. Should there be a delay in the submission of the manuscripts to the printers, the Secretary-General will surrender the unexpended balance in 1972 and request a corresponding appropriation for 1973.

93. The estimate of \$28,800 under chapter VII (Economic Commission for Africa: meetings of the Executive Committee and the Technical Experts Committee) is \$116,800 below the 1971 appropriation, which also included a provision for the tenth session of the Commission in Tunis.

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28/ Official Records of the Economic and Social Council, Resumed  
Forty-eighth Session, Annexes, agenda item 11, document E/4812/Add.1



94. The provision of \$111,000 under chapter VIII (Fourth International Conference on the Peaceful Uses of Atomic Energy, to be held in 1971) represents the 1972 balance of the United Nations share of the costs of translation and publication of the proceedings of the Conference (\$216,750).

95. Chapter IX provides an estimate of \$93,000 for the Third World Population Conference to be held in 1974. The largest item is temporary assistance for the Conference secretariat (one P-5, one P-3, one G-5 and one G-3/4), estimated at \$84,000. The Advisory Committee is of the opinion that as the Conference is not scheduled until 1974, the permanent staff of the Population Division can undertake some of the preparatory work, thus reducing the need for temporary assistance and consultants. Therefore, the Committee recommends that the estimate for chapter IX be reduced by \$40,000. Furthermore, the Committee expects that the Secretary-General will explore the possibility of securing assistance for the Conference from sources outside the regular budget.

96. The estimate of \$730,000 under chapter X (United Nations Conference on the Human Environment) is based on the statement of financial implications <sup>29/</sup> submitted to the General Assembly at its twenty-fifth session. The Conference will be held in Stockholm, at the invitation of the Swedish Government, but the costs are calculated as if the venue were Geneva since the Government of the host country, in accordance with normal practice, will reimburse the United Nations for any extra expenses resulting from the change in venue. The 1972 estimate makes provision for the continuation during the first six months of 1972 of the special secretariat of the Conference at a cost of \$297,000, which is \$27,000 above the provision made in the statement of financial implications. The Committee reiterates the recommendation made in its eleventh report to the General Assembly at its twenty-fifth session on the budget estimates for 1971 that efforts be made to draw staff from the United Nations Secretariat, wherever possible, and that the specialized agencies be approached for the loan of qualified personnel, on a non-reimbursable basis.<sup>30/</sup> The costs of public information activities related to the Conference are estimated at \$68,500; this figure, however, unlike the rest of the estimate, includes certain extra travel and subsistence costs which are attributable to holding the Conference in Stockholm. Moreover, the Advisory Committee believes that the number of information staff could be reduced without adverse effects on the work of the Conference. The Committee accordingly recommends that the total estimate for chapter X should be reduced by \$30,000.

97. Chapter XI shows an estimate of \$36,000 for preparatory work for the Second Asian Population Conference, which is to be convened not earlier than October 1972 nor later than August 1973. The Advisory Committee understands that this is in accordance with the recommendation of the Second World Population Conference that regional population conferences be held before the Third World Population Conference is convened. The 1972 estimate for this chapter is based on the assumption that the preparatory work will be carried out in Bangkok. The actual venue of the Conference itself is as yet undetermined.

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<sup>29/</sup> Official Records of the General Assembly, Twenty-fifth Session, Annexes, agenda item 43, document A/8065/Add.1

<sup>30/</sup> Ibid., Twenty-fifth Session, Supplement No. 8A (A/8008/Add.1-15), document A/8008/Add.10.



Recapitulation of reductions recommended:

	\$
Section 2. Special meetings and Conferences,	
Chapter I, Conference of the Committee on Disarmament . . .	300,000
Chapter IV, Conference on International Container Traffic . . . . .	15,000
Chapter IX, Third World Population Conference . . . . .	40,000
Chapter X, United Nations Conference on the Human Environment . . . . .	30,000
	<hr/>
	385,000
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PART II. STAFF COSTS AND RELATED EXPENSES

Section 3. Salaries and wages

Estimate submitted by the Secretary-General . . . . .	\$ 94,338,000
Estimate recommended by the Advisory Committee . . . . .	92,580,200 <sup>a/</sup>
1971 (appropriation) . . . . .	86,158,700
1970 (actual expense) . . . . .	76,204,908 <sup>b/</sup>

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a/ After allowing for the exclusion of a credit of \$912,500 for the reason explained in paragraph 131 below.

b/ Adjusted to reflect changes in presentation in 1971 and 1972.

General

98. Section 3 covers the salaries and wages for all established and provisional posts, temporary assistance (including experts and consultants) and overtime and night differential for all departments and offices except the United Nations Memorial Cemetery in Korea (section 12, chapter I), units financed jointly on an interagency basis (section 12, chapters VI-IX), the posts financed under the regular programme of technical co-operation (sections 13 and 14), the United Nations Conference on Trade and Development (section 15), the United Nations Industrial Development Organization (section 16), Special missions (section 17), the Office of the United Nations High Commissioner for Refugees (section 18), the International Court of Justice (section 19), and the revenue-producing activities (Income sections 3 and 4). It also excludes temporary assistance for special meetings and conferences (section 2).

99. The estimate for 1972 exceeds the 1971 appropriation by \$8,179,300. In table 4 below, which gives a comparative breakdown by chapter, the figures for 1971 and 1970 have been adjusted for purposes of comparability to reflect the abolition of a number of provisional posts under chapter V and their replacement in 1971 or proposed replacement in 1972 by established posts, and also certain changes in presentation. These adjustments are itemized in note (a) to table 3-1 and in foot-note 1, section 3, of the Secretary-General's initial estimates.

100. A major factor contributing to the increase under section 3 is that the higher salary scales for staff in the professional and higher categories approved by the General Assembly in resolution 2742 (XXV) will apply for the whole of 1972, as compared with six months in 1971. Furthermore, the Secretary-General expects

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Table 4. Section 3. Salaries and wages

<u>Chapter</u>	<u>1972</u> <u>Estimates</u>	<u>1971</u> <u>Appropriations</u> <u>(adjusted)</u>	<u>1970</u> <u>Expenses</u> <u>(adjusted)</u>	<u>Increases</u> <u>1972 over</u> <u>1971</u>
	\$	\$	\$	\$
I. Established posts . . . . .	85,182,000	78,080,500	69,868,465	7,101,500
II. Temporary assistance for meetings . . . . .	2,018,000	1,860,300	1,770,424	157,700
III. Other temporary assistance . .	3,977,000	3,907,000	2,821,548	70,000
IV. Overtime and night differential . . . . .	1,610,000	1,364,000	1,419,874	246,000
V. Provisional staff requirements . . . . .	1,551,000	946,900	324,597	604,100
<b>TOTAL, section 3 . . . . .</b>	<u>94,338,000</u>	<u>86,158,700</u>	<u>76,204,908</u>	<u>8,179,300</u>

added requirements for post adjustments, reflecting continuing inflationary pressures in most parts of the world, and for increased scales of pay for general service, manual and local staff. In a table annexed to his foreword in which he analyzes the reasons for the increases in 1972 over 1971, the Secretary-General divides the over-all increase of \$8,179,300 under section 3 into a total of \$7,210,000 attributable to increases in salary and related scales, and \$969,300 for new requirements over and above the approved level for 1971.

101. As was already noted in paragraph 29 (c) above, the initial estimate for section 3 will be subject to revision later this year in respect of the requirements of the Offices of the Under-Secretaries-General for Special Political Affairs, the Office for Inter-Agency Affairs, the Office of Legal Affairs, the Department of Political and Security Council Affairs, the Department of Trusteeship and Non-Self-Governing Territories, the Department of Economic and Social Affairs, the Centre for Economic and Social Information, the United Nations Office at Geneva (excluding ECE) and the information centres, for which the Secretary-General intends to submit revised estimates, reflecting the findings of the surveys of those areas by the Administrative Management Service.

Chapter 1. Established posts

Estimate submitted by the Secretary-General . . . . .	\$ 85,182,000
Estimate recommended by the Advisory Committee . . . . .	85,129,000
1971 (appropriation) . . . . .	78,080,500
1970 (actual expense) . . . . .	69,868,465

102. The initial estimate for chapter I exceeds the 1971 appropriation by \$7,101,500. The Secretary-General has broken down this increase into two constituents: (i) the additional cost in 1972 of maintaining the establishment approved for 1971 (\$6,435,000); and (ii) the cost of proposed new established posts and reclassifications (\$666,500).

(a) Extra cost of continuing the 1971 establishment

103. The additional costs expected to arise in 1972 for maintaining the 1971 establishment can be itemized as follows:

	\$
(i) The effect on a full-year basis of the salary increase for staff in the professional and higher categories, as approved by General Assembly resolution 2742 (XXV) of 17 December 1970 . . . . .	3,637,400
(ii) Higher post classifications expected in New York (\$429,500) and Geneva (\$48,800), partly offset by a net reduction at other offices . . . . .	413,500
(iii) Expected increases in general service salary rates at New York (\$1,280,800), Geneva (\$254,200) and other established offices (\$567,000) <u>a/</u> . . . . .	2,102,000
(iv) Increases in manual worker wage rates in New York (\$156,700) and Geneva (\$52,800) . . . . .	189,500
(v) Higher cost in 1972 of a number of posts proposed for conversion from provisional to established <u>b/</u> . . . . .	116,200
	6,458,600
<u>Less</u> net effect of other factors . . . . .	23,600
	6,435,000
TOTAL . . . . .	

a/ Includes \$328,800 for the cost in 1972 of increases which have already taken effect.

b/ See also paragraph 104 of the present report.

(b) Additional established posts and reclassifications requested for 1972

104. In aggregate the Secretary-General requests the addition of 128 posts under chapter I of this section: 50 at the professional and higher levels, ten general service and 68 in the local category. The above figures include however 17 posts at the professional and higher levels, five in the general service category and 27 at the local level which were approved for 1971 as provisional posts under chapter V; they are now being requested under chapter I as the organizational units in which they are located (ECE, ECAFE and the United Nations Economic and Social Office at Beirut) have since been surveyed

by the Administrative Management Service. If adjustment is made for those 49 posts, the net addition of new posts is 79 (33 professional and above, five general service, 41 local). Furthermore, the Secretary-General proposes 42 reclassifications within the professional category and above (of which 37 would be upward and five downward), and eight reclassifications from the general service to the professional category.

105. On the basis of the above proposals the number of established posts financed from section 3 would increase from a total of 6,137 (2,420 professional and above, 2,607 general service, 1,110 local) in 1971 31/ to 6,216 (2,461 professional and above, 2,604 general service, 1,151 local) in 1972.

106. The proposed new posts and reclassifications would have the following effects on staff resources within the offices concerned:

<u>Unit</u>	<u>Staff increases or (reductions)</u>			
	<u>Professional and above</u>	<u>General service</u>	<u>Local</u>	<u>Total</u>
Internal Audit Service (Office of the Controller <u>a/</u> . . . . .	1	(1)	-	-
Office of Personnel (including Health Service) <u>a/</u> . . . . .	4	(4)	-	-
Economic Commission for Europe . . . . .	5	4		9
Economic Commission for Asia and the Far East . . . . .	5		12	17
Economic Commission for Latin America . . . . .	8		18	26
Economic Commission for Africa . . . . .	11		5	16
United Nations Economic and Social Office at Beirut . . . . .	2		6	8
Office of Public Information . . . . .	2	1		3
Office of General Services <u>a/</u> . . . . .	3	(3)		-
	<u>41</u>	<u>(3)</u>	<u>41</u>	<u>79</u>

a/ Changes due exclusively to proposed reclassifications from the general service to the professional category.

107. As the table indicates, the proposals for new posts are restricted to six offices: the four regional economic commissions the Economic and Social Office at Beirut and the Office of Public Information. With the exception of the latter

31/ The 17 professional and above, five general service and 27 local level posts which it is proposed to transfer from chapter V are included in these figures.

office the Secretary-General's proposals are based on the conclusions of the manpower surveys carried out by the Administrative Management Service. In the case of ECA the posts involved had already been recommended by the Service for inclusion in the 1971 budget, but their authorization was deferred: 32/ the survey of the office at Beirut was completed late in 1970 and those of ECE, ECAFE and ECLA early in 1971.

108. The two new professional and one general service posts requested for the Office of Public Information are the only such posts under chapter I of section 3 which have not been recommended by the Administrative Management Service. They are intended to respond to a request expressed by the Fifth Committee during the twenty-fifth session of the General Assembly that a French language production unit be established on a permanent basis in the Press and Publications Division.33/ It will be recalled that the manpower survey of the Office of Public Information was carried out during 1970 and that the staffing level approved for 1971 reflected in large part its findings. 34/

109. In the light of the justifications set out in the budget estimates, and the additional information provided to it in the course of its hearings, the Advisory Committee concurs in the Secretary-General's request for the new established posts for the regional economic commissions and the Economic and Social Office at Beirut.

110. The Advisory Committee does not object to the proposed three new established posts in the Office of Public Information, although it is not fully convinced that the function for which they are intended could not be carried out - as the Fifth Committee apparently intended 35/ - by the existing staff available to the Press and Publication Division, which totals 36 at the professional and higher levels, and 29 general service.

111. The 50 reclassifications referred to in paragraph 104 above affect the Executive Office of the Secretary-General (two), the Office of the Controller (nine) the Office of Personnel (eight), the Office of Conference Services (seven), the Office of General Services (five), ECE (one), ECAFE (eight), ECLA (nine), and the Economic and Social Office at Beirut (one). The Advisory Committee believes that it would be premature to consider the reclassification of posts in advance of the findings of the Administrative Management Service. In the light of the information provided to it, the Committee recommends for approval the reclassifications proposed by the Secretary-General in the Office of Conference Services, the three regional commissions and the office at Beirut. The effect of the above recommendation would be to reduce requirements under chapter I by about \$53,000.

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32/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8A (A/8008/Add.1-15), document A/8008/Add.4, para. 11.

33/ Ibid., Twenty-fifth Session, Annexes, agenda item 73, document A/8099, paras. 89-92.

34/ Ibid., Twenty-fifth Session, Supplement No. 8A (A/8008/Add.1-15) document A/8008/Add.4, paras. 30 and 31.

35/ Ibid., Twenty-fifth Session, Annexes, agenda item 73, document A/8099, para. 91.

Chapter II. Temporary assistance for meetings

	\$
Estimate submitted by the Secretary General . . . . .	2,018,000
Estimate recommended by the Advisory Committee . . . . .	1,918,000
1971 (appropriation) . . . . .	1,860,300
1970 (actual expense) . . . . .	1,770,424

112. The estimate for this chapter provides for temporary assistance requirements at the twenty-seventh session of the General Assembly and for a number of meetings to be held in Geneva. The increase over the 1971 appropriation is \$157,700.

113. The requirements for the General Assembly are estimated by the Secretary-General at \$1,675,000, an increase of \$266,200 over the 1971 appropriation of \$1,408,800; the increase over the 1970 expense of \$1,420,054 is \$254,946. The increase over 1971 is broken down by the Secretary-General into \$67,800 for additional temporary staff, and \$198,400 for increase in salary rates, subsistence costs and travel fares.

114. The Advisory Committee noted that while the number of temporary general service staff recruited for the sessions of the General Assembly has remained fairly constant the number of temporary professional staff has increased considerably in recent years: from 107 in 1968 to 124 in 1969 and 155 in 1970. The largest increases occurred in the Translation Service, (29 temporary professional staff in 1970 compared to eight in 1968) and in the Verbatim Reporting Section (59 temporary professional staff in 1970 compared to 39 in 1968). Sizable increases also occurred in the temporary professional requirements of the Press and Publications Division of the Office of Public Information (12 in 1970 compared to eight in 1968) and of the Official Records Editing Section in the Office of Conference Services (13 compared to 10). Requirements for the twenty-sixth session of the General Assembly in 1971 are expected to be slightly higher than in 1970, owing to the engagement of additional temporary interpreters.

115. In the meantime the duration of the sessions of the General Assembly and the number of official meetings have remained virtually unchanged. The volume of Assembly documentation actually decreased by 2,400 pages between 1968 (16,492) and 1970 (14,082). 36/ Admittedly, the adoption of General Assembly resolution 2479 (XXIII) necessitated the engagement of additional verbatim reporters during the sessions, but that could hardly justify the magnitude of the increase in temporary staff, particularly in the Translation Service.

116. In the circumstances, the Advisory Committee recommends that the temporary assistance requirements for sessions of the General Assembly be subjected to careful review. The Committee believes that if more strenuous efforts were made to improve productivity very substantial economies could be achieved.

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36/ A/8319, annex - JIU/REP/71/4, table 3.



117. The requirements at Geneva are estimated by the Secretary-General at \$343,000, i.e. approximately the same as actual expense in 1970. The estimate is \$108,500 lower than the 1971 appropriation of \$451,500; the decrease is attributable to a lighter schedule of meetings in 1972.

118. For the reason indicated in paragraphs 114 to 116 above, the Advisory Committee recommends that the estimate for chapter II be reduced by \$100,000 to \$1,918,000.

Chapter III. Other temporary assistance

	\$
Estimate submitted by the Secretary-General . . . . .	3,977,000
Estimate recommended by the Advisory Committee . . . . .	3,527,000
1971 (appropriation) . . . . .	3,907,000
1970 (actual expense) . . . . .	2,821,548

119. This chapter provides for general temporary assistance (\$2,313,400, an increase of \$360,800 over the 1971 appropriation), individual experts and consultants (\$1,358,600, or \$111,200 less than in 1971) and ad hoc expert groups (\$305,000, or \$179,600 less than appropriated for 1971).

120. The estimate for article (i) General temporary assistance, understates the magnitude of the increase since the Secretary-General is requesting under chapter V a number of additional provisional posts in the Office of Personnel and the Office of General Services to regularize situations hitherto calling for the employment of temporary assistance.

121. Included in the request for general temporary assistance is a lump-sum provision of \$230,000 for the operation and maintenance of the new wing of the Palais des Nations at Geneva on the assumption that partial occupancy will prove possible in the course of the year. During its visit to Geneva in May 1971 the Advisory Committee was informed that the extension project was running behind schedule. In the circumstances the Committee is of the view that the lump-sum request can be reduced by \$100,000.

122. Bearing in mind the magnitude of the credit requested under article (i) the Advisory Committee believes that a further reduction of \$100,000 should be within the Secretary-General's reach through closer control of departmental requests coupled with a determined effort to improve productivity. In this connexion the Advisory Committee believes that any reduction in output which might have resulted from the Secretary-General's decision in 1970 to extend the shorter working week to the entire year outside the session of the General Assembly should be compensated by increased productivity of the regular staff and not by recourse to temporary assistance.

123. In its examination of the estimate under article (i) the Advisory Committee was informed that in 1971 the corresponding credit is being used, inter alia, to finance on a continuing basis 13 professional and 79 general service posts at Headquarters. The Committee finds this situation unsatisfactory and trusts that the Administrative Management Service will pay particular attention to it during its survey of the departments concerned.

124. The estimate under article (ii) (Individual experts and consultants) is \$111,200 less than the 1971 appropriation. Of that decrease, however, special requirements in 1971 in the Office of the Controller and the Office of Personnel account for \$86,000. When compared with actual expense in 1970 (\$1,078,041) the estimate shows an increase of approximately \$280,000. The Advisory Committee believes that individual experts and consultants should be employed only when the necessary expertise is not available in the Secretariat. In the circumstances, it recommends a reduction of \$200,000 under this article.

125. The estimate under article (iii) (Ad hoc expert groups)(\$305,000), though \$179,600 less than the appropriation for 1971, is higher than actual expenses in 1970 (\$232,776), 1969 (\$252,919) and 1968 (\$69,677). By reference to actual needs in recent years the Advisory Committee recommends that the estimate under article (iii) should be reduced by \$50,000 to \$255,000.

126. Consequently, the total reduction recommended by the Advisory Committee under chapter III amounts to \$450,000.

Chapter IV. Overtime and night differential

	\$
Estimate submitted by the Secretary-General . . . . .	1,610,000
Estimate recommended by the Advisory Committee . . . . .	1,460,000
1971 (appropriation) . . . . .	1,364,000
1970 (actual expense) . . . . .	1,419,874

127. The estimate for this chapter is \$246,000, or 18 per cent, more than the appropriation for 1971, and about \$190,000 more than actual expenses in 1970. Compared with actual expenses in 1969 (\$1,223,288) it shows an increase of more than 31 per cent. The Advisory Committee notes from paragraph 3.35 of the budget estimates that because of general service salary increases effective in 1970 and foreseen for 1971, for which full provision was not made in the 1971 appropriation, the Secretary-General expects that appropriation to fall short of actual needs.

128. The Advisory Committee views with concern the substantial increase under this chapter. It believes that vigorous efforts are needed to hold down overtime costs. The latter should not be allowed to rise because of the shorter working hours of the Secretariat, which now apply throughout the period when the General Assembly is not in session. Such efforts, if combined with good administrative practices, could result in a substantial reduction in the credits needed for overtime in 1972. Intergovernmental bodies can also contribute to savings by making the best use of their time, as the Advisory Committee has pointed out in the past. <sup>37/</sup> The Committee therefore recommends that the Secretary-General's initial estimate of \$1,610,000 be reduced by \$150,000. Such a reduction would still provide for substantially higher expenditure under chapter IV than budgeted for in 1971. The Committee intends to follow up with the Administrative Management Service the recommendation it made last year, to the effect that the Service study ways of reducing overtime costs in the Secretariat particularly in those units where reliance on overtime appears to be excessive. <sup>37/</sup>

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<sup>37/</sup> For example, see Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8 (A/8008), para. 164.

Chapter V. Provisional staffing requirements

	\$
Estimate submitted by the Secretary-General . . . . .	1,551,000
Estimate recommended by the Advisory Committee . . . . .	546,200 <sup>a/</sup>
1971 (appropriation) . . . . .	946,900
1970 (actual expense) . . . . .	324,597

<sup>a/</sup> After allowing, inter alia, for the exclusion of the credit of \$912,500 described in paragraph 131 below.

129. In its observations on chapter I (Established posts) the Advisory Committee called attention to the Secretary-General's intention, in line with recommendations of the Administrative Management Service on the staff of certain offices, to transfer to chapter I a total of 49 posts <sup>38/</sup> which had been approved for 1971 on a provisional basis. The estimate under chapter V for 1972 provides for the continuation of the remaining 79 provisional posts (\$1,234,400), and for 38 new provisional posts (eight professional, 18 general service, 12 manual) requested for the Office of General Services and the Office of Personnel (\$316,600).

130. The 79 provisional posts mentioned above (34 in the professional category and above, 45 general service) are distributed among the following offices:

<u>Office</u>	<u>Professional and above</u>	<u>General service</u>	<u>Total</u>
Office for Inter-Agency Affairs . . . . .	4	2	6
Office of Legal Affairs . . . . .	5	3	8
Division of Human Rights . . . . .	4	3	7
Department of Political and Security Council Affairs . . . . .	5	5	10
Department of Economic and Social Affairs . . . . .	15	12	27
Office of General Services . . . . .	-	20	20
Office of the Director, United Nations Office at Geneva . . . . .	1	-	1
TOTAL	34	45	79

<sup>38/</sup> Seventeen in the professional and higher categories, 5 general service, 27 local level.

131. As the Administrative Management Service will have completed by the autumn of 1971 its manpower surveys of all the above offices except the Office of General Services, the Secretary-General will submit revised estimates to the General Assembly at its twenty-sixth session in which the manpower requirements will be presented in terms of established posts under chapter I of section 3. This is in line with the agreed formula that provisional posts are eliminated as the manpower surveys of the Secretariat are completed. In its consideration of the request under chapter V the Advisory Committee thus found itself faced with a problem identical to that which it described in paragraph 56 of its report on the budget estimates for 1971 namely whether the inclusion of credits for provisional posts in offices for which revised estimates would later be submitted had any real meaning. For the same reasons as guided it last year the Advisory Committee recommends the exclusion, for the time being, of the credits requested for provisional posts in the offices concerned (the Office for Inter-Agency Affairs, the Office of Legal Affairs, the Division of Human Rights, the Department of Political and Security Council Affairs, the Department of Economic and Social Affairs, and the Office of the Director, United Nations Office at Geneva) in a total amount of \$912,500. The Committee will review the requirements of these offices on the basis of the Secretary-General's revised estimates. If contrary to present expectations, the surveys for any of them are not completed in time for the submission of revised estimates, the Advisory Committee will re-examine the situation at its autumn session and make separate recommendations in regard to the provisional staffing of those offices.

132. As the manpower survey of the Office of General Services is not expected to be completed before 1972 the Advisory Committee agrees that provision be made in 1972 for continuing the 20 provisional general service posts which were authorized for that office in 1971.

133. Of the 38 new provisional posts requested by the Secretary-General, the Office of General Services would receive 35 (six professional, 17 general service, 12 manual) and the Office of Personnel three (two professional, one general service). The Office of Personnel posts would provide for an additional full-time physician and a stenographer/typist in the Health Service, and an editor for the Secretariat News in the Staff Services Unit; the Advisory Committee notes that recruitment of an additional physician would appreciably reduce requirements for medical consultants. In the Office of General Services the units affected are the Purchase and Transportation Service (four professional, three general service, one manual post), the Buildings Management Service (nine general service, 11 manual posts), the Communications, Archives and Records Service (two professional, four general service posts) and the Field Operations Service (one general service post). The Secretary-General explains that in view of a continuing expansion in the workload of these two offices it was in his view desirable to provide them with additional staff in 1972, as any recommendations of the Administrative Management Service could not be given budgetary effect before 1973.

134. On the basis of evidence presented to it by the Secretary-General the Advisory Committee acknowledges that some of the units in the Offices of Personnel and General Service for which he is seeking new provisional posts are under heavy pressure. On the other hand, the Committee remains of the view it expressed last year that further substantial additions of posts before the completion of the manpower surveys would not be desirable. 39/ The Committee therefore

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39/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8, (A/8008), para. 169.

recommends the addition of 26 new provisional posts for 1972, rather than the 38 requested by the Secretary-General. Specifically, the Committee recommends the deletion of the professional post requested for the Staff Services Unit in the Office of Personnel, along with two professional, five general service and four manual worker posts requested for the Office of General Services. The effect of those recommendations would be to reduce the credits required for 1972 under chapter V of section 3 (Provisional staffing requirements) by \$92,300.

135. Accordingly, the Advisory Committee recommends that the initial estimate under chapter V be in the amount of \$546,200.

Section 3 as a whole

136. In the preceding paragraphs the Advisory Committee has recommended reductions under section 3 totalling \$845,300. It has also recommended the exclusion from chapter V of an amount of \$912,500, for the reason indicated in paragraph 131 above. Accordingly, the Committee recommends an initial estimate for the section in the amount of \$92,580,200.

Recapitulation of reductions recommended:

	\$
Section 3. Salaries and wages	
Chapter I. Established posts . . . . .	53,000
Chapter II. Temporary assistance for meetings . . . . .	100,000
Chapter III. Other temporary assistance . . . . .	450,000
Chapter IV. Overtime and night differential . . . . .	150,000
Chapter V. Provisional staffing requirements . . . . .	92,300
	845,300
Total reduction . . . . .	845,300
Add: Chapter V. Exclusion of credits, as per paragraph 131 above . . . . .	912,500
	1,757,800
TOTAL	1,757,800

Section 4. Common staff costs

	\$
Estimate submitted by the Secretary-General . . . . .	21,356,000
Estimate recommended by the Advisory Committee . . . . .	21,147,000 <sup>a/</sup>
1971 (appropriation) . . . . .	19,585,300
1970 (actual expense) . . . . .	17,483,080

<sup>a/</sup> After allowing, inter alia, for the exclusion of the credit of \$150,500 for the reason stated in paragraph 147 below.



137. This section contains the common staff costs for all the posts budgeted for under section 3: dependency allowances, education grants and related travel; contributions to the United Nations Joint Staff Pension Fund and to medical insurance schemes; travel costs and related allowances on appointment, transfer and separation; and the costs of staff training programmes. Common staff costs related to posts in the United Nations Conference on Trade and Development (section 15), the United Nations Industrial Development Organization (section 16), Special missions (section 17), the Office of the United Nations High Commissioner for Refugees (section 18), the Registry of the International Court of Justice (section 19), and of those charged against revenue-producing activities (income sections 3 and 4) are included in the estimates under the relevant sections.

138. Table 5 gives a breakdown by chapter of the 1972 estimates, the 1971 appropriation and expenses in 1970.

Table 5. Common staff costs: analysis by chapter and by year for 1970, 1971 and 1972

<u>Chapter</u>	<u>1972 estimate</u>	<u>1971 appropriation</u>	<u>1970 expenses</u>	<u>Increase or (decrease) between 1971 and 1972</u>
	\$	\$	\$	\$
I. Staff allowances . . . . .	3,909,000	3,706,000	3,560,289	203,000
II. Social security payments . . . . .	12,193,000	11,087,900	9,777,498	1,105,100
III. Travel expenses on appointment, transfer and separation . . . . .	1,357,000	1,346,600	1,111,693	10,400
IV. Removal expenses on appointment, transfer and separation . . . . .	880,000	837,700	738,562	42,300
V. Separation payments . . . . .	2,016,000	1,605,600	1,656,085	410,400
VI. Staff training programmes . . . . .	1,001,000	1,001,500	638,953	(500)
TOTAL, section 4	<u>21,356,000</u>	<u>19,585,300</u>	<u>17,483,080</u>	<u>1,770,700</u>

139. The 1972 estimate for section 4 amounts to 24.62 per cent of the cost of established and provisional posts under section 3, chapters I and V; the corresponding ratio for 1971 is 24.78 per cent and for 1970 24.91 per cent.

140. The estimate for chapter I consists of \$2,666,000 for dependency allowances and \$1,243,000 for education grants and related travel. The amounts of these allowances and grants and the eligibility for them are laid down in the relevant

General Assembly resolutions. In its consideration of the estimate for education grants and related travel the Advisory Committee discussed whether the discretion now granted to staff members to send their children to a school that is situated neither at the duty station nor in the staff member's home country was fully consistent with the principle underlying the payment of these grants. The Committee did not, however, pursue this matter since it is only one aspect of a complex question which will presumably be considered in due course by the Special Committee for the Review of the United Nations Salary System.

141. The bulk of the estimate for chapter II is accounted for by contributions to the United Nations Joint Staff Pension Fund and other social security plans (\$10,774,000); the Secretary-General indicates that this represents 12.42 per cent of the cost of established and provisional posts under chapters I and V of section 3 as against 12.55 per cent for 1971 and 12.48 per cent for 1970. The estimated contributions to medical insurance and other medical care, at \$1,267,200 are \$195,300 more than the 1971 appropriation, and nearly 47 per cent higher than expenditure of \$864,666 in 1970. The Advisory Committee was informed that the increase is attributable to both rising costs and higher enrolment in the various medical plans, the ratio between these two components being about 3 to 1. The estimates for compensatory payments (\$137,000) and staff welfare (\$14,800) are, broadly speaking, in the same amounts as actual expenses under these articles in 1970.

142. The requirements for chapter III (Travel on appointment, transfer and separation) (\$1,357,000), and chapter IV (Removal expenses on appointment, transfer and separation) (\$880,000) are based on an estimate of 540 cases of travel of professional staff and provisions for the travel of general service staff recruited on an international or non-local basis. Chapter III also makes provision for travel on interview.

143. The estimate of \$2,016,000 under chapter V (Separation payments) is divided almost equally between repatriation grants and commutation of annual leave and indemnities. The increase of nearly 25 per cent over the 1971 appropriation is attributable partly to the expected increase in retirements of long-service staff (129 cases as compared with 65 in 1970) and partly to the upward revisions in salary and wage rates, on which the separation payments are based.

144. The estimate for staff training programmes (chapter VI) is retained at the 1971 level. Of the estimate of \$1,001,000 under this chapter, \$483,000, relates to language and other in-service training. In paragraph 15 of his foreword to the budget the Secretary-General states that he intends to submit a special report to the General Assembly on progress made in staff training and that he may request additional provisions mainly to enable him to expand subsidized study leave in the interests of the Organization. The Advisory Committee trusts that the report will include an assessment supported by statistical data, of the results achieved to date. This is all the more desirable bearing in mind that the cost of these training programmes is not confined to the related provisions in the budget but also includes the many man hours of office time spent by staff attending the training courses. The Committee would also urge that the report formulate guidelines on the kind of training programmes to be provided by the Organization, so as to avoid duplication of effort and ensure consistency at various duty stations. Co-ordination with the specialized agencies might also be encouraged in those fields of training which are of common interest.



145. Of the remaining articles of chapter VI, the provision for junior professional trainees at \$395,000 is based on the engagement of approximately 25 trainees in 1972. This estimate is approximately 50 per cent above actual expenses in 1970 when the scheme suffered from delays in recruitment and the number of trainees was twenty.

146. The requests for Russian-language training (\$100,000) and for the information assistants training programme (\$8,000) are unchanged. The estimate for the training programme for interpreters (\$15,000) is \$25,000 below the 1971 appropriation as this programme has become substantially self-supporting. During its visit to Geneva in May 1971 the Advisory Committee received a progress report on the operation of the scheme. The Committee welcomes the fact that the interagency training programme for interpreters is operating efficiently at little cost to the Organization.

147. The requirements under chapters I to IV of section 4 are directly related to the staff resources provided for in section 3 (Salaries and wages). Hence the reductions recommended by the Advisory Committee in the estimates for section 3 would entail a consequential reduction of \$58,500 under section 4. Similarly, the recommendation in paragraph 131 above that \$912,500 be excluded from the initial estimate for section 3, chapter V (Provisional staffing requirements), pending the submission by the Secretary-General of revised estimates at the twenty-sixth session of the General Assembly, would entail a consequential exclusion of \$150,500 under section 4.

#### Recapitulation of recommendations

<u>Section 4. Common staff costs</u>	\$
Reduction recommended . . . . .	58,500
Exclusion of credits as per paragraph 147 above . . . . .	150,500

#### Section 5. Travel of staff

Estimates submitted by the Secretary-General . . . . .	2,635,100
Estimate recommended by the Advisory Committee . . . . .	2,585,100
1971 (appropriation) . . . . .	2,598,300
1970 (actual expense) . . . . .	2,414,233

148. Section 5 provides for the cost of travel of staff to meetings (chapter I) and on other official business (chapter II), and of staff and their dependants on home leave (chapter III). Separate provision is made under other budget sections for official staff travel relating to special meetings and conferences, individual experts and consultants, special missions, UNHCR, the International Court of Justice and programmes of UNCTAD and UNIDO. Total travel costs (including related subsistence allowance) in the initial estimates for 1972 amount to approximately \$4.3 million.

149. The 1972 estimate of \$2,635,100 is based on air economy travel for all staff except the Secretary-General, Under-Secretaries-General, Assistant Secretaries-General and staff at the Director (D-2) level in the case of travel to meetings and travel on other official business, and the Secretary-General, Under-Secretaries-General and Assistant Secretaries-General in the case of travel on home leave; in their case the estimate is based on first-class rates by air. The only other exception is that staff proceeding on home leave may travel by sea instead of air (see paragraph 155 below).

150. Table 6 gives comparative figures for 1970, 1971 and 1972.

151. The Advisory Committee notes from paragraph 5-3 of the initial estimates that the Secretary-General has taken account in his calculations of certain increases in travel costs and subsistence rates.

152. The estimate for chapter I (Travel of staff to meetings) is based on the programme of meetings and this varies from year to year. The reduction of \$56,500 compared with the 1971 appropriation is due mainly to the fact that no provision is made in 1972 for travel of staff to meetings of the Population Commission, the Commission for Social Development, the Commission on Human Rights and the Committee for Housing, Building and Planning, which are not scheduled to meet in 1972; and the Advisory Committee on the Application of Science and Technology to Development, whose current terms of reference expire on 31 December 1971; and also to considerably lower requirements for the meeting of the United Nations Commission on International Trade Law. These savings are partly offset by the need to provide for travel to a session of the Statistical Commission, which is not scheduled to meet in 1971. The requirements for travel to other meetings show only relatively minor variations compared with the 1971 appropriations.

153. Chapter II (Travel of staff on other official business) shows an increase of \$67,600, or 8.76 per cent, over the 1971 appropriation. The increase for the Headquarters departments and offices amounts to \$45,200, or 12.8 per cent, and for other offices to an aggregate of \$22,400, or 5.4 per cent. At Headquarters the largest increases occur in the estimates for the Executive Office of the Secretary-General (up \$15,000), the Department of Economic and Social Affairs (up \$11,000), the Office of Personnel (up \$7,000), and the Office of Legal Affairs and the Office for Inter-Agency Affairs (up \$3,000 each).

154. The 1972 estimate for chapter III (Travel of staff and dependants on home leave) is \$25,700 above the 1971 appropriation, and \$141,203 more than actual expenses in 1970. In 1972, 1,105 staff and 1,844 dependants will be entitled to home leave, as compared with 1,065 staff and 1,699 dependants in 1971, and 1,025 staff and 1,777 dependants in 1970. On the basis of experience in recent years, the Secretary-General has applied a deferment factor of 20 per cent (as compared with 15 per cent for 1971) for the non-exercise of entitlements and turnover of staff in all offices. If all 1972 entitlements were exercised, the requirement under this chapter would be about \$1,996,000.

155. The Advisory Committee was informed that when staff travel on home leave by sea the expense to the Organization is often greater than if they travelled by air. The total extra cost of such travel in 1970 amounted to about \$90,000. The practice of permitting travel by ship on home leave appears to be a carry-over from the early days of the Organization when air transport had not developed to

Table 6. Travel of staff: analysis by chapter and by year for 1970, 1971 and 1972

<u>Chapter</u>	<u>1972</u>	<u>1971</u>	<u>1970</u>	<u>Increase (decrease)</u>	<u>Increase between</u>	<u>Per cent</u>	<u>Per cent</u>
	<u>estimates</u>	<u>appropri-</u>	<u>expenses</u>	<u>between 1971</u>	<u>1970 and 1971</u>		
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>Per cent</u>	<u>Per cent</u>
I. Travel of staff to meetings . . . . .	199,000	255,500	186,182	(56,500) (22.11)	12,818	6.88	6.88
II. Travel of staff on other official business . . . . .	839,400	771,800	772,554	67,600	66,846	8.65	8.65
III. Travel of staff and dependants on home leave	1,596,700	1,571,000	1,455,497	25,700	141,203	9.7	9.7
TOTAL, section 5	2,635,100	2,598,300	2,414,233	36,800	220,867	9.15	9.15

its present standard. In the Committee's opinion it is questionable whether staff going on leave should be entitled to a more expensive mode of travel than when they are travelling on duty. Staff members who so desire should, of course, be free to continue to travel by sea on home leave, but reimbursement might be limited to the cost of air economy travel except in cases where travel by air is not advisable on medical grounds. The Committee feels that the Secretary-General should review this question. Different considerations apply on appointment, transfer and separation, when staff may have to transport with them many household and personal effects.

156. In considering the estimates under section 5 the Advisory Committee recalled that in its first report on the budget estimates for the financial year 1971 <sup>40/</sup> it drew attention to the need to eliminate non-essential travel. While the Committee recognizes that the Secretary-General has endeavoured to comply with that recommendation, it believes that further savings are possible, particularly in travel undertaken for representational purposes on the initiative of individual departments. Accordingly it recommends that the estimate for the section be reduced by \$50,000 to be applied to chapters I and II.

Reduction recommended:

	\$
Section 5. Travel of staff . . . . .	50,000

Section 6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations: hospitality

	\$
Estimate submitted by the Secretary-General . . . . .	159,000
Estimate recommended by the Advisory Committee . . . . .	159,000
1971 (appropriation) . . . . .	159,000
1970 (actual expense) . . . . .	129,163

157. The Advisory Committee concurs in the Secretary-General's estimate for 1972, which is in the same amount (in total and on a chapter-by-chapter basis) as the appropriation for 1971.

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<sup>40/</sup> Ibid., paras. 134, 194 and 196.

PART III. CONSTRUCTION, ALTERATION, IMPROVEMENT AND  
MAJOR MAINTENANCE OF PREMISES

Section 7. Construction, alteration, improvement and  
major maintenance of premises

	\$
Estimate submitted by the Secretary-General . . . . .	11,240,500
Estimate recommended by the Advisory Committee . . . . .	11,175,500
1971 (appropriation) . . . . .	9,040,900
1970 (actual expense) . . . . .	4,883,967

158. The initial estimate of \$11,240,500 for this section is \$2,199,600 more than the appropriation for the current year. The increase is due to requirements related to new construction at Santiago, Bangkok and Addis Ababa (chapters III, IV and V) and maintenance and improvement work at the Palais des Nations, Geneva (chapter VII). Table 7 below provides a comparative breakdown by chapter for 1972 (estimates), 1971 (appropriations) and 1970 (actual expenses).

159. Section 7 is presented for 1972 as a separate part (part III) of the budget, instead of being combined, as in past years, in one part with sections 8, 9, 10 and 11. The Secretary-General explains that this change is an attempt to isolate and identify in part III all non-recurrent capital investments in United Nations premises, as distinct from such recurring needs as equipment, routine maintenance, rental costs and general expenses. The Advisory Committee welcomes this initiative, but points out that the clear distinction sought by the Secretary-General has not yet been achieved, as certain projects budgeted for 1972 under part B of section 7 (Alteration, improvement and major maintenance) are not of a capital-investment type.

160. In table 7-2 of the estimates the Secretary-General has projected foreseeable expenditure under section 7 for 10 years beyond 1972. The table shows that those expenditures are expected to reach a peak in the period 1972-1974, mainly because of the heavy cash requirements for new construction at Addis Ababa, Bangkok and Santiago. The figures may, however, have to be adjusted as they do not take into account the increase that is now foreseen in the cost of the extension of the Palais des Nations (see paragraph 162 below), or the effects on this and other projects in Geneva of the revaluation of the Swiss franc which took place in May 1971.

Table 7

<u>Chapter</u>	<u>1972 Estimates</u>	<u>1971 Appropriations</u>	<u>1970 Expenses</u>	<u>Increase or (decrease) between 1971 and 1972</u>
	\$	\$	\$	\$
A. CONSTRUCTION				
I. United Nations Headquarters, New York . . . . .	3,500,000	4,500,000	2,500,000	(1,000,000)
II. United Nations Office at Geneva . . . . .	1,500,000	1,500,000	1,000,000	-
III. Headquarters of the Economic Commission for Latin America, Santiago . . . . .	500,000	-	459,300	500,000
IV. Headquarters of the Economic Commission for Asia and the Far East, Bangkok . . . . .	2,400,000	1,100,000	8,605	1,300,000
V. Headquarters of the Economic Commission for Africa, Addis Ababa . . . . .	1,930,000	900,000	2,424	1,030,000
TOTAL, part A . . . . .	<u>9,830,000</u>	<u>8,000,000</u>	<u>3,970,329</u>	<u>1,830,000</u>
B. ALTERATION, IMPROVEMENT AND MAJOR MAINTENANCE				
VI. United Nations Headquarters, New York . . . . .	312,500	395,900	296,347	(83,400)
VII. United Nations Office in Geneva . . . . .	1,098,000	645,000	617,291	453,000
TOTAL, part B . . . . .	<u>1,410,500</u>	<u>1,040,900</u>	<u>913,638</u>	<u>369,600</u>
TOTAL, section 7. . . . .	11,240,500	9,040,900	4,883,967	2,199,600

161. Chapter I of section 7 provides \$2.5 million for the amortization of the Headquarters construction loan of \$65 million and \$1 million for new construction and major alteration at United Nations Headquarters in New York. The Secretary General indicates that he is limiting his request for the latter project to \$1 million in order to reduce the unusually high level of requirements for construction costs in 1972. The Advisory Committee was informed that as of the date of preparation of the present report the financing plan for the Headquarters extension project which, under the terms of General Assembly resolution 2618 (XXIV), the Committee is called upon to review and approve, had not yet been fully assembled and that the Secretary-General had not entered into commitments and expenditures for the project beyond those authorized for the preparation of detailed plans and cost estimates. The Committee is concerned that more than 18 months after the adoption of resolution 2618 (XXIV) the financing arrangements have not been completed. In view of rising construction costs this delay - particularly if prolonged further - could call into question the adequacy of the contingency provision in the cost estimates for the Headquarters projects. <sup>41/</sup> The Committee will look closely into this aspect at the appropriate time. But the delay has wider implications and the Committee recommends that the Secretary-General report to the Assembly at its twenty-sixth session on the status of the project, and make whatever proposals he might consider appropriate in the light of developments by that time.

162. Chapter II provides for the sixth annual instalment (\$1.5 million) towards the cost of the extension currently being built to the Palais des Nations in Geneva. The amount requested is the same as that appropriated for 1971, however in paragraph 11 of the foreword to his estimates the Secretary-General indicates that his 1972 estimate may have to be revised upward to \$2.5 million since the total cost of the project might amount to about \$27.5 million, compared with the sum of \$22 million approved by the General Assembly in resolution 2488 (XXIII) of 21 December 1968. Even the higher figure might not enable the building to be completed to full specification, and the revaluation of the Swiss franc will add further to the cost. During its visit to Geneva in May 1971 the Advisory Committee considered a report of the Secretary-General setting out the progress of the work on the extension and indicating the areas where extra costs had arisen. The Committee also took the opportunity to inspect the project. On the basis of its observations the Committee has asked that the Secretary-General, in the report which he intends to present to the General Assembly at its twenty-sixth session, give a full account of the situation, including in particular detailed information on the reasons for the delays and cost increases that have arisen on the measures he has taken or proposes to take in order to avoid further delays and increases, and on the revised financing arrangements which he might propose. The Committee will examine that report and submit its observations to the Assembly.

163. Chapter III (Headquarters of the Economic Commission for Latin America, Santiago) contains an estimate of \$500,000 on the assumption that at its twenty-sixth session the General Assembly will authorize the Secretary-General to proceed with construction of an additional office building in Santiago. In accordance with General Assembly resolution 2746 (XXV) the Secretary-General is obtaining revised preliminary plans and cost estimates and will submit them to the Assembly at its forthcoming session.

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<sup>41/</sup> Ibid., Twenty-fourth Session, Annexes, agenda item 74, document A/C.5/1246, para. 22.



164. Under chapters IV and V provision is made for the second instalments to finance new construction at the headquarters of ECAFE in Bangkok (\$2.4 million) and ECA in Addis Ababa (\$1,930,000). The General Assembly authorized a start on these projects in its resolution 2745 (XXV). Work on them is proceeding as planned but it has been found possible to spread the financing over four years (1971-1974) instead of three. In both cases therefore the estimates for 1972 are less than those foreseen by the Secretary-General in his reports to the Assembly last year. 42/

165. The construction projects being financed from part A of section 7 represent a very substantial investment. For that reason, and because of the delays and over-expenditures that have tended to characterize undertakings of this type the Advisory Committee considers it essential that the Secretary-General maintain close and continuing control over them, whether they are being executed at the Organization's Headquarters or at distant sites abroad. As the Advisory Committee observed in a report to the General Assembly at its twenty-fifth session, any decisions which might involve extra costs "should in all cases be referred to United Nations Headquarters and, except in cases of force majeure, to the General Assembly or, should that not be practicable for reasons of timing, to the Advisory Committee". 43/ The Committee recommends that when the Administrative Management Service surveys the Office of General Services it should examine carefully whether the Buildings Management Service might be strengthened in order to exercise the necessary control over the United Nations buildings programmes.

166. Under chapter VII the Secretary-General requests \$312,500 - \$83,400 less than the 1971 appropriation - for alteration, improvement and major maintenance at United Nations Headquarters, including the replacement of worn carpeting and drapes. The major undertakings to be provided for are the replacement of sound amplification and control booth equipment in conference rooms 7 and 8 (\$50,000), the modernization of radio studio facilities (\$40,000), the addition of four seats for delegations in the General Assembly Hall, the Trusteeship Council Chamber and the main conference rooms (\$65,000), and the replacement of equipment in the air-conditioning and heating plant (\$69,500). During its consideration of the initial estimates for 1972 the Advisory Committee was informed that the Secretary-General intended to install the additional seats this year and that he would be seeking the necessary provision in his supplementary estimates for 1971. In the circumstances, the corresponding provision of \$65,000 can be deleted from the 1972 estimates.

167. The estimate of \$1,098,000 for maintenance and improvement at the Palais des Nations represents an instalment of the cost of a long-term programme which was authorized by the General Assembly in 1965, at its twentieth session, was later somewhat modified 44/ and is due to be finished in 1974. The level of the 1972 instalment is in accordance with a revised financing plan approved by the General Assembly at its twenty-fifth session in resolution 2744 (XXV). Part of it covers repayment of an interest-free loan by the Swiss Federal Government.

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42/ Ibid., Twenty-fifth Session, Annexes, agenda item 73, documents A/C.5/1325 and Add.1, A/C.5/1328 and Add.1.

43/ Ibid., Twenty-fifth Session, Supplement No. 8A (A/8008/Add.1-15), document A/8008/Add.12, para. 34.

44/ Ibid., document A/8008/Add.8.

168. In view of the deletion from the 1972 Headquarters programme of the provision for additional delegation seats (see paragraph 166 above), the Advisory Committee recommends that the estimate for section 7 be reduced by \$65,000 to \$11,175,500.

Reduction recommended

	\$
Section 7. Construction, alteration, improvement and major maintenance of premises . . . . .	65,000

PART IV. EQUIPMENT, SUPPLIES AND SERVICES

Section 8. Permanent equipment

	\$
Estimate submitted by the Secretary-General . . . . .	1,063,400
Estimate recommended by the Advisory Committee . . . . .	1,018,400
1971 (appropriation) . . . . .	962,700
1970 (actual expenses) . . . . .	828,568

169. The estimate under this section provides for the acquisition and replacement of furniture and equipment for all offices of the United Nations except UNIDO, the special missions, the field offices of UNHCR and the International Court of Justice, whose requirements are included in their respective budget sections. The estimate for section 8 also excludes special items of equipment for UNCTAD; such items are budgeted for under section 15.

170. The 1972 estimate exceeds the 1971 appropriation by \$100,700, the details, office by office, being as follows:

Table 8

<u>Office</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>appropri-</u> <u>ations</u>	<u>1970</u> <u>expenses</u>	<u>Increase or</u> <u>(decrease)</u> <u>1972</u> <u>compared</u> <u>with 1971</u>
	\$	\$	\$	\$
Headquarters . . . . .	478,500	554,600	451,777	(76,100)
Geneva (including ECE) . . . . .	348,000	243,200	150,914	104,800
Information centres . . . . .	10,000	38,000	39,744	2,000
United Nations Economic and Social Office at Beirut . . . . .	14,700	9,000	10,323	5,700
ECAFE . . . . .	19,800	29,400	60,453	(9,600)
ECLA . . . . .	113,300	40,000	58,302	73,300
ECA . . . . .	49,100	48,500	57,055	600
TOTAL, section 8 . . . . .	<u>1,063,400</u>	<u>962,700</u>	<u>828,568</u>	<u>100,700</u>

171. Table 9 provides a breakdown of the estimate by chapter.

Table 9

<u>Chapter</u>	<u>1972 estimates</u>			<u>1971 appropri- ations</u>	<u>1970 expenses</u>	<u>Increase or (decrease) 1972 compared with 1971</u>
	<u>Acquisitions</u>	<u>Replace- ments</u>	<u>Totals</u>			
	\$	\$	\$	\$	\$	\$
I. Furniture and fixtures . . .	155,400	170,300	525,700	188,000	207,284	137,700
II. Office equipment	83,800	189,100	272,900	229,100	159,337	43,800
III. Internal reproduction equipment . .	63,900	51,000	114,900	282,100	163,781	(167,200)
IV. Telecommunications equipment . .	66,800	77,500	144,300	149,200	173,658	(4,900)
V. Transportation equipment . .	2,500	69,400	71,900	43,400	39,877	28,500
VI. Other equipment	86,900	46,800	133,700	70,900	84,631	62,800
Total . . .	<u>459,300</u>	<u>604,100</u>	<u>1,063,400</u>	<u>962,700</u>	<u>928,568</u>	<u>100,700</u>

172. The Advisory Committee notes that under income section 3 the Secretary-General has included an estimate of \$51,000 for sale of equipment, as against an estimate of \$63,000 for 1971 and actual income of \$56,481 in 1970. The Committee urges that every effort be made to obtain the maximum revenue from the sale of used equipment.

173. The total estimate for acquisitions (\$459,300) includes \$85,800 for special items of furniture and equipment for the premises now under construction at the Palais des Nations, Geneva. When the Advisory Committee visited Geneva in May 1971 it was informed that construction work was running behind schedule. In the circumstances, the Committee doubts that all the items for the new wing provided for in the 1972 estimates will, in fact, be required in that year. For this reason the Committee recommends a reduction of \$20,000 under section 8.

174. Under chapter II (Office equipment), the Secretary-General seeks credits for the acquisition of 51 typewriters and the replacement of 249 others. In paragraph 218 of its first report on the budget estimates for 1971 the Advisory Committee suggested that there might be advantages in slowing down somewhat the

pace of replacing manual typewriters by electric machines. <sup>45/</sup> Also under chapter II the Secretary-General proposes to replace 89 dictating machines and to acquire additional dictating equipment for the language services at Headquarters at a total cost of \$48,300. The Committee suggests that the acquisition of the additional equipment might be slowed down, with a consequential reduction in the estimate for 1972.

175. The estimate for section 8 includes provision for the acquisition of office furniture and equipment for new staff requested by the Secretary-General in his initial budget estimates. The reductions recommended by the Advisory Committee in paragraphs 134 and 232 would entail a consequential reduction in these requirements.

176. Under chapter IV (Telecommunications equipment) the Secretary-General requests, *inter alia*, \$27,500 for the replacement of television equipment and \$32,500 for new acquisitions. The latter consist of ancillary equipment for the colour television programmes prepared by the Office of Public Information. In the Advisory Committee's opinion these new acquisitions should be viewed in the broader context of the reappraisal of OPI activities. The Committee will return to this question at the appropriate time.

177. In paragraph 173 above the Advisory Committee recommended a reduction of \$20,000 in requirements in 1972 for the new wing of the Palais des Nations. Bearing in mind its observations in paragraphs 175 and 176 the Committee recommends that the Secretary-General's estimate for section 8 be reduced by a further amount of \$25,000, for a total reduction of \$45,000 - from \$1,063,400 to \$1,018,400.

Reduction recommended

	\$
Section 8. Permanent equipment . . . . .	45,000

Section 9. Maintenance, operation and rental of premises

	\$
Estimate submitted by the Secretary-General . . . . .	6,688,000
Estimate recommended by the Advisory Committee . . . . .	6,553,000
1971 (appropriation) . . . . .	6,318,000
1970 (actual expense) . . . . .	5,751,498

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<sup>45/</sup> *Ibid.*, para. 218.

178. The estimate under section 9 makes provision for contractual services (\$2,811,000), utilities (\$1,628,000) and other expenses (\$2,249,000) for a total of \$6,688,000, or \$370,000 more than the 1971 appropriation. If the estimate for 1972 is compared with actual requirements in 1970 (\$5,751,498) adjusted to reflect rate and wage increases at Headquarters and at Geneva in 1971 (which are estimated by the Secretary-General at \$380,500), there is an increase under the section of \$556,002.

179. An analysis by office is given in table 10 below:

Table 10. Maintenance, operation and rental of premises: analysis by office and by year for 1970, 1971 and 1972

<u>Office</u>	<u>1972 estimates</u>	<u>1971 appropriations</u>	<u>1970 expenses</u>	<u>1970 expenses adjusted to take account of 1971 wage and rate increases</u>	<u>Increase between 1970 (column 4) and 1972 (column 1)</u>
	(1)	(2)	(3)	(4)	(5)
	\$	\$	\$	\$	\$
Headquarters . . . . .	5,421,000	5,285,000	4,856,959	5,223,959	197,041
Geneva (including ECE) . . . . .	776,000	557,000	487,954	501,454	274,546
Information centres	110,000	105,000	103,298	103,298	6,702
United Nations Economic and Social Affairs Office at Beirut .	36,000	35,000	34,261	34,261	1,739
ECAFE . . . . .	106,000	92,000	82,742	82,742	23,258
ECLA . . . . .	158,000	166,000	115,402	115,402	42,598
ECA . . . . .	81,000	78,000	70,882	70,882	10,118
<b>TOTAL, section 9</b>	<b>6,688,000</b>	<b>6,318,000</b>	<b>5,751,498</b>	<b>6,131,998</b>	<b>556,002</b>

180. The estimates for all the offices reflect the impact of increased unit costs of services and utilities. In addition, the Secretary-General lists the following specific reasons why the estimates for 1972 exceed the adjusted expenditure in 1970:

Headquarters: \$63,700 for the rental of additional outside office and warehouse accommodation; \$83,000 for special cleaning and miscellaneous maintenance costs for such accommodation; \$22,000 for a higher charge under the garbage removal contract (from \$82,000 to \$104,000);



Geneva: \$271,000 by way of expenses related to the move to the extension of the Palais des Nations; this is partly offset by a saving of about \$53,000 for rental of premises;

ECAFE: \$25,500 for the rental of additional office space;

ECLA: \$21,000 for a maintenance contract for the upkeep of the grounds and gardens; \$9,400 for maintenance supplies; \$6,800 for increased electrical consumption, attributable principally to the installation of the air-conditioning system; and \$4,400 for increased rentals.

181. The need to rent outside accommodation will account in 1972 for a total of \$1,136,700, or about 17 per cent of the estimate under the section. The details by location are as follows:

	\$
Headquarters . . . . .	908,000
Geneva . . . . .	50,000
Information centres . . . . .	58,700
United Nations Economic and Social Office at Beirut . . . . .	24,000
ECAFE . . . . .	57,000
ECLA . . . . .	34,000
ECA . . . . .	5,000
	<hr/>
	1,136,700
	<hr/> <hr/>

In the present circumstances, and pending the construction of additional premises, the Secretary-General is compelled to rent office space at Headquarters and in other offices. In order to alleviate somewhat the cost of rentals the Advisory Committee recommends that the Secretary-General review the policies governing the storage of documents, including sales publications, so as to reduce the need to rent warehousing space. Expenditure on rentals could also be reduced if all Governments provided United Nations information centres with free or subsidized accommodation. The Committee suggests that the Secretary-General may wish to raise this matter with the Governments which do not now provide such accommodation.

182. As was indicated in paragraph 180 above, the estimate for Geneva includes a lump-sum provision of \$271,000 for additional expenses expected to arise as various parts of the new wing of the Palais des Nations become available for occupancy. The Secretary-General provisionally breaks down this amount into \$119,000 for contractual services (including \$100,000 for cleaning), \$85,000 for utilities, \$67,000 for other expenses (including \$50,000 for the reconditioning of outside premises after they have been vacated, and for work on the existing accommodation in the Palais in connexion with the relocation of staff units). During its visit to Geneva in May 1971 the Advisory Committee was informed that the building project was running behind schedule. In the circumstances the Committee believes that the lump-sum provision can be reduced by half, i.e. by \$135,000.

183. The Advisory Committee recognized that the level of the estimate for section 9 is affected by adjustments in utility and other unit costs which are determined outside the United Nations. A degree of control over the level of consumption of those utilities and services can, however, be exercised by the Secretary-General; as unit costs rise, it becomes increasingly important that all staff members should be economical in their use of utilities and services.

Reduction recommended

\$

Section 9. Maintenance, operation and rental of premises 135,000

Section 10. General expenses

\$

Estimate submitted by the Secretary-General . . . . .	5,867,000
Estimate recommended by the Advisory Committee . . . . .	5,800,000
1971 (appropriation) . . . . .	5,349,900
1970 (actual expense) . . . . .	6,026,103

184. Section 10 provides for general services and supplies, and rental and maintenance of equipment at Headquarters, at Geneva, the information centres, the United Nations Economic and Social Office at Beirut and the regional economic commissions.

185. The Secretary-General's estimate is \$517,100 more than the appropriation for 1971, but \$159,103 less than actual expenses in 1970. In table 10-2 of the estimates the Secretary-General has adjusted the latter figure, for purposes of comparability, by adding \$123,619 to account for estimated wage and price increases in 1971 in New York and Geneva; on that basis the 1972 estimate would be \$282,722 less than expenses in 1970. However, the above calculation gives a somewhat distorted picture. In 1970 the entire cost of renting electronic data-processing equipment and buying the related supplies was budgeted under section 10. This is not so in the 1972 estimates, for the United Nations share of the costs of the International Computing Centre is provided for under section 12. The reduction in the requirements under section 10 as a result of the setting up of the centre was estimated at \$462,000 in 1971. <sup>46/</sup> Thus, to ensure fuller comparability between the 1972 estimates and 1970 expenses the latter would have to be reduced by about \$462,000. Similarly, in 1971 the cost of certain staff in the Office of Public Information (\$93,100) was removed from section 10 and charged to section 3, chapter I (Established posts) at the recommendation of the Administrative Management Service. <sup>47/</sup> Thus, if actual expenditures for 1970 are to be taken as a yardstick for the 1972 estimates, the Secretary-General's adjusted figure should

<sup>46/</sup> Ibid., Supplement No. 8A

<sup>47/</sup> Ibid., document A/8008/Add.4, para. 45.

be reduced by at least \$555,100, to \$5,594,622. On that basis the 1972 estimate is not lower than the adjusted expenses for 1970 but, instead, higher by \$272,378.

186. Table 11 below breaks down by offices the 1972 estimate and provides comparative figures for the previous two years. About two thirds of the increase, compared with the adjusted expenses for 1970, is attributable to the United Nations Office at Geneva. There, the factors mainly responsible are postage (up \$34,000, reflecting a decision of the Swiss postal authorities to eliminate the preferential tariff for certain printed matter), and expenses related to the occupancy of the extension being built to the Palais des Nations (\$60,000 for 1972, against no expenses in 1970 and an appropriation of \$15,000 in 1971); smaller increases are requested for a number of other items, principally participation in the Joint Medical Scheme of the Geneva organizations (up from \$73,153 to \$90,000, owing mainly to higher salary costs) and the rental and maintenance of office equipment (up from \$59,106 to \$75,000, as a result of price increases).

Table 11. General expenses: analysis by office and by year for 1970, 1971 and 1972

<u>Office</u>	<u>1972</u> <u>Estimates</u>	<u>1971</u> <u>Appropriations</u>	<u>1970</u> <u>Expenditure</u>	<u>1970</u> <u>Expenditure</u> <u>(adjusted)</u>	<u>Increase or</u> <u>(decrease)</u> <u>between 1970</u> <u>(column 4)</u> <u>and 1972</u> <u>(column 1)</u>
	(1)	(2)	(3)	(4)	(5)
	\$	\$	\$	\$	\$
Headquarters . . . . .	4,009,000	3,774,900	4,418,900	3,949,419	59,581
Geneva (including ECE)	830,000	633,000	629,460	667,460	162,540
Information centres	275,000	250,000	266,664	266,664	8,336
Economic and Social Office at Beirut	19,000	15,000	14,775	14,775	4,225
ECAFE . . . . .	168,000	150,000	145,001	145,001	22,999
ECLA . . . . .	256,000	233,000	258,823	258,823	(2,823)
ECA . . . . .	310,000	294,000	292,480	292,480	17,520
TOTAL, section 10	5,867,000	5,349,900	6,026,103	5,594,622	272,378

187. A comparative breakdown by chapter is provided in table 12. Sizable increases over the adjusted 1970 figures under chapters I, II and VI are partly offset by a decrease under chapter III. The increase under chapter I (Communications) stems mainly from the higher requirements at Geneva related to postage and the occupancy of the new wing of the Palais (see paragraph 186 above) and from higher postage expenses foreseen at Headquarters (up \$35,383, partly attributed to higher rates). Under chapter II (Rental and maintenance of equipment) the increase is attributable principally to the rental of data-processing equipment at the residual computer operation at Headquarters (up \$96,000) and also at ECAFE (up \$14,500). Most of the increase under chapter VI (Library books, supplies and services) is due to a computer-assisted indexing programme at the Dag Hammarskjöld Library at Headquarters. The reduction under chapter III (Public information supplies and services) results mainly from decreased requirements of the Television and Film Section of the Office of Public Information, and for booklets and leaflets.

Table 12. General expenses: analysis by chapter and by year for 1970, 1971 and 1972

<u>Chapter</u>	<u>1972</u>	<u>1971</u>	<u>1970</u>	<u>1970</u>	<u>Increase or</u>
	<u>estimates</u>	<u>appropri-</u>	<u>expenses</u>	<u>expenses</u>	<u>(decrease)</u>
	(1)	ations	(3)	(adjusted)	between 1970
		(2)			(column 4)
					and 1972
					(column 1)
	\$	\$	\$	\$	\$
I. Communications . . . . .	2,088,000	1,840,000	1,895,014	1,937,633	150,367
II. Rental and maintenance of equipment . . . . .	902,000	812,000	1,205,561	783,561	118,439
III. Public information supplies and services . . . . .	1,438,000	1,419,900	1,541,765	1,488,665	(50,665)
IV. Other supplies and services . . . . .	448,000	347,000	404,685	445,685	2,315
V. Stationery and office supplies . . . . .	646,000	610,000	672,413	632,413	13,587
VI. Library books, supplies and services . . . . .	345,000	321,000	306,665	306,665	38,335
TOTAL, section 10	<u>5,867,000</u>	<u>5,349,900</u>	<u>6,026,103</u>	<u>5,594,622</u>	<u>272,378</u>

188. The Advisory Committee noted that the Secretary-General has attributed much of the increase under section 10 - compared with both the adjusted 1970 expenses and the 1971 appropriation - to cost increases beyond his control. The upward trend in costs for general expenses should, however, prompt the Secretary-General to look for economies by cutting down on the use of certain services, or alternatively by substituting cheaper ones for those which are becoming increasingly expensive. The above approach seems particularly to commend itself in the case of communications, where the estimates continue the steady upward movement of past years; the Committee considers that the comments it made on this subject last year remain fully valid. <sup>48/</sup> Furthermore, the Committee is not convinced that the move of some staff to the new wing of the Palais in 1972 should entail additional expenditures of as much as \$40,000 for telephone services, as the Secretary-General has budgeted under chapter I. As for costs related to the Office of Public Information, the Committee was informed that the estimate for pouches (\$135,000), which is greater than expenditure in 1970 - when requirements were exceptionally heavy - includes provision for extra activities which might be decided by the General Assembly at its twenty-sixth session; pending such decisions the Committee considers that this request should be reduced.

189. Taking into account the above observations, the Advisory Committee recommends that the estimate for section 10 be reduced to \$5 million, the reduction of \$67,000 to be applied mainly to chapter I (Communications).

190. Finally, the Committee noted that the estimate under section 10 for the Geneva office includes \$30,500 for the continued rental of a magnetic ledger card accounting system for the Finance Division. It believes that the Secretary-General should come to a decision as to whether the International Computing Centre now operating in Geneva (see paragraph 185 above) can economically take over these accounting functions.

Reduction recommended:

	\$
Section 10. General expenses . . . . .	67,000

Section 11. Printing

	\$
Estimate submitted by the Secretary General . . . . .	3,288,000
Estimate recommended by the Advisory Committee . . . . .	3,218,000
1971 (appropriation . . . . .)	3,112,300
1970 (actual expense) . . . . .	2,838,221

<sup>48/</sup> Ibid., Supplement No. 8 (A/8008), para. 238.

191. Section 11 makes provision for all contractual printing expenses with the exception of those relating to special meetings and conferences (section 2), public information requirements other than books and periodicals (section 10), UNCTAD (section 15), UNIDO (section 16), UNHCR (section 18) and the International Court of Justice (section 19). Additional printing requirements under those sections total \$711,800, distributed as follows:

	\$
Section 2 (Special meetings and conferences) . . . . .	216,800
Section 10 (General expenses) . . . . .	130,000
Section 15 (UNCTAD) . . . . .	152,000
Section 16 (UNIDO) . . . . .	154,000
Section 18 (UNHCR) . . . . .	19,000
Section 19 (International Court of Justice) . . . . .	40,000
TOTAL . . . . .	<u>711,800</u>

192. The costs of producing for sales purposes additional copies of the publications provided for under chapters II, III and IV are not included in this section but shown as a charge against revenue from the sales of publications under income section 4.

193. Table 13 compares the 1972 estimates, the 1970 appropriations and the 1970 actual expenses, by chapter. Chapter VII represents the value, in terms of external costs of the work to be printed internally.

194. The Secretary-General estimates the cost of external printing (chapters I-VI, less chapter VII) at \$2,345,500 as against the 1971 appropriation of \$2,183,400. He ascribes the increase of \$162,100 principally to rising costs of labour and material, which he estimates at an average of 12.5 per cent. To offset rising costs, an increased number of sales publications will be produced internally; and the printing of the proceedings of all seminars financed from extra-budgetary sources will be paid for from the voluntary funds concerned, or charged to sections 13 and 14 of the budget.

195. Chapter I (Official records) shows an increase of \$72,800 over the 1971 appropriation. The Publications Board has applied a reduction of \$90,000 to this chapter, based on the expected reduction of the size of printed annexes, as a result of the further implementation of General Assembly resolution 2292 (XXII) of 8 December 1967. The Secretary-General indicates that if the reduction in the number of text pages does not compensate for rising costs, he will either submit a supplementary estimate for 1972 or some of the work will have to be deferred.



Table 13. Printing: analysis by chapter and by year for 1970, 1971 and 1972

<u>Chapter</u>	<u>1972 estimates</u>	<u>1971 appropriations</u>	<u>1970 expenses</u>	<u>Increase or (decrease) between 1971 and 1972</u>
	\$	\$	\$	\$
I. Official records . . .	1,379,400	1,306,600	1,260,521	72,800
II. Recurrent publications . . .	1,019,600	936,100	879,582	83,500
III. Studies and reports.	296,100	313,600	232,164	(17,500)
IV. Office of Public Information . . .	141,100	133,700	124,833	7,400
V. International Narcotics Control Board . . . . .	26,000	23,900	21,631	2,100
VI. Other printing . . .	108,300	94,500	133,419	13,800
VIII. Internal reproduction supplies . . . . .	942,500	928,900	815,869	13,600
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TOTAL, chapters I-VI, and VIII . .	3,913,000	3,737,300	3,468,019	175,700
VII. <u>Less:</u>				
Deduction for internal reproduction . . .	(625,000)	(625,000)	(629,798)	-
	-----	-----	-----	-----
TOTAL, section 11 . .	3,288,000	3,112,300	2,838,221	175,700

196. Several articles of chapter I show increases over the 1971 appropriations: article (v) (Official Records, backlog) has gone up by \$24,000, to allow for some progress in this area; article (viii), (Documents of the International Law Commission) shows an increase of \$6,200, reflecting higher production costs; article (x) (Repertory of Practice of United Nations Organs), for which no provision was made in the 1971 budget, has an estimate of \$20,700 for the cost of French and Spanish editions of material which has already been published in English; article (xi) (Documents of the United Nations Commission on International Trade Law) has increased by \$21,900, as a result of the expected increase in the number of printed pages of volume III of the Yearbook of the Commission.

197. The estimate for chapter II (Recurrent publications) is \$83,500 above the 1971 appropriation - the result of increased printing costs and the inclusion of some recurrent publications which do not appear at regular intervals and were not scheduled for 1971. The largest increases arise from the Office of Legal Affairs (up to \$60,700), the Department of Political and Security Council Affairs (up to \$24,900) and the Department of Economic and Social Affairs (up to \$15,600). The list proposed for 1972 includes volume IV of the Judgements of the Administrative Tribunal (\$17,700), an item for which no provision had been requested since 1967. Documentation on the cases which appear before the Tribunal is made available in mimeograph form, and its reissue in printed form is therefore of marginal value. In this connexion the Advisory Committee recalled that in its first report to the General Assembly on the 1971 budget estimates it expressed concern over the mounting estimates under this chapter and suggested that an inquiry be made into whether the value of all the publications provided for is commensurate with their cost to the Organization. <sup>49/</sup> In operative paragraph 4 of resolution 2732 (XXV) the General Assembly invited the Joint Inspection Unit to examine and report to the Assembly at its twenty-sixth session on the programme of recurrent publications of the United Nations. The Committee recommends that the list of titles for which provision is made for 1972 under chapter II be closely scrutinized, in the light of that report and related observations. Meantime, it recommends that the estimate be reduced by \$20,000 to \$999,600.

198. The estimate for chapter III (Studies and reports) is \$17,500 below the 1971 appropriations, owing to reduced requirements for the Department of Political and Security Council Affairs (down \$30,700), the Division of Human Rights (down to \$13,500) and ECLA (down \$6,500). However, the requirements for the other economic commissions, the Office of Legal Affairs and the Department for Economic and Social Affairs have increased. As the Advisory Committee pointed out in its first report to the General Assembly on the 1971 budget estimates, with regard to chapter III, the Secretary-General is in a position, in many cases, to exercise judgement on the amount and type of material to be published. <sup>50/</sup> The Committee therefore, believes that further savings could be achieved under this chapter and recommends that the estimate be reduced by \$25,000.

199. Chapter IV (Office of Public Information) provides for the printing of the United Nations Monthly Chronicle in three languages, the Yearbook of the United Nations in English and Everyman's United Nations in French and Spanish. The

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<sup>49/</sup> Ibid., para. 251.

<sup>50/</sup> Ibid., para. 252.

estimate at \$141,100, is \$7,400 above the 1971 appropriations. In view of the mounting cost of the Chronicle, the Advisory Committee recommends that steps be taken to promote sales of its editions in English, French and Spanish, and to review and bring up to date the free distribution list. On the basis of information submitted to the Committee it appears that the latter list has not undergone such a review for a number of years.

200. The increase of \$13,800 in the requirements for chapter VI (Other printing) is almost entirely accounted for by the provision for reprints, which is \$10,000 above the amount included in the 1971 budget.

201. Chapter VII (Deduction for internal reproduction) shows an estimate in the same amount as that for 1971 (\$625,000). In view of the increasing use being made of internal reproduction methods the Advisory Committee is of the opinion that the estimate for this chapter could be higher to reflect more accurately the cost at current market prices of reproduction which is being undertaken internally. The Committee therefore recommends that the estimate for the deduction for internal printing be increased by \$25,000 to a total of \$650,000.

202. The Advisory Committee believes that there are areas under section 11, as pointed out in paragraphs 197, 198 and 201 above, where savings could be achieved. Aware of the rising costs of printing, the Committee urges the Secretary-General to take all possible steps - including measures to ensure that manuscripts are submitted on time - to secure the widest possible geographic distribution of printing contracts at the lowest cost consistent with the required standards.

Reduction recommended:

\$

.Section 11. Printing . . . . . 70,000

PART V. SPECIAL EXPENSES

Section 12. Special expenses

	\$
Estimate submitted by the Secretary-General . . . . .	10,374,900
Estimate recommended by the Advisory Committee . . . . .	10,356,400
1971 (appropriation) . . . . .	10,647,500
1970 (actual expense) . . . . .	9,603,930

203. Table 14 gives comparative figures for the 1972 estimates, the 1971 appropriations and the 1970 expenses by chapter and shows the increases and decreases between 1971 and 1972.

204. The 1972 estimate for chapter I (United Nations Memorial Cemetery in Korea) is \$29,600 below the 1971 appropriation. The main reduction (from \$36,000 in 1971 to \$22,000 in 1972) occurs under contractual maintenance of the cemetery. As the result of the installation in 1970 of a permanent underground irrigation system and the gradual mechanization of the work forces, it has been possible to renegotiate the contract and to reduce the contractual labour force from twenty-three to fifteen. Moreover, the Secretary-General proposes to reduce the number of administrative and technical services personnel and of locally recruited employees by one each (from three to two and from four to three respectively). The only item which shows an increase under this chapter is purchase of furniture and equipment - \$900 above the 1971 appropriation - to replace one power sprayer.

205. Chapter II (United Nations International School, New York) provides \$500,000 as the 1972 contribution to the United Nations International School Development Fund, in terms of paragraph 3 of General Assembly resolution 2612 (XXIV) of 16 December 1969, and \$35,000 as the annual grant towards the operational deficit of the School. The Secretary-General has estimated the deficit for the school year 1971/1972 at \$37,000. The reduction in the annual grant from \$50,000 in 1971 to \$35,000 reflects the General Assembly's intent in resolution 2612 (XXIV) that that grant be phased out as the Development Fund is built up.

206. The provision for the United Nations bond issue (chapter III) is made in accordance with the terms of General Assembly resolution 1739 (XVI) of 20 December 1961, as amended by resolutions 1878 (S-IV) of 27 June 1963 and 1989 (XVIII) of 17 December 1963. The 1972 estimate comprises \$2,388,300 for interest on outstanding bonds and \$6,168,600 for repayment of principal.

207. Chapter IV (Triangular Fellowship Programme (Office of Public Information)) provides \$21,000 for the first of a new cycle of seminars for young journalists and writers from the developing countries. In its first report to the General Assembly on the budget estimates for 1971, the Advisory Committee urged the Secretary-General to make an evaluation of results achieved under the Programme

Table 14

Chapter	1972	1971	1970	Increase or
	estimates	appropriations	expenses	(decrease) between 1971 and 1972
	\$	\$	\$	\$
I. United Nations Memorial Cemetery in Korea . . . . .	75,100	104,700	72,167	(29,600)
II. United Nations International School, New York . . . . .	535,000	550,000	65,000	(15,000)
III. United Nations bond issue . . . . .	8,556,900	8,556,200	8,641,905	700
IV. Triangular Fellowship Programme (Office of Public Information)	21,000	20,000	21,337	1,000
V. United Nations Programme of Assistance in the Teaching, Study, Dissemination and Wider Appreciation of International Law . . . . .	40,000	60,000	45,653	(20,000)
VI. United Nations participation in the Joint Inspection Unit.	170,000	170,700	133,379	(700)
VII. United Nations participation in jointly financed activities of administrative co-ordination	160,000	93,200	85,000	66,800
VIII. United Nations participation in the costs of the Secretariat of the United Nations Joint Staff Pension Fund . . . . .	176,900	168,100	114,181	8,800
IX. International Computing Centre, Geneva . . . . .	640,000	774,600	-	(134,600)
Previous programmes not provided for in 1972 . . . . .	-	150,000 <sup>a/</sup>	425,308 <sup>b/</sup>	(150,000)
TOTAL, section 12 . . . . .	10,374,900	10,647,500	9,603,930	(272,600)

a/ \$100,000 for the United Nations Educational and Training Programme for Southern Africa and \$50,000 for the United Nations Fund for Namibia.

b/ \$30,000 as a grant to the capital development fund of the International School at Geneva; \$100,000 for the United Nations Educational and Training Programme for Southern Africa; \$153,704 for the twenty-fifth anniversary of the United Nations; \$133,769 for assistance in cases of natural disaster, in accordance with General Assembly resolution 2435 (XXIII) of 19 December 1968, as amended by resolution 2614 (XXIV) of 17 December 1969; \$7,835 for pre-disaster planning, provided in terms of General Assembly resolution 2435 (XXIII), paragraph 8, of 19 December 1968.

before taking a final decision on its continuation. 51/ The Committee understands that no detailed evaluation has been undertaken. It recommends that the Secretary-General make such an evaluation and submit a report on the basis of which the General Assembly, at its twenty-sixth session, could take a decision on whether the Programme should be continued.

208. The estimate of \$40,000 under chapter V (United Nations Programme of Assistance in the Teaching, Study, Dissemination and Wider Appreciation of International Law) is tentative, pending the outcome of the Secretary-General's consultations with the Programme's own Advisory Committee which meets later in the year.

209. The estimate for the United Nations participation in the Joint Inspection Unit (chapter VI) is based on the formula established by ACC whereby the United Nations pays 38.22 per cent of the total expenditure of the Unit, which is estimated at \$448,300 for 1972. The related details are as follows:

	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>revised</u> <u>estimate</u>	<u>1970</u> <u>expenses</u>
	\$	\$	\$
Salaries and common staff costs of inspectors (net) . . . . .	240,400	231,400	196,286
Salaries and common staff costs of secretariat (net) . . . . .	133,900	125,000	101,299
Travel on official business (inspectors \$45,000, secretariat \$7,000) . . . . .	52,000	52,000	45,398
Translation . . . . .	15,000	15,000	14,959
Hospitality . . . . .	4,500	4,500	3,500
General expenses . . . . .	2,500	2,500	1,424
Furniture and equipment . . . . .	pro memoria	pro memoria	-
	<u>448,300</u>	<u>430,400</u>	<u>362,866</u>

The Advisory Committee was informed that the increase of \$17,900 in the estimated cost of the Unit is attributable solely to the higher cost of continuing the 1971 manning table. The size of the secretariat (which was increased in 1970) will be retained at four professional staff and above (one D-2, two P-4, one P-2) and seven general service (including one G-5).

210. Chapter VII (United Nations participation in jointly financed activities of administrative co-ordination) provides for the United Nations share (set by ACC at

51/ Ibid., para. 262.



32.54 per cent) of the costs of the International Civil Service Advisory Board, the Expert Committee on Post Adjustments, the Consultative Committee on Administrative Questions, the preparation of cost-of-living surveys, the Inter-Organization Board for information systems and related activities and the pay research unit, if it is established in 1972.

211. The total cost of these activities in 1972 is estimated at \$478,000, compared with an estimate of \$303,000 for 1971 and actual expenses of \$200,151 in 1970. The details are given in table 15 below:

Table 15. Jointly financed activities of  
administrative co-ordination

<u>Activity</u>	<u>1972 estimates</u>	<u>1971 estimates</u>	<u>1970 expenses</u>	<u>Increase or (decrease) 1972 over 1971</u>
	\$	\$	\$	\$
<u>Consultative Committee on Administrative Questions</u>				
Salaries (net) and common staff costs of Secretariat . . . . .	84,000	77,000	75,238	7,000
Temporary assistance (pay research unit) . . . . .	-	35,000	-	(35,000)
Consultants . . . . .	5,000	5,000	8,610	-
Consultant on common grading standards: reimbursement to the United States Government . .	-	-	28,000	-
Travel on official business . .	6,000	6,000	5,912	-
Miscellaneous expenses . . . . .	1,000	1,000	1,252	-
	<u>96,000</u>	<u>124,000</u>	<u>119,012</u>	<u>(28,000)</u>
<u>Cost-of-living surveys</u>				
(Fees and travel expenses of consultants, pricing agents' fees; temporary assistance; and travel of staff on official business) . . . . .	<u>26,000</u>	<u>25,000</u>	<u>20,863</u>	<u>1,000</u>

Table 15 (continued)

<u>Activity</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>estimates</u>	<u>1970</u> <u>expenses</u>	<u>Increase or</u> <u>(decrease)</u> <u>1972</u> <u>over 1971</u>
	\$	\$	\$	\$
<u>Expert Committee on Post</u>				
<u>Adjustments</u>				
Travel and subsistence of members . . . . .	5,800	3,800	4,154	2,000
Travel and subsistence of staff . . . . .	2,200	2,200	731	-
	<u>8,000</u>	<u>6,000</u>	<u>4,885</u>	<u>2,000</u>
<u>International Civil Service</u>				
<u>Advisory Board</u>				
Travel and subsistence of members of the Board . . . . .	33,000	16,000	14,748	17,000
Travel and subsistence of staff . . . . .	-	2,200	-	(2,200)
Salaries (net) and common staff costs . . . . .	45,000	43,000	39,148	2,000
Travel on official business . . . . .	3,000	2,800	1,453	200
Miscellaneous expenses . . . . .	5,000	10,000	42	(5,000)
	<u>86,000</u>	<u>74,000</u>	<u>55,391</u>	<u>12,000</u>
<u>Inter-Organization Board</u>				
Salaries (net) and common staff costs . . . . .	120,000	70,000	-	50,000
Consultants . . . . .	40,000	-	-	40,000
Travel on official business . . . . .	5,000	4,000	-	1,000
Miscellaneous expenses . . . . .	5,000	-	-	5,000
	<u>170,000</u>	<u>74,000</u>	<u>-</u>	<u>96,000</u>

Table 15 (continued)

<u>Activity</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>estimates</u>	<u>1970</u> <u>expenses</u>	<u>Increase or</u> <u>(decrease)</u> <u>1972</u> <u>over 1971</u>
	\$	\$	\$	\$
<u>Pay Research Unit</u>				
Salaries (net) and common staff costs . . . . .	85,000	-	-	85,000
Travel on official business . .	3,500	-	-	3,500
Miscellaneous expenses . . . .	3,500	-	-	3,500
	<u>92,000</u>	<u>-</u>	<u>-</u>	<u>92,000</u>
GRAND TOTAL . . . . .	<u>478,000</u>	<u>303,000</u>	<u>200,151</u>	<u>175,000</u>

212. No change is proposed for the secretariats of the Consultative Committee on Administrative Questions, the International Civil Service Advisory Board, the Inter-Organization Board (the Expert Committee on Post Adjustments has no special secretariat). The details are as follows:

	<u>D-2</u>	<u>P-5</u>	<u>Total</u>	<u>General</u> <u>Service</u>	<u>Total</u>
Consultative Committee on Administrative Questions . .	1	1	2	2	4
International Civil Service Advisory Board . . . . .	1	-	1	1	2
Inter-Organization Board . . .	1	2	3	3	6

213. The increase in the cost of the Inter-Organization Board is attributable principally to the fact that the 1972 estimate is calculated on a full-year basis whereas the 1971 estimate incorporated a delayed recruitment factor.

214. The manning table proposed for the pay research unit provides for three professional posts (one P-5, one P-4 and one P-3) and two general service. The Advisory Committee was informed that no final decision has been taken at the interagency level to set up a pay research unit in 1972. Furthermore, the entire question is closely related to the work of the Special Committee for the Review of the United Nations Salary System. In the circumstances, the Advisory Committee recommends that the provision for the establishment of a pay research unit in 1972 be deleted. Considering, however, that the Consultative Committee on Administrative

Questions may require temporary assistance to provide pay research data to the Special Committee in 1972, the Committee recommends that provision for this purpose be made in an amount similar to that for 1971. The effect of these recommendations would be to reduce the estimate under chapter VII by \$18,500.

215. Chapter VIII contains the net United Nations share of the expenses of the United Nations Joint Staff Pension Fund. The estimate of \$176,900 is provisional, for the total estimated expenses of the Fund have not yet been considered by the United Nations Joint Staff Pension Board. The Advisory Committee will review these estimates in detail on the basis of the Board's report to the General Assembly at its twenty-sixth session.

216. The estimate of \$640,000 for chapter IX represents the United Nations share (40 per cent) of the expenses of the International Computing Centre which are estimated at \$1.6 million. 52/ The over-all amount equals the estimated operating budget for 1971, as set out by the Secretary-General in his report to the General Assembly at its twenty-fifth session; 53/ but the breakdown of the constituent elements reveals considerable differences, as can be seen from the following table:

	<u>1972 estimate</u>	<u>1971 estimate</u>
	\$	\$
Salaries and wages (established posts) . . . . .	460,000	340,000
Consultants . . . . .	25,000	30,000
Common staff costs . . . . .	115,000	85,000
Travel . . . . .	10,000	10,000
Permanent equipment . . . . .	20,000	30,000
General expenses . . . . .	970,000	970,000
Contingency . . . . .	-	135,000
	<u>1,600,000</u>	<u>1,600,000</u>

217. Furthermore, the budget estimates for 1972 reflect a different manning table from the one presented to the General Assembly last year: 54/

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52/ The United Nations share of the costs of the Inter-Organization Board amounts to \$55,300 (see paras. 210 and 211 of the present report).

53/ Official Records of the General Assembly, Twenty-fifth Session, Annexes, agenda item 73, A/C.5/1305, para. 9.

54/ Ibid.

	<u>D-2</u>	<u>D-1</u>	<u>P-5</u>	<u>P-4</u>	<u>P-3</u>	<u>P-2/1</u>	<u>Total profes- sional</u>	<u>GS</u>	<u>Total</u>
1972 estimates	-	1	2	2	4	3	12	31	43
1971 estimates	1	1	2	3	4	7	18	25	43

On the basis of the information provided to it at the time, the Advisory Committee, in its related report to the General Assembly, expressed the view that the 1971 staffing proposals for the International Computing Centre realistically reflected the initial requirements, to the extent that they could be estimated at that stage. <sup>55/</sup> The information now available to the Committee does not enable it to assess the impact, in terms of the operational capacity of the Centre in 1972, of the proposed reduction of its professional strength by one third. The Committee has been informed, however, by the Secretary-General that the activities of the Centre as now planned will be primarily of a servicing and processing nature, while the programming functions and most of the programming staff will be carried on the manning tables of the user agencies.

218. In the circumstances the Advisory Committee recommends that in the report to be submitted to the General Assembly at its twenty-sixth session pursuant to operative paragraph 6 of resolution 2741 (XXV), the Secretary-General should indicate in detail the proposed requirements of the Centre in 1972 in resources and manpower. He should describe the services the Centre will render and explain the reasons for any departures from the initial expectations. The report should also indicate which functions will continue to be carried out in the user agencies and, for the United Nations, the manning table required therefor, and whether this was foreseen in the initial plan. The report should include an account of the use made of the contingency provision of \$135,000 in 1971 which, in the words of paragraph 9 of the Secretary-General's report on electronic data processing, was "considered essential for the flexible operations which would be required by the International Computing Centre" to enable it "to undertake additional special work for all agencies and institutions including Member Governments upon request". Furthermore, it should bring together the budgetary provisions for electronic data processing and related activities in the various sections of the United Nations budget estimates for 1972.

Reduction recommended

Section 12. Special expenses . . . . .	\$ 18,500
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<sup>55/</sup> Ibid., Twenty-fifth Session, Supplement No. 8A (A/8008/Add.1-15) document A/8008/Add.2, para. 33.

PART VI. TECHNICAL PROGRAMMES

Section 13. Economic development, social development, public administration, human rights advisory services and narcotic drugs control

	\$
Estimate submitted by the Secretary-General . . . . .	5,408,000
Estimate recommended by the Advisory Committee . . . . .	5,408,000
1971 (appropriation). . . . .	5,408,000
1970 (actual expense) . . . . .	5,408,590

219. Section 13 provides for those United Nations technical assistance activities (other than for industrial development) which are financed from the regular budget. In the following table the 1972 chapter estimates represent targets for the five fields of activity, in accordance with the revised programming and budgetary procedures recommended by the Economic and Social Council in resolution 1434 (XLVII), as approved by the General Assembly in resolution 2514 (XXIV).

<u>Chapter</u>	<u>1972 estimates</u>	<u>1971 appropri- ations</u>	<u>1970 expenditure</u>
	\$	\$	\$
I. Economic development . . . . .	2,000,000 )		2,503,369
II. Social development . . . . .	1,853,000 )		1,578,979
III. Public administration . . . . .	1,200,000 )		1,038,395
IV. Human rights advisory services . .	250,000 )	5,408,000	216,773
V. Narcotic drugs control . . . . .	100,000 )		71,074
TOTAL . . . . .	<u>5,408,000</u>	<u>5,408,000</u>	<u>5,408,590</u>

220. The Advisory Committee was informed that the variations between the 1972 estimates by chapter and the 1970 expenditures are due to changes in the requests received from developing countries.



Section 14. Industrial development

	\$
Estimate submitted by the Secretary-General . . . . .	1,500,000
Estimate recommended by the Advisory Committee . . . . .	1,500,000
1971 (appropriation). . . . .	1,500,000
1970 (actual expense) . . . . .	1,496,612

221. This section provides for technical assistance in industrial development, as envisaged in General Assembly resolution 2298 (XXII) of 12 December 1967. At its fifth session, held in May 1971, the Industrial Development Board approved the programme proposals presented by the Executive Director for 1972, and recommended to the General Assembly an appropriation of \$1.5 million for that purpose under section 14. 56/

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56/ ID/B/82; ID/B/91, para. 333.

PART VII. UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Section 15. United Nations Conference on Trade and Development

	\$
Estimate submitted by the Secretary-General . . . . .	11,880,900
Estimate recommended by the Advisory Committee . . . . .	11,640,400
1971 (appropriation). . . . .	10,072,300
1970 (actual expense) . . . . .	8,869,791

222. This section provides for UNCTAD, which the General Assembly by Assembly resolution 1995 (XIX) of 30 December 1964 established as an organ of the Assembly. The estimate is \$1,808,600 greater than the appropriation for 1971, and about \$3 million more than actual expenses in 1970.

223. The above figures are calculated on a gross basis. Expenditure foreseen for 1972 will be partly offset by income estimated by the Secretary-General at \$2,466,800 (\$324,800 more than for 1971), made up of the following elements: \$1,650,000 from staff assessment (compared with \$1,370,000 for 1971), to be credited to income section 1; \$13,000 from the reimbursement paid by the International Lead and Zinc Study Group for services provided by UNCTAD (compared with \$12,000 for 1971), credited to income section 3 (General income); and \$803,800 by way of contributions from States members of UNCTAD which are not Members of the United Nations (compared with \$760,000 in 1971), similarly credited to income section 3. In addition, the contribution from UNDP towards administrative and operational service costs incurred by UNCTAD for technical assistance projects is included as part of the global United Nations provision in income section 2 (Funds provided from extra-budgetary accounts). Finally, for the International Trade Centre (chapter XII) it is estimated that \$41,400 will be available from miscellaneous income and from surplus account, to be shared between the United Nations and the General Agreement on Tariffs and Trade (GATT); this amount has been taken into account in the estimate of requirements for the Centre from the United Nations budget (see paragraphs 242-249 below).

224. Table 16 below provides a breakdown of the estimates and a comparison with the appropriation for 1971 and actual expenditure in 1970. Five chapters account for the bulk of the increase compared with the current year, as follows:

(a) Chapter I (Sessions of the Conference): up \$730,000 owing to the fact that the third session of UNCTAD is scheduled to take place during 1972;

(b) Chapter III (Salaries and wages): up \$499,800 owing to higher salary rates, to the proposed addition of new posts to the manning table, and to a proposed reclassification;

Table 16. United Nations Conference on Trade and Development

<u>Chapter</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>appropri-</u> <u>ations</u>	<u>1970</u> <u>expenses</u>	<u>Increase or</u> <u>(decrease)</u> <u>between 1971</u> <u>and 1972</u>
	\$	\$	\$	\$
A. <u>Sessions of the Conference and of expert and advisory bodies</u>				
I. Sessions of the Conference	908,000	178,000	-	730,000
II. Sessions of expert and advisory bodies . . . . .	<u>80,000</u>	<u>70,000</u>	<u>45,129</u>	<u>10,000</u>
	<u>988,000</u>	<u>248,000</u>	<u>45,129</u>	<u>740,000</u>
B. <u>Secretariat of UNCTAD</u>				
III. Salaries and wages . . . . .	4,831,600	4,331,800	3,878,374	499,800
IV. Common staff costs . . . . .	1,171,000	1,003,300	947,160	167,700
V. Travel of staff . . . . .	210,000	200,000	212,373	10,000
VI. Hospitality . . . . .	10,000	9,000	7,951	1,000
VII. Permanent equipment . . . . .	15,000	17,000	18,388	(2,000)
VIII. General expenses . . . . .	361,000	339,000	369,034	22,000
IX. Printing . . . . .	<u>152,000</u>	<u>140,000</u>	<u>114,897</u>	<u>12,000</u>
	<u>6,750,600</u>	<u>6,040,100</u>	<u>5,548,177</u>	<u>710,500</u>
C. <u>Administrative and conference services provided by other United Nations offices</u>				
X. Salaries and wages . . . . .	2,739,100	2,629,400	2,387,888	109,700
XI. Common staff costs . . . . .	<u>486,000</u>	<u>482,500</u>	<u>363,197</u>	<u>3,500</u>
	<u>3,225,100</u>	<u>3,111,900</u>	<u>2,751,085</u>	<u>113,200</u>
D. <u>International Trade Centre</u>				
XII. United Nations share of the International Trade Centre costs . . . . .	<u>917,200</u>	<u>672,300</u>	<u>525,400</u>	<u>244,900</u>
TOTAL section 15	<u>11,880,900</u>	<u>10,072,300</u>	<u>8,869,791</u>	<u>1,808,600</u>

(c) Chapter IV (Common staff costs), up \$167,700, mainly as a direct consequence of the higher expenditure foreseen for established posts;

(d) Chapter X (Salaries and wages for services provided by other United Nations offices), up \$109,700 owing to higher salaries;

(e) Chapter XII (United Nations share of International Trade Centre costs), up \$244,900, owing partly to higher salary rates and other costs, partly to proposed new posts, and partly to other factors described in paragraph 244.

225. In its review of the estimates for section 15 the Advisory Committee took into account the report by the Secretary-General of UNCTAD on the work programme for 1970-1973 57/ and the relevant observations of the Trade and Development Board at the second part of its tenth session. 58/

A. Sessions of the Conference and of expert and advisory bodies

226. In its report on the Secretary-General's initial budget proposals for 1971 59/ the Advisory Committee did not examine in detail the estimates for the third session of the Conference (section 15, chapter I), owing to uncertainty at that time as to whether the Conference would take place during 1971 or the following year. When it was decided that the date should be fixed for 1972, the Advisory Committee approved revised estimates of \$178,000 for preparatory work during 1971; at that time the tentative estimate for the total cost of the Conference was \$1,057,000. 60/ The estimate now presented for the 1972 costs is \$908,000. Thus the aggregate cost, should this estimate prove accurate, would amount to \$1,086,000, or \$29,000 more than the estimate of a year ago. The Committee understands that this increase arises mainly from additions that were made to the agenda after the earlier estimate was prepared, and that it is partly offset by some expected economies.

227. The assumptions on which the cost estimates have been based are set out in paragraphs 15.5-15.9 of the budget estimates. Although the Trade and Development Board has recommended that the Conference should be held in Santiago from 13 April to 10 May 1972, the Secretary-General has taken as his basis the costs which would be expected to arise should the venue be Geneva; this is in accordance with the formula that was approved by the General Assembly in resolution 2609 (XXIV) of 16 December 1969, whereby a Government which has issued an invitation for a session of a United Nations body to be held within its territory meets all costs additional to those which would have arisen had the session taken place at the body's headquarters. The Advisory Committee was informed that while the

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57/ TD/B/336 and Add.1 and 2.

58/ TD/B/343, chapter VI.

59/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8 (A/8008), para. 277.

60/ Ibid., Annexes, agenda item 73, document A/8260.

Secretary-General had attempted to submit a realistic estimate for the third session of UNCTAD, there was no guarantee that developments during the meeting would not give rise to unexpected costs; should such costs relate to factors independent of the venue, they would be charged to the United Nations and not to the Government of Chile. Given the somewhat preliminary nature of the cost estimate included under chapter I, the Committee is not in a position to subject its constituent elements to a detailed analysis. However, it believes that the manpower and other resources set out in table 15-3 of the budget estimates provide a comfortable margin for absorbing extra work that might develop during the Conference. Given careful administration and the co-operation of the participating Governments and organizations the cost to the United Nations should be less than the amount that has been estimated. In this respect the Committee urges the Secretary-General to investigate all possible avenues of savings - without prejudice to the objectives of the Conference - and in particular ways of reducing the considerable volume of in-session and post-session documentation.

228. Chapter II provides for meetings of the Advisory Committee to the Trade and Development Board and to the Committee on Commodities, and for meetings of six ad hoc expert groups; the estimate of \$80,000 is \$10,000 more than was appropriated for 1971. In light of the uncertainty of the 1972 programme of expert group meetings - which may well be affected by decisions of the Conference - and bearing in mind the fact that the 1972 estimate is almost twice the actual expenses in 1970, the Committee recommends that the amount estimated for this chapter be reduced by \$10,000.

#### B. Secretariat of UNCTAD

229. Part B, which provides for the costs of the UNCTAD secretariat, accounts for about 60 per cent of the total estimate for section 15. The major part, in a total of \$6,002,600, is for chapters III (Salaries and wages) and Chapter IV (Common staff costs).

230. The Secretary-General proposes the addition of six professional and eight general service posts to the UNCTAD establishment for 1972, and the proposed upgrading of one G-5 post to the P-2/1 level. The effect of these changes would be to raise the authorized manning table from 297 posts (157 professional and 140 general service) to 311 (164 professional and 147 general service). The new posts would be distributed as follows: one general service post each for the office of the Secretary-General of UNCTAD, Office of Administration and New York Liaison Office; one professional post each for the Division for Trade Expansion and Economic Integration, Commodities Division; one professional and three general service posts for the Research Division; and three professional and two general service posts for the Manufactures Division.

231. In addition, the Secretary-General proposes the reorganization of four UNCTAD offices. The External Relations Unit, in the Office of the Secretary-General and the Division of Conference Affairs, which in 1971 were separated pursuant to the survey carried out by the Administrative Management Service, would once again be combined. A further consolidation would be brought about by combining these two offices with the Technical Assistance Unit and the Office of Administration under the Central Management Support.

232. In considering the request for new posts the Advisory Committee recalled that one of the factors determining the 1971 establishment of UNCTAD as finally approved by the General Assembly, was the survey carried out in 1970 by the Administrative Management Service. In all its surveys the Service has sought to arrive at a recommended level of staff which would not only be sufficient to carry out the workload existing at the time but would allow some margin for the absorption of further tasks. In the circumstances, the Committee believes that it would be inappropriate to expand the establishment to the extent which the Secretary-General has proposed, it recommends the deletion of two of the proposed posts at the P-4 level, and two general service posts. Such a reduction would still leave a net addition to ten posts which should be adequate to respond to the new tasks devolving upon UNCTAD as the Second United Nations Development Decade gets under way. The deletion of the four posts would result in a budgetary saving of \$36,000 for 1972 under chapter III (i).

233. In chapter III of his budget estimates the Secretary-General proposes numerous transfers of posts among offices within UNCTAD. While such transfers would not alter the over-all strength of the offices concerned, in terms of numbers of professionals and general service posts they would alter the relative numbers of posts at different grades and so modify the professional competence of certain offices. The Advisory Committee does not object to the Secretary-General being flexible in his use of the approved over-all manning table, but it cautions that large-scale transfers of posts lead to confusion and administrative complications and make it difficult to evaluate the staff resources actually available for certain tasks. In the case of UNCTAD such transfers are even more difficult to justify, given the fact that the manning table for 1971 represents basically the agreed position arising from the Secretary-General's consideration of the findings of the Administrative Management Service. Moreover, the Committee cannot agree to posts being transferred simply to provide for promotions, as seems to be suggested in several cases of transfer within UNCTAD.

234. The Advisory Committee also has doubts as to the wisdom of the consolidation of offices described in paragraph 231 above. It has been informed, however, that after experimenting with the separation of the External Relations Unit and the Division of Conference Affairs, which was recommended by the Administrative Management Service, the Secretary-General of UNCTAD concluded that the previous arrangement was preferable. At a later stage the Committee intends to deal with the implementation and follow-up of recommendations of the Administrative Management Service and, in particular, with the reasons for their having been postponed or discarded.

235. Articles (ii), (iii) and (iv) of chapter III provide for consultants (\$275,000), temporary assistance (\$50,000) and overtime and night differential (\$15,000). Although the estimate for consultants is \$18,000 less than the appropriation for 1971, the Advisory Committee recalls that the 1971 figure included an extraordinary amount of \$68,000 to provide for the preparation of case studies on private foreign investment in developing countries; <sup>61/</sup> as only a small part of this task will continue into 1972, the Committee recommends that the combined estimate for articles (ii)-(iv) be reduced by \$40,000 to be applied mainly to article (ii) (Consultants).

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<sup>61/</sup> Ibid., documents A/8260 and A/C.5/1353.



236. The increase in estimated requirements for common staff costs (chapter IV) is due mainly to higher contributions to the United Nations Joint Staff Pension Fund (up \$130,000) and higher separation payments (up \$28,000). As expenditures under this chapter are largely consequential to those for established posts, the Advisory Committee recommends a reduction of \$9,000, to reflect its recommendation in paragraph 232 above.

237. For chapter V (Travel of staff) the Secretary-General estimates an expenditure of \$210,000 in 1972, which is \$10,000 more than was appropriated for 1971; the reason is a higher provision for home leave travel. As to representation travel to meetings of other bodies (article (i)), the 1971 appropriation of \$40,000 is maintained. In the light of its inquiries the Advisory Committee concluded that such travel should be more tightly controlled; it recommends a reduction of \$10,000 for this article.

238. The Advisory Committee was concerned at the estimate for chapter VIII (General expenses), which at \$361,000 is \$22,000 higher than the appropriation for 1971. A large part of this increase is due to computer-related costs: the rental of a remote access terminal in the Palais des Nations (shared with ECE), linked to the new International Computing Centre, and a contribution towards the operating costs of the Centre (\$25,000). As a provision already exists under section 12, chapter IX, for payment to the Centre of the full United Nations share of its operating costs - including those arising from the services provided to UNCTAD - the Committee recommends that the amount of \$25,000 mentioned above be deleted. The Committee further believes that many expenditures under chapter VIII, in particular communications, lend themselves readily to administrative control. However, it has been informed that a large increase in postage rates that recently went into effect for certain types of documents has not been taken into account in the initial estimates and therefore does not recommend any additional reduction in chapter VIII.

239. In considering the estimate of \$152,000 for chapter IX (Printing), the Advisory Committee noted that while the expenditure foreseen under article (i) (Official records) was substantially less than actual costs in 1970 (\$13,000 compared with \$22,097), the reverse was true for articles (ii) (Recurrent publications) and III (Studies and reports), the estimates for which were 50 per cent greater than the 1970 requirements. The Committee believes that the printing programme of UNCTAD should be limited to items of proven value and take account of publications by other organizations working in related areas. For that reason, and taking into account also the possibility that the 1972 printing programme will be affected by delays in the submission of manuscripts, the Committee recommends that the estimate for chapter IX should be reduced by \$15,000.

#### C. Services provided to UNCTAD by other United Nations offices

240. This part of section 15, comprising chapters X and XI, provides for salaries and wages (including temporary assistance and overtime) and common staff costs (including home leave travel) for staff furnished to UNCTAD by other United Nations offices to provide administrative, conference and miscellaneous services. As indicated in tables 15-23 and 15-24 of the budget estimates, the number of established posts to be financed from these chapters (sixty-three at the professional level and above, 117 general service) is the same as in 1971. The estimate of \$2,739,100 for chapter X (Salaries and wages) is \$109,700 more than the



appropriation for the current year, reflecting higher salary costs. Requirements for temporary assistance for meetings (article (ii)) are about \$29,000 less than the corresponding appropriation for 1971, but nevertheless exceed actual needs in 1970 by about \$10,000. The Advisory Committee is concerned at the level of temporary assistance expenditure by UNCTAD under this chapter and under chapter III (see paragraph 235 above), which in 1970 amounted to about \$741,000. It considers that this is a type of expenditure where good administration can lead to savings, and it therefore recommends that the appropriation for chapter X be reduced by \$30,000.

241. Under chapter XI (Common staff costs and travel on home leave of staff furnished to UNCTAD by other United Nations offices) the Secretary-General estimates expenditure of \$486,000, slightly more than the appropriation for 1971 and 30 per cent above actual costs in 1970. Most costs in this category derive from certain statutory entitlements of the staff and are thus not subject to limitation by the Secretary-General. On the other hand, an analysis of the elements of chapter XI raises doubts about the validity of some of the underlying assumptions; on the basis of expenses in 1970 adjusted for subsequent price increases the Committee considers that the Secretary-General is unlikely to need the full amount estimated for 1972. It therefore recommends that this estimate should be reduced by \$40,000.

#### D. International Trade Centre

242. Chapter XII of section 15 provides for the costs to the United Nations of the International Trade Centre, which is operated in Geneva jointly by UNCTAD and GATT, in accordance with the terms of General Assembly resolution 2297 (XXII) of 12 December 1967. As from 1971 the Centre's budget has been shared equally by the two sponsoring organizations.

243. For 1972 the estimate under this chapter amounts to \$917,200 representing half the net regular budget of the Centre. Table 17 breaks down by chapter the aggregate estimated costs of the Centre, along with comparative figures for 1971 and 1970, and shows how the contributions due in 1972 from UNCTAD and GATT are arrived at.

244. The increase in the Centre's budget for 1972, compared with 1971, is attributed by the Secretary-General mainly to the following:

	\$
(a) Higher salary and other costs of continuing the same level of activities as in 1971 . . . . .	208,400
(b) New posts proposed for 1972: a total of five professional and eight general service posts under parts I and II . . . . .	96,500
(c) Other increases not attributable to higher costs, mainly an increase in temporary assistance under part II, chapter 8 . . . . .	62,300
(d) Transfer of charges from the GATT budget for supporting services provided by the GATT secretariat . . .	<u>150,000</u>
	517,200

Table 17. International Trade Centre

	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>appropri-</u> <u>ations</u>	<u>1970</u> <u>expenses</u>	<u>Increase or</u> <u>(decrease)</u> <u>between 1971</u> <u>and 1972</u>
	\$	\$	\$	\$
<u>Direct cost of the Centre</u>				
Salaries and wages . . . . .	833,500	648,100	558,163	185,400
Common staff costs . . . . .	252,100	222,600	153,448	29,500
Travel on official business . .	40,000	40,000	40,052	-
Hospitality . . . . .	1,000	1,000	566	-
Permanent equipment . . . . .	10,000	8,000	5,507	2,000
General expenses . . . . .	177,000	114,400	105,696	62,600
Printing . . . . .	86,600	75,000	99,621	11,600
TOTAL	<u>1,400,200</u>	<u>1,109,100</u>	<u>963,053</u>	<u>291,100</u>
<u>Services provided through UNCTAD</u> <u>and GATT secretariats</u>				
Salaries . . . . .	270,000	197,800	202,240	72,200
Common staff costs . . . . .	55,600	51,700	39,616	3,900
Supporting services provided to the Centre by the GATT secretariat	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
TOTAL	<u>475,600</u>	<u>249,500</u>	<u>241,856</u>	<u>226,100</u>
<u>Overhead costs relating to</u> <u>extra-budgetary projects</u>				
Salaries and wages . . . . .	261,000	158,000	69,360	103,000
Travel on official business . .	45,000	40,000	17,126	5,000
General expenses . . . . .	<u>12,000</u>	<u>12,000</u>	<u>38,002</u>	<u>-</u>
TOTAL	<u>318,000</u>	<u>210,000</u>	<u>124,488</u>	<u>108,000</u>
GRAND TOTAL	<u>2,193,800</u>	<u>1,568,600</u>	<u>1,329,397</u>	<u>625,200</u>
<u>Financed by:</u>				
United Nations contribution . .	917,200	672,300	525,400	244,900
GATT contribution . . . . .	917,200	672,300	671,600	244,900
Miscellaneous income and transfer from surplus account . . . . .	41,400	14,000	7,909	27,400
Contribution toward overhead costs relating to extra-budgetary projects . . . . .	<u>318,000</u>	<u>210,000</u>	<u>124,488</u>	<u>108,000</u>
	2,193,800	1,568,600	1,329,397	625,200

245. When account is taken of an increase in revenue and a transfer from surplus account, the effect of the above increase is to raise the contribution due from the United Nations by \$244,900, or a little more than 36 per cent.

246. The Advisory Committee noted that at the time it considered the estimates for the Centre (May-June 1971) they had already been considered by the GATT Committee on Budget, Finance and Administration in accordance with the agreed practice by which the Centre's budget is reviewed by the budgetary organs of both GATT and the United Nations. That Committee recommended to the contracting parties of GATT a reduction of \$51,000 in the estimates for the Centre, thereby reducing the contributions payable by UNCTAD and GATT from \$917,200 to \$891,700 each. The recommended reductions are:

	\$
Part I. section 1 (Salaries and wages): elimination of one professional and two general service posts . . . . .	21,500
Section 3 (Travel on official business) . . . . .	5,000
Section 6 (General expenses) . . . . .	3,500
Section 7 (Printing) . . . . .	15,000
Part II, section 8 (Salaries of staff providing services to the Centre): reduction in temporary assistance . . . . .	<u>6,000</u>
	<u>51,000</u>

247. The Advisory Committee inquired into the reasons for the decision to charge to the Centre's budget as from 1972 the cost of certain supporting services previously provided free by GATT (\$150,000). The Committee was informed that the amount corresponded to the cost of seventeen GATT staff employed full-time on work for the Centre; at its session in October 1970 the GATT Committee on Budget, Finance and Administration had recognized that, given the growth of the Centre, the arrangements for financing these posts seemed to have become unsatisfactory and had noted the intention of the GATT secretariat, in consultation with UNCTAD, to make the necessary adjustment. The Committee agrees that it is logical to finance from the shared Centre budget all posts whose incumbents work exclusively on Centre business; however, the posts concerned should be transferred from the GATT manning table to that for the Centre under section 8 of its budget, and should be under the complete control of the Director of the Centre. The Committee recommends that this be done. Furthermore, the Committee suggests that the Secretary-General of UNCTAD appraise the services being provided cost-free by UNCTAD to the Centre - including office space - to determine the extent to which they might more equitably be charged to the centre's budget.

248. The Advisory Committee noted from paragraph 28 of the report on the 1972 estimates for the Centre by the GATT Committee on Budget, Finance and Administration 62/ that that Committee agrees to the proposal that the post of Deputy Director of the Centre be reclassified from D-1 to D-2 and that its incumbent be restyled Director of Programmes. It will be recalled that in the 1971 budget

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62/ GATT document L/3527 of 13 May 1971.

estimates for the Centre it was proposed to up-grade the Deputy Director's post to D-2 (which is also the level of the Director of the Centre), but the Committee did not concur 63/ and that reclassification was not carried out. The Committee does not formally object to the latest proposal, although its misgivings have not been allayed by the justifications presented in the estimates and in discussions with representatives of the Director of the Centre. Nor does the Committee have any reason to alter its view that the appropriate grade for the latter function is D-2.

249. Taking into account the observations above and subject to consideration of its suggestion in paragraph 247 above and to the views expressed in paragraph 248, the Advisory Committee concurs in the recommendation of the GATT Committee on Budget, Finance and Administration that the initial budget estimates of the Centre for 1972 should be reduced by \$51,000, along the lines that that Committee has suggested (see paragraph 246 above). The contribution due from the United Nations would thus amount to \$891,700, a reduction of \$25,500. In concurring in this modest reduction the Committee remains of the view, which it has expressed in previous reports, 64/ that given the growth of the Centre in recent years some stock-taking and an appraisal of its work are called for.

Section 15 as a whole

250. The reductions recommended by the Advisory Committee in the preceding paragraphs for section 15 amount to \$240,500. Thus the Committee recommends to the General Assembly an appropriation of \$11,640,400 for this section compared with the Secretary-General's initial estimate of \$11,880,900.

Recapitulation of reductions recommended:

<u>Section 15. United Nations Conference on Trade and Development</u>	\$
Chapter II. Sessions of expert and advisory groups . . . . .	10,000
Chapter III. Salaries and wages of UNCTAD secretariat:	
(i) Established posts . . . . .	36,000
(ii) Consultants )	
(iii) Temporary assistance ) . . . . .	40,000
(iv) Overtime )	
Chapter IV. Common staff costs of UNCTAD secretariat . . . . .	9,000
Chapter V. Travel of staff. . . . .	10,000
Chapter VIII. General expenses . . . . .	25,000
Chapter IX. Printing . . . . .	15,000
Chapter X. Salaries and wages of staff provided by other United Nations offices:	
(ii) Temporary assistance . . . . .	30,000
Chapter XI. Common staff costs of staff provided by other United Nations offices. . . . .	40,000
Chapter XII. International Trade Centre. . . . .	25,500
	<u>240,500</u>

63/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8 (A/8008), para. 302.

64/ Ibid., Twenty-fourth Session, Supplement No. 8 (A/7608), para. 333; and Ibid., Twenty-fifth Session, Supplement No. 8 (A/8008), para. 304.

PART VIII. UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

Section 16. United Nations Industrial Development Organization

	\$
Estimate submitted by the Secretary-General. . . . .	13,123,100
Estimate recommended by the Advisory Committee . . . . .	12,954,000
1971 (appropriation) . . . . .	12,222,500
1970 (actual expense). . . . .	10,106,501

251. This section provides for expenses for the administrative and research activities of UNIDO, in accordance with paragraph 21 of General Assembly resolution 2152 (XXI) of 17 November 1966.

252. In paragraph 16.7 of his initial estimates the Secretary-General states that he has confined his request to a figure which takes into account the projected additional cost of continuing in 1972 the 1971 level of operations, but makes no provision for possible financial implications of recommendations of the Special International Conference of the United Nations Industrial Development Organization or of the Industrial Development Board at their sessions in May and June 1971. Nor has the Secretary-General requested any additional resources for expanding the general substantive and administrative support activities and services or the estimated cost of backstopping the expected increase over 1971 of \$4.5 million in operational field programmes financed from voluntary funds.

253. A breakdown by chapter of the Secretary-General's initial estimate of \$13,123,100, along with the corresponding appropriation for 1971 and actual expense in 1970, is given in table 18 below.

254. The provision for section 16 is a gross figure which does not take into account income arising from UNIDO's activities. In accordance with United Nations budgetary practices such income, which the Secretary-General estimates at a total of \$3,413,470, has been included under the appropriate income sections: \$1,838,000 under income section 1 (income from staff assessment) 500,000 under income section 2 (contribution by UNDP towards the administrative and operational services costs of technical assistance projects assigned to UNIDO for execution), and \$1,075,470 under income section 3 (\$970,470) by way of contribution by States which are members of UNIDO but not members of the United Nations; and \$105,000 in refunds of the organization's contribution to the United Nations Joint Staff Pension Fund in respect of participant withdrawals and for other revenue.

255. The Secretary-General's estimate of \$13,123,100 for 1972 is \$900,600, or 7.4 per cent above the 1971 appropriation of \$12,222,500. The bulk of the increase is accounted for by higher staff costs and general expenses.

Table 18. United Nations Industrial Development Organization

<u>Chapter</u>	<u>1972 estimates</u>	<u>1971 appropri- ations</u>	<u>1970 expenses</u>	<u>Increase or (decrease) between 1971 and 1972</u>
	\$	\$	\$	\$
I. Sixth session of the Industrial Development Board and meetings of its subsidiary organs . . . . .	210,000	191,500 <sup>b/</sup>	177,641 <sup>b/</sup>	18,500
II. Meetings of expert and advisory bodies . . . . .	133,500	125,500	94,945	8,000
III. Salaries and wages . . . . .	8,524,000	8,083,500 <sup>c/</sup>	6,394,150	440,500
IV. Common staff costs . . . . .	2,282,000	2,037,000 <sup>c/</sup>	1,684,705	245,000
V. Travel of staff . . . . .	410,000	385,000	315,556	25,000
VI. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations: hospitality	11,000	11,000 <sup>b/</sup>	12,083 <sup>b/</sup>	-
VII. Permanent equipment . . . . .	104,000	113,000	87,414	(9,000)
VIII. Maintenance, operation and rental of premises . . . . .	247,000	237,000	247,248	10,000
IX. General expenses . . . . .	632,500	490,000	564,786 <sup>d/</sup>	142,500
X. Publications programme and reproduction services . . . . .	305,000	305,000	308,287 <sup>d/</sup>	-
XI. Headquarters planning and administrative management . . . . .	264,100	244,000 <sup>c/</sup>	174,365	20,100
XII. Provisional posts . . . . .	-	-	45,321	-
TOTAL	<u>13,123,100<sup>a/</sup></u>	<u>12,222,500</u>	<u>10,106,501</u>	<u>900,600</u>

<sup>a/</sup> Income estimates totalling \$3,413,470 have been included under the appropriate income sections.

<sup>b/</sup> For purposes of comparability with 1972, the provision for hospitality (\$1,500) related to sessions of the Industrial Development Board have been transferred from chapter VI to chapter I for the financial year 1971. However, similar costs for 1970 remain in chapter VI.

<sup>c/</sup> For purpose of comparability, an amount of \$62,500 for the staff of the Administrative Management Section has been transferred from chapter XI to chapter III (\$48,500) and chapter IV (\$14,000) to reflect the transfer of staff and functions from chapter XI to chapter III.

<sup>d/</sup> An amount of \$25,341 for internal reproduction supplies has been transferred from chapter IX to chapter X to conform with the revised presentation of chapter X for 1971 and 1972.



256. Chapter I provides for short-term staff to prepare for and service the sixth session of the Industrial Development Board and the Working Group on Programme and Co-ordination and for certain related expenses. The Advisory Committee notes that the estimates are based on the same duration (four consecutive weeks) and volume of pre-session documentation (1,500 pages) as those for 1971. Despite this fact, however, the request for "temporary assistance to strengthen the administration services and the secretariat of the Board" at \$11,000 is larger when compared with the 1971 figure of \$8,000 than can be justified in terms of salary increases alone. The request for overtime and night differential, while more in line with the 1971 figure (\$18,500 as compared with \$17,000), is also considerable.

257. The Advisory Committee recommends that every effort be made to reduce the volume of pre-session documentation in 1972 below the 1,500 pages planned for 1971, particularly since this figure also includes documentation for the Special Conference. The Committee further recommends that the requested volume of temporary assistance to strengthen the administrative services and secretariat of the Board and of overtime and night differential be reduced through better planning and scheduling of work. Accordingly, the Committee recommends a reduction of \$15,000 (from \$210,000 to \$195,000) in the estimate for chapter I.

258. The Advisory Committee notes that the estimate for chapter I includes an amount of \$1,500 for hospitality in connexion with the session of the Board, whereas previously the corresponding provision had been included in chapter VI. While the Committee has an open mind in the matter, it would point out that the new presentation in section 16 is inconsistent with the presentation of hospitality in connexion with the General Assembly (which is included in section 6).

259. Under chapter II, the Secretary-General requests \$133,500 for meetings of experts and advisory bodies. In paragraphs 16.13 and 16.14 he states that the 1972 programme includes twenty-one meetings estimated to cost \$157,500, but that on the basis of experience he estimates that at least five meetings will not be held for a variety of reasons. Bearing in mind that actual expenditure on such meetings in 1970 was approximately \$95,000 and that the average cost of the meetings planned for 1972 is about \$7,500, the Advisory Committee is of the view that the reduction of \$24,000 applied by the Secretary-General in respect of meetings which, though planned, will not be held in 1972 has been understated. The Committee accordingly recommends that the estimate under chapter II be reduced by \$10,000 to \$123,500.

260. Chapter III provides for the salaries and wages of the UNIDO staff other than those serving in the Office of Headquarters Planning and Administrative Management. The estimate of \$8,524,000 covers established posts (\$8,099,000), temporary assistance (\$50,000), individual experts and consultants (\$335,000) and overtime and night differential (\$40,000).

261. The increase of \$425,500 for established posts (from \$7,673,500 in 1971 to \$8,099,000) is attributed by the Secretary-General exclusively to salary, wage and cost-of-living adjustments. The Secretary-General has retained UNIDO's manning-table at the 1971 level of 644 posts (308 professional and 336 general service). He is also requesting a monetary provision for seventy-six artisans, technicians and other manual workers; the Advisory Committee was informed that in May 1971 UNIDO employed a total of eighty-eight maintenance operations workers.



262. The Secretary-General estimates that in 1972 overhead funds available to UNIDO will be sufficient to finance a total of 492 man-months of professional staff and 2,136 man-months of general service staff time, i.e. the equivalent of forty-one professional and 178 general service posts.

263. The Advisory Committee was informed that as of 11 May 1971 UNIDO had thirty-four vacant professional posts and that a further thirty-three such posts were held by incumbents appointed for less than one year or by general service staff; thus only four fifths of the professional posts (regular and overhead) were occupied by regular incumbents. The Committee was told by the Executive Director of UNIDO that he was considering a gradual shift in emphasis from technical assistance to promotional-type operations. The latter may call for somewhat different skills and qualifications on the part of the professional staff and to that extent the Committee sees some merit in a situation where the establishment is not fully filled by regular incumbents.

264. As for general service posts the Advisory Committee was informed that UNIDO has no vacancies in this category. In this connexion, the Committee recalled that it was the view of the Administrative Management Service that the clerical staffing levels approved for 1971 should be able to support some additional increases in the professional staff. The survey also revealed that UNIDO's substantive work might be increased without adding to the existing administrative staff.

265. For the foregoing reasons the Advisory Committee believes that, with only a relatively modest increase in substantive professional staff over the number proposed by the Secretary-General in his initial estimates, UNIDO could execute a considerably larger programme than that for 1971.

266. The credits requested for temporary assistance (\$50,000) and overtime and night differential (\$40,000) are identical with the 1971 appropriations. In its examination of these requests the Advisory Committee noted with concern that expenditure on temporary assistance in 1970 (\$93,641) was nearly double the initial appropriation of \$50,000. The Committee expects that the necessary administrative steps will be taken to ensure that the credits for 1971 and 1972 are not exceeded.

267. The request for consultants in the amount of \$335,000 has been calculated on the basis of 222 man-months of services. In this connexion, the Advisory Committee recalled the conclusion of the Administrative Management Service that there was room for improvement in the use of consultants in relation to particular work activities and availability of regular staff. <sup>65/</sup> The Committee recommends that the estimate for consultants be reduced by \$10,000 to \$325,000.

268. Chapter IV (Common staff costs) at \$2,282,000 is \$245,000 higher than the 1971 appropriation of \$2,037,000, and nearly \$600,000 above actual expenses in 1970. Some of the items included under this chapter are directly related to the level of chapter III, article (i) (Established posts). Others (travel on appointment, transfer and separation, assignment allowances, installation grants and removal expenses) contain an element of conjecture. The Advisory Committee notes that the estimates for these items are considerably higher than the corresponding appropriations for 1971; the increase is presumably related to

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<sup>65/</sup> Ibid., Twenty-fifth Session, Annexes, agenda item 73, document A/C.5/1333.

experience in 1970 when actual requirements for travel on recruitment, transfer and separation, for installation grants and for removal costs exceeded the appropriations, owing basically to a higher level of turnover of staff. Considering, however, that the 1972 estimates for UNIDO are based on the approved 1971 level of staff, the Committee is of the view that there is room for a reduction in the 1972 estimates. Accordingly the Committee recommends a reduction of \$80,000 in the estimate for common staff costs.

269. The estimate for chapter IV also includes an amount of \$3,000 for intensive individual language training for a small number of staff who may need a good knowledge of a language for a proposed foreign work assignment or who, because of frequent official travel, cannot take advantage of the group language training at UNIDO's headquarters, the estimate is based on four weeks' training for four students. The Advisory Committee considers that the views of the Training Service of the Office of Personnel should be ascertained in connexion with special programmes of this kind.

270. The estimate for chapter V (Travel of staff) in the amount of \$410,000 is \$25,000 above the 1971 appropriation of \$385,000. Of this increase, \$15,000 relates to travel of staff on official business (up from \$120,000 to \$135,000) and \$10,000 to travel of industrial field advisers (\$100,000 as compared with \$90,000). The provision for the travel of staff and dependants on home leave remains unchanged at \$175,000. The increase for industrial field advisers is explained in terms of the expectation that the number of such advisers will be increased in 1972, while the increase in travel of staff on official business is attributed to "the need for improved co-ordination with other United Nations organs particularly on programming matters"; the Secretary-General has also taken account of expected increases in fares and rates of subsistence. For an organization such as UNIDO, which experiences difficulties in filling its professional posts with regular incumbents (see paragraph 263 above) the frequent absence of senior officials from the organizations's headquarters must to some extent impede the implementation of programmes. Furthermore, paragraph 16.46 of the Secretary-General's estimates would seem to indicate that for meetings in New York insufficient use is made of the UNIDO Liaison Office at United Nations Headquarters. For these reasons the Advisory Committee recommends that the estimate for chapter V be reduced by \$15,000 from \$410,000 to \$395,000.

271. The provision for chapter VII (Permanent equipment) amounts to \$104,000, or \$9,000 less than the 1971 appropriation of \$113,000. The Advisory Committee notes that the 1972 estimate includes \$15,500 for furniture for additional personnel who may have to be accommodated at UNIDO headquarters. Considering that the 1971 appropriation includes a considerable credit for this purpose and that the 1972 estimates make no provision for additional regular budget staff, the Committee has reservations about the need for this extra furniture. For the latter reason, and recalling that UNIDO plans to purchase sixty-eight typewriters in 1971, the Committee also doubts the need to purchase twenty-eight typewriters in 1972. As for article (iii) (Internal reproduction equipment), for which \$29,000 is being asked, the Committee has satisfied itself that the request does not conflict with the joint UNIDO/IAEA arrangements for the internal reproduction of documentation.

272. The estimate for the maintenance, operation and rental of premises (chapter VIII), at \$247,000 is \$10,000 higher than the 1971 appropriation but approximately equal to actual expenses in 1970. Compared with the latter there is

an increase of approximately \$13,000 for utilities, offset by a decrease for supplies and minor alterations. The provision for contractual services remains virtually unchanged.

273. The Secretary-General's estimate for chapter IX (General expenses) amounts to \$632,500, as compared with \$490,000 appropriated for 1971 and \$564,786 spent in 1970; expenditure in 1969 was \$392,817. The breakdown by article is as follows:

<u>Article</u>	<u>1972</u> <u>estimates</u> \$	<u>1971</u> <u>appropriations</u> \$	<u>1970</u> <u>expenses</u> \$
(i) Communications . . . . .	268,000	218,000	292,569
(ii) Rental and maintenance of equipment . . . . .	66,000	52,000	67,761
(iii) Other supplies and services.	42,500	38,000	15,294
(iv) Stationery and office supplies . . . . .	58,000	53,000	49,032
(v) Library books, supplies and services . . . . .	25,000	25,000	25,279
(vi) Participation of UNIDO in common services with IAEA . . . . .	173,000	104,000	114,851
TOTAL, chapter IX	<u>632,500</u>	<u>490,000</u>	<u>564,786</u>

274. The Advisory Committee is concerned at UNIDO's continuing high expenditure on communications. During its consideration of the UNIDO estimates for 1972 the Committee was informed that the Executive Director had reviewed the cables and airmail letters sent and telephone calls made during the latter part of 1970. The review had revealed considerable laxity in the use of these expensive means of communication. The need for economy had been brought to the attention of the staff in an information circular. The Committee understands that if there is no improvement in 1971 the Executive Director will initiate new arrangements to ensure the proper use of resources.

275. Another area showing a very steep increase in costs is computer services: the estimate of \$111,000 for 1972 is three times larger than the 1970 expenditure. The Advisory Committee would stress the need for proper discipline in computerizing operations as otherwise computer costs could easily become disproportionate to the benefit to the organization.

276. The Advisory Committee recommends a reduction of \$25,000 under chapter IX, to be applied principally to article (i) (Communications).

277. Chapter XI provides for the continuation in 1972 of the Office of Headquarters Planning and Administrative Management. The estimate of \$264,100 covers the staff of the Office and provisions for consultants, travel, permanent equipment and miscellaneous supplies and services. The staff of the Office consists of four professional and eight general service posts, or a total of twelve - the same as in 1971. The related costs in 1972 are \$141,100 for salaries and \$45,000 for common staff costs. The Advisory Committee notes that the Management Section (two professional and two general service staff), which had previously been attached to the Office, is now provided for under chapter III.

278. The provision for individual experts and consultants, at \$60,000, compares with \$58,000 in 1971 and an expenditure of approximately \$18,000 in 1970. While the Advisory Committee recognizes the need for consultants to deal with special questions that arise during the planning of UNIDO's permanent headquarters it believes that some economies are possible in the estimate submitted by the Secretary-General. In the Committee's opinion economies should also be possible in respect of travel, for which the Secretary-General requests \$8,000; though the amount is the same as the appropriation for 1971, this estimate is two and a half times higher than expenses in 1970. As for the estimate for permanent equipment, the Advisory Committee is of the view that there is no need for a separate provision under chapter XI, as the requirements can be accommodated within the estimate for chapter VII for the reasons outlined in paragraph 271 above. Similarly, the Committee believes that the miscellaneous supplies and services for which \$8,000 is requested under article (vi) can be provided from the credits under chapters III and IX. For these reasons the Committee recommends that the estimate for chapter XI be reduced to \$250,000, i.e. by \$14,000.

Recapitulation of reductions recommended

Section 16. United Nations Industrial Development Organization

	\$
Chapter I . . . . .	15,000
Chapter II . . . . .	10,000
Chapter III. . . . .	10,000
Chapter IV . . . . .	80,000
Chapter V . . . . .	15,000
Chapter IX . . . . .	25,000
Chapter XI . . . . .	14,100
	<hr/>
TOTAL	169,100
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PART IX. SPECIAL MISSIONS

Section 17. Special missions

	\$
Estimate submitted by the Secretary-General . . . . .	8,249,000
Estimate recommended by the Advisory Committee. . . . .	8,160,700
1971 (appropriation). . . . .	8,133,100
1970 (actual expense) . . . . .	7,632,891

279. The 1972 estimate for section 17 is \$115,900 above the 1971 appropriation. Increases occur under chapters I (United Nations Truce Supervision Organization (UNTSO)) and II (United Nations Military Observer Group in India and Pakistan (UNMOGIP)) and are offset to some extent by decreases under chapters III (United Nations Commission for the Unification and Rehabilitation of Korea (UNCURK)), IV (United Nations Supply Depot in Pisa) and V (United Nations Council for Namibia and Commissioner for Namibia).

280. The estimates for chapters I to V are presented on a gross basis. Expected revenue from staff assessment, sale of equipment and reimbursement for staff and services furnished to specialized agencies and others, as included under income sections 1 and 3, totals \$704,100, distributed as follows: UNTSO - \$506,200; UNMOGIP - \$94,800; UNCURK - \$31,300; United Nations Supply Depot in Pisa - \$14,600; and United Nations Council for Namibia and Commissioner for Namibia - \$57,200.

281. Chapters I, II, III and VIII relate to special missions which were established as follows: UNTSO, under Security Council resolution 48 (1948) of 23 April 1948 and 73 (1949) of 11 August 1949; UNMOGIP, under a resolution adopted on 20 July 1948 by the United Nations Commission for India and Pakistan, which was set up under Security Council resolution 39 (1948) of 20 January 1948; UNCURK, under General Assembly resolution 376 (V) of 7 October 1950; and The United Nations Representative for India and Pakistan, under Security Council resolution 80 (1950) of 14 March 1950.

282. The initial estimates for 1972 do not provide for the Ad Hoc Working Group of Experts established under resolution 2 (XXIII) of the Commission on Human Rights, the United Nations Middle East Mission and the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories. Provisions totalling \$256,900 were made for these missions in 1971. Table 19 gives an analysis by chapter of the 1972 estimates, the 1971 appropriations and the 1970 expenses.



Table 19. Special missions and related activities: analysis by chapter and by year from 1970, 1971 and 1972

<u>Chapter</u>	<u>1972 estimates</u>	<u>1971 appropriations</u>	<u>1970 expenses</u>	<u>Increase or (decrease) between 1971 and 1972</u>
	\$	\$	\$	\$
I. UNTSO . . . . .	5,969,300	5,607,400	5,305,762	361,900
II. UNMOGIP . . . . .	1,283,900	1,246,500	1,250,844	37,400
III. UNCURK. . . . .	298,300	302,800	278,296	(4,500)
IV. United Nations Supply Depot in Pisa . . . . .	140,000	147,100	112,635	(7,100)
V. United Nations Council for Namibia and Commissioner for Namibia.	346,100	361,000	195,569	(14,900)
VI. Special Committee on <u>Apartheid</u> . . . . .	11,400	11,400	2,481	-
VII. Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples . .	200,000	200,000	108,375	-
VIII. United Nations Representative for India and Pakistan. .	-	-	-	-
Previous expenses not provided for in 1972. . .	-	<u>256,900<sup>a/</sup></u>	<u>378,929<sup>b/</sup></u>	<u>(256,900)</u>
TOTAL, section 17	<u>8,249,000</u>	<u>8,133,100</u>	<u>7,632,891</u>	<u>115,900</u>

<sup>a/</sup> Includes the following missions for which provision was made in 1971 but for which no basis at present exists on which to include an estimate: Ad Hoc Working Group of Experts established under resolution 2 (XXIII) of the Commission on Human Rights (\$33,000), United Nations Middle East Mission (\$153,900) and the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories (\$70,000).

<sup>b/</sup> Includes the following missions not provided for in 1972 but for which expenditures were incurred in 1970: Ad Hoc Working Group of Experts established under resolution 2 (XXIII) of the Commission on Human Rights (\$120,655), United Nations Middle East Mission (\$136,075), the Representative of the Secretary-General to Nigeria on Humanitarian Activities (\$33,375), Special Working Group of Experts established under resolution 6 (XXV) of the Commission on Human Rights (\$11,626), the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories (\$55,205), the Representative of the Secretary-General to Peru (\$7,410), the Special Mission to the Republic of Guinea (\$13,683) and miscellaneous claims and adjustments for prior years (\$900).

283. The estimate for chapter I (UNTSO) shows an increase of \$361,900 over the 1971 appropriation. This increase is largely due to higher salary and wage rates and consequential increases in common staff costs, to an increase in freight costs and to a higher provision for the maintenance and rental of premises and equipment. The Advisory Committee was informed that the replacement of one professional and one general service staff by two administrative and technical services personnel would result in a saving. The addition of two other administrative and technical services personnel and of one local post constitutes a net increase in the manning table of the mission which is thereby increased from 347 to 350; the number of military observers is retained at 222.

284. Chapter II (UNMOGIP) shows an estimate of \$37,400 above the 1971 appropriation. The main increases occur under salaries and wages, common staff, costs and travel and maintenance of military observers and air crew. While the over-all strength of this mission is being retained at 121 (including forty-five military observers), the Secretary-General proposes to replace three administrative and technical services personnel by local staff. The Advisory Committee has noted that the cost of this mission is increased by the practice of providing staff, air crew and observers with double accommodation (at Rawalpindi and Srinagar); the Committee was informed that this is considered necessary in view of the extreme scarcity of accommodation in the area. The Committee is of the view that it is desirable to subject arrangements and work programmes to periodic review to ascertain whether savings can be effected in keeping with the changing requirements of the situation.

285. The 1972 estimate for chapter III (UNCURK) shows a decrease of \$4,500 compared with the 1971 appropriation. This is attributable mainly to lower estimates for the travel and subsistence of members of the Commission and of staff, partly offset by somewhat higher staff costs. The Advisory Committee noted that the Secretary-General proposes to reduce the number of local staff from twenty-nine to twenty-eight. While welcoming this step the Committee believes that it is possible to further reduce the strength of this mission without adversely affecting the work of the Commission. The three professional staff now have three secretaries; on the administrative side there are one non-local and three local administrative assistants; the office staff also includes one clerk-typist and one mimeograph operator. The Committee is confident that some of these functions can be combined, with a corresponding reduction in the size of the clerical staff. Similarly, there would seem to be room for savings in maintenance staff who include four labourer/gardeners and nine drivers and mechanics/drivers. Accordingly, the Committee recommends that the number of local staff be reduced by eight posts to twenty, with a consequential saving of \$7,200. In making this recommendation the Committee is mindful of the infrequency and short duration of UNCURK meetings: in 1970 and the first four months of 1971 there were fifty-seven such meetings - fourteen of the Commission and forty-three of the Committee; half the meetings lasted less than an hour and a half.

286. There is a decrease of \$7,100 in the 1972 estimate for chapter IV (United Nations Supply Depot in Pisa), compared with the 1971 appropriations. This decrease relates mainly to common staff costs and travel and subsistence of staff. The Advisory Committee notes that there is an increased provision for United Nations contributions to the Joint Staff Pension Fund, since local staff have become eligible for participation in the Pension Fund, in accordance with a decision of the Secretary-General which became effective on 1 January 1971.



287. Chapter V (United Nations Council for Namibia and Commissioner for Namibia) contains provisions for the Office of the United Nations Commissioner for Namibia, and the travel documents office in Africa, but not for the secretariat of the Council for Namibia, which continues to be provided by the Department of Trusteeship and Non-Self-Governing Territories. The decrease of \$14,900 compared with the 1971 appropriation is wholly due to the fact that no provision has been made for a possible decision for the Council to proceed or to send a subcommittee to Africa during 1972, for which a sum of \$34,000 was appropriated in the 1971 budget. This decrease is offset to some extent by increases in the estimates for the Office of the Commissioner and for the Travel Documents Office in Lusaka. The staff of the latter, consisting of one professional, one general service and two local staff, are included in the secretariat manning table for the first time. The Committee recalled that actual expenditures under this chapter have usually fallen below the appropriations as the Office of the Commissioner has been headed by an Acting Commissioner and has not been fully staffed. At this stage, it is still uncertain whether or not the General Assembly will appoint a Commissioner at its twenty-sixth session. Pending such a decision the Advisory Committee recommends that the estimate for chapter V be reduced by \$46,100 to \$300,000.

288. The provision of \$11,400 under chapter VI (Special Committee on Apartheid) is based on the 1971 appropriation, since the Committee has not formulated its plans for 1972.

289. The Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples (chapter VII) has also not as yet formulated its plans for 1972 and the estimate of \$200,000 is based on the 1971 appropriation. The Advisory Committee understands that the 1971 expenditure for this Committee is likely to be about the same as that for 1970. The Committee, therefore, recommends that the initial estimate under chapter VII be reduced by \$35,000, on the understanding that the Secretary-General will submit revised estimates should this become necessary in the light of the Special Committee's work programme for 1972.

290. The Advisory Committee invites the attention of the General Assembly to the views it expressed in paragraph 348 of its first report on the budget estimates for the financial year 1971. 66/ The Committee believes that as time goes on there is greater need to review the continuation of various special missions.

Reduction recommended:

Section 17. Special missions	\$
Chapter III (UNCURK) . . . . .	7,200
Chapter V (United Nations Council for Namibia and Commissioner for Namibia) . . . . .	46,100
Chapter VII (Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples). . . . .	35,000
TOTAL	<u>88,300</u>

66/ Ibid., Twenty-fifth Session, Supplement No. 8 (A/8008).

PART X. OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

Section 18. Office of the United Nations High Commissioner for Refugees

	\$
Estimate submitted by the Secretary-General . . . . .	5,264,500
Estimate recommended by the Advisory Committee . . . . .	5,218,500
1971 (appropriations) . . . . .	4,722,000
1970 (actual expense) . . . . .	4,269,341

291. The estimate of \$5,264,500 for section 18 is \$542,500 greater than the appropriation for the current year and about \$995,000 more than actual expenses in 1970. It is a gross figure and is partly offset by income from staff assessment (estimated at \$717,500), credited to income section 1, and income from the grant-in-aid from voluntary funds (estimated at \$580,000), which represents a reimbursement for administrative expenses related to the High Commissioner's material assistance programme to refugees, and is credited to income section 2. Table 20 below provides more detailed information on the estimates, along with a comparison with the appropriations for 1971 and actual expenses in 1970.

292. The Secretary-General indicates that of the total increase of \$542,500 over the 1971 appropriations, \$344,500 results from increases in salaries and higher costs of services and supplies. The balance of \$198,000 represents net additional resources for the Office of the High Commissioner; all but \$13,300 of this latter amount is for salaries and common staff costs (chapters I and II) and reflects mainly the proposed net addition of four professional and 12 general service posts. All new posts would be on a provisional basis, pending the recommendations of the Administrative Management Service, which is due to carry out its manpower utilization and deployment survey of the Office towards the end of 1971.

Staffing proposals

293. Following a review of the workload and staff at the headquarters of the Office in Geneva and at all the field offices, the High Commissioner expects to be able in 1972 to release a total of two professional and three general service posts now assigned to his offices in Belgium, the Middle East (Beirut) and Canada. He is also exploring the possibility of using for certain tasks "junior professional officers" provided by Governments without direct cost to the Office. Although the Advisory Committee was informed that the response by Governments to this plan had not so far been as good as he had hoped, it noted that one "junior professional officer" was due to start work in Kinshasa in mid-1971.

Table 20. Office of the United Nations High Commissioner for Refugees

<u>Chapter</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>appropri-</u> <u>ations</u>	<u>1970</u> <u>expenses</u>	<u>Increase or</u> <u>(decrease)</u> <u>between 1971</u> <u>and 1972</u>
	\$	\$	\$	\$
I. Salaries . . . . .	3,692,000	3,321,700	2,964,026	370,300
II. Common staff costs . . . . .	1,018,000	884,000	824,230	134,000
III. Travel on official business . . . . .	193,000	180,000	185,005	13,000
IV. Public information activities . . . . .	35,000	32,000	29,601	3,000
V. Hospitality . . . . .	10,500	9,300	8,328	1,200
VI. Permanent equipment . . . . .	36,000	30,000	48,082	6,000
VII. General expenses . . . . .	261,000	244,000	249,437	17,000
VIII. Contractual printing . . . . .	19,000	21,000	14,462	(2,000)
TOTAL GROSS, section 18	5,264,500	4,722,000	4,323,171 <sup>a/</sup>	542,500
<u>Deduct</u>				
Income from staff assessment . . . . .	717,500	646,000 <sup>b/</sup>	592,352	71,500
Grant-in-aid from voluntary funds . . . . .	580,000	510,000 <sup>c/</sup>	536,202	70,000
TOTAL NET	3,967,000	3,566,000 <sup>d/</sup>	3,194,617	401,000

<sup>a/</sup> Consisting of \$4,269,341 under the regular budget and \$53,830 from voluntary funds.

<sup>b/</sup> Revised estimate.

<sup>c/</sup> Actual figure: \$523,078.

<sup>d/</sup> In addition, allocations totalling \$65,500 (net) from voluntary funds are available for 1971 administrative expenses related to programmes in Africa and Asia which started in 1970.

294. The staff reductions referred to above would help offset the High Commissioner's estimated requirements for new posts in 1972. These are briefly outlined below:

- (a) Two general service posts to maintain the one-man offices at Nairobi and New Delhi during the representatives' shorter absences;
- (b) One P-4 official at headquarters to replace area desk officers temporarily outposted to certain one-man offices during the representatives' absences on leave;
- (c) Four general service staff (in Addis Ababa, Nuremberg, Cairo and Kinshasa) to receive and interview individual refugees and channel them to the appropriate service or governmental authority;
- (d) One P-3 official for the Resettlement Section at headquarters to deal with a growing number of handicapped refugees from Africa;
- (e) One P-5 and three general service staff for the office opened in 1971 in Saigon; these four posts are being financed from voluntary funds in 1971 but, in accordance with a formula approved by the General Assembly, 67/ they should be provided for from the regular budget if the office is continued in 1972, as the High Commissioner considers necessary;
- (f) One P-1 or P-2 post to strengthen the Budget and General Administrative Section at headquarters;
- (g) Two P-5 and two general service posts to constitute a small evaluation and planning unit at headquarters, whose task would be to help the High Commissioner evaluate and plan activities in new areas and to prepare projections of the possible evolution of refugee situations;
- (h) Four general service posts to strengthen the shorthand-typing pool at headquarters; when these posts were requested in the Secretary-General's initial budget estimates for 1971, 68/ the Advisory Committee did not question their addition to the manning table, but provision for them was deleted in the revised estimates for 1971 in line with the Secretary-General's policy to maintain staff at the 1970 level. 69/

295. Taking into account the staff savings referred to in paragraph 293 above, the net effect of the Secretary-General's proposals for 1972 would be an increase of four professional (three P-5, one P-4) and 12 general service posts. These posts, requested on a provisional basis only, would raise the staff available to the High Commissioner under the regular budget from 308 (110 professional and above, 198 general service) to 324 (114 professional and above, 210 general service). The distribution of these posts among the headquarters of the Office in Geneva and the four main regions would be as follows: 70/

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67/ Ibid., Twentieth Session, Annexes, agenda item 76, document A/6223, para. 60.

68/ Ibid., Twenty-fifth Session, Supplement No. 6 (A/8006), para. 18.40.

69/ Ibid., Annexes, agenda item 73, document A/C.5/1322, para. 18.

70/ The table does not take into account the possible deployment of "junior professional officers" described in paragraph 293 above.

<u>Region</u>	1971			1972		
	<u>Profes- sional and above</u>	<u>General Service</u>	<u>Total</u>	<u>Profes- sional and above</u>	<u>General Service</u>	<u>Total</u>
Headquarters . . . . .	57	79	136	62	85	147
Africa . . . . .	27	60	87	27	64	91
Europe (including Turkey) . .	16	38	54	15	40	55
Asia, Middle East and Far East . . . . .	5	11	16	5	14	19
The Americas . . . . .	5	9	14	5	6	11
Australia and New Zealand . .	-	1	1	-	1	1
	<u>110</u>	<u>198</u>	<u>308</u>	<u>114</u>	<u>210</u>	<u>324</u>

296. In paragraphs 15.54-15.56 of his estimates the Secretary-General also contemplates the reclassification of a number of posts, including five which would pass from the P-5 to the D-1 level. However, no action along these lines is proposed before the Administrative Management Service has completed its survey of the High Commissioner's Office and the Advisory Committee agrees with that approach.

297. In its consideration of the Secretary-General's staff requests for the Office of the High Commissioner, the Advisory Committee took into account the relatively modest growth of the staff in recent years - despite the emergence of a number of significant new refugee situations - and the intention of the Secretary-General to add on a provisional basis only the proposed four professional and 12 general service posts, until the Administrative Management Service has been able to survey the Office. Further, the Committee noted that in order to meet changing emphases in refugee needs the High Commissioner proposes a redeployment of certain of his staff, the effect of which is to reduce the number of new posts which would otherwise have been considered necessary. Nevertheless, the Committee remains of the view it expressed a year ago <sup>71/</sup> that the further streamlining of the field offices in Europe - which in 1972 would account for 15 professional and 40 general service staff - can be carried out without prejudice to the High Commissioner's responsibilities, particularly in view of the large number of senior professional staff at the headquarters in Geneva. The Committee trusts that the Administrative Management Service will address itself to this question.

<sup>71/</sup> Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 8 (A/8008), para. 357.

298. The Advisory Committee noted with interest the proposal to set up a small evaluation and planning unit at headquarters (see paragraph 294 (g) above); it believes that one useful function of such a unit might be to recommend ways in which certain refugee operations whose usefulness may have diminished might be modified or phased out. The Committee felt, however, that it would be unwise, shortly before the Office is to be studied by the Administrative Management Service, to make budgetary provision for all four posts proposed for this unit in 1972; it therefore recommends that one P-5 post be deleted from the Secretary-General's request for this purpose under chapter I (ii). When the Administrative Management Service has completed its survey it should be possible to judge with more precision the extent to which the proposed unit is needed and the size of its staff.

299. While the Advisory Committee does not at this time question the justifications put forward for the remaining three professional and 12 general service posts requested on a provisional basis, it considers that pending the results of the forthcoming survey by the Administrative Management Service the proposed P-4 post at headquarters whose incumbent would be replacing area desk officers temporarily outposted to the field (see paragraph 294 (b) above) should continue to be financed from temporary assistance funds (as is the case in 1971), rather than from chapter I (ii) (Provisional posts).

300. In the light of its observations in paragraphs 298 and 299 above, the Advisory Committee recommends that the estimate for chapter I (ii) of section 18, (Provisional posts) be reduced by \$41,500. The Committee recommends that the estimate for chapter I (iii) (Correspondents, consultants, temporary assistance and overtime) be increased by \$7,000 so as to mitigate the effect of its recommendation that the P-4 post continue to be financed from temporary assistance funds.

#### Other budgetary provisions

301. The estimate for common staff costs (chapter II), at \$1,018,000, is \$134,000 greater than the appropriation for 1971; most of the increase is due to higher contributions to the United Nations Joint Staff Pension Fund and other social security plans (up \$31,000) and expected higher separation payments (up \$56,000). A new item of \$6,000 is included to provide language training for selected field office staff. The Committee's recommendation on provisional posts would entail a consequential reduction of \$11,500 under this chapter.

302. For travel on official business (chapter III) the Secretary-General has requested \$193,000, or \$13,000 more than the appropriation for the current year; the increase reflects mainly higher air fares.

303. The estimate of \$35,000 for public information activities (chapter IV) is slightly higher than the amount available for 1971, but is intended to enable the Office of the High Commissioner to continue in 1972 the somewhat expanded information activity being carried out during 1971, the twentieth anniversary of the Office.

304. Aggregate requirements for chapter V (Hospitality), VI (Permanent equipment for field offices), VII (General expenses and supplies) and VIII (Contractual printing) are estimated at \$22,200 more than the appropriations for 1971. The factors mainly responsible are an expanded procurement programme, increased operating, maintenance and rental costs of field office equipment, and higher

communications costs. The Advisory Committee recommends approval of the estimates under these chapters.

Recapitulation of reductions recommended:

\$

Section 18. Office of the United Nations High  
Commissioner for Refugees

Chapter I (ii).	Provisional posts . . . . .	41,500
(iii).	Correspondents, consultants, temporary assistance and overtime . . . . .	(7,000)
Chapter II.	Common staff costs . . . . .	<u>11,500</u>
	TOTAL NET	<u>46,000</u>



PART XI. INTERNATIONAL COURT OF JUSTICE

Section 19. International Court of Justice

	\$
Estimate submitted by the Secretary-General . . . . .	1,594,800
Estimate recommended by the Advisory Committee . . . . .	1,559,800
1971 (appropriation) . . . . .	1,453,900
1970 (actual expense) . . . . .	1,406,133

305. The estimate of \$1,594,800 for the Court is \$140,900 more than the appropriation for 1971 and \$188,667 above actual expenditure in 1970. A comparative breakdown by chapter is provided in table 21.

Table 21. International Court of Justice: summary by chapter and by year for 1970, 1971 and 1972

<u>Chapter</u>	<u>1972 estimates</u>	<u>1971 appropri- ations</u>	<u>1970 expenses</u>	<u>Increase or (decrease) between 1971 and 1972</u>
I. Salaries and wages of members of the Court . . . . .	763,000	766,500	751,911	(3,500)
II. Salaries and wages and expenses of the Registry . . . . .	691,500	567,900	543,690	123,600
III. Common services . . . . .	124,300	97,500	102,140	26,800
IV. Permanent equipment . . . . .	16,000	22,000	8,392	(6,000)
TOTAL, section 19	<u>1,594,800</u>	<u>1,453,900</u>	<u>1,406,133</u>	<u>140,900</u>

306. Income totalling \$143,000 that is expected to arise from the activities of the Court has been credited to the relevant income sections of the budget, as follows: income from staff assessment (\$111,100) under income section 1; bank interest (\$2,000), contributions from States not Members of the United Nations (\$13,400) and miscellaneous income (\$500) under income section 3; and sale of publications (\$16,000) under income section 4.

307. For chapter I (Salaries and expenses of members of the Court) the Secretary-General estimates requirements of \$763,000; the reduction of \$3,500 compared with the 1971 appropriation for this chapter is due entirely to lower expenditure foreseen for article (iv) (Annual journeys and journeys on leave).

308. Chapter II (Salaries, wages and expenses of the Registry) accounts for the bulk of the increase requested for section 19, compared with the appropriation for 1971: the estimate of \$691,500 is \$123,600 above the level approved for the current year. Article (i) (Established posts) shows an increase of \$63,400, attributable to salary increases and higher post adjustment payments foreseen as a result of the rising cost of living at The Hague, where the Court is located. No change is proposed in the manning table of the Registry (16 staff at the professional and higher levels, 34 general service). The estimate of \$95,000 for article (ii) (Temporary assistance) is \$44,400 more than the amount approved for 1971. Upon inquiry, the Advisory Committee was informed that this estimate was based upon the Court's intention to complete during 1972 a review of its Rules of Court, and also on the assumption that it would have before it at least one case. As the Court has completed the matter which was before it in 1971 and has as yet, no indication of further matters which might come before it in 1972, the Committee considers that there is room for a reduction of \$25,000 in the estimate for temporary assistance. Of the remaining items under chapter II, there are substantial increases for article (vi) (Contributions to the Joint Staff Pension Fund), an increase of \$3,600; for article (ix) (Contributions, medical and group life insurance) an increase of \$3,300, owing to higher subsidies arising from increases in premium rates and in the number of dependants covered; and for article (xi) (Travel on home leave), an increase from \$700 to \$5,800 because of much higher entitlements in even years).

309. Most of the increase of \$26,800 under chapter III (Common services) relates to article (i) (Contributions to the Carnegie Foundation in respect of the use of the Peace Palace at The Hague), where the Court is housed. There are two reasons for this increase, from \$41,700 (the 1971 appropriation) to \$62,500: first, the Board of Directors of the Carnegie Foundation, which owns the Palace, has asked that the United Nations increase from \$41,700 to \$55,600 its annual contribution for the Court's use of the building, in view of the rising cost of maintenance since the contribution was last adjusted in 1968; and secondly, the Board has asked that the United Nations also contribute, at the rate of \$6,900 a year, towards a major restoration of the Palace which has been under way since 1969 and is due to be completed in 1974 at a cost of at least \$694,450. The Advisory Committee was informed by the Secretary-General that, even at the proposed higher rate, the contribution to the Carnegie Foundation would be less than what the Organization would have to pay for alternative accommodations for the Court. The Committee believes, moreover, that the extraordinary annual contribution for the restoration should come to an end in 1974, when the restoration is due to be completed.

310. Estimates under other items of chapter III show little change, with the exception of that for article (viii) (Contractual printing) which, at \$40,000, is \$6,000 more than the appropriation for 1971. The increase is intended to accelerate the publication of the Court's Pleadings series.

311. Chapter IV (Permanent equipment) shows a reduction from \$22,000 to \$16,000; reduced requirements for furniture and for the installation of additional fittings are partly offset by an increase of \$4,000 for the library, owing to higher costs and a desire to improve the library collection.

312. In paragraph 308 above the Advisory Committee has recommended a reduction of \$25,000 in the estimate for chapter II, article (ii), of section 19. On the basis of its review of this section the Committee believes that there are a number of other areas where economies are within reach, especially should the Court not be confronted with a heavy caseload in 1972. The Committee therefore recommends that the estimate for the section as a whole be further reduced by \$10,000

313. Finally, the Advisory Committee was pleased to note that in response to the suggestion in its report on the estimates of the Court for 1971, <sup>72/</sup> the Registrar was able to loan a professional officer to the European office of the United Nations at a time when the workload of the Court was low. The Committee hopes that the Registrar will pursue that suggestion even more vigorously in future.

Reduction recommended

\$

Section 19. International Court of Justice . . . . . 35,000

ESTIMATES OF INCOME

314. Table 22 summarizes the estimates of income in 1972, compared with approved estimates for 1971 and actual income received in 1970.

Table 22

<u>Income section</u>	<u>1972 estimates</u>	<u>1971 approved estimates</u>	<u>1970 actual income</u>	<u>Increase or (decrease) between 1972 and 1971</u>
	\$	\$	\$	\$
1. Income from staff assessment	24,950,000	21,663,000	19,345,515	3,287,000
2. Funds provided from extra- budgetary accounts . . . . .	2,499,400	2,436,400	2,517,241	63,000
3. General income . . . . .	4,943,000	4,755,400	4,643,652	187,600
4. Revenue-producing activities .	3,178,400	2,922,200	4,564,941	256,200
Total income other than staff assessment . . . . .	10,620,800	10,114,000	11,725,834	506,800
TOTAL INCOME	35,570,800	31,777,000	31,071,349	3,793,800

<sup>72/</sup> Ibid., para. 370.

PART I. INCOME FROM STAFF ASSESSMENT

Income section 1. Income from staff assessment

	\$
Estimate submitted by the Secretary-General . . . . .	24,950,000
Estimate recommended by the Advisory Committee . . . . .	24,540,000 <u>a/</u>
1971 (estimated income) . . . . .	21,663,000
1970 (actual income) . . . . .	19,345,515

a/ After allowing for the exclusion of \$200,000 for the reason stated in paragraph 317 below.

315. The Secretary-General estimates that the assessments to be levied in accordance with regulation 3.3 of the Staff Regulations on salaries and emoluments paid to staff will amount to \$24,950,000 in 1972. The revenue will be credited to the Tax Equalization Fund for distribution therefrom to the Member States in accordance with General Assembly resolution 973 (X) of 15 December 1955.

316. The total assessment may be broken down as follows:

	\$
Staff provided for in sections 2, 3, 4 and 12, and income sections 3 and 4 . . . . .	19,979,000
Staff of UNCTAD (section 15) . . . . .	1,650,000
Staff of UNIDO (section 16) . . . . .	1,838,000
Staff of special missions (section 17) . . . . .	654,000
Staff of the Office of the United Nations High Commissioner for Refugees (section 18) . . . . .	718,000
Staff of the Registry of the International Court of Justice (section 19) . . . . .	111,000
	24,950,000

317. Income from staff assessment being directly related to expenditures on salaries and emoluments, the recommendations of the Advisory Committee under sections 2, 3, 15, 18 and 19 will have the following effect on staff assessment income:

\$

Reduction due to recommendations under section 2 (paragraphs 86, 90 and 95 above), section 3 (paragraphs 111, 118, 121, 122, 124, 128 and 134 above), section 15 (paragraphs 232, 235 and 240 above), section 18 (paragraph 300 above) and section 19 (paragraph 308 above) . . . . .	210,000
Exclusion of staff assessment related to the estimate for provisional staffing requirements under section 3 which the Committee recommends should be excluded pending the submission of revised estimates (see paragraph 131 above) . . . . .	200,000
	410,000

Accordingly, the Committee recommends an initial estimate of \$24,540,000 for income section 1.

Recapitulation of recommendations

\$

Income section 1. Income from staff assessment	
Reduction recommended . . . . .	210,000
Exclusion, pending submission of revised estimates . . . . .	200,000

PART II. OTHER INCOME

Income section 2. Funds provided from extra-budgetary accounts

	\$
Estimate submitted by the Secretary-General . . . . .	2,499,400
Estimate recommended by the Advisory Committee . . . . .	2,499,400
1971 (estimated income) . . . . .	2,436,400
1970 (actual income) . . . . .	2,517,241

318. The estimate for income section 2 covers the following expected contributions to the regular budget:

(a) \$1,874,400 from the United Nations Development Programme towards administrative and operational costs of technical assistance projects assigned to the United Nations for execution;

(b) \$580,000 from the voluntary funds for the programme of UNHCR;

(c) \$45,000 from the United Nations Joint Staff Pension Fund.

319. The increase of \$63,000 results from a higher contribution from the High Commissioner, offset to some extent by a decrease in the contribution of the Joint Staff Pension Fund.

320. The contribution of UNDP represents a subvention towards the administrative and operational services costs to be incurred by the United Nations (including UNIDO and UNCTAD) as a participating and executing agency for technical assistance projects funded by UNDP. The level of the subvention prior to 1972 was determined in accordance with the formula in Economic and Social Council resolution 1060 (XXXIX) that the subvention amount to 14 per cent of one half of the approved technical assistance field programmes of the previous biennium. The UNDP plans to merge the Technical Assistance component and the Special Fund component into a consolidated development programme as from 1 January 1972. The estimate of \$1,874,400 is provisional, since discussions about a new basis for calculating and accounting for the subvention are under way.

321. The 1972 estimate of \$580,000 for the grant-in-aid from the voluntary funds of the United Nations High Commissioner for Refugees is 10 per cent of the expected programme commitments for 1971, excluding the grant-in-aid for 1971 and administrative expenditures covered directly under the programme. This is in accordance with the formula approved by the General Assembly at its twenty-second session. 73/

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73/ Ibid., Twenty-second Session, Supplement No. 5 (A/6705), para. 17.14.



322. The reimbursement from the United Nations Joint Staff Pension Fund represents an agreed share of the costs related to the services of an investments officer, auditing services provided by the Board of Auditors, the provision of computer services and communications. The 1972 estimate is \$7,000 below the approved estimate for 1971. The Advisory Committee has recommended in the past that the Secretary-General should review existing arrangements to ensure the sufficiency of the reimbursement. <sup>74/</sup> The Committee understands that such an inquiry has been made and that a report will be submitted to the United Nations Joint Staff Pension Board at its next session.

323. Subject to the comments in paragraphs 320 and 322 above, the Advisory Committee concurs in the Secretary-General's estimate for income section 2.

Income section 3. General income

	\$
Estimate submitted by the Secretary-General . . . . .	4,943,000
Estimate recommended by the Advisory Committee . . . . .	4,953,000
1971 (estimated income) . . . . .	4,755,400
1970 (actual income) . . . . .	4,643,652

324. The 1972 estimate under this section is \$187,600 above the approved estimate for 1971. Table 23 gives comparative figures for the 1972 estimates and for the 1971 approved estimates and actual income in 1970, article by article.

325. The net rental income can be broken down into \$172,000 for Headquarters and \$80,000 for Geneva. The Headquarters estimate consists of \$72,000 for the rental of office space by specialized agencies, staff-sponsored activities and external organizations, and \$100,000 for garage parking. The Advisory Committee noted in its first report to the General Assembly on the 1971 estimates <sup>75/</sup> that there had been no change in the monthly garage rate at Headquarters for several years. As such rates should be adjusted periodically in line with rising costs, the Committee has suggested that the Secretary-General study this question. Pending consideration of his findings, the Committee recommends that the estimate for article (i) be increased by \$10,000.

326. The estimate for reimbursement for staff and services furnished to specialized agencies and others includes \$702,700 for Headquarters, comprising: \$361,700 for reimbursement by specialized agencies and other organizations for communications services and transmission of cables via the United Nations radio network; \$14,000 for the services of two radio operators provided to UNRWA; \$17,000 from fees charged to staff members' families, members of delegations and others for participation in language training programmes; and \$310,000 for services rendered by the computer facility in New York. The Advisory Committee was informed that

<sup>74/</sup> Ibid., Twenty-fourth Session, Supplement No. 8 (A/7608), paragraph 374; Ibid., Twenty-fifth Session, Supplement No. 8 (A/8008), paragraph 380.

<sup>75/</sup> Ibid., para. 383.

Table 23. General income: comparative table for 1970, 1971 and 1972

<u>Item</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>approved</u> <u>estimate</u>	<u>1970</u> <u>actual</u> <u>income</u>	<u>Increase or</u> <u>(decrease)</u> <u>between 1971</u> <u>and 1972</u>
	\$	\$	\$	\$
(i) Rental income:				
Gross . . . . .	312,000	307,000	319,106	5,000
<u>Less:</u> related staff and other costs . . . . .	60,000	57,000	50,474	3,000
Net . . . . .	252,000	250,000	268,632	2,000
(ii) Reimbursement for staff and services furnished to specialized agencies and others . . . . .	947,000	995,400	1,055,664	(48,400)
(iii) Bank interest . . . . .	67,000	67,000	65,872	-
(iv) Sale of used equipment . . . . .	60,000	63,000	56,481	(3,000)
(v) Refund of prior years' expenditures . . . . .	235,000	225,000	238,913	10,000
(vi) Contributions from non-member States <u>a/</u> . . . . .	2,392,000	2,150,000	1,983,345	242,000
(vii) Television and similar services	400,000	415,000	410,436	(15,000)
(viii) Reimbursement for part of the construction costs of the United Nations building in Santiago, Chile . . . . .	120,000	120,000	163,000	-
(ix) Refund of the Organization's contribution to the United Nations Joint Staff Pension Fund arising from participant withdrawals <u>b/</u> . . . . .	350,000	350,000	321,944	-
(x) Miscellaneous . . . . .	120,000	120,000	79,365	-
TOTAL	4,943,000	4,755,400	4,643,652	187,600

a/ In accordance with rule 161 of the rules of procedure of the General Assembly and regulation 5.9 of the Financial Regulations and Rules of the United Nations. The activities in which non-member States participate are: the International Court of Justice, the international control of narcotic drugs, ECAFE, ECE, UNCTAD and UNIDO.

b/ In accordance with section II of General Assembly resolution 2191 (XXI) of 15 December 1966.

this estimate would be reviewed later in the year, in the light of arrangements governing the participation of UNDP in the International Computing Centre in Geneva.

327. The estimate also includes: \$103,000 for Geneva, relating to reimbursement by specialized agencies and other organizations for reproduction and distribution of documents and other services, and to the estimated cost of services to be rendered to the International Lead and Zinc Study Group; and \$141,200 as reimbursement to be made by the Latin American Institute for Economic and Social Planning for common services provided in the United Nations building at Santiago.

328. Revenue from television, radio and film services (article vii) is estimated at \$400,000. The Advisory Committee was informed that the radio and visual services of the Office of Public Information derives most of its income from the North American market (84 per cent in 1968, 81 per cent in 1969, 69 per cent in 1970). The economic problems encountered by American networks in recent years, combined with a reduction in the number of "dramatic" United Nations events and meetings has led to a gradual decline in television news income (from \$258,000 in 1968 to \$148,500 in 1970), with a corresponding decrease in gross income from all visual activities (from \$503,175 in 1968 to \$410,000 in 1970). In the meantime production costs have risen. The Advisory Committee understands that the economic problems of the major customers of the Office of Public Information make it difficult for the Office to increase its charges commensurately with increases in production costs. Nevertheless, the Committee believes that standard rates charged for the services under this item should be adjusted periodically to take account of rising costs. The Committee is also of the view that steps must be taken to explore wider markets for United Nations television, radio and film services.

329. The provision under article (viii) is the seventh instalment of the reimbursement for part of the construction costs of the United Nations building at Santiago, in accordance with the terms of an agreement between the United Nations and the Government of Chile, which provides for the latter to reimburse a total of \$1.2 million in local currency over a period of ten years.

330. For the reason stated in paragraph 325 above, the Advisory Committee recommends that the Secretary-General's estimate for income section 3 be increased by \$10,000 to \$4,953,000.

Recommended increase

	\$
Income section 3. General income . . . . .	10,000

Income section 4. Revenue-producing activities

	\$
Estimate submitted by the Secretary-General . . . . .	3,178,400
Estimate recommended by the Advisory Committee . . . . .	3,213,400
1971 (estimated income) . . . . .	2,922,200
1970 (actual income) . . . . .	4,564,941

331. The estimate for this section is a net figure, arrived at after charging to the income from revenue-producing activities all clearly identifiable related expenses, including direct support staff services. Table 24 gives comparative figures for the 1972 estimates, the 1971 approved estimate and the 1970 actual income, by chapter.

Table 24. Revenue-producing activities

<u>Chapter</u>	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>approved</u> <u>estimates</u>	<u>1970</u> <u>actual</u> <u>income</u>	<u>Increase or</u> <u>(decrease)</u> <u>between 1971</u> <u>and 1972</u>
	\$	\$	\$	\$
I. Sale of United Nations postage stamps . . . . .	2,635,000	2,138,100	3,830,476	496,900
II. Sale of publications and the United Nations Bookshop . . . . .	89,000	257,300	105,708	(168,300)
III. Services to visitors and guided lecture tours .	(144,000)	136,200	(201,419)	(280,200)
IV. Souvenir and gift shops and catering services	398,400	390,600	441,172	7,800
V. Royalties - commemorative medals . . . . .	200,000	-	389,004	200,000
TOTAL	<u>3,178,400</u>	<u>2,922,200</u>	<u>4,564,941</u>	<u>256,200</u>

332. The net revenue from the sale of United Nations postage stamps is based on estimated gross sales of \$5,050,000, as compared with \$4,140,000 for 1971. The large gross sales figure for 1970 (\$6,008,573) was due to the high face value (\$5.26) of the stamps issued during that year and the interest created by the twenty-fifth anniversary celebrations.

333. The 1972 estimate for payments for mail-carrying and cancellation charges due to the United States Post Office (\$450,000) is \$70,000 above the 1971 approved estimate, as a result of increased postal rates which came into effect on 17 May 1971. There are increases also in expenses charged against revenue and a provision is included, for the first time, for the rental of premises (\$28,000), an item previously covered under section 9. The main increases in expenses occur under established posts (up \$81,000), common staff costs (up \$74,000) and temporary assistance (up \$119,000). The Secretary-General proposes that three established posts be reclassified (one P-3 post to P-4 and two P-2 posts to P-3) and that four general service posts formerly carried on a temporary-assistance basis be converted to established posts, since the functions involved are of a continuing nature. The Advisory Committee recommends that consideration of the proposed changes in the manning table be deferred pending the survey of the service by the Administrative Management Service. The higher requirements for temporary assistance, despite the proposed conversion of four general service posts to an established basis, is attributed by the Secretary-General to increasing sales by the postal administration.

334. The 1972 estimate for chapter II (Sale of publications and the United Nations Bookshop) is \$168,300 below the 1971 appropriation. However, there are indications that actual revenue in 1971 may be \$200,000 below the approved estimate because of recessionary economic conditions, higher costs and increases in expenses charged against revenue, including the rental of outside office and warehouse space not previously charged to chapter II. The Advisory Committee is aware of the difficulties in the way of augmenting the income from the sale of publications but believes, nevertheless, that the estimate of \$89,000 is unduly pessimistic, especially in the light of higher prices now charged for United Nations publications. It recommends therefore that the estimate for chapter II be increased by \$11,000 to \$100,000.

335. The deficit of \$144,000 under chapter III (Services to visitors and guided lecture tours) comprises \$121,500 for Headquarters and \$22,500 for Geneva. The approved estimate for 1971 is a net income of \$136,200 (income of \$151,700 at Headquarters and a deficit of \$15,500 at Geneva). The Advisory Committee understands, however, that the Secretary-General now expects that the guided tour operation at Headquarters will show a substantial deficit in 1971 as a result of a decline in the number of visitors. While recognizing that the profit motive is secondary in the provision of guided tours, the Committee is of the view that this service should be self-supporting. In the circumstances, the Committee is concerned at the Secretary-General's forecast for 1972. The Committee believes that for the Geneva service, which has operated at a loss for a number of years, the deficit should not be allowed to exceed the figure for 1971 and hopes that the more interesting programme being considered for the Geneva tour will stimulate interest among the public. The Committee urges the Secretary-General to improve the performance of the services to visitors and recommends that the estimated deficit under chapter III be reduced by \$24,000 to \$120,000.

336. The details of the estimate for chapter IV (Souvenir Shop, Gift Centre and catering services) are shown in table 25.

Table 25

	<u>1972</u> <u>estimates</u>	<u>1971</u> <u>approved</u> <u>estimates</u>	<u>1970</u> <u>actual</u> <u>income</u>	<u>Increase</u> <u>between</u> <u>1971 and</u> <u>1972</u>
	\$	\$	\$	\$
Souvenir Shop )	340,000	310,000	353,444	30,000
Gift Centre )				
Gift Centre ) Net of	210,000	205,000	213,726	5,000
) direct				
Catering services) charges	-	-	(23,429)	-
Total revenue )	<u>550,000</u>	<u>515,000</u>	<u>543,741</u>	<u>35,000</u>
<u>Less:</u> Expenses charged against revenue:				
Commercial Management Service:				
salaries and common staff costs . . .	<u>151,600</u>	<u>124,400</u>	<u>102,569</u>	<u>27,200</u>
ADJUSTED NET REVENUE	<u>398,400</u>	<u>390,600</u>	<u>441,172</u>	<u>7,800</u>

337. Chapter V (Royalties - United Nations commemorative medals) is a new venture. The medals will be issued in conjunction with United Nations commemorative stamps under contract with a mint, as in the case of the twenty-fifth anniversary medals. The estimate of \$200,000 is net of the salary and common staff costs for one professional (P-2) and one general service staff member required to administer this activity. The Advisory Committee welcomes this new initiative which is in accordance with the request made by the Fifth Committee during the twenty-third session of the General Assembly, that the Secretary-General should explore ways of providing additional revenue-producing activities. 76/

338. For the reasons stated in paragraphs 334 and 335 above the Advisory Committee recommends that the estimate for income section 4 be increased by \$35,000 to \$3,213,400.

Recapitulation of increases recommended

Income section 4. Revenue-producing activities

	\$
Chapter II. Sale of publications and the United Nations Bookshop . . . . .	11,000
Chapter III. Services to visitors and guided lecture tours	<u>24,000</u>
	35,000

76/ Ibid., Twenty-third Session, Annexes, agenda item 74, document A/7476, para. 144.



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