

**ADVISORY COMMITTEE ON ADMINISTRATIVE
AND BUDGETARY QUESTIONS**

**FIRST TO FOURTEENTH REPORTS
ON THE PROGRAMME BUDGET
FOR
THE BIENNIUM 1988-1989**

GENERAL ASSEMBLY

OFFICIAL RECORDS: FORTY-THIRD SESSION

SUPPLEMENT No. 7 (A/43/7 and Add.1-13)



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NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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First report

Activities of the Advisory Committee on Administrative
and Budgetary Questions

[Original: English]

[19 September 1988]

I. GENERAL

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

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

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

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

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

In addition, the Advisory Committee reports on administrative budgets and other matters to the governing bodies of the United Nations Development Programme, the United Nations Children's Fund, the United Nations Population Fund, the Office of the United Nations High Commissioner for Refugees (voluntary funds), the United Nations Environment Programme (Environment Fund), the United Nations Habitat and Human Settlements Foundation, the United Nations Institute for Disarmament Research, the United Nations University and the World Food Programme.

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

3. The members of the Advisory Committee are:

Mr. C. S. M. MSELLE (Chairman)

Mr. Ahmad Fathi AL-MASRI

Mr. BAGBENI ADEITO Nzengeya

Mr. Michel BROCHARD

Mr. Even FONTAINE ORTIZ

Mr. Luis Sergio GAMA FIGUEIRA a/
Mr. Ion GORITĂ
Mr. Ferguson O. IHEME
Mr. Tadanori INOMATA
Mr. MA Longde
Ms. Irmeli MUSTONEN
Mr. Richard C. NYGARD
Mr. Banbit A. ROY
Mr. Christopher R. THOMAS
Mr. Tjaco T. VAN DEN HOUT
Mr. Viktor Aleksandrovich VISLYKH

a/ Resigned effective 1 July 1988. Ms. Maria Elisa de BITTENCOURT BERENQUER was appointed to serve as a member of the Advisory Committee from that date to 31 December 1989, the unexpired portion of Mr. GAMA FIGUEIRA's term of office.

4. The Advisory Committee met in New York from 12 April to 27 May, at The Hague on 30 and 31 May, at Geneva from 1 to 10 June, and at Rome from 13 to 17 June 1988. Paragraphs 5 to 21 of the present report discuss in general terms the matters that were before the Committee in each of these locations. Certain other issues that were before the Committee are covered in more detail in paragraphs 22 to 31.

II. MEETINGS IN NEW YORK

5. In New York, the Advisory Committee met with representatives of the Executive Director of the United Nations Population Fund (UNFPA) and with representatives of the Administrator of the United Nations Development Programme (UNDP), and submitted two reports (DP/1988/44 and DP/1988/58) to the Governing Council of UNDP at its thirty-fifth session (June-July 1988) dealing, respectively, with:

(a) UNFPA: revised estimates for the administrative and programme support services budget for the biennium 1988-1989 and review of overall staffing requirements in the field and at headquarters;

(b) UNDP: revised budget estimates for the biennium 1988-1989; response to emergency, medium- and long-term development requirements in Africa; review of the United Nations Volunteers programme; role and functions of the Geneva office; and trust funds established by the Administrator in 1987.

6. Pursuant to General Assembly resolution 42/206, paragraph 2, of 11 December 1987, the Advisory Committee received the report of the Board of Auditors on its expanded audit of the financial statements of the United Nations Children's Fund (UNICEF) for the year ended 31 December 1986. 1/ The Committee decided to consider this matter during its fall 1988 session and to incorporate its

comments in the general report to be submitted to the General Assembly at its forty-third session on financial reports and audited financial statements, and reports of the Board of Auditors (see A/43/674 and Corr.1). However, in order to facilitate the work of the spring 1988 session of the Executive Board of UNICEF, the Advisory Committee reviewed those paragraphs of the expanded audit report dealing with the celebration of the fortieth anniversary of UNICEF and submitted its related comments by letter to the Executive Director of UNICEF. These comments will be included in the Committee's report to the Assembly referred to above.

7. The Advisory Committee considered reports of the Secretary-General on the programme budget for the biennium 1988-1989 (A/C.5/43/1 and Corr.1 and Add.1-7, since reissued as A/C.5/43/1/Rev.1), which dealt with:

(a) Revised estimates for the biennium 1988-1989, including plans 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 2/ on the reduction of personnel, as requested by the General Assembly in resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987 (A/C.5/43/1 and Corr.1);

(b) Measures to improve the situation in the regional commissions and in those units of the Secretariat which have the highest vacancy rates (A/C.5/43/1/Add.1 and Corr.1);

(c) Organizational changes in the Secretariat since the adoption of the programme budget for the biennium 1988-1989 (A/C.5/43/1/Add.2 and Corr.1);

(d) Implementation of recommendation 29 of the Group of High-level Intergovernmental Experts 2/ concerning the functions of the Office of Secretariat Services for Economic and Social Matters (A/C.5/43/1/Add.3);

(e) Additional requirements under section 1, subsection A.1, General Assembly; subsection A.4, United Nations Board of Auditors (including its secretariat); and subsection B.12, Office for Research and the Collection of Information (A/C.5/43/1/Add.4);

(f) Section 3C (Namibia) (A/C.5/43/1/Add.5);

(g) Implementation of recommendation 37 of the Group of High-level Intergovernmental Experts concerning public information activities (A/C.5/43/1/Add.6); 3/

(h) Temporary posts authorized on a recurrent basis for the biennium 1986-1987 and approved for the biennium 1988-1989 under the regular budget (A/C.5/43/1/Add.7).

8. The Advisory Committee also considered the Secretary-General's report on reform and renewal in the United Nations: second progress report on the implementation of General Assembly resolution 41/213 (A/43/286 and Corr.1).

