

**ADVISORY COMMITTEE ON ADMINISTRATIVE
AND BUDGETARY QUESTIONS**

**FIRST REPORT
ON THE PROPOSED PROGRAMME BUDGET
FOR
THE BIENNIUM 1990-1991**

GENERAL ASSEMBLY

OFFICIAL RECORDS: FORTY-FOURTH SESSION

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NOTE

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CONTENTS

| | <u>Paragraphs</u> | <u>Page</u> |
|--|-------------------|-------------|
| PREFACE | | x |
| Chapter | | |
| I. PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 | | 1 |
| General | 1 - 17 | 1 |
| Analysis of the expenditure estimates for 1990-1991 | 18 - 44 | 7 |
| Special adjustments | 20 - 29 | 8 |
| Proposed recurrent growth | 30 - 40 | 10 |
| Non-recurrent items in 1990-1991 | 41 - 42 | 13 |
| Inflation | 43 - 44 | 13 |
| Proposed allocation of resources in 1990-1991 | 45 - 46 | 13 |
| Personnel matters | 47 - 62 | 16 |
| Regular budget established and temporary posts | 50 - 55 | 16 |
| Extrabudgetary posts | 56 - 58 | 20 |
| Temporary assistance and consultants | 59 - 62 | 22 |
| Other matters | 63 - 101 | 23 |
| Timely submission of documentation | 63 - 68 | 23 |
| Extent of involvement of specialized bodies in the planning and programming process | 69 - 72 | 23 |
| Report of the Secretary-General on statements of programme budget implications (A/44/234) | 73 - 78 | 26 |
| General Assembly resolution on unforeseen and extraordinary expenses..... | 79 | 27 |
| Overall costs of recurrent publications..... | 80 | 28 |
| Extrabudgetary funds..... | 81 - 89 | 28 |

CONTENTS (continued)

| <u>Chapter</u> | <u>Paragraphs</u> | <u>Page</u> |
|---|-------------------|-------------|
| Final report of the Secretary-General on the implementation of General Assembly resolution 41/213 (A/44/222 and Corr.1) | 90 - 91 | 30 |
| All aspects of priority-setting in future outlines of the proposed programme budget (A/44/272)..... | 92 - 97 | 30 |
| Co-operation with the Committee for Programme and Co-ordination | 98 - 99 | 31 |
| Co-operation with other United Nations bodies | 100 - 101 | 32 |
| Table: Comparative table of estimates as proposed by the Secretary-General and recommended by the Advisory Committee | | 33 |
| II. DETAILED RECOMMENDATIONS ON THE PROPOSED PROGRAMME BUDGET | | 38 |
| A. Estimates of expenditure | | 38 |
| <u>Part I. Overall policy-making, direction and co-ordination</u> | | 38 |
| Section 1. Overall policy-making, direction and co-ordination | 1.1 - 1.51 | 38 |
| A. Policy-making organs | 1.4 - 1.23 | 39 |
| B. Executive direction and management | 1.24 - 1.51 | 42 |
| <u>Part II. Political and Security Council affairs; peace-keeping activities</u> | | 49 |
| Section 2A. Political and Security Council affairs; peace-keeping activities | 2A.1 - 2A.26 | 49 |
| A. Policy-making organs | 2A.4 - 2A.7 | 50 |
| B. Department of Political and Security Council Affairs . | 2A.8 - 2A.11 | 51 |
| C. Special missions | 2A.12 - 2A.21 | 52 |
| D. United Nations Relief and Works Agency for Palestine Refugees in the Near East | 2A.22 - 2A.25 | 55 |
| Section 2B. Disarmament affairs activities | 2B.1 - 2B.13 | 57 |
| Section 2C. Office for Ocean Affairs and Law of the Sea . | 2C.1 - 2C.8 | 60 |

CONTENTS (continued)

| <u>Chapter</u> | <u>Paragraphs</u> | <u>Page</u> |
|--|-------------------|-------------|
| <u>Part III. Political affairs, trusteeship and decolonization</u> | | 62 |
| Section 3. Political affairs, trusteeship and decolonization | 3.1 - 3.12 | 62 |
| <u>Part IV. Economic, social and humanitarian activities</u> | | 65 |
| Section 4. Policy-making organs (economic and social activities) | 4.1 - 4.11 | 65 |
| Section 5A. Office of the Director-General for Development and International Economic Co-operation | 5A.1 - 5A.7 | 68 |
| Section 5B. Regional Commissions New York Office | 5B.1 - 5B.5 | 70 |
| Section 6. Department of International Economic and Social Affairs | 6.1 - 6.16 | 71 |
| Section 7. Department of Technical Co-operation for Development | 7.1 - 7.7 | 75 |
| Section 8. Activities on global social development issues | 8.1 - 8.7 | 77 |
| Section 9. Transnational corporations | 9.1 - 9.6 | 79 |
| Section 10. Economic Commission for Europe | 10.1 - 10.9 | 80 |
| Section 11. Economic and Social Commission for Asia and the Pacific | 11.1 - 11.8 | 83 |
| Section 12. Economic Commission for Latin America and the Caribbean | 12.1 - 12.11 | 86 |
| Section 13. Economic Commission for Africa | 13.1 - 13.13 | 89 |
| Section 14. Economic and Social Commission for Western Asia | 14.1 - 14.11 | 92 |
| Section 15. United Nations Conference on Trade and Development | 15.1 - 15.15 | 94 |
| Section 16. International Trade Centre | 16.1 - 16.11 | 98 |
| Section 17. Centre for Science and Technology for Development | 17.1 - 17.7 | 101 |
| Section 18. United Nations Environment Programme | 18.1 - 18.13 | 103 |
| Section 19. United Nations Centre for Human Settlements (Habitat) | 19.1 - 19.13 | 106 |

CONTENTS (continued)

| <u>Chapter</u> | <u>Paragraphs</u> | <u>Page</u> |
|---|-------------------|-------------|
| Section 20. International drug control | 20.1 - 20.10 | 110 |
| Section 21. Office of the United Nations High Commissioner for Refugees | 21.1 - 21.8 | 112 |
| Section 22. Office of the United Nations Disaster Relief Co-ordinator | 22.1 - 22.9 | 114 |
| Section 23. Human rights | 23.1 - 23.11 | 117 |
| Section 24. Regular programme of technical co-operation | 24.1 - 24.9 | 120 |
| <u>Part V. International justice and law</u> | | 122 |
| Section 25. International Court of Justice | 25.1 - 25.8 | 122 |
| Section 26. Legal activities | 26.1 - 26.9 | 124 |
| <u>Part VI. Public information</u> | | 126 |
| Section 27. Public information | 27.1 - 27.24 | 126 |
| <u>Part VII. Common support services</u> | | 135 |
| Section 28. Administration and management | 28.1 - 28J.6 | 135 |
| A. Office of the Under-Secretary-General for Administration and Management | 28A.1 - 28A.6 | 139 |
| B. Office of Programme Planning, Budget and Finance | 28B.1 - 28B.5 | 141 |
| C. Office of Human Resources Management | 28C.1 - 28C.10 | 142 |
| D. Office of General Services, Headquarters | 28D.1 - 28D.25 | 144 |
| E. Internal audit services | 28E.1 - 28E.7 | 152 |
| F. Administration and common services, Geneva | 28F.1 - 28F.17 | 154 |
| G. Miscellaneous expenses | 28G.1 - 28G.7 | 158 |
| H. Jointly financed administrative activities | 28H.1 - 28H.13 | 160 |
| I. Division of Administrative and Common Services, Vienna | 28I.1 - 28I.17 | 163 |
| J. Common Services, Nairobi | 28J.1 - 28J.6 | 168 |
| Section 29. Conference and library services | 29.1 - 29.35 | 171 |

CONTENTS (continued)

| <u>Chapter</u> | <u>Paragraphs</u> | <u>Page</u> |
|--|-------------------|-------------|
| Part VIII. Special expenses | | 185 |
| Section 30. United Nations bond issue | 30.1 | 185 |
| Part IX. Staff assessment | | 186 |
| Section 31. Staff assessment | 31.1 - 31.2 | 186 |
| Part X. Capital expenditure | | 187 |
| Section 32. Construction, alteration, improvement and major maintenance of premises | 32.1 - 32.11 | 187 |
| B. ESTIMATES OF INCOME | | 191 |
| Income section 1. Income from staff assessment | IS1.1 - IS1.3 | 191 |
| Income section 2. General income | IS2.1 - IS2.7 | 192 |
| Income section 3. Revenue-producing activities | IS3.1 - IS3.17 | 194 |

ABBREVIATIONS

| | |
|----------|--|
| ECA | Economic Commission for Africa |
| ECE | Economic Commission for Europe |
| ECLAC | Economic Commission for Latin America and the Caribbean |
| ESCAP | Economic and Social Commission for Asia and the Pacific |
| ESCWA | Economic and Social Commission for Western Asia |
| FAO | Food and Agriculture Organization of the United Nations |
| GATT | General Agreement on Tariffs and Trade |
| IAEA | International Atomic Energy Agency |
| ICAO | International Civil Aviation Organization |
| ICSC | International Civil Service Commission |
| ITC | International Trade Centre |
| UNAVEM | United Nations Angola Verification Mission |
| UNCHS | United Nations Centre for Human Settlements (Habitat) |
| UNCITRAL | United Nations Commission on International Trade Law |
| UNCTAD | United Nations Conference on Trade and Development |
| UNDOF | United Nations Disengagement Observer Force |
| UNDP | United Nations Development Programme |
| UNDRO | Office of the United Nations Disaster Relief Co-ordinator |
| UNEF | United Nations Emergency Force |
| UNEP | United Nations Environment Programme |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNFICYP | United Nations Peace-keeping Force in Cyprus |
| UNFPA | United Nations Population Fund |
| UNHCR | Office of the United Nations High Commissioner for Refugees |
| UNICEF | United Nations Children's Fund |
| UNIDIR | United Nations Institute for Disarmament Research |
| UNIDO | United Nations Industrial Development Organization |
| UNIFIL | United Nations Interim Force in Lebanon |
| UNIIMOG | United Nations Iran-Iraq Military Observer Group |
| UNITAR | United Nations Institute for Training and Research |
| UNMOGIP | United Nations Military Observer Group in India and Pakistan |
| UNPA | United Nations Postal Administration |
| UNRWA | United Nations Relief and Works Agency for Palestine Refugees in the Near East |

ABBREVIATIONS (continued)

| | |
|--------------|--|
| UNTAG | United Nations Transition Assistance Group |
| UNISO | United Nations Truce Supervision Organization |
| UNU | United Nations University |
| WFP | World Food Programme |

PREFACE

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

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

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

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

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

In addition, the Advisory Committee reports on administrative budgets and other matters to the governing bodies of UNDP, UNICEF, UNFPA, UNHCR (voluntary funds), UNEP (Environment Fund), the United Nations Habitat and Human Settlements Foundation, UNIDIR, UNITAR, UNU and WFP.

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

3. The Advisory Committee met in New York from 18 April to 7 July 1989 with the following membership:

Mr. Conrad S. Mohammed MSELLE (Chairman)

Mr. Ahmad Fathi AL-MASRI

Mr. BAGBENI ADEITO Nzengeya

Ms. Maria Elisa de BITTENCOURT BERENGUER

Mr. Michel BROCHARD

Mr. Even FONTAINE-ORTIZ

Mr. Ferguson IHEME

Mr. Tadanori INOMATA

Mr. MA Longde

Mrs. Irmeli MUSTONEN

Mr. Richard C. NYGARD

Mr. Banbit ROY

Mr. József TARDOS

Mr. Christopher R. THOMAS


Mr. Tjaco T. VAN DEN HOUT

Mr. Victor Aleksandrovich VISLYKH

4. The present report contains the conclusions and recommendations arrived at by the Advisory Committee on the basis of the Secretary-General's proposals for the 1990-1991 programme budget, supplemented, to the extent possible, by additional information supplied orally or in writing by representatives of the

Secretary-General. As in the past, provision is made in certain sections of the proposed programme budget for the biennium 1990-1991 for expenditures to which some Member States have objections in principle. Some members of the Committee have repeated those objections and stated their reasons therefor. At the same time, the Committee considered that the controversy concerning such items does not fall within the province of the Advisory Committee, which under rule 157 of the rules of procedure is "responsible for expert examination of the budget of the United Nations".

5. The present report also contained, inter alia, the views of the Committee on the report of the Secretary-General on the provision of statements of programme budget implications (A/44/234), on the final report of the Secretary-General on the implementation of resolution 41/213 (A/44/222 and Corr.1), and on the report of the Secretary-General on all aspects of priority-setting in future outlines of the proposed programme budget (A/44/272).



C. S. M. MSELLE
Chairman

CHAPTER I

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991

GENERAL

1. For the biennium 1990-1991, the Secretary-General proposes a programme budget ^{1/} in the amount of \$1,983,863,400 for the expenditure sections and \$352,251,800 for the income sections. On a net basis, the estimates for 1990-1991 amount, therefore, to \$1,631,611,600. In the following table the estimates for 1990-1991 are compared with the revised appropriations for 1988-1989, as approved by the General Assembly in resolution 43/218 A of 21 December 1988, and with the actual expenditure in the biennium 1986-1987.
2. In paragraph 5 of its resolution 43/214 of 21 December 1988 on the proposed programme budget outline for the biennium 1990-1991 and the use and operation of the contingency fund, the General Assembly decided "that the Secretary-General should prepare his proposed programme budget for the biennium 1990-1991 on the basis of the total preliminary estimate of 1,767,060,000 United States dollars at 1988 rates (equivalent to 1,982,523,700 United States dollars at 1990-1991 rates) as shown in paragraph 16 of the report of the Advisory Committee on Administrative and Budgetary Questions" (A/43/929). The level of resources for the proposed programme budget thus shows an increase of \$1,339,700 over the total preliminary estimate at 1990-1991 rates shown in resolution 43/214. According to the Secretary-General, "this increase is attributable to the impossibility of fully absorbing the costs of the posts that were restored under the terms set out in Assembly resolution 43/213" (introduction to the proposed programme budget, para. 2).
3. The Committee believes that since the 1990-1991 programme budget exercise represents the first step towards full implementation of the new budget process, as defined in Assembly resolution 41/213 of 19 December 1986, it is important to review and understand the purpose and relationship to each other of its two major components - the outline and the proposed programme budget.
4. In paragraph 4 of its resolution 43/214, the General Assembly recognized "that the outline should provide a greater level of predictability of resources required for the following biennium, while ensuring that such resources are adequate for the fulfilment of the objectives, programmes and activities of the Organization, as mandated by the relevant legislative bodies of the United Nations, thereby facilitating the widest possible agreement on the programme budget". At the same time, the General Assembly, in paragraph 3 of its resolution 43/214, affirmed "that the outline, being a part of the new budget process defined in its resolution 41/213, is in a developmental period, that its methodology requires further improvement and that the whole exercise should be applied with flexibility, in accordance with resolutions 41/213 and 42/211".

^{1/} Official Records of the General Assembly, Forty-fourth Session, Supplement No. 6 (A/44/6/Rev.1).

(Thousands of United States dollars)

| | Estimates 1990-1991 (1) | Revised appropriation 1988-1989 (2) | Nominal increase: 1990-1991 over 1988-1989 ^{a/} Col. (3)/(2) (Percentage) Col. (1)-(2) (3) | | Actual expenditure and income 1986-1987 (5) | Increase: 1990-1991 over 1986-1987 Col. (1)-(5) (6) |
|-------------|-------------------------------|--|--|-------------|--|--|
| Expenditure | 1 983 863.4 | 1 788 746.3 | 195 117.1 | 10.9 | 1 598 699.6 | 385 163.8 |
| Income | <u>352 251.8</u> | <u>344 443.3</u> | <u>7 808.5</u> | <u>2.3</u> | <u>300 672.6</u> | <u>51 579.2</u> |
| Net | <u>1 631 611.6</u> | <u>1 444 303.0</u> | <u>187 308.6</u> | <u>13.0</u> | <u>1 298 027.0</u> | <u>333 584.6</u> |

^{a/} See para. 19 below.

5. While the programme budget outline, as evidenced even by its name, is general in nature, the proposed programme budget must be quite specific since it serves as the basis upon which the General Assembly appropriates funds and as the management tool for the carrying out of the Organization's activities. Moreover, whereas the methodology for the preparation of the outline is still in the formative stages, the process by which the programme budget is prepared is well established.

6. Thus, for example, the proposed outline for the biennium 1990-1991, in order to meet the deadline for submission to the Advisory Committee and the Committee on Programme and Co-ordination, was prepared on the basis of the initial estimates for 1988-1989 approved by the General Assembly at its forty-second session (see resolution 42/226 of 21 December 1987). The proposed programme budget for the biennium 1990-1991, in accordance with well established practice, used as a starting point the revised estimates for 1988-1989 approved by the Assembly at its forty-third session (see resolution 43/218).

7. Since the budget outline and the proposed programme budget had different points of origin, it is not possible to link directly the different stages in their respective development, as is illustrated in the following table:

(Millions of United States dollars)

| | <u>Budget outline</u> | | <u>Proposed programme budget</u> |
|---------------------------------|-----------------------|---------|----------------------------------|
| Appropriation 1988-1989: | | | |
| Initial | 1 769.6 | Revised | 1 788.7 |
| Revaluation of base: | | | |
| Non-recurrent items | (22.5) | | (44.7) |
| Recosting | (29.0) | | 45.1 |
| Special adjustments | 168.5 | | (7.2) |
| Turnover at 5 per cent | (16.2) | | |
| Subtotal | 100.8 | | (6.8) |
| Revalued base: | 1 870.4 | | 1 781.9 |
| Resource growth: | | | |
| Revised estimates | (177.8) | | |
| Recurrent | (3.2) | | (7.7) |
| Non-recurrent | 58.1 | | 80.8 |
| Net addition of 50 posts | 5.3 | | |
| Additional requirements | 14.3 | | |
| Subtotal | (103.3) | | 73.1 |
| Secretary-General's proposals | 1 767.1 | | |
| <u>Add:</u> Inflation 1989 | 84.9 | | |
| Total estimates at 1989 rates | 1 852.0 | | 1 855.0 |
| <u>Add:</u> Inflation 1990-1991 | 130.5 | | 128.9 |
| Total | 1 982.5 <u>a/</u> | | 1 983.9 <u>a/</u> |

a/ Rounded figures. Actual figures are \$1,983,863,400 for the budget and \$1,972,523,700 for the outline with a difference of \$1,339,700.

8. The Advisory Committee, bearing in mind paragraph 3 of General Assembly resolution 43/214, as quoted above, recognized the problems inherent in basing the programme budget outline on initial budget estimates when it delayed submission of its report on the outline to the General Assembly at its forty-third session (A/43/929) until account could be taken of the latest developments, including rates for currency and inflation.

9. Thus, there is still much to be done before arriving at an acceptable methodology and procedure for the preparation and consideration of the budget outline. Indeed, the whole budget process is still in its formative stage, as procedures for the use and operation of the contingency fund have yet to be tested and as detailed procedures for the creation and operation of a reserve have yet to be formulated by the Secretary-General and submitted to the General Assembly through the Advisory Committee, as called for in paragraph 10 of Assembly resolution 43/214.

10. As stated in paragraph 2 above, the Secretary-General identified the cost of those posts which were restored by the General Assembly in resolution 43/213 as being the specific reason for exceeding the outline. However, in a budget as complex as that of the United Nations, there are many variables and factors that could have contributed to this situation. If the problem of absorbing the costs of the 50 posts is indeed the only reason for exceeding the outline, then a much more precise explanation is owed of what efforts were made to absorb these costs and why they proved insufficient.

11. The Secretary-General's programme budget proposals for 1990-1991 cover the regular, assessed budget of the Organization. The estimates of extrabudgetary resources that are likely to be available to the United Nations in the coming biennium are also given; they total \$2,547,493,700, comprising \$217,616,600 for support services, \$105,176,800 for substantive activities and \$2,224,700,300 for operational projects. The grand total, including the net estimate for the regular budget, is therefore \$4,179,105,300. The estimates exclude the costs of operations that are assessed separately (UNDOF, UNIFIL, UNIIMOG, UNAVEM and UNTAG) or are funded on a voluntary basis (UNFICYP); whether or not such costs arise in 1990-1991 will depend on decisions to be taken by the Security Council.

12. Member States will also be called upon to contribute in 1990-1991 to the budgets of the other organizations in the United Nations system to which they belong. The Advisory Committee will submit to the General Assembly at its forty-fourth session a separate report on the administrative budgets of those organizations.

13. In paragraphs 6 to 8 of its first report on the proposed programme budget for 1988-1989, 2/ the Advisory Committee made a number of comments with regard to the budget format - upon which work had been suspended - and suggested a number of improvements for 1990-1991. Although some progress has been made, much remains to be done. The Advisory Committee notes that, in accordance with its recommendation, resource requirements in a number of sections, at the subprogramme level, include comparative percentages with the previous biennium for both the regular budget and extrabudgetary resources. Also, indications of financing through extrabudgetary

2/ Ibid., Forty-second Session, Supplement No. 7 (A/42/7).

resources are given for programme elements and/or outputs when it is expected that such financing will represent more than 50 per cent of total requirements. However, individual outputs are not costed nor are new programme elements and outputs identified. Moreover, in a number of cases, no reference is made to previously identified and continuing extrabudgetary outputs. These shortcomings make comparisons with past bienniums difficult. Further, the descriptions of programme elements and outputs, particularly those involving travel and consultants, are often verbatim repetitions of what has appeared in previous budgets; other descriptions are often cryptic and vague. Further still, in the opinion of the Advisory Committee, indication of priorities remains at an early stage. The Advisory Committee recognizes that improving the form and content of the medium-term plan upon which the budget is based would greatly facilitate improvements in the presentation of the programme budget in these areas.

14. Other aspects of the budget presentation also need improvement. The distribution of requirements, within sections, between executive direction and management, programmes of activity and programme support is often arbitrary. Moreover, the line, in terms of programme description, between substantive and operational activities is becoming increasingly blurred. These shortcomings, which are particularly evident in the submission of the estimates of the regional commissions, preclude an analysis of the proposed requirements and rates of growth related to the various proposed activities. The Advisory Committee has made a number of specific observations and recommendations in its discussion of requirements for the regional commissions in chapter II below.

15. The practice of apportioning costs, which was not followed for the 1986-1987 and 1988-1989 programme budgets, has once again not been followed for 1990-1991. The principle underlying the apportionment of costs is that all activities performed and all costs incurred in the area of common services are ultimately in the service of substantive programmes. In the apportionment exercise an attempt is made, for information purposes, to link expenditures incurred in the supporting areas to the substantive areas to which they relate. In the proposed programme budget for the biennium 1984-1985, ^{3/} for example, the estimated costs for sections 28 and 29 were apportioned to the other sections of the budget (see annex IX to the introduction to that budget). The Committee was informed that the technical problems attached to the apportionment exercise had yet to be resolved and that its reintroduction in the proposed programme budget for the biennium 1990-1991 had not been possible. It was further informed that the question would continue to be pursued, including in relation to extrabudgetary costs.

16. The Committee was informed that circumstances related to the preparation of the 1990-1991 programme budget, including the heavy work-load related to revised estimates and the preparation of the outline in 1988, had precluded the elaboration of an improved programme budget format. The Committee was further informed that the Secretary-General would pay increased attention to this issue in time for the preparation of the 1992-1993 programme budget. The Committee is of the view that such efforts should be intensified with regard to the format and presentation of both the programme budget and the medium-term plan.

^{3/} Ibid., Thirty-eighth Session, Supplement No. 6 (A/38/6 and Corr.1).

17. The Advisory Committee's detailed observations and recommendations are contained in chapter II below. For the reasons stated in that chapter, the Committee recommends reductions totalling \$6,898,800 in the expenditure estimates (of which \$1.5 million is provisional, see paras. 29.31-29.33 below) and a net increase of \$6,200 in the estimates of income. These reductions are summarized by sections in the table at the end of the present chapter.

ANALYSIS OF THE EXPENDITURE ESTIMATES FOR 1990-1991

18. As noted in paragraph 1 above, the expenditure estimates for 1990-1991 amount to \$1,983,863,400, as compared with revised appropriations of \$1,788,746,300 for 1988-1989 approved by the General Assembly in resolution 43/218. This represents an increase of \$195,117,100, or 10.9 per cent, and compares with a decrease of \$30,428,800, or 1.8 per cent, for the initial estimates for 1988-1989 over the revised estimates for the biennium 1986-1987. Annex I to the introduction to the proposed programme budget for the biennium 1990-1991 indicates a rate of real growth of 0.4 per cent. This compares with a rate of real growth calculated at 1.5 per cent for the initial budget proposals for 1988-1989.

19. The elements comprising the 1990-1991 expenditure estimates may be summarized as follows:

| | <u>Thousands of United States dollars</u> |
|---|---|
| Revised appropriation for 1988-1989 | 1 788 746.3 |
| Less: Non-recurrent items 1988-1989 | <u>44 677.9</u> |
| Recurrent 1988-1989 items | 1 744 068.4 |
| Add: Delayed impact growth 1988-1989 | 201.4 |
| Recosting to 1989 rates | 44 845.2 |
| Special adjustments at revised 1989 rates | <u>(7 233.5)</u> |
| Revalued resource base at revised 1989 rates | 1 781 881.5 |
| Proposed recurrent growth at revised 1989 rates | <u>(7 702.8)</u> |
| | 1 774 178.7 |
| Inflation in 1990-1991 on recurrent items | <u>122 375.5</u> |
| Recurrent requirements in 1990-1991 | 1 896 554.2 |
| Non-recurrent items in 1990-1991 at revised 1989 rates | 80 827.7 |
| Inflation on 1990-1991 non-recurrent items | <u>6 481.5</u> |
| Total expenditure estimates 1990-1991 | <u>1 983 863.4</u> |

The Committee's observations on the elements comprising the 1990-1991 expenditure estimates, as shown above, are given in paragraphs 20 to 44 below.

Special adjustments

20. As shown in paragraph 19 above, a negative special adjustment of \$7,233,500 is proposed. This is attributable to a net change in requirements in respect of posts, proposed as a negative special adjustment of \$12,144,900 in the revalued base, partially offset by a number of increases proposed in two major categories: an additional amount of \$1,240,100 for staff assessment in respect of non-post salary items and an amount of \$3,671,300 for additional requirements in a number of non-salary items.

21. The reduction (\$12,144,900) proposed through special adjustments in respect of posts relates to the change in turnover rates between bienniums particularly offset by changes in staffing levels effected in the revaluation of the base.

22. The change in turnover rates accounts for a negative special adjustment of \$25,148,800. This is a consequence of a return to the traditional turnover rates of 5 per cent for the Professional category and above and zero per cent for General Service and related categories from the rates of 0.4 per cent for all posts in the revised 1988-1989 appropriation. The Advisory Committee notes that the turnover rates used for the 1990-1991 proposed programme budget are those which it recommended in paragraph 8 of its report on the proposed budget outline for the biennium 1990-1991 (A/43/929).

23. The turnover rate of 0.4 per cent referred to above results from the matching of the staffing tables in the revised estimates for 1988-1989 to the results of the post reduction exercise. It will be recalled that prior to the completion of the post reduction exercise, the staff reductions required by General Assembly resolution 41/213 were taken into account in the initial estimates for 1988-1989 through adjustment of the turnover rates to 15 per cent for the Professional category and above and 10 per cent for General Service and related categories. Once the post reduction exercise was completed, the staffing tables could be adjusted in the context of the revised estimates for 1988-1989. Since the reduction in posts had been matched by an equivalent reduction in staff, it had been assumed that the resultant reduced staffing table would consist of posts that would be virtually fully occupied, hence a vacancy or turnover rate of 0.4 per cent for the revised 1988-1989 estimates.

24. The increase resulting from changes in staffing effected in the process of arriving at a revalued base amounts to \$13,003,900. These changes relate to the cost (\$15,887,300) of 100 posts in Conference Services for which there are no funds in the 1988-1989 revised appropriation but which are fully costed as continuing posts in the 1990-1991 revalued base, offset by an amount of \$2,883,400 representing the reduction in the number of high-level posts (two Under-Secretary-General and seven Assistant Secretary-General, one reclassification downward from Assistant Secretary-General to D-2).

25. The reduction in the number of high-level posts is referred to in paragraph 19 of the introduction to the proposed programme budget as follows:

"It is proposed to reduce the number of regular budget posts at the level of Under-Secretary-General and Assistant Secretary-General by 10, instead of the 14 envisaged initially in the plans of the Secretary-General for the implementation of recommendation 15 [of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and

Financial Functioning of the United Nations 4/]. It should be noted that the actual number is 11, as the Assistant Secretary-General post for the co-ordination of humanitarian assistance programmes to Kampucheans had been reduced earlier. These 14 posts had not been distributed among the sections of the programme budget in the revised estimates containing the target for the elimination of 1,465 posts."

In this connection, the Advisory Committee notes that the level of resources in the proposed programme budget for 1990-1991 includes provision for four posts of Under-Secretary-General and Assistant Secretary-General had not been costed in the budget outline.

26. The posts of Under-Secretary-General and Assistant Secretary-General proposed to be eliminated are as follows:

| | | |
|-------------|---|--|
| Section 1. | Overall policy-making, direction and co-ordination | 1 Under-Secretary-General and 1 Assistant Secretary-General |
| Section 2A. | Political and Security Council affairs; peace-keeping activities | 1 Assistant Secretary-General |
| Section 3. | Political affairs, trusteeship and decolonization | 1 Under-Secretary-General |
| Section 6. | Department of International Economic and Social Affairs | 1 Assistant Secretary-General |
| Section 7. | Department of Technical Co-operation for Development | 1 Assistant Secretary-General |
| Section 8. | Activities on global social development issues | 1 Assistant Secretary-General |
| Section 15. | UNCTAD | 1 Assistant Secretary-General |
| Section 23. | Human rights | 1 Assistant Secretary-General |
| Section 28. | Administration and management | 1 Assistant Secretary-General |

It should be noted that the proposed elimination of an Assistant Secretary-General post under section 2A is, in fact, being achieved by a reclassification downward to the D-2 level; the actual number of posts involved in the proposal is therefore nine. It should also be noted that the proposed elimination of an Assistant Secretary-General post under section 1 is for a temporary recurrent post.

27. The Advisory Committee points out that the staffing tables in the proposed programme budget for the biennium 1990-1991 are constructed as if the proposed reduction of Assistant Secretary-General and Under-Secretary-General posts had already been approved for 1988-1989. Since this is not the case, the Committee

4/ Ibid., Forty-first Session, Supplement No. 49 (A/41/49).

believes that some explanation should have been provided in each of the relevant sections of the proposed programme budget.

28. The Advisory Committee recalls that recommendation 15 of the Group of High-level Intergovernmental Experts also called for a comparable reduction in Assistant Secretary-General/Under-Secretary-General posts funded from extrabudgetary sources. In this connection, the Advisory Committee notes from paragraph 57 of the final report of the Secretary-General on the implementation of General Assembly resolution 41/213 (A/44/222 and Corr.1) that "the Secretary-General drew this aspect of recommendation 15 and the General Assembly's mandate to the attention of the various governing bodies that approve the staffing tables of the subsidiary organizations of the United Nations funded from extrabudgetary resources. Three extrabudgetary posts at the Assistant Secretary-General level have remained unfilled, as indicated in the report of the Secretary-General on revised estimates to the 1988-1989 programme budget (A/C.5/43/1/Rev.1)."

29. The net increase (\$1,240,100) in staff assessment for non-post salary objects such as temporary assistance and overtime relates to the adjustment needed to maintain the staff assessment/salary and common staff costs ratio reflected in the standards for the predominant category or level of staff expected to be appointed under each non-post salary object. The net increase of \$3,671,300 in non-salary items relates to adjustments in the following areas:

| | <u>United States dollars</u> |
|--|------------------------------|
| After-service health insurance | 2 359 000 |
| Full-time language teachers | 571 900 |
| Compensatory and lump-sum payments | 200 000 |
| Rental of premises | 192 400 |
| Pension of International Court of Justice judges and other officials | 100 400 |
| Honoraria | 96 100 |
| Other | <u>151 500</u> |
| Total | <u>3 671 300</u> |

Proposed recurrent growth

30. As can be seen in the table in paragraph 19 above, the estimates shown under "recurrent growth" in the proposed programme budget, at revised 1989 rates, show a decrease of \$7,702,800. A breakdown by object of expenditure shows the following increase and decreases in descending order of magnitude:

Thousands of United States
dollars

(at revised 1989 rates)

1. Increase

| | | |
|--|--------------|----------|
| Salary and common staff costs | 7 214.0 | |
| Joint activities, fellowships and others | 2 841.5 | |
| Improvements to premises | <u>842.5</u> | |
| Subtotal (1) | | 10 898.0 |

2. Decreases

| | | |
|--|-------------|------------------|
| Operating expenses (including \$3.5 million for United Nations bond issue) | 10 042.4 | |
| Temporary assistance and other staff costs | 3 732.4 | |
| Acquisition of furniture and equipment, supplies and materials | 2 206.0 | |
| Travel | 1 332.4 | |
| Printing and contractual services | 1 219.8 | |
| Consultants and <u>ad hoc</u> experts | <u>67.8</u> | |
| Subtotal (2) | | <u>18 600.8</u> |
| Total (1)-(2) | | <u>(7 702.8)</u> |

31. The increase for salary and common staff costs relates to posts and common staff costs (\$5,872,000) and other common staff costs (\$1,342,000). The increase for posts is the result of partially offsetting factors that relate to the following:

(a) A decrease of \$1,817,600 attributable to the net reduction of eight posts;

(b) A net increase of \$415,600 incurred in the reclassification of 17 existing posts, including one Assistant Secretary-General to D-2 level;

(c) An increase of \$227,000 for the redeployment of posts between duty stations, namely seven posts from New York to Vienna and five field service staff (three UNTSO and two UNMOGIP) to New York;

(d) An increase of \$7,047,000, 5/ representing the cost of a package for UNHCR that includes: (i) conversion to extrabudgetary funding of 10 Professional regular budget posts, (ii) conversion to the regular budget of 10 extrabudgetary General Service posts and (iii) redeployment of 96 field service posts to UNHCR headquarters, Geneva.

5/ Represents net result of an increase of \$7,147,600 under established posts, partially offset by decreases totalling \$100,600 under common staff costs and representation allowance (table 21.4 of the proposed programme budget and para. 21. below).

32. As regards other common staff costs, the net amount of \$1,342,000 is composed of the following:

| | Thousands of United States dollars |
|--|---------------------------------------|
| After-service health insurance | 1 562.4 |
| Mission daily subsistence allowance | (84.6) |
| Career development training | (54.2) |
| Retirement allowance for former Secretaries-General | (81.6) |

33. The increase of \$2,841,500 under joint activities and others reflects increased requirements for jointly financed activities (\$2,967,700) attributable exclusively to the Vienna office, partially offset by proposed reductions under fellowships, seminars and contributions (\$126,200).

34. The increase of \$842,500 for improvements to premises reflects additional requirements in New York (\$365,300), Bangkok (\$398,600), Vienna (\$125,000) and Santiago (\$25,800), partially offset by a decrease of \$72,200 at Geneva.

35. The decrease of \$10,042,400 for operating expenses includes the elimination of the final installment for the United Nations bond issue (\$3,520,800) and a net amount of \$6,521,600 relating to reductions in rental and maintenance of premises (\$3,337,400), communications (\$1,444,800), bank charges and other miscellaneous expenses (\$2,107,000) and hospitality (\$86,200), partially offset by an increase of \$453,800 for rental and maintenance of furniture and equipment.

36. The reduction of \$3,732,400 under temporary assistance and other staff costs is the net result of increased requirements in the amount of \$1,104,600 under other personal services (\$514,400), staff assessment (\$438,600) and general temporary assistance (\$151,600), offset by a decrease in the amount of \$4,837,000 under temporary assistance for meetings (\$4,223,900) and overtime (\$613,100).

37. The reduced requirements (\$2,206,000) for acquisition of furniture and equipment, supplies and materials reflect reductions of \$1,681,100 for furniture and equipment and \$524,900 for supplies and materials.

38. The net decrease of \$1,332,400 in requirements for travel reflects an increase of \$211,600 relating to travel of representatives (\$121,900) and travel of staff to meetings (\$89,700), offset by a decrease of \$1,544,000 for other official travel of staff.

39. The net decrease of \$1,219,800 in printing and contractual services reflects reductions in the requirements for external printing and binding (\$572,100), other contractual printing (\$432,200), specialized contractual services (\$128,800), data-processing contracts (\$72,000) and other services (\$14,700).

40. The decrease of \$67,800 for consultants and ad hoc expert group meetings is broken down as follows: consultants (\$55,600) and ad hoc experts (\$12,200).

Non recurrent items in 1990-1991

41. Non-recurrent items in 1990-1991 are estimated at \$80,827,700 at revised 1989 rates. The total for 1990-1991, including inflation, is \$87,309,200 (see para. 19 above). Details are provided in annex III to the introduction to the proposed programme budget. The major non-recurrent provision requested for the biennium 1990-1991 consists of \$58 million (at revised 1989 rates) for construction and major maintenance, as detailed in section 32 of the proposed programme budget. Another \$8.5 million relates to modernization of the administrative systems of the Organization (section 28), and \$3.5 million is for conference services for, inter alia, acquisition and installation of office automation and reproduction equipment (section 29). The remaining \$10.8 million is distributed among the other sections of the budget to provide for activities not expected to continue beyond 1991.

42. In paragraph 48 of its first report on the proposed programme budget for the biennium 1988-1989, 2/ the Advisory Committee made reference to the need for a re-examination of the methodology for the determination of non-recurrent costs with a view to obtaining a more precise definition and to simplifying budget analysis. The Committee requested proposals in this regard, including the possibility of discarding the concept of "non-recurrent" provisions. The Committee notes that the proposed programme budget for the biennium 1990-1991 includes significantly increased requests for non-recurrent provisions. The Committee was informed that the request for those non-recurrent provisions in 1990-1991 which were also provided for on a non-recurrent basis in 1988-1989 totalled \$35.6 million out of the \$87.3 million overall request for 1990-1991. It believes that this issue should be addressed as soon as possible and was informed that the Secretary-General would make proposals by the spring of 1990.

Inflation

43. The total estimate for inflation in 1990-1991 is \$128,857,000, of which \$6,481,500 relates to non-recurrent items. The total amount for inflation corresponds to 6.5 per cent of the estimate of \$1,983,863,400 shown in the table in paragraph 19 above. Projections of the rate of inflation are given in annex IV to the introduction. In accordance with the methodology followed in previous budgets, the inflation rates used are the estimated average rates for the year and not the rates that are expected to apply at the end of the year.

44. The Advisory Committee notes, from paragraph 32 of the Introduction, that the rates utilized "will be updated, together with the exchange rates, towards the end of the current session of the General Assembly. This practice may be amended in the light of decisions that the Assembly may take concerning the establishment and operation of a reserve fund that would cover additional requirements due to currency fluctuation, non-staff cost inflation and statutory cost increases for staff, as envisaged in Assembly resolution 43/214".

PROPOSED ALLOCATION OF RESOURCES IN 1990-1991

45. The distribution of the expenditure estimates for the biennium 1990-1991 by main field of activity is indicated below:

| | Revised appropriation 1988-1989 | | Initial estimates 1990-1991 | |
|---|--|--------------|--|--------------|
| | (Thousands of United States dollars) | (Percentage) | (Thousands of United States dollars) | (Percentage) |
| Overall policy-making, direction and co-ordination | 50 213.7 | 2.8 | 53 449.7 | 2.7 |
| Political and Security Council affairs; peace-keeping activities | 109 506.6 | 6.1 | 105 440.9 | 5.3 |
| Political affairs, trusteeship and decolonization | 33 419.3 | 1.9 | 35 448.0 | 1.8 |
| Economic, social and humanitarian activities | 505 528.0 | 28.3 | 551 313.4 | 27.8 |
| International justice and law | 29 884.8 | 1.7 | 32 232.6 | 1.6 |
| Public information | 78 255.8 | 4.3 | 84 870.9 | 4.3 |
| Administration and management | 371 150.8 | 20.7 | 405 872.8 | 20.5 |
| Conference and library services | 324 950.4 | 18.2 | 359 026.3 | 18.1 |
| Special expenses (bond issue) | 3 520.8 | 0.2 | - | - |
| Staff assessment | 263 220.1 | 14.7 | 284 564.2 | 14.3 |
| Capital expenditure | 19 096.0 | 1.1 | 71 644.6 | 3.6 |
| Total | 1 788 746.3 | 100.0 | 1 983 863.4 | 100.0 |

46. The table above covers the expenditure estimates in their entirety. Excluding the cost of miscellaneous expenses such as capital expenditure and staff assessment, the comparative share, in percentage terms, of the major programmes between the 1988-1989 revised appropriation and the 1990-1991 proposed programme budget is as follows:

| | Revised appropriation 1988-1989 | Initial estimates 1990-1991 |
|--|------------------------------------|--------------------------------|
| A. Overall policy-making | 2.3 | 2.4 |
| B. Executive direction and management | 4.8 | 5.3 |
| C. Programmes of activity and servicing: | | |
| Political | 6.5 | 5.7 |
| Legal | 1.7 | 1.7 |
| Trusteeship and decolonization | 1.1 | 1.0 |
| Humanitarian | 4.0 | 2.3 |
| Economic and social | 20.0 | 19.8 |
| Public information | 4.9 | 4.8 |
| Support services a/ | <u>34.3</u> | <u>34.2</u> |
| Total C | 72.5 | 69.5 |
| D. Other activities b/ | 20.4 | 22.8 |
| Total | <u>100.0</u> | <u>100.0</u> |

a/ Represents administrative and common services at Headquarters and conference and library services at Headquarters, Geneva and Vienna, all programmed in accordance with the medium-term plan.

b/ Represents administrative and common services at offices away from Headquarters and conference and library services located at the regional commissions and other field offices. These have not yet been programmed in accordance with the medium-term plan.

PERSONNEL MATTERS

47. The staffing resources available for carrying out the work programme of the Organization include established posts, temporary posts, temporary assistance, consultants and ad hoc expert groups; these resources are financed from the regular budget and from extrabudgetary funds.

48. The Secretary-General estimates staffing resources under the regular budget at \$1,449,232,900 as follows:

| | Thousands of United States dollars | | |
|-------------------------------------|------------------------------------|-----------------------------|---------------------------|
| | <u>Expenditure sections</u> | <u>Income section 3</u> | <u>Total</u> |
| <u>Regular budget</u> | | | |
| Net salaries and common staff costs | 1 132 926.9 | 16 826.4 | 1 149 753.3 |
| Staff assessment | 284 564.2 | 4 566.8 | 289 131.0 |
| Consultants and expert groups | <u>10 348.6</u> | <u>-</u> | <u>10 348.6</u> |
| Total | <u><u>1 427 839.7</u></u> | <u><u>21 393.2</u></u> | <u><u>1 449 232.9</u></u> |

49. In annex VIII (b) to the introduction to the proposed programme budget the Secretary-General estimates at nearly \$172.2 million salaries and common staff costs of extrabudgetary staff charged to support services. In annex VIII (a) the total extrabudgetary resources for substantive activities (excluding operational projects) are estimated at \$105.2 million. The personnel cost component is not shown. However, as personnel costs account for approximately 75 to 80 per cent of total expenditures, some \$84 million of that amount would be spent on personnel. It can thus be said that, as an approximation, personnel costs to be financed from the regular budget and extrabudgetary resources (excluding operational project costs) would amount to at least \$1,705 million in 1990-1991. The Advisory Committee intends to look into the possibility of developing a methodology for the estimation of the personnel costs component of operational activities.

Regular budget established and temporary posts

50. Under the expenditure sections and income section 3 of the proposed programme budget for the biennium 1990-1991, the Secretary-General requests a total of 10,054 posts. In the following table, the request for 1990-1991 is compared with the approved staffing table for 1988-1989:

| | Professional category and above | | | General Service and other categories | | | Total | | |
|-------------------|------------------------------------|---------------|------------------------|---|---------------|------------------------|---------------|---------------|------------------------|
| | 1990- 1991 | 1988- 1989 | Increase (decrease) | 1990- 1991 | 1988- 1989 | Increase (decrease) | 1990- 1991 | 1988- 1989 | Increase (decrease) |
| Established posts | 3 832 | 3 771 | 61 | 6 172 | 6 067 | 105 | 10 004 | 9 838 | 166 |
| Temporary posts | 19 | 94 | (75) | 31 | 130 | (99) | 50 | 224 | (174) |
| Total | <u>3 851</u> | <u>3 865</u> | <u>(14)</u> | <u>6 203</u> | <u>6 197</u> | <u>6</u> | <u>10 054</u> | <u>10 062</u> | <u>(8)</u> |

51. The following table shows the net decrease of eight posts proposed by the Secretary-General together with the Advisory Committee's recommendations thereon:

| | Professional category | | General Service and other categories | | Total | |
|---|-----------------------------|-------------------------------------|--------------------------------------|-------------------------------------|-----------------------------|-------------------------------------|
| | Secretary-General's request | Advisory Committee's recommendation | Secretary-General's request | Advisory Committee's recommendation | Secretary-General's request | Advisory Committee's recommendation |
| I. <u>Established posts</u> | | | | | | |
| New posts | 8 | 8 | 9 | 9 | 17 | 17 |
| Posts abolished | (5) | (3) | (10) | (10) | (15) | (13) |
| Transfer from and to extrabudgetary posts | (10) | (10) | 10 | 10 | - | - |
| Net result of reclassifications | 1 | 1 | (1) | (1) | - | - |
| Conversion of temporary posts | 67 | 58 | 97 | 48 | 164 | 106 |
| Subtotal I | 61 | 54 | 105 | 56 | 166 | 110 |
| II. <u>Temporary posts</u> | | | | | | |
| New temporary posts | - | - | 1 | 1 | 1 | 1 |
| Temporary posts abolished | (75) | (66) | (100) | (51) | (175) | (117) |
| Subtotal II | (75) | (66) | (99) | (50) | (174) | (116) |
| Total I and II | (14) | (12) | 6 | 6 | (8) | (6) |

For the reasons stated in chapter II below, and as can be seen from the table above, the Advisory Committee recommends that the General Assembly should approve a net of 110 additional established posts (consisting of 54 Professional and 56 General Service and related categories), as compared with a net total of 166 requested by the Secretary-General. As compared with the Secretary-General's net request for 174 fewer temporary posts, the Advisory Committee's recommendations would result in a reduction of 116 from the approved 1988-1989 level.

52. In paragraph 61 of its first report on the proposed programme budget for the biennium 1988-1989, 2/ the Advisory Committee pointed out that the staffing tables did not include temporary posts described by the Secretary-General as being non-recurrent. For the reasons given in paragraph 63 of that report, the Advisory Committee recommended that all posts requested for 24 months should be included in the staffing tables. The Committee pointed out that an appropriate footnote could indicate which ones were being requested on a non-recurrent basis. The Advisory Committee notes that this has not been done for the 1990-1991 proposed programme budget, even though provision has been made for 24 such posts. The Committee was informed that although it would have been technically possible to include them in the staffing tables, it was deemed desirable to defer this change in presentation until the programme budget for the biennium 1992-1993.

53. The 24 non-recurrent posts are requested in the following sections:

| <u>Section</u> | <u>Programme</u> | <u>Level</u> |
|----------------|--|--|
| 6 | Statistics | 2 General Service (Other levels), 24 work-months each |
| 13 | Administration and common services | 1 P-5, 24 work-months |
| 19 | Administration and common services | 1 P-2 and 11 Local level, 24 work-months each |
| 20 | International Narcotics Control Board secretariat | 1 P-4, 1 P-3 and 2 General Service (Other levels), 24 work-months each |
| 20 | Narcotics drug control (Division of Narcotic Drugs) | 1 P-4, 24 work-months |
| 27 | United Nations Programme of Action for African Economic Recovery and Development 1986-1990 | 1 P-5, 1 P-3 and 2 General Service (Other levels), 24 work-months each |

54. The Secretary-General proposes 17 upward and downward reclassifications in the Professional and higher categories as follows:

1 LL to P-2
 7 P-2 to P-3
 4 P-3 to P-4
 3 P-4 to P-5
 1 P-5 to D-1
1 ASG to D-2
17

55. The percentage distribution of established posts by grade in the Professional and higher categories proposed by the Secretary-General for 1990-1991 is compared with the initial 1988-1989 appropriation as follows:

| <u>Professional and higher categories</u> | <u>1990-1991</u> | <u>1988-1989</u> |
|---|------------------|------------------|
| USG/ASG <u>a/</u> | 1.3 | 1.4 |
| D-2 | 2.2 | 2.3 |
| D-1 | 6.9 | 7.1 |
| P-5 | 17.1 | 17.8 |
| P-4 | 29.7 | 29.2 |
| P-3 | 28.1 | 28.3 |
| P-2/1 | <u>14.7</u> | <u>13.9</u> |
| Total | <u>100.0</u> | <u>100.0</u> |

a/ Including one post at the Director-General level.

Extrabudgetary posts

56. The numbers and grades of posts anticipated during 1990-1991 for extrabudgetary support services are provided in annex VIII (c) of the introduction to the proposed programme budget. The Advisory Committee notes, however, that similar information is not provided in that annex in respect of substantive activities (see para. 49 above). The Committee was informed that it was estimated that extrabudgetary resources in 1990-1991 would finance a total of 2,549 posts for support services and substantive activities (excluding operational projects). The following table provides a breakdown of these posts by grade and compares the estimated total for 1990-1991 with the total number of those posts in 1988-1989:

| Grade | 1990-1991 | | | 1988-1989 | Change |
|-------------------------------|---------------------|------------------------|---------------------|---------------------|-------------------|
| | Support services | Substantive activities | Total | | |
| Professional and above | | | | | |
| ASG | 3 | - | 3 | 3 | - |
| D-2 | 13 | 6 | 19 | 13 | 6 |
| D-1 | 68 | 15 | 83 | 65 | 17 |
| P-5 | 103 | 59 | 162 | 146 | 16 |
| P-4 | 170 | 53 | 223 | 185 | 38 |
| P-3 | 179 | 44 | 223 | 201 | 22 |
| P-2/1 | 61 | 16 | 77 | 142 | (65) |
| Subtotal | <u>597</u> | <u>193</u> | <u>790</u> | <u>756</u> | <u>34</u> |
| General Service | | | | | |
| Principal level | 42 | 3 | 45 | 30 | 15 |
| Other levels a/ | <u>1 475</u> | <u>239</u> | <u>1 714</u> | <u>1 502</u> | <u>212</u> |
| Subtotal | <u>1 517</u> | <u>242</u> | <u>1 759</u> | <u>1 532</u> | <u>227</u> |
| Total | <u><u>2 114</u></u> | <u><u>435</u></u> | <u><u>2 549</u></u> | <u><u>2 288</u></u> | <u><u>261</u></u> |

a/ Including field service.

57. As shown above, there is an increase of 261 extrabudgetary posts for all expenditure sections. Of these, 242 posts are in part IV (Economic, social and humanitarian activities), which is the net result of the creation of 251 additional posts in section 21 (UNHCR) and the deletion of 9 posts in other sections. There is also a net reduction of three extrabudgetary posts in section 27 (Public information). In part VII (Administration and management) there is an increase of 22 extrabudgetary posts (1 in section 28A, 11 in section 28B, 3 in section 28C, 2 in section 28D, 3 in section 28F (Geneva) and 1 in section 28I (Vienna), and 1 in section 29). To some extent, it could be argued that these additional posts will partially compensate for the reduction of regular budget posts. The Advisory Committee was informed, however, that this could not be conclusively demonstrated in every case and that another factor in the establishment of these posts was the need to better administer, manage and control the growing extrabudgetary resources. The link with the post reduction in the regular budget becomes more obvious in a comparison of the 1990-1991 proposed programme budget with the initial estimates for 1988-1989: this shows an increase of 637 extrabudgetary posts. In paragraphs 81 to 89 below the Advisory Committee makes a number of recommendations with regard to better reporting and control of extrabudgetary resources.

58. In accordance with the terms of section II, paragraph 2, of General Assembly resolution 35/217 of 17 December 1980, the Advisory Committee, since submitting its

first report on the 1988-1989 proposed programme budget, 2/ has concurred with the following requests by the Secretary-General concerning extrabudgetary posts at the D-1 level and above:

- (a) Establishment of one Assistant Secretary-General post as Special Representative to the Secretary-General for the promotion of the United Nations Decade of Disabled Persons;
- (b) Establishment of one D-2 and two D-1 posts in the office of the Co-ordinator for United Nations Humanitarian and Economic Assistance Programmes relating to Afghanistan;
- (c) Establishment of one D-1 post in UNDR0;
- (d) Establishment of one temporary Assistant Secretary-General and one temporary D-1 post for the UNTAG operations;
- (e) Upgrading of the post of Commissioner of the UNTAG Civilian Police Force to the D-2 level;
- (f) Upgrading of three posts to the D-1 level in UNCTAD.

Temporary assistance and consultants

59. As can be seen from annex VI to the introduction, the expenditure sections of the proposed programme budget include a total of \$15 million for general temporary assistance. As a rule, general temporary assistance, under the expenditure sections, is used for the replacement of staff on prolonged sick leave or maternity leave and for additional staff during peak work-load periods.

60. The Advisory Committee noticed that there were still posts being funded on a continuous basis from temporary assistance (see paras. 18.5, 19.4, 26.6, 28I.9 and 28J.4 below). The Committee was informed that such departures from the established budget policy were due to special circumstances. The Committee was also informed that all efforts would be made to regularize the situation. It intends to continue to monitor closely the use of general temporary assistance.

61. The overall estimate of requirements for temporary assistance for meetings is \$48 million (see annex VI to the introduction). These funds are requested for short-term interpreters, translators, typists and other conference-servicing staff. This amount is \$0.9 million less than the revised appropriation for 1988-1989. The recommendations of the Committee with respect to this object of expenditure may be found in section 29 of chapter II below.

62. As can be seen from annex VI to the introduction, the total request for consultants and expert groups is \$10.3 million for 1990-1991. The Advisory Committee was informed that, of that total, \$7.1 million related to consultants. Only a portion of the consultancy funds is spent on consultants who are paid by the month; the balance finances lump-sum contractual arrangements. The Advisory Committee noted that in many cases descriptions of consultancy tasks were rather general. In the opinion of the Committee, this affords the Secretary-General considerable flexibility in the use of consultancy funds.

OTHER MATTERS

Timely submission of documentation

63. The availability of the proposed programme budget to the Advisory Committee was significantly delayed this year and this in turn affected the work of the Committee. For example, the submissions for section 29 (Conference and library services), section 28C (Office of Human Resources Management) and section 28D (Office of General Services, Headquarters) were not available until mid-June. Partly as a consequence, preparation of the overview tables and annexes to the introduction was delayed by nearly two months.

64. The Advisory Committee recognizes that a great many difficulties attended the preparation of the 1990-1991 proposed programme budget. In the opinion of the Advisory Committee, these difficulties, such as the financial crisis and the expected uncertainties associated with the introduction of the new budget process, are not necessarily of a permanent nature; it is thus premature to discuss changes in the cycle of budget preparation and consideration.

65. In order for the Advisory Committee to be able to properly analyse and formulate its proposals on the Secretary-General's proposed programme budget and for its report to be available prior to the opening of the General Assembly session, it is essential for the Committee to be able to commence its work on the budget by the beginning of May in the budget year.

66. The Advisory Committee notes that since the proposed programme budget for the biennium 1990-1991 was the first to be prepared as part of the new budget process, issuance of instructions by the Secretary-General to the departments to guide them in the preparation of their submissions was delayed until after the close of the forty-third session of the General Assembly.

67. The Advisory Committee fully understands that the programme budget proposed by the Secretary-General must be based on the outline approved by the General Assembly. However, there is a great deal of preliminary work on the budget that can be started during the year in which the outline is being considered and that can be finalized after action by the General Assembly on the outline. If this is done, it will be much easier for the Secretary-General to complete his budget proposals on time.

68. Timely submission of budget documentation can also be ensured if the internal process in the Secretariat for the clearance of proposals is kept as streamlined and efficient as possible.

Extent of involvement of specialized bodies in the planning and programming process

69. In section II, paragraph 3 (a), of its resolution 41/213, the General Assembly resolved to achieve improvement in the consultative process for the formulation of the medium-term plan through full implementation of the Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation pertaining to the medium-term plan, as contained in the annex to its resolution 37/234 of 21 December 1982, and of the related Rules.

70. As stated by the Advisory Committee in paragraph 81 of its first report on the proposed programme budget for the biennium 1988-1989, 2/ such implementation calls for greater involvement of the specialized bodies in the planning and programming process; the work of these bodies in this area affects the programme of activities that forms the basis of the medium-term plan and in turn the programme budget. In this connection, the Advisory Committee was provided with the following list of specialized bodies and the period during which these bodies reviewed their programmes of work for 1990-1991:

Review of programme of work for 1990-1991
by intergovernmental bodies

| Section/programme | | Reviewed | Not reviewed | Competent body |
|-------------------|---|----------------|--------------|--|
| 1A | WFC | May 1989 | | World Food Council |
| 1B3(b) | Palestinian rights | a/ | | Committee on Palestinian Riç'ts |
| 2A.B | Political and Security Council Affairs | June 1989 b/ | | Committee on the Peaceful Uses of Outer Space |
| 2A.C | Special missions | | x | None |
| 2A.D | UNRWA | | x | None |
| 2B | Disarmament | | x | Conference on Disarmament |
| 2C | Law of the Sea | | x | None |
| 3 | Department of Political Affairs, Trusteeship and Decolonization | | x | Trusteeship Council |
| 4 | Policy-making organs | | x | None |
| 5A | Development and International Economic Co-operation | | x | None |
| 5B | Regional commissions | | x | None |
| 6 | Department of International Economic and Social Affairs | | | |
| | 1. Development | g/ | | Committee for Development Planning |
| | 2. Population | February 1989 | | Population Commission |
| | 3. Statistics | February 1989 | | Statistical Commission |
| | 4. Energy | g/ | | Committee on Natural Resources |
| 7 | Department of Technical Co-operation for Development | g/ | | d/ |
| 8 | CSDHA | | | |
| | 1. Social | February 1989 | | Commission for Social Development |
| | 2. Women | March 1989 | | Commission on the Status of Women |
| | 3. Crime | | x | Committee on Crime Prevention and Control |
| 9 | Transnational corporations | April 1989 | | Commission on Transnational Corporations |
| 10 | ECE | June 1989 | | Subsidiary body of Commission |
| 11 | ESCAP | February 1989 | | Subsidiary body of Commission |
| 12 | ECLAC | 1988 | | Subsidiary body of Commission |
| 13 | ECA | April 1989 | | Conference of Ministers |
| 14 | ESCWA | May 1989 | | Subsidiary body of Commission |
| 15 | UNCTAD | May 1989 | | Subsidiary body of Trade and Development Board |
| 16 | ITC | | x | None |
| 17 | CSTD | | x | Advisory Committee on Science and Technology |
| 18 | UNEP | May 1989 | | Governing Council |
| 19 | Habitat | April 1989 | | Commission on Human Settlements |
| 20 | Drug control | | | |
| | 1. Division of Narcotic Drugs | February 1989 | | Commission on Narcotic Drugs |
| | 2. INCB | May 1989 | | International Narcotics Control Board |
| 21 | UNHCR | | x | Executive Committee on the Programme |
| 22 | UNDRO | | x | None |
| 23 | Human rights | Feb-March 1989 | | Commission on Human Rights |
| 24 | Technical co-operation | | x | None |
| 25 | International Court of Justice | January 1989 | | International Court of Justice |
| 26 | Legal affairs | g/ | | International Law Commission and UNCITRAL |
| 27 | Public information | | x | Committee on Information |
| 28 | Administration and management | | x | None |
| 29 | Conference and library services | | x | Committee on Conferences |

a/ No specific review of programmatic text, but annual review of programme of work.

b/ Only Committee on Peaceful Uses of Outer Space.

g/ Partial review.

d/ Most of the five programmes of activity are or could be reviewed by subsidiary organs of the Economic and Social Council.

e/ Only UNCITRAL, April 1988.

71. The Advisory Committee understands that the involvement of functional, sectoral and regional intergovernmental bodies in the elaboration of the programme budget through consultations on programmes of work for 1990-1991 had been of uneven intensity and was sometimes hampered by difficulties related to the scheduling of meetings. The Committee believes that a stronger involvement of specialized bodies is necessary for the programme budget as well as for the medium-term plan. This applies to the preparation of these instruments and to their implementation, particularly through the consideration of improved statements of programme budget implications of draft resolutions and decisions (see paras. 73-78 below). The Advisory Committee noted that the Committee for Programme and Co-ordination at its twenty-ninth session adopted the following recommendation:

"In order to improve the consultation procedure, the Committee recommended that the General Assembly request those intergovernmental bodies which consider the work programmes of organizations of the United Nations system to hold their meetings in accordance with a calendar which enables the Secretary-General to take into account their recommendations in the preparations of the proposed programme budget." 6/

The Committee intends to continue to pay close attention, in the context of its own work, to the nature and results of programmes and planning reviews by specialized bodies.

72. In the opinion of the Advisory Committee, involvement of specialized bodies in the planning and programming process will take on even more importance in future as the result of the need to indicate alternatives in connection with procedures for use of the contingency fund. In view of the desirability of increased involvement of specialized bodies in the planning and programming process, the Advisory Committee stresses the need for the Secretary-General to provide these bodies with timely and adequate programming and budgeting information. At the same time, it should be borne in mind that this increased role of the specialized bodies should in no way infringe upon the existing procedures for decision-making as set forth in the budgeting process approved by the General Assembly in resolution 41/213.

Report of the Secretary-General on statements of programme budget implications (A/44/234)

73. In this document the Secretary-General reports on the latest experience in the effort to convert the traditional statements of administrative and financial implications into "programme budget statements that would subject all additional activities requested by intergovernmental bodies after the adoption of the programme budget to the same programming requirements as those governing the initial programme budget proposals" (A/44/234, para. 1).

74. The Advisory Committee notes from paragraph 20 of the report that "the Secretariat recognizes that the analytical content of most statements of programme budget implications submitted to intergovernmental bodies is insufficient" and from paragraph 28 that "a greater emphasis on programme implications should lead to a

6/ Official Records of the General Assembly, Forty-fourth Session, Supplement No. 16 (A/44/16), para. 48.

progressive extension of the provisions of statements of programme budget implications to all subsidiary bodies of the General Assembly and the Economic and Social Council, and, as appropriate, to revisions of their rules of procedure".

75. The Advisory Committee also notes the various reasons for the difficulties experienced by the Secretariat as summarized in paragraph 21 of the report.

76. Having regard to paragraphs 74 and 75 above, the Advisory Committee points out that not all legislative decisions can be analysed in detail to determine their programmatic content, and that to attempt to do so might lead to an excessive and unnecessary work-load in the secretariat units concerned. In this regard the Committee notes the criteria for submission of a statement as described in paragraph 19 of the report.

77. The Advisory Committee points out that improvements and refinements in the medium-term plan and in revisions to the medium-term plan will facilitate the preparation and consideration of statements of programme budget implications and will lead, in turn, to a greater ability to indicate with precision, in these statements, whether revisions to the medium-term plan are needed (see A/44/234, para. 29). In this connection, the Advisory Committee recalls its recommendation (see A/43/626, para. 6) that the Secretariat should submit to the Committee for Programme and Co-ordination and the Advisory Committee proposals for the best way of handling revisions to future medium-term plans.

78. Moreover, as pointed out in paragraphs 22 to 25 of the Secretary-General's report, the need to overcome problems in the preparation of these statements is underlined by the procedures now in place for the operation of the contingency fund (see para. 72 above). In this connection, the Advisory Committee notes the provisional text for the indication of alternatives as shown in paragraph 25 of the report. The Advisory Committee points out that possibilities for alternatives are greater than shown since an alternative may also involve a combination of modification, deferral and elimination of activities. In any case, this and all other aspects of the operation of the contingency fund will be reviewed in the light of experience.

General Assembly resolution on unforeseen and extraordinary expenses

79. The Advisory Committee believes that the time has come for a re-examination of the provisions of the General Assembly resolution on unforeseen and extraordinary expenses. For example, the Committee points out that the limit of \$10 million indicated in paragraph 3 of the current resolution on unforeseen and extraordinary expenses (Assembly resolution 42/227 of 21 December 1987) was originally introduced in Assembly resolution 1615 (XV) of 21 April 1961. The Advisory Committee requests that it be provided with an analysis of the resolution on unforeseen and extraordinary expenses as it has been formulated vis-à-vis recent developments and current requirements. This analysis should be presented to the Advisory Committee at its fall 1989 session to facilitate such recommendations as the Committee may wish to make regarding the resolution on unforeseen and extraordinary expenses for the biennium 1990-1991 to be considered by the General Assembly at its forty-fourth session.

Overall costs of recurrent publications

80. In paragraph 73 of its first report on the proposed programme budget for the biennium 1988-1989, 2/ the Advisory Committee stated the need for a methodology that would permit a breakdown of the costs of publications by external printing, internal printing and other apportioned costs, including writing and editing. The Committee further stated that a knowledge of the full cost of each recurrent publication would be an important element in assessing the value of such publications. The Committee was informed that such a methodology had not yet been developed and that major difficulties remained for the costing of the writing of documents and publications. The Committee recommends that this question be further studied, with a view to resolving these difficulties in time for the preparation of the proposed programme budget for the biennium 1992-1993.

Extrabudgetary funds

81. The level of extrabudgetary resources available to the United Nations has increased over the years. For example, in its first report on the proposed programme budget for 1980-1981, the Advisory Committee indicated that about \$1.4 billion in extrabudgetary resources would be available to the Organization, excluding peace-keeping activities. 7/ As indicated in paragraph 11 above, the comparable figure for 1990-1991 is \$2.5 billion. Extrabudgetary resources, against which some 2,549 staff will be charged in 1990-1991 (excluding operational projects - see para. 56 above), include not only payment of support costs for services in support of other United Nations organizations and extrabudgetary programmes, but increasingly consist of trust funds to finance substantive activities and operational projects (see para. 11 above).

82. In its first report on the proposed programme budget for 1988-1989, 8/ the Advisory Committee stated that it intended "to pay specific attention in future to the extrabudgetary side of United Nations expenditure, including the accuracy of the methodology currently used to forecast the level of extrabudgetary resources. In view of the magnitude of the resources involved, the Advisory Committee believes that it is essential to define precisely the role of extrabudgetary financing in the overall financial structure of the United Nations. It is also essential to refine approval and reporting mechanisms so as to ensure that these expenditures are subject to a greater measure of scrutiny and control".

83. In view of the many exigencies attendant to implementation of the new budget process, as well as the demands of the financial crisis, the Advisory Committee did not expect to find major progress in this area reflected in the proposed programme budget for 1990-1991.

84. Nevertheless, some progress has been made, for example, with regard to refining the presentation of programmes (see para. 13 above). Similarly, the Advisory Committee in a number of instances has noticed attempts to forecast more accurately the level of extrabudgetary resources. However, much remains to be done

7/ Ibid., Thirty-fourth Session, Supplement No. 7 (A/34/7), para. 2.

8/ Ibid., Forty-second Session, Supplement No. 7 (A/42/7), para. 2.

in this area. Moreover, if adequate control is to be assured, approval and reporting mechanisms must be refined. For example, the Advisory Committee was informed in connection with Centre for Science and Technology for Development (sect. 17 of the proposed programme budget) that, in addition to the recorded contributions to the trust fund for special activities in science and technology for development during 1988-1989, the Centre had participated in activities funded directly by Governments. The Advisory Committee trusts that a thorough review will be made of all extrabudgetary programmes so as to bring to light and record similar instances; it also trusts that adequate procedures will be instituted to prevent this recurring in future. The Advisory Committee expects a full report by 15 October 1989 on remedial and preventive measures taken in this regard.

85. The Advisory Committee points out that extrabudgetary resources additional to what is reported in the proposed programme budget are quite often received during the course of a biennium and these resources can have an impact not only on the work programme but on the ordering of priorities as well. It is important for the General Assembly to be informed of these developments and of the consequential effect on the work programme. The Advisory Committee requests the Secretary-General to devise a means to convey this information to the General Assembly in a timely fashion, perhaps in the context of the performance reports on the regular budget.

86. In the opinion of the Advisory Committee, adequate control of extrabudgetary expenditure not only involves the Secretary-General, but should also directly involve in some form the intergovernmental bodies.

87. For example, it is estimated that the United Nations Fund for Drug Abuse Control will spend some \$130 million during 1990-1991 (table 20.11 of the proposed programme budget). Yet, the disbursement of these funds is not subject to the scrutiny and control of any intergovernmental body. Under the circumstances, the Advisory Committee believes that the principle underlying the procedure currently in place for the approval of all extrabudgetary posts at the D-1 level and above for which the approval of an intergovernmental organ is not required (see para. 58 above) should be extended.

88. Accordingly, the Advisory Committee has requested the Secretary-General to prepare a list of the extrabudgetary funds and programmes (which could consist of several funds with a similar purpose), the operation of which are not currently subject to review and approval by an intergovernmental body, together with suggestions for the most efficient means of enabling the Advisory Committee to review the attendant administrative and budgetary arrangements.

89. In a related matter, the Advisory Committee in chapter II has noted a number of instances where it believes that the division of costs to be paid from the regular budget and from extrabudgetary funds should be more proportionate to their respective levels of activity (see paras. 3.4, 20.8, 28D.2, 28E.5, 28G.4 and 28I.10 below). The Advisory Committee intends to monitor this situation closely so as to ensure as much as possible that the full costs of extrabudgetary activities, including administration and backstopping, are borne by extrabudgetary funds.

Final report of the Secretary-General on the implementation of General Assembly resolution 41/213 (A/44/222 and Corr.1)

90. The Advisory Committee found this report to be a useful factual summary of the events of the past few years. For its part, the Advisory Committee was able to refer to this report frequently as background during its consideration of the proposed programme budget for the biennium 1990-1991.

91. The Advisory Committee notes the difficulties faced by the Secretary-General in implementing the reform measures, referred to in paragraph 10 of his report. The Advisory Committee also notes the following statement in paragraph 197 of the report:

"While resolution 41/213 envisaged the implementation of the approved recommendations by the Group of High-level Intergovernmental Experts over a three-year period, some recommendations cannot be implemented within a fixed period of time but are of an ongoing nature: this is particularly so in the area of human resources management. Furthermore, actions by the Secretary-General must be based on decisions yet to be taken by Member States in the General Assembly or its subsidiary bodies, as is the case in the economic and social sectors and in the servicing of conferences and meetings. The Secretary-General therefore views the implementation of resolution 41/213 not as a finite process but as one that will continue to contribute to a more effective and efficient Secretariat."

All aspects of priority-setting in future outlines of the proposed programme budget (A/44/272)

92. The background to this report is given in paragraphs 1 to 4 of the report. As stated in paragraph 3:

"In paragraph 11 of its resolution 43/214 of 21 December 1988, the General Assembly stressed the importance of indicating in the outline of the proposed programme budget priorities reflecting general trends of a broad sectoral nature, endorsed the recommendations of CPC in that regard, and requested the Secretary-General to submit a report on all aspects of priority-setting in future outlines to the Assembly at its forty-fourth session through the Committee."

93. The Advisory Committee notes that the Committee for Programme and Co-ordination, in its report, while having considered "that the report represented a first step in the direction of re-examining priority-setting in its broader contexts, taking into account the need for in-depth analysis of such related issues as mandates and sources of funding", also stated that "it did not have sufficient time to fully consider this very complex issue, and decided to transmit the report to the Economic and Social Council and to the General Assembly at its forty-fourth session, together with its views, for further consideration". 9/

9/ Ibid., Forty-fourth Session, Supplement No. 16 (A/44/16), paras. 274 and 275.

94. The Advisory Committee took up the report in the context of its own mandate concerning consideration of the medium-term plan and the outline of the proposed programme budget.

95. The Advisory Committee takes note of the modifications proposed in paragraphs 44 to 54 of the report for the system of priority-setting (A/44/272). The Committee agrees with the suggestion in paragraph 49 that the point of departure for the establishment in the programme budget outline of priorities reflecting general trends of a broad sectoral nature should be the medium-term plan and its revisions.

96. In this connection, the Advisory Committee recalls that in paragraph 4 of its report on proposed revisions to the medium-term plan for the period 1984-1989 (A/43/626) it stated its belief that "ideally, the medium-term plan should serve as the plan of work for the Organization, and that it should be set out in a manner that would permit Member States to review the work plan and the related priorities attached to different programmes in the plan and to give guidance as to what and how much can realistically be carried out during the plan period". For this to be possible, much has to be done to improve the form and content of the medium-term plan (see paras. 14 and 17 above).

97. The Advisory Committee trusts that consideration of this report will form the basis for an agreement and consequential improvement in the presentation of priorities in both the medium-term plan and the programme budget outline. For its part, the Advisory Committee will be guided in its own consideration of the medium-term plan and the outline by such decisions as the General Assembly may take on the question of priority-setting.

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

98. The Committee for Programme and Co-ordination held its twenty-ninth session from 8 May to 5 June 1989, at the same time that the Advisory Committee was considering the proposed programme budget for the biennium 1990-1991.

99. Regulation 4.8 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation reads as follows:

"The Committee for Programme and Co-ordination shall prepare a report on the proposed programme budget, containing its programme recommendations and its general assessment of the related resource proposals. It shall receive a statement by the Secretary-General on the programme budget implications of its recommendations. The report of the Committee for Programme and Co-ordination shall be communicated simultaneously to the Economic and Social Council and to the Advisory Committee on Administrative and Budgetary Questions. The Advisory Committee shall receive the report of the Committee for Programme and Co-ordination and study the statement by the Secretary-General. The reports of the Committee for Programme and Co-ordination and the Advisory Committee on each section of the proposed programme budget shall be considered simultaneously by the General Assembly."

The Advisory Committee received a statement of programme budget implications arising from the report of that Committee on the work of its twenty-ninth session (A/44/16/Add.1). The Advisory Committee notes that none of the recommendations referred to in that statement would give rise to the need for additional appropriations.

CO-OPERATION WITH OTHER UNITED NATIONS BODIES

100. The Advisory Committee did not meet with the United Nations Board of Auditors this spring since the meeting of the Board took place away from New York. The Committee will take up the Board's reports in the autumn and will submit a separate report to the General Assembly at its forty-fourth session.

101. The Advisory Committee has submitted reports to the following United Nations bodies:

(a) The Governing Council of UNDP on UNDP revised budget estimates for 1988-1989 and budget estimates for 1990-1991 (DP/1989/56);

(b) The Governing Council of UNDP on the budget estimates for the administrative and programme support services of UNFPA for the biennium 1990-1991 (DP/1989/45);

(c) The Commission on Human Settlements on the proposed budget for the United Nations Habitat and Human Settlements Foundation for the biennium 1990-1991 (HS/C/12/9/Add.1);

(d) The Governing Council of UNEP on the performance report on the programme and programme support costs budget of the Environment Fund for the biennium 1988-1989 and on the proposed budget for 1990-1991 (UNEP/GC.15/L.2);

(e) The Executive Board of UNICEF on the revised budget estimates of UNICEF for 1988-1989 and budget estimates for 1990-1991 (E/ICEF/1989/AB/L.9).

Table. Comparative table of estimates as proposed by the Secretary-General and recommended by the Advisory Committee

(Thousands of United States dollars)

| Section | Secretary-General's budget estimates for 1990-1991 | Advisory Committee's recommendations | Increase (decrease) |
|---------------------------------|---|--------------------------------------|---------------------|
| <u>Estimates of expenditure</u> | | | |
| PART I. | <u>Overall policy-making, direction and co-ordination</u> | | |
| 1. | Overall policy-making, direction and co-ordination | 53 449.7 | 53 390.4 (59.3) |
| PART II. | <u>Political and Security Council affairs; peace-keeping activities</u> | | |
| 2A. | Political and Security Council affairs; peace-keeping activities | 86 417.2 | 86 396.9 (20.3) |
| 2B. | Disarmament affairs activities | 10 706.4 | 10 762.5 56.1 |
| 2C. | Office for Ocean Affairs and the Law of the Sea | 8 317.3 | 8 317.3 - |
| PART III. | <u>Political affairs, trusteeship and decolonization</u> | | |
| 3. | Political affairs, trusteeship and decolonization | 35 448.0 | 35 448.0 - |

Table (continued)

| Section | Secretary- General's budget estimates for 1990-1991 | Advisory Committee's recommen- dations | Increase (decrease) |
|--|---|---|------------------------|
| PART IV. <u>Economic, social and humanitarian activities</u> | | | |
| 4. Policy-making organs (economic and social activities) | 2 083.5 | 2 083.5 | - |
| 5A. Office of the Director- General for Development and International Economic Co-operation | 4 519.5 | 4 519.5 | - |
| 5B. Regional Commissions New York Office | 830.9 | 830.9 | - |
| 6. Department of International Economic and Social Affairs | 44 673.0 | 44 673.0 | - |
| 7. Department of Technical Co-operation for Development | 23 541.3 | 23 541.3 | - |
| 8. Activities on global social development issues | 11 248.9 | 11 198.7 | (50.2) |
| 9. Transnational corporations | 10 737.9 | 10 737.9 | - |
| 10. Economic Commission for Europe | 35 664.7 | 35 664.7 | - |
| 11. Economic and Social Commission for Asia and the Pacific | 39 413.0 | 39 409.0 | (4.0) |
| 12. Economic Commission for Latin America and and the Caribbean | 49 990.2 | 49 990.2 | - |

Table (continued)

| Section | Secretary-General's budget estimates for 1990-1991 | Advisory Committee's recommen- dations | Increase (decrease) |
|--|---|---|------------------------|
| 13. Economic Commission for Africa | 59 112.8 | 59 112.8 | - |
| 14. Economic and Social Commission for Western Asia | 42 633.9 | 42 633.9 | - |
| 15. United Nations Conference on Trade and Development | 78 654.8 | 78 384.0 | (270.8) |
| 16. International Trade Centre | 15 400.8 | 15 400.8 | - |
| 17. Centre for Science and Technology for Development | 4 174.2 | 4 174.2 | - |
| 18. United Nations Environment Programme | 11 939.4 | 11 939.4 | - |
| 19. United Nations Centre for Human Settlements (Habitat) | 10 528.2 | 10 528.2 | - |
| 20. International drug control | 8 478.8 | 8 378.8 | (100.0) |
| 21. Office of the United Nations High Commissioner for Refugees | 37 576.4 | 37 576.4 | - |
| 22. Office of the United Nations Disaster Relief Co-ordinator | 6 910.7 | 6 910.7 | - |
| 23. Human rights | 17 387.7 | 17 164.4 | (223.3) |
| 24. Regular programme of technical co-operation | 35 812.8 | 35 812.8 | - |

Table (continued)

| Section | Secretary- General's budget estimates for 1990-1991 | Advisory Committee's recommen- dations | Increase (decrease) |
|--|---|---|------------------------|
| PART V. | | | |
| International justice and Law | | | |
| 25. International Court of Justice | 13 682.6 | 13 682.6 | - |
| 26. Legal activities | 18 550.0 | 18 550.0 | - |
| PART VI. | | | |
| Public information | | | |
| 27. Public information | 84 870.9 | 84 858.1 | (12.8) |
| PART VII. | | | |
| Common support services | | | |
| 28. Administration and management | 405 872.8 | 403 553.9 | (2 318.9) |
| 29. Conference and library services | 359 026.3 | 357 375.8 | (1 650.5) a/ |
| PART VIII. | | | |
| Special expenses | | | |
| 30. United Nations bond issue | - | - | - |
| PART IX. | | | |
| Staff assessment | | | |
| 31. Staff assessment | 284 564.2 | 284 570.4 | 6.2 |
| PART X. | | | |
| Capital expenditures | | | |
| 32. Construction, altera- tion, improvement and major maintenance of premises | <u>71 644.6</u> | <u>69 393.6</u> | (2 251.0) |
| Total estimates of expenditure | <u>1 983 863.4</u> | <u>1 976 964.6</u> | (6 898.8) a/ |

Table (concluded)

| Section | Secretary- General's budget estimates for 1990-1991 | Advisory Committee's recommen- dations | Increase (decrease) |
|------------------------------------|---|---|------------------------|
| <u>Estimates of income</u> | | | |
| 1. Income from staff assessment | 289 131.0 | 289 137.2 | 6.2 |
| 2. General income | 53 934.8 | 53 934.8 | - |
| 3. Revenue-producing activities | <u>9 186.0</u> | <u>9 186.0</u> | - |
| Total estimates of income | <u>352 251.8</u> | <u>352 258.0</u> | <u>6.2</u> |

a/ Of which \$1.5 million is a provisional reduction.

CHAPTER II

DETAILED RECOMMENDATIONS ON THE PROPOSED PROGRAMME BUDGET

A. ESTIMATES OF EXPENDITURE

PART I

OVERALL POLICY-MAKING, DIRECTION AND CO-ORDINATION

Section 1. Overall policy-making, direction and co-ordination

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 53 449 700 |
| Estimate recommended by the Advisory Committee | 53 390 400 |
| Revised appropriations 1988-1989 | 50 213 700 |
| Initial appropriations 1988-1989 | 44 932 900 |
| Actual expenses 1986-1987 | 40 294 300 ^{a/} |

^{a/} Estimated, excludes expenditure of \$1,723,500 relating to the Office for Field Operational and External Support Activities.

1.1 The Secretary-General's estimate of \$53,449,700 is \$3,236,000, or 6.4 per cent, higher than the revised 1988-1989 appropriation of \$50,213,700. As shown in table 1.1 of the proposed programme budget, the increase is attributable to proposed resource growth (\$1,205,200 at revised 1989 rates) and provision for inflation in 1990-1991 (\$3,682,300), partially offset by negative revaluation of the 1988-1989 resource base (\$1,651,500 at revised 1989 rates). After deducting an amount of \$563,100 (at revised 1989 rates) for non-recurrent items, the Secretary-General calculates a rate of real growth of 1.4 per cent for section 1 as a whole.

1.2 Extrabudgetary resources expected to be available to section 1 in 1990-1991 are estimated at \$2,410,600; an increase of \$455,600, or 23.3 per cent, over the corresponding revised estimate of \$1,955,000 for 1988-1989 (table 1.1 (2) of the proposed programme budget).

1.3 The regular budget estimate for section 1 covers two subsections, as follows:

| | <u>1990-1991</u> <u>estimate</u> | <u>1988-1989</u> <u>revised appropriations</u> (United States dollars) | <u>Increase</u> <u>(decrease)</u> |
|--|-------------------------------------|--|--------------------------------------|
| A. Policy-making organs | 19 158 300 | 17 448 700 | 1 709 600 |
| B. Executive direction and management | <u>34 291 400</u> | <u>32 765 000</u> | <u>1 526 400</u> |
| Total | <u>53 449 700</u> | <u>50 213 700</u> | <u>3 236 000</u> |

A. Policy-making organs

1.4 The estimate for 1990-1991 of \$19,158,300 under this subsection covers the requirements of the eight policy-making organs listed in table 1.6 of the proposed programme budget. As shown in table 1.4 of the proposed programme budget, this estimate is \$1,709,600, or 9.7 per cent, higher than the revised appropriation of \$17,448,700 for 1988-1989. The proposed increase comprises revaluation of the 1988-1989 resource base (\$220,200 at revised 1989 rates), resource growth (\$178,600 at revised 1989 rates) and provision for inflation in 1990-1991 (\$1,310,800).

General Assembly

1.5 As shown in table 1.9 and paragraph 1.2 of the proposed programme budget, the estimate of \$4,245,200, which covers resource requirements for servicing the forty-fifth and forty-sixth sessions of the General Assembly, as well as the special session of the Assembly devoted to international economic co-operation to be convened in 1990, is \$39,100 lower than the revised 1988-1989 appropriation of \$4,284,300. This decrease is the result of negative revaluation of the 1988-1989 resource base by \$552,600 (at revised 1989 rates), partially offset by resource growth of \$245,400 (at revised 1989 rates) and provision of \$268,100 for inflation in 1990-1991.

1.6 In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that the negative revaluation of the 1988-1989 resource base represented adjustments for non-recurrent provisions under various objects of expenditure in respect of the fifteenth special session of the General Assembly, its third special session devoted to disarmament, and the convening of part of the forty-third session of the Assembly at Geneva to consider the question of Palestine.

1.7 According to the Secretary-General, of the proposed resource growth of \$245,400 (at revised 1989 rates) proposed, \$192,700 should be treated as non-recurrent since it relates to provision for travel of representatives to the special session of the General Assembly devoted to international economic co-operation to be convened in 1990 (table 1.9 and para. 1.5 of the proposed programme budget).

1.8 The balance of the proposed resource growth is attributed to additional requirements under general temporary assistance (\$70,000 at revised 1989 rates), partially offset by reduced requirements under external printing and binding

(\$17,300 at revised 1989 rates). In this connection, the Advisory Committee is not convinced by the justification advanced in paragraph 1.3 of the proposed programme budget for the entire resource growth requested under general temporary assistance and accordingly recommends that the estimate be reduced by \$32,000 (\$30,000 at revised 1989 rates), from \$1,473,000 to \$1,441,000.

Advisory Committee on Administrative and Budgetary Questions (including its secretariat)

1.9 The estimate of \$2,187,000 under this heading is \$299,400 higher than the revised 1988-1989 appropriation of \$1,887,600. Of the increase, \$92,600 (at revised 1989 rates) represents adjustments to the revalued resource base for 1988-1989, \$69,200 (at revised 1989 rates) is resource growth and \$137,600 is provision for inflation (table 1.10 of the proposed programme budget).

1.10 Approval is recommended of the request to reclassify one P-3 post to the P-4 level in the Committee's secretariat, which accounts for part of the proposed resource growth (\$24,400 at revised 1989 rates, para. 1.10 of the proposed programme budget).

1.11 Proposed resource growth under the objects of expenditure for travel of representatives and travel of staff to service meetings (\$43,600 and \$6,000 respectively, at revised 1989 rates) is explained in paragraphs 1.13 and 1.14 of the proposed programme budget. In this connection, it is noted that the 1990-1991 estimate of requirements under travel of representatives shown in table 1.10 (\$838,300) assumes that there will be seven overseas-based Committee members and takes into account the application of a non-attendance factor. An explanation of the resource growth requested under supplies and materials (\$1,000 at revised 1989 rates) is provided in paragraph 1.17 of the proposed programme budget.

Committee on Contributions

1.12 The Advisory Committee recommends approval of the 1990-1991 estimate of \$350,900 under this heading (table 1.12 and paras. 1.19 and 1.20 of the proposed programme budget).

United Nations Board of Auditors (including its secretariat)

1.13 The Advisory Committee recommends approval of the estimate of \$3,586,000 under this heading, which is \$506,000 higher than the revised appropriation of \$3,080,000 for 1988-1989. Extrabudgetary resources for 1990-1991 are estimated at \$186,300, of which \$73,500 represents anticipated reimbursement for services provided by the secretariat of the Board in support of other United Nations organizations and \$112,800 is for technical co-operation activities (table 1.13 (2) of the proposed programme budget).

1.14 As stated in paragraph 1.24 of the proposed programme budget, the estimate of \$2,824,100 (at revised 1989 rates), includes resource growth of \$24,500 under the object of expenditure external audit to cover "the share of the regular budget in the costs of the salaries, travel and subsistence of staff provided by the members of the Board of Auditors and the costs associated with attendance by the members of the Board at the regular meetings of the Board and the Panel of External Auditors". In this connection, the Committee recalls that in paragraphs 66 to 72 of its report on revised programme budget estimates for the biennium 1988-1989

(A/43/651 and Add.1), the Committee had, inter alia, noted that a full-scale review regarding the distribution of the external audit costs between the regular budget and extrabudgetary sources had not taken place since 1978. The Committee believes that such a full-scale review should be undertaken as soon as possible. Concurrent with the conduct of this review, the Board's secretariat should prepare an analysis and evaluation of the cost of external audit. The outcome of the review and analysis should be made available to the Advisory Committee for consideration early so that the Committee's recommendations can be taken into account in the preparation of the estimate under external audit for the biennium 1992-1993.

United Nations Joint Staff Pension Board (including United Nations participation in the costs of the secretariat of the United Nations Joint Staff Pension Fund)

1.15 The Advisory Committee has no objection to the estimate of \$2,032,400 under this heading, which is \$48,600 higher than the revised appropriation of \$1,983,800 for 1988-1989 (table 1.15 and paras. 1.27 to 1.30 of the proposed programme budget). In this connection, the Committee recalls that in paragraphs 1.14 to 1.16 of its first report on the proposed programme budget for the biennium 1988-1989, 2/ the Committee had submitted an explanation of the rationale for the inclusion of such costs in the programme budget.

World Food Council (including its secretariat)

1.16 The estimate of \$6,156,100 for the World Food Council (including its secretariat) is \$748,300 higher than the revised appropriation of \$5,407,800 for 1988-1989 (table 1.16 of the proposed programme budget). The increase is attributed to revaluation of the 1988-1989 resource base (\$306,600 at revised 1989 rates) and provision for inflation in 1990-1991 (\$479,000), partially offset by negative resource growth (\$37,300 at revised 1989 rates).

1.17 The Advisory Committee recalls that in paragraphs 1.19 to 1.25 of its first report on the proposed programme budget for the biennium 1988-1989, 2/ it had expressed dissatisfaction with the supporting information submitted in respect of the estimates for WFC for that biennium. In particular, the Committee had recommended that in order to facilitate consideration of the requests, future budget submissions should include a breakdown of the estimate for temporary assistance for meetings; provision of additional information concerning the consultations, workshops and seminars to be convened; programmatic justification and detailed description of the number and purpose of anticipated consultancies; and, in respect of missions to be undertaken, additional information on target countries, projected costs, number of participants and the duration of each mission. These recommendations have not been implemented. Accordingly, the Committee calls for their full implementation in the context of the Secretary-General's programme budget proposals for the biennium 1992-1993.

1.18 Requirements under temporary assistance for meetings are estimated at \$862,300 (table 1.16 and para. 1.38 of the proposed programme budget). The Advisory Committee notes from the breakdown of the estimate (\$801,200 at revised 1989 rates) provided at its request by representatives of the Secretary-General that \$473,500 would cover requirements for two sessions of WFC, \$216,500 for three ad hoc consultative group meetings and \$111,200 for three regional meetings.

1.19 While posing no objection to the estimate of \$80,800 for travel of representatives, which includes resource growth of \$23,600 at revised 1989 rates (table 1.16 and para. 1.42 of the proposed programme budget), the Committee trusts that travel arrangements for the President and members of the Bureau of the Council will be made with a view to achieving economy.

1.20 Requirements under travel of staff are estimated at \$256,100. In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that of the corresponding revised appropriation of \$231,900 for 1988-1989, some \$126,300 had been expended or obligated in 1988. The Committee notes that the number of staff of WFC will remain unchanged at 28 posts in 1990-1991 (of which 13 are posts in the Professional category and above). On that basis, the estimate of \$256,100 would provide an allocation of \$19,700 in travel and subsistence resources per staff member (in the Professional category and above), which appears to the Committee to be quite substantial in relation to the travel allocations under other sections of the proposed programme budget. The Committee trusts that measures will be taken to ensure the most efficient use of such funds (tables 1.16 and 1.17 and para. 1.43 of the proposed programme budget).

1.21 The Advisory Committee sought clarification of the 1990-1991 estimate of \$350,400 for rental and maintenance of premises and, in particular, the positive revaluation of the 1988-1989 resource base by \$196,000 at revised 1989 rates (table 1.16 and para. 1.45 of the proposed programme budget). Representatives of the Secretary-General informed the Committee that although the rent charged by FAO for premises made available at Rome to WFC had risen from \$33,000 per year in 1983 to \$162,800 in 1989, no corresponding adjustments had previously been made to the estimate for rental and maintenance of premises. Thus, the positive adjustment to the revalued 1988-1989 resource base under this object of expenditure represents an adjustment to reflect the current level of rent paid by WFC to FAO.

Committee on the Exercise of the Inalienable Rights of the Palestinian People

1.22 The estimate of \$99,600 under this heading provides for travel requirements of members of the Committee (table 1.18 and paras. 1.52 and 1.53 of the proposed programme budget). The requirements for the Division for Palestinian Rights, which services the Committee, are discussed in paragraph 1.37 below. The Advisory Committee recommends approval of the Secretary-General's estimate of \$99,600 for the Committee on the Exercise of the Inalienable Rights of the Palestinian People.

Committee for Programme and Co-ordination

1.23 The Advisory Committee recommends approval of the Secretary-General's estimate of \$501,100 (comprising \$455,900 for travel of representatives and \$45,200 for travel of staff) under this heading, which is explained in table 1.19 and paragraphs 1.54 to 1.59 of the proposed programme budget.

B. Executive direction and management

1.24 The estimate of \$34,291,400 for this subsection is \$1,526,400, or 4.6 per cent, higher than the revised 1988-1989 appropriation of \$32,765,000. The proposed increase is attributable to resource growth of \$1,026,600 (at revised 1989 rates) and provision for inflation in 1990-1991 of \$2,371,500, partially offset by negative revaluation of the 1988-1989 resource base by \$1,871,700 (at revised 1989

rates). However, after deleting an amount of \$370,400 (at revised 1989 rates) for non-recurrent items, the rate of real growth for this subsection has been calculated by the Secretary-General at 2.3 per cent (table 1.20 of the proposed programme budget). The negative revaluation of the 1988-1989 resource base is explained in table 1.21 of the proposed programme budget and footnotes a/ to c/.

The Secretary-General

1.25 The estimate of \$1,420,600 under this heading is \$130,200 higher than the revised appropriation for 1988-1989 of \$1,290,400. As indicated in table 1.25 of the proposed programme budget, proposed resource growth of \$190,900 (at revised 1989 rates) covers increased requirements under travel of staff (\$150,000), rental and maintenance of premises (\$82,500) and hospitality (\$40,000), partially offset by reduced requirements under the provision for retirement allowance for former Secretaries-General (\$81,600).

1.26 The 1990-1991 estimate of \$284,700 under rental and maintenance of premises (i.e. the Secretary-General's residence) is explained in paragraph 1.64 of the proposed programme budget. Of the proposed resource growth of \$82,500 (at revised 1989 rates), \$48,800 represents a non-recurrent provision for essential roof repairs. In this connection, representatives of the Secretary-General informed the Advisory Committee that an architectural and mechanical facilities assessment of the condition of the residence of the Secretary-General had revealed that other major alteration and improvement work, not taken into account in the 1990-1991 proposed programme budget, would be needed in the future. Specifically, it would be necessary to repair the brick façade, replace the windows and their frames, install centralized air-conditioning and upgrade the electrical wiring and the plumbing to meet modern building code standards. Interior decoration work would be needed as well on the first two floors, which were extensively used for official functions. Representatives of the Secretary-General tentatively projected the cost of restoring the Secretary-General's residence to good condition at approximately \$1 million and expressed the view that such restoration work would most likely be carried out early in the biennium 1992-1993.

1.27 In table 1.25 and paragraph 1.66 of the proposed programme budget, it is stated that the estimate of \$35,800 under furniture and equipment would cover "the replacement of one of the official vehicles". In this connection, representatives of the Secretary-General informed the Advisory Committee that, at present, the Secretary-General's automobiles were provided by two manufacturers who made available their vehicles free of charge. The four-year arrangement with one of the manufacturers would expire in June 1991, while the arrangement with the other manufacturer was on an annual basis. In the circumstances, the normal schedule for replacing the primary and the reserve vehicle had been suspended. Thus, the requested 1990-1991 budgetary provision was intended to permit acquisition of a vehicle, should the manufacturers discontinue the current arrangements. In view of the above explanation, the Committee understands that the estimate of \$35,800 under furniture and equipment is a contingency provision.

Executive Office of the Secretary-General

1.28 The estimate of \$9,740,200 under the Executive Office of the Secretary-General is \$2,606,600 higher than the revised appropriation for 1988-1989 of \$7,133,600. The bulk of the resource growth of \$1,865,000 (at revised 1989 rates) requested under a number of objects of expenditure is accounted for under

salaries and common staff costs (\$1,362,200), travel of staff (\$150,000) and furniture and equipment (\$247,700).

1.29 The resource growth requested under salaries and common staff costs (\$1,362,200 at revised 1989 rates) relates to the staffing proposals for the Executive Office, as described here and in paragraph 1.30 below. The proposed 1990-1991 staffing establishment for the Executive Office - 68 posts (28 in the Professional category and above; 39 General Service posts, including 4 at the Principal level; and 1 Security Service post) - is 10 posts more than the revised 1988-1989 establishment of 58 posts. As indicated in paragraphs 1.69 to 1.71 of the proposed programme budget, nine of the additional posts in the Executive Office (one Assistant-Secretary-General, two D-2, one D-1, one P-5, one P-4 and four General Service posts, including two at the Principal level) are the net result of proposed post redeployments between the Executive Office and other organizational units under subsection 1B. The redeployment of the Assistant-Secretary-General post to the Executive Office, in particular, is explained further in paragraph 1.68 of the proposed programme budget. In paragraph 1.70, the Secretary-General also requests the establishment of one new P-4 post "to strengthen the Representation Unit of the Executive Office". The Advisory Committee has no objection to the request for one new P-4 post or to the proposed post redeployments.

1.30 The Advisory Committee also has no objection to the requests contained in paragraph 1.72 of the proposed programme budget to reclassify an Administrative Officer post from the P-3 to the P-4 level and one Political Officer post from the P-4 to the P-5 level.

1.31 The 1990-1991 estimate of \$542,400 under travel of staff, which includes proposed resource growth of \$150,000 (at revised 1989 rates) is explained in paragraph 1.75 of the proposed programme budget. According to the Secretary-General, the resource growth is "based on recent experience and anticipated travel needs". The Advisory Committee does not pose any objection to the request.

1.32 As indicated in paragraph 1.81 of the proposed programme budget, the non-recurrent resource growth of \$247,700 (at revised 1989 rates) requested under furniture and equipment would finance the cost of acquiring office automation equipment, comprising 55 work-stations, a local area network and related equipment. The estimate covers the consolidated requirements of the various offices of the Secretary-General for which the Executive Office provides central administrative support. The Advisory Committee recommends acceptance of this request.

Office of the Under-Secretary-General for Political and General Assembly Affairs and Secretariat Services

1.33 The estimate for the Office of the Under-Secretary-General for Political and General Assembly Affairs and Secretariat Services totals \$9,958,700, comprising \$2,857,500 for the Office of the Under-Secretary-General (including the Division of General Assembly Affairs), \$3,316,900 for the Division for Palestinian Rights and \$3,784,300 for the Division of Economic and Social Council Affairs and Secretariat Services.

1.34 The proposed requirements (\$2,857,500) for the Office of the Under-Secretary-General (including the Division of General Assembly Affairs) are

contained in tables 1.28 and 1.29 and paragraphs 1.83 to 1.92 of the proposed programme budget. In response to its inquiries, representatives of the Secretary-General confirmed to the Advisory Committee that the description of co-ordination functions assigned to the Office of the Under-Secretary-General in respect of non-governmental organizations (para. 1.84 (b) (i) to (iv) of the proposed programme budget) represented the status quo ante. The Advisory Committee provides additional information on this subject in paragraphs 6.11 and 6.12 below.

1.35 As stated in paragraph 1.86 of the proposed programme budget, one of the principal activities of the Division of General Assembly Affairs is "controlling and editing all the documentation for the General Assembly emanating from Member States, observer missions and the Secretariat". Editing functions are also performed by the Division of Economic and Social Council Affairs and Secretariat Services, which is "responsible for editing all publications emanating from the Department of International Economic and Social Affairs, the Department of Technical Co-operation for Development, the Centre for Science and Technology for Development and the United Nations Centre on Transnational Corporations, as approved by the Publications Board" (para. 1.115 of the proposed programme budget). Editing of all other United Nations documents and publications is carried out by the Editorial and Official Records Division, Department of Conference Services, Headquarters (sect. 29, paras. 29.18 and 29.19, of the proposed programme budget). In this connection, the Advisory Committee draws attention to a table prepared by representatives of the Secretary-General, reproduced in paragraph 29.24 below, detailing all the organizational units and related staffing resources located at Headquarters that perform editorial functions. Bearing in mind assurances received from representatives of the Secretary-General, the Advisory Committee trusts that the editing resources available at Headquarters are used co-operatively with a view to ensuring the optimum use of the capacity of the various editorial units.

1.36 The proposed 1990-1991 staffing establishment for the Office of the Under-Secretary-General (including the Division of General Assembly Affairs) of 21 regular budget established posts, comprises 13 posts in the Professional category and above and 8 General Service posts, including 1 at the Principal level (table 1.29 of the proposed programme budget). This is one post more than the 1988-1989 staffing complement and relates to the Secretary-General's request to convert one temporary recurrent post at the P-3 level to an established post. The Advisory Committee is not convinced by the reasons advanced in paragraph 1.87 of the proposed programme budget in support of this request and recommends that the P-3 post be maintained as a temporary recurrent post. This recommendation does not entail any adjustment to the Secretary-General's estimate. The Committee notes the exchange of General Service posts between the Office of the Under-Secretary-General and the Executive Office of the Secretary-General, referred to in paragraph 1.88 of the proposed programme budget (see also para. 1.29 above).

1.37 The proposed requirements (\$3,316,900) for the Division for Palestinian Rights are described in tables 1.30 and 1.31 and paragraphs 1.93 to 1.109 of the proposed programme budget. The Advisory Committee recommends acceptance of this estimate, including the request contained in paragraph 1.100 to convert to established status all 17 temporary recurrent regular budget posts (1 D-1, 1 P-5, 2 P-4, 6 P-3 and 7 General Service posts) currently assigned to the Division.

1.38 As shown in table 1.32 of the proposed programme budget, the estimate of \$3,784,300 for the Division of Economic and Social Affairs and Secretariat Services

contains negative resource growth of \$225,600 (at revised 1989 rates). The negative resource growth is the net result of a number of negative and positive changes to the estimates, some aspects of which are noted in paragraph 1.39 below.

1.39 The negative resource growth shown under salaries and common staff costs and under representation allowance relates to the redeployment of one Assistant-Secretary-General post from the Division to the Executive Office of the Secretary-General, as well as the further exchange of General Service posts between these two organizational units (see para. 1.29 above and para. 1.118 of the proposed programme budget). Negative resource growth indicated under four other objects of expenditure also represent the redeployment of resources out of the Division to the Executive Office of the Secretary-General, as detailed in paragraph 1.117 of the proposed programme budget. Proposed resource growth under general temporary assistance, partially offset by reduced requirements in temporary assistance resources for meetings is explained in paragraph 1.119 of the proposed programme budget. Non-recurrent resource growth of \$40,000 (at revised 1989 rates) is also requested for contractual editing of technical papers and publications, as described in paragraph 1.122 of the proposed programme budget. With regard to the latter, bearing in mind its observations in paragraph 1.35 above, the Advisory Committee is not convinced of the need to provide resources for contractual editing in the full amount requested and recommends that the 1990-1991 estimate for this object of expenditure be reduced by \$7,700, from \$42,700 to \$35,000.

Office of the Under-Secretary-General for Special Political Affairs

1.40 The estimate of \$2,196,200 under this heading is \$1,369,400 less than the revised appropriation of \$3,565,600 for 1988-1989 (table 1.34 of the proposed programme budget).

1.41 Extrabudgetary resources expected to be available to this Office in 1990-1991 are estimated at \$751,800, an increase of \$83,500 over the corresponding revised estimate of \$668,300 for 1988-1989. The 1990-1991 estimate comprises extrabudgetary resources for services in support of UNFICYP (\$510,000) and UNIFIL (\$241,800).

1.42 Table 1.35 of the proposed programme budget provides information on the staffing establishment for this Office. In this connection, the Advisory Committee notes that although not specifically identified in table 1.35, the 24 established posts for 1988-1989 regular budget staffing complement for this Office as at 31 December 1989 includes a proposal by the Secretary-General to abolish one Under-Secretary-General post (see chap. I, paras. 24-27, above). For 1990-1991, the Secretary-General proposes a regular budget staffing establishment for this Office of 15 regular budget established posts; nine posts less than in 1988-1989. As stated in paragraph 1.126 of the proposed programme budget, these nine posts are proposed for redeployment out of the Office of the Under-Secretary-General for Special Political Affairs to the Executive Office of the Secretary-General and to the Office of the Director-General, United Nations Office at Geneva (see also paras. 1.29 above and 1.46 below).

1.43 In 1990-1991, as in 1988-1989, a total of six extrabudgetary posts are expected to be available to this Office. As indicated in table 1.35, footnote a/, these posts are financed from funds of UNFICYP and UNIFIL (see also para. 1.41 above).

1.44 The Advisory Committee recommends approval of the estimate of \$2,196,200 for the Office of the Under-Secretary-General for Special Political Affairs.

Office for Research and the Collection of Information

1.45 The Advisory Committee recommends approval of the estimate of \$5,254,800 under this heading, including the request contained in paragraph 1.140 of the proposed programme budget for conversion of four temporary recurrent General Service regular budget posts to established posts.

Office of the Director-General, United Nations Office at Geneva

1.46 The 1990-1991 estimate of \$3,209,300 under this heading includes resource growth of \$251,200 (at revised 1989 rates). The bulk of the proposed resource growth (\$221,600 at revised 1989 rates) relates to the redeployment of posts into (including one D-1 post from the Office of the Under-Secretary-General for Special Political Affairs) and out of the Office of the Director-General, as detailed in paragraphs 1.146 and 1.147 of the proposed programme budget. Non-recurrent resource growth of \$18,900 (at revised 1989 rates) is also requested under furniture and equipment for the acquisition of office automation equipment (para. 1.154 of the proposed programme budget). The Advisory Committee recommends acceptance of the estimate of \$3,209,300 for the Office of the Director-General, United Nations Office at Geneva.

Office of the Director-General, United Nations Office at Vienna

1.47 The estimate of \$1,957,300 under this heading is described in tables 1.40 and 1.41 and paragraphs 1.156 to 1.163 of the proposed programme budget. Of the total resource growth of \$76,300 (at revised 1989 rates) requested, \$17,200 relates to the proposed exchange of General Service posts between this Office and section 8 (Activities on global social development issues). The bulk of the resource growth of \$39,200 (at revised 1989 rates) requested under travel of staff also represents the proposed transfer of such resources from section 8 to this Office (para. 1.160 of the proposed programme budget). The Advisory Committee recommends acceptance of the estimate of \$1,957,300 for the Office of the Director-General, United Nations Office at Vienna.

Office of the Co-ordinator of Assistance for the Reconstruction and Development of Lebanon

1.48 The estimate of \$554,300 under this heading is detailed in tables 1.42 and 1.43 and paragraphs 1.164 to 1.174 of the proposed programme budget.

1.49 Table 1.43 of the proposed programme budget provides information on the staffing establishment for this Office. In this connection, the Advisory Committee notes that although not specifically identified in table 1.43, the five temporary recurrent posts for the 1988-1989 regular budget staffing complement for this Office as at 31 December 1989 include a proposal by the Secretary-General to abolish one temporary recurrent Assistant-Secretary-General post (see chap. I, paras. 24-27 above). For 1990-1991, the Secretary-General proposes a regular budget staffing establishment of six temporary recurrent regular budget posts; an increase of one Local level post, the reasons for which are explained in paragraph 1.167 of the proposed programme budget. The Advisory Committee has no objection to the request for one additional Local level post.

1.50 The 1990-1991 estimate of \$40,100 under travel of staff is intended to cover the "travel by the Co-ordinator for co-ordination and liaison with Governments and United Nations agencies as well as travel for consultation in New York" (table 1.42 and para. 1.168 of the proposed programme budget). Bearing in mind that the appointment of the Resident Representative of UNDP as Co-ordinator provides opportunities to combine travel related to UNDP and assistance for the reconstruction and development of Lebanon, the Advisory Committee recommends that the estimate be reduced by \$19,600, from \$40,100 to \$20,500.

1.51 In paragraphs 1.8, 1.39 and 1.50 above, the Advisory Committee has recommended reductions totalling \$59,300, which would entail a reduction of the Secretary-General's overall estimate for section 1, from \$53,449,700 to \$53,390,400

Reduction recommended

United States dollars

Section 1. Overall policy-making, direction
and co-ordination

59 300

PART II

POLITICAL AND SECURITY COUNCIL AFFAIRS; PEACE-KEEPING ACTIVITIES

Section 2A. Political and Security Council affairs;
peace-keeping activities

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 86 417 200 |
| Estimate recommended by the Advisory Committee | 86 396 900 |
| Revised appropriations 1988-1989 | 91 820 900 |
| Initial appropriations 1988-1989 | 73 589 200 |
| Actual expenses 1986-1987 | 71 303 700 |

2A.1 The estimate of \$86,417,200 for section 2A is \$5,403,700, or 5.8 per cent, less than the revised 1988-1989 appropriations. Resource growth (at 1989 rates) has been estimated at \$198,800; however, when non-recurrent items totalling \$268,100 are taken into account, the rate of real growth, as shown in table 2A.1, is too small to reflect.

2A.2 Extrabudgetary resources for 1990-1991 are estimated at \$486,118,000; of this amount \$486,000,000 relates to operational projects of UNRWA. The balance of \$118,000 relates to substantive activities in the Department of Political and Security Council Affairs.

2A.3 The estimate for section 2A is divided into four sub-sections as follows:

| | <u>United States dollars</u> |
|--|------------------------------|
| A. Policy-making organs | 966 000 |
| B. Department of Political and Security Council Affairs | 12 194 000 |
| C. Special missions | 57 414 100 |
| D. United Nations Relief and Works Agency for Palestine Refugees in the Near East | <u>15 843 100</u> |
| Total | <u>86 417 200</u> |

A. Policy-making organs

United States dollars

| | |
|--|---------|
| Estimate submitted by the Secretary-General | 966 000 |
| Estimate recommended by the Advisory Committee | 945 700 |
| Revised appropriations 1988-1989 | 671 400 |
| Initial appropriations 1988-1989 | 671 400 |
| Actual expenses 1988-1989 | 358 200 |

2A.4 The estimate of \$966,000 for policy-making organs covers the Security Council, its committees and commissions (\$938,000) and the Committee on the Peaceful Uses of Outer Space (\$28,000).

2A.5 The estimate for the Security Council, its committees and commissions covers the cost of external printing and binding of the Official Records of the Council and reports of its subsidiary organs in the six official languages of the United Nations. As shown in table 2A.7 of the proposed programme budget, resource growth (at revised 1989 rates) is estimated at \$227,400. In paragraph 2A.5 of the proposed programme budget, the Secretary-General states that this "reflects the increased volume of material to be issued, due in part to the fact that some of the backlog in the production of the Arabic, Chinese and Russian language versions of the Official Records of the Security Council is being eliminated"; consequently this results in increased requirements for external printing. The Committee requested but was unable to obtain information concerning the anticipated volume of documentation for external printing.

2A.6 The estimate for the Committee on the Peaceful Uses of Outer Space totals \$28,000; as explained in paragraph 2A.9 of the proposed programme budget, this relates in its entirety to the travel of staff to the Geneva session of the Legal Sub-Committee on the Peaceful Uses of Outer Space and to related inter-agency and technical meetings. In this connection, the Secretary-General explains that the Legal Sub-Committee meets every year, the venue alternating between Headquarters and Geneva (para. 2A.7 of the proposed programme budget). The Advisory Committee recalls that, as it noted in its report, 10/ this arrangement was first approved by the General Assembly in its resolution 32/71 of 9 December 1977, and more recently in resolution 40/243 of 18 December 1985, as an exception to the principle that United Nations bodies shall plan to meet at their respective established headquarters.

2A.7 The Advisory Committee sees no compelling reason for such an arrangement to continue. The Committee notes that the holding of the Sub-Committee at Geneva entails additional non-conference-servicing costs amounting to \$20,300 out of the total estimate of \$28,000 for the biennium. The Committee was informed that it was difficult at this stage to determine the additional conference-servicing costs, if

10/ Ibid., Forty-second Session, Supplement No. 7 (A/42/7), para. 2A.7.

any, of holding the sessions of the Sub-Committee at Geneva as opposed to New York since the actual cost of holding sessions of the Committee depends, in each case, on the timing of the meetings and the availability of conference-servicing facilities. In this connection, the Committee recalls that, as indicated in its report, 10/ the additional conference-servicing costs of holding the 1986 session of the Sub-Committee at Geneva totalled \$33,500. In the circumstances, the Advisory Committee recommends that henceforth meetings of the Legal Sub-Committee take place in New York and that the estimate under section 2A be reduced by \$20,300.

B. Department of Political and Security Council Affairs

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 12 194 000 |
| Estimate recommended by the Advisory Committee | 12 194 000 |
| Revised appropriations 1988-1989 | 11 211 800 |
| Initial appropriations 1988-1989 | 10 158 600 |
| Actual expenses 1986-1987..... | 10 940 800 |

2A.8 The estimate of \$12,194,000 for the Department of Political and Security Council Affairs is \$982,200, or 8.7 per cent, higher than the revised 1988-1989 appropriations. As shown in table 2A.9, resource growth is estimated at \$79,900 (at revised 1989 rates); this includes a non-recurrent provision of \$45,100 for the acquisition of personal computers and related equipment and microfiches (paras. 2A.25, 2A.26 and 2A.34 of the proposed programme budget). The rate of real growth has been calculated at 0.3 per cent.

2A.9 Extrabudgetary resources for 1990-1991 are estimated at \$118,000, comprising \$30,000 for the Trust Fund for the Promotion of Peace and \$88,000 for the Trust Fund for United Nations Programme on Space Applications. In this connection, the Secretary-General states in paragraph 2A.18 that the Administrative Office of the Department "administers various trust funds for which responsibility is assigned to the Department". Representatives of the Secretary-General clarified that the Department is responsible for implementing the activities relating to trust funds assigned to it; however, the financial administration is carried out by the Office of Programme Planning, Budget and Finance.

2A.10 The Secretary-General proposes a staffing table of 87 established posts for 1990-1991, comprising 1 USG, 2 D-2, 9 D-1, 12 P-5, 17 P-4, 11 P-3, 5 P-2/1 and 30 General Service, including 4 at the Principal level. This total, which represents an increase of seven posts over the approved 1988-1989 level, reflects the Secretary-General's proposal to convert seven temporary posts (two D-1, three P-5 and two General Service, including one at the Principal level) to established status. The Secretary-General is also proposing to reclassify one P-2 post to the P-3 level.

2A.11 The Secretary-General discusses the seven conversions in paragraphs 2A.29, 2A.30, 2A.39 and 2A.40 of the proposed programme budget. Five of the posts (one

D-1, two P-5 and two General Service, including one at the Principal level) relate to the mandatory arms embargo against the Republic of South Africa. The remaining two posts are for an expert on space applications (D-1) and an official responsible for follow-up activities of the Second United Nations Conference on the Exploration and Peaceful Uses of Outer Space (P-5). The Advisory Committee has no objection to these conversions or to the reclassification discussed in paragraph 2A.31 of the proposed programme budget.

C. Special missions

| | <u>United States dollars</u> |
|---|------------------------------|
| Estimate submitted by the Secretary-General | 57 414 100 |
| Estimate recommended by the Advisory Committee | 57 414 100 |
| Revised appropriations 1988-1989 | 64 494 300 |
| Initial appropriations 1988-1989 | 48 872 500 |
| Actual expenses 1988-1989 | 46 363 700 |

2A.12 The estimate of \$57,414,100 for special missions is \$7,080,200, or 10.9 per cent, lower than the revised 1988-1989 appropriations. Table 2A.22 shows a decrease of \$73,300 (at revised 1989 rates) in the resource growth column; when a non-recurrent provision of \$223,000 (at revised 1989 rates) is taken into account, the rate of real growth is calculated at -0.5 per cent.

2A.13 The estimates under this subsection cover the Military Adviser to the Secretary-General, UNTSO and UNMOGIP. As stated in paragraph 2A.48 of the proposed programme budget, the estimates assume that UNTSO and UNMOGIP "will remain in existence through the biennium 1990-1991 and that their current level of activity will be maintained. No provision has been made for other special missions that may be established during the biennium. Should such missions be established, the related requirements will be submitted in accordance with the relevant procedures".

2A.14 As shown in table 2A.24, a number of other missions were established in 1988-1989, including the Secretary-General's good offices in Afghanistan, for which \$13,674,800 was appropriated in 1988-1989. That amount has been deleted from the resource base; in this connection, representatives of the Secretary-General stated that, should this mission be continued into 1990-1991, the related requirements would be requested under the terms of the General Assembly resolution on unforeseen and extraordinary expenditures.

2A.15 The following table provides a breakdown of the overall costs and number of established posts under the regular budget for the activities included in this subsection:

| | | Number of posts | | | | | |
|---|------------------------------|--------------------|----------------|------------------|-----------------------|----------------|-----|
| Costs (United States dollars) | Professional and above | General Service | Local level | Field Service | Military observers | Total posts | |
| <u>Military Adviser to the Secretary-General</u> | | | | | | | |
| 1988-1989 | 192 900 | 1 | - | - | - | 1 | |
| 1990-1991 | 206 900 | 1 | - | - | - | 1 | |
| <u>United Nations Truce Supervision Organization</u> | | | | | | | |
| 1988-1989 | 41 436 400 | 4 | 3 | 158 | 188 | 298 | 651 |
| 1990-1991 | 48 523 500 | 4 | 3 | 158 | 185 | 298 | 648 |
| <u>United Nations Military Observer Group in India and Pakistan</u> | | | | | | | |
| 1988-1989 | 7 659 200 | 2 | - | 43 | 32 | 45 | 122 |
| 1990-1991 | 8 683 700 | 2 | - | 43 | 30 | 45 | 120 |
| <u>Grand total</u> | | | | | | | |
| 1988-1989 | 49 288 500 | 7 | 3 | 201 | 220 | 343 | 774 |
| 1990-1991 | 57 414 100 | 7 | 3 | 201 | 215 | 343 | 769 |

2A.16 Requirements for UNTSO are shown in table 2A.28 of the proposed programme budget; as shown therein, adjustments to the resource base amount to \$4,457,600 (at revised 1989 rates). The Advisory Committee notes from table 2A.23 that this amount includes a special adjustment amounting to \$3,437,500. The Committee was informed that this amount reflected the revised 1990-1991 vacancy rates (\$34,600), the funding of all Field Service posts (\$3,471,500) and a negative adjustment made in respect of the monthly mission allowance (-\$68,600). The amount of \$3,471,500 represents the cost of 44 Field Service posts for which provision has not been made in past bienniums. As explained in paragraph 2A.53 of the proposed programme budget, these posts had been blocked for staff members who had been temporarily assigned to UNEF and other peace-keeping missions. Following the post reduction exercise, provision has now been made for the full reduced staffing table, including these posts, in order to avoid a "double" reduction of posts; consequently an adjustment to the base has been necessary under established posts and common staff costs. The negative adjustment for the monthly mission allowance is discussed in paragraph 2A.56 of the proposed programme budget.

2A.17 As shown in table 2A.29, the staffing establishment of UNTSO totals 648, a decrease of 3 posts from the 1988-1989 total. In this connection, the

Secretary-General states in paragraph 2A.54 that "it is proposed to redeploy three Field Service posts from UNTSO to section 28D (Office of General Services, Headquarters) for administrative and technical staff (Communications personnel)". The Advisory Committee has no objection to this redeployment.

2A.18 Included in the total of 648 are 298 military observers; as stated in paragraph 2A.52 of the proposed programme budget, these observers "continue to assist and co operate with UNDOF and UNIFIL in the Israel Syria sector and in South Lebanon, respectively". Other observers are stationed in Egypt and in the Beirut area. In response to inquiries, the Committee was informed that the distribution by location of UNTSO military observers as at 30 April 1989 was as follows:

| | |
|--|------------|
| UNTSO headquarters, Jerusalem | 27 |
| Beirut | 10 |
| Egypt | 55 |
| Syrian Arab Republic | 83 |
| Tiberias | 54 |
| Lebanon | 62 |
| Amman | 3 |
| Gaza | 5 |
| Subtotal | 299 |
| Plus 5 observers temporarily with the United Nations Good Offices Mission in Afghanistan and Pakistan | 5 |
| Total | <u>304</u> |

The Advisory Committee notes that the above total exceeds the number shown in table 2A.29, i.e. 298; in this connection, the Committee was informed that the assignment of observers allows for some overlap and that the number of 304 represented the actual number of observers in the field as at end April.

2A.19 The estimate for UNMOGIP totals \$8,683,700, as shown in table 2A.30 of the proposed programme budget. Resource growth totals \$331,300 (at revised 1989 rates), including a provision of \$223,000 for non-recurrent items. In this connection, the Secretary-General states in paragraph 2A.76 that \$88,000 is required for the upgrading of 11 field stations "whose condition has deteriorated seriously in recent years". As explained in paragraph 2A.82, the balance of the non-recurrent provision (\$135,000) relates to the acquisition of office automation equipment (\$19,400), vehicles (\$42,000) and items of radio network equipment (\$73,600). The Advisory Committee has no objection to these non-recurrent provisions.

2A.20 As shown in table 2A.31 of the proposed programme budget, the staffing establishment of UNMOGIP includes two posts in the Professional category and above, i.e. one D-2 and one P-5. In this connection, the Secretary-General explains in paragraph 2A.70 that "it has been decided that the post of Chief of Mission of UNMOGIP would be among the high-level posts to be reduced pursuant to recommendation 15 of the Group of High-level Intergovernmental Experts. In order to continue adequate provision for the Chief of Mission, however, it is proposed to effect this reduction through a downward reclassification of the post from

Assistant Secretary-General to the D-2 level". The comments of the Advisory Committee on this and other proposals concerning posts at the Assistant Secretary-General and Under-Secretary-General levels are contained in chapter I, paras. 24-27, above.

2A.21 The Advisory Committee also notes from table 2A.31 that the proposed staffing establishment for UNMOGIP in 1990-1991 totals 120, a decrease of 2 posts from the 1988-1989 total. This reflects the Secretary-General's proposal to redeploy two Field Service posts from UNMOGIP to section 28D (Office of General Services, Headquarters) for administrative and technical staff (Communications personnel) (para. 2A.71 of the proposed programme budget). The Advisory Committee has no objection to this redeployment.

D. United Nations Relief and Works Agency for Palestine Refugees in the Near East

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 15 843 100 |
| Estimate recommended by the Advisory Committee | 15 843 100 |
| Revised appropriations 1988-1989 | 15 443 400 |
| Initial appropriations 1988-1989 | 13 886 700 |
| Actual expenses 1986-1987 | 13 641 000 |

2A.22 The estimate of \$15,843,100 for UNRWA is \$399,700 higher than the revised 1988-1989 appropriations. As shown in table 2A.32, a decrease of \$25,600 (at revised 1989 rates) is shown in the resource growth column; the rate of real growth is calculated at -0.1 per cent. Extrabudgetary expenditures for 1990-1991 are estimated at \$486,000,000, all for operational projects (table 2A.32 (2)). This represents an increase of \$43 million over the level of estimated expenditures for 1988-1989.

2A.23 A total of 92 regular budget established posts are proposed for 1990-1991 (1 USG, 1 ASG, 1 D-2, 10 D-1, 16 P-5, 36 P-4, 15 P-3, 2 P-2/1 and 10 General Service). In this connection, the Secretary-General recalls in paragraph 2A.83 that "by its resolution 3331 B (XXIX) of 17 December 1974, the General Assembly decided that the expenses relating to the emoluments of international staff in the service of UNRWA, which would otherwise have been charged to voluntary contributions, should be provided for under the regular budget of the United Nations with effect from 1 January 1975 for the duration of the Agency's mandate".

2A.24 As also indicated in table 2A.34, a total of 12 extrabudgetary posts are shown for 1990-1991, unchanged from the 1988-1989 totals. The Advisory Committee recalls that these posts were not reflected in the Secretary-General's proposed programme budget for the biennium 1988-1989. In response to inquiries, the Committee was informed that seven of the posts were created in 1980 by the Commissioner-General in view of the Agency's urgent requirements. In his report to

the General Assembly, 11/ the Commissioner-General explained that he had initiated measures, through the normal United Nations budgetary process, for these posts to be financed from the United Nations regular budget. The posts were proposed for transfer to the regular budget in the proposed programme budget for the biennium 1984-1985. In this connection, the Advisory Committee recalls its belief, as stated in its first report on the Secretary-General's proposed programme budget for the biennium 1984-1985, 12/ that "in view of the implications of General Assembly resolution 3331 B (XXIX), international posts for UNRWA should not have been charged against extrabudgetary funds and that these international posts should not have been established without the prior approval of the Assembly". The Committee also stated that if the Secretary-General had considered the situation urgent, an appropriate request to the Committee could have been formulated under the resolution on unforeseen and extraordinary expenses. That being said, the Committee considered the proposals not as requests for transfer but as proposals for the establishment of new posts and recommended that four be approved. Representatives of the Secretary-General have now informed the Committee that the remaining 3 posts remained a charge against extrabudgetary resources of UNRWA and that by the end of 1984-1985 the number of extrabudgetary posts had increased to 12.

2A.25 The Advisory Committee remains of the view that international posts for UNRWA should not be established without prior approval of the General Assembly; furthermore, it believes that requests of this nature should be submitted through the Advisory Committee. In chapter I, paragraphs 81 to 89, above, the Advisory Committee has made observations and recommendations concerning the management and control of extrabudgetary resources.

Recapitulation

2A.26 In paragraph 2A.7 above, the Advisory Committee has recommended reductions totalling \$20,300. Accordingly, the Committee recommends that the General Assembly should approve an estimate of \$86,396,900 for section 2A.

Reduction recommended

United States dollars

Section 2A. Political and Security Council Affairs;
peace-keeping activities

20 300

11/ Ibid., Thirty-sixth Session, Supplement No. 15 (A/36/13), para. 204.

12/ Ibid., Thirty-eighth Session, Supplement No. 7 (A/38/7), para. 2A.19.

Section 2B. Disarmament affairs activities

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 10 706 400 |
| Estimate recommended by the Advisory Committee | 10 762 500 |
| Revised appropriations 1988-1989 | 10 247 600 |
| Initial appropriations 1988-1989 | 9 430 600 |
| Actual expenses 1986-1987 | 8 688 300 |

2B.1 The estimate of \$10,706,400 for section 2B is \$458,800, or 4.4 per cent, higher than the revised appropriations for 1988-1989. As shown in table 2B.1 of the proposed programme budget, the estimate includes resource growth amounting to \$523,700 (at revised 1989 rates). As shown in the same table, the rate of real growth has been calculated at -3.5 per cent; this is primarily attributable to the deletion of 1990-1991 non-recurrent items totalling \$862,700 from the estimate. That amount relates to the Department for Disarmament Affairs (see para. 2B.5 below).

2B.2 The estimate for section 2B covers requirements for the Conference on Disarmament (\$448,400) and the Department for Disarmament Affairs (\$10,258,000). As stated in paragraph 2B.1 of the proposed programme budget, the Conference is based at Geneva and meets for six to seven months each year. The estimate of \$448,400 for the Conference relates in part to the costs of a temporary post at the Assistant Secretary-General level (\$307,400), the incumbent of which acts as Secretary of the Conference and as Personal Representative of the Secretary-General. As shown in table 2B.4 of the proposed programme budget, the balance of \$141,000 covers travel of staff, as explained in paragraph 2B.6 of the proposed programme budget.

2B.3 Extrabudgetary resources for the Department for Disarmament Affairs are estimated at \$5,428,000, comprising \$2,930,000 for substantive activities and \$2,498,000 for operational projects. In response to inquiries, the Committee was informed that the five extrabudgetary posts shown in table 2B.10 of the proposed programme budget are funded by the Trust Fund for the World Disarmament Campaign and the Trust Fund for the Interest on the Contribution to the United Nations Special Account.

2B.4 As shown in table 2B.10, a total of 51 established posts are proposed for 1990-1991, comprising 28 in the Professional category (1 USG, 2 D-2, 3 D-1, 8 P-5, 8 P-4, 4 P-3 and 2 P-2/1) and 23 in the General Service category, including 2 at the Principal level.

2B.5 As stated in paragraph 2B.1 above, the estimate for the Department for Disarmament Affairs includes a non-recurrent provision of \$862,700 (at revised 1989 rates). As discussed in paragraphs 2B.10, 11, 17 and 20 of the proposed programme budget, that amount comprises \$78,500 for consultants, \$448,400 for ad hoc expert groups, \$10,000 for furniture and equipment (personal computers) and \$325,800 for grants.

2B.6 As explained in paragraph 2B.10 of the proposed programme budget, the non-recurrent provision of \$78,500 (at revised 1989 rates) for consultants relates to three studies mandated by General Assembly resolutions 43/81 B, 43/75 I and 43/75 N of 7 December 1988. The non-recurrent provision of \$448,400 (at revised 1989 rates) for ad hoc expert groups (para. 2B.11 of the proposed programme budget) has been requested in connection with the same studies, i.e. a total of \$526,900 (at revised 1989 rates) has been requested for the preparation of the special studies called for by the Assembly.

2B.7 At its request the Advisory Committee was provided with the level of expenditures incurred during the last three bienniums for the preparation of disarmament studies mandated by the General Assembly. In this connection, it notes that, with the exception of one biennium (1986-1987), expenditures have averaged approximately \$450,000. The estimate for 1990-1991 totals \$526,900 (at revised 1989 rates). That being the case, the Advisory Committee believes that these activities should be treated as other "perennial" expenditures of the Organization, that is, they should not be classified as non-recurrent. Bearing in mind the pattern of past expenditures, the Committee further recommends that the above-mentioned estimate of \$526,900 (at revised 1989 rates), which is equivalent to \$558,100 at 1990-1991 rates, be reduced to \$500,000 (at 1990-1991 rates).

2B.8 As stated in paragraph 2B.5 above, a non-recurrent provision has also been requested under grants; in paragraph 2B.20 of the proposed programme budget, the Secretary-General explains that this represents the United Nations subsidy to UNIDIR for 1990-1991. In this connection, the Secretary-General recalls that, in accordance with article VII of its statute, the Institute has received annual subventions from the regular budget of the United Nations since 1985 towards meeting the costs of its Director and staff. In anticipation of similar requests in 1990-1991, the Secretary-General has included a provision of \$325,800, which represents the average of the annual subventions approved over the period 1985-1988. Because it is hoped that future "untied" voluntary contributions to the Institute would obviate the need for a subvention from the regular budget, the provision has been requested on a non-recurrent basis.

2B.9 The grant of \$325,800 would provide for an annual subvention of \$162,900 in both 1990 and 1991. However, the Advisory Committee notes from the UNIDIR draft programme of work and proposed budget for 1990 that for 1990 UNIDIR has requested a subvention totalling \$220,000 to cover the cost of the salaries of the Director and two General Service staff (\$205,600) and a portion of the Director's travel (\$14,400). The Advisory Committee was informed that the travel in question was not project-related but rather related to travel to, for example, meetings of the UNIDIR Board of Trustees and other United Nations bodies.

2B.10 As noted in the proposed programme budget, the provision of \$325,800 was based on the average of annual subventions approved for 1985-1988. In this connection, however, the Committee recalls that the subvention for 1987 was, in view of the financial crisis of the United Nations, significantly lower than previous years (\$98,500) and that in 1988 it was restored to a level comparable to that approved for 1985 and 1986.

2B.11 In the circumstances, the Advisory Committee is of the view that the provision of \$325,800 is unrealistic. In order to avoid a situation in 1991 where the appropriation would prove to be insufficient, it recommends that the provision of \$325,800 be increased by \$114,200 to \$440,000 which would provide for a

subvention of \$220,000 for both 1990 and 1991. At the same time, the Committee reiterates its previously expressed recommendation that every effort be made to encourage those donors making tied contributions to make a supplemental unrestricted contribution, which in future could be used to defray the cost of the Institute's Director and General Service staff.

2B.12 The estimate of \$795,600 for ad hoc expert groups (table 2B.9 of the proposed programme budget) includes resource growth of \$224,200 (at revised 1989 rates). The Advisory Committee was informed that this was a net figure comprising the non-recurrent provision of \$448,400 referred to in paragraph 2B.6 above, offset by a decrease of \$224,200 related to the reduced requirements of the Advisory Board on Disarmament Matters. As explained by the Secretary-General in paragraph 2B.11, the estimate of \$300,000 (at revised 1989 rates) for the travel and subsistence allowance costs of 25 members of the Advisory Board reflects a negative growth of \$224,200 because the Board will now hold a single one-week session each year as opposed to two annual sessions in the past.

2B.13 In view of its recommendations in paragraph 2B.7 and 2B.11 above, the Advisory Committee recommends that the estimate of \$10,706,400 for section 2B be increased by \$56,100 to \$10,762,500.

Section 2C. Office for Ocean Affairs and Law of the Sea

United States dollars

| | |
|--|-----------|
| Estimate submitted by the Secretary-General | 8 317 300 |
| Estimate recommended by the Advisory Committee | 8 317 300 |
| Revised appropriations 1988-1989 | 7 438 100 |
| Initial appropriations 1988-1989 | 6 872 900 |
| Actual expenses 1986-1987 | 4 979 000 |

2C.1 The Secretary General's estimate of \$8,317,300 for section 2C is \$879,200, or 11.8 per cent, higher than the revised appropriations for 1988-1989. Table 2C.1 shows a decrease of \$5,400 (at revised 1989 rates) in the resource growth column; the rate of real growth is too small to show in this table. The Advisory Committee notes from table 2C.1 (2) that there is no indication of extrabudgetary resources; however, the Committee was informed that additional income was obtained bilaterally to supplement the regular budget for the implementation of the work programme (see also chap. I, para. 84 above).

2C.2 As stated in paragraph 2C.1 of the proposed programme budget, in response to resolution 41/213, activities relating to maritime matters of the Ocean Economics and Technology Branch of the Department of International Economic and Social Affairs had been incorporated in the Office of the Special Representative of the Secretary-General for the Law of the Sea, which was renamed "Office for Ocean Affairs and the Law of the Sea".

2C.3 According to table 2C.5 of the proposed programme budget, 57 established posts are proposed for 1990-1991 (an increase of 17 compared to 1988-1989). These include 29 Professional posts (1 USG, 1 D-2, 4 D-1, 5 P-5, 5 P-4, 5 P-3 and 8 P-2/1), 15 General Service (Other levels), and 13 Local level staff. The Advisory Committee notes from paragraph 2C.12 of the proposed programme budget that the additional 17 posts (1 P-4, 1 P-3, 2 P-2 and 13 Local level staff at Kingston) are recurrent temporary posts that the Secretary-General is proposing to convert to established posts. The Advisory Committee has no objections to this proposal.

2C.4 Resource requirements for the Office of Ocean Affairs and the Law of the Sea are shown by object of expenditure in table 2C.4 of the proposed programme budget.

2C.5 With regard to travel of staff to meetings, the Advisory Committee recalls that, in the context of its review of the 1988-1989 proposed programme budget, it had recommended that "a review be made of the number of non-conference-servicing staff sent to service the session". 13/ The Committee was informed that the review had been undertaken and that efforts were being made to limit the number of staff sent to meetings. In this connection, the Committee notes from table 2C.4 of the proposed programme budget that the amount requested for travel of staff to meetings

13/ Ibid., Forty-second Session, Supplement No. 7 (A/42/7), para. 2A.22.

for 1990-1991 (\$496,700) shows a negative resource growth of \$38,900 (at revised 1989 rates). The Advisory Committee requested information regarding the number of meetings attended by staff from the Office and was informed that although invitations had been received for 57 meetings in 1988, staff from this Office were able to attend only 29 meetings (51 per cent). In this regard, the Committee is of the view that the programme of travel for this Office should be more realistic.

2C.6 The estimate for rental and maintenance of premises under this section amounts to \$539,800 (at revised 1989 rates); as stated in paragraph 2C.20 of the proposed programme budget, these resources "provide for operating costs payable by the United Nations to the Government of Jamaica for the use of the conference centre complex and office premises at Kingston, in accordance with the Supplementary Agreement Between the United Nations and the Government of Jamaica, which was signed in January 1984 and revised in January 1986". The Advisory Committee understands that negotiations will soon be undertaken regarding a United Nations option to extend this agreement until December 1991. The representatives of the Secretary-General indicated that they did not expect any further changes in the estimates for this item during the biennium 1990-1991.

2C.7 Estimates for 1990-1991 for rental and maintenance of equipment are outlined in paragraphs 2C.7 (\$67,800 at revised 1989 rates) relating to offices in New York and 2C.21 (\$116,100 at revised 1989 rates) relating to offices at Kingston. The Advisory Committee is of the view that this form of presentation leads to confusion and recommends that proposals for rental and maintenance of equipment for this office should be located in one place.

2C.8 The Advisory Committee recommends approval of the Secretary-General's estimate of \$8,317,300 for section 2C.

PART III

POLITICAL AFFAIRS, TRUSTEESHIP AND DECOLONIZATION

Section 3. Political affairs, trusteeship and decolonization

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 35 448 000 |
| Estimate recommended by the Advisory Committee | 35 448 000 |
| Revised appropriations 1988-1989 | 33 419 300 |
| Initial appropriations 1988-1989 | 31 824 500 |
| Actual expenses 1986-1987 | 29 478 500 |

3.1 The Secretary-General's estimate of \$35,448,000 for section 3 is \$2,028,700, or 6.0 per cent, higher than the revised 1988-1989 appropriation of \$33,419,300 (table 3.1). As indicated in table 3.3 of the proposed programme budget, this overall estimate covers requirements for policy-making organs (\$3,018,600), the Department for Special Political Questions, Regional Co-operation, Decolonization and Trusteeship (\$7,169,800), Namibia (\$19,450,200), the Centre against Apartheid (\$4,479,300) and South-East Asia: political and humanitarian affairs (\$1,330,100).

3.2 The increase of \$2,028,700 in the overall estimate for 1990-1991 is attributable to provision for inflation in 1990-1991 (\$2,228,000), partially offset by a decrease in the revalued resource base for 1988-1989 (\$95,800 at revised 1989 rates) and negative resource growth (\$103,500 at revised 1989 rates). After deleting an amount of \$56,200 (at revised 1989 rates) for non-recurrent items, the Secretary-General calculates an overall rate of real growth for this section of -0.4 per cent (table 3.1).

3.3 Extrabudgetary resources expected to be available to section 3 as a whole in 1990-1991 are projected at \$107,041,800; an increase of \$11,772,000, or 12.4 per cent, over the corresponding estimate of \$95,269,800 for 1988-1989. As shown in table 3.1 (2) of the proposed programme budget, the projection for 1990-1991 comprises amounts for the Kampuchean Emergency Trust Fund (\$70.1 million), the United Nations Fund for Namibia (\$19.5 million), the United Nations Educational and Training Programme for Southern Africans (\$9.0 million), the United Nations Trust Fund for South Africa (\$7.0 million), the African Emergency Trust Fund (\$1,191,800) and the Trust Fund for Publicity against Apartheid (\$250,000).

3.4 In response to its inquiries as to the absence of corresponding projections of extrabudgetary overhead resources in table 3.1 (2), representatives of the Secretary-General informed the Advisory Committee that it was a long-standing practice not to charge support costs to those trust funds related to activities of a humanitarian nature. On that basis, the regular budget absorbed the support costs involved. The Committee notes the substantial size of some of the trust funds identified above, the scope and scale of extrabudgetary activities financed by them and the fact that, as a consequence, substantial costs are incurred under

the regular budget in support of such activities. In the circumstances, the Committee believes that the criteria used in fully exempting such trust funds from support cost charges should be reviewed and its application made more flexible, with a view to ensuring that the regular budget does not bear an undue share of the cost of providing support services for such extrabudgetary-funded activities.

3.5 The Advisory Committee notes that, while the format and presentation of the 1990-1991 proposed programme budget under section 3 is broadly comparable with that for 1988-1989, the structure of the main organizational unit included under this section (i.e. the Department for Special Political Questions, Regional Co-operation, Decolonization and Trusteeship) as well as its related programmes of activity, take into account changes arising from implementation of General Assembly resolution 41/213 and recommendation 19 of the Group of High-level Intergovernmental Experts. 4/ These changes are referred to in paragraphs 3.28 to 3.33 of the proposed programme budget. In this connection, representatives of the Secretary-General informed the Committee that any variances between the new Departmental structure and the programmatic structure for this section resulting from these changes would be reconciled at a later date. None the less, the Committee believes that the format and presentation of subsection 3B (Department for Special Political Questions, Regional Co-operation, Decolonization and Trusteeship) would be improved if the general description of the Department's functions contained in the introductory paragraphs were not merely repeated in the narrative paragraphs of the subsection. Rather, such information provided in the narrative paragraphs should be made more specific.

3.6 Representatives of the Secretary-General also informed the Advisory Committee that no priority designations had been indicated for the activities carried out under section 3 because of their sensitive political nature and for the reasons stated in paragraphs 3.34 and 3.74 of the proposed programme budget.

3.7 The Advisory Committee notes that for reasons explained in paragraphs 3.71 and 3.72 of the proposed programme budget, the Secretary-General's estimate for subsection 3C is provisional, since the projected requirement of \$19,450,200 for Namibia will be revised "at a later stage, on the basis of the decisions that the [General] Assembly may adopt in connection with the question of Namibia". In this connection, the Committee also notes that decisions that the Assembly may adopt concerning the Namibia programme are likely to affect estimates of resource requirements under a number of other sections of the proposed programme budget.

3.8 The Advisory Committee notes that, although not explicitly identified in table 3.5 of the proposed programme budget, the total overall 1988-1989 regular budget staffing complement shown for section 3 as at 31 December 1989 (111 established posts) includes a proposal by the Secretary-General to abolish one Under-Secretary-General post (see chzp. I, paras. 24-27, above).

3.9 For 1990-1991, the Secretary-General requests the conversion of 18 recurrent temporary posts to established posts, which, if approved, would increase the overall regular budget staffing complement for section 3 from 111 to 129 established posts (table 3.5). As indicated in paragraphs 3.59, 3.60, 3.97 and 3.104 respectively of the proposed programme budget, these 18 posts comprise 12 posts (1 D-1, 3 P-5, 1 P-4 and 7 General Service) located in organizational units under the trusteeship and decolonization programme, 4 posts (1 D-1, 1 P-5 and 2 General Service) in the Office of the Special Representative of the Secretary-General for Humanitarian Affairs in South-East Asia, and 2 posts (1 D-2

and 1 Local level) in the Office of the Special Representative of the Secretary-General for Co-ordination of Humanitarian Assistance Programmes in Kampuchea. The Advisory Committee believes that the 12 post conversions requested under section 3B (paras. 3.59 and 3.60 of the proposed programme budget) should await decisions that the General Assembly may adopt at a later stage concerning the Namibia programme, and be reviewed and resubmitted in the context of any consequential changes in staffing and resource requirements that may be proposed under section 3 as a whole. Taking into account additional information provided by representatives of the Secretary-General at its request, the Committee is not convinced that the other six post conversions requested under section 3E (paras. 3.97 and 3.104 of the proposed programme budget) are warranted. Accordingly, the Advisory Committee recommends that all the 18 posts be maintained as recurrent temporary posts at this time. This recommendation does not entail any adjustment to the Secretary-General's estimate for section 3.

3.10 In view of the Advisory Committee's recommendation in paragraph 3.9 above, the total number of recurrent temporary posts under section 3 in 1990-1991 would remain unchanged at 46 posts (table 3.5).

3.11 As indicated in table 3.5, there are no extrabudgetary posts in section 3 of the proposed programme budget.

3.12 Subject to its observations and recommendations in the paragraphs above, the Advisory Committee recommends acceptance of the Secretary-General's estimate of \$35,448,000 for section 3.

PART IV

ECONOMIC, SOCIAL AND HUMANITARIAN ACTIVITIES

Section 4. Policy-making organs (economic and social activities)

United States dollars

| | |
|--|-----------|
| Estimate submitted by the Secretary-General | 2 083 500 |
| Estimate recommended by the Advisory Committee | 2 083 500 |
| Revised appropriations 1988-1989 | 1 982 400 |
| Initial appropriations 1988-1989 | 2 040 600 |
| Actual expenses 1986-1987 | 2 229 900 |

4.1 The estimate of \$2,083,500 for section 4 is \$101,100, or 5.0 per cent, higher than the revised 1988-1989 appropriation. As shown in table 4.1 of the proposed programme budget, resource growth is estimated at \$791,700 (at revised 1989 rates), including an amount of \$681,700 for non-recurrent items. The rate of real growth has been calculated at 9.2 per cent. The non-recurrent provision relates in its entirety to the Eighth United Nations Congress on the Prevention of Crime and the Treatment of Offenders (see paras. 4.8-4.10 below).

4.2 The estimate for section 4 comprises subsection A (\$1,383,700), which relates to the Economic and Social Council, its functional commissions and committees and other recurrent meetings, and subsection B (\$699,800), which includes resources for special conferences not assigned to a specific budget section. In this connection, the Advisory Committee was informed that the Secretary-General is considering abolishing section 4 in the 1992-1993 programme budget and allocating the resources contained therein to relevant sections of the programme budget. The Advisory Committee welcomes this initiative.

4.3 Table 4.2 of the proposed programme budget provides an analysis of the revalued 1988-1989 resource base (at revised 1989 rates). As shown therein, the provision for non-recurrent 1988-1989 items totalled \$712,800; of that amount \$692,500 related to the Eighth Congress on the Prevention of Crime and the Treatment of Offenders. In response to inquiries, the Committee was informed that as at end April 1989, expenditures totalled \$282,300; however, it is projected that an additional \$362,900 will be expended by end December 1989.

4.4 The estimate of \$1,383,700 for subsection A covers the cost of travel of staff to sessions of the Economic and Social Council, the cost of external printing of the Official Records of the Council, and the travel of staff and representatives to the subsidiary and related bodies listed in table 4.3 of the proposed programme budget.

4.5 Resource growth for the travel of staff to service meetings for the Economic and Social Council, the Commission on the Status of Women and the Committee on Crime Prevention and Control totals \$42,600 (at revised 1989 rates). As explained

in paragraph 4.5 of the proposed programme budget, the increase in staff travel to the meetings of the Economic and Social Council "is the result of a different configuration of staff than in previous years for the two sessions of the Council". In response to inquiries, representatives of the Secretary-General clarified that the estimate made provision for increased representation from the Office of the Director-General; at the same time this had been partially offset by decreases from other offices. The same reason explains the increases for travel of staff for the Commission on the Status of Women and the Committee on Crime Prevention and Control, as explained in paragraphs 4.15 and 4.26 of the proposed programme budget.

4.6 As shown in table 4.5, resource growth of \$69,200 (at revised 1989 rates) is shown for external printing of the Official Records of the Economic and Social Council. In response to inquiries, representatives of the Secretary-General stated that in-house typesetting previously used is no longer available because of reductions of staff that led to the disbanding of the unit concerned. Furthermore, the reduced global printing fund, which in the past was used to cover any shortfall in the costs of printing, can no longer absorb the additional amount required to print the Official Records. As a result, the full amount for the printing of the Official Records of the Economic and Social Council is now being requested.

4.7 In paragraph 4.14 of its report on the proposed programme budget for the biennium 1988-1989, 2/ the Advisory Committee noted that the resource requirements for the committees and commissions of the Economic and Social Council varied considerably; it therefore recommended that a review of the entitlements accorded to members of these bodies be undertaken. The Committee also recommended that consideration be given to extending the application of recommendation 6 of the Group of High-level Intergovernmental Experts to subsidiary bodies of the General Assembly and the Economic and Social Council. 4/ Under the terms of that recommendation, the reimbursement of travel costs for representatives of Member States attending the General Assembly is limited to the least developed countries. By its resolution 43/217 of 21 December 1988, the Assembly deferred action on this matter.

4.8 The 1990-1991 requirements for the Eighth United Nations Congress on the Prevention of Crime and the Treatment of Offenders total \$699,800, as shown in table 4.13 of the proposed programme budget. The Congress was to have been held at Vienna in 1990 for 10 days, as stated in paragraph 4.30 of the proposed programme budget. However, the Government of Cuba offered to host the Congress. By its resolution 1989/134, the Economic and Social Council accepted the invitation; consequently the Congress will be held at Havana. Pursuant to General Assembly resolution 40/243 of 18 December 1985, no additional charges to the regular budget will be incurred as a consequence of this change of venue.

4.9 As shown in table 4.13, the estimate includes \$109,500 for consultants; in paragraph 4.32 (c) the Secretary-General explains that the rules of procedure for the Congresses state, inter alia, that he may invite a small number of expert consultants to participate at the expense of the Organization. In response to inquiries concerning the basis for the number of 25 that the Secretary-General intends to invite, the Committee was informed that the number is based on five major topics that have been adopted for consideration by the Eighth Congress, each of which is to be dealt with by five consultants/experts, one from each of the five regional areas.

4.10 Staffing requirements for the Congress include temporary assistance equivalent to one P-4, one P-3 and one General Service for 12 months each. Although the Congress will be held in August 1990, representatives of the Secretary-General informed the Committee that the temporary assistance for the entire 12-month period is required to ensure that post-Congress activities are completed.

4.11 The Advisory Committee recommends approval of the Secretary-General's estimate of \$2,083,500 for section 4.

Section 5A. Office of the Director-General for Development and International Economic Co-operation

United States dollars

| | |
|--|-----------|
| Estimate submitted by the Secretary-General | 4 519 500 |
| Estimate recommended by the Advisory Committee | 4 519 500 |
| Revised appropriations 1988-1989 | 4 072 800 |
| Initial appropriations 1988-1989 | 3 840 100 |
| Actual expenses 1986-1987 | 3 214 300 |

5A.1 The Secretary-General's estimate of \$4,519,500 for section 5A is \$446,700, or 10.9 per cent, higher than the revised 1988-1989 appropriations. As seen in table 5A.1, resource growth, at revised 1989 rates, is estimated at \$111,200, including a non-recurrent provision of \$90,200. The rate of real growth has been calculated at 0.5 per cent.

5A.2 Extrabudgetary resources for 1990-1991 are estimated at \$990,300, comprising \$113,800 for services in support of extrabudgetary programmes, \$135,300 for substantive activities and \$741,200 for operational projects. As shown in table 5A.1 (2), the total of \$990,300 is substantially less than the 1988-1989 level, owing primarily to the level of resources shown for substantive activities for 1990-1991. In response to inquiries, the Advisory Committee was informed that the expenditures shown for 1988-1989 under the Trust Fund for Interest on the Contribution to the United Nations Special Account and under the Trust Fund for International Co-operation for Development related to the costs of the meetings of the International Ad Hoc Group of Experts for the International Decade for Natural Disaster Reduction, which had been established by the Secretary-General to assist in developing an appropriate framework for the Decade. According to representatives of the Secretary-General, it was not possible at the present stage to forecast the nature, level and source of expenditures for 1990-1991, since the institutional arrangements, scope and nature of activities and funding modalities for the Decade would be determined by the General Assembly at its forty-fourth session (see para. 22.8 below). The Committee was also informed that the amount of \$340,600 shown for 1988-1989 under the Trust Fund for the Preparation for the International Decade for Natural Disaster Reduction was an error. No expenditures from this Trust Fund were envisaged in respect of the Office of the Director-General.

5A.3 As mentioned above, an amount of \$741,200 is shown for operational projects for 1990-1991, under the United Nations Trust Fund to facilitate activities related to the implementation of the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy. The Advisory Committee was informed that expenditure authority for technical co-operation activities financed from this Trust Fund was exercised by the Director-General. The estimates for expenditure under the Fund in both 1988-1989 and 1990-1991 include resources for a number of technical co-operation projects financed from the Fund and provision for a senior adviser at the L-7 level (equivalent to a D-2 post), whose responsibilities are to provide advice in connection with activities relating to

the Nairobi Plan of Action. The Advisory Committee notes that the post of this adviser, which was established in 1984, is not included under the extrabudgetary column of the staff table. The explanation given to the Committee by representatives of the Secretary-General in this regard was not fully convincing.

5A.4 A total of 26 established regular budget posts are proposed for 1990-1991, comprising 1 Director-General, 1 ASG, 3 D-2, 4 D-1, 5 P-5 and 12 General Service posts. This total reflects an increase of two posts (one D-1 and one General Service) over the approved 1988-1989 level; as shown in Table 5A.4, the Secretary-General is proposing to convert these posts from temporary to established status.

5A.5 As stated in paragraph 5A.10 of the proposed programme budget, the two posts being proposed for conversion "were authorized by the General Assembly in 1979 in order to provide assistance to the Director-General in the exercise of his responsibilities in the mobilization and co-ordination of the United Nations system in the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries". The Advisory Committee has no objection to these conversions.

5A.6 As stated in paragraph 5A.1 above, the estimate for section 5A includes a non-recurrent provision (at 1989 rates) of \$90,200. The Advisory Committee was informed that this relates to consultants (\$25,000), official travel of staff (\$40,000) and furniture and equipment (\$25,200). As discussed in paragraphs 5A.12 and 5A.14 of the proposed programme budget, the increases for consultants and official travel of staff relate to the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. As stated in paragraph 5A.19 of the proposed programme budget, the non-recurrent provision of \$25,200 for furniture and equipment is for the purchase of additional office automation equipment.

5A.7 The Advisory Committee recommends approval of the Secretary-General's estimate of \$4,519,500 for section 5A.

Section 5B. Regional Commissions New York Office

United States dollars

| | |
|--|---------|
| Estimate submitted by the Secretary-General | 830 900 |
| Estimate recommended by the Advisory Committee | 830 900 |
| Revised appropriations 1988-1989 | 755 900 |
| Initial appropriations 1988-1989 | 641 000 |
| Actual expenses 1986-1987 | 704 700 |

5B.1 The estimate of \$830,900 for the Regional Commissions New York Office is \$75,000, or 9.9 per cent, higher than the revised 1988-1989 estimate. As shown in table 5B.1, resource growth is estimated at \$6,800 (at revised 1989 rates) and the rate of real growth has been calculated at 0.8 per cent.

5B.2 The staffing table of the Office, which shows no change, consists of one D-1, one P-5, one P-4 and three General Service established posts.

5B.3 The Advisory Committee recalls that this Office used to be known as the Regional Commissions Liaison Office. The Committee was informed that the change of name did not reflect any modification of the work programme of the Office, which continued to consist of the elements described in paragraph 5B.2 of the proposed programme budget.

5B.4 The Advisory Committee understands that the estimate for staff travel does not cover the entire travel programme of the Office, since the cost of some travel is underwritten, from time to time, by one or several of the regional commissions. The Committee trusts that care will be taken to ensure that travel of staff from the Office will not duplicate travel being undertaken by officials of the regional commissions.

5B.5 The Advisory Committee recommends acceptance of the Secretary-General's estimate of \$830,900 under section 5B of the proposed programme budget for the biennium 1990-1991.

Section 6. Department of International Economic and Social Affairs

United States dollars

| | |
|--|---------------|
| Estimate submitted by the Secretary-General | 44 673 000 |
| Estimate recommended by the Advisory Committee | 44 673 000 |
| Revised appropriations 1988-1989 | 42 236 700 |
| Initial appropriations 1988-1989 | 40 280 500 |
| Actual expenses 1986-1987 | 39 702 200 a/ |

a/ Excludes the Programme Planning Co-ordination Office (estimated \$2,657,500); includes cost of seven posts redeployed from sects. 6 to 8 in proposed programme budget for the biennium 1990-1991.

6.1 The Secretary-General's estimate of \$44,673,000 for section 6 is \$2,436,300, or 5.7 per cent, higher than the revised 1988-1989 appropriation of \$42,236,700 (table 6.1). The revalued resource base for 1988-1989 shows a decrease of \$519,200 (at revised 1989 rates). Negative resource growth in the amount of \$388,800 (at revised 1988 rates) is also indicated. After deleting an amount of \$591,900 (at revised 1989 rates) for non-recurrent items, the Secretary-General calculates the rate of real growth for this section at -2.3 per cent.

6.2 As can be seen from table 6.4 of the proposed programme budget, the negative resource growth figure (\$388,800 at revised 1989 rates) is a net amount, which is the result of the proposed redeployment of staff resources out of section 6 (see para. 6.6 below) and reduced requirements under a number of non-staff expenditure items, partially offset by non-recurrent resource requirements for temporary posts (see para. 6.7 below) and computer equipment (see para. 6.10 below).

6.3 Extrabudgetary resources expected to be available to the Department in 1990-1991 are projected at \$61,063,000, representing an increase of \$4,073,500, or 7.1 per cent, over the corresponding estimate for 1988-1989 of \$56,989,500 (table 6.1 (2)). The bulk of the projection (\$57,990,200) is allocated under the world statistics programme (table 6.14 (2)).

6.4 The Advisory Committee notes that the Department's organizational and programmatic structure as well as resource requirements take into account "the implementation of General Assembly resolution 41/213 of 19 December 1986 [which] led to some changes in its activities, notably in relation to the Centre for Social Development and Humanitarian Affairs of the United Nations Office at Vienna, the Office for Ocean Affairs and the Law of the Sea and the Office for Programme Planning, Budget and Finance" (para. 6.2 of the proposed programme budget). These changes involved the redeployment of programmes of activity, staff and non-staff resources out of the Department to the other organizational entities identified above. In addition, as stated in paragraph 6.14 of the proposed programme budget, "starting with the biennium 1990-1991, the Centre [for Social Development and Humanitarian Affairs] would assume responsibility, heretofore assigned to the

Department, for work relating to the Declaration on Social Progress on Development, the report on the world social situation and related issues". The consequential redeployment of staffing resources from the Department to the Centre (sect. 8 of the proposed programme budget) is described in paragraph 6.6 below.

6.5 The Advisory Committee notes that, although not explicitly identified in table 6.5 of the proposed programme budget, the total 1988-1989 regular budget staffing complement shown for the Department as at 31 December 1989 - 349 established posts - includes a proposal by the Secretary-General to abolish one Assistant-Secretary-General post in that Department (see chap. I, paras. 24-27 above).

6.6 For 1990-1991, the Secretary-General indicates a reduced total of 342 regular budget posts for the Department (table 6.5). This takes into account the redeployment out of the Department to the Centre for Social Development and Humanitarian Affairs of seven posts (one P-5, two P-4, one P-3, one P2/1 and two General Service posts) for the reasons quoted in paragraph 6.4 above (see also para. 6.24 of the proposed programme budget). Other redeployments of posts between programmes of activity within the Department are also reported by the Secretary-General in paragraphs 6.16, 6.24, 6.36, and 6.68 of the proposed programme budget.

6.7 In paragraph 6.57 and table 6.15 of the proposed programme budget, the Secretary-General requests the continuation, through 1990-1991, of two non-recurrent regular budget General Service temporary posts in the world statistics programme "to eliminate the backlog in work that is required to transform data into computer format and to assist in the programme on the 1985-1994 world population round of censuses". In this connection, representatives of the Secretary-General informed the Advisory Committee that footnote g/ in table 6.15 should also have identified 14 work-months of a non-recurrent temporary post at the P-4 level that was approved for 1988-1989 but is not proposed for continuation in 1990-1991. The Advisory Committee recommends acceptance of the Secretary-General's request for continuation, through 1990-1991, of the two non-recurrent General Service temporary posts.

6.8 A total of 21 extrabudgetary posts are expected to be available to the Department in 1990-1991 (table 6.5). This is two posts less (both at the General Service level) than the total number of extrabudgetary posts shown for 1988-1989.

6.9 In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that as at 15 May 1989, 29 core regular budget posts in the Professional category and above were vacant. The Committee notes that this represents a vacancy rate of 15.6 per cent, compared with the standard turnover rate of 5 per cent for Professional and higher-level posts used in the proposed programme budget. According to representatives of the Secretary-General, this high rate of post vacancies in the Department was attributable to a combination of factors, including recruitment difficulties and the need to set aside a number of junior-level Professional posts to accommodate successful competitive examination candidates.

6.10 Non-recurrent resource growth amounting to \$442,300 (at revised 1989 rates) is requested under the object of expenditure for furniture and equipment (table 6.4). The request is intended to finance the acquisition of new computer hardware and software, including the development of new information systems (with a

view to strengthening the Department's data processing capabilities), replacing incompatible, outdated systems and updating, creating and maintaining data bases (paras. 6.31, 6.51 and 6.63 of the proposed programme budget). The Advisory Committee recommends approval of this request.

6.11 In paragraphs 6.16 and 6.68 of the proposed programme budget, reference is made to the transfer within the Department of one P-5 and two General Service posts, from the programme co-ordination programme to executive direction and management, to "reflect the transfer of activities associated with non-governmental organizations". In this connection, the Advisory Committee recalls that in paragraphs 1 and 5 of the annex to chapter III of his report, 14/ which dealt with the implementation of recommendation 25 of the Group of High-level Intergovernmental Experts, 4/ the Secretary-General had proposed "transferring to the Office of the Under-Secretary-General for Political and General Assembly Affairs and Secretariat Services the functions of the Non-Governmental Organizations Unit of the Department of International Economic and Social Affairs relating to the procedural servicing requirements of the meetings of the Committee on Non-Governmental Organizations. The Department of International Economic and Social Affairs would retain responsibility for those functions of the Non-Governmental Organizations Unit related to the substantive work of the Department."

6.12 For the reasons stated in paragraphs 27 to 29 of its related report, 15/ the Advisory Committee refrained from submitting a definitive recommendation on the Secretary-General's proposal quoted in paragraph 6.11 above. In his related statement to the Fifth Committee, the Chairman of the Advisory Committee stated that:

"The Advisory Committee considered that closer consideration should be given to that matter, in particular with regard to the role of the Office of the Under-Secretary-General for Political and General Assembly Affairs and Secretariat Services and the Department of International Economic and Social Affairs. CPC, likewise took the view that the matter should be studied further, having regard to the in-depth study that was under way on the structure and functioning of the United Nations intergovernmental machinery in the economic and social fields." 16/

By paragraph 16 of its resolution 43/213, of 21 December 1988, the General Assembly endorsed the Advisory Committee's view. In response to its inquiries, representatives of the Secretary-General informed the Committee that since the Assembly had not approved the Secretary-General's proposal, and following subsequent review of the matter, it had been decided to retain within the Department (under executive direction and management) both the procedural and substantive servicing requirements as well as liaison functions of the non-governmental organizations.

14/ A/C.5/43/Rev.1.

15/ Official Records of the General Assembly, Forty-third Session, Supplement No. 7 (A/43/7).

16/ A/C.5/43/SR.23, para. 2.

6.13 The Advisory Committee notes the first-time inclusion in the Department's global development issues and policies programme of subprogramme 1A on effects of foreign debt on development. This is in accordance with a recommendation of the Committee on Programme and Co-ordination, contained in paragraph 119 of part one of its report. ^{17/} The Advisory Committee also notes that in the UNCTAD money, finance and development programme there is a subprogramme 1.5 on debt problems of developing countries (see sect. 15 of the proposed programme budget). In this connection, the Committee trusts that every effort will be made by the Department and UNCTAD to co-operate closely and to harmonise their respective activities, in order to avoid duplication of work and to ensure optimum use of resources.

6.14 Reference is made in paragraph 6.7 of the proposed programme budget to "initiating the establishment in the United Nations of a global economic network based on Project LINK [which is] a pioneering effort to integrate economic models of individual countries into a functioning multinational model of the world economy". Ownership and updating of Project LINK, including its data bases, would be transferred from a United States-based academic institution to the United Nations no later than 1991. In this connection, the Committee notes that this prospective development could have financial implications on future resource requirements of the Department.

6.15 The Department's programme on analysis of the world population is discussed in paragraphs 6.41 to 6.51 and tables 6.12 and 6.13 of the proposed programme budget. Subprogramme 3, in particular, deals with population policies. In this connection, the Advisory Committee points out that in paragraph 17 of its report to the thirty-sixth session of the Governing Council of UNDP ^{18/} concerning the report of the Executive Director of UNFPA on the Fund's administrative and programme support services budget for the biennium 1990-1991, ^{19/} the Committee had noted that "aspects of the Fund's [proposed] activities in this area [i.e. strengthening its function as a repository of knowledge and experience with regard to population policies and programmes] parallel those carried out by the Population Division of the Department of International Economic and Social Affairs of the United Nations and may place the two entities in competition with each other".

6.16 Bearing in mind its observations in the paragraphs above, the Advisory Committee recommends acceptance of the Secretary-General's estimate of \$44,673,000 for section 6.

^{17/} Official Records of the General Assembly, Forty-third Session, Supplement No. 16 (A/43/16).

^{18/} DP/1989/45.

^{19/} DP/1989/41.

Section 7. Department of Technical Co-operation for Development

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 23 541 300 |
| Estimate recommended by the Advisory Committee | 23 541 300 |
| Revised appropriations 1988-1989 | 21 917 100 |
| Initial appropriations 1988-1989 | 19 922 900 |
| Actual expenses 1986-1987 | 19 845 700 |

7.1 The estimate of \$23,541,300 for section 7 is \$1,624,200, or 7.4 per cent, higher than the revised 1988-1989 appropriations; as shown in table 7.1, the resource growth column shows a decrease of \$80,500 (at revised 1989 rates) and a rate of real growth that has been calculated at -0.3 per cent.

7.2 Extrabudgetary resources for 1990-1991 are estimated at \$250,925,000, comprising \$25,025,000 for services in support of other United Nations organisations and extrabudgetary programmes, and \$225,900,000 for operational projects. As noted in the footnote to table 7.1 (2), the Department also provides administrative support to projects in programmes covered under other sections of the programme budget, the value of which is estimated at \$56.0 million.

7.3 As stated in paragraph 2 of the report of the Secretary-General on in-depth evaluation of the programme on development issues and policies, 20/ "the majority of activities carried out by the Department are in support of technical co-operation projects financed from extrabudgetary resources". In this connection, the Secretary-General explains in paragraph 7.3 of the proposed programme budget that "those activities of the Department relating to substantive and operational support of technical co-operation activities are financed mainly out of support cost reimbursements from funding sources, which are directly related to the value of project delivery". According to the Secretary-General, improvements in the internal processes and operations have enabled it to increase the volume of project delivery, which is estimated at \$304 million in 1988-1989.

7.4 Notwithstanding the above, the Advisory Committee believes that more needs to be done in order to increase the competitiveness of the Department as an executing agency and to expedite project implementation. Accordingly, the Committee endorses the recommendation contained in paragraph 73 (k) of the Secretary-General's report 21/ that "the United Nations management review the financial rules and regulations having implications for technical co-operation" and that "these may need to be adjusted along the lines of the provisions concerning technical co-operation in the UNDP financial rules and regulations". In response to inquiries concerning this question, the Committee was informed that a review is under way in order to assess whether and to what extent the Financial Rules and

20/ E/AC.51/1989/4/Add.1.

Regulations should be revised in order to better meet the needs of the Organization in fulfilling its role in the area of technical co-operation. The Committee was further informed that the review, which will include the question of management services agreements, has only recently been initiated; consequently it is not possible to foresee the extent and nature of the changes that might be required. The Advisory Committee trusts that the review will be carried out expeditiously and requests that it be kept apprised of the situation.

7.5 The proposed staffing establishment under the regular budget for 1990-1991 totals 194, comprising 81 in the Professional category and above (1 USG, 3 D-2, 8 D-1, 14 P-5, 31 P-4, 17 P-3 and 7 P-2/1) and 113 General Service, including 5 at the Principal level. The Advisory Committee notes that, although not explicitly identified in table 7.5 of the proposed programme budget, the total 1988-1989 regular budget staffing complement of 194 established posts shown for the Department, includes a proposal by the Secretary-General to abolish one Assistant Secretary-General post in this office (see chap. I, paras. 24-27, above). As also shown in table 7.5, a total of 191 extrabudgetary posts are proposed for 1990-1991, an increase of 12 posts (1 D-1, 1 P-5, 3 P-4 and 7 General Service) compared with the previous biennium. Although not included in the extrabudgetary staffing totals, another four posts (two P-4 and two General Service) are financed from UNIDO for work in support of its activities.

7.6 As stated in paragraph 7.3 of the proposed programme budget, the 12 additional extrabudgetary posts offset a reduction of 12 posts under the regular budget effected pursuant to General Assembly resolution 41/213. According to the Secretary-General, it is possible to add these posts "funded from the special account for programme support of extrabudgetary technical co-operation activities", because of the increase in project delivery. In this connection, the Advisory Committee notes from table 7.1 (2) that the 1990-1991 estimated expenditures for services in support of extrabudgetary programmes reflect an increase of \$2.7 million over the estimated 1988-1989 expenditures; this relates to the cost of the additional 12 posts. That increase has not been matched, however, by a corresponding increase in the estimated expenditures for operational projects, as also shown in table 7.1 (2). In response to inquiries, the Committee was informed that the estimate for operational projects was conservative and based solely on the 1988-1989 estimates. Moreover, the previous deficit in the centrally administered special account for programme support of extrabudgetary technical co-operation activities has been eliminated and a surplus now exists. Notwithstanding this information, the Advisory Committee trusts that increases in extrabudgetary posts will be carefully monitored.

7.7 The Advisory Committee recommends approval of the Secretary-General's estimate 23,541,300 for section 7.

Section 8. Activities on global social development issues

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 11 248 900 |
| Estimate recommended by the Advisory Committee | 11 198 700 |
| Revised appropriations 1988-1989 | 10 261 900 a/ |
| Initial appropriations 1988-1989 | 12 007 100 a/ |
| Actual expenses 1986-1987 | 8 973 400 a/ |

a/ Pursuant to the Secretary-General's proposal in his report on the implementation of General Assembly resolution 41/213 (A/C.5/42/2/Rev.1), programme 5 of section 6 (Global social development issues) was transferred to a new section 6B (Activities on global social development issues) of the 1988-1989 programme budget. The activities and related resources for section 6B will henceforth appear under section 8 of the programme budget.

8.1 The estimate of \$11,248,900 for section 8 is \$987,000, or 9.6 per cent, more than the revised appropriation (see footnote a/ above) of \$10,261,900. As shown in table 8.1 of the proposed programme budget, the estimate includes resource growth amounting to \$1,018,800 (of which \$13,000 relates to non-recurrent items); the rate of real growth has been calculated at 10.3 per cent.

8.2 Extrabudgetary resources for 1990-1991 are estimated at \$870,200, comprising \$71,200 for services in support of extrabudgetary programmes and \$799,000 for substantive activities. As shown in table 8.1 (2), both of these estimates are substantially lower than the corresponding estimates for 1988-1989. In this connection, the Committee was informed that the resources indicated in table 8.1 (2) represented a conservative estimate of the funds that might actually be available, owing in part to the difficulty of predicting the outcome of fund raising efforts, as well as to a lack of information concerning the possibility of contributions. Since the preparation of the submission, the estimates have changed; in this connection, representatives of the Secretary-General informed the Committee that the 1990-1991 resources for substantive activities are now estimated at \$2,189,300.

8.3 As shown in table 8.4 of the proposed programme budget, increases under established posts and common staff costs account for much of the resource growth of \$1,018,800 (at revised 1989 rates). Growth is also significant for consultants and ad hoc expert groups; in this connection, the Committee notes that the rates of real growth for these objects of expenditure are 57.6 and 169.2 per cent respectively.

8.4 The growth under established posts and common staff costs represents the proposed redeployment of seven posts (one P-5, two P-4, one P-3, one P-2/1 and two General Service) from the Department of International Economic and Social Affairs to the Centre for Social Development and Humanitarian Affairs. This proposed

redeployment results from the decision that the Centre should assume responsibility for work related to the Declaration on Social Progress and Development, the report on the world social situation and related issues (paras. 8.2 and 8.6 of the proposed programme budget). As also explained in paragraph 8.7 of the proposed programme budget, two General Service posts (Principal level) are proposed to be redeployed from the Centre (to section 1.B and section 28I) in exchange for two General Service posts (Other level). The above proposed changes are reflected in the staffing totals for 1990-1991 (table 8.5 of the proposed programme budget), which comprise 76 established posts (2 D-2, 3 D-1, 6 P-5, 16 P-4, 7 P-3, 13 P-2/1 and 29 General Service, including 3 at the Principal level). The continuation of three temporary extrabudgetary posts (one P-4, one P-3, and one General Service (Other level)) is also proposed.

8.5 The estimate for consultants for 1990-1991 amounts to \$147,500 and reflects resource growth totalling \$52,200 (at revised 1989 rates) and a rate of real growth of 57.6 per cent. In paragraph 8.10 of the proposed programme budget the Secretary-General lists the anticipated consultancies and the related programme elements. In view of the need for restraint with regard to expenditure on consultants, the Advisory Committee recommends that the estimate be reduced by \$20,000.

8.6 The Advisory Committee also questions the estimate of \$164,200 for ad hoc expert groups. As shown in table 8.4 of the proposed programme budget, resource growth under this object totals \$99,500 (at revised 1989 rates); the rate of real growth has been calculated at 169.2 per cent. Bearing in mind its observation in the preceding paragraph concerning the need for restraint, the Advisory Committee recommends that the estimate be reduced by \$30,200.

8.7 In paragraphs 8.5 and 8.6 above, the Advisory Committee has recommended reductions totalling \$50,200. Accordingly, it recommends an estimate of \$11,198,700 for section 8.

Reduction recommended

United States dollars

Section 8. Activities on global social development
issues

50 200

Section 9. Transnational corporations

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 10 737 900 |
| Estimate recommended by the Advisory Committee | 10 737 900 |
| Revised appropriations 1988-1989 | 9 878 700 |
| Initial appropriations 1988-1989 | 9 529 200 |
| Actual expenses 1986-1987 | 8 599 200 |

9.1 The estimate of \$10,737,900 for section 9 covers requirements for the Commission on Transnational Corporations (\$125,200), the United Nations Centre on Transnational Corporations (\$8,489,300) and the joint units with the regional commissions (\$2,123,400). As shown in table 9.1 of the proposed programme budget, the overall estimate is \$859,200, or 8.6 per cent, higher than the revised appropriations in 1988-1989. Resource growth for recurrent activities is estimated at \$71,800 (at revised 1989 rates) and for non-recurrent items at \$60,000 (at revised 1989 rates). The latter is entirely attributable to the purchase of new personal computers (see para. 9.4 below). The rate of real growth has been calculated at 0.7 per cent.

9.2 Extrabudgetary resources are estimated at \$7,082,900, comprising \$867,900 for reimbursement of services in support of extrabudgetary programmes, \$235,000 for substantive activities and \$5,980,000 for operational projects.

9.3 A total of 71 established posts are proposed for the Centre and the joint units, comprising 41 in the Professional category and above (1 ASG, 1 D-2, 4 D-1, 10 P-5, 12 P-4, 8 P-3 and 5 P-2/1), 26 General Service (including 1 at the Principal level) and 4 Local level posts. In addition, table 9.5 shows five extrabudgetary posts (one P-3 and four General Service).

9.4 The Advisory Committee inquired regarding the increases of \$60,000 (at revised 1989 rates) in the cost of furniture and equipment, as well as \$21,400 (at revised 1989 rates) for the rental and maintenance of equipment, and was informed that the increases related to the purchase of additional personal computers and to the rental and maintenance of electronic data-processing/office automation equipment.

9.5 With regard to external printing and binding, the Advisory Committee notes from paragraph 9.13 of the proposed programme budget that the additional resources (\$33,800 at 1989 revised rates) were required for printing four issues of the CTC Reporter, the annual report of the Centre and readings on transnational corporations.

9.6 The Advisory Committee recommends approval of the Secretary-General's estimate for section 9 in the amount of \$10,737,900.

Section 10. Economic Commission for Europe

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 35 664 700 |
| Estimate recommended by the Advisory Committee | 35 664 700 |
| Revised appropriations 1988-1989 | 34 619 000 |
| Initial appropriations 1988-1989 | 35 797 400 |
| Actual expenses 1986-1987 | 28 954 800 |

10.1 The Secretary-General's estimate of \$35,664,700 for this section is \$1,045,700, or 3.0 per cent, higher than the revised 1988-1989 appropriation of \$34,619,000 (table 10.1 of the proposed programme budget). The bulk of the increase is attributed to resource growth of \$172,800 (at revised 1989 rates) and provision for inflation in 1990-1991 in the amount of \$1,687,600, partially offset by negative revaluation of the 1988-1989 resource base by \$814,700 (at revised 1989 rates). The resource growth relates to the Secretary-General's request to develop a computerized integrated professional support system (see para. 10.9 below). After deleting an amount of \$182,000 (at revised 1989 rates) for non-recurrent items, the rate of real growth for this section as calculated by the Secretary-General is too small to be shown.

10.2 Extrabudgetary resources expected to be available to ECE in 1990-1991 are projected at \$3,863,200. This is \$220,500 less than the corresponding estimate of \$4,083,700 for 1988-1989.

10.3 In this connection, the Advisory Committee points out that the total cost of ECE is not confined to the provision requested under section 10 of the regular budget and to its extrabudgetary resources (see paras. 10.1 and 10.2 above). Following a reiteration of his reasons for continuing this practice in paragraphs 10.5 and 10.6 of the proposed programme budget, the Secretary-General indicates, in paragraph 10.7, that estimated resources provided in the budget of the United Nations Office at Geneva for ECE administration, conference and general services total \$32,383,200, comprising \$7,113,700 for administration and general services, \$24,292,500 for conference services and \$977,000 for the cost of ECE's computing requirements using the International Computing Centre's facilities. The Committee recalls that the corresponding estimate for 1988-1989 submitted by the Secretary-General in respect of such services provided by the United Nations Office at Geneva to ECE was \$31,420,000.

10.4 The Advisory Committee notes from paragraphs 10.1 and 10.2 of the proposed programme budget that the Secretary-General's programme budget proposals for ECE take into account implementation of the results of a comprehensive review carried out by ECE in November 1987 and reflect the "consolidation of overall substantive activities from 123 programme elements in the current biennium to 67 programme elements for 1990-1991".

10.5 With regard to the format and presentation of section 10, the Advisory Committee observes that, unlike those for the other regional commissions, no

explicit reference is made to comparable programming, budgeting, monitoring and evaluation functions carried out by the ECE secretariat. Representatives of the Secretary-General expressed regret at the inadvertent omission of such information and explained to the Committee that these activities should have been reported under executive direction and management. In view of this and other inconsistencies noted by the Committee in respect of section 10, as well as in the estimates for the other regional commissions, the Advisory Committee believes that it is necessary to harmonize further the format and presentation of the programme budget proposals for the regional commissions. The Committee expects that such inconsistencies will be addressed in the context of the Secretary-General's forthcoming review of the format and presentation of the proposed programme budget document (see also chap. I, para. 14 above).

10.6 As shown in table 10.5 of the proposed programme budget, ECE's overall staffing establishment in 1990-1991 will be maintained at the same level as that for 1988-1989, i.e. 207 posts, of which 206 posts are regular budget established posts and 1 is extrabudgetary. The 206 regular budget posts comprise 114 posts in the Professional category and above and 92 General Service posts.

10.7 The Advisory Committee also notes that in addition to the posts mentioned in paragraph 10.5 above, a number of other posts are also assigned to ECE, as follows:

Posts currently assigned to ECE in addition to those authorized
under section 10 of the regular budget

| | D-1 | P-5 | P-4 | P-3 | P-2/1 | General Service | L-6 | L-5 | L-4 | L-3 | L-2/1 |
|--------------|----------|----------|----------|----------|----------|--------------------|----------|----------|----------|----------|----------|
| Section 9 | - | 1 | - | - | - | 1 | - | - | - | - | - |
| Section 24 | - | - | - | - | - | - | - | a/ | - | - | - |
| FAO | 1 | 2 | 2 | 2 | - | 4 | - | - | - | - | - |
| UNFPA | - | - | - | - | - | 2 b/ | - | - | 1 b/ | - | 1 b/ |
| Total | 1 | 3 | 2 | 2 | - | 7 | - | - | 1 | - | 1 |

a/ Twenty-four work-months during the biennium 1988-1989 for a regional adviser in the transport and communications programme, which is proposed to be continued in 1990-1991.

b/ Continuation of these posts during 1990-1991 will be decided by UNFPA in September/October 1989.

10.8 In paragraph 10.72 of the proposed programme budget, the Secretary-General requests \$250,000 (at revised 1989 rates) under the object of expenditure for furniture and equipment to finance "a plan for the modernization of the operations of ECE and the enhancement of its productivity through the development and

establishment of an integrated professional support system". This estimate would, inter alia, finance the cost of a "pilot study" that would be followed by "an evaluation leading to a plan for the development of such a system". Of this estimate, \$182,000 (at revised 1989 rates) is treated as non-recurrent since the balance of \$68,000 (at revised 1989 rates) would be met by redeployment of resources under rental and maintenance of equipment (table 10.28 and paras. 10.70 and 10.72 of the proposed programme budget). In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that the estimated requirements would largely cover the cost of the pilot study as well as the initial acquisition of necessary hardware for a preliminary local area network configuration of personal computers among the 10 divisions in ECE. A preliminary calculation of \$3 million had been made for total hardware requirements for the project. However, this preliminary projection and, consequently, actual requests for resources that would be submitted in the context of future proposed programme budgets were subject to the outcome of the pilot study. The proposed integrated professional support system would be basically for applications in the field of economics. If the project was approved, it was anticipated that ECE's current level of use of the International Computing Centre's mainframe computer facilities could decline in future. In view of the additional information provided, the Advisory Committee recommends acceptance of the estimate.

10.9 Bearing in mind its observations in the paragraphs above, the Advisory Committee recommends approval of the Secretary-General's estimate of \$35,664,700 for section 10.

Section 11. Economic and Social Commission for Asia and the Pacific

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 39 413 000 |
| Estimate recommended by the Advisory Committee | 39 409 000 |
| Revised appropriations 1988-1989 | 35 848 000 |
| Initial appropriations 1988-1989 | 33 483 000 |
| Actual expenses 1986-1987 | 30 775 500 |

11.1 The Secretary-General's estimate of \$39,413,000 for this section is \$3,565,000, or 9.9 per cent, higher than the revised 1988-1989 appropriation of \$35,848,000 (table 11.1 of the proposed programme budget). The bulk of the increase is provision for inflation in 1990-1991 (\$3,431,300). The balance of the increase is attributable to revaluation of the 1988-1989 resource base (\$110,700 at revised 1989 rates) and resource growth (\$23,000 at revised 1989 rates). The resource growth relates to the Secretary-General's request to reclassify one Professional post (see para. 11.5 below). The rate of real growth is too small to be shown in table 11.1.

11.2 Extrabudgetary resources expected to be available to ESCAP in 1990-1991 are projected at \$50,624,000, representing an increase of \$11,525,000, or 29.5 per cent, over the corresponding revised estimate of \$39,099,000 for 1988-1989 (table 11.1 (2) of the proposed programme budget). However, the Advisory Committee notes that the revised 1988-1989 estimate of extrabudgetary resources (\$39,099,000) is \$12,598,000, or 24.4 per cent, lower than the corresponding initial estimate of \$51,697,000 for the biennium. 21/ Similarly, the Committee notes that the revised 1988-1989 total of 227 extrabudgetary funded posts (table 11.5 of the proposed programme budget) is 15 posts less than the corresponding initial total of 242 extrabudgetary posts shown for the biennium. 22/ In this connection, the Committee recalls that it had also noted and drawn attention to similar over-estimations of extrabudgetary resources and posts by ESCAP in the past. 23/ The Committee expects that appropriate measures will be taken to ensure that more realistic extrabudgetary resource forecasts will be submitted in future.

21/ Official Records of the General Assembly, Forty-second Session, Supplement No. 6 (A/42/6 and Corr.1), sect. 11, table 11.1 (2).

22/ Ibid., table 11.5.

23/ See chapter I, paragraphs 48 and 49, of the first report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 1980-1981 (A/34/7); and chapter I, paragraph 45, of the first report of the Committee on the proposed programme budget for the biennium 1982-1983 (A/36/7).

11.3 The Committee believes that it is possible and necessary to harmonize further the format and presentation of the respective proposed programme budget sections for the regional commissions. For example, the Committee points out that at present the reasons for identifying certain ESCAP activities under executive direction and management and not under administration and common services, or vice versa, are not readily apparent. Moreover, the treatment of such activities included under executive direction and management or administration and common services appears to vary from one regional commission to another. Similarly, the Committee observes that supporting information provided on conference services in section 11 (ESCAP) is less detailed than that provided in section 12 (ECLAC). The Committee expects that such inconsistencies will be addressed in the context of the Secretary-General's forthcoming review of the format and presentation of the proposed programme budget document (see also chap. I, para. 14, above).

11.4 Table 11.3 of the proposed programme budget indicates extensive redeployment of resources between programmes of activity in ESCAP. As shown in the respective resource tables for each of the programmes of activity, these resource redeployments fall largely under the objects of expenditure for consultants, ad hoc expert groups and external printing and binding. In this connection, representatives of the Secretary-General informed the Advisory Committee that the redeployment of \$23,000 (at revised 1989 rates) in resources for travel of staff to service meetings, from conference services to policy-making organs, referred to in paragraphs 11.4 and 11.79 of the proposed programme budget, was intended to improve transparency of reporting of costs associated with the servicing of ESCAP'S annual sessions.

11.5 For 1990-1991, ESCAP'S total regular budget staffing establishment will be maintained at the same level as that for 1988-1989, i.e. 497 posts, comprising 494 established posts and 3 recurrent temporary posts (table 11.5 of the proposed programme budget). However, the Secretary-General is requesting the reclassification of one P-3 Medical Officer post under administration and common support services to the P-4 level (para. 11.82 of the proposed programme budget). Taking into account additional information provided by representatives of the Secretary-General, the Advisory Committee recommends acceptance of this request. The Committee also notes the proposed redeployment of one P-2 post from executive direction and management to the development issues and policies in Asia and the Pacific programme (paras. 11.7 and 11.18 of the proposed programme budget).

11.6 A total of 227 extrabudgetary posts are expected to be available to ESCAP in 1990-1991, unchanged from the 1988-1989 level.

11.7 Resource requirements in 1990-1991 for administration and common services are shown in table 11.43 and explained in paragraphs 11.82 to 11.92 of the proposed programme budget. In this connection, in response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that erroneous provision had been made in the estimate for travel of staff (\$22,200) for "travel of one member of the ESCAP Staff Council to ICSC meetings" (see para. 11.85 of the proposed programme budget). Representatives of the Secretary-General informed the Committee that in the circumstances this estimate should be reduced by \$4,000 to \$18,200.

11.8 In paragraph 11.7 above, the Advisory Committee has recommended a reduction of the Secretary-General's estimate for section 11 of \$4,000, from \$39,413,000 to \$39,409,000.

Reduction recommended

United States dollars

Section 11. Economic and Social Commission for
Asia and the Pacific

4 000

Section 12. Economic Commission for Latin America and the Caribbean

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 49 990 200 |
| Estimate recommended by the Advisory Committee | 49 990 200 |
| Revised appropriations 1988-1989 | 42 811 000 |
| Initial appropriations 1988-1989 | 43 069 900 |
| Actual expenses 1986-1987 | 34 738 000 |

12.1 The estimate of \$49,990,200 for section 12 is \$7,179,200, or 16.7 per cent, higher than the revised 1988-1989 appropriations. As shown in table 12.1, resource growth is estimated at \$516,000 (at revised 1989 rates) and includes non-recurrent items totalling \$101,500 (at revised 1989 rates). The rate of real growth has been calculated at 0.9 per cent.

12.2 As shown in table 12.1 (?), extrabudgetary resources for 1990-1991 are estimated at \$22,239,100, comprising \$2,365,900 for services in support of other United Nations organizations and extrabudgetary programmes, \$3,188,200 for substantive activities and \$16,685,000 for operational projects. The overall total of extrabudgetary resources shows a decrease of \$2,059,700 from the 1988-1989 estimate, owing primarily to a reduction in resources for operational projects.

12.3 A total of 521 established posts are proposed for 1990-1991, comprising 176 in the Professional category and above (1 USG, 1 D-2, 12 D-1, 31 P-5, 53 P-4, 46 P-3 and 32 P-2/1) and 345 Local level posts (table 12.5). The distribution of these posts among the various ECLAC offices is shown in annex I to section 12. In this connection, the Advisory Committee notes the Secretary-General's statement in paragraph 12.1 of the proposed programme budget that, for purposes of presentation, the offices at Bogotá, Brasilia, Buenos Aires, Montevideo and Washington, D.C., are considered part of the Santiago headquarters.

12.4 As indicated in the footnote to table 12.5, the Secretary-General has not included one non-recurrent temporary post, originally requested for 1986-1987 and subsequently approved for the biennium 1988-1989. The Advisory Committee recalls that the post was for an evaluation officer. In response to a query, the Advisory Committee was informed that the post had never been filled and that ECLAC was reviewing its evaluation requirements to determine whether the functions would be carried out by ECLAC staff on a self-evaluation basis.

12.5 As can also be seen from table 12.5, the number of extrabudgetary posts for 1990-1991 totals 66 (19 Professional and 47 Local level), a decrease of 5 (2 Professional and 3 Local level) from the 1988-1989 level. In addition six posts are financed by FAO (five Professional and above, one Local level), one Professional post by Habitat and three by UNIDO (all Professional).

12.6 As shown in table 12.6, the 1990-1991 estimate for policy-making organs totals \$760,600; this covers the requirements for meetings of the intergovernmental

bodies listed in paragraph 12.2 of the proposed programme budget, including the twenty-third session of the Commission, to be held in 1990. In this connection, the Advisory Committee notes that the estimates for that session "are based on the assumption that it will be held in Santiago. Should the Commission, as in the past, decide on a venue other than Santiago, it is expected that any additional requirements in certain objects of expenditure resulting from the change of venue would be met from redeployments within this programme" (para. 12.3 of the proposed programme budget). The Advisory Committee also notes that, for the first time, the estimates include the costs of the Conference on Women in Development. According to paragraph 12.4 of the proposed programme budget, the "previous meetings have been funded from extrabudgetary resources, although the cost of the last two meetings was partially met through redeployments from within section 12". In response to inquiries the Advisory Committee was informed that, in the opinion of the Secretary-General, this Conference constituted a regular budget activity and should therefore be funded as such.

12.7 The estimate under the conference services programme totals \$4,737,300 for 1990-1991 (table 12.37); however, this does not represent the totality of the conference-servicing costs of ECLAC since it is necessary to add the resources requested for 1990-1991 under policy-making organs (\$760,600). Consequently, the provision requested for conference-servicing requirements totals \$5,497,900 for 1990-1991. The Advisory Committee believes that it is possible and necessary to harmonize further the format and presentation of the respective proposed programme budget fascicles for the regional commissions especially with regard to conference-servicing requirements. The Advisory Committee expects that this matter will be addressed in the context of the Secretary-General's forthcoming review of the format and presentation of the proposed programme budget document (see also chap. I, para. 14, above).

12.8 Resource requirements in 1990-1991 for administration and common services are shown in table 12.43 and explained in paragraphs 12.91 to 12.106 of the proposed programme budget. According to paragraph 12.92, the Secretary-General is requesting \$356,600 (at revised 1989 rates) for general temporary assistance, including \$329,200 for Santiago to "provide for about 168 General Service and about 12 Professional work-months of temporary assistance for leave replacements and periods of peak work-load during the biennium". The Advisory Committee was informed that increases in this area are a result of the post reduction exercise.

12.9 Resource estimates for other official travel of staff are discussed, inter alia, in numerous paragraphs throughout section 12 of the proposed programme budget. The Advisory Committee notes from these paragraphs that a substantial portion of this travel relates, inter alia, to "collection of data", "collection of information" or "on-site research". While not questioning the necessity of such travel, the Advisory Committee trusts that strict control will be maintained over expenditures in this area.

12.10 As stated in paragraph 12.1 above, the estimate for ECLAC includes non-recurrent items totalling \$101,500 (at revised 1989 rates). These include \$61,300 under furniture and equipment (offset press, scanner and photocopier) (para. 12.87 of the proposed programme budget) and \$40,200 for the purchase of a laser printer package and personal computer for the office in Port of Spain (para. 12.104 of the proposed programme budget). On the basis of information provided, the Committee does not object to the acquisition of the equipment.

12.11 The Advisory Committee recommends approval of the Secretary-General's estimate for section 12 in the amount of \$49,990,200.

Section 13. Economic Commission for Africa

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 59 112 800 |
| Estimate recommended by the Advisory Committee | 59 112 800 |
| Revised appropriations 1988-1989 | 51 207 200 |
| Initial appropriations 1988-1989 | 44 234 600 |
| Actual expenses 1986-1987 | 40 228 300 |

13.1 The estimate of \$59,112,800 for section 13 is \$7,905,600, or 15.4 per cent, higher than the revised 1988-1989 appropriations. As shown in table 13.1 of the proposed programme budget, resource growth (at revised 1989 rates) is estimated at \$578,900 and includes a non-recurrent provision of \$388,800. The rate of real growth has been calculated at 0.3 per cent.

13.2 Extrabudgetary resources for 1990-1991 are estimated at \$30,283,700, comprising \$4,335,500 for services in support of extrabudgetary programmes, \$5,741,400 for substantive activities and \$20,206,800 for operational projects (table 13.1 (2)).

13.3 A total of 584 established posts are proposed for 1990-1991, comprising 210 in the Professional category and above (1 USG, 1 D-2, 16 D-1, 36 P-5, 54 P-4, 72 P-3 and 30 P-2/1) and 374 Local level posts (table 13.5 of the proposed programme budget). Although the total number of staff remains unchanged from 1988-1989, within that number the Secretary-General is proposing the reclassification of a Local level post to the P-2 level (para. 13.92 of the proposed programme budget). On the basis of information provided to it, the Advisory Committee concurs in this proposal.

13.4 As can be seen from table 13.5, the total of regular-budget temporary posts remains unchanged at four (two Professional and two Local level). As indicated in the footnote to table 13.5, the Secretary-General has not included one non-recurrent temporary P-5 post that had been approved for the 1988-1989 budget. The Advisory Committee recalls that this post was for an evaluation officer, which had originally been approved for the biennium 1986-1987 but had not been filled because of the recruitment freeze.

13.5 According to paragraph 13.90 of the proposed programme budget, however, the Secretary-General is proposing the creation of a non-recurrent temporary post at the P-5 level for a Chief, Office Automation, to oversee the electronic word- and data-processing services and to launch and supervise the establishment of an office automation service in ECA. The Advisory Committee questions the provision of a non-recurrent post for the Chief of Office Automation since this function is not normally regarded as non-recurrent. In fact, in section 14 of the proposed programme budget, a request is made to convert the post of Chief of the Electronic Data-Processing Section of ESCWA from temporary to established status (see para. 14.5 below). Subject to this observation the Advisory Committee has no objection to the Secretary-General's proposal.

13.6 The number of extrabudgetary posts proposed for 1990-1991 (93) shows an increase of 5 from the total for 1988-1989. However, the representatives of the Secretary-General informed the Advisory Committee that the table included a number of posts funded by United Nations agencies that should have been identified by a footnote rather than being included in the table.

13.7 In connection with the multinational programming and operational centres, the Advisory Committee recalls that the Board of Auditors recommended that "the achievements of the [centres] be thoroughly evaluated with a view to deciding whether this experiment should be continued or whether the mandate, number and structure of these centres should be completely reorganized". 24/ The Advisory Committee requested the Secretary-General to carry out the Board's recommendation without delay (A/43/674 and Corr.1, para. 13). In response to inquiries, the Advisory Committee was informed that a review of the multinational programming and operational centres is in progress and that the results will be submitted to the ECA Conference of Ministers, as well as to the General Assembly at its forty-fourth session.

13.8 The Advisory Committee recommends that future submissions should identify more clearly the resources earmarked for the multinational programming and operational centres, especially within the programme for development issues and policies in Africa.

13.9 In its report (A/43/674 and Corr.1, para. 13), the Advisory Committee recommended that the Secretary-General should urgently "reappraise the ECA Pan-African Documentation and Information System (PADIS) in view of its implementation and funding problems identified in paragraphs 177 to 180 of the [report of the Board of Auditors]". 25/ The Advisory Committee was informed that an in-depth evaluation of PADIS has been undertaken but that a full review had not yet been carried out. The representatives of the Secretary-General indicated that the continued funding of the system as a technical co-operation project was uncertain and that should extrabudgetary funding not be secured, it might be necessary to revert to the issue in the context of the 1990-1991 budget. As indicated in paragraph 13.19, subprogramme 7, of the proposed programme budget, 67 per cent of the funding for PADIS is from extrabudgetary sources. The Advisory Committee recommends that the Secretary-General carry out the full review of PADIS without delay. The Advisory Committee also trusts that every effort will be made to secure extrabudgetary funding for the continued operation of PADIS.

13.10 The Advisory Committee notes that the resources proposed for conference-servicing requirements for ECA in 1990-1991 total \$6,276,900, including \$459,500 under policy-making organs (table 13.6 and paras. 13.3-13.7 of the proposed programme budget); \$368,300 under development issues and policies in Africa, relating primarily to servicing meetings of the MULPOC policy organs (table 13.13 and paras. 13.21 and 13.25 of the proposed programme budget); and \$5,449,100 under programme support, conference services (table 13.39 and paras. 13.82-13.85). At the same time the Advisory Committee notes that the cost

24/ Official Records of the General Assembly, Forty-third Session, Supplement No. 5 (A/43/5), vol. I, para. 91.

25/ Ibid.

of certain other services carried out under the administration and common services programme (tables 13.43 and 13.44 and paras. 13.89-13.103 of the proposed programme budget) can also be viewed as part of the overall conference-servicing requirements of ECA. However, the Advisory Committee was not provided with a satisfactory breakdown of these costs. The Advisory Committee trusts that efforts will be made to achieve further harmonization in the format and presentation of the budget submission of the regional commissions (see chap. I, para. 14, above).

13.11 The Advisory Committee recalls that during its consideration of the 1988-1989 proposed programme budget, 26/ the Committee was informed that ECA was experiencing difficulty in providing translation services because of a shortage of trained translators. In response to inquiries, the Advisory Committee was informed that the situation is now fairly satisfactory with respect to English and French; however, the Arabic translation services need improvement. The Advisory Committee trusts that all necessary measures will be taken to improve the situation further.

13.12 The Advisory Committee notes that, of the estimate of \$72,600 (at revised 1989 rates) for general temporary assistance contained in paragraph 13.22 of the proposed programme budget, \$54,600 (at revised 1989 rates) relates to obtaining services for cleaners, security guards, messengers, telephone operators and other support services for the multinational programming and operational centre offices. The Advisory Committee points out that this relates to contractual services and should have been described as such. The remaining \$18,000 (at revised 1989 rates) is required to engage national experts to collect information. The Advisory Committee believes that this amount should have been included under consultants. The Advisory Committee trusts that, in the future, requests under general temporary assistance will be limited to requirements for temporary replacement of staff such as for staff on maternity leave, extended sick leave and leave without pay (see para. 13.93 of the proposed programme budget).

13.13 Bearing in mind what is contained in paragraphs 13.5, 13.7 and 13.9 above, the Advisory Committee recommends approval of the Secretary-General's estimate of \$59,112,800 for section 13.

26/ Ibid., Forty-second Session, Supplement No. 7 (A/42/7), para. 13.8.

Section 14. Economic and Social Commission for Western Asia

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 42 633 900 |
| Estimate recommended by the Advisory Committee | 42 633 900 |
| Revised appropriations 1988-1989 | 36 766 200 |
| Initial appropriations 1988-1989 | 32 599 900 |
| Actual expenses 1986-1987 | 28 273 200 |

14.1 The estimate of \$42,633,900 for section 14 is \$5,867,700, or 15.9 per cent, higher than the revised 1988-1989 appropriations. Resource growth (at revised 1989 rates) totals \$148,100, including a non-recurrent provision of \$130,000, which relates to furniture and equipment, alterations and improvements. As can be seen from table 14.1 of the proposed programme budget, the rate of real growth is too small to reflect.

14.2 As shown in table 14.1 (2), extrabudgetary resources for 1990-1991 are estimated at \$4,747,600, comprising \$534,600 for services in support of extrabudgetary programmes, \$1,554,500 for substantive activities and \$2,658,500 for operational projects. The Advisory Committee notes that the total for substantive activities shows an increase over the 1988-1989 level. However, resources for operational projects have decreased, just as the 1988-1989 level reflected a decrease over the 1986-1987 level.

14.3 A total of 287 established posts are proposed for 1988-1989, comprising 99 posts in the Professional category and above (1 USG, 1 D-2, 8 D-1, 18 P-5, 34 P-4, 26 P-3 and 11 P-2/1) and 188 Local level posts. This total reflects an increase of one P-4 post, which is being proposed for conversion to established status (see para. 14.5 below). Table 14.5 also shows 12 extrabudgetary posts for 1990-1991, an increase of 3 Professional posts over the 1988-1989 total.

14.4 The Secretary-General is proposing a number of redeployments, including the redeployment of two posts (one P-4 and one Local level) to the environment programme. In this connection the Advisory Committee notes from paragraph 14.21 of the proposed programme budget that this programme was previously funded through extrabudgetary resources; however, it is now proposed to integrate this programme under the regular budget.

14.5 The Secretary-General, as mentioned in paragraph 14.3 above, is also proposing to convert one temporary P-4 post to established status. In this connection he explains in paragraph 14.88 of the proposed programme budget that "ESCWA has a permanent need for the dependable development of its information systems in support of both its substantive and its administrative programmes"; consequently the conversion of the post of the Chief of the Electronic Data-Processing Section is proposed. The Advisory Committee has no objection to this conversion.

14.6 As shown in table 14.4 of the proposed programme budget, resource growth totalling \$45,000 (at revised 1989 rates) is shown in respect of ad hoc expert groups. The Advisory Committee notes that this growth relates to human settlements (\$15,000) for which there was previously no provision (table 14.15) and energy (\$30,000). The Committee was informed that previously ad hoc expert groups under the energy programme had been treated as a non-recurrent provision. As shown in table 14.23, to correct this, the amount of the 1988-1989 appropriation (\$23,400) was deleted from the revalued resource base. Because of this correction, the entire amount proposed for 1990-1991 (\$30,000) is shown as resource growth.

14.7 As also shown in table 14.4 of the proposed programme budget, the estimate for travel of staff totals \$280,400; there is no entry for travel of staff to service meetings. In response to inquiries, the Committee was informed that the object travel of staff in section 14 covered requirements for both types of travel. In the opinion of the Advisory Committee, there should be a separate heading and estimate for both types of travel; moreover, the definition differentiating these travels should be clearly formulated.

14.8 As shown in table 14.6 of the proposed programme budget, the estimate for policy-making organs totals \$102,500 and reflects a decrease of \$48,600 (at revised 1989 rates) in the resource growth column. As stated in paragraph 14.4 of the proposed programme budget, this is "attributable to the biennialization of the Commission's sessions". In response to inquiries, representatives of the Secretary-General clarified that sessions of the Commission's Technical Committee, mentioned in paragraph 14.2 of the proposed programme budget, had also been biennialized.

14.9 Included in the estimate for administration and common services is a provision of \$492,200 for communications as shown in table 14.43 of the proposed programme budget. In paragraph 14.99 it is explained that this amount, which includes no resource growth, relates to cable and telex charges, telephone, postage and pouch costs. It is also stated that "the alternate voice/data circuit, which was anticipated to be operational in the current biennium, has not been installed, but is expected to be operational in the forthcoming biennium". In response to inquiries, the Committee was informed that a facsimile machine had recently been installed and that negotiations concerning the installation of the alternate voice/data circuit were being held with the host Government.

14.10 The estimate of \$16,255,900 for administration and common services also includes a non-recurrent provision of \$130,000 (table 14.43 of the proposed programme budget). Of this amount, \$100,000 relates to the phasing out of the existing telephone exchange and its replacement, as explained in paragraph 14.103 of the proposed programme budget. The balance of \$30,000 is for the construction of a concrete washing bay for vehicles at the ESCWA complex and its connection to the main sewage network (para. 14.105 of the proposed programme budget).

14.11 The Advisory Committee recommends approval of the Secretary-General's estimate of \$42,633,900 for section 14.

Section 15. United Nations Conference on Trade and Development

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 78 654 800 |
| Estimate recommended by the Advisory Committee | 78 384 000 |
| Revised appropriations 1988-1989 | 76 956 200 |
| Initial appropriations 1988-1989 | 78 936 000 |
| Actual expenses 1986-1987 | 66 033 100 |

15.1 The Secretary-General's estimate of \$78,654,800 is \$1,696,600, or 2.2 per cent, higher than the revised 1988-1989 appropriation of \$76,958,200 (table 15.1). The revalued resource base for 1988-1989 shows a decrease of \$2,413,800 (at revised 1989 rates). Resource growth has been estimated at \$497,300 (at revised 1989 rates), offset by the deletion of an amount of \$569,400 (at revised 1989 rates) for non-recurrent items. No calculation of the corresponding rate of real growth for this section of the proposed programme budget has been provided in table 15.1. However, the Advisory Committee notes that a calculation based on data contained in table 15.1 would yield a rate of real growth of -0.1 per cent for this section.

15.2 The estimate for non-recurrent items of \$594,800 in 1990-1991 (\$569,400 at revised 1989 rates) would cover the non-conference-servicing requirements of the eighth quadrennial session of UNCTAD in 1991 (table 15.7). For costing purposes, it has been assumed that the Conference will be held at Geneva (para. 15.7 of the proposed programme budget).

15.3 The Advisory Committee notes that the amount of \$78,654,800 shown under section 15 does not reflect the totality of regular budget resources devoted to UNCTAD. In response to its inquiries, representatives of the Secretary-General informed the Committee that the 1990-1991 cost of conference-servicing requirements of UNCTAD, including its eighth session, was estimated at \$24,898,700 and was included under section 29 of the proposed programme budget. In addition, the 1990-1991 estimate of \$1,761,200 for UNCTAD's computing requirements, using the International Computing Centre's (ICC) facilities, was shown under section 28D of the proposed programme budget.

15.4 Extrabudgetary resources expected to be available to UNCTAD in 1990-1991 are projected at \$34,147,200, representing an increase of \$11,765,500, or 52.6 per cent, over the corresponding estimate for 1988-1989 of \$22,381,700. Of this projected increase, \$7.5 million is under UNDP operational projects, \$3.0 million under technical co-operation trust funds and \$1,265,500 under technical co-operation reimbursement resources (table 15.1 (2)).

15.5 As indicated in table 15.3, for 1990-1991 there are substantial redeployments of regular budget resources between programmes of activity within this section of the budget. The accompanying corresponding redeployments of related posts between the affected programmes of activity are identified in the table following paragraph 15.6 of the proposed programme budget. The Advisory Committee notes that

these redeployments are attributable to the reorganization of UNCTAD's programmatic and secretariat structures, as described in paragraphs 15.3 and 15.5 of the proposed programme budget. The Committee also notes the Secretary-General's intended approach, outlined in paragraph 15.4, towards dealing with the modalities of reflecting these changes in the current and proposed medium-term plans. In response to its inquiries, representatives of the Secretary-General informed the Committee that, by and large, the changes had been effected; however, they had yet to be formalized by the issuance of a Secretary-General's bulletin on the subject.

15.6 In paragraph 15.2 of the proposed programme budget, reference is made to "UNCTAD's contribution to the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990". In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that a task force unit located in UNCTAD's programme of activity under executive direction and management (programme element 1.4 and related outputs) was charged with mobilizing activities and contributions on this subject from other UNCTAD programmes of activity. The Committee is of the opinion that, as presented in the proposed programme budget under section 15, the extent of UNCTAD's contribution to the Programme of Action is unclear.

15.7 The Advisory Committee notes that although not explicitly identified in table 15.5 of the proposed programme budget, the total 1988-1989 regular budget staffing complement of 406 established posts shown for UNCTAD at 31 December 1989, includes a proposal by the Secretary-General to abolish one Assistant-Secretary-General post in that secretariat (see chap. I, paras. 24-27, above).

15.8 The overall number of regular budget established posts proposed for UNCTAD for 1990-1991 is 406 posts, comprising 230 posts in the Professional category and above and 176 General Service posts, including 10 at the Principal level (table 15.5 of the proposed programme budget). However, the Secretary-General is requesting the reclassification of four Professional posts from P-2 to P-3, located in the following programmes of activity: two under manufactures and semi-manufactures; one under transfer of technology; and one under least-developed, land-locked and island developing countries (paras. 15.26, 15.39 and 15.54 respectively of the proposed programme budget). In the light of additional information provided by representatives of the Secretary-General, the Advisory Committee is unable to entertain this proposal since secretariat procedures established for determining the proper classification levels of these posts and their eligibility for inclusion in the proposed programme budget have not been observed. In the circumstances, the Committee recommends that the Secretary-General's request to reclassify four posts from P-2 to P-3 not be approved, with a corresponding reduction in the estimates for salaries and common staff costs under section 15 by \$1,800.

15.9 UNCTAD's extrabudgetary staffing establishment in 1990-1991 is shown as 24 posts, unchanged from 1988-1989 (table 15.5). However, this includes the reclassification of three extrabudgetary posts to the D-1 level (see chap. I, para. 58 (f), above). In this connection, the Committee draws attention to additional information provided by representatives of the Secretary-General, which indicates that there is some linkage between these three extrabudgetary post reclassifications and the abolition of four regular budget D-1 posts in UNCTAD at 31 December 1989 (see A/C.5/43/1/Rev.1, table 17). In chapter I, paragraph 57,

above, the Committee discusses the apparent tendency towards replacing regular budget resources by the use of extrabudgetary resources.

15.10 As shown in table 15.4 of the proposed programme budget, the overall estimate of \$1,840,100 for official travel of UNCTAD staff in 1990-1991 includes a resource growth of \$107,200 (at revised 1989 rates). In response to its requests, representatives of the Secretary-General informed the Advisory Committee that the amount of the resource growth was a net figure, comprising the non-recurrent provision of \$307,200 (at revised 1989 rates) for requirements related to the eighth session of UNCTAD in 1991, offset by the deletion of \$200,000 (at revised 1989 rates) to take account of past under-expenditure experience in this section for this object of expenditure. Representatives of the Secretary-General also informed the Committee that actual expenditures incurred on official travel of staff in connection with the seventh session of UNCTAD in 1987 amounted to \$229,000. In the opinion of the Committee, economies can be achieved if proposed staff travel in connection with work related to the eighth session of UNCTAD and to UNCTAD's regular programme of work is rationalized and combined. Moreover, the Committee questions whether the current UNCTAD Professional staffing complement has the capacity to undertake all the travel proposed in 1990-1991. Accordingly, the Committee recommends that the estimate for official travel of staff be reduced by \$150,000, from \$1,840,100 to \$1,690,100.

15.11 The Advisory Committee notes from table 15.4 of the proposed programme budget that the estimate of \$737,600 for external printing and binding requirements in 1990-1991 shows a negative resource growth of \$314,100 (at revised 1989 rates). Representatives of the Secretary-General informed the Committee that the reduced estimate under this object of expenditure took into account a recommendation by the Publications Board that the allocation of such resources to UNCTAD be reduced because the actual production rate for UNCTAD's publications programme was less than projected and also because UNCTAD was producing some of its publications internally.

15.12 Resource requirements in 1990-1991 for consultants and ad hoc expert groups in this section are estimated at \$1,335,700 and \$595,900 respectively (table 15.4 of the proposed programme budget). In this connection, the Advisory Committee noted numerous instances where the narrative paragraphs explaining these resource requirements under section 15 duplicated, almost word for word, corresponding explanations submitted in the programme budget proposals for section 15 in previous bienniums. Representatives of the Secretary-General stated to the Committee that this use of similar language would be avoided in future submissions. They also assured the Committee that while there was a strong element of programme continuity, the work envisaged for the consultants and the ad hoc expert groups would be of a different substantive nature and different individuals would be involved. While posing no objection to these two estimates in this instance, the Committee expects that future requests for such resources should clearly demonstrate the application of a zero-based approach and provide clearer justifications.

15.13 As shown in tables 15.4 and 15.12 of the proposed programme budget, there is no resource request under the object of expenditure for fellowships, grant and contributions in 1990-1991. Moreover, an amount of \$942,000 (at revised 1989 rates) has been deleted from the revalued resource base for 1988-1989 for this object of expenditure. The Advisory Committee recalls that this amount had been

appropriated as an advance to finance the cost of meetings during 1988-1989 of the Preparatory Commission to bring the Common Fund for Commodities into operation. 27/

15.14 The Advisory Committee notes that the resource requirement for programme support and common services, shown in table 15.32 and explained in paragraphs 15.70 to 15.83, "consolidates the former conference affairs service, and administration and common services, and integrates arrangements for administering and monitoring technical co-operation activities" (para. 15.5 of the proposed programme budget).

15.15 In paragraphs 15.8 and 15.10 above, the Advisory Committee has recommended reductions totalling \$270,800, which would entail a reduction of the Secretary-General's estimate for section 15 from \$78,654,800 to \$78,384,000.

Reduction recommended

United States dollars

Section 15. United Nations Conference on
Trade and Development

270 800

27/ Paragraph 14 of the Secretary-General's report (A/C.5/42/5) states: "The provision of \$942,000 in the 1988-1989 budget of section 15, UNCTAD, together with the expenditures in the bienniums 1980-1981 and 1982-1983 of \$808,500, would be fully offset by an amount of \$1,750,500 under income section 2 of the 1988-1989 programme budget, representing the reimbursement due the United Nations from the Common Fund once the Agreement enters into force. Such reimbursement will have first claim against the revenues of the Common Fund."

Section 16. International Trade Centre

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 15 400 800 |
| Estimate recommended by the Advisory Committee | 15 400 800 |
| Revised appropriations 1988-1989 | 13 409 100 |
| Initial appropriations 1988-1989 | 12 242 800 |
| Actual expenses 1986-1987 | 11 010 100 |

16.1 The estimate of \$15,400,800 for section 16 represents the United Nations share (50 per cent) of the budget of ITC net of miscellaneous income. The other 50 per cent is contributed by GATT under the terms of its agreement with the United Nations for the joint financing of the Centre (para. 16.1 of the proposed programme budget).

16.2 The total proposed budget of ITC for 1990-1991 is estimated at \$31,402,800, of which the United Nations and GATT would provide \$30,801,600 (\$15,400,800 each; see table 16.3). The balance of \$601,200 would be met from miscellaneous income.

16.3 Resource growth for the total proposed budget of ITC for 1990-1991 is estimated at \$218,800 (at revised 1989 rates), whereas the resource growth column in respect of the United Nations share shows a decrease of \$191,200 (at revised 1989 rates). Non-recurrent resource growth for the total proposed budget of ITC for 1990-1991 is estimated at \$190,000 (at revised 1989 rates), whereas the non-recurrent growth column in respect of the United Nations share shows a decrease of \$205,600 (at revised 1989 rates). The Advisory Committee recalls that the differences in recurrent and non-recurrent resource growth as shown for ITC as a whole and for the United Nations share of the ITC budget were attributable to differences in presentation. According to information given to the Committee during a previous consideration of this section, the resource growth for ITC is limited to expenditure estimates and does not take into account income and changes therein. Resource growth for the United Nations contribution to ITC reflects 50 per cent of ITC expenditure estimates reduced by 50 per cent of ITC income. This reduction is shown as a negative non-recurrent adjustment. The rate of real growth is too small to be reflected in table 16.1.

16.4 Table 16.3 compares the Centre's anticipated resources for 1990-1991 (including the shares paid by the United Nations and GATT) with the revised estimates for 1988-1989. The estimated miscellaneous income for 1990-1991, compared with the corresponding revised estimate for 1988-1989, is as follows:

| | Revised estimates for 1988-1989 (at revised 1989 rates) | Estimates for 1990-1991 | Increase (decrease) |
|----------------------------------|---|-------------------------------|------------------------|
| (United States dollars) | | | |
| Transfer from preceding biennium | 330 200 | - | (330 200) |
| Rental of office space | 389 000 | 413 600 | 24 600 |
| Rental of parking spaces | 79 600 | 91 600 | 12 000 |
| Interest on investments | 60 000 | 50 000 | (10 000) |
| Sale of publications | 24 000 | 30 000 | 6 000 |
| Other income | <u>8 200</u> | <u>16 000</u> | <u>7 800</u> |
| Total | <u>391 000</u> | <u>601 200</u> | <u>(289 800)</u> |

16.5 The bulk of the decrease in miscellaneous income in 1990-1991 is in respect of "transfer from preceding biennium". The Committee recalls that previously the surplus remaining at the end of each biennium was returned to the contributors after three years had elapsed; however, as a result of an audit observation, the procedure was changed and the surplus is refunded in the context of the first performance report of the following biennium. The Committee notes from footnote (b) of table 16.3 of the proposed programme budget that this amount represents the difference between the second performance report and final expenditure for the biennium 1988-1989.

16.6 The Advisory Committee notes from table 16.8 of the proposed programme budget that a total of 142 established posts, unchanged from 1988-1989, are proposed for the Centre in 1990-1991. These include 64 Professional posts (1 ASG, 1 D-2, 4 D-1, 13 P-5, 20 P-4, 16 P-3 and 9 P-2/1) and 78 General Service, including 5 at the Principal level. In addition, there are 52 temporary posts to be funded from extrabudgetary sources, a decrease of 10 compared with the biennium 1988-1989. These include 15 Professional posts (1 D-1, 4 I-5, 8 P-4 and 2 P-3) and 37 General Service (Other levels).

16.7 As in previous submissions, the 1990-1991 estimate for ITC is divided into four subsections (table 16.6): policy-making organs (\$340,300), executive direction and management (\$1,064,800), trade promotion and export development (\$15,105,500) and administration and common services (\$13,892,200).

16.8 The expenditure estimate of \$31,402,800 for ITC is \$2,150,000, or 7.3 per cent, higher than the revised 1988-1989 estimate of \$29,252,800. As can be seen from table 16.7, the net resource growth of \$218,800 (at revised 1989 rates)

is primarily attributable to increases in respect of furniture and equipment (\$190,000), data processing contracts (\$110,000), supplies and materials (\$20,000) and replacement of office automation equipment (\$18,100), partially offset by decreases under general temporary assistance and external audit.

16.9 With regard to the rental and maintenance of premises, according to paragraph 16.32 of the proposed programme budget, a base adjustment of \$402,800 (at revised 1989 rates) has been included in the estimate of \$2,902,500 (at revised 1989 rates) to cover the anticipated increase in the rental costs of ITC premises resulting from an anticipated change in the ownership of those premises. The Advisory Committee was informed by the representatives of the Secretary-General that the sale of the building was still pending but was expected to be concluded shortly. The increase in the rental costs would depend on the sales price of the building, the subsequent increase of building insurance costs and the intention of the new owner to create and build up a reserve for maintenance purposes. The representatives of the Secretary-General also informed the Committee that if ITC were to refuse to contribute to such a reserve, the maintenance cost of the building and premises equipment would have to be borne exclusively by ITC.

16.10 As indicated in paragraph 16.3 above, non-recurrent resource growth amounts to \$190,000 and is entirely attributable to subsection 4 (administration and common services) (table 16.14 of the proposed programme budget). Included in this amount is \$106,400 for the purchase of additional electronic data-processing equipment, \$66,800 for replacement of an assembling machine and \$16,800 for replacement of a minibus (paras. 16.38-16.41 of the proposed programme budget).

16.11 The Advisory Committee recommends approval of the Secretary-General's estimate for section 16 in the amount of \$15,400,800.

Section 17. Centre for Science and Technology for Development

United States dollars

| | |
|--|-----------|
| Estimate submitted by the Secretary-General | 4 174 200 |
| Estimate recommended by the Advisory Committee | 4 174 200 |
| Revised appropriations 1988-1989 | 3 824 000 |
| Initial appropriations 1988-1989 | 3 971 300 |
| Actual expenses 1986-1987 | 4 063 900 |

17.1 The Secretary-General's estimate of \$4,174,200 for section 17 is \$350,200, or 9.1 per cent, more than the revised appropriations for 1988-1989. The increase includes resource growth totalling \$24,400; the rate of real growth has been calculated at 0.6 per cent.

17.2 Table 17.1 (2) indicates that extrabudgetary resources totalling \$107,000 are expected to be available to the Centre in 1990-1991; however, the Committee was informed that this amount represented a conservative estimate and that it was expected that the available extrabudgetary resources would, in fact, total approximately \$400,000 to \$500,000. Moreover, the Committee was informed that the programme of work reflected in the submission had been based on this expectation. However, the actual number of outputs would depend on the volume of extrabudgetary contributions that become available.

17.3 As also shown in table 17.1 (2), extrabudgetary expenditures in 1988-1989 are estimated at \$102,200; of this amount \$90,400 relates to the trust fund for special activities in science and technology for development. In response to inquiries concerning this estimate, the Committee was informed that actual expenditures from that trust fund as at 31 December 1988 totalled approximately \$45,000; consequently an amount of \$90,400 was projected for the entire biennium. The Committee was also informed that during 1988-1989 a number of activities involving the Centre were financed directly by Governments, i.e. the resources involved were not contributed to the trust fund. The Committee's observations on the administration of extrabudgetary resources are contained in paragraphs 81 to 89 of chapter I above.

17.4 The Advisory Committee notes from table 17.5 that the Secretary-General is proposing no changes in the approved 1988-1989 staffing table of the Centre, which consists of 14 established posts in the Professional category and above (1 ASG, 1 D-2, 2 D-1, 3 P-5, 3 P-4, 2 P-3 and 2 P-2/1) and 12 General Service (including 1 at the Principal level).

17.5 The estimate for policy-making organs (table 17.6) totals \$392,600 and includes an amount of \$347,300 (\$325,000 at revised 1989 rates) for the travel of representatives. In response to inquiries, representatives of the Secretary-General clarified that the resources requested under this heading related not only to the members of the Advisory Committee (a subsidiary body of the Intergovernmental Committee on Science and Technology for Development comprised of experts serving in their personal capacity), but also to its working groups and its panel of specialists. As explained in paragraph 17.6 of the proposed programme

budget, the Advisory Committee, which normally meets once a year for a period of two weeks, is entitled to the advice of ad hoc panels "drawn from a roster of specialists in all the necessary disciplines, established by the Advisory Committee, as required". During a biennium there are normally four such panels with a membership of seven specialists each.

17.6 As stated in paragraph 17.5 of the proposed programme budget, the Intergovernmental Committee on Science and Technology for Development, a subsidiary body of the General Assembly, is scheduled to meet biennially in the future according to a decision to be reviewed at its tenth session in 1989. That being the case, the question arises as to whether the Advisory Committee should also consider meeting on a biennial basis. However, representatives of the Secretary-General emphasized the need for the Advisory Committee to continue meeting on an annual basis, pointing out that it not only reported to the Intergovernmental Committee but also provided expert advice to, inter alia, the General Assembly, the Economic and Social Council, the Secretary-General and the Administrator of UNDP.

17.7 The Advisory Committee recommends that the estimate of \$4,174,200 for section 17 be approved.

Section 18. United Nations Environment Programme

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 11 939 400 |
| Estimate recommended by the Advisory Committee | 11 939 400 |
| Revised appropriations 1988-1989 | 10 591 300 |
| Initial appropriations 1988-1989 | 10 651 100 |
| Actual expenses 1986-1987 | 8 979 700 |

18.1 The Secretary-General's estimate of \$11,939,400 for this section is \$1,348,100, or 12.7 per cent, more than the revised appropriation for 1988-1989. As shown in table 18.1 of the proposed programme budget, the revalued resource base for 1988-1989 has been decreased by \$32,900 (at revised 1989 rates). After showing a resource growth of \$75,700 (at revised 1989 rates) and deleting \$55,300 (at revised 1989 rates) for non-recurrent items, the Secretary-General calculates a rate of real growth of 0.1 per cent.

18.2 Table 18.1 (2) indicates that extrabudgetary resources totalling \$124,305,400 are expected to be available to UNEP in 1990-1991, of which \$93,720,000 would be for operational projects. Most of the balance of \$30,585,400 relates to programme costs of the Environment Fund. In response to a query, the Advisory Committee was informed that the number of trust funds referred to in table 18.1 (2) was likely to increase during the biennium 1990-1991.

18.3 The proposed regular-budget staffing establishment of UNEP for 1990-1991, 87 posts, remains unchanged from that approved for 1988-1989. It comprises 38 posts in the Professional category and above (1 USG, 2 ASG, 3 D-2, 3 D-1, 11 P-5, 11 P-4, 4 P-3, and 3 P-2/1), 6 General Service posts (including 1 at the Principal level) and 43 Local level posts (table 18.5). However, within this total, the Secretary-General proposes to reclassify the post of the Chief, Library and Documentation Centre, within the programme of activity 2, environment, from the P-3 to the P-4 level (para. 18.39 and tables 18.5 and 18.14). The Advisory Committee has no objection to this proposal.

18.4 With regard to the Fund's extrabudgetary staffing establishment for UNEP for 1990-1991, table 18.5 indicates a decrease of 22 posts for 1990-1991 compared with that for 1988-1989. It comprises 321 posts, of which 99 are in the Professional category and above (1 ASG, 7 D-2, 7 D-1, 17 P-5, 21 P-4, 33 P-3 and 13 P-2/1), 11 General Service posts (including 1 at the Principal level) and 211 Local level posts. In response to a query, the Committee was informed that 291 of these posts relate to the programme and programme support costs budget, 28/ which the Advisory Committee examined separately; 29/ the remaining 30 posts relate to UNEP's Special

28/ UNEP/GC.15/10/Add.2.

29/ UNEP/GC.15/L.2.

Account for Programme Support. The Committee notes that in his programme and programme support costs budget proposals for 1990-1991, 28/ the Executive Director is proposing a decrease of 21 posts. The Committee understands that the variations in the number of posts may have arisen because the tables were prepared at different times. The Advisory Committee trusts that such discrepancies will not occur in future submissions. In this connection, the Advisory Committee points out that the proposed reduction in posts funded from extrabudgetary resources relates to a number of proposals that the Executive Director has made to the Governing Council. The comments of the Advisory Committee in this regard are contained in its report to the Governing Council. 29/

18.5 In addition to the posts discussed above, the Committee notes from paragraph 18.45 of the proposed programme budget that provision is made under temporary assistance for meetings for six fixed-term staff. In response to a query, the Committee was informed that the Secretary-General was not proposing to convert any of these posts. The comments of the Advisory Committee on this practice may be found in paragraph 60 of chapter I above.

18.6 The estimate for policy-making organs (\$1,422,700) (table 18.6) covers the cost of servicing sessions of the Governing Council of UNEP and its Preparatory Committee. As stated in paragraph 18.6 of the proposed programme budget, the estimate is based on the holding of one regular session of the Council in 1991.

18.7 The estimate of requirements for regional representation is contained in table 18.11 and discussed in paragraphs 18.29 to 18.34 of the proposed programme budget. As stated in paragraph 18.29 of the proposed programme budget, the regular budget estimate covers part of the cost of the Regional Office for North America in New York and the Regional Office for Europe at Geneva. The balance of the cost of these two offices as well as the cost of the regional offices located in Bahrain and at Bangkok, Mexico City and Nairobi are met from extrabudgetary resources.

18.8 According to paragraph 18.10 and table 18.6 (as well as para. 18.50 and table 18.19 of the proposed programme budget), "compensation for overtime in the next biennium will be fully paid in cash, rather than with 50 per cent compensatory time off as in the past". The Advisory Committee was informed that, as part of the efforts to conserve resources during the financial crisis in 1986-1987, UNEP staff were paid cash for 50 per cent of their overtime hours and given compensatory time off for the balance. However, UNEP had now reverted to the established United Nations practice of paying for overtime

18.9 In paragraphs 18.9, 18.13 and 18.46 of the proposed programme budget, it is indicated that, as a result of the abolition of three UNEP translator/reviser posts at the end of 1989, the requirement for contractual translation will increase by \$50,000 (at revised 1989 rates). In response to a query, the Advisory Committee was informed that external translation would be used to meet UNEP's requirements.

18.10 According to table 18.4 of the proposed programme budget, resource growth for consultants amounts to \$92,100 (at revised 1989 rates). The Advisory Committee notes from paragraph 18.19 of the proposed programme budget that, of this amount, \$41,800 is attributable to requirements necessary to fulfil new mandates of the General Assembly, as contained in resolutions 42/186 and 42/187 of 11 December 1987.

18.11 The Committee also notes from paragraph 18.49 of the proposed programme budget that a provision of \$15,900 (at revised 1989 rates) has been included under

administration and common services for consultants, to provide a portion of the cost of training staff in the utilization of personal computers. In order to provide for greater clarity and to avoid distortion of the estimate with respect to consultants, the Advisory Committee recommends that provisions for the training of staff should be included as a separate item.

18.12 According to paragraph 18.55 of the proposed programme budget, the Secretary-General is proposing a continuation of the current level of \$260,000 (at revised 1988-1989 rates) for communications, "based on experience in the current biennium". In response to a query the Committee was informed that actual expenditure in 1988 was \$128,076.

18.13 The Advisory Committee recommends approval of the Secretary-General's estimate of \$11,939,400 for section 18.

Section 19. United Nations Centre for Human Settlements (Habitat)

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 10 528 200 |
| Estimate recommended by the Advisory Committee | 10 528 200 |
| Revised appropriations 1988-1989 | 8 722 500 |
| Initial appropriations 1988-1989 | 8 356 100 |
| Actual expenses 1986-1987 | 6 876 400 |

19.1 The Secretary-General's estimate of \$10,528,200 for this section is \$1,805,700, or 20.7 per cent, higher than the revised 1988-1989 appropriation of \$8,722,500 (table 19.1). The revalued resource base for 1988-1989 shows an increase of \$400,500 (at revised 1989 rates). Resource growth has been estimated at \$242,400 (at revised 1989 rates); however, after deleting an amount of \$347,600 (at revised 1989 rates) for non-recurrent items, the rate of real growth is calculated at -1.1 per cent.

19.2 As can be seen from table 19.2 and footnotes a/ and b/ of that table, the increase of \$400,500 (at revised 1989 rates) shown under the revalued resource base for 1988-1989 is a net amount resulting from a number of positive and negative recostings and special adjustments. The special adjustments include the proposed transfer of an amount of \$966,100 from sections 28F (\$5,500) and 29B (\$960,600) into section 19. This proposed transfer of resources is discussed in greater detail in paragraph 19.10 below.

19.3 Extrabudgetary resources expected to be available to UNCHS in 1990-1991 are projected at \$50,069,400 (table 19.1 (2)). Of this amount, \$4,854,600 is intended to cover programme and programme support expenditures of the United Nations Habitat and Human Settlements Foundation, responsibility for the administration of which rests with the Executive Director of UNCHS. In this connection, the Advisory Committee notes that the corresponding estimate for the Foundation submitted by the Executive Director in his report to the Commission on Human Settlements at its twelfth session, held at Cartagena de Indias, Colombia, from 24 April to 3 May 1989, 3Q/ was \$5,190,500. The Committee understands that the variation (\$325,900) occurred because the two sets of figures were prepared independently and at different times. The Advisory Committee trusts that greater co-ordination between the officials concerned will result in the elimination of this anomaly from future budget submissions.

19.4 As shown in table 19.5 of the proposed programme budget, the total 1988-1989 regular budget staffing establishment of UNCHS as at 31 December 1989 would be 81 posts, of which 74 are established posts and 7 are temporary recurrent

3Q/ HS/C/12/9, table 2.

posts. 31/ However, this total of 81 established and temporary recurrent posts financed from the regular budget excludes an additional 13 temporary posts financed for 24 work-months through 1988-1989 on a non-recurrent basis (table 19.5, footnote a/). It also does not take account of the fact that regular budget resources allocated for general temporary assistance in 1988-1989 and proposed for continuation without change in 1990-1991 (under programme support, administration and common services) finance, inter alia, "the cost of Local level staff assigned to the UNEP documents reproduction unit as the Centre's share of its operating costs" (para. 19.35 of the proposed programme budget). 32/ The observations and recommendations of the Advisory Committee concerning the use of general temporary assistance resources to finance continuing posts are contained in chapter I, paragraph 60, above.

19.5 For 1990-1991, while proposing no change to the overall number and grade levels of the Centre's regular budget staffing establishment for 1988-1989 (see para. 19.4 above), the Secretary-General is proposing the conversion of all the seven temporary recurrent posts to established posts, comprising three P-3 translator posts, three accompanying Local level secretarial posts and one P-3 budget officer post (paras. 19.23, 19.24 and 19.32 of the proposed programme budget). In addition, the Secretary-General proposes to redeploy one P-3 and two Local level posts from the Office of the Executive Director to a new Office of Programme Co-ordination within the human settlements activities programme (paras. 19.14 and 19.22 of the proposed programme budget). The Advisory Committee recommends approval of these requests.

19.6 With regard to the status of the 13 non-recurrent temporary posts funded from the regular budget (see para. 19.4 above), the Advisory Committee notes from additional information provided by representatives of the Secretary-General, that, following the Centre's introduction and implementation of self-evaluation, one non-recurrent P-4 temporary post for an evaluation officer in the Office of the Executive Director will be discontinued at the end of 1989 (see also tables 19.5, footnote b/ and 19.8, footnote a/). However, in paragraphs 19.33 and 19.34 of the proposed programme budget, the Secretary-General proposes that for 1990-1991 the remaining 12 non-recurrent temporary posts (1 P-2, 11 Local level posts), all of which perform the Centre's general service functions, should "continue to be financed on a non-recurrent basis, pending a determination of the number of posts that may no longer be needed once the transitional arrangements [i.e. arising from

31/ In table 20 of the Secretary-General's report (A/C.5/43/1/Rev.1), the total 1988-1989 regular budget staffing establishment of UNCHS as at 31 December 1989 was shown as 81 posts (75 established posts and 6 temporary recurrent posts). Representatives of the Secretary-General have informed the Advisory Committee that the discrepancy in the identification of one P-3 post as an established post instead of as a temporary recurrent post in table 20 of document A/C.5/43/1/Rev.1, as compared with the table 19.5 of the proposed programme budget for the biennium 1990-1991, was attributable to a coding error.

32/ In paragraph 19.33 of the Secretary-General's proposed programme budget for the biennium 1988-1989 (A/42/6), it was indicated that the general temporary assistance resources requested covered, inter alia, the cost of "three Local level staff assigned to the UNEP Documents Reproduction Unit as the Centre's share of the cost of operating that unit".

the administrative review of common services at Nairobi conducted at the end of 1987] are completed" (para. 19.33). In the circumstances, and taking into account its views expressed in paragraphs 28J.1 to 28J.5 below (concerning the Secretary-General's programme budget proposals on common services, Nairobi), the Advisory Committee does not object to the proposed continuation of these 12 non-recurrent temporary posts in 1990-1991.

19.7 The Advisory Committee also notes the statement in paragraph 19.22 of the proposed programme budget, that "in prior biennium budgets, the Centre's staffing table included three posts (one P-4, one P-3 and one Local level) seconded to each of the four regional commissions of ECLAC, ECA, ESCAP and ESCWA. In 1990-1991, only one P-3 and one Local level post will be seconded to each of those commissions".

19.8 As shown, in table 19.5 of the proposed programme budget, a total of 95 extrabudgetary posts are expected to be available to the Centre in 1990-1991, unchanged from 1988-1989. In this connection, the Advisory Committee notes from information contained in the Executive Director's report, 33/ that 33 are in the United Nations Habitat and Human Settlements Foundation posts (1 ASG, 3 D-1, 2 P-5, 6 P-4, 2 P-3 and 19 Local level posts). The remaining 62 posts (5 D-1, 6 P-5, 3 P-4, 8 P-3, 1 P-2/1 and 39 Local level posts) are primarily for support of the Centre's human settlement programmes.

19.9 In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that eight core regular budget posts in the Professional category and above were vacant. The Committee notes that this represents a vacancy rate of 17.0 per cent, compared with the standard turnover rate of 5 per cent used in the proposed programme budget for posts in the Professional category and above.

19.10 Resource requirements for policy-making organs are estimated at \$1,064,900 in 1990-1991, and would cover the cost of servicing one biennial session of the Commission in 1991 for eight working days (table 19.6 and para. 19.4 of the proposed programme budget). As explained in paragraph 19.5 of the proposed programme budget (see also para. 19.2 above), this estimate includes a special adjustment to the revalued 1988-1989 resource base, involving the transfer to section 19 of a total of \$966,100 (at revised 1989 rates) from budget sections 28F (Division of Administration, Geneva) and 29B (Conference and library services), for the costs of providing documentation, interpretation and other related conference-servicing costs for sessions of the Commission. However, conference-servicing staff for the sessions of the Commission will continue to be provided by Geneva or other United Nations offices as required. In response to its inquiries, representatives of the Secretary-General indicated to the Advisory Committee that the resources proposed for transfer corresponded to the estimated cost of servicing one biennial session of the Commission. The Committee notes that this proposed special adjustment is intended to improve transparency of the Centre's budget estimates by providing a more complete identification of its conference-servicing requirements. The Committee also notes that it is consistent with recommendations submitted by the Committee on the subject in chapter II,

33/ HS/C/12/9, table 6.

paragraph 19.9, of its first report on the proposed programme budget for the biennium 1988-1989. 2/

19.11 As shown in table 19.9 of the proposed programme budget, the 1990-1991 estimate for consultants of \$206,900 under the human settlements activities programme takes account of a negative revaluation of \$103,700 (at revised 1989 rates) to the 1988-1989 resource base. In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that this negative revaluation related to non-recurrent resources for activities concerning living conditions of the Palestinian people. However, in view of a decision by the Secretary-General to treat this item as a perennial activity, the estimate of \$206,900 for consultancy requirements under the human settlements activities programme now included first-time provision of \$20,200 (at revised 1989 rates) for activities related to the "living conditions of the Palestinian people" (see also para. 19.25 of the proposed programme budget).

19.12 The estimate of \$110,400 for ad hoc expert group requirements in 1990-1991 under the human settlements activities programme includes an amount of \$22,600 (at revised 1989 rates) for a workshop on the preparation of the next edition of the Global Report on Human Settlements (see table 19.9 and para. 19.26 of the proposed programme budget). The Advisory Committee understands from additional information provided to it by representatives of the Secretary-General that the Global Report is published quinquennially and that resources for producing the publication would be requested in the context of the proposed programme budget for the biennium 1992-1993.

19.13 Bearing in mind its observations in the paragraphs above, the Advisory Committee recommends acceptance of the Secretary-General's estimate of \$10,528,200 for section 19.

Section 20. International drug control

United States dollars

| | |
|--|-----------|
| Estimate submitted by the Secretary-General | 8 478 800 |
| Estimate recommended by the Advisory Committee | 8 378 800 |
| Revised appropriations 1988-1989 | 7 433 600 |
| Initial appropriations 1988-1989 | 8 750 200 |
| Actual expenses 1986-1987 | 6 038 300 |

20.1 The Secretary-General's estimate of \$8,478,800 for international drug control is \$1,045,200, or 14 per cent, higher than the revised appropriations for 1988-1989 (table 20.1 of the proposed programme budget). The revalued resource base for 1988-1989 shows a decrease of \$119,300 (at revised 1989 rates). Resource growth (at revised 1989 rates) totals \$774,500, including a non-recurrent provision of \$652,300. The Secretary-General calculates the rate of real growth for this section at 1.6 per cent.

20.2 As shown in table 20.1 (2), extrabudgetary resources for international drug control in 1990-1991 are estimated at \$130,771,200, of which \$124,102,000 is for operational projects. For 1988-1989 extrabudgetary resources were estimated at \$93,965,100, of which \$88,090,400 was for operational projects.

20.3 As can be seen from table 20.5 of the proposed programme budget, a total of 46 regular budget posts (27 in the Professional category and above - 1 D-2, 2 D-1, 3 P-5, 6 P-4, 7 P-3 and 8 P-2/1 - and 19 in the General Service category, including 2 at the Principal level) are proposed for 1990-1991, unchanged from 1988-1989. The Committee notes however, that this table does not include four non-recurrent temporary posts (2 P-4, 1 P-3, 1 General Service) (see chap. 1, paras. 52 and 53, above).

20.4 Table 20.5 also indicate .1 temporary posts funded from extrabudgetary resources (1 ASG, 2 D-1, 2 P-5, 3 P-4, 1 P-3, 1 P-2/1 and 11 General Service posts, including 2 at the Principal level). The Committee notes, however, that this table does not include an additional 21 posts (12 Professional category and above and 9 General Service) at the headquarters of the United Nations Fund for Drug Abuse Control and 36 posts (14 Professional category and above and 22 Local level posts) in field offices, all of which are financed by the United Nations Fund for Drug Abuse Control under an arrangement with UNDP. The comments of the Advisory Committee in this regard are contained in paragraph 20.9 below.

20.5 As can be seen from table 20.6 of the proposed programme budget, \$818,300 is requested for policy-making organs. Of this amount, \$289,500 relates to travel of representatives to meetings of the Commission on Narcotic Drugs and \$442,800 relates to the travel of representatives to meetings of the International Narcotics Control Board. In response to an inquiry, the Committee was informed that these estimates were prepared on the basis of the projected number of meetings per biennium. However, based on the previous patterns of expenditure, the Committee does not believe that the entire amount proposed will be necessary and consequently

recommends a total reduction of \$100,000 for these items as follows: a reduction of \$50,000, from \$289,500 to \$239,500, for travel relating to the Commission on Narcotic Drugs and a reduction of \$50,000, from \$442,800 to \$392,800, for travel relating to the International Narcotics Control Board.

20.6 The estimates for the Division of Narcotic Drugs and the International Narcotics Control Board for 1990-1991 are \$4,260,400 and \$3,400,100 respectively (tables 20.7 and 20.9).

20.7 The United Nations Fund for Drug Abuse Control is financed entirely from extrabudgetary sources. Total expenditure for 1990-1991 is estimated at \$130,000,000, including \$2,800,000 for services in support of extrabudgetary programmes, \$3,098,000 for substantive activities and \$124,102,000 for operational projects (table 20.11). As indicated in paragraph 20.2 above, this represents a substantial increase when compared with the amount of extrabudgetary resources available in 1988-1989.

20.8 The Advisory Committee requested information regarding the support provided to the Fund by the United Nations Office at Vienna and was informed that the Office provided a full range of administrative services, including finance, personnel, office automation services and general services such as security, building management, communications staff, travel authorisations and inventory control. The Advisory Committee was also informed that to date the Fund had not been requested to reimburse the regular budget for the provision of such services. According to representatives of the Secretary-General, negotiations were expected to take place shortly with a view to reaching agreement on an acceptable basis and level of reimbursement. The Advisory Committee trusts that an appropriate level of reimbursement will be agreed upon as soon as possible (see also para. 28I.10).

20.9 The Advisory Committee points out that, unlike the administrative and support budgets of other United Nations funds, for example, UNEP, the administrative and support budget of this Fund is not submitted to the scrutiny and examination of any intergovernmental body. In chapter I, paragraphs 86 to 88, above, the Advisory Committee has made recommendations concerning the future treatment of such funds.

20.10 In paragraph 20.5 above, the Advisory Committee has recommended a reduction of the Secretary-General's estimate for section 20 by \$100,000 from \$8,478,800 to \$8,378,800.

Reduction recommended

United States dollars

Section 20. International drug control

100,000

Section 21. Office of the United Nations High Commissioner
for Refugees

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 37 576 400 |
| Estimate recommended by the Advisory Committee | 37 576 400 |
| Revised appropriations 1988-1989 | 35 932 000 |
| Initial appropriations 1988-1989 | 39 444 400 |
| Actual expenses 1986-1987 | 33 921 300 |

21.1 The Secretary-General's estimate of \$37,576,400 for section 21 is \$1,644,400, or 4.5 per cent, higher than the revised 1988-1989 appropriation. As shown in table 21.1 of the proposed programme budget, the estimate contains no resource growth; rather, the above-mentioned increase is attributed to provision for inflation of \$1,827,600 in 1990-1991, partially offset by the negative revaluation of the 1988-1989 resource base by \$183,200 (at revised 1989 rates).

21.2 Extrabudgetary resources expected to be available to UNHCR in 1990-1991 are projected at \$1,112,423,600, representing an increase of \$218,653,600, or 24.5 per cent, over the estimate for 1988-1989 of \$893,770,000. Of this projection, \$996,311,600 would be for operational projects and \$116,112,000 for services in support of extrabudgetary programmes.

21.3 The maintenance budget proposed for section 21 (see para. 21.1 above), which involves the redistribution of funding for staff and non-staff resources between the regular budget and the UNHCR voluntary fund budget, reflects the outcome of a new agreement reached between the Secretary-General and the High Commissioner with regard to administrative expenditures relating to the Office of the High Commissioner that should be borne by the regular budget of the United Nations in accordance with article 20 of the Statute of UNHCR. This new agreement would supercede the 1982 agreement. Key features of the 1982 agreement and the new agreement are described in paragraphs 21.3 to 21.7 of the proposed programme budget.

21.4 The Advisory Committee notes that, at the present time, the UNHCR overall staffing establishment located at Geneva and in the field is financed from a mix of United Nations regular budget resources and the UNHCR voluntary fund budget. As shown in table 21.5, for 1988-1989 (on the basis of the 1982 agreement referred to in para. 21.3 above), the regular budget finances a total of 244 UNHCR posts, of which 148 posts are located at Geneva and 96 are located in the field. For 1990-1991, the regular budget will continue to finance the same number of posts, that is, 244 posts. However, as a consequence of implementing the new agreement referred to in paragraph 21.3 above, all the 244 posts to be financed from the regular budget will be Geneva-based posts. Moreover, the grade levels of some of the posts to be funded from the regular budget will also change. This is because implementing the new agreement entails: (a) the transfer of the funding for 25 posts in the Professional category and above (2 D-2, 2 D-1, 13 P-5, 8 P-4) and 96 Local level field posts from the regular budget to the UNHCR voluntary fund budget; and (b) the reverse transfer of funding for 15 Professional posts (13 P-3,

2 P-2/1) and 106 General Service posts from the UNHCR voluntary fund budget to the regular budget. Hence the statement in paragraph 21.6 of the proposed programme budget that "additional costs [under the regular budget] would arise from this new arrangement as the cost of staff at Geneva is higher than in field offices"; and hence the resource growth shown under established posts in table 21.4.

21.5 This resource growth under established posts (\$7,147,600 at revised 1989 rates), as well as resource growth requested under general temporary assistance and overtime (\$146,000 at revised 1989 rates), would be fully offset by the corresponding transfer of funding from the regular budget to the UNHCR voluntary fund budget of a total amount of \$7,293,600 (at revised 1989 rates) under various objects of expenditure (table 21.4 of the proposed programme budget). In this connection, in response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that conference-servicing costs of sessions of the Executive Committee of the High Commissioner's programme and its sub-committees continued to be included under section 29 of the proposed programme budget.

21.6 The Advisory Committee sought clarification of the statement in paragraph 21.7 of the proposed programme budget that, if approved by the General Assembly, "the number and level of posts funded from the regular budget, as now proposed [see para. 21.4 above] . . . , would remain unchanged for the four biennial periods subsequent to 1990-1991". Representatives of the Secretary-General explained that the intention was to inject an element of stability into the situation, since, as stated, no further proposals to change UNHCR's staffing establishment funded from the regular budget would be submitted before 1999. In response to its inquiries, representatives of the Secretary-General conceded that while it was possible to question the technical basis for the proposed transfer of funding from the regular budget to UNHCR's voluntary fund budget of certain non-staff costs (for example, resources for travel of staff), it was nevertheless their opinion that the new agreement represented a realistic and pragmatic approach to the matter. Taking into account these clarifications, the Advisory Committee recommends approval of the proposed transfers of funding for staff and non-staff costs between the regular budget and the UNHCR voluntary fund budget.

21.7 As shown in table 21.5 of the proposed programme budget, a total of 1,037 extrabudgetary posts are expected to be available to UNHCR in 1990-1991; this is 251 posts more than the 1988-1989 total of 786 posts. In this connection, the Advisory Committee notes, on the basis of past experience, that this projected number of extrabudgetary-funded posts, as well as the corresponding projection of extrabudgetary resources expected to be available to UNHCR in 1990-1991 (see para. 21.2 above), is preliminary pending the submission of the High Commissioner's report on UNHCR activities financed by voluntary funds for 1988-1989 and the proposed programme and budget for 1990, which is to be examined by the Advisory Committee and by the Executive Committee of the High Commissioner's programme later in 1989.

21.8 Bearing in mind its observations above, the Advisory Committee recommends approval of the Secretary-General's estimate of \$37,576,400 for section 21.

Section 22. Office of the United Nations Disaster Relief Co-ordinator

United States dollars

| | |
|--|-----------|
| Estimate submitted by the Secretary-General | 6 910 700 |
| Estimate recommended by the Advisory Committee | 6 910 700 |
| Revised appropriations 1988-1989 | 6 944 800 |
| Initial appropriations 1988-1989 | 7 289 400 |
| Actual expenses 1986-1987 | 6 053 900 |

22.1 The estimate of \$6,910,700 for UNDRO is \$34,100, or 0.4 per cent, lower than the revised appropriation of \$6,944,800 for 1988-1989. As shown in table 22.1 of the proposed programme budget, the estimate includes resource growth of \$47,400 (at revised 1989 rates). That amount, which is non-recurrent, relates to the acquisition of additional computer equipment, as explained in paragraph 22.32 of the proposed programme budget.

22.2 Extrabudgetary resources in 1990-1991 are estimated at \$3,595,000, comprising \$673,000 for services in support of extrabudgetary programmes, \$2,227,000 for substantive activities and \$695,000 for operational projects (table 22.1 (2)).

22.3 As shown in table 22.5 of the proposed programme budget, no changes are proposed in the number and composition of established posts approved for 1988-1989, i.e. 1 USG, 1 D-2, 2 D-1, 3 P-5, 6 P-4, 3 P-3, 3 P-2/1, and 12 General Service, including 3 at the Principal level. However, as discussed below, various redeployments among the organizational units of UNDRO have been proposed. The non-recurrent temporary P-5 post approved for 1988-1989 has not been requested for 1990-1991.

22.4 As explained in paragraph 22.2 of the proposed programme budget, the General Assembly, by its decision 42/433 of 11 December 1987, requested the Secretary-General to implement the recommendation contained in his report (A/42/657) that UNDRO should focus its efforts on sudden natural disasters and on preparedness and prevention measures related thereto. The same report had recommended that the Management Advisory Service should assist in adjusting the work programme and organization of UNDRO to reflect that emphasis.

22.5 At its request, the Advisory Committee was provided with the Management Advisory Service study of UNDRO; in this connection, it notes that it was recommended by Management Advisory Service that the Relief Co-ordination and Preparedness Branch be relieved of its preparedness function and renamed the Relief Co-ordination Branch. It was further recommended that the Prevention and Support Services Branch be renamed the Disaster Mitigation Branch and that it assume the preparedness function while being relieved of its functions relating to information dissemination, publication of UNDRO News, editing, management of the publications programme, communications and electronic data-processing support, registry, reference library and development of data bases. Those functions would be supervised henceforth by the Director and Deputy to the Co-ordinator; as a result

of this transfer, the substantive branches of UNDRO would perform only substantive activities.

22.6 As stated in paragraph 22.6 of the proposed programme budget, a number of redeployments recommended by the Management Advisory Service have been proposed among units of UNDRO as follows:

| Programme | Posts redeployed to the programme | Posts redeployed out of the programme | Paragraph reference |
|--|-----------------------------------|---------------------------------------|---------------------|
| Executive direction and management | 3 P-3, 5 GS | - | 22.9 |
| Disaster relief co-ordination, preparedness and prevention | - | 3 P-3, 3 GS | 22.16 |
| Administration and common services | - | 2 GS | 22.26 |

22.7 As can be seen from the above, eight posts are proposed to be transferred to Executive Direction and Management. In this connection, the Advisory Committee notes from paragraph 22.16 of the proposed programme budget that the three P-3 and three General Service posts proposed to be transferred from the disaster relief co-ordination, preparedness and prevention programme relate to information/research and communications/electronic data-processing activities that are being centralised under executive direction and management pursuant to the Management Advisory Service recommendation. The remaining two General Service posts proposed to be transferred from the administration and common services programme reflect the proposed transfer, as also recommended by the Management Advisory Service, of the reference library and data base registers to executive direction and management.

22.8 As noted in paragraph 22.4 of the proposed programme budget, the General Assembly has designated the 1990s as the International Decade for Natural Disaster Reduction. The Advisory Committee notes that UNDRO is "actively involved, notably through the participation of the Co-ordinator as Vice-Chairman of the Steering Committee for activities for the Decade, and through the provision of a small secretariat, funded from extrabudgetary sources, to support the work of the Steering Committee". In response to inquiries concerning the preparations under way for the decade, the Committee was informed that the above-mentioned Steering Committee, which is chaired by the Director-General for Development and International Economic Co-operation, met four times in 1988 and 1989 in order to discuss substantive and procedural matters and to finalize preparations for the Decade; a final meeting is scheduled for June 1989. The Committee was also informed that in order to integrate scientific and technical inputs external to the United Nations, the Secretary-General designated an ad hoc group of 25 international experts to advise him on the framework of the Decade. The final

report of the group, the related cost of which was funded from extrabudgetary resources, was to be submitted to the Secretary-General in June 1989. The Secretary-General's proposals for the institutional machinery and the secretariat arrangements for the Decade will be submitted to the General Assembly at its forty-fourth session, through the Economic and Social Council.

22.9 The Advisory Committee recommends approval of the estimate of \$6,910,700 for section 22.

Section 23. Human rights

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 17 387 700 |
| Estimate recommended by the Advisory Committee | 17 164 400 |
| Revised appropriations 1988-1989 | 16 937 200 |
| Initial appropriations 1988-1989 | 17 008 800 |
| Actual expenditure 1986-1987 | 13 568 700 |

23.1 The Secretary-General's estimate of \$17,387,700 for section 23 is \$450,500, or 2.6 per cent, more than the revised appropriations for 1988-1989. As can be seen from table 23.1 of the proposed programme budget, resource growth has been estimated at \$212,300 (at revised 1989 rates) and includes \$34,600 for non-recurrent items. The rate of real growth has been calculated at 1.0 per cent.

23.2 Table 23.1 also indicates that extrabudgetary resources for human rights in 1990-1991 are estimated at \$8,091,400, including \$179,400 for services in support of extrabudgetary programmes and \$7,912,000 for substantive activities.

23.3 As can be seen from table 23.5 of the proposed programme budget, a total of 73 established posts (45 in the Professional category and above - 3 D-1, 7 P-5, 13 P-4, 13 P-3 and 9 P-2/1 - and 28 in the General Service category, none of which is at the Principal level) have been requested for 1990-1991, unchanged from 1988-1989. The Advisory Committee notes that, although not explicitly identified in table 23.5 of the proposed programme budget, the total 1988-1989 regular budget staffing complement shown for the Centre for Human Rights at 31 December 1989 of 73 established posts includes a proposal by the Secretary-General to abolish one Assistant Secretary-General post in this office (see chap. I, paras. 24-27 above).

23.4 The estimate of \$17,387,700 for 1990-1991 comprises \$5,057,800 for policy-making organs, \$1,253,500 for executive direction and management (including the New York Liaison Office) and \$11,076,400 for human rights activities. A breakdown by object of expenditure is provided in table 23.4 of the proposed programme budget. The Advisory Committee welcomes the changes in presentation that have been made in this section compared with 1988-1989.

23.5 Table 23.6 provides an analysis of overall costs under policy-making organs. As can be seen from that table, an amount of \$790,300 is estimated in 1990-1991 to cover travel of representatives and travel of staff for sessions of the Human Rights Committee of which two each year will be at Geneva (no travel of staff) and one annually in New York. The Advisory Committee points out that, since human rights activities are now based at Geneva, the practice of holding sessions in New York results in the need to relocate large numbers of staff as well as the need to ship a large volume of documentation. The Advisory Committee was informed that substantial financial savings, as well as gains in productivity, would result if all meetings were held at Geneva. In response to inquiries, the Advisory Committee was provided with the following table comparing the costs of holding one session at Geneva with the costs of holding the session in New York:

United States dollars

| | <u>New York</u> | <u>Geneva</u> | <u>Difference</u> |
|-----------------------------------|-----------------|----------------|-------------------|
| (a) <u>Section 23</u> | | | |
| Travel of representatives | 156 100 | 94 500 | 61 600 |
| Travel of staff | 50 050 | - | 50 050 |
| (b) <u>Section 28F</u> | | | |
| Air freight | 5 800 | - | 5 800 |
| (c) <u>Section 29 (full cost)</u> | | | |
| Conference services | <u>510 000</u> | <u>441 700</u> | <u>68 300</u> |
| Total | <u>721 950</u> | <u>536 200</u> | <u>185 750</u> |

23.6 Bearing in mind the legal status of this and other "treaty bodies", the Advisory Committee recommends that the possibilities be explored of formulating the meeting schedule of the Human Rights Committee in the most cost-effective manner. In the mean time the Advisory Committee recommends that the estimate under section 23 be reduced by \$223,300 for 1990-1991. The corresponding reduction under sections 28F and 29 may be found in paragraphs 28F.13 and 29.29 below.

23.7 The Committee notes from paragraph 23.15 of the proposed programme budget that \$536,700 (at revised 1989 rates) relate to the fees, travel costs and subsistence allowances of the "third member" of the Committee on Missing Persons in Cyprus and his two assistants. The Committee notes that, in addition, there are a number of other costs associated with this Committee, including general temporary assistance, rental and maintenance of premises, rental and maintenance of equipment and communications, with a total estimate of \$816,300 for 1990-1991 being shown for the Committee in table 23.6. In view of the magnitude of the costs involved, the Advisory Committee recommends that the Secretary-General explore less costly alternative arrangements with respect to the Committee on Missing Persons in Cyprus.

23.8 Also included in table 23.6 for the biennium 1990-1991 is \$1,685,300 for Economic and Social Council mandates. The Advisory Committee recalls that, prior to the biennium 1986-1987, no provision was made for these activities; instead the resources necessary to implement the mandates were sought annually, principally under the terms of the resolution on unforeseen and extraordinary expenses for the biennium concerned. The Advisory Committee notes that resource growth is shown for various objects of expenditure, including \$65,000 (at revised 1989 rates) for travel of staff to service meetings, \$51,200 (at revised 1989 rates) for travel of representatives and \$40,000 (at revised 1989 rates) for general temporary assistance. In response to inquiries, the Advisory Committee was informed that these estimates took into account the possibility that additional requirements might arise in this area.

23.9 The activities carried out by the Centre for Human Rights are described in paragraphs 23.35 to 23.46 and table 23.9 and 23.10 of the proposed programme budget. The Advisory Committee was informed that the estimates relating to the distribution of regular budget and extrabudgetary resource requirements had been carefully prepared on the basis of experience. Nevertheless, the Advisory

Committee is of the view that the indication of allocation of resources by subprogramme and by output needs improvement.

23.10 The Advisory Committee is concerned at the apparent overlapping among the publications prepared by the Centre and trusts that all necessary steps will be taken to streamline publications and documents as well as to ensure that no duplication occurs.

23.11 In paragraph 23.6 above, the Advisory Committee has recommended a reduction in the Secretary-General's estimate for section 23 of \$223,300, from \$17,387,700 to \$17,164,400.

Reduction recommended

United States dollars

Section 23. Human rights

223 300

Section 24. Regular programme of technical co-operation

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 35 812 800 |
| Estimate transmitted by the Advisory Committee | 35 812 800 |
| Revised appropriations 1988-1989 | 32 418 400 |
| Initial appropriations 1988-1989 | 32 346 100 |
| Actual expenses 1986-1987 | 24 567 800 |

24.1 The estimate of \$35,812,800 for section 24 is \$3,394,400, or 10.4 per cent, higher than the revised 1988-1989 appropriation. As shown in table 24.1 of the proposed programme budget, the estimate, in keeping with past practice, contains no resource growth; the above-mentioned increase is attributable to the revaluation of the 1988-1989 resource base (\$804,700) and inflation (\$2,589,700).

24.2 In response to inquiries, the Advisory Committee was informed that the amount of \$804,700 shown in the revaluation of the 1988-1989 resource base column comprises a reduction of \$18,400 in respect of currency, which reflects the recosting of the 1988 portions of the appropriations at the various duty stations to the rates of exchange used for 1989, and an increase of \$823,100 for inflation, which is the result of the application to the 1988 portions of the appropriations at the various duty stations of the rates of inflation assumed for 1989.

24.3 The Committee notes that the estimate for inflation in 1990-1991 (\$2,589,700) is the result of the application of the inflation rates assumed for the various duty stations; the relevant duty stations in respect of section 24 are Addis Ababa, Baghdad, Bangkok, Geneva, Nairobi, New York, Santiago and Vienna. At its request the Committee was provided with a breakdown of the estimate by duty station.

24.4 As stated in paragraph 24.4 of the proposed programme budget, the regular programme of technical co-operation comprises activities in a variety of programmes and is divided into two components, i.e. sectoral advisory services (\$22,656,400) and regional and subregional advisory services (\$13,156,400). As further noted by the Secretary-General, in paragraph 24.5, there are three main types of activities financed under section 24: short-term advisory services, field projects and training.

24.5 An indicative breakdown of the estimate of \$22,656,400 for sectoral advisory services by programme and implementing office is provided in table 24.4 of the proposed programme budget. As shown therein, the Department of Technical Co-operation for Development is responsible for implementing the bulk of the estimate, i.e. \$17,110,900; other implementing offices include the Department of International Economic and Social Affairs, the Centre for Social Development and Humanitarian Affairs, the United Nations Centre on Transnational Corporations UNCTAD, Habitat and the Centre for Human Rights. As indicated by the Secretary-General, the Department of International Economic and Social Affairs and the Centre for Social Development and Humanitarian Affairs provide substantive support to the Department of Technical Co-operation for Development as the actual implementing office.

24.6 Table 24.5 summarizes the post requirements for interregional advisers by programme of activity and by implementing office (the Department of International Economic and Social Affairs, the Department of Technical Co-operation for Development, the Centre for Social Development and Humanitarian Affairs, the United Nations Centre on Transnational Corporations, UNCTAD and Habitat). A total of 44 interregional advisers are shown for 1990-1991 as compared to 42 in 1988-1989. In this connection, the Advisory Committee notes that an additional interregional adviser is shown for the programme on social development and humanitarian affairs; in addition, for the first time an adviser is shown in respect of the programme on transnational corporations. Although the table summarizes the "post" requirements for the interregional advisers, the Advisory Committee recalls that the resources for interregional advisers are not approved as posts par se; instead the resources are approved as a lump sum designed to cover the cost of the number of interregional advisers who have been requested.

24.7 Regional and subregional advisory services are discussed in paragraph 24.30 of the proposed programme budget. As stated in that paragraph, in accordance with General Assembly resolution 2803 (XXVI) of 14 December 1971, "provision is made for a system of regional and subregional advisory services for the purpose of assisting developing countries members of the regional commissions in problems that they may encounter in their national efforts in development". Table 24.6 of the proposed programme budget summarizes the resource requirements by programme of activity and implementing office, while table 24.7 summarizes the post requirements of the 41 regional advisers by programme of activity and implementing office.

24.8 As shown in table 24.6, an amount of \$329,500 is shown for ECE in respect of transport, communications and tourism. In response to inquiries, the Committee was informed that this relates to the provision of short-term advisory services in the field of transport. Such services are limited to countries that are entitled to indicative planning figure allocations from UNDP, namely, Albania, Bulgaria, Cyprus, Hungary, Malta, Poland, Portugal, Romania, Turkey and Yugoslavia. The services are designed to assist such countries in contributing to the harmonization and co-ordination of their transport requirements and regulations in Europe as envisaged in the programme of work of ECE.

24.9 The Advisory Committee transmits the estimates under section 24 to the General Assembly for appropriate action.

PART V

INTERNATIONAL JUSTICE AND LAW

Section 25. International Court of Justice

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 13 682 600 |
| Estimate recommended by the Advisory Committee | 13 682 600 |
| Revised appropriations 1988-1989 | 13 250 800 |
| Initial appropriations 1988-1989 | 12 527 700 |
| Actual expenses 1986-1987 | 11 175 000 |

25.1 The estimate for section 25 amounts to \$13,682,600 and is \$431,800, or 3.2 per cent, greater than the 1988-1989 revised appropriations of \$13,250,800. As can be seen from table 25.1 of the proposed programme budget, resource growth (at revised 1989 rates) is estimated at \$272,200. Taking into account an amount of \$58,300 for non-recurrent items, the rate of real growth has been calculated at 2.7 per cent.

25.2 Table 25.5 shows a total of 54 regular budget established posts for 1990-1991 (1 ASG, 1 D-2, 1 D-1, 3 P-5, 5 P-4, 6 P-3, 5 P-2/1 and 32 General Service, of which 6 are at the Principal level), an increase of 13 over the establishment for 1988-1989 (2 P-4, 4 P-3 and 7 General Service). Ten of the new posts (two P-4, two P-3, six General Service) are the result of conversion from temporary status.

25.3 The estimate of \$4,667,700 for members of the Court covers salaries and allowances for judges, their pensions, travel and common costs (table 25.6 and paras. 25.7-25.11 of the proposed programme budget).

25.4 The estimate for the Registry is \$6,986,500 for 1990-1991 (table 25.7). Resource growth of \$181,500 (at revised 1989 rates) includes an amount of \$930,200 for established posts and common staff costs, and \$2,900 for hospitality, partially offset by a reduction of \$751,600 for temporary posts.

25.5 In paragraph 25.12 of the proposed programme budget the establishment of two P-3 posts for jurist linguists to assist in research and one G-4 post for secretarial assistance is proposed. For the reasons given in that paragraph, the Advisory Committee recommends acceptance of the proposal.

25.6 Likewise the Committee has no objection to the conversion from temporary to established basis of the 10 posts mentioned in paragraph 25.16 of the proposed programme budget.

25.7 Costs for common services have been estimated at \$2,028,400 (table 25.8). This estimate includes resource growth of \$85,300 (at revised 1989 rates) for

rental and maintenance of equipment (\$27,000) and furniture and equipment (\$58,300). These requests are explained in paragraphs 25.21 and 25.23 of the proposed programme budget.

25.8 The Advisory Committee recommends acceptance of the estimate of \$13,682,600 under section 25 of the proposed programme budget for the biennium 1990-1991.

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 18 550 000 |
| Estimate recommended by the Advisory Committee | 18 550 000 |
| Revised appropriations 1988-1989 | 16 634 000 |
| Initial appropriations 1988-1989 | 16 706 000 |
| Actual expenses 1986-1987 | 13 493 000 |

26.1 The estimate of \$18,550,000 for this section is \$1,916,000, or 11.5 per cent, higher than the revised appropriation for 1988-1989 (table 26.1 of the proposed programme budget). Resource growth is estimated at \$626,900 (at revised 1989 rates); however, after deleting \$895,500 (at revised 1989 rates) for non-recurrent items, the Secretary-General calculates a rate of real growth for this section of -1.6 per cent.

26.2 Extrabudgetary resources in 1990-1991 are estimated at \$1,359,900 for services in support of other United Nations organisations. The Advisory Committee was informed that the small increase in this estimate, compared with the estimate for 1988-1989, resulted from a change in the calculation of common staff costs for those posts financed from extrabudgetary resources. The Advisory Committee was also informed that additional extrabudgetary resources for 1990-1991, amounting to some \$342,206, had been omitted from the table (see also chap. I, para. 84, above).

26.3 As can be seen from table 26.5, a total of 101 regular-budget posts - 53 in the Professional category and above (1 USG, 2 D-2, 6 D-1, 12 P-5, 14 P-4, 10 P-3 and 8 P-2/1) and 48 in the General Service category, including 6 at the Principal level - are requested for 1990-1991, unchanged from the previous biennium. In addition, table 26.5 indicates a total of 11 extrabudgetary posts, 6 in the Professional category and above (1 D-2, 1 D-1, 1 P-4, 1 P-3 and 2 P-2/1) and 5 in the General Service category.

26.4 As shown in table 26.8, the estimate for 1990-1991 of \$2,534,500 for policy-making organs includes the International Law Commission (\$1,856,200), UNCITRAL (\$317,700) and the United Nations Administrative Tribunal and its secretariat (\$360,600). The Advisory Committee notes that some \$63,800 (at revised 1989 rates) of the \$82,900 resource growth for the United Nations Administrative Tribunal is a result of the extension of the Tribunal's sessions from four to five weeks (paras. 26.15 and 26.16 of the proposed programme budget). In response to a query, the Advisory Committee was informed that any additional staff requirements that might result from the extension of this session would require extrabudgetary financing.

26.5 The estimate for the Office of Legal Affairs is \$16,015,500 for 1990-1991 and includes resource growth of \$497,000 (at revised 1989 rates), attributable mostly to general temporary assistance (\$602,100 at revised 1989 rates) and furniture and equipment (\$80,000), and partially offset by a decrease of \$231,800 (at revised

1989 rates) for external printing and binding (table 26.16 of the proposed programme budget).

26.6 According to paragraph 26.32 of the proposed programme budget, the negative resource growth of \$358,300 relating to external printing and binding for this section is attributable to the reduction in the number of Treaty Series volumes to be published in 1990-1991.

26.7 The Advisory Committee recalls that the General Assembly, at its thirty-sixth session, approved a 10-year plan (1 January 1980-31 December 1989) for elimination of the backlog of the United Nations Treaty Series. In the context of his progress report to the Advisory Committee on this matter, the Secretary-General informed the Committee that, as a result of recruitment difficulties and the recruitment freeze, the plan had fallen behind schedule and consequently the backlog would not be eliminated by 31 December 1989. The Secretary-General proposes, therefore, that the plan be extended over the forthcoming two bienniums, 1990-1991 and 1992-1993, and proposes a schedule of producing 20 volumes of the backlog treaties per year. In response to queries, the Advisory Committee was informed that 99 volumes would be outstanding as at 31 December 1989. The Advisory Committee points out that on that basis the backlog would not be eliminated until 1995.

26.8 The Advisory Committee deeply regrets that this matter has dragged on for so many years. Under the circumstances, however, the Advisory Committee concurs in the Secretary-General's proposal, on the understanding that this will be the last extension requested and that the backlog will be completely eliminated by 1995. The Advisory Committee requests the Secretary-General to submit a progress report to the Committee in 1991, in the context of preparing the 1992-1993 budget.

26.9 The Advisory Committee recommends approval of the Secretary-General's estimate of \$18,550,000 for section 26.

PART VI

PUBLIC INFORMATION

Section 27. Public information

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 84 870 900 |
| Estimate recommended by the Advisory Committee | 84 858 100 |
| Revised appropriations 1988-1989 | 78 255 800 |
| Initial appropriations 1988-1989 | 77 001 700 |
| Actual expenses 1986-1987 | 65 407 800 |

27.1 The Secretary-General's estimate for section 27 of \$84,870,900 is \$6,615,100, or 8.4 per cent, higher than the revised 1988-1989 appropriation of \$78,255,800 (table 27.1). The proposed increase of \$6,615,100 is attributed to revaluation of the 1988-1989 resource base (\$360,100 at revised 1989 rates), resource growth (\$707,000 at revised 1989 rates) and provision for inflation in 1990-1991 (\$5,548,000). However, after deleting an amount of \$1,611,900 (at revised 1989 rates) for non-recurrent items, the Secretary-General calculates the rate of real growth for this section at -1.1 per cent. The estimate of \$84,870,900 consists of \$55,292,400 for the Department of Public Information, Headquarters; \$4,953,000 for the Information Service, Geneva; \$1,688,600 for the Information Service, Vienna; and \$22,936,900 for United Nations information centres (table 27.3).

27.2 The estimate of \$1,611,900 (at revised 1989 rates) for non-recurrent resource requirements in 1990-1991 relate to the Secretary-General's proposals concerning temporary posts and external printing and binding (\$445,000 and \$381,500 respectively, see para. 27.10 below) in connection with the production of the African Recovery newsletter; acquisition of office automation equipment and related travel of staff (\$564,000 and \$26,400 respectively, see para. 27.20 below) in the context of implementing a four-year plan to promote application of modern technologies in the Department of Public Information; and acquisition and replacement public information equipment (\$195,000, see para. 27.21 below).

27.3 Extrabudgetary resources expected to be available to the Department of Public Information in 1990-1991 are projected at \$4,730,000. This compares with the revised estimate of \$5,280,000 for 1988-1989. In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that in 1988 extrabudgetary funds were used, inter alia, to finance the cost of a symposium on the role of the United Nations in the promotion and maintenance of world peace, with particular emphasis on conflict resolution and peace-keeping. The Committee was also informed that extrabudgetary funds available to the Department in 1989 would, inter alia, finance information activities on natural disasters. The Advisory Committee notes that offers of extrabudgetary resources are in the form of cash, kind or services.

27.4 The organizational and programmatic structure of the Department as well as proposed resource requirements in 1990-1991 have to be examined in the light of changes arising from the implementation of General Assembly resolution 41/213 of and other pertinent decisions, including recommendations of the Committee for Programme and Co-ordination, 34/ and recommendations of the Advisory Committee (A/43/651, paras. 40-60).

27.5 The format and presentation of section 27 take into account the considerations outlined in paragraph 27.8 of the proposed programme budget. In paragraph 27.8, it is stated, inter alia, that:

"Because the organisational structure of the Department cuts across these three subprogrammes [i.e. promotional services, information services and public services], resource requirements continue to be shown by main organizational unit. For each such unit, however, the activities undertaken under the three subprogrammes are outlined through an indication of the outputs already cited in the presentation by thematic category."

The Advisory Committee believes that the format and presentation for section 27 can be further improved, particularly in respect of providing information that would facilitate understanding of the distribution of DPI resources among the subprogrammes. In the circumstances, the Advisory Committee requested a programmatic breakdown of the estimate of \$84,870,900 for section 27. Representatives of the Secretary-General informed the Committee that the distribution of resources by subprogramme was as follows:

| | <u>United States dollars</u> |
|--|------------------------------|
| Promotional services | 16 352 900 |
| Information services (incl. Palestine) | 49 234 100 |
| Public services | 10 971 700 |
| Namibia | 855 000 |
| Executive direction and management | 3 145 400 |
| Programme support | <u>4 311 800</u> |
| Total | <u>84 870 900</u> |

27.6 The Advisory Committee notes that the amount of \$84,870,900 requested under section 27 does not represent the totality of resources devoted by the United Nations to public information activities. At its request, representatives of the Secretary-General provided an indicative breakdown of resources estimated at \$15,194,600 (at revised 1989 rates) requested for public information activities under other sections of the proposed programme budget for the biennium 1990-1991, as follows:

34/ Official Records of the General Assembly, Forty-third Session, Supplement No. 16 (A/43/16), part II, paras. 82-88.

Estimates of regular budget resources devoted to public information
in the proposed programme budget for the biennium 1990-1991

(At revised 1989 rates)

| | <u>Number of posts</u> | | Total cost, including other objects of expenditure (Thousands of United States dollars) |
|--|------------------------|-----------------|---|
| | Professional | General Service | |
| General Assembly | - | - | 634.7 |
| World Food Council | 1 | - | 189.2 |
| Division for Palestinian Rights | 3 | 2 | 608.4 |
| UNRWA | 2 a/ | - | 534.5 |
| Department for Disarmament Affairs | b/ | b/ | 3 899.3 |
| Department for Special Political Questions, Regional Co-operation, Decolonization and Trusteeship | 2 | 1 | 387.6 |
| Office of the United Nations Commissioner for Namibia | 5 | 3 | 3 262.9 |
| Centre Against Apartheid | 7 c/ | 4 | 1 656.7 |
| ESCAP | 2 | 6 | 907.8 |
| ECLAC | 1 | 4 | 429.1 |
| ECA | 2 | 2 | 381.8 |
| ESCWA | 1 | 3 | 338.5 |
| UNCTAD | 3 | 3 | 988.9 |
| UNEP | 1 | 1 | 257.6 |
| Centre for Human Rights | 3 | 1 | 717.6 |
| Total | 33 | 30 | 15 194.6 |

a/ Plus 12 work-months of 1 P-4.

b/ 132 work-months of Professional staff and 84 work-months of General Service staff.

c/ Plus 20 work-months of 1 D-1 and 18 work-months of 1 P-4.

27.7 In this connection, the Advisory Committee recalls its discussion of the question of consolidation in the Department of Public Information of public information activities of the Secretariat external to the Department in paragraphs 53 to 60 of its report on revised programme budget estimates for the biennium 1988-1989 (A/43/651 and Add.1). Paragraph 60 of that report stated:

"The Advisory Committee recognizes the constraints involved in consolidating public information activities as enumerated by the Secretary-General. At the same time it believes that efforts to do so must continue and it therefore urges that the further review referred to by the Secretary-General be undertaken no later than 1992. It also expects that the Department of Public Information and the other offices involved in public information activities will strive for better co-operation among themselves so that resources appropriated can be applied for optimum results ..."

27.8 For 1990-1991, the Secretary-General proposes a regular budget staffing complement of 662 established posts (230 posts in the Professional category and above; 165 General Service posts, including 9 at the Principal level; 260 Local level posts; and 7 Trades and Crafts posts) for the Department (table 27.5). While the total number of posts remains unchanged from that approved for 1988-1989, it includes a request in paragraphs 27.34 and 27.35 of the proposed programme budget for conversion of 21 recurrent temporary posts (1 P-5, 9 P-3, 7 P-2/1 and 4 General Service posts) to an established basis. The Advisory Committee recommends acceptance of this request.

27.9 For reasons explained in paragraph 27.5, and as indicated in tables 27.7 and 27.21 and paragraphs 27.11 and 27.72 of the proposed programme budget, the proposed staffing establishment for the Department (see para. 27.8 above) also reflects the incorporation of posts and their related functions from the former Division for Committee Liaison and Administrative Service and former Bureau of Programme Operations into the Office of the Under-Secretary-General (including the Executive Office). The Advisory Committee notes that there is no accompanying description of the consequent changes to the programmes of activity under executive direction and management and trusts that this omission will be rectified in future submissions.

27.10 In addition, in paragraph 27.24 of the proposed programme budget, the Secretary-General requests the establishment, for 24 work-months each, of 4 non-recurrent temporary posts (1 P-5, 1 P-3 and 2 General Service posts) for "the production of the Africa Recovery newsletter and the information kit on African economic recovery". As shown in table 27.10, the salary and common staff costs of these posts are estimated at \$445,000 (at revised 1989 rates). At the same time, the Secretary-General also requests, in paragraph 27.28, provision of \$381,500 (at revised 1989 rates) in non-recurrent resources under external printing and binding for the cost of publishing the Africa Recovery newsletter. In this connection, it is stated in paragraph 27.23 of the proposed programme budget that the non-recurrent regular budget resources requested above are necessary "in order to assure a basic level of resources for this information programme". Bearing in mind that by paragraph 2 of its resolution 43/27 of 18 November 1988, the General Assembly decided "to conduct a final review and appraisal of the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 at its forty-sixth session", the Advisory Committee recommends approval of the Secretary-General's requests for four non-recurrent temporary posts and resources for external printing and binding.

27.11 A total of 55 extrabudgetary posts (8 in the Professional category, 15 General Service, including 1 at the Principal level, and 32 Local level posts) are expected to be available to the Department in 1990-1991. This is three posts less (one Professional and two Local level posts) than the number available for 1988-1989 (table 27.5).

27.12 The bulk (\$262,000) of the estimate of \$270,600 for fellowships is shown under requirements of the Communications and Project Management Division. The estimate (\$262,000) is intended to cover the cost of travel and stipends of broadcasters and journalists selected for the annual training programme initiated in 1981 pursuant to General Assembly resolution 35/201 of 16 December 1980 (tables 27.4 and 27.10 and paragraph 27.32 of the proposed programme budget). In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that in recent years approximately 16 journalists from developing countries were invited to participate annually. Participants were requested to complete an internal evaluation questionnaire upon the conclusion of each programme. In the opinion of the Advisory Committee, the results of analyses of such evaluations should be reported to the Committee on Information.

27.13 Estimated requirements of the Communications and Project Management Division also include an estimate of \$138,900 for personal services. This estimate would, finance, *inter alia*, the cost of "training sessions in public speaking and television presentation" (table 27.10 and para. 27.25 of the proposed programme budget). According to representatives of the Secretary-General, it had been assumed that eight such training sessions would be conducted during 1990-1991 at an estimated cost of \$12,800. The Advisory Committee is not convinced of the need for this activity and accordingly recommends that the estimate for personal services be reduced by \$12,800, from \$138,900 to \$126,100.

27.14 As indicated in table 27.12 and paragraph 27.45 of the proposed programme budget, proposed requirements for the Information Products Division include an estimate of \$6,031,500 for 1990-1991 under telecommunications services to cover the cost of contractual arrangements (currently provided by B. Eichwald and Company) for the provision of telecommunications, electrical maintenance and electrical construction services to the United Nations. Resources for the provision of such services are also requested under sections 28D (Office of General Services, Headquarters) and 32 (Construction, alteration, improvement and major maintenance of premises) of the proposed programme budget.

27.15 The estimate of \$231,500 for external printing and binding in the Information Products Division covers, *inter alia*, the cost of printing the 1986 and 1987 volumes, in English only, of the Yearbook of the United Nations (programme element 1.8, output (v), in the programme narrative following para. 27.8, table 27.12, and para. 27.43 of the proposed programme budget). The Advisory Committee notes that the proposed production dates for the above-mentioned volumes of the Yearbook represent further slippage from the revised production schedule previously provided by representatives of the Secretary-General and reflected in paragraph 27.37 of the Advisory Committee's first report on the proposed programme budget for the biennium 1986-1987. ^{35/} At that time, it was projected that the 1986 and 1987 volumes of the Yearbook would be published in August 1989 and June 1990 respectively.

27.16 The Committee also inquired as to the status of its recommendation contained in paragraph 27.12 of its first report on the proposed programme budget for the biennium 1988-1989, ^{2/} that "the Secretary-General implement without further delay the decision of the General Assembly [resolution 40/252, sect. I, para. 3] that

^{35/} Ibid., Fortieth session, Supplement No. 7 (A/40/7).

abbreviated editions of the Yearbook be produced until the backlog is eliminated". Representatives of the Secretary-General informed the Committee that by and large this recommendation had not been implemented and that it was envisaged that the backlog in publishing the Yearbook would continue. However, some progress had been made in terms of further reducing the total number of pages per volume and improving circulation and sales. In this connection, the Advisory Committee notes output (ii) of programme element 1.9 in the programme narrative shown in paragraph 27.8 of the proposed programme budget, which states the Secretariat's intention to undertake "a comprehensive review of the production, staffing, management, editorial policies, distribution and usefulness of the UN Yearbook, with a view to recommending appropriate changes for a timely and useful product. The results of the review will be submitted in a report to the Committee on Information at its substantive session in 1991".

27.17 Estimated requirements for the Information Products Division also include, under grants and contributions, \$400,000 as contribution towards the financing of Development Forum (table 27.12 and para. 27.49 of the proposed programme budget). At its request, representatives of the Secretary-General provided to the Advisory Committee a breakdown, shown below, of income and expenditures for Development Forum and Development Business (the business edition of Development Forum) during 1986-1987 and estimates for 1988-1989. The breakdown also indicates the subventions received from participating organizations towards the financing of Development Forum during those bienniums.

Development Forum and Development Business

Actual income and expenditure in 1986-1987
and estimates for 1988-1989

| | Actual 1986-1987 | Estimates 1988-1989 |
|---|-------------------------|-------------------------|
| (United States dollars) | | |
| A. Development Forum | | |
| (i) Income | | |
| United Nations | 340 000 | 400 000 |
| IFAD | 14 000 | 10 000 |
| UNDP | 65 004 ^{a/} | - |
| UNEP | 24 000 | 24 000 |
| UNFPA | 50 000 | 75 000 |
| UNICEF | 89 200 | 89 200 |
| UNU | 299 919 | 20 000 |
| WHO | 24 000 | 24 000 |
| Subventions from other participating organizations | 49 902 | 55 600 |
| African Development Bank | 22 800 | 22 800 |
| Miscellaneous income | <u>3 000</u> | <u>-</u> |
| Total | 981 825 | 720 600 |
| (ii) Expenditure | <u>1 450 991</u> | <u>1 321 000</u> |
| (iii) Surplus/(deficit) | <u>(469 166)</u> | <u>(600 400)</u> |
| B. Development Business | | |
| (i) Income | 2 189 267 | 2 460 000 |
| (ii) Expenditure | <u>1 733 155</u> | <u>1 755 000</u> |
| (iii) Surplus/(deficit) | <u>456 112</u> | <u>705 000</u> |
| Net surplus/(deficit) | | |
| (B (iii) over A (iii)) | <u>(13 054)</u> | <u>104 600</u> |

^{a/} Excludes contributions in kind in the form of staff costs of \$133,300 provided by UNDP in 1986-1987.

27.18 The Advisory Committee notes from the table above and from additional information provided by representatives of the Secretary-General, that Development Forum is running at a loss and that its operating deficit is being covered by surplus income from Development Business. Moreover, contributions from participating organizations towards the financing of Development Forum continue to decline. The Committee is concerned at this trend, bearing in mind that in paragraph 1 (45) of its resolution 41/68 A of 3 December 1986, the General Assembly urged the Secretary-General "to continue his efforts to secure a sound and stable financial basis for Development Forum, the only inter-agency publication of the United Nations system that concentrates on development issues". Should this trend continue, the Secretariat may need to re-examine, at an early date, the future arrangements for Development Forum. In this connection, the Committee also draws the attention of the General Assembly to the recent introduction and publication by UNDP of its own periodical, World Development. While the current format and presentation, style, orientation and substance of World Development differ from those of Development Forum, there is potential for future competition and overlap between the two publications. The Committee expects in this regard that discussions on the subject between the United Nations and UNDP will clarify the respective roles and target audiences of the two publications.

27.19 The Advisory Committee notes that, for reasons explained in paragraph 27.71 of the proposed programme budget, the Secretary-General's estimate of \$855,000 for information activities on Namibia is provisional, since it will be revised "on the basis of decisions that the [General] Assembly may adopt in connection with the question of Namibia".

27.20 The Secretary-General requests non-recurrent resources totalling \$590,400 (at revised 1989 rates) to implement a four-year plan to promote the use and application of modern technologies in the Department of Public Information. The estimate comprises amounts of \$396,000 and \$168,000 respectively for the cost of acquiring office automation equipment for Headquarters units and for United Nations information centres (shown under programme support, departmental administration, in para. 27.78, and under United Nations information centres, para. 27.112, of the proposed programme budget); and \$26,400 for travel of Headquarters staff to United Nations information centre offices to install such equipment and to train staff in their use (shown under United Nations information centres, para. 27.104). Taking into account the reasons advanced in paragraph 27.7 of the proposed programme budget, the Advisory Committee recommends approval of the request. At the same time, while supportive of the Department's related intention to develop a number of data bases and information systems (e.g. see para. 27.60 of the proposed programme budget), the Committee trusts that such initiatives will be carefully planned and will be implemented in good time, with a view to achieving optimum use of available resources.

27.21 The Advisory Committee also recommends acceptance of the estimate of \$195,000 (at revised 1989 rates) in non-recurrent resources under the object of expenditure for public information equipment for the acquisition and replacement of television equipment (para. 27.48, items 2.1 and 2.2; and para. 27.89 of the proposed programme budget).

27.22 The Advisory Committee does not object to the estimates of requirements for the Information Service, Geneva, and the Information Service, Vienna (tables 27.22-27.25 and paras. 27.80-27.99 of the proposed programme budget).

27.23 Similarly, the Committee also does not object to the estimate of requirements for the United Nations information centres (tables 27.26 and 27.27 and paras. 27.100-112 of the proposed programme budget). However, bearing in mind that the estimate of requirements for United Nations information centres constitutes 27 per cent of the budget under section 27 (\$22,936,900 out of \$84,870,900), the Advisory Committee expects that a more comprehensive explanation of the estimate will be provided in future submissions.

27.24 In paragraph 27.13 above, the Advisory Committee has recommended a reduction of the Secretary-General's estimate for section 27 by \$12,800, from \$84,870,900 to \$84,858,100.

Reduction recommended

United States dollars

Section 27. Public information

12 800

PART VII

COMMON SUPPORT SERVICES

Section 28. Administration and management

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 405 872 800 |
| Estimate recommended by the Advisory Committee | 403 553 900 |
| Revised appropriations 1988-1989 | 371 150 800 |
| Initial appropriations 1988-1989 | 377 150 000 |
| Actual expenses 1986-1987 | 328 988 600 |

28.1 The amount of \$405,872,800 requested by the Secretary-General for administration and management is \$34,722,000, or 9.3 per cent, higher than the revised appropriations for 1988-1989. As shown in table 28.1, the estimate includes non-recurrent items totalling \$10,097,400; the rate of real growth has been calculated at -0.8 per cent. A breakdown of the estimate by organizational unit is as follows:

| | 1990-1991 estimates | 1988-1989 rev'ed appropriations | Increase Amount | (decrease) Percentage |
|--|-------------------------|---------------------------------------|------------------------|--------------------------|
| (Thousands of United States dollars) | | | | |
| A. Office of the Under-Secretary-General for Administration and Management | 14 052.5 | 7 768.7 | 6 283.8 | 80.8 |
| B. Office for Programme Planning, Budget and Finance | 21 238.6 | 19 390.2 | 1 848.4 | 9.5 |
| C. Office of Human Resources Management | 26 543.5 | 23 955.8 | 2 587.7 | 10.8 |
| D. Office of General Services, Headquarters | 184 333.5 | 169 533.4 | 14 800.1 | 8.7 |
| E. Internal audit services | 5 408.5 | 5 070.2 | 338.3 | 6.6 |
| F. Administration and common services, Geneva | 90 431.4 | 87 168.4 | 3 263.0 | 3.7 |
| G. Miscellaneous expenses | 16 823.3 | 12 740.8 | 4 082.5 | 32.0 |
| H. Jointly financed administrative activities | 15 500.2 | 16 585.0 | (1 084.8) | (6.5) |
| I. Division of Administrative and Common Services, Vienna | 27 124.9 | 25 238.8 | 1 886.1 | 7.4 |
| J. Common services, Nairobi | 4 416.4 | 3 699.5 | 716.9 | 19.3 |
| Total | <u>405 872.8</u> | <u>371 150.8</u> | <u>34 722.0</u> | <u>9.3</u> |

28.2 In addition to the regular budget estimates, extrabudgetary resources for section 28 for services in support of other United Nations organizations and extrabudgetary programmes are estimated by the Secretary-General at \$41,375,400.

28.3 The following table summarizes the number of regular budget established posts requested under section 28:

| | 1990-1991 | | | 1988-1989 | | |
|--|---------------------------------|------------------|--------------|---------------------------------|------------------|--------------|
| | Professional category and above | Other categories | Total | Professional category and above | Other categories | Total |
| A. Office of the Under-Secretary-General for Administration and Management | 13 | 27 | 40 | 13 | 27 | 40 |
| B. Office for Programme Planning, Budget and Finance | 81 | 96 | 177 | 81 | 96 | 177 |
| C. Office of Human Resources Management | 75 | 108 | 183 | 69 | 101 | 170 |
| D. Office of General Services, Headquarters | 81 | 621 | 702 | 81 | 623 | 704 |
| E. Internal audit services | 26 | 12 | 38 | 26 | 12 | 38 |
| F. Administration and common services, Geneva | 57 | 376 | 433 | 54 | 371 | 425 |
| H. Jointly financed administrative activities | 27 | 36 | 63 | 32 | 39 | 71 |
| I. Division of Administrative and Common Services, Vienna | 10 | 145 | 155 | 7 | 144 | 151 |
| J. Common services, Nairobi | 5 | 52 | 57 | 5 | 13 | 18 |
| Total | <u>375</u> | <u>1 473</u> | <u>1 848</u> | <u>368</u> | <u>1 426</u> | <u>1 794</u> |

28.4 As shown in paragraph 28.3 above, the Secretary-General requests a total of 1,848 established posts for 1990-1991, a net increase of 54 posts over the total of 1,794 posts authorized for 1988-1989. The breakdown of this increase is as follows:

| Section | Increase/decrease | | Total |
|--------------|-------------------|--|-----------|
| | Professional | General Service/ Field Service Local level | |
| 28C | 6 | 7 GS | 13 |
| 28D | - | (2) FS | (2) |
| 28F | 3 | 5 GS | 8 |
| 28H | (5) | (3) GS | (8) |
| 28I | 3 | 1 GS | 4 |
| 28J | - | 39 LL | 39 |
| Total | <u>7</u> | <u>47</u> | <u>54</u> |

28.5 The Advisory Committee notes that the increases under sections 28C, 28I and 28J represent conversions of temporary posts. With regard to section 28F, the Secretary-General is proposing to convert one temporary P-4 post to established status and to create seven new posts (one P-3 and six General Service). He is also proposing to exchange one General Service post for a P-2 post from section 1B.6, hence the increase of three Professional and five General Service under section 28F.

Section 28A. Office of the Under-Secretary-General for
Administration and Management

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 14 052 500 |
| Estimate recommended by the Advisory Committee | 14 052 500 |
| Revised appropriations 1988-1989 | 7 768 700 |
| Initial appropriations 1988-1989 | 1 354 900 |
| Actual expenses 1986-1987 | 1 370 100 |

28A.1 The estimate of \$14,052,500 for administration and management is \$6,283,800 more than the revised appropriation for 1988-1989. Taking into account non-recurrent expenditure of \$8.5 million for the planned development and implementation of the integrated management information system, the rate of real growth has been calculated at 1.3 per cent.

28A.2 As shown in table 28A.1, extrabudgetary resources for 1990-1991 are estimated at \$7,719,000, all for support services. This compares with an estimated expenditure of \$2,180,000 for 1988-1989. The increase is attributable to the contribution from extrabudgetary activities for the development and implementation of the integrated management information system.

28A.3 The number of regular budget established posts for 1990-1991 is the same as that approved for 1988-1989, namely 1 USG, 1 D-2, 2 D-1, 4 P-5, 4 P-4, 1 P-3 and 27 General Service (4 at the Principal level). In addition, it is expected that six temporary posts will be funded from extrabudgetary resources in 1990-1991 - two P-3 and four General Service (Other level) - an increase of one General Service post compared with 1988-1989.

28A.4 As indicated in paragraph 28A.9 of the proposed programme budget, resource growth of \$61,000 (at revised 1989 rates) relates to travel of representatives of the staff and administrators to attend annual meetings of the Staff-Management Co-ordination Committee in accordance with the terms of reference outlined in ST/SGB/176/Rev.1. The Advisory Committee was informed that the proposed growth is to offset underbudgeting in the past. On that basis, the Advisory Committee will not object to the increase; the Committee trusts that the Secretary-General will ensure that the staff/management consultative mechanism does not become cumbersome and costly.

28A.5 Requirements for the integrated management information system are dealt with in tables 28A.10 to 28A.12 and paragraphs 28A.15 to 28A.24 of the proposed programme budget. As noted in paragraph 28A.19, all resource requirements under this programme are on a non-recurrent basis. A progress report on integrated management information system will be submitted through the Advisory Committee to the General Assembly at its forty-fourth session. Owing to the multi-year nature of the project and the slow rate of expenditure incurred to date, it is proposed in paragraph 28A.17 of the proposed programme budget that the amount of \$3,425,700 approved for 1989 under section 28A be placed in a separate account so that any

unexpended balance could be carried forward to the succeeding year/biennium until phase I of the project is completed and the final accounts are audited, as is the case of the construction-in-progress account under section 32 of the proposed programme budget. The Committee recommends acceptance of this proposal. The Committee trusts that the progress report referred to above will contain an accurate and up-to-date timetable for the continued implementation of the project.

28A.6 The Committee recommends acceptance of the Secretary-General's estimate of \$14,052,500 under section 28A of the proposed programme budget for the biennium 1990-1991.

Section 28B. Office for Programme Planning, Budget and Finance

United States dollars

| | |
|--|---------------|
| Estimate submitted by the Secretary-General | 21 238 600 |
| Estimate recommended by the Advisory Committee | 21 238 600 |
| Revised appropriations 1988-1989 | 19 390 200 |
| Initial appropriations 1988-1989 | 20 330 700 |
| Actual expenses 1986-1987 | 22 758 700 a/ |

a/ Estimated, includes Programme Planning and Co-ordination Office expenditures (\$2,657,500).

28B.1 The estimate of \$21,238,600 for this office is \$1,848,400, or 9.5 per cent, more than the revised 1988-1989 appropriation. Resource growth is estimated at \$273,400 (at revised 1989 rates); the rate of real growth has been calculated at 0.9 per cent

28B.2 Extrabudgetary resources for 1990-1991 are estimated at \$8,615,700 for support services.

28B.3 As shown in table 28B.5, the Secretary-General requests a total of 177 regular budget posts, unchanged from 1988-1989: 81 are in the Professional category and above (1 ASG, 4 D-2, 7 D-1, 14 P-5, 22 P-4, 20 P-3 and 13 P-2/1) and 96 in the General Service category (including 6 at the Principal level). The estimated total of 74 extrabudgetary posts shows a net increase of 11 over 1988-1989 (2 P-5, 4 P-4, 2 P-3, less 3 P-2/1 and 6 General Service).

28B.4 The resource growth of \$273,400 (at revised 1989 rates) is due primarily to additional requirements for rental and maintenance of office equipment (\$165,000) and furniture and equipment (\$86,200), with smaller amounts for additional overtime (\$15,800) and general temporary assistance (\$6,400).

28B.5 The Advisory Committee recommends approval of the Secretary-General's estimate of \$21,238,600 under section 28B for 1990-1991.

Section 28C. Office of Human Resources Management

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 26 543 500 |
| Estimate recommended by the Advisory Committee | 26 543 500 |
| Revised appropriations 1988-1989 | 23 955 800 |
| Initial appropriations 1988-1989 | 24 191 600 |
| Actual expenses 1986-1987 | 23 661 000 |

28C.1 The estimate of \$26,543,500 for section 28C is \$2,587,700, or 10.8 per cent, higher than the revised 1988-1989 appropriation. As shown in table 28C.1, a decrease of \$35,500 (at revised 1989 rates) is shown in the resource growth column; the rate of real growth, which takes into account a provision of \$97,100 (at revised 1989 rates) for non-recurrent items, has been calculated at -0.5 per cent.

28C.2 Extrabudgetary resources for 1990-1991 are estimated at \$2,214,600, comprising \$1,305,800 for services in support of other United Nations organizations and \$908,800 for services in support of extrabudgetary programmes (table 28C.1 (2)).

28C.3 As discussed in paragraphs 28C.2 to 28C.8 of the proposed programme budget, "since the preparation of the programme budget for the biennium 1988-1989, the Office has undergone major policy and structural reforms ... and has been restructured with the objective of making it more responsive to the needs of the Organization and to increase its effectiveness". In this connection, the Advisory Committee notes that related functions have been consolidated into the same organizational unit and that, as shown in paragraph 28C.8, management and execution of the activities of subprogrammes are no longer divided among different units within the Office of Human Resources Management. The Advisory Committee welcomes these developments and believes that they should lead to a better utilization of resources.

28C.4 The Advisory Committee notes from paragraph 28C.52 of the proposed programme budget that the subprogramme "training" under the programme staff administration and training is implemented by the Division of Staff Administration and Training and the training services of the regional commissions (ESCAP, ECLAC, ECA and ESCWA). As shown in table 28C.16, the estimate for training under section 28C totals \$6,654,700, comprising \$5,989,100 for Headquarters and \$665,600 for the regional commissions. In response to inquiries, the Committee was informed that a common training policy was followed at Headquarters and at the various duty stations; depending on the individual needs of each duty station, the emphasis might vary. The offices away from Headquarters manage their own training programmes; however, as reflected in programme element 4.5, they are provided with a variety of training support services.

28C.5 Recalling that the training programmes for Geneva and Nairobi are budgeted for under the relevant sections of the programme budget, i.e. sections 18, 19, 28J and 28F, the Advisory Committee inquired about the rationale for retaining the provisions for the regional commissions' training programmes under section 28C.

Representatives of the Secretary-General informed the Committee that consideration would be given to transferring the related provisions to the regional commissions budgets in the programme budget for the biennium 1992-1993.

28C.6 The Secretary-General proposes a staffing establishment of 183 posts for 1990-1991, comprising 75 in the Professional category and above (1 ASG, 3 D-2, 5 D-1, 12 P-5, 20 P-4, 22 P-3 and 12 P-2/1) and 108 General Service, including 10 at the Principal level. This total, which represents an increase of 13 posts over the approved level for 1988-1989 (6 Professional and 7 General Service) reflects the Secretary-General's proposals to convert 13 temporary posts to established status. As also shown in table 28C.5 of the proposed programme budget, 20 extrabudgetary posts are estimated for 1990-1991, an increase of 3 posts (1 Professional and 2 General Service) over the 1988-1989 total.

28C.7 As mentioned above, the Secretary-General is proposing to convert 13 temporary posts to established status as follows:

| <u>Post</u> | <u>Function</u> | <u>Paragraph reference</u> |
|--|--|----------------------------|
| 1 General Service | Support in the preparation of fact sheets of staff members | 28C.22 |
| 1 P-3 and 1 General Service | Work related to competitive examinations | 28C.31 |
| 1 P-3 and 2 General Service | Work related to recruitment and placement programmes | 28C.31 |
| 2 P-4, 1 P-3, 1 P-2/1 and 2 General Service | Work related to classification matters | 28C.45 |
| 1 General Service | Medical and Employee Assistance Division | 28C.102 |

On the basis of the information before it, the Advisory Committee concurs in the Secretary-General's proposals to convert these posts.

28C.8 In paragraph 28C.38 of the proposed programme budget, the Secretary-General states that the provision of \$20,600 (at revised 1989 rates) for the rental of premises relates in part to "the rental of rooms and space for competitive language examinations administered in centres throughout the world". While not objecting to the provision, the Advisory Committee trusts that efforts will be made to obtain such accommodation free of charge.

28C.9 As stated in paragraph 28C.1 above, the provision for non-recurrent items for 1990-1991 amounts to \$97,100 (at revised 1989 rates). This relates in its entirety to equipment for the Medical and Employee Assistance Division, as discussed in paragraph 28C.110 of the proposed programme budget. The Advisory Committee does not object to this provision.

28C.10 The Advisory Committee recommends approval of the Secretary-General's estimate of \$26,543,500 for section 28C.

Section 28D. Office of General Services, Headquarters

United States dollars

| | |
|--|----------------|
| Estimate submitted by the Secretary-General | 184 333 500 |
| Estimate recommended by the Advisory Committee | 182 915 000 |
| Revised appropriations 1988-1989 | 169 533 400 |
| Initial appropriations 1988-1989 | 175 398 800 |
| Actual expenses 1986-1987 | 160 231 300 a/ |

a/ Estimated; includes the Office for Field Operational and External Support Activities.

28D.1 The Secretary-General's estimate of \$184,333,500 for this section is \$14,800,100, or 8.7 per cent, more than the revised appropriation for 1988-1989. The revalued resource base for 1988-1989 shows an increase of \$2,809,200 (at revised 1989 rates). With a decrease of \$565,200 (at revised 1989 rates) under resource growth and the deletion of \$1,179,600 (at revised 1989 rates) for non-recurrent items, the rate of real growth has been calculated at -1.0 per cent.

28D.2 As shown in table 28D.1 (2), extrabudgetary resources totalling \$14,109,400 are expected to be available to the Office of General Services in 1990-1991 (compared with the estimate of \$10,715,700 for 1988-1989). Of this amount, \$4,240,200 is projected expenditure for support to extrabudgetary administrative structures (which the Committee was informed related to reimbursement from UNDP and UNICEF, as well as from specialized agencies) and \$9,869,200 is for services in support of extrabudgetary programmes, including \$1,500,000 for technical co-operation programme support, \$162,800 for the Trust Fund for German Language Translation and \$8,206,400 for peace-keeping activities. In response to its inquiries, the Advisory Committee was informed that the \$1,500,000 (which the Advisory Committee notes is the same amount as had been estimated for 1988-1989) relates to reimbursements expected to be received for occupancy of offices in the building at 2 United Nations Plaza by staff assigned to technical co-operation activities. The Advisory Committee points out that the number of support posts for technical co-operation under section 7 and other sections of the budget have risen, whereas the projected amount of reimbursement for accommodation remains the same. The Advisory Committee recommends that a system be devised to establish a fair share of reimbursing the cost of accommodation for posts related to extrabudgetary activities (see chap. I, para. 89, above).

28D.3 For 1990-1991, a total regular budget staffing establishment of 702 posts is proposed for the Office of General Services, comprising 81 posts in the Professional category and above (1 ASG, 3 D-2, 6 D-1, 12 P-5, 21 P-4, 19 P-3 and 19 P-2/1), 273 General Service posts (including 15 at the Principal level) and 348 posts in other categories, including 176 Security Service posts, 6 Local level posts, 18 Field Service posts and 148 Trades and Crafts posts (table 28D.5 of the proposed programme budget). The total number of posts shows a decrease of two Field Service posts compared with 1988-1989 (see para. 28D.7 below).

28D.4 A total of 132 extrabudgetary posts are expected to be available to the Office of General Services in 1990-1991, including 27 posts in the Professional category (2 P-5, 8 P-4, 14 P-3 and 3 P-2/1), 91 General Service posts (including 2 at the Principal level), 10 Security Service posts and 4 Local level posts. The Advisory Committee notes from footnote b/ to table 28D.5 that the distribution of these posts includes 81 posts in support of peace-keeping operations (UNIFIL: 1 P-5, 3 P-4, 3 P-3 and 19 General Service, Other level; UNFICYP: 1 P-5, 1 P-3 and 4 General Service, Other level; UNDOF: 2 P-4, 1 P-3 and 4 General Service, Other level; UNTAG: 4 P-4, 8 P-3, 2 P-2 and 28 General Service, Other level) and 51 posts in support of extrabudgetary administrative structures (1 P-2, 36 General Service, 2 at the Principal level, 10 Security and Safety and 4 Trades and Crafts).

28D.5 The overall budget estimate of \$184,333,500 covers the cost of the Office of General Services, Headquarters, and the cost of common services administered by that Office. The Advisory Committee notes from paragraphs 28D.1 to 28D.4 of the proposed programme budget that major organizational changes are reflected in this section resulting from the implementation of General Assembly resolution 41/213 on the review of the efficiency of the administrative and financial functioning of the United Nations. As detailed in paragraph 28D.2 and 28D.3, these changes include the establishment of three separate divisions: the Field Operations Division, the Electronic Services Division and the Buildings and Commercial Services Division. In addition, the Executive Office functions previously carried out under the Office of the Assistant Secretary-General had been consolidated in a single Executive Office in the Department of Administration and Management (sect. 28A of the programme budget).

28D.6 The Advisory Committee recalls that during its consideration of the 1988-1989 programme budget it had paid particular attention to the performance indicators provided for this section. The Advisory Committee had stated that "performance indicators for support services such as the Office of General Services are potentially useful tools for providing a better understanding of the scope and scale of activities carried out. The Committee trusts that efforts to refine the definitions of performance indicators will continue and that the definitions arrived at will be communicated to Member States". 36/ In reviewing the 1990-1991 proposed programme budget, the Advisory Committee notes that little has been accomplished in further refining the definitions of performance indicators. Furthermore, the Committee noted a number of changes in the work-load statistics as compared with the biennium 1988-1989; the Advisory Committee points out that, in the absence of an accurate standard of measuring work-loads, the present performance indicators are not useful as a yardstick for estimating resources. The Advisory Committee recommends that these performance indicators be defined more carefully so as to ensure greater accuracy.

28D.7 Requirements of field operations in 1990-1991 are estimated at \$5,427,700 (table 28D.8). As indicated in paragraph 28D.18 of the proposed programme budget, the Secretary-General is proposing to abolish seven Field Service posts connected with the Geneva Telecommunications Relay Unit, which the Secretary-General is proposing to become the responsibility of the United Nations Office at Geneva (see also para. 28F.7 below). The Secretary-General is also proposing to redeploy five Field Service posts from section 2A (three from UNTSO and two from UNMOGIP) to the

36/ Ibid., Forty-second Session, Supplement No. 7 (A/42/7), para. 28D.6

Field Operations Division. The net result would be a reduction of two Field Service posts under section 28D. In response to its inquiries, the Advisory Committee was informed that these changes related to an adjustment to the post reduction exercise. The Advisory Committee has no objection to these proposals.

28D.8 In paragraph 28D.19 of the proposed programme budget the Secretary-General is proposing the reclassification of the post of the Deputy Director of the Field Operations Division from P-5 to the D-1 level. Based on the information that it has received, the Advisory Committee has no objection to this reclassification.

28D.9 Requirements of the Security and Safety Service in 1990-1991 are estimated at \$18,969,400, of which \$2,413,000 is the provision for overtime (table 28D.12). According to the Secretary-General, the estimate for overtime reflects a negative resource growth of \$734,800 (at revised 1989 rates) resulting from "the implementation over recent years of new shift assignment and post coverage arrangements as well as a result of the introduction of electronic surveillance equipment" (para. 28D.32). In this connection, the representatives of the Secretary-General informed the Committee that overtime requirements had been reduced from approximately 157,900 hours in 1987 to 147,700 hours in 1988. The Advisory Committee notes from paragraph 7 of the Joint Inspection Unit report on the administration of sick leave in the United Nations (JIU/NOTE/88/2) that "the situation in the Security Unit deserves special attention because absenteeism in this Unit, due to sickness, is the highest in the Organization". According to paragraph 9 of the same report, "unscheduled absences invariably incur financial outlays as posts have to be manned by replacement officers on an overtime basis". The Advisory Committee recommends that the amount requested for overtime be reduced by \$150,000, from \$2,413,000 to \$2,263,000. The Advisory Committee has requested the Board of Auditors to pay special attention to this area, especially with regard to the correlation between sick leave and overtime, and to report to the Committee on its findings.

28D.10 According to paragraph 28D.36 of the proposed programme budget, requirements under the Security and Safety Service include an estimate of \$321,400 (at revised 1989 rates) for furniture and equipment, which includes a request for the non-recurrent provision of \$200,000 to replace a Polaroid camera used for the production of identification cards by laser-video equipment.

28D.11 Resource requirements totalling \$105,389,400 in 1990-1991 for technical support services are shown in table 28D.16 of the proposed programme budget. They comprise estimates of \$83,307,100 for building operation and maintenance, \$22,082,300 for mail, archives and records management and \$42,469,300 for electronic support services.

28D.12 Requirements for rental and maintenance of premises are estimated at \$46,970,400 (at revised 1989 rates) and account for the largest share of the cost of building operation and maintenance. As indicated in paragraph 28D.51 of the proposed programme budget, resource growth of \$1,397,400 (at revised 1989 rates) shown for this object of expenditure represents increases in cost of rental of premises, minor alterations to premises and electrical maintenance. The Advisory Committee understands that of the estimate of \$46,970,400 for rental and maintenance of premises, \$25,469,300 (at revised 1989 rates) is for rental of premises. As stated in paragraph 28D.51 (a) of the proposed programme budget, the estimate, which reflects resource growth of the \$1 million (at revised 1989 rates),

provides for rental of space in 1990-1991 in the buildings at 1 and 2 United Nations Plaza, the Park Avenue Archives space and the John F. Kennedy Airport diplomatic pouch office. At the Committee's request, representatives of the Secretary-General provided a breakdown of the estimate for rental of premises, as follows:

Resources for rental of premises

| | Gross area (square feet) | Base rent | Variable element | Total rate per year per square foot | Cost (rounded) |
|--|-----------------------------|---|---------------------|--|-----------------------------|
| | | (United States dollars at revised 1989 rates) | | | |
| 1 United Nations Plaza (lease expires 31 May 1996) | 182 504 | 7.37 <u>a/</u> | 11.24 | 18.61 | 3 396 400 |
| 2 United Nations Plaza Storage (lease expires 30 July 1993) | 286 756 8 000 | 22.45 <u>a/</u> - | 11.04 - | 33.49 11.25 | 9 603 460 90 000 |
| Park Avenue Archives (lease expires 30 July 1993) | 38 400 | - | - | 10.42 | 400 130 |
| JFK Airport office <u>b/</u> (rented on a month-to-month basis) | <u>180</u> | - | - | 25.90 | <u>4 660</u> |
| | <u>515 840</u> | | | | <u>13 494 650</u> <u>c/</u> |
| Cost for two years (\$13,494,650 x 2) | | | | | 26 989 300 |
| <u>Less</u> extrabudgetary funding (see table 28D.18) | | | | - | <u>1 500 000</u> |
| | | | | | 25 489 300 |
| <u>Plus</u> provision for inflation in 1990-1991 (the rental lease provides for increases in maintenance/utility costs) | | | | | <u>1 733 200</u> |
| Total, 1990-1991 estimate | | | | | <u><u>27 222 500</u></u> |

a/ The premises rented to the United Nations in these buildings are not subject to local real estate taxes. Rents are based entirely on the original cost of construction plus interest and the actual cost of building operations. The lower rate charged for the building at 1 United Nations Plaza reflects United Nations occupancy since 1975. United Nations occupancy of the building at 2 United Nations Plaza commenced during 1983.

b/ For use of the staff member of the Office of General Services stationed there to facilitate incoming and outgoing United Nations shipments, particularly pouches.

c/ Annual.

28D.13 The Secretary-General recalls in paragraph 28D.51 of the proposed programme budget that a reduction had been applied to the provision for rental and maintenance of premises in the 1988-1989 programme budget on the expectation that the reduction in personnel would release requirements for office accommodation. However, this assumption had not materialized and the space rented in 1988-1989 remained the same as 1986-1987 and would continue to be required in 1990-1991. The Advisory Committee understands that the growth in the number of staff members requiring office accommodation relates to staff funded from extrabudgetary resources. The Committee's comments in this regard are contained in paragraph 28D.2 above. In addition, the Advisory Committee recommends that standards of accommodation should be reviewed to maximize the use of available space.

28D.14 The estimate for maintenance of premises amounts to \$21,481,100 (\$46,970,400 - \$25,489,300 at revised 1989 rates; see para. 28D.12 above). It can be broken down as follows:

| | <u>United States dollars</u> |
|--------------------------------------|------------------------------|
| Minor alterations to premises | 862 700 |
| Supplies for maintenance of premises | 1 897 900 |
| Miscellaneous maintenance services | 2 412 400 |
| Electrical maintenance | 4 320 000 |
| Elevator operation and maintenance | 2 639 800 |
| Cleaning services | <u>9 348 500</u> |
| Total | <u>21 481 300</u> |

28D.15 In view of the recommendation it is making in paragraphs 28D.2 and 28D.13 above, the Advisory Committee does not believe that a charge to the regular budget for the additional \$1 million (at revised 1989 rates) for rental of premises (see para. 28D.12 above) is justifiable. Accordingly, the Advisory Committee recommends that the Secretary-General's estimate for 1990-1991 of \$50,175,300 for rental and maintenance of premises be reduced by \$1,068,500 to \$49,106,800.

28D.16 According to table 28D.18 of the proposed programme budget, the Secretary-General is estimating \$16,313,700 for utilities. The Advisory Committee points out that the Secretary-General's estimate under section 32 includes an amount of \$1,000,000 (at revised 1989 rates) for the installation of monitoring and control systems for energy conservation (see para. 32.10 of the proposed programme budget). On the basis of the economies to be achieved through use of this system, the Advisory Committee recommends that the Secretary-General's estimate for utilities be reduced by \$200,000, from \$16,313,700 to \$16,113,700.

28D.17 The Advisory Committee was informed that the Secretary-General intended to terminate the provision of information and reception services in the delegates' lounge and install an automated system instead. The Advisory Committee does not

believe that this is a practical method of improving the situation and urges that the current system be maintained.

28D.18 Requirements for mail, archives and records management are estimated at \$22,082,300 in 1990-1991 and are detailed in table 28D.20 and paragraphs 28D.54 to 28D.61 of the proposed programme budget. In response to its inquiries, the Advisory Committee was informed that costs relating to the diplomatic pouch had increased as a result of rising air freight charges. The Advisory Committee recommends that further improvement be made in handling the pouch service, with a view to reducing costs.

28D.19 The Advisory Committee notes the reorganization of the electronic support service as discussed in paragraphs 28D.62 to 28D.64 of the proposed programme budget. The estimate of \$42,469,300 for the service for 1990-1991 (table 28D.22) comprises \$496,400 for the Office of the Director, \$17,972,600 for communications, \$6,119,300 for technological innovations, \$10,316,500 for mainframe computer service, \$2,024,100 for advisory and information systems support, \$843,500 for the Advisory Committee for the Co-ordination of Information Systems and \$4,696,900 for the International Computing Centre.

28D.20 The estimate of \$17,972,600 for communications in 1990-1991 includes a provision of \$13,328,300 (at revised 1989 rates) for communications proper (para. 28D.75), which may be broken down as follows:

| | <u>United States dollars</u> |
|---|------------------------------|
| Cables and telex charges | 1 986 700 |
| Radio and alternate voice/data circuits | 2 999 800 |
| Computerized message-switching system | 854 200 |
| Telephone rental | 5 789 000 |
| Telephone, local messages | 1 184 100 |
| Telephone installations | <u>514 500</u> |
| Total | <u>13 328 300</u> |

28D.21 In connection with the rental of alternate voice/data circuits, (para. 28D.75 (b) of the proposed programme budget), the Advisory Committee was informed that the alternate voice/data link between New York, Geneva and Vienna was being upgraded so that both the voice and the data facilities would be available on a 24-hour a day basis. The Advisory Committee trusts that this will result in a decrease in the cost of commercial telephone charges.

28D.22 With regard to the computerized message-switching systems (para. 28D.75 (c) of the proposed programme budget), the Advisory Committee was informed that the provision includes a sum of \$300,000 (at revised 1989 rates) on a non-recurrent

basis for the acquisition of mini-switches compatible with the systems at New York and Geneva for installation at regional offices such as Santiago and Bangkok.

28D.23 With regard to the estimate for technological innovations, as indicated in paragraph 28D.81 of the proposed programme budget, requirements for rental and maintenance of equipment, at revised 1989 rates, are estimated at \$2,453,400 and include, *inter alia*, \$1,477,400 for the rental and maintenance of photocopy machines at Headquarters and \$943,800 for rental and maintenance of office automation and equipment. The Advisory Committee notes that this is intended to "cover the cost of a global maintenance administration contract in connection with all United Nations-owned word-processing equipment and the maintenance of word-processing and micro-computer equipment as a network communications linkage with equipment at other offices, including those away from Headquarters".

28D.24 The Committee takes note of tables 28D.30 and 28D.31 of the proposed programme budget, which contain a recapitulation of the office automation equipment replacement account under the regular budget at Headquarters and a summary of computer equipment rental and maintenance costs under the regular budget at Headquarters, respectively.

28D.25 In paragraphs 28D.9, 28D.15 and 28D.16 above, the Advisory Committee has recommended reductions of \$1,418,500. Accordingly, the Secretary-General's estimate of \$184,333,500 for this section should be reduced to \$182,915,000.

Section 28E. Internal audit services

United States dollars

| | |
|--|-----------|
| Estimate submitted by the Secretary-General | 5 408 500 |
| Estimate recommended by the Advisory Committee | 5 408 500 |
| Revised appropriations 1988-1989 | 5 070 200 |
| Initial appropriations 1988-1989 | 5 160 400 |
| Actual expenses 1986-1987 | 4 309 500 |

28E.1 The estimate of \$5,408,500 for internal audit services is \$338,300, or 6.6 per cent, higher than the revised appropriation for 1988-1989. As can be seen in table 28E.1, resource growth is estimated at \$15,800 (at revised 1989 rates); the rate of real growth is too small to be shown.

28E.2 Extrabudgetary resources in 1990-1991 are estimated at \$2,153,600, of which \$1,673,000 is in support of other United Nations organizations and \$480,600 is in support of extrabudgetary programmes.

28E.3 A total of 38 regular budget posts are requested for 1990-1991, unchanged from 1988-1989: 26 in the Professional category and above (1 D-2, 3 P-5, 6 P-4, 6 P-3, and 10 P-2/1) and 12 in the General Service category, including 7 at the Principal level. The number of extrabudgetary posts is estimated at 15, also unchanged from 1988-1989: 10 in the Professional category and above (1 D-1, 1 P-5, 5 P-4 and 3 P-3), 4 General Service and 1 Local level.

28E.4 As indicated in paragraph 28E.3 of the proposed programme budget, the Division has responsibility for auditing activities financed not only from the regular budget, but also from extrabudgetary funds. The current allocation of internal audit responsibilities, totalling \$19 billion, as between regular budget and extrabudgetary activities is as follows:

Amounts a/
(Millions of United States dollars)

Assets

| | | |
|----------------|--------------|-------|
| Regular budget | 440 | |
| Extrabudgetary | <u>7 800</u> | |
| Subtotal | | 8 240 |

Liabilities

| | | |
|----------------|--------------|-------|
| Regular budget | 240 | |
| Extrabudgetary | <u>1 400</u> | |
| Subtotal | | 1 640 |

Income - biennium

| | | |
|----------------|--------------|-------|
| Regular budget | 1 600 | |
| Extrabudgetary | <u>3 050</u> | |
| Subtotal | | 4 650 |

Expenditures - biennium

| | | |
|----------------|--------------|-------|
| Regular budget | 1 600 | |
| Extrabudgetary | <u>3 050</u> | |
| Subtotal | | 4 650 |

a/ Excess of the amounts of the assets over the liabilities indicated represents the fund balances.

28E.5 Since audited expenditure from extrabudgetary funds in fact exceeds expenditure under the regular budget, the Advisory Committee believes that the method of paying for the costs of internal audit should be revised with a view to ensuring a more proportionate distribution.

28E.6 In paragraph 28F.4 of its first report on the proposed programme budget for 1988-1989, 2/ the Advisory Committee called attention to the need for the necessary staff resources to be available to the Division so that the adequacy of internal control was assured. In this connection and bearing in mind the share of audit work represented by extrabudgetary activities, the Advisory Committee believes that consideration should be given to strengthening the staffing resources of the Division, the cost to be borne by extrabudgetary funds.

28E.7 The Advisory Committee recommends acceptance of the Secretary-General's estimate of \$5,408,500 under section 28E of the proposed programme budget for the biennium 1990-1991.

Section 28F. Administration and common services, Geneva

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 90 431 400 |
| Estimate recommended by the Advisory Committee | 89 231 400 |
| Revised appropriations 1988-1989 | 87 168 400 |
| Initial appropriations 1988-1989 | 94 776 000 |
| Actual expenditures 1986-1987 | 72 556 200 |

28F.1 The estimate of \$90,431,400 for administration and common services at Geneva is \$3,263,000, or 3.7 per cent, higher than the revised appropriations for 1988-1989. As indicated in table 28F.1, the resource growth column shows a decrease of \$1,531,500 (at revised 1989 rates); this has been adjusted by the deletion of non-recurrent items totalling \$221,700 (at revised 1989 rates) and the addition of \$327,200 (at revised 1989 rates) attributable to delayed growth (new posts). The rate of real growth, which takes into account these adjustments, has been calculated at -1.6 per cent.

28F.2 Extrabudgetary resources for 1990-1991 are estimated at \$5,907,100, all for services in support of other United Nations organizations. At its request, the Committee was provided with a listing of the organizations and amounts involved; in this connection it notes that the United Nations Office at Geneva provides services to UNCTAD, UNHCR, UNICEF, ITC, UNEP, UNDRO, the Office of the Co-ordinator for Afghanistan, the United Nations Research Institute for Social Development, joint services (housing, pouch and conference servicing), the Sickness Insurance Society and the International Civil Service Mutual Association. Approximately one third of the above-mentioned total reimbursement is made by UNHCR.

28F.3 As stated in paragraph 28F.1 of the proposed programme budget, administrative and common services in the United Nations Office at Geneva are provided by the Division of Administration; the requirements of the Division (and thus sect. 28F) comprise the Office of the Director, administrative services, general services, and staff training.

28F.4 A total of 433 established posts under the regular budget are proposed for 1990-1991, comprising 1 D-2, 3 D-1, 9 P-5, 9 P-4, 15 P-3, 20 P-2/1 and 376 General Service, including 20 at the Principal level. This total, which represents an increase of eight posts over the approved 1988-1989 total, reflects the Secretary-General's proposals to convert one P-4 temporary post to established status and to create seven new posts (which would be offset by the abolition of seven posts under sect. 28D). The Secretary-General is also proposing to redeploy one P-2 post to section 28F from section 1B, subsection 6, in exchange for one General Service post. Table 28F.5 shows the continuation of six temporary General Service posts. A total of 49 posts (4 Professional and 45 General Service) will be financed from extrabudgetary sources. That total represents an increase of three posts (one Professional and two General Service) over the total of extrabudgetary posts shown for 1988-1989.

28F.5 The above-mentioned redeployment of posts is discussed in paragraph 28F.12 of the proposed programme budget. In this connection, the Secretary-General states that the "redemption is justified by the expanded work programme of the Budget and Management Systems Service in relation to the office automation programme in the United Nations Office at Geneva", and that the incumbent of the post would be responsible for developing and monitoring projects relating to automation of the Office. The Advisory Committee has no objection to this redeployment.

28F.6 The conversion of the temporary P-4 post to established status relates to the P-4 post initially created for the biennium 1980-1981 for the classification of posts in the General Service category at the United Nations Office at Geneva. In paragraph 28F.14 of the proposed programme budget, the Secretary-General states that this assignment was subsequently recognized as a continuing activity, hence the request for conversion. The Advisory Committee does not object to the conversion.

28F.7 In paragraph 28F.26 of the proposed programme budget, the Secretary-General proposes the establishment of seven new posts (one P-3 and six General Service, including one at the Principal level) in order to staff the Telecommunications Operations Unit, the responsibility for which has been transferred to the United Nations Office at Geneva from the Office of General Services at Headquarters. At the same time, the Secretary-General proposes to abolish seven posts in the Field Service category under section 28D, Office of General Services, Headquarters. The Advisory Committee understands that the Unit currently consists of the seven Field Service posts, including one FS-7, budgeted for under section 28D. The Advisory Committee has no objection to this proposal; however, in the Committee's view it represents more a redeployment of posts rather than the establishment of new posts per se.

28F.8 The provision for six temporary General Service posts is discussed in paragraph 28F.32 of the proposed programme budget. As indicated therein, "in accordance with the agreement on common service arrangements in respect of the Centre William Rappard that was entered into in 1977 between the United Nations Office at Geneva and the General Agreement on Tariffs and Trade (GATT), the latter is reimbursed for the actual salaries and common staff costs of three Security Officers and three switchboard operators".

28F.9 As mentioned in paragraph 28F.1 above, the estimate for section 28F contains a non-recurrent provision of \$221,700 (at revised 1989 rates). This comprises \$129,900 under administrative services for the acquisition of additional software and office automation equipment, as discussed in paragraphs 28F.20 and 21 of the proposed programme budget, and \$91,800 for office automation equipment under general services (para. 28F.40 of the proposed programme budget).

28F.10 A breakdown of the negative resource growth of \$1,531,500 (at revised 1989 rates) is provided in table 28F.4 of the proposed programme budget; as shown therein, this includes an increase of \$400,000 for communications. In paragraph 28F.37 of the proposed programme budget, the Secretary-General explains that the resources requested for communications provide for cable, telephone, postage and pouch charges; "the proposed growth (\$400,000) is mainly attributable to costs relating to rewiring and to an anticipated increase in both air freight tariffs and the volume of the diplomatic pouch operations, partially offset by anticipated cost reductions in postage services". At its request, the Advisory

Committee was provided with a breakdown of the \$400,000; in this connection it notes that the costs for rewiring are estimated at \$523,000.

28F.11 The Advisory Committee understands that the above-mentioned rewiring would connect the various personal computers throughout the Palais des Nations to the central processing unit in order to maximize their capacity. In this connection, the Advisory Committee notes that, as discussed in section 32 of the proposed programme budget, the Secretary-General estimates that the acquisition of a new telephone exchange at the Palais will cost \$11,274,000; for 1990-1991 he has requested \$5,000,000 (at revised 1989 rates). Of that amount, \$1,100,000 would be for wiring and connection works. In response to inquiries concerning co-ordination between these two projects, representatives of the Secretary-General confirmed that the two tasks were related. However, because the amount requested under section 32 for 1990-1991 did not in fact represent the total estimated costs for that biennium (see paras. 32.7 and 8 below), the Secretary-General did not consider the growth requested under section 28F for the rewiring work as double budgeting. The Advisory Committee trusts that the wiring required in the two projects will be carefully co-ordinated so as to avoid duplication of effort and to achieve maximum utilization of resources.

28F.12 In considering the estimate for communications, the Advisory Committee recalled that the estimate for the biennium 1988-1989 reflected substantial growth because much of the Geneva traffic still required cable and telephone commercial lines as opposed to the alternate voice/data network. At that time, the Committee was informed that the alternate voice/data links to London, Paris and Rome had not yet been implemented and that expected savings in respect of long-distance telephone, cable and telex communications with these duty stations had not been realized. In response to inquiries, the Committee was informed that the alternate voice/data links to Paris, London and Rome had still not been implemented since they were no longer considered to be economical.

28F.13 As quoted in paragraph 28F.10 above, some of the growth in the estimate for communications is attributable to an anticipated increase in air freight tariffs. Bearing in mind its observations in paragraph 23.6 above concerning the holding of one session of the Human Rights Committee each year in New York, the Advisory Committee recommends that the provision for air freight in section 28F be reduced by \$11,600 (see para. 28F.17 below).

28F.14 As shown in table 28F.10, the estimate for overtime under general services totals \$1,072,100 and includes resource growth totalling \$33,800 (at revised 1989 rates). In paragraph 28F.31 of the proposed programme budget, the Secretary-General attributes this growth to "the fact that additional resources would be required for six new staff members in the Telecommunication Operations Unit ... who have to ensure a round-the-clock operation". In response to inquiries concerning the basis for the calculation, the Committee was informed that the staff operate on a fixed shift schedule, as opposed to a rotating shift. None the less, representatives of the Secretary-General emphasized that provision for overtime in this Unit is necessitated by its small size, in that any unscheduled absence must be covered by someone who is not scheduled for that shift and thus entitled to overtime compensation. Notwithstanding this explanation, the Advisory Committee trusts that efforts will be made to minimize overtime requirements.

28F.15 As shown in table 28F.4, the estimate of \$4,930,000 for utilities includes negative resource growth of \$800,000 (at revised 1989 rates). In paragraph 28F.35

of the proposed programme budget, the Secretary-General states that the estimates "are based on expenditure patterns ... during 1986-1988". In addition, as previously stated in the proposed programme budget for the biennium 1988-1989, the Secretary-General reiterates that "tight control of expenditures in this account has resulted in reduced requirements". Similarly, the estimates for supplies and materials and rental and maintenance of equipment, both of which reflect substantial negative growth (\$543,500 and \$469,600 respectively, as shown in table 28F.4), are based on actual expenditure patterns for 1986-1988.

28F.16 At its request, the Advisory Committee was provided with expenditure data in respect of these objects. On the basis of this information, the Committee believes that further savings may be possible during the biennium 1990-1991. The Committee also notes that it is not clear if the estimates reflect the impact of the post reduction exercise; in this connection, it points out that certain objects of expenditure will be affected by decreased staffing levels.

28F.17 In view of its observations in paragraph 28F.14 to 28F.16 above and taking into account its recommendation in paragraph 28F.13 above, the Advisory Committee recommends that the Secretary-General's estimate of \$90,431,400 for section 28F be reduced by \$1.2 million to \$89,231,400.

Section 28G. Miscellaneous expenses

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 16 823 300 |
| Estimate recommended by the Advisory Committee | 16 823 300 |
| Revised appropriations 1988-1989 | 12 740 800 |
| Initial appropriations 1988-1989 | 12 570 500 |
| Actual expenses 1986-1987 | 9 670 300 |

28G.1 The estimate of \$16,823,300 for miscellaneous expenses is \$4,082,500, or 32.0 per cent, higher than the revised 1988-1989 appropriations. Resource growth is estimated at \$468,800 (at revised 1989 rates); the rate of real growth has been calculated at 3.0 per cent (table 28G.1 of the proposed programme budget).

28G.2 As shown in table 28G.3, the estimate of \$16,823,300 for miscellaneous expenses comprises the following elements:

United States dollars

| | |
|---|-------------------|
| Contributions to after-service health insurance | 13 899 500 |
| Compensatory payments | 1 509 700 |
| General insurance, Headquarters | 1 389 100 |
| Bank charges | <u>25 000</u> |
| Total | <u>16 823 300</u> |

A fifth element, interorganizational security measures, was included in the 1988-1989 appropriation; however, as also shown in table 28G.3, that amount has been deleted from the revalued resource base and no provision included in the 1990-1991 estimates. In this connection, the Advisory Committee recalls that under the terms of General Assembly resolutions on unforeseen and extraordinary expenses, the Secretary-General has commitment authority up to \$300,000 for charges under this heading; these are reported in the performance report on the programme budget.

28G.3 The Advisory Committee notes that there is a net additional requirement of \$2,548,200 in the revalued 1988-1989 resource base with respect to contributions to after-service health insurance. As shown in table 28G.2, \$2,359,000 of that amount is due to a special adjustment, attributable, as explained by the Secretary-General in paragraph 28G.3 of the proposed programme budget, to an increase in membership in the programme during 1988-1989 by 6.5 per cent over and above the level estimated at the time of the preparation of the 1988-1989 proposed programme budget (\$725,300), and to an increase in premium rates during 1988-1989 over and above the

1988 inflation rates utilized for the estimates at the time of the first performance report for 1988-1989 (\$1,633,700).

28G.4 The increase in membership in the after-service health insurance programme is expected to continue; as stated in paragraph 28G.4 of the proposed programme budget, the resource growth of \$1,562,400 (at revised 1989 rates) under this heading "would provide for additional expenditures in the biennium 1990-1991 due to an estimated further 12.8 per cent increase in membership in the insurance programme during the biennium". In this connection, the Advisory Committee notes that all retiring staff are entitled to participate in this programme, irrespective of whether as staff members they had been charged against extrabudgetary or regular budget posts. Recognizing the entitlements of staff, the Advisory Committee does not object to this arrangement. At the same time, however, it recommends that the Secretary-General explore means by which extrabudgetary activities could contribute toward the costs of the after-service health insurance programme.

28G.5 The above-mentioned resource growth under contributions to after-service health insurance is partially offset by a decrease of \$1,093,600 (at revised 1989 rates) under general insurance, Headquarters. Representatives of the Secretary-General informed the Committee that this decrease reflected both the general trend in market rates and also the fact that 1990-1991 requirements relating to the Organization's self-insurance plan for general liability risk are expected to be less than those in the biennium 1988-1989. This, in turn, relates to the replacement of the certificates of insurance with an irrevocable letter of credit. As shown in paragraph 28G.11 of the proposed programme budget, the costs of the irrevocable letter of credit amount to \$20,000 (at revised 1989 rates) for the biennium. The Committee recalled that, originally, provision for certificates of insurance was proposed by the Secretary-General in anticipation of the possibility that landlords and service contractors at Headquarters might require such evidence of general liability coverage as part of their leases and contracts when the United Nations adopted a self-insurance scheme for general liability at Headquarters. Following the adoption of General Assembly resolution 41/210 of 11 December 1986, by which the regulation limiting damages in respect of acts occurring within the Headquarters district came into effect, each of the landlords and contractors at Headquarters was notified accordingly. With the exception of the major landlord, each of the contractors and landlords appears to have accepted the United Nations self-insurance scheme as satisfactory. In the case of the major landlord, following negotiations the mechanism of the issuance of an irrevocable letter of credit in favour of the landlord was determined to be less costly than the insurance certificate arrangement and was accepted as satisfying the liability coverage obligations under the lease agreements.

28G.6 The estimate for compensatory payments amounts to \$1,509,700 for 1990-1991. As shown in table 28G.3, the estimate contains no resource growth; however, an adjustment totalling \$226,300 has been made to the resource base. As explained in paragraph 28G.8 of the proposed programme budget, this is due to "(a) an estimated increase in the number of beneficiaries against the number projected at the time of preparation of the 1988-1989 proposed programme budget (\$200,000) and (b) an increase due to inflation (\$26,300)".

28G.7 The Advisory Committee recommends approval of the Secretary-General's estimate of \$16,823,300 for section 28G.

Section 28H. Jointly financed administrative activities

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 15 500 200 |
| Estimate recommended by the Advisory Committee | 15 799 800 |
| Revised appropriations 1988-1989 | 16 585 000 |
| Initial appropriations 1988-1989 | 15 275 400 |
| Actual expenses 1986-1987 | 12 947 300 |

28H.1 The provisions included in this section cover requirements for the International Civil Service Commission (ICSC), the Joint Inspection Unit and the United Nations share of the estimate for the secretariat of the Consultative Committee on Administrative Questions. In accordance with decisions of the General Assembly, the shares of the specialized agencies and other organizations that participate in the financing of ICSC and the Joint Inspection Unit are entered as income under income section 2 (General income).

28H.2 The estimate of requirements in 1990-1991 under section 28H amounts to \$15,500,200; this is \$1,084,800, or 6.5 per cent, lower than the revised appropriations for 1988-1989. As can be seen from table 28H.1 of the proposed programme budget, a decrease of \$997,800 (at revised 1989 rates) is shown in the resource growth column; the rate of real growth has been calculated at -6.3 per cent. The Advisory Committee notes that the decrease of \$997,800 in resource growth is attributable primarily to the reduction of posts in the secretariats of ICSC and the Joint Inspection Unit as discussed below.

1. International Civil Service Commission

28H.3 The estimate for ICSC amounts to \$8,768,000. As stated in paragraph 28H.3 of the proposed programme budget, "it is anticipated that the specialized agencies would reimburse to the United Nations approximately 61.38 per cent, or \$5,381,800, of the Commission's total costs during the biennium 1990-1991. This amount will be credited under income section 2":

28H.4 As shown in table 28H.4, a net decrease of \$585,500 (at revised 1989 rates) is shown in the resource growth column; the major elements comprising this decrease are reductions in established posts (\$463,600) and common staff costs (\$147,400). As can also be seen from table 28H.4, an increase of \$45,400 is proposed under rental and maintenance of equipment.

28H.5 As stated in paragraph 28H.19 of the proposed programme budget, a total of five posts (one P-4, two P-3, and two General Service) are being proposed for abolition pursuant to recommendations by the Administrative Committee on Co-ordination. In this connection, the Advisory Committee recalls that, as it noted in its report (A/43/651 and Add.1), the Secretary-General had previously indicated that the question of post reductions for ICSC and the Joint Inspection Unit would be addressed through the Administrative Committee on Co-ordination and

any resulting reductions would be reported to the General Assembly in the context of the proposed programme budget for the biennium 1990-1991.

28H.6 The increase of \$45,400 (at revised 1989 rates) under rental and maintenance of equipment, which is discussed in paragraph 28H.31 of the proposed programme budget, relates to the rental and maintenance costs for electronic data-processing/office automation equipment. As indicated therein, some of the costs under this object were previously met centrally; however, in 1988-1989 it was decided that all user departments would reflect their requirements in their respective budgets. Full provision for such costs was not, however, made in the ICSC budget; consequently the 1990-1991 resource base is not sufficient to meet projected requirements.

2. Joint Inspection Unit

28H.7 The 1990-1991 estimate for the Joint Inspection Unit amounts to \$6,212,400. As stated in paragraph 28H.38 of the proposed programme budget, in accordance with its statute, the budget of the Unit is included in the regular budget of the United Nations and expenditures are shared by participating organizations. In response to inquiries, the Committee was informed that the United Nations share for 1990-1991 had been estimated at 35.24 per cent, that is, it would be reimbursed 64.76 per cent of the total budget.

28H.8 As shown in table 28H.6, a net decrease of \$422,900 (at revised 1989 rates) is shown in the resource growth column, attributable primarily to decreases under established posts (\$310,400) and common staff costs (\$89,000). In this connection, the Secretary-General states in paragraph 28H.47 that "it is proposed to reduce one P-3, one P-2/1 and one General Service (Other level) posts from the research staff of the Unit, in accordance with decision 1988/27 of the Administrative Committee on Co-ordination on the review of staffing requirements in the context of General Assembly resolution 41/213 for jointly financed activities". As shown in table 28H.7 of the proposed programme budget, the secretariat of the Joint Inspection Unit currently consists of 19 posts (8 in the Professional category and above and 11 General Service, including 2 at the Principal level). As stated in paragraph 28H.5 above, it was previously agreed that the question of post reductions for the Unit would be addressed through the Administrative Committee on Co-ordination and any resulting reductions reported in the proposed programme budget for the biennium 1990-1991.

28H.9 Notwithstanding the review by the Administrative Committee on Co-ordination, the Advisory Committee has reservations about endorsing this reduction, given the small size of the secretariat and its related responsibilities. In this connection, the Committee was informed that in many instances the officers in the Unit's secretariat not only help in performing research functions, but are also involved in the drafting of the Joint Inspection Unit reports. The Committee also recalls that in its resolution 43/221 of 21 December 1988 the General Assembly invited the Secretary-General, in his capacity as Chairman of the Administrative Committee on Co-ordination and in consultation with the Joint Inspection Unit, to ensure the maintenance of an efficient and effective research capability within the secretariat of the Unit. In the opinion of the Advisory Committee, the abolition of the two Professional posts in the research unit would have an adverse effect on that capability. It therefore recommends that only the General Service post be abolished and that the two Professional posts be retained.

28H.10 In making this recommendation, the Advisory Committee emphasizes that it should not be seen as a precedent for the restoration of posts previously proposed by the Secretary-General for elimination and subsequently approved by the General Assembly in the context of the revised estimates for 1988-1989 (A/C.5/43/1/Rev.1), since proposals for post reductions in ICSC and the Joint Inspection Unit have yet to be considered by the General Assembly.

3. Secretariat of the Consultative Committee on Administrative Questions (United Nations share)

28H.11 The estimate under this heading amounts to \$519,800; as stated in paragraph 28H.61 of the proposed programme budget, this represents approximately 38.62 per cent of the total estimated cost of \$1,345,900 that is shown in table 28H.9. As noted in the Advisory Committee's report, 2/ the corresponding percentage for the biennium 1988-1989 was 38.88.

28H.12 The estimate of \$1,345,900 includes resource growth (at revised 1989 rates) of \$27,300; the United Nations share totals \$10,600 as shown in table 28H.3. The growth is attributable to increases under consultants, travel of staff and furniture and equipment as explained in paragraphs 28H.57 to 59 of the proposed programme budget.

28H.13 In paragraph 28H.9 above, the Advisory Committee has recommended the retention of two Professional posts in the Joint Inspection Unit secretariat. Accordingly, the Committee recommends that the Secretary-General's estimate for section 28H be increased by \$299,600.

Section 28I. Division of Administrative and Common Services, Vienna

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 27 124 900 |
| Estimate recommended by the Advisory Committee | 27 124 900 |
| Revised appropriations 1988-1989 | 25 238 800 |
| Initial appropriations 1988-1989 | 24 574 200 |
| Actual expenses 1986-1987 | 18 237 100 |

28I.1 The estimate of \$27,124,900 for the Division of Administrative and Common Services, Vienna (sect. 28I) is \$1,886,100, or 7.4 per cent, higher than the revised 1988-1989 appropriation. Resource growth is estimated at \$101,300 (at revised 1989 rates); the rate of real growth has been calculated at 0.3 per cent (table 28I.1 of the proposed programme budget). According to the same table, extrabudgetary resources in 1990-1991 are estimated at \$173,000 and are for services in support of other United Nations organizations. The comments of the Advisory Committee in this regard are contained in paragraph 28I.10 below.

28I.2 As noted in paragraph 28I.1 of the proposed programme budget, "common services relate to all users of the Centre (United Nations, UNIDO and IAEA) and are covered by the Memorandum of Understanding signed in March 1977". Under that agreement, "the responsibility for the provision of administrative and common services at Vienna is allocated to the United Nations, IAEA and UNIDO on a cost-sharing basis". According to the same paragraph, "resources are budgeted in full by the organization providing the service, the reimbursement from the user organizations made in accordance with established cost-sharing formulas being credited as income to the providing organization".

28I.3 Joint services pertain only to the United Nations and UNIDO and are covered by separate agreements between the two organizations. Staff costs of joint services are budgeted in full by the organization that provides the service "with reimbursement from the user organization, either in the form of an agreed fixed lump-sum, or another cost-sharing formula". By contrast, the "non-staff costs of joint services (e.g. communications costs) are budgeted by each organization individually based on estimated or actual use" (para. 28I.1 of the proposed programme budget). The Advisory Committee was informed that the same methodology had been applied to the United Nations reimbursement from UNIDO as had been applied to the UNIDO reimbursement from the United Nations, that is, the reimbursement costs are based on staff and fixed costs of expenses related to the services.

28I.4 In paragraph 28I.3 of the proposed programme budget, the Secretary-General states that the United Nations and UNIDO have now extended the agreement in force during the biennium 1988-1989 to 1990-1991 and that his proposals "reflect the same parameters for cost-sharing arrangements that are in effect during the current biennium and are made on the basis of experience gained during the last three years of operation of joint services (1986, 1987 and 1988)" (see also paras. 28I.14 and 28I.16 below).

28I.5 A listing of the administrative services provided by the United Nations, UNIDO and IAEA is contained in paragraph 28I.2 of the proposed programme budget; as noted therein, the United Nations provides security and safety services (common), communications services, including pouch, mail and messenger (joint). The reimbursement that the United Nations receives in respect of these services is credited to income section 2; as shown in the table below, the revised amount of reimbursement expected in 1990-1991 in respect of the services covered under 28I amounts to \$8,998,900.

28I.6 At its request the Advisory Committee was provided with the following table, which shows the provisions included under section 28I in respect of the common/joint services provided by the administrative entities located at the Vienna Centre:

Services provided on a cost-sharing basis

Section 28I

(Thousands of United States dollars)

| | Section 28I 1990-1991 estimates | Distribution of costs | | | |
|---|---------------------------------------|-----------------------|-----------------|----------------|-----------------|
| | | United Nations | UNIDO <u>a/</u> | IAEA <u>a/</u> | UNRWA <u>a/</u> |
| <u>Services provided by the United Nations</u> | | | | | |
| Security and Safety Service <u>b/</u> | 7 576.6 | 1 356.2 | 2 394.2 | 3 447.4 | 378.8 |
| Communications | 3 083.4 | 2 029.4 | 996.6 | - | 57.4 |
| <u>(a) Services provided by IAEA <u>b/</u></u> | | | | | |
| Printing and reproduction | 81.0 | 81.0 | - | - | - |
| Computer processing | 348.4 | 348.4 | - | - | - |
| Medical services | 238.4 | 238.4 | - | - | - |
| Housing services | 23.8 | 23.8 | - | - | - |
| <u>(b) Services provided by UNIDO</u> | | | | | |
| Building management <u>b/</u> | 2 204.3 | 1 723.0 | - | - | 481.3 <u>c/</u> |
| Other general services | 410.4 | 410.4 | - | - | - |
| Financial services | 327.7 | 327.7 | - | - | - |
| Language/training services | 304.9 | 304.9 | - | - | - |
| <u>(c) Contributions to other joint general service costs (non-staff costs budgeted individually on the basis of actual or estimated usage)</u> | | | | | |
| Data processing contracts | 4.1 | 4.1 | - | - | - |
| Rental and maintenance of premises | 3 086.5 | 2 524.9 | - | - | 561.6 <u>c/</u> |
| Utilities | 3 375.8 | 2 727.1 | - | - | 648.7 <u>c/</u> |
| Rental and maintenance of equipment | 617.2 | 608.7 | - | - | 8.5 <u>c/</u> |
| Miscellaneous services | 60.4 | 57.0 | - | - | 3.4 <u>c/</u> |
| Supplies and materials | 464.6 | 453.2 | - | - | 11.4 <u>c/</u> |
| Furniture and equipment | 292.0 | 282.4 | - | - | 9.6 <u>c/</u> |
| Total | <u>22 499.5</u> | <u>13 500.6</u> | <u>3 390.8</u> | <u>3 447.4</u> | <u>2 160.7</u> |

a/ Amounts under UNIDO, IAEA and UNRWA (which total \$8,998,900) represent reimbursement to income section 2.

b/ Common services.

c/ Credited to income section 2 since the UNRWA share is billed to the United Nations.

28I.7 A total of 155 regular-budget posts are requested for 1990-1991, comprising 1 D-1, 4 P-5, 2 P-4, 3 P-3, 130 General Service, including 5 at the Principal level, and 15 Trades and Crafts. This represents an increase of four posts (three Professional and one General Service (Principal level)) over 1988-1989 through conversion of temporary posts (see para. 28I.9 below). As shown in table 28I.5, the Secretary-General is also requesting one temporary P-4 post for 1990-1991, to be funded from extrabudgetary resources that was not included in the 1988-1989 budget. The Committee understands that this proposal relates to the provision of administrative services to extrabudgetary activities (see para. 28I.10 below).

28I.8 The Advisory Committee notes that the proposed programme budget reflects the consolidation of a number of programmes under the Director-General in the United Nations Office at Vienna. The background to this consolidation is contained in paragraph 28I.4 of the proposed programme budget.

28I.9 The Advisory Committee also notes from paragraph 28I.9 of the proposed programme budget that four temporary posts are proposed for conversion into established posts (one D-1, one P-5, one P-4 and one General Service (Other)) (see also paras. 28I.11, 28I.19 and 28I.41 of the proposed programme budget). In addition, the Secretary-General is proposing to redeploy one General Service post at the principal level from the Centre for Social Development and Humanitarian Affairs to the Division of Administrative and Common Services, in exchange for a General Service post (Other level) in finance services (para. 28I.25 of the proposed programme budget). The Advisory Committee has no objections to these proposals. The Committee notes, however, from paragraph 28I.20 of the proposed programme budget that the Secretary-General is proposing to fund one General Service post from general temporary assistance. The Advisory Committee is against the continuation of this practice and trusts that steps will be taken to regularize this post. The comments of the Committee in this regard are contained in chapter 1, paragraph 60, above.

28I.10 As indicated in paragraph 28I.1 above, extrabudgetary resources amounting to \$173,000 are expected to be available during 1990-1991 for services in support of other United Nations organizations. The Advisory Committee discussed this estimate with representatives of the Secretary-General, particularly in the light of what is contained in paragraph 28I.6 of the proposed programme budget regarding the inability of the Division to provide services in support of administrative structures of extrabudgetary activities free of charge and the intention of the Secretary-General to determine the level and amount of reimbursement for these services. The Advisory Committee is concerned regarding this ongoing situation and calls on the Secretary-General to determine the level and amount of reimbursement for these services as soon as possible so that the support given to the extrabudgetary units and activities will be fairly reimbursed.

28I.11 In connection with electronic data-processing activities, the Committee notes from paragraph 28I.7 of the proposed programme budget that, in order to achieve a consolidation of all provisions for rental of electronic data-processing and maintenance of office automation equipment under this section, a revaluation of the resource base in the amount of \$92,600 (at revised 1989 rates) reflects the transfer of resources under rental and maintenance of equipment (\$75,800) from sections 8, 18 and 20 and supplies (\$16,800) from section 8.

28I.12 The requirements for electronic data-processing services are discussed in paragraphs 28I.18 to 28I.23 of the proposed programme budget. The estimate for such services includes a provision of \$348,600 (at revised 1989 rates) for the United Nations share in the cost of computer time on the IAEA mainframe computer. This computer time relates to the administrative systems (payroll, accounting, etc.) and the data base analysis required by the Centre for Social Development and Humanitarian Affairs. According to paragraph 28I.23 of the proposed programme budget, the resource growth of \$207,000 is attributable to an underestimation of the operating cost of the system at the United Nations Office in Vienna at the time of the distribution of resources between the United Nations and UNIDO.

28I.13 According to tables 28I.10 and 28I.12, as well as paragraphs 28I.26 and 28I.36 of the proposed programme budget, contributions to joint financial services and joint general services are shown as negative resource growth. In response to a query the Advisory Committee was informed that these were in fact revaluations of the 1989 resource base. In order to achieve consistency of methodology, the Advisory Committee recommends that all revaluations should appear in the revaluation column of the tables and not under resource growth.

28I.14 The Committee queried the negative growth of \$275,000 (at revised 1989 rates) related to contributions to joint general services, discussed in paragraph 28I.36 of the proposed programme budget. The Advisory Committee was informed that reimbursement to UNIDO for the provision of certain services, such as inventory control, property management, travel, transportation, shipping, archives and records management and commercial operation, had been determined by applying a percentage of the costs incurred by UNIDO on the basis of the relative staff strength of the organizations. The Committee was informed that the reduction reflected actual projected requirements under the terms of the agreement in force during 1988-1989, which was extended for 1990-1991 (see para. 28I.4 above).

28I.15 The Advisory Committee inquired regarding the resource growth of \$344,000 (at revised 1989 rates) for contributions to common buildings management services discussed in paragraph 28I.37 of the proposed programme budget and was informed that the increase in salaries and common staff costs of General Service posts and Manual Worker posts in 1988-1989 were higher than the inflation rates applied to non-post objects of expenditure. In addition, the increase in contributions by the United Nations is attributable to an across-the-board increase of General Service and Manual Worker salaries resulting from the revision of Austrian income tax law that took effect on 1 January 1989. The Advisory Committee was informed that ICSC had approved a new salary scale for General Service and Manual Workers effective 1 March 1989, reflecting the new tax legislation in Austria as well as cost-of-living adjustments.

28I.16 The Advisory Committee queried paragraph 28I.32 of the proposed programme budget regarding communications. The Committee notes from the table in paragraph 28I.6 above that the total cost of communications for 1990-1991 is estimated at \$3,083,400 and the United Nations share is estimated at \$2,029,400. The Committee was informed that the cost of salary, common staff costs and overtime is budgeted by the United Nations on a gross basis. UNIDO's share of the cost of communications staff was fixed at \$96,600 and it had been decided to extend the agreement in force during the biennium 1988-1989 to 1990-1991 (see para. 28I.4 above).

28I.17 The Advisory Committee recommends approval of the Secretary-General's estimate of \$27,124,900 for section 28I.

Section 28J. Common Services, Nairobi

United States dollars

| | |
|--|-----------|
| Estimate submitted by the Secretary General | 4 416 400 |
| Estimate recommended by the Advisory Committee | 4 416 400 |
| Revised appropriations 1988-1989 | 3 699 500 |
| Initial appropriations 1988-1989 | 3 517 500 |
| Actual expenses 1986-1987 | 3 247 100 |

28J.1 The Secretary-General's estimate of \$4,416,400 for Common Services, Nairobi, is \$716,900, or 19.3 per cent, more than the revised appropriations for 1988-1989. As shown in table 28J.1 of the proposed programme budget, resource growth amounts to \$130,200 (at revised 1989 rates) and the rate of real growth has been calculated at 3.4 per cent.

28J.2 The Advisory Committee notes from paragraph 28J.3 of the proposed programme budget that arrangements recommended by an administrative review of the organization, functions and staffing of all administrative and common services units at Nairobi would be implemented by stages. As a first step, mail operations, communications, travel and transportation, messenger service and medical service had been identified for transfer to Common Services, Nairobi, as at 1 January 1990. The same paragraph indicates that the resources related to these services would not be transferred from section 18 (UNEP) and section 19 (Habitat) to section 28J. The Committee was informed, however, that practical difficulties with regard to the arrangements for messengers, travel and transportation still existed.

28J.3 The Advisory Committee recalls that in its report it had indicated that "while the Committee, in principle, encourages the operation of joint and/or common services wherever feasible, it has, in this case, reserved its position pending a precise indication of the manner in which the agreed results of that review will be implemented" (A/43/651 and Add.1, para. 33). Although the Advisory Committee is of the view that the principle of common services remains valid where it leads to improved efficiency and economy, the Committee does not believe that the Secretary-General's proposals as presently formulated will result in a more cost-effective and orderly operation. The Committee recommends, therefore, that the proposals not be implemented at this time and that all parties concerned keep the situation under review.

28J.4 For 1990-1991, the Secretary-General proposes a staffing establishment of 57 established posts (1 D-1, 1 P-4, 2 P-3, 1 P-2/1 and 52 Local level posts) (table 28J. 4 of the proposed programme budget). As indicated in paragraph 28J.5, the Secretary-General is proposing to convert 39 temporary Local level posts to established posts. The Advisory Committee requested a functional breakdown of the posts and was informed that 8 related to the Buildings and Ground Management Unit, 21 related to the Safety and Security Unit and 10 are telephone operators. Bearing in mind what is stated in paragraph 28J.3 above, the Advisory Committee does not recommend conversion of these posts at this time. In addition, as indicated in

paragraph 28J.6 of the proposed programme budget, the total number of posts excludes 12 staff (essentially in the Security Service), the costs of which are financed from resources requested for general temporary assistance. The comments of the Advisory Committee in this regard are contained in chapter I, paragraph 60, above.

28J.5 According to paragraph 28J.12, requirements under rental and maintenance of equipment include a provision for local staff transportation amounting to \$80,000 for the biennium 1990-1991. The Advisory Committee inquired regarding the overall cost of local staff transportation and was informed that for 1989 the total cost amounted to \$111,375, of which \$40,000 was provided by the Common Services Unit, \$26,000 by staff using the transportation and the balance by UNEP, Habitat, UNICEF, UNESCO and ICAO.

28J.6 Bearing in mind what is indicated in paragraphs 28J.2 and 28J.3 above, the Advisory Committee recommends approval of the Secretary-General's estimate of \$4,416,400 for section 28J.

Recapitulation, section 28

The reductions and increase recommended by the Advisory Committee for section 28 are summarized in the following table:

| | <u>United States dollars</u> |
|--|------------------------------|
| A. Office of the Under-Secretary-General for Administration and Management | - |
| B. Office for Programme Planning, Budget and Finance | - |
| C. Office of Human Resources Management | - |
| D. Office of General Services, Headquarters | (1 418 500) |
| E. Internal audit services | - |
| F. Administration and common services, Geneva | (1 200 000) |
| G. Miscellaneous expenses | - |
| H. Jointly financed administrative activities | 299 600 |
| I. Division of Administrative and Common Services, Vienna | - |
| J. Common Services, Nairobi | - |
| | <hr/> |
| Total reduction | <u>(2 318 900)</u> |

Accordingly, the Committee recommends an estimate of \$403,553,900 for section 28.

Reduction recommended

United States dollars

Section 28. Administration and management

2 318 900

Section 29. Conference and library services

United States dollars

| | |
|--|-------------|
| Estimate submitted by the Secretary-General | 359 026 300 |
| Estimate recommended by the Advisory Committee | 357 375 800 |
| Revised appropriations 1988-1989 | 324 950 400 |
| Initial appropriations 1988-1989 | 333 779 200 |
| Actual expenses 1986-1987 | 293 156 000 |

29.1 The Secretary-General's estimate of \$359,026,300 for conference and library services is \$34,075,900, or 10.4 per cent, higher than the revised appropriation for 1988-1989 of \$324,950,400 (table 29.1 of the proposed programme budget). The proposed increase is attributable to revaluation of the 1988-1989 resource base (\$10,123,300 at revised 1989 rates), resource growth (\$1,613,300 at revised 1989 rates) and provision for inflation in 1990-1991 (\$22,339,300). However, after deleting an amount of \$3,481,100 (at revised 1989 rates) for non-recurrent items, the Secretary-General calculates a rate of real growth for section 29 as a whole of -0.4 per cent.

29.2 The positive revaluation of the 1988-1989 resource base by \$10,123,300 (at revised 1989 rates) is summarized in table 29.2 of the proposed programme budget. In response to its inquiries, representatives of the Secretary-General informed the Advisory Committee that the amount of \$5,176,600 shown under "special adjustments" and referred to in footnote a/ of table 29.2 was a net figure, comprising \$12,793,400 for the financing of 100 posts (see para. 9 of General Assembly resolution 43/213), partially offset by the redeployment to section 19 of resources related to conference-servicing of the Commission on Human Settlements (\$960,600, see also paras. 19.2 and 19.10 above and 29.12 below) and the application of revised vacancy rates in 1990-1991 (\$6,656,200).

29.3 The proposed non-recurrent resource growth of \$3,481,100 (at revised 1989 rates) is intended to cover general temporary assistance requirements in connection with the project to eliminate the backlog in the publication of the United Nations Treaty Series (\$569,200), and to finance the acquisition of office automation equipment (including software, rental of external data bases and staff training) in connection with the Department's ongoing programme of technological innovations for conference and library services (\$2,911,900). Of the latter amount, \$1,680,100 would cover requirements requested under publishing services, Dag Hammarskjöld Library services and departmental administration at Headquarters (paras. 29.39 (a) (i) to (vi), 29.46 and 29.59 (a) to (k) of the proposed programme budget). The balance of \$1,231,800 would cover requirements at Geneva requested under library services and Office of the Director (paras. 29.98, 29.101, 29.109, 29.112 and 29.115 of the proposed programme budget).

29.4 The overall estimate of \$359,026,300 covers requirements for Headquarters (including executive direction and management), Geneva and Vienna, as follows:

| | Conference services | Library services | Total |
|--------------|-------------------------|---------------------|--------------------|
| | (United States dollars) | | |
| Headquarters | 185 832 700 | 15 524 100 | 201 356 800 |
| Geneva | 128 861 800 | 7 627 100 | 136 488 900 |
| Vienna | <u>19 023 100 a/</u> | <u>2 157 500 b/</u> | <u>21 180 600</u> |
| Total | <u>333 717 600</u> | <u>25 308 700</u> | <u>359 026 300</u> |

a/ Joint United Nations/UNIDO meetings and interpretation service operated by the United Nations; and joint United Nations/UNIDO translation/documents service operated by UNIDO.

b/ Joint library service of the Vienna International Centre operated by IAEA.

29.5 The Advisory Committee notes that the estimate of \$333,717,600 (see para. 29.4 above) requested under section 29 does not represent the totality of resources devoted by the United Nations to conference-servicing requirements. As indicated in paragraph 29.2 of the proposed programme budget, estimates for language staff and for temporary assistance for meetings are also included under sections 11 (ESCAP), 12 (ECLAC), 13 (ECA), 14 (ESCWA), 18 (UNEP) and 19 (UNCHS).

29.6 Extrabudgetary resources expected to be available in 1990-1991 to section 29 as a whole are estimated at \$2,842,600 (table 29.1 (2) of the proposed programme budget). Of this amount, \$1,520,500 relates to the trust fund for German language translation under the Department of Conference Services, Headquarters (see programmes of activity for translation and publishing services in tables 29.19 (2) and 29.23 (2) of the proposed programme budget).

29.7 For 1990-1991, the Secretary-General proposes 2,267 established regular budget posts for conference and library services at Headquarters, Geneva and Vienna, comprising 1,066 posts in the Professional category and above, 1,101 General Service posts (including 86 at the Principal level) and 100 Trades and Crafts posts. This corresponds to a net increase of eight posts over the 1988-1989 total staffing establishment. The Secretary-General's staffing proposals for 1990-1991 are as follows:

(a) To establish six new posts (four P-3 and two General Service at the Principal level) to complete the staffing for the Chinese Unit in the Editorial and Official Records Division at Headquarters (para. 29.21 of the proposed programme budget);

(b) To convert two temporary recurrent posts located at Geneva to established posts (one P-3 French terminologist and one P-4 co-ordinator of the programme of technical innovations, see paras. 29.81 and 29.105 respectively of the proposed programme budget);

(c) To reclassify four Professional posts at Headquarters, as follows: the post of Special Assistant to the Under-Secretary-General from P-4 to P-5; the post of Chief, Cartographic Unit, from P-4 to P-5; and two systems analyst posts in the Technical Innovations Programme from P-2 to P-3 (paras. 29.12, 29.20 and 29.35 of the proposed programme budget);

(d) To abolish 11 temporary recurrent posts (one P-4, five P-3, two P-2/1 and three General Service) in connection with the project to eliminate the backlog in the publication of the United Nations Treaty Series (paras. 29.17, 29.23, 29.30 and 29.36 of the proposed programme budget). However, this would be partially offset by the request for non-recurrent general temporary assistance resources in the amount of \$569,200 (at revised 1989 rates) for the project, which is equivalent to 12 work-months each of the exact corresponding number of posts proposed for abolition (see para. 29.3 above and para. 29.53 of the proposed programme budget).

29.8 Bearing in mind that both language and non-language posts are included in the total number of established posts shown under section 29 (see para. 29.7 above), the Advisory Committee requested additional information on language posts. The representatives of the Secretary-General provided the following table:

Language posts proposed for 1990-1991 a/

| | P-5 | P-4 | P-3 | P-2/1 | Total |
|--|------------|------------|------------|-----------|------------|
| <u>Headquarters</u> | | | | | |
| Translation | 53 | 140 | 98 | 26 | 317 |
| Documentation, Reference and Terminology Section | 1 | 2 | 4 | 1 | 8 |
| Interpretation | 28 | 63 | 26 | 5 | 122 |
| Verbatim reporting | 7 | 9 | 38 | - | 54 |
| Official Records Editing Section | 1 | 9 | 21 | 6 | 37 |
| Copy preparation and proof-reading | <u>1</u> | <u>2</u> | <u>8</u> | <u>12</u> | <u>23</u> |
| Subtotal | <u>91</u> | <u>225</u> | <u>195</u> | <u>50</u> | <u>561</u> |
| <u>Geneva</u> | | | | | |
| Translation | 24 | 63 | 65 | 8 | 160 |
| Terminology | 1 | 2 | 3 | - | 6 |
| Editing | 1 | 4 | 11 | - | 16 |
| Interpretation | 19 | 51 | 17 | 6 | 93 |
| Copy preparation and proof-reading | - | <u>2</u> | <u>8</u> | <u>2</u> | <u>12</u> |
| Subtotal | <u>45</u> | <u>122</u> | <u>104</u> | <u>16</u> | <u>287</u> |
| <u>Vienna</u> | | | | | |
| Translation | - | 8 | 12 | - | 20 |
| Terminology | - | - | - | - | - |
| Editing | - | - | - | - | - |
| Meetings planning | 1 | - | - | 1 | 2 |
| Interpretation | <u>1</u> | <u>10</u> | <u>9</u> | - | <u>20</u> |
| Subtotal | <u>2</u> | <u>18</u> | <u>21</u> | <u>1</u> | <u>42</u> |
| Total | <u>138</u> | <u>365</u> | <u>320</u> | <u>67</u> | <u>890</u> |

a/ Excludes non-language posts in the language units.

29.9 A total of 22 extrabudgetary posts (7 Professional and 15 General Service posts, including 1 at the Principal level) are expected to be available to conference and library services in 1990-1991; i.e. one General Service post more than in 1988-1989 (table 29.5 of the proposed programme budget). Of these 22 extrabudgetary posts, 11 posts (6 Professional and 5 General Service posts, including 1 at the Principal level) are assigned to the Translation Division at Headquarters and are financed from the trust fund for German language translation (table 29.20 of the proposed programme budget).

29.10 The permanent conference-servicing capacity existing at Headquarters, Geneva and Vienna (represented by the regular budget staffing resources described in para. 29.7 above) is supplemented by resources for temporary assistance for meetings. The Secretary-General estimates at \$40,690,800 total requirements under temporary assistance for meetings. This amount is \$1,960,900 less than the corresponding revised appropriation of \$42,651,700 for 1988-1989 (table 29.4 of the proposed programme budget). In this connection, the Advisory Committee notes that the 1990-1991 estimate under temporary assistance for meetings reflects the proposed transfer in full of \$3,597,400 (\$3,476,800 at revised 1989 rates) from this object of expenditure to a different object of expenditure, contributions to joint activities (see para. 29.12 below and table 29.58 of the proposed programme budget). The addition of this amount (\$3,597,400) would increase the 1990-1991 estimate under temporary assistance for meetings to \$44,288,200 (\$40,690,800 + \$3,597,400), which is \$1,636,500 higher than the corresponding revised appropriation of \$42,651,700. The total 1990-1991 estimate under temporary assistance for meetings (\$40,690,800) takes into account a number of proposed changes, as follows:

Temporary assistance for meetings in 1990-1991

| | 1988-1989 appropriation | Revaluation of 1988-1989 resource base at revised 1989 rates | Resource growth at revised 1989 rates | Inflation in 1990-1991 | Total increase | 1990-1991 estimate |
|---|-------------------------|--|---------------------------------------|------------------------|------------------|--------------------|
| | | (Thousands of United States dollars) | | | | |
| Headquarters | | | | | | |
| Executive direction and management | - | - | 3 000.0 | 205.5 | 3 205.5 | 3 205.5 |
| Departmental administration | 16 592.4 | 365.1 | (1 277.8) <u>a/</u> | 1 074.2 | 161.5 | 16 753.9 |
| Geneva | | | | | | |
| Conference Services | 14 500.5 | (206.3) <u>b/</u> | (14 294.2) <u>c/</u> | - | (14 500.5) | - |
| Office of the Director | 1 415.3 | (525.3) <u>b/</u> | 12 294.2 | 438.2 | 12 207.1 | 13 622.4 |
| Vienna | | | | | | |
| Meetings planning and interpretation service (United Nations) <u>d/</u> | 1 044.6 | 21.0 | - | 37.1 | 58.1 | 1 102.7 |
| Language and documents service (UNIDO) <u>e/</u> | <u>9 098.9</u> | <u>182.2</u> | <u>(3 476.8) <u>f/</u></u> | <u>202.0</u> | <u>(3 092.6)</u> | <u>6 006.3</u> |
| Total | <u>42 651.7</u> | <u>(163.3)</u> | <u>(3 754.6)</u> | <u>1 957.0</u> | <u>(1 960.9)</u> | <u>40 690.8</u> |

a/ Represents proposed redeployment of \$1 million to the Office of the Under-Secretary-General, Headquarters (see para. 29.11 below) and negative resource growth of \$277,800 (see para. 29.51 of the proposed programme budget).

b/ Takes into account, *inter alia*, a special adjustment to reflect the redeployment of \$960,000 from section 29 to section 19 (see para. 19.2 above and para. 29.63 of the proposed programme budget).

c/ The bulk of this amount (\$12,294,200) represents the redeployment of resources from Conference Services, Geneva, to the Office of the Director, Geneva, for reasons stated in paragraph 29.64 of the proposed programme budget. The balance of \$2 million is proposed for redeployment from Conference Services, Geneva, to the Office of the Under-Secretary-General, Headquarters (see para. 29.11 below).

d/ Joint United Nations/UNIDO meetings and interpretation service operated by the United Nations.

e/ Joint United Nations/UNIDO translation/documents service operated by UNIDO.

f/ This amount (\$3,476,800 at revised 1989 rates) is proposed for transfer in full to a different object of expenditure, contributions to joint activities (see para. 29.12 below).

29.11 The proposed redeployment of a total of \$3 million (at revised 1989 rates) from departmental administration, Headquarters, and Office of the Director, Geneva, to the Office of the Under-Secretary-General (i.e. executive direction and management) would establish "a global provision for temporary assistance for meetings to be allocated between conference centres, at the discretion of the Under-Secretary-General, based on the pattern of meetings and related requirements that emerge during the biennium" (para. 29.13 of the proposed programme budget). The stated purpose of this proposed global provision is to address "the inevitable uncertainties in the pattern of location of non-recurrent meetings [which] has led to significant variances between costs and provisions at the three major conference centres" (para. 29.5 of the proposed programme budget).

29.12 As shown in the table in paragraph 29.10 above and in table 29.58 of the proposed programme budget, negative resource growth of \$3,476,800 (at revised 1989 rates) is proposed under temporary assistance for meetings (Joint United Nations/UNIDO translation/documents service operated by UNIDO). However, this is fully offset by an increase in the same amount under the object of expenditure contributions to joint activities (para. 29.127 of the proposed programme budget).

29.13 During its examination of the Secretary-General's estimates for section 29, the Advisory Committee noted that nowhere in section 29 or elsewhere in his programme budget proposals is there any reference to the manner of implementation of paragraph 10 of resolution 43/213, in which the General Assembly requested "the Secretary-General to present, in the context of his proposed programme budget for the biennium 1990-1991, concrete recommendations for absorbing the costs of the [100 language] posts". Neither has any explanation been provided by the Secretary-General as to the reasons why he could not fully offset the additional costs arising from the restoration of these 100 language posts (see chap. I, paras. 2 and 10, above).

29.14 In addition to this omission (see para. 29.13 above), the Advisory Committee's consideration of section 29 was hampered by continuing difficulties encountered in obtaining fully reliable information from representatives of the Secretary-General in respect of work-load and meeting statistics as well as other data concerning the three conference services at Headquarters, Geneva and Vienna (see paras. 29.18-29.21 below).

29.15 The Committee notes the statement in paragraph 29.7 of the proposed programme budget that "the declining trend in the number of meetings scheduled or proposed, which began after 1985 as a result of the financial crisis, has gradually slowed and the number of meetings appears to be stabilizing at current levels". The Committee also notes from additional information provided by representatives of the Secretary-General their perceptions that several bodies that had biennialized their sessions were now contemplating a reversion to annual sessions and that there appeared to be a resurgence of proposals for major international conferences.

29.16 In view of the above and of the necessity to avoid negative impact on conference services, the Committee, in spite of its observations in paragraphs 29.13 and 29.14 above, has generally refrained from recommending reductions to the initial estimates under section 29. The observations and recommendations of the Advisory Committee in the following paragraphs should be read in the context of this position.

29.17 The Advisory Committee inquired as to the status of implementation of its recommendations, contained in paragraphs 29.13 and 29.14 of its first report on the proposed programme budget for the biennium 1988-1989, 2/ concerning the harmonization and co-ordination of the budget presentation for section 29. According to representatives of the Secretary-General, those recommendations had, by and large, been implemented and reflected in the budget submission for section 29. As examples, they cited the harmonization of the presentation of conference services at Headquarters and Geneva; standardization of the presentation of data on interpretation assignments as well as the number of meetings serviced by the different duty stations; and the consolidation of temporary assistance for meetings under departmental administration at Geneva in accordance with the practice at Headquarters. The Committee welcomes these developments.

29.18 At the same time, the Committee observes that questions remain as to the accuracy of the work-load statistics shown for the various services (interpretation, translation, typing, editing, reproduction and distribution) at Headquarters, Geneva and Vienna. For example, the Committee points out that a comparison of the initial 1988-1989 work-load statistics contained in the Secretary-General's programme budget proposals for that biennium, 37/ with the revised 1988-1989 work-load statistics contained in the proposed programme budget for 1990-1991 38/ for each of the language and reproduction services at Headquarters reveals significant variations. In practically all cases, the revised 1988-1989 work-load statistics have been adjusted downwards by amounts ranging from a low of 2.4 per cent to a high of 20.7 per cent.

29.19 However, the related budgetary implications of such downward changes between the initial and revised estimates of work-load among the various services in the Department during the biennium 1988-1989 and their consequent impact on the estimation of requirements for the next biennium are not discussed anywhere in section 29. Neither has the Advisory Committee been able to elicit satisfactory additional information from representatives of the Secretary-General on the matter. The absence of such analytical information hampered the Committee's assessment of the estimates of conference-servicing requirements requested for 1990-1991. The Committee expects that such analysis will be provided in the Secretary-General's programme budget proposals for future bienniums. In the interim, the Committee requests that the Secretary-General submit to it before the end of 1989 information comparing the initial and actual/revised work-load statistics for the various services in the Department for the bienniums 1986-1987 and 1988-1989 and analysing their impact on conference-servicing resources approved under section 29. This additional information should be submitted in conjunction with the Secretary-General's related report on work-load standards for conference-servicing staff, including typing and clerical staff, which is expected to be submitted to the Committee before the end of 1989 (see para. 29.22 below).

29.20 The work-load statistics for the interpretation and meetings services at Headquarters includes a new category, meetings without interpretation (para. 29.25 of the proposed programme budget). This category is identical to the one that has

37/ Ibid., Supplement No. 6 (A/42/6), sect. 29, table 29.15, para. 29.20 and tables 29.20 and 29.24.

38/ Ibid., Forty-fourth session, Supplement No. 6 (A/44/6/Rev.1), sect. 29, table 29.16, para. 29.25 and tables 29.21 and 29.25.

traditionally been provided in the work-load statistics for planning, meetings and documents control services, Geneva, and about which the Advisory Committee had expressed doubts in the past. In view of incomplete responses from representatives of the Secretary-General as to the kind of meetings included under this category and the rationale for their inclusion, the Committee's review of such data remains difficult.

29.21 The work-load statistics for the language and documents service at Vienna (joint United Nations/UNIDO translation/documents service operated by UNIDO) contained in table 29.60 of the proposed programme budget have been prepared on the basis of data supplied by UNIDO. In this connection, the Advisory Committee notes from additional information provided by representatives of the Secretary-General that there is need to improve the current system of financial controls at Vienna in respect of prior clearance by the Vienna service of requests for temporary assistance for meetings and the timely recording and reporting of such charges to the Vienna service by UNIDO. The Advisory Committee also notes that at Vienna greater prospects for reduction in temporary assistance for meetings requirements, especially in terms of timely submission of pre-session meeting documentation, are possible. The Committee views the two examples of failure to observe document translation deadlines cited by representatives of the Secretary-General ^{39/} with concern, and trusts that remedial measures will be taken urgently to ensure that such situations are not repeated.

^{39/} Two examples were given by representatives of the Secretary-General as illustration: the 1989 sessions of the Committee on the Status of Women and the Committee for Social Development.

The Commission on the Status of Women met from 29 March to 7 April; the deadline for submission of documents in order to meet the six-week distribution date (15 February) was 18 January. The forecast volume of pre-session documentation was 218 pages; to translate this quantity of work would require about 58 working days in each language. Since only about 20 working days were available to meet the six-week deadline, a minimum of three translators would be required in each language. Assuming that 15 translators were therefore hired for one month each, at an average cost of about \$350 a day, the cost would be about \$158,000. However, by 15 February, only 15 pages of final text had been received (it arrived 14 February); the actual submission of final text for translators to work on continued up until 22 March, one week before the session began. The translation work that should have been done between 18 January and 15 February instead had to be done between 15 February and 29 March using resources intended for other work.

The Commission for Social Development (13-22 March) presents a similar picture. In this case, the deadline for submission (10 weeks before the session) was 3 January. Some documents were scheduled for submission as early as late November; all were scheduled for submission by 16 December. In this case the submission of final texts (except for one document submitted 23 December) began 26 January and continued until 9 March. In this case also, translators recruited to work on pre-session documents in January would have had virtually nothing to work on. The total number of pages of pre-session documents actually submitted in final form was 115, against an initial estimate of 214 and first draft submission of 202. The number of pages was reduced as a result of New York clearance, but such clearance was requested and obtained at a very late stage in the process, long after temporary assistance had already been recruited.

29.22 Work-load standards for conference-servicing staff, including typing and clerical staff, were first established in 1977. The Advisory Committee notes with regret that since then no comprehensive review of these standards has been undertaken despite the Committee's recommendations that such a review be carried out (most recently in para. 29.18 of its first report on the proposed programme budget for the biennium 1988-1989). 2/ There is urgent need for such a review since the introduction of technological innovations in the Department during the intervening period has had significant impact on these work-load standards in terms of gains in staff productivity. Moreover, the quickened pace of introduction of other technological innovations proposed for 1990-1991 (see para. 29.3 above) will impact further on these work-load standards. In this connection, in response to its inquiries, representatives of the Secretary-General informed the Committee that a thorough review of the work-load standards for conference-servicing staff, including typing and clerical staff, had been undertaken and was nearing completion. They stated that a report on the results of the review would be submitted to the Committee before the end of 1989.

29.23 The Advisory Committee recommends acceptance of the Secretary-General's staffing proposals for the Department, as described in paragraph 29.7 above. In this connection, the Committee notes from additional information provided by representatives of the Secretary-General that at present 13 core posts at the Professional level are vacant at Headquarters and 10 core posts at that level at Geneva. Core post vacancies at Vienna are referred to in paragraph 29.27 below.

29.24 During its consideration of the Secretary-General's staffing proposals, and bearing in mind its observations in paragraph 1.35 above, the Committee requested a breakdown detailing all the organisational units and staffing resources located at Headquarters (under sect. 29 and other budget sections) that perform editorial functions. Representatives of the Secretary-General provided the following table:

Units performing editorial functions in the Secretariat at Headquarters

| Section/department/office | Professional | | | | | | | General Service | | |
|---|--------------|-----|-----|-----|-----|-------|-------|-----------------|-------|-------|
| | D-2 | D-1 | P-5 | P-4 | P-3 | P-2/1 | Total | Principal | Other | Total |
| 1. Political and General Assembly Affairs and Secretariat Services: | | | | | | | | | | |
| Division of General Assembly Affairs | - | - | 1 | 3 | 1 | - | 5 | - | 2 | 2 |
| Division of Economic and Social Council Affairs and Secretariat Services | - | - | 1 | 1 | 4 | - | 6 | - | 2 | 2 |
| 2B. Disarmament Affairs | - | - | - | - | 1 | - | 1 | - | - | - |
| 3B. Special Political Questions, Regional Co-operation, Decolonization and Trusteeship | - | - | - | - | 1 | 1 | 2 | - | 2 | 2 |
| 7. Department of Technical Co-operation for Development | - | - | - | 1 | 1 | - | 2 | - | 2 | 2 |
| 29. Conference Services: | | | | | | | | | | |
| Editorial Control Services | - | 1 | - | 4 | - | - | 5 | - | 1 | 1 |
| Official Records Editing | - | - | 1 | 10 | 21 | 5 | 37 | 12 | 3 | 15 |
| Total | - | 1 | 3 | 19 | 29 | 6 | 58 | 12 | 12 | 24 |

29.25 With regard to the estimates under temporary assistance for meetings (see para. 29.10 above), the Advisory Committee questions the rationale for the proposed establishment under executive direction and management of a global provision of \$3 million to be used at the discretion of the Under-Secretary-General (see para. 29.13 above). In this connection, the Committee notes that the Secretary-General, on the advice of the Under-Secretary-General, already has the authority to redeploy resources within section 29 as a whole. This proposal also represents a departure from the current practice of centralizing resources for temporary assistance for meetings under departmental administration at the respective conference centres.

29.26 The Advisory Committee notes from additional information provided by representatives of the Secretary-General that, based on current expenditure trends, it was projected that overall temporary assistance for meetings at Vienna in 1988-1989 would exceed approved appropriations by some \$3 million (including, inter alia, provision for a non-recurrent international conference). This has led the Committee to conclude that the proposed establishment of a global provision for temporary assistance for meetings under executive direction and management (see paras. 29.11 and 29.25 above) is intended primarily to cover future over-expenditures at Vienna.

29.27 In the opinion of the Committee, there is a direct link between over-expenditures under temporary assistance for meetings at Vienna and the continuing chronic vacancies in the language posts at that conference centre. In this connection, the Committee notes from additional information provided by representatives of the Secretary-General that, at present, out of 20 interpreter posts in the meetings, planning and interpretation service at Vienna, 8 Professional posts (4 P-4 and 4 P-3) remain vacant. Similarly, in the language and documents service, 5 Professional posts (3 P-4 and 2 P-3) out of 20 approved posts are vacant. This current post vacancy situation is practically unchanged from that reported by the Committee in paragraph 29.10 of its first report on the proposed programme budget for the biennium 1988-1989. 2/ The Advisory Committee calls upon the Secretary-General to take immediate action to fill these posts, bearing in mind that such action should also obviate the need to resort to more expensive temporary assistance for meetings.

29.28 For the reasons outlined in paragraphs 29.25 to 29.27 above, and taking into account concerns expressed by the Committee regarding certain other inadequacies in the submission for section 29 in paragraphs 29.18 to 29.22 above, the Advisory Committee recommends a provisional reduction of \$1.5 million to the Secretary-General's estimate of \$3 million for the proposed global provision for temporary assistance for meetings under executive direction and management. The remaining \$1.5 million recommended for approval should be included under departmental administration, Headquarters, and not under executive direction and management.

29.29 The Advisory Committee further recommends that the General Assembly consider at its forthcoming forty-fourth session reinstatement in full or in part of the provisional reduction of \$1.5 million recommended by the Committee (see para. 29.28 above) in the context of a comprehensive report by the Secretary-General on conference services at Vienna and the related recommendations of the Advisory Committee. The report should, in particular, provide information on the status of actions taken to address the chronic post vacancy situation at that location. The report should also address the larger question of the establishment of unified

conference services at Vienna, taking into account views previously expressed by the General Assembly, the Joint Inspection Unit and the Advisory Committee on the subject (referred to in para. 29.119 of the proposed programme budget). In addition, the Secretary-General's request for reinstatement of the resources for temporary assistance for meetings that have been provisionally reduced should take into account the recommendation of the Advisory Committee contained in paragraphs 23.5 and 23.6 above.

29.30 The Advisory Committee also recommends that, whatever the amount of the provisional reduction recommended above that may be restored by the General Assembly, such amount restored should not be considered a charge against the contingency fund.

29.31 Bearing in mind the benefits to be derived and taking into account detailed additional information provided by representatives of the Secretary-General, the Advisory Committee recommends approval of the non-recurrent resource growth of \$2,911,900 (at revised 1989 rates) requested to finance the acquisition of office automation equipment (including software, rental of external data bases and staff training) in connection with the Department's ongoing programme of technological innovations for conference and library services (see para. 29.3 above). The Committee trusts that the programme of technological innovations will be implemented in a phased, orderly and timely fashion, and that appropriate mechanisms will be established to provide opportunities for thorough discussions by user units before such office automation equipment is acquired.

29.32 The non-recurrent resources requested for the technical innovations programme (see para. 29.31 above) include provision (paras. 29.59 (f) and 29.112 of the proposed programme budget), for hardware and software relating to automation of the process of assigning interpreters. Recalling its earlier observation that "the task of assigning interpreters also involves human and other factors that are not easily susceptible to programming", 40/ the Advisory Committee sought clarification of this project. Representatives of the Secretary-General informed the Committee that recent advances in software development in this area had reached a stage where the computer programme to be used would facilitate decisions in assigning interpreters.

29.33 As shown in table 29.4 of the proposed programme budget, requirements under the object of expenditure, replacement of office automation equipment, are estimated at \$1,795,300 in 1990-1991. The estimate covers requirements at Headquarters (\$1,076,400, tables 29.27 and 29.29) and Geneva (\$718,900, tables 29.49 and 29.51). In this connection, the Advisory Committee notes from additional information provided by representatives of the Secretary-General that, unlike other budget sections, and because it has its own programme co-ordinator and technological innovations programme, requirements under this object of expenditure for section 29 are not subject to review by the Technological Innovations Board, nor by the Electronic Services Division in the Office of General Services, Headquarters. Moreover, information provided by representatives of the Secretary-General suggests that the estimate for replacement of office automation equipment under section 29 takes account of inventory of equipment acquired in

40/ Official Records of the General Assembly, Fortieth Session, Supplement No. 7 (A/40/7), para. 29.31.

1988. This is inconsistent with the methodology applied to all other budget sections, where account is taken of inventories of equipment acquired up to the end of 1987. In the absence of a satisfactory explanation of these variances, the Advisory Committee recommends that the estimate for replacement of office automation equipment be reduced by \$150,500, from \$1,795,300 to \$1,644,800, i.e. the 1988-1989 appropriation level. The Committee trusts that there will be better justification of this estimate under section 29 in future budget submissions.

29.34 The estimate under supplies and materials for the Dag Hammarskjöld Library services at Headquarters includes provision in the amount of \$249,600 (at revised 1989 rates) for microfiche of the United Nations archives (para. 29.45 (c) (i) of the proposed programme budget). The Advisory Committee does not pose any objection to this request. At the same time, in view of recent technological advances in alternative and more durable storage and retrieval systems involving optical- or laser-disc technology, the Committee recommends that the Library's current microfiche programme should be re-examined.

29.35 In paragraphs 29.28 and 29.33 above, the Advisory Committee has recommended reductions totalling \$1,650,500, of which \$1.5 million is a provisional reduction for the reasons stated in paragraphs 29.28 to 29.30 above. This would entail a reduction of the Secretary-General's estimate for section 29 from \$359,026,300 to \$357,375,800.

Reduction recommended

United States dollars

Section 29. Conference and library services

1 650 500

PART VIII

SPECIAL EXPENSES

Section 30. United Nations bond issue

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | - |
| Estimate recommended by the Advisory Committee | - |
| Revised appropriations 1988-1989 | 3 520 800 |
| Initial appropriations 1988-1989 | 3 520 800 |
| Actual expenses 1986-1987 | 16 788 800 |

30.1 Provision for the payment by the United Nations of interest and repayment of principal on outstanding bonds of the United Nations bond issue has, in the past, been included in the budget 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. As stated in paragraph 30.1 of the proposed programme budget, the final payment was made on 15 January 1989 and no further appropriation is therefore required for this purpose, starting with the biennium 1990-1991.

PART IX

STAFF ASSESSMENT

Section 31. Staff assessment

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 284 564 200 |
| Estimate recommended by the Advisory Committee | 284 570 400 |
| Revised appropriations 1988-1989 | 263 220 100 |
| Initial appropriations 1988-1989 | 266 605 900 |
| Actual expenses 1986-1987 | 246 884 800 |

31.1 The Secretary-General has estimated the staff costs included in individual programmes on a net basis and has isolated the difference between gross and net salaries in this expenditure section.

31.2 The recommendations made by the Advisory Committee as to the number and grades of staff to be provided for under the expenditure budget for 1990-1991 entail a consequent increase in staff assessment under section 31 amounting to \$6,200. The Advisory Committee therefore recommends an estimate of \$284,570,400 for section 31.

Increase recommended

| | <u>United States dollars</u> |
|------------------------------|------------------------------|
| Section 31. Staff assessment | 6 200 |

PART X

CAPITAL EXPENDITURE

Section 32. Construction, alteration, improvement and major maintenance of premises

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 71 644 600 |
| Estimate recommended by the Advisory Committee | 69 393 600 |
| Revised appropriations 1988-1989 | 19 096 000 |
| Initial appropriations 1988-1989 | 19 202 500 |
| Actual expenses 1986-1987 | 24 109 400 |

32.1 The 1990-1991 estimate of \$71,644,600 for section 32 is \$52,548,600, or 225.1 per cent, higher than the revised estimate for 1988-1989. The revalued resource base for 1988-1989 shows a decrease of \$11,812,900 (at revised 1989 rates). Resource growth (at revised 1989 rates) totals \$58,839,300, including a non recurrent provision of \$57,996,800 (see paras. 32.3 and 32.4 below). As can be seen from table 32.1 of the proposed programme budget, the rate of real growth has been calculated at 11.5 per cent.

32.2 The overall estimate of \$71,644,600 covers requirements at Headquarters, Geneva, Vienna, ESCAP, ECLAC, ECA and Nairobi under three categories of expenditure: construction, alteration and improvement, and major maintenance.

32.3 Requirements in 1990-1991 for construction, as indicated in table 32.3 of the proposed programme budget, are estimated at \$44,663,200, comprising \$27,801,700 for the construction of conference facilities at ECA and \$16,861,500 for the construction of conference facilities at ESCAP. As indicated in paragraph 32.3 of the proposed programme budget, provisions for these construction projects were included in the proposed programme budget outline for the biennium 1990-1991, which was approved by the General Assembly in its resolution 43/214. The Advisory Committee was informed that the Secretary-General intended to submit a progress report to the General Assembly at its forty-fourth session on this matter. Since the items included under this heading are regarded by the Secretary-General as being non-recurrent, this estimate is not taken into account in calculating real growth.

32.4 Requirements in 1990-1991 for alteration and improvement are estimated at \$18,376,500. Since the items included under this heading are regarded by the Secretary-General as being non-recurrent, this estimate is not taken into account in calculating real growth (table 32.3 and para. 32.2 of the proposed programme budget). The estimate covers projects at Headquarters, Geneva, ESCAP and ECA, as detailed in paragraphs 32.10 to 32.13 of the proposed programme budget.

32.5 As indicated in paragraph 32.10 (c) of the proposed programme budget, the Secretary-General is estimating \$1,933,000 (at revised 1989 rates) for the modernization of electronic equipment for simultaneous interpretation and voting facilities for conference rooms 1 and 2 at Headquarters. In response to inquiries, the Advisory Committee was informed that the conference rooms in question could be used "as is" until the biennium 1992-1993. The Advisory Committee recommends that this project be postponed and recommends a reduction of \$1,933,000 (at revised 1989 rates), equivalent to \$2,065,500 at 1990-1991 rates, in the Secretary-General's estimate.

32.6 According to paragraph 32.11 (b) (iii) of the proposed programme budget, the Secretary-General is estimating \$181,400 (at revised 1989 rates) for the construction of a new entrance with staircase and elevator for the Library at the United Nations Office at Geneva. The Advisory Committee does not believe that this project is a matter of priority and consequently recommends that the Secretary-General's estimate be reduced by \$181,400 (at revised 1989 rates), equivalent to \$185,500 at 1990-1991 rates.

32.7 As indicated in paragraph 32.11 (c) of the proposed programme budget, the Secretary-General is estimating \$11,274,000 for the replacement of the telephone exchange at the Palais des Nations at Geneva to be carried out during the bienniums 1990-1991 and 1992-1993. Of this amount, \$5,000,000 (at revised 1989 rates) is requested for 1990-1991, comprising "60 per cent payment to the contractor upon delivery of equipment (\$3,900,000) and wiring and connecting works (\$1,100,000)". At its request, the Advisory Committee was provided with the following information regarding the breakdown of costs associated with this project:

Estimated cost of the acquisition of a new
telephone system at Geneva

(Thousands of United States dollars)

| | <u>1990-1991</u> | <u>1992-1993</u> | <u>Total</u> |
|---|------------------|------------------|---------------|
| Switchboard - (30% on signature of contract and 30% on delivery of equipment) | 3 900 | 2 600 | 6 500 |
| Supplier installation costs | 175 | 175 | 350 |
| Removal of old switchboard | 10 | - | 10 |
| Connection work | 250 | 450 | 700 |
| Wiring | 1 500 | - | 1 500 |
| Local network | - | 1 450 | 1 450 |
| Alterations to premises | 400 | 100 | 500 |
| Operators' room | 70 | 18 | 88 |
| Air conditioning of premises | 95 | 25 | 120 |
| Electrical wiring connections | <u>50</u> | <u>6</u> | <u>56</u> |
| Total | <u>6 450</u> | <u>4 824</u> | <u>11 274</u> |

32.8 The Advisory Committee was informed that the amount indicated for 1990-1991 (\$6,450,000) has been reduced in the proposed programme budget (\$5,000,000) on the assumption that some of the work that was envisaged to be undertaken during 1990-1991 might be postponed until 1992-1993 or that more favourable terms of payment could be achieved.

32.9 Major maintenance requirements in 1990-1991 are estimated at \$8,604,900, all of which is considered recurrent expenditure (table 32.3 and para. 32.2 of the proposed programme budget). The estimate covers projects at Headquarters, Geneva, Vienna, ESCAP, ECLAC, ECA and Nairobi, as described in paragraphs 32.14 to 32.22 of the proposed programme budget. The Advisory Committee was informed by the representatives of the Secretary-General that a long-term major maintenance proposal for all United Nations-owned premises was being developed. Bearing in mind that the postponement of necessary maintenance often results in more costly repairs in the long run, the Advisory Committee encourages an overall co-ordinated approach for major maintenance.

32.10 As indicated in paragraph 32.14 of the proposed programme budget, the Secretary-General is proposing to undertake maintenance projects at Headquarters totalling \$3,942,200 (at revised 1989 rates). Included in this amount is \$1,587,000 for work to be carried out by the Planning and Design Section. At its request, the Advisory Committee was provided with the following information regarding the projects that fall under this category:

Detailed breakdown of requirements to be carried out by the
Planning and Design Section, Office of General Services

(Thousands of United States dollars)

| | <u>1990</u> | <u>1991</u> | <u>Total</u> |
|---|--------------|-------------|--------------|
| Preservation and safety repairs: | | | |
| General Assembly building north elevation and Library building west elevation (facades) | 400 | - | 400 |
| New Dutch metal wall behind podium, Plenary Hall | - | 135 | 135 |
| Terrazo replacement and delegates entrance | - | 100 | 100 |
| Sidewalk replacement: General Assembly podium phase 3 | 430 | - | 430 |
| Painting of flagpoles | 35 | - | 35 |
| Painting of garage parking bay lines | - | 39 | 39 |
| Painting of ceiling garage levels 1 and part of level 2 (to provide proper background lighting for security closed circuit television) | 170 | 178 | 348 |
| Stone protection, east side elevation, General Assembly building | - | 100 | 100 |
| Total | <u>1 035</u> | <u>552</u> | <u>1 587</u> |

32.11 In paragraphs 32.5 and 32.6 above, the Advisory Committee has recommended a reduction in the Secretary-General's estimate for section 32 of \$2,251,000, from \$71,644,600 to \$69,393,600.

Reduction recommended

United States dollars

| | |
|--|-----------|
| Section 32. Construction, alteration, improvement and major maintenance of premises | 2 251 000 |
|--|-----------|

B. ESTIMATES OF INCOME

Income section 1. Income from staff assessment

| | <u>United States dollars</u> |
|--|------------------------------|
| Estimate submitted by the Secretary-General | 289 131 000 |
| Estimate recommended by the Advisory Committee | 289 137 200 |
| Revised estimate 1988-1989 | 267 581 500 |
| Initial estimate 1988-1989 | 271 019 900 |
| Actual income 1986-1987 | 251 127 588 |

IS1.1 The Secretary-General estimates at \$289,131,000 the amount of staff assessment that will be levied under regulation 3.3 of the Staff Regulations of the United Nations on the salaries and emoluments of staff whose net pay has been included under the various expenditure sections and under income section 3. The amount levied and not otherwise disposed of by specific resolution of the General Assembly will be credited to the Tax Equalization Fund for distribution to Member States in the manner provided in General Assembly resolution 973 A (X) of 15 December 1955.

IS1.2 The total estimate under income section 1 is larger than the total estimate under section 31 since the former includes income from staff assessment derived from the emoluments of staff who are charged to revenue-producing activities under income section 3; on the other hand, the staff assessment paid to such staff is shown under income section 3 rather than under section 31.

IS1.3 The staffing changes recommended by the Advisory Committee in this report result in a consequent increase of \$6,200 in the amount of staff assessment that will be realized in 1990-1991. The Advisory Committee therefore recommends an estimate of \$289,137,200 for income section 1 (Income from staff assessment).

Increase recommended

| | <u>United States dollars</u> |
|------------------|------------------------------|
| Income section 1 | 6 200 |

Income section 2. General income

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 53 934 800 |
| Estimate recommended by the Advisory Committee | 53 934 800 |
| Revised estimate 1988-1989 | 63 035 200 |
| Initial estimate 1988-1989 | 54 542 100 |
| Actual income 1986-1987 | 39 361 582 |

IS2.1 The estimates under this section relate to general income expected from various sources. The 1990-1991 estimate of \$53,934,800 is \$9,100,400, or 14.4 per cent, less than the revised estimate for 1988-1989.

IS2.2 Table IS2.2 of the proposed programme budget provides a summary, by individual source of income, of the estimates for 1990-1991 compared with approved revised estimates for 1988-1989.

IS2.3 Income from rental of premises is estimated at \$14,691,000, an increase of \$4,447,400 over the revised estimate from 1988-1989 (table IS2.3). As can be seen from this table, increased income from rental of premises is forecast for Headquarters, New York (up by \$878,600); the United Nations Office at Geneva (up by \$3,143,100); ECA, Addis Ababa (up by \$78,300); ESCAP, Bangkok (up by \$19,400); and the United Nations Office at Nairobi (up by \$328,000). As indicated in paragraph IS2.1 of the proposed programme budget, these increases are attributable to the application of a policy whereby the rates charged to occupants of United Nations premises are comparable to rents charged on the commercial market.

IS2.4 The estimates of income from reimbursement for services provided to specialized agencies and others in 1990-1991 amount to \$16,028,300 and are detailed in table IS2.4. The Advisory Committee notes that the decrease of \$15,053,500 compared with the 1988-1989 estimate relates mainly to the change in the repayment schedule of the loan to UNIDO (\$14 million).

IS2.5 With regard to the estimate of \$10,064,100 for the Vienna International Centre (share of common services costs met by UNIDO, IAEA and UNRWA), the Advisory Committee was informed that in addition to the amount of \$8,998,900 shown in the table in paragraph 28I.6 above, the estimate includes an amount of \$1,065,200 for conference services that were rendered to UNIDO by the United Nations. The comments of the Advisory Committee with respect to reimbursement for the Vienna International Centre are contained in section 28I above.

IS2.6 According to paragraph IS2.3 of the proposed programme budget, the Secretary-General is estimating \$6,743,900 as the amount of interest that is expected to be paid by banks on balances in United Nations accounts during 1990-1991. According to paragraph IS2.10 of the proposed programme budget, the Secretary-General is estimating \$1,034,000 in miscellaneous income. The Advisory Committee points out that, based on the experience of 1988, as reflected in the financial statements, the income from these two items should be higher than is

estimated by the Secretary-General. The Advisory Committee recommends that these estimates be examined more closely in the context of the first performance report of the biennium 1990-1991.

IS2.7 The Advisory Committee recommends approval of the Secretary-General's estimate of \$53,934,800 for income section 2 (General income).

Income section 3. Revenue-producing activities

United States dollars

| | |
|--|------------|
| Estimate submitted by the Secretary-General | 9 186 000 |
| Estimate recommended by the Advisory Committee | 9 186 000 |
| Revised estimate 1988-1989 | 13 826 600 |
| Initial estimate 1988-1989 | 11 768 000 |
| Actual income 1986-1987 | 10 183 375 |

IS3.1 The estimate for 1990-1991 of \$9,186,000 for income section 3 is the balance between estimated gross income from revenue-producing activities (\$52,407,500) and the related estimated expenses (\$43,221,500). The estimate of net revenue for 1990-1991 is \$4,640,600 lower than the approved revised estimate for 1988-1989 of \$13,826,600 (gross revenue of \$54,278,000 less expenses of \$40,451,400).

IS3.2 In paragraph IS3.1 of the proposed programme budget, the Secretary-General states that although revenue-producing activities included under this section are of a commercial nature, they are "not necessarily profit-making, nor are they established for that reason".

IS3.3 The Advisory Committee notes that the Secretary-General has established a Senior Advisory Board on Services to the Public to assist him in formulating the "overall policies aimed at publicizing the purposes and the achievements of the United Nations through the provision of such services, while producing sufficient income to sustain related activities on a self-supporting basis". The functions of the Board are outlined in paragraph IS3.2 of the proposed programme budget.

IS3.4 According to the Secretary-General, the 1990-1991 estimate for this section covers the following activities:

| Revenue-producing activities | Gross revenue | Expenses | Net revenue |
|---|--------------------------------------|--------------------------|-------------------------|
| | (Thousands of United States dollars) | | |
| 1. United Nations Postal Administration | 27 065 000 | 20 401 200 | 6 663 800 |
| 2. Medal Sales | 400 000 | 100 600 | 299 400 |
| 3. News-stand (Headquarters) | 110 000 | - | 110 000 |
| 4. United Nations Gift Centre (Headquarters) | 6 800 000 | 4 165 300 | 2 634 700 |
| 5. Garage operation (Headquarters and Geneva) | <u>2 098 600</u> | <u>1 048 900</u> | <u>1 049 700</u> |
| | 36 473 600 | 25 716 000 | 10 757 600 |
| Expenses for supervisory and administrative staff a/ | - | <u>685 500</u> | <u>(685 500)</u> |
| Subtotal | 36 473 600 | 26 401 500 | 10 072 100 |
| 6. Sale of publications | 10 144 400 | 10 063 200 | 81 200 |
| 7. Services to visitors | <u>5 789 500</u> | <u>6 756 800</u> | <u>(967 300)</u> |
| Total | <u><u>52 407 500</u></u> | <u><u>43 221 500</u></u> | <u><u>9 186 000</u></u> |

a/ Relates to direct cost of the Commercial, Purchase and Transportation Service, Office of General Services.

IS3.5 For the sale of United Nations postage stamps, the leading revenue-producing activity, the Secretary-General is estimating gross revenue for 1990-1991 in the amount of \$27,065,000. This is \$2,735,000 less than the approved estimate of \$29,800,000 for 1988-1989 (table IS3.5). Reasons for the expected decrease are provided in paragraph IS3.13 of the proposed programme budget. The Advisory Committee notes from paragraphs IS3.4 to IS3.7 that the United Nations Postal Administration (UNPA) has been restructured into a Global Office, which is responsible for the overall production, policies and financial direction of the three local UNPA offices in New York, Geneva and Vienna. The Advisory Committee also notes that, in response to the recommendations and observations of the Board of Auditors, 41/ the services of an advertising agency had been commissioned to prepare a consolidated marketing approach in the North American market (para. IS3.8 of the proposed programme budget). In this connection, the representatives of the Secretary-General confirmed to the Advisory Committee that the recommendations of the Board of Auditors were being implemented. The Advisory Committee trusts that this, as well as what is discussed in paragraphs IS3.9 to IS3.12 of the proposed programme budget, will result in more efficient and economical management of the Postal Administration.

41/ Ibid., Forty-third Session, Supplement No. 5 (A/43/5), vol. I.

IS3.6 For the sale of medals, the Secretary-General is estimating gross revenue for 1990-1991 in the amount of \$400,000 (para. IS3.66). The Advisory Committee notes that for the first time certain expenditures are shown against this activity, which is under the supervision of UNPA; as shown in table IS3.16, these amount to \$100,600 and relate to the full-time assignment of one General Service staff member, previously deployed under supervisory and administrative staff charged against revenue, to this programme. However, the Advisory Committee was informed that the "cost of goods sold" relating to the sale of medals are still included in the estimate of "cost of goods sold" in the gift centre and have not been transferred to this programme. The Advisory Committee believes that all expenses related to the sale of medals should be shown against revenue from sale of medals. The Advisory Committee notes that a new contract has been entered into with Deak Intercoin for the production of medals.

IS3.7 As indicated in paragraph IS3.68 of the proposed programme budget, the newsstand is managed through separate contractual arrangements, which went into effect on 1 April 1986, providing the Organization with a "guaranteed net income ... of \$6,000 monthly or \$144,000 per biennium". The Advisory Committee notes that the present contract expired on 31 March 1989 and that proposals are being invited for the forthcoming biennium. The Committee also notes that the anticipated guaranteed income from the present operator is estimated at \$110,000 for 1990-1991.

IS3.8 The gift centre at Headquarters is under the direct management of the Commercial, Purchase and Transportation Service, Office of General Services. The Committee notes from paragraph IS3.69 that the sales, marketing and merchandizing are provided by engaging employees through the services of an employment agency. The latter pays the employees their wages and is reimbursed by the United Nations. All direct expenses, including wages and cost of goods sold, are paid from gross revenue. Net income, after payment of a fee, reverts to the United Nations.

IS3.9 As regards the garage operations at Headquarters and Geneva, the Secretary-General's estimate of gross revenue in 1990-1991 amounts to \$2,098,600, which is \$31,900 more than the corresponding approved estimates for 1988-1989. Table IS3.22 reflects the redeployment of one General Service staff member from supervisory and administrative staff charged against revenue to this programme.

IS3.10 In table IS3.23, the Secretary-General shows the expenses relating to the supervisory and administrative staff charged against revenue. These staff are under the supervision of the Commercial, Purchase and Transportation Service, Office of General Services. The estimate of \$685,500 under this heading for 1990-1991 shows a decrease of \$175,200. This decrease is attributable to the redeployment of one General Service staff member from this programme to the medals programme, and the redeployment of a second General Service staff member whose functions relate to garage operations to that programme (see paras. IS3.6 and IS3.9 above). As indicated in table IS3.24, the staffing establishment for this service consists of four posts, including three in the Professional category and above (one D-1, one P-4 and one P-3) and one General Service (Other level), a decrease of two posts compared to 1988-1989.

IS3.11 The 1990-1991 estimate of net revenue from the sale of publications at Headquarters, Geneva and Vienna amounts to \$81,200 (on gross sales of \$10,144,400) and is \$548,600 lower than the approved estimate for 1988-1989. The Secretary-General's estimate of expenses for this activity amounts to \$10,063,200,

of which \$2,368,500 relates to the cost of goods sold and \$7,694,700 to other expenses for Headquarters, Geneva and Vienna (table IS.25). The latter amount (\$7,694,700) contains resource growth of \$641,000 for Geneva (table IS3.28) and a negative resource growth of \$661,600 for Headquarters. Explanations are contained in paragraphs IS3.84 to IS3.107 of the proposed programme budget. For 1990-1991 the Secretary-General is proposing to maintain the same number of posts: 20 established posts at Headquarters (table IS3.27), 12 established posts at Geneva (table IS3.29) and 2 regular budget temporary posts at Vienna (table IS3.31).

IS3.12 Services to visitors, which covers guided lecture tours at Headquarters, Geneva and Vienna, are expected by the Secretary-General to incur a loss of \$967,300 in 1990-1991, compared with an estimated deficit of \$1,414,600 for 1988-1989. As shown in table IS3.32, the largest deficit would be at Vienna (\$525,200), followed by Geneva (\$319,600) and Headquarters (\$122,500).

IS3.13 With regard to the guided lecture tours at Headquarters, information contained in paragraph IS3.112 of the proposed programme budget indicates that the number of visitors, which had decreased from a high of 666,500 in 1980 to 461,109 in 1987, is expected to increase to an average 510,000 per year in 1990-1991. Total direct costs of services to visitors at Headquarters in 1990-1991 are estimated at \$4,702,000, compared with the approved estimate for 1988-1989 of \$3,942,200. As can be seen from table IS3.34, the increase of \$759,800 is attributable to a revaluation of the resource base (\$488,800 at revised 1989 rates) and inflation in 1990-1991 (\$320,200), offset by a decrease in resource growth (\$49,200 at revised 1989 rates). The 1990-1991 estimate includes provision for 855 work-months of public information assistants and 96 work-months of tour co-ordinators at a cost of \$2,303,400 (at revised 1989 rates) (para. IS3.117 of the proposed programme budget).

IS3.14 As regards the visitors' service at Geneva, the Advisory Committee notes from paragraph IS3.129 of the proposed programme budget that the number of visitors is expected to increase from a low of 112,000 in 1987 to an average 134,000 in 1990-1991. The net deficit is expected to decrease from \$563,800 to \$319,600 for 1990-1991 (table IS3.36). The reasons for the estimated higher income are outlined in paragraph IS3.129 of the proposed programme budget.

IS3.15 For guided lecture tours at Vienna, the number of visitors is expected to increase slightly during 1990-1991. However, as shown in table IS3.39, a net deficit of \$525,200 is forecast for 1990-1991, compared with a deficit of \$590,200 for 1988-1989.

IS3.16 The Advisory Committee welcomes the efforts at Headquarters to reduce the deficit in the guided lecture tours and trusts that they will continue. With respect to Geneva and Vienna, the Advisory Committee trusts that the Secretary-General will endeavour to undertake similar efforts in these Offices to reduce the deficits.

IS3.17 The Advisory Committee recommends approval of the Secretary-General's estimate of \$9,186,000 for income section 3.