9. The Advisory Committee considered two reports and a note by the Secretary-General on the medium-term plan of the United Nations, on the following topics:

(a) Proposed revisions to the medium-term plan for the period 1984-1989, extended through 1991; 4/

(b) Calendar of consultations on the medium-term plan for the period starting in 1992 (A/CN.1/R.1083); 5/

(c) Preparation of the next medium-term plan, for the period starting in 1992 (A/43/329).

10. With regard to the note by the Secretary-General entitled "Questions relating to the programme budget: use and operation of the contingency fund" (A/43/324), the related comments of the Advisory Committee will be incorporated in the Committee's special report on the question of a comprehensive solution to the problem of all additional expenditures, including those deriving from inflation and currency fluctuation, to be submitted to the General Assembly at its forty-third session (see A/43/929).

11. Pursuant to requests contained in the first report of the Advisory Committee on the proposed programme budget for the biennium 1988-1989, 6/ the Secretary-General submitted reports to the Committee on the methodology for determining non-recurrent costs, the question of balances of unobligated appropriations and unliquidated obligations, inventory of electronic data-processing and office automation equipment, and revenue-producing activities in respect of services to visitors. An internal report prepared by the Management Advisory Service of the Department of Administration and Management of the Secretariat on its 1987 review of the organization, functions and staffing of administrative and common services units at Nairobi was also made available to the Committee. In addition, representatives of the Secretary-General briefed the Committee on developments relating to the cash flow situation and the financial crisis of the United Nations and to the construction projects at Addis Ababa and Bangkok. The Committee intends to take into account information provided in these reports and briefings when reporting on related topics to the General Assembly at its forty-third session, or when it examines the programme budget proposals of the Secretary-General for the biennium 1990-1991.

12. In accordance with General Assembly resolution 37/235 C, section I, paragraph 2, of 21 December 1982, the Advisory Committee received a report from the Secretary-General on judgements issued by the United Nations Administrative Tribunal during 1987. The Committee noted that in its Judgement No. 408, the Tribunal decided that there was a difference, pursuant to the Staff Regulations and Rules, between French staff members at the United Nations Office at Geneva who lived in Switzerland and were thus entitled to receive repatriation payment, and those residing in France, who were not so entitled. The Committee was informed that because the Tribunal had awarded the Applicant compensation owing to the fact that she was not clearly informed of the practice of the United Nations, steps will be taken to ensure that the relevant staff rule is adequately publicized at Geneva and that affected officials are notified in writing about their ineligibility to receive payment of the repatriation grant if they reside in France. The Committee strongly supports the practice of the United Nations in this regard and is concerned that anomalies appear to exist between this practice and that of a number of agencies at Geneva. The Committee sees no reason why a repatriation grant should be paid to a staff member who served at a duty station while residing in his or her home country. The Committee requests the Secretary-General to draw these concerns to the attention of the agencies through the relevant consultative bodies.

13. The Advisory Committee was informed that since 1980 the volume of work of the United Nations Administrative Tribunal has approximately doubled and that the upward trend is still continuing, with serious effect on the Tribunal's ability to keep current with its case load and on the work of the Office of Legal Affairs of the Secretariat. The Committee understands that this matter is being addressed by the Secretariat in consultation with the President of the Tribunal and expects to be kept informed of developments.

14. The Advisory Committee also considered a proposal by the Secretary-General concerning acquisition of the land on which the United Nations Institute for Training and Research (UNITAR) building is located, so as to enable the United Nations subsequently to dispose of the entire UNITAR property (land and building). According to information provided by representatives of the Secretary-General, it appears that the sale of the entire property would realize an amount sufficient to repay the amounts borrowed to effect the purchase of the land, to repay the amounts owed by UNITAR to the United Nations, and to provide a reserve fund for UNITAR. The Advisory Committee concurred in the proposal; concomitantly, it recommended modifications to the modalities proposed for financing the acquisition of the land.

III. MEETINGS AT THE HAGUE, GENEVA AND ROME

15. At The Hague, the Advisory Committee met with members of the International Court of Justice and its Registrar and discussed items of concern and interest, including administrative arrangements for the Court and its Registry.

16. In the context of the agenda item entitled "Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency" (IAEA), the Advisory Committee met at Geneva and Rome with agency representatives and discussed with them the administrative budgets of their respective organizations and other related matters. The Committee will report on this item to the General Assembly at its forty-third session (see A/43/760).

17. The Advisory Committee seized the occasion of its meetings with representatives of the specialized agencies and IAEA on administrative and co-ordination matters to study how the agencies dealt with the impact of currency fluctuations and inflation. Relevant information gathered in this connection will be included in the Committee's report on administrative and budgetary co-ordination of the United Nations with the specialized agencies and IAEA, which will be submitted to the General Assembly at its forty-third session (*ibid.*).

18. While at Geneva, the Advisory Committee held a meeting with the Joint Inspection Unit to discuss questions of common interest. These included the study being done by the Unit on the Economic and Social Commission for Western Asia, extrabudgetary resources, public information activities and budget harmonization.

19. The Committee also met with the Director-General of the United Nations Office at Geneva and with programme managers of units at Geneva.

20. At Rome, the Advisory Committee met with representatives of the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development, the World Food Programme (WFP) and the World Food Council and discussed matters of common concern and interest. In particular, discussions

were held with FAO and WFP concerning the status of implementation of the results of the United Nations/FAO task force. The Committee exchanged views with WFP on the question of accommodation requirements and on the issue of co-ordination in the field.

21. The Advisory Committee also took the opportunity, while at Rome, to meet with representatives of the United Nations Information Centre there.

IV. PROGRESS REPORT OF THE SECRETARY-GENERAL ON LOCATION OF THE FUNCTIONS RELATED TO LIAISON WITH NON-GOVERNMENTAL ORGANIZATIONS IN THE CONTEXT OF THE IMPLEMENTATION OF RECOMMENDATION 25 OF THE GROUP OF HIGH-LEVEL INTERGOVERNMENTAL EXPERTS TO REVIEW THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

22. The Advisory Committee considered the report of the Secretary-General on the above-mentioned subject (A/CN.1/R.1089). 7/

23. The Secretary-General submitted that report pursuant to paragraph 10 (d), of General Assembly resolution 42/211, which reads as follows:

"(d) The Secretary-General is invited to consider the location of the functions related to liaison with non-governmental organizations in the context of the implementation of recommendation 25; the Secretary-General is further invited to review his decisions on this matter in the context of the decisions to be taken by the Economic and Social Council on the intergovernmental structure and functions in the economic and social fields, as they will pertain to the functioning and servicing of the Committee on Non-governmental Organizations".

24. Recommendation 25 of the Group of High-level Intergovernmental Experts states, inter alia, that "a review of the tasks performed by the Department of International Economic and Social Affairs ... and other Secretariat offices ... should be undertaken with a view to eliminating duplication and to ensuring that the offices concerned are able to be more responsive to the needs of Member States". 8/

25. On the basis of the results of phase one of a review undertaken by the Management Advisory Service, the Secretary-General states that "pending completion of the work of the Special Commission of the Economic and Social Council on the In-depth Study of the [United Nations] Intergovernmental Structure and Functions in the Economic and Social Fields, [he] has decided to propose at this point" (A/CN.1/R.1089, para. 5) "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" (ibid., para. 1).

26. In paragraph 6 of his report (A/CN.1/R.1089), the Secretary-General submits consequential revisions to the relevant programmatic texts under section 1.B.3 (Office of the Under-Secretary-General for Political and General Assembly Affairs and Secretariat Services (including the Division of General Assembly Affairs)) and section 6A (Department of International Economic and Social Affairs) of the programme budget for the biennium 1988-1989, should the separation of functions of the Non-Governmental Organizations Unit between 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 be approved. In paragraph 7 and footnote 5/, he indicates that such separation of functions would also entail reallocating approved staff resources of the existing Non-Governmental Organizations Unit of the Department (1 P-5, 1 P-4, 1 P-3 and 3 General Service posts), as follows:

(a) To the Office of the Under-Secretary-General for Political and General Assembly Affairs and Secretariat Services: 1 P-5 and 1 General Service post;

(b) Retention in the Department of International Economic and Social Affairs: 1 P-4 and 1 General Service post;

(c) Abolition as at 31 December 1989: 1 P-3 and 1 General Service post (see also A/C.5/43/1/Rev.1, chap. I, para. 22, and annex, table 8).

27. The Advisory Committee notes that there is potential in the proposal of the Secretary-General for confusion and duplication of work between 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. Information provided by the Secretary-General does not fully explain the new functions envisaged for the Office and the Department; neither does it provide a clear distinction as to what are the technical and substantive activities to be carried out and the rationale for the proposed division of such activities between the Office and the Department. For example, it could be argued that reporting to the Committee on Non-Governmental Organizations concerning requests for consultative status and for reclassification is a substantive and not a technical activity and should therefore be retained in the Department and not transferred to the Office of the Under-Secretary-General, as proposed.

28. Furthermore, the consequential implications of the Secretary-General's proposal vis-à-vis liaison activities with non-governmental organizations undertaken by other Secretariat units (including the Department of Public Information) have yet to be identified and reviewed.

29. In the circumstances, pending clarification of these matters as well as the outcome of the work of the Special Commission of the Economic and Social Council on the In-depth Study of the United Nations Intergovernmental Structure and Functions in the Economic and Social Fields, the Advisory Committee has refrained, at this stage, from submitting a definitive recommendation on the Secretary-General's proposal.

V. SITUATION IN AFGHANISTAN

30. In April, during its meetings in New York, the Advisory Committee considered the Secretary-General's request, made under the terms of paragraph 1 of General Assembly resolution 42/227 of 21 December 1987 on unforeseen and extraordinary expenses for the biennium 1988-1989, to enter into commitments to finance arrangements required for his good offices mission with a view to the settlement of the situation relating to Afghanistan. The concurrence of the Advisory Committee was sought and obtained to enter into commitments not exceeding \$5 million to cover the period from 25 April to 31 October 1988. In this connection, the Advisory Committee was informed that the amount of \$5 million would cover, in addition to certain non-recurrent costs, a total of 105 posts (50 for military officers, 8 for international staff, 31 for field service staff and 16 for local staff). The Committee was further informed that for the 8 international staff it would be necessary to establish new posts (1 ASG, 1 D-2, 2 D-1, 1 P-5 and 3 P-4).

31. Subsequently, in May, the Advisory Committee considered the request of the Secretary-General to appoint a co-ordinator at the Under-Secretary-General level to provide overall co-ordination to the United Nations response to the emergency relief and rehabilitation needs arising from the situation in Afghanistan. Cognisant of the urgency of the situation, the Advisory Committee concurred in the appointment of a co-ordinator pending submission of a more detailed report regarding, inter alia, the mandate of the co-ordinator, the duration of his assignment, required resources and method of financing. During the Committee's meetings at Geneva, it met again with representatives of the Secretary-General to consider the request for commitment authority in an amount not exceeding \$110,200 for the salary and common staff costs of the co-ordinator for the period from 10 May to 31 December 1988. The Committee concurred in this request on the understanding that a comprehensive report would be submitted to it at its fall session, which would clearly describe the role and functions of the co-ordinator and his staff and how these functions would be carried out.

Notes

1/ See Official Records of the General Assembly, Forty-second Session, Supplement No. 5B (A/42/5/Add.2), vol. II.

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

3/ This fascicle was not available in time for consideration by the Advisory Committee during the part of its spring 1988 session held in New York. Consequently, the Committee considered the fascicle at the start of its fall 1988 session.

4/ Official Records of the General Assembly, Forty-third Session, Supplement No. 6 (A/43/6).

5/ Subsequently issued under the symbol A/43/329/Add.1.

6/ Official Records of the General Assembly, Forty-second Session, Supplement No. 7 (A/42/7).

Notes (continued)

7/ Circulated to the Committee for Programme and Co-ordination as document E/AC.51/1988/CRP.1 and to the Fifth Committee as the annex to chapter III of document A/C.5/43/1/Rev.1.

8/ Official Records of the General Assembly, Forty-first Session, Supplement No. 49 (A/41/49), para. 41.

Second report

Revised estimates resulting from resolutions and decisions
of the Economic and Social Council at its first and second
regular sessions of 1988

[Original: English]

[14 October 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/43/5), in which he submits revised estimates attributable to resolutions and decisions adopted by the Economic and Social Council at its first and second regular sessions of 1988.
2. As shown in paragraphs 4 to 6 of the Secretary-General's report and the annex thereto, total requirements for the biennium 1988-1989 are estimated at \$8,989,200, of which \$5,471,100 meets conference-servicing requirements calculated on a full-cost basis and \$3,518,100 (including \$562,000 in extrabudgetary resources) covers requirements other than those for conference servicing.
3. Initial projections of \$280,400 for 1990 and \$21,800 for 1992 for items other than conference servicing are also indicated in the annex. With regard to the projection for 1990, the Secretary-General states in paragraph 5 of his report, that "no provision for the 1990 requirements [\$280,400] was made in the preliminary estimate of resources presented in the proposed programme budget outline for the biennium 1990-1991 [A/43/524]. Therefore, in accordance with paragraph 7 of document A/43/524, it is proposed that the amount of \$280,400 should be considered as additional to that estimate". The Advisory Committee will deal with this matter in the context of a separate report on the outline of the proposed programme budget for the biennium 1990-1991, the establishment of a contingency fund and the treatment of currency fluctuation and inflation (see A/43/929).
4. In respect of the estimate of \$5,471,100 for conference servicing for the biennium 1988-1989 calculated on a full-cost basis, the Advisory Committee notes that for reasons explained in paragraph 4 of his report (A/C.5/43/5), the Secretary-General is not requesting additional resources under section 29 at the present time.
5. The estimate of \$3,518,100 for requirements other than those for conference servicing for the biennium 1988-1989 is attributable to 27 resolutions and decisions adopted by the Economic and Social Council. With regard to the related costs of 23 of those resolutions and decisions (\$2,935,000), the Secretary-General indicates in paragraph 6 of his report that \$562,000 will be met from extrabudgetary resources and \$2,373,000 "is expected to be absorbed within resources already appropriated by the General Assembly at its forty-second session" under several sections of the programme budget for the biennium 1988-1989. In response to its inquiries, the Advisory Committee was informed by representatives of the Secretary-General that in so far as the programme implications were concerned, the absorption of this amount would not mean a disruption of programmed activities. Representatives of the Secretary-General also stated that many of the mandates

contained in these resolutions and decisions were of a perennial nature and, consequently, provision for them was already made in the programme budget for the biennium 1988-1989 in both programmatic and financial terms.

6. As regards the related costs of implementing the four other resolutions (\$583,100), for reasons explained in paragraphs 7 and 13 of his report, the Secretary-General has revised this estimate downward by \$32,300, to \$550,800. Consequently, the Secretary-General requests additional appropriations for the biennium 1988-1989 totalling \$550,800, net of staff assessment, under section 1 (\$98,700), section 6B (\$53,000), section 9 (\$271,600) and section 19 (\$127,500) in respect of the four resolutions, as follows:

| <u>Resolution</u> | <u>1988</u> | <u>1989</u> | <u>Total</u> |
|------------------------------------|----------------|----------------|----------------|
| | | (US dollars) | |
| 1988/25 | 53 000 | - | 53 000 |
| 1988/54 | - | 127 500 | 127 500 |
| 1988/56 | - | 271 600 | 271 600 |
| 1988/62 | <u>98 700</u> | <u>-</u> | <u>98 700</u> |
| Total (net of staff assessment) | <u>151 700</u> | <u>399 100</u> | <u>550 800</u> |

7. The requests for \$550,800 are explained in paragraphs 8 to 13 of the Secretary-General's report. A breakdown of the estimates by object of expenditure is provided in the table set forth in paragraph 14 of the report. The related observations and recommendations of the Advisory Committee are contained in the paragraphs below.

Resolution 1988/25. Situation of Palestinian women

8. In paragraph 4 of its resolution 1988/25 of 26 May 1988, the Economic and Social Council

"Requests the Secretary-General, as a matter of urgency, to send a mission composed of experts on the status of women to investigate the situation of Palestinian women and children, in the light of recent tragic developments in the occupied Palestinian territories".

The Secretary-General estimates the cost of such a mission at \$53,000, as detailed in paragraph 8 of his report (A/C.5/43/5). The estimate includes an amount of \$29,000 for fees and travel costs for three experts. In response to its inquiries, the Advisory Committee was informed by representatives of the Secretary-General that that estimate comprised \$12,000 in fees and \$17,000 in related travel costs (two trips to Vienna of two days and five days each and a 10-day mission to the area of investigation). The Advisory Committee has no objection to the Secretary-General's estimate of \$53,000 for the implementation of Economic and Social Council resolution 1988/25.

Resolution 1988/54. Assistance to the Palestinian people

9. In paragraph 3 of its resolution 1988/54 of 26 July 1988, the Economic and Social Council

"Requests the Secretary-General to charge the United Nations Centre for Human Settlements (Habitat) with supervising the development of the programme [of economic and social assistance to the Palestinian people] and to provide it with the funds needed to engage twenty experts to prepare an adequate programme, in close co-operation with the Palestine Liberation Organization, taking into account the uprising of the Palestinian people in the occupied Palestinian territories and its implications".

In this connection, the Advisory Committee points out that a number of activities on aspects of the question of Palestine are being carried out under various sections of the programme budget for the biennium 1988-1989, including section 6B (Activities on global social development issues), section 15 (United Nations Conference on Trade and Development (UNCTAD)) and section 19 (United Nations Centre for Human Settlements (Habitat)). The Advisory Committee believes that there is need for stronger co-ordination of such activities. In particular, the Committee expects that when drawing up the programme of economic and social assistance to the Palestinian people, the United Nations Centre for Human Settlements (Habitat) would work closely with the Special Economic Unit of UNCTAD, since part of the latter's work involves reporting to the Trade and Development Board "on developments in the economic conditions of the Palestinian people in the West Bank and Gaza". 1/

10. The Secretary-General estimates resource requirements to implement the Council's request at \$127,500. As can be seen from the breakdown contained in paragraph 10 of the Secretary-General's report (A/C.5/43/5), this estimate comprises fees for 21 experts (\$100,000 for 20 experts plus \$6,000 for a consultant/team leader), one more than specified in the resolution. In response to its inquiries, the Advisory Committee was informed by representatives of the Secretary-General that it was envisaged that the consultant/team leader would co-ordinate the work of the other experts. The Committee questions this approach and points out that a team leader could be selected and appointed from among the 20 experts. In the circumstances, the Advisory Committee recommends that the estimate for implementing Economic and Social Council resolution 1988/54 be reduced by \$6,000, from \$127,500 to \$121,500.

Resolution 1988/56. Activities of transnational corporations in South Africa and Namibia

11. In paragraph 9 of its resolution 1988/56 of 27 July 1988, the Economic and Social Council

"Requests the Secretary-General to take all necessary steps to establish by 1989 a panel of eminent persons to conduct public hearings in Europe on the activities of transnational corporations in South Africa and Namibia, with a view to further mobilizing public opinion to induce home Governments and transnational corporations to cease any kind of collaboration with the South African régime".

In response to its inquiries, representatives of the Secretary-General confirmed to the Advisory Committee that the estimate of resource requirements totalling \$271,600 requested in paragraph 11 of the Secretary-General's report (A/C.5/43/5) related entirely to the additional cost of implementing the request contained in paragraph 9 of the resolution. Resources to implement the requests contained in paragraphs 10 (a) to (f) of the resolution were already included in the appropriations under section 9 of the programme budget for the biennium 1988-1989 approved by the General Assembly at its forty-second session.

12. The Advisory Committee notes that the estimate of \$271,600 does not represent the overall cost of implementing paragraph 9 of Economic and Social Council resolution 1988/56 since, as indicated in footnote a/ of the annex to the Secretary-General's report, it excludes the projected cost of "a programme of publicity for the hearings costing approximately \$120,000 [which] will be presented for approval in 1989".

13. As indicated in paragraph 11 of the Secretary-General's report, the estimate of \$271,600 comprises amounts for general temporary assistance (\$42,200), consultant fees (\$48,000), travel of representatives and participants (\$162,300) and travel of staff (\$19,100). In response to its inquiries, the Advisory Committee was informed by representatives of the Secretary-General that the estimate of \$48,000 for consultant fees would cover the cost of 12 consultant work-months. Representatives of the Secretary-General also informed the Committee that the approved adjusted allocation of resources for consultants under section 9 of the programme budget for the biennium 1988-1989 amounted to \$/56,000, of which \$596,800 was for the United Nations Centre on Transnational Corporations and \$159,200 was for the Centre's joint units with the regional commissions. Bearing in mind recommendation 35 contained in the report of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations 2/ that expenditures on consultants should be reduced, and taking into account the consultant resources available to the Centre, the Advisory Committee cannot recommend approval of the request for \$48,000. At the same time, the Committee would not object to the judicious redeployment of available resources under the various objects of expenditure within section 9 to meet actual additional consultancy requirements in this regard.

14. In response to its inquiries, the Advisory Committee was informed by representatives of the Secretary-General that it was envisaged that the estimate of \$162,300 for travel of representatives and participants would cover the attendance of 11 representatives/personalities at a three-day planning session and five days of public hearings to be held in June 1989 at Geneva followed by a two-day post-session meeting to be held in New York in August 1989. The estimate would also cover the cost of attendance of 30 participants at the public hearings. 3/ The Committee was also informed that the estimate had been prepared on the basis of full attendance at all meetings. In this connection, the Advisory Committee observes that experience has shown that not all participants attend all meetings scheduled, nor do they stay for the entire duration of the meetings. In the circumstances, the Committee recommends that the estimate for travel of representatives and participants be reduced by \$32,300, from \$162,300 to \$130,000.

15. With regard to the estimate of \$19,100 for travel of staff, the Advisory Committee was informed by representatives of the Secretary-General that it provided for the travel and subsistence costs of seven staff members of the United Nations Centre on Transnational Corporations, located in New York, to attend and service

the planning session and public hearings at Geneva. 3/ The Advisory Committee recommends that only five staff members be sent to service these meetings, with a consequential reduction in the estimate for travel of staff by \$5,400, from \$19,100 to \$13,700.

16. The Advisory Committee notes from paragraph 12 of the Secretary-General's report that the decision of the Economic and Social Council to hold the public hearings in Europe, rather than at the headquarters of the United Nations Centre on Transnational Corporations in New York, will necessitate an exception to section I, paragraph 4, of General Assembly resolution 40/243 of 18 December 1985, in which the Assembly reaffirmed the general principle that, in drawing up the schedule of conferences and meetings, United Nations bodies shall plan to meet at their respective established headquarters. With regard to the costs of the planning session and public hearings, the Secretary-General states in paragraph 12 of his report that "should the Assembly decide to hold the hearings in New York, the requirements for travel would be reduced by \$47,700, but those for conference-servicing would be increased by \$60,800". The Advisory Committee questions the basis for the latter estimate since the conference-servicing requirements have been calculated on a full-cost basis.

17. Should the recommendations of the Advisory Committee contained in paragraphs 13 to 15 above be approved, the estimate for implementing resolution 1988/56 would be reduced by \$85,700, from \$271,600 to \$185,900.

Resolution 1988/62. Report of the Committee for Programme and Co-ordination

18. In paragraph 13 of his report, the Secretary-General requests an additional appropriation of \$98,700 to cover the cost of travel and subsistence for members of the Committee for Programme and Co-ordination at its resumed twenty-eighth session. In view of the amount involved, the Advisory Committee sees no reason to add to the approved appropriation for this purpose and recommends that the amount of \$98,700 be absorbed within existing resources.

Recapitulation

19. In paragraphs 10, 13 to 15 and 18 above, the Advisory Committee has recommended reductions totalling \$190,400. It therefore recommends that the following additional amounts attributable to resolutions and decisions of the Economic and Social Council at its first and second regular sessions of 1988 be approved for the biennium 1988-1989:

| <u>Section</u> | <u>United States dollars</u> |
|--|------------------------------|
| 1. Overall policy-making and co-ordination | - |
| 6B. Activities on global social development issues | 53 000 |
| 9. Transnational corporations | 185 900 |
| 19. United Nations Centre for Human Settlements (Habitat) | 121 500 |
| Total | <u>360 400</u> |

20. There will also be need to appropriate an additional amount of \$10,900 under section 31 (Staff assessment), to be offset by an increase in the same amount under income section 1 (Income from staff assessment).

Notes

1/ See A/42/6 (sect. 15), subsect. B, subprogramme 1, programme element 1.4, output (i).

2/ Official Records of the General Assembly, Forty-first Session, Supplement No. 49 (A/41/49).

3/ See Official Records of the Economic and Social Council, 1988, Supplement No. 7 (E/1988/17), annex III.

Third report

Use of consultants and participants in ad hoc expert groups
in the United Nations in 1986-1987

[Original: English]

[1 November 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the use of consultants and participants in ad hoc expert groups in the United Nations in 1986-1987 (A/C.5/43/13).
2. The form of presentation of the Secretary-General's report is similar to that of his previous reports on the subject; the same observation is true of the comparative statistical information provided in the report.
3. Sections I and II of the report present a summary analysis of data on the use of participants in ad hoc expert groups and of consultants during the biennium 1986-1987, compared with the biennium 1984-1985. The data are based on more detailed statistics contained in annexes I to IV to the report. In accordance with the requests of the General Assembly, such information has been submitted on a biennial basis since the Assembly's thirty-ninth session, in 1984.
4. As shown in paragraphs 5 and 7 of the report, compared with the biennium 1984-1985 there were significant decreases during the biennium 1986-1987 in overall expenditures on ad hoc expert groups and consultants under the regular budget and under extrabudgetary funds. At the same time, the Advisory Committee notes that the reductions under the regular budget have been partially offset by increased expenditure under extrabudgetary funds.
5. Section III of the report deals with the Secretariat's practice with regard to its application of guidelines established by the General Assembly on the use of consultants and participants in ad hoc expert groups. 1/ In this connection, the Advisory Committee sought additional information concerning the Secretariat's practice with regard to the remuneration of consultants and evaluation of their work. Representatives of the Secretary-General informed the Committee that at present, programme managers could opt to pay their consultants either on a monthly basis or on a product delivery basis. However, as part of ongoing efforts to streamline current payment and evaluation procedures, the Secretariat was encouraging programme managers to make greater use of the product delivery approach. With regard to current payment procedures, representatives of the Secretary-General stated that any payment to a consultant must be accompanied by certification of satisfactory completion of service. This certification was done by or on behalf of the head of the department or office to which the service was provided. No remuneration was paid if the consultant failed to complete the service specified in the agreement to the satisfaction of the United Nations.
6. According to the representatives of the Secretary-General, current administrative instructions required the formal recording, for, among other

reasons, audit purposes, of the evaluation by the substantive office of the performance of the individual consultant after completion of the service or delivery of the product. In the event that the performance of the consultant was evaluated as less than adequate or poor, a copy of the evaluation was also transmitted to the Director, Recruitment and Placement Division, Office of Human Resources Management of the Secretariat.

7. Representatives of the Secretary-General also informed the Advisory Committee that during the biennium 1986-1987, payments to consultants were withheld in nine cases, following evaluation of their work.

8. In view of the clarifications provided by representatives of the Secretary-General (see paras. 5-7 above), the Advisory Committee is of the view that the weaknesses identified by the Board of Auditors in its report 2/ concerning the policy and practice of the United Nations Population Fund regarding remuneration and evaluation of consultants hired by the Fund should be rectified.

9. Section IV of the Secretary-General's report deals with the engagement of former staff members of any organ, organization or body of the United Nations system in receipt of a periodic benefit under the United Nations Joint Staff Pension Fund who were engaged by the Secretary-General in any capacity during 1987. As was previously done, summary information on former staff members over 55 years of age who were re-engaged in any capacity during 1987 is also provided in the report. In this connection, the Advisory Committee was also provided with detailed information with regard to the individuals concerned.

10. The Advisory Committee recalls that the Secretary-General had submitted similar information on the engagement of former staff members in 1986 in his report to the General Assembly at its forty-second session. 3/ The Committee submitted its observations and recommendations in its related report. 4/ The broad views expressed by the Committee in that report remain valid in respect also of the information submitted by the Secretary-General in his report concerning the engagement of former staff members in 1987 (A/C.5/43/13).

11. The Advisory Committee notes that this is the last year in which the Secretary-General submits information concerning the engagement of former staff members on an annual basis. In future, in accordance with the recommendation contained in paragraph 14 of the Committee's report, 4/ the Secretary-General will submit such information biennially, in the context of his biennial report on the use of consultants and participants in ad hoc expert groups.

Notes

1/ See Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 31 (A/9631 and Corr.2), pp. 136 and 137, item 73.

2/ Ibid., Forty-third Session, Supplement No. 5G (A/43/5/Add.7), sect. II, paras. 77-81.

3/ A/C.5/42/25, paras. 6-13.

4/ A/42/838.

Fourth report

Administrative and financial implications of the recommendations and decisions contained in the report of the International Civil Service Commission

(Agenda item 122)*

[Original: English]

[8 November 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General (A/C.5/43/19) on the administrative and financial implications of the recommendations and decisions contained in the report of the International Civil Service Commission. 1/ During its consideration of the matter, the Advisory Committee met with representatives of the Secretary-General who provided additional information.

2. As cited by the Secretary-General in paragraph 2 of his statement (A/C.5/43/19), the decisions and recommendations of the Commission that entail financial implications for the biennium 1988-1989 relate to the following five areas:

- (a) Post adjustment questions;
- (b) Conditions of service in the field;
- (c) Education grant;
- (d) Dependency allowances;
- (e) Survey of best prevailing conditions of service for language teachers in New York.

The financial implications for the biennium 1988-1989 of those decisions and recommendations are estimated at \$14,125,000 for the United Nations common system, as summarized in the Commission's report. 1/ As discussed below, the cost to the regular budget of the United Nations of implementing the decisions and recommendations would total \$3,209,000 for 1989, as quantified by the Secretary-General in his statement (A/C.5/43/19). The Advisory Committee notes from paragraph 11 of his statement that the Secretary-General, in accordance with past practice, proposes to deal with the increased costs relating to the Commission's decisions and recommendations (all of which would fall under common staff costs), as well as the requirements for staff assessment, in the context of the programme budget performance reports for the biennium 1988-1989.

* United Nations common system.

3. The decisions of the Commission regarding post adjustment questions relate to a revision of the methodology for place-to-place surveys at field duty stations and to the adoption of guidelines for the functioning of the post adjustment system within the margins range. In respect of the former, paragraph 3 of the statement submitted by the Secretary-General states that the "revised methodology will be applicable at those field duty stations where out-of-area expenditures account for 40 per cent or more of total expenditures", and that "the costs for the United Nations regular budget ... are estimated at \$9,000 per year", given the small number of United Nations duty stations that fall into this category. With regard to the latter, the Secretary-General explains in paragraph 4 of his statement that the guidelines adopted by the Commission for the implementation of post adjustment increases in New York will "ensure that the margin will be maintained between 114 and 116 at all times", and that "in the long run, the measures envisaged will be cost neutral".

4. The Commission's decision regarding the reimbursement of costs of medical examinations for eligible dependants at designated hardship duty stations is summarized in paragraph 5 of the Secretary-General's statement. The cost to the United Nations regular budget is estimated at \$5,000 per year, given the limited number of United Nations duty stations involved.

5. The recommendations of the Commission regarding the education grant are discussed in paragraphs 6 to 8 of the Secretary-General's statement. As indicated in paragraph 7 thereof, the Commission has recommended that the maximum amount of admissible education expenses be set at \$9,000, "thus providing for a maximum grant of \$6,750, i.e., 75 per cent of the maximum expenses allowed". The Commission further recommended that, within the maximum grant of \$6,750, the ceiling for boarding costs be increased to \$2,000. As also explained in paragraph 7 of the Secretary-General's statement, the Commission recommended that the grant be made in local currency at those duty stations where the remuneration correction factor applied.

6. The Advisory Committee notes from paragraph 8 of the Secretary-General's statement that the cost to the regular budget of the United Nations of implementing the Commission's recommendations regarding the education grant are estimated at \$1,600,000, comprising \$1,500,000 for the increase in the maximum amount of the grant and \$100,000 for the effect of the increase in the ceiling for boarding costs within the limits of the maximum grant.

7. As discussed in paragraph 9 of the Secretary-General's statement, the recommendations of the Commission to increase the children's allowance to \$1,050 and that of secondary dependants to \$450 would involve financial implications for the regular budget of the United Nations of \$1,500,000 and \$35,000 per year, respectively, for a total annual amount of \$1,535,000.

8. On the basis of a survey of best prevailing local conditions of employment for language teachers, the Commission has recommended a revised salary scale for such staff in New York. In paragraph 10 of his statement, the Secretary-General states that the financial implications are estimated at \$60,000 per year and relate entirely to the regular budget of the United Nations. A provision of \$27,000 per year would be required under section 31 (Staff assessment) to be offset by a corresponding amount under income section 1 (Income from staff assessment).

Notes

1/ Official Records of the General Assembly, Forty-third Session, Supplement No. 30 and corrigendum (A/43/30 and Corr.1).

Fifth report.

Administration of justice in the Secretariat; Judgement No. 421 of the United Nations Administrative Tribunal related to the application of the remuneration correction factor to post adjustment at Geneva and Vienna as at 1 September 1986

(Agenda item 121 (c))*

[Original: English]

[10 November 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the administration of justice in the Secretariat (A/C.5/43/25), which has been submitted pursuant to General Assembly resolution 42/220 B of 21 December 1987. The Advisory Committee also considered the report of the Secretary-General on Judgement No. 421 of the United Nations Administrative Tribunal related to the application of the remuneration correction factor to post adjustment at Geneva and Vienna as at 1 September 1986 (A/C.5/43/9). Additional information was supplied to the Committee by representatives of the Secretary-General.

I. ADMINISTRATION OF JUSTICE IN THE SECRETARIAT

2. In paragraphs 1 to 4 of his report (A/C.5/43/25), the Secretary-General discusses the background of the reform programme with regard to the administration of justice in the Secretariat. The situation with regard to the Joint Appeals Board (JAB) is discussed in paragraphs 5 to 11 of the report with specific sections relating to the New York Joint Appeals Board (paras. 6 to 9) and the Geneva, Nairobi and Vienna joint appeals boards (para. 10). Information regarding the Panel of Counsel is provided in paragraph 12 of the report. The disciplinary process is discussed in paragraphs 13 and 14 of the report. The Secretary-General discusses the discrimination and grievance panels in paragraph 15 and other matters in paragraphs 16 and 17. Action which is required to complete the reform programme is described in paragraphs 18 and 19 of the report.

3. The Advisory Committee notes with satisfaction the progress so far achieved in reducing the number of cases pending before the Joint Appeals Board and that, as explained in paragraph 9 of the Secretary-General's report, a number of steps have been taken to ensure that this progress will continue. The Committee cautions, however, that the speed in reducing the total number of pending cases should in no way compromise the quality of consideration afforded each individual case. The Committee further notes that the Secretary-General has not provided a definition of what would constitute a "frivolous" application to the Board. The Committee believes that the formulation of such a definition is necessary to avoid the subjective rejection of cases.

* Personnel Questions: other personnel questions.

4. The Advisory Committee notes from paragraph 8 of the Secretary-General's report that a number of retired staff members have been engaged to assist the staff of JAB in reducing the backlog of pending cases. However, the Committee notes from paragraph 10 of the report that problems continue to exist with respect to the appellate process at Nairobi. The Committee trusts that the Secretary-General will take all necessary action to ensure that the backlog of cases pending before the Nairobi JAB is disposed of promptly.

5. The Advisory Committee wishes to underline that it is important for the secretariat of JAB to be adequately staffed as to both numbers and levels and requests therefore that the Secretary-General make proposals thereon in the context of the proposed programme budget for the biennium 1990-1991.

6. According to paragraph 14 of the Secretary-General's report, a joint working group has been established "to examine the disciplinary process and to draw up, as appropriate, a system of rules, procedures and sanctions for misconduct and to propose, as necessary, revision of the Staff Regulations and/or Staff Rules" Given the importance of the disciplinary process, the Advisory Committee recommends that the Secretary-General submit to it at the earliest stage any proposal for possible revision of Staff Regulations and/or Rules.

7. The Advisory Committee recommends that the Secretary-General submit an updated report to the General Assembly at its forty-fourth session regarding further progress achieved with respect to the administration of justice in the Secretariat.

II. JUDGEMENT NO. 421 OF THE UNITED NATIONS ADMINISTRATIVE TRIBUNAL

8. In his report (A/C.5/43/9), the Secretary-General discusses Judgement No. 421 of the United Nations Administrative Tribunal related to the application of the remuneration correction factor to post adjustment at Geneva and Vienna as at 1 September 1986.

9. The Advisory Committee notes from paragraph 8 of the Secretary-General's report that the financial implications of payments by the United Nations pursuant to this Judgement amount to a total of \$597,200, including \$439,400 under the regular budget, and \$157,800 under other sources of funding.

10. In paragraph 9 of his report, the Secretary-General proposes to charge the additional regular budget expenditures of \$439,400 against the overall balance of appropriations for the biennium 1986-1987 to be retained as a result of the suspension of financial regulations 4.3, 4.4, and 5.2 (d). The Advisory Committee concurs in this recommendation.

Sixth report

Loan to the United Nations Industrial Development Organization:
special appropriation under General Assembly resolution 40/253 A

[Original: English]

[11 November 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/43/17 and Corr.1) concerning the repayment by the United Nations Industrial Development Organization (UNIDO) of the \$16 million loan obtained from the United Nations in 1986. During its consideration of this matter, the Advisory Committee met with representatives of the Secretary-General and with representatives of the Director-General of UNIDO.
2. In section I, paragraphs 1 to 10, of his report, the Secretary-General recapitulates the original purpose of the loan and the repayment time-frame envisaged for it, subsequent developments and related actions on the matter that were approved by the General Assembly up to and including its forty-second session.
3. In section II, paragraphs 11 to 15, of his report, the Secretary-General provides information on developments in UNIDO during 1988, and in particular on decision 29, adopted by the Industrial Development Board of UNIDO on 18 October 1988, which sets forth the Board's position concerning the modality for, and schedule of, repayment of the United Nations loan by UNIDO. That decision is based upon conclusion 1988/6 of 24 June 1988, adopted by the Programme and Budget Committee of UNIDO, the text of which is reproduced in paragraph 14 of the Secretary-General's report.
4. In section III, paragraphs 16 to 21, of his report, the Secretary-General, inter alia, states his views concerning the implications of the decision of the Industrial Development Board and submits his own separate proposals for repayment by UNIDO of the United Nations loan.

Observations and recommendations of the Advisory Committee

5. The Advisory Committee recalls that, at the forty-second session of the General Assembly, in view of the difficult financial situation of UNIDO reported by the Secretary-General in document A/C.5/42/10, the Committee had stated, in paragraph 9 of its related report, that:

"In the circumstances, the Advisory Committee believes that a pragmatic and realistic modality for repayment, including a specific schedule of payments, should be negotiated and submitted to the Advisory Committee no later than at its fall 1988 session. Once approved, the schedule of payments should be strictly adhered to." 1/

6. The Advisory Committee observes that since the Secretary-General's report (A/C.5/43/17 and Corr.1) contains two separate and conflicting positions submitted

by UNIDO and the United Nations concerning the loan repayment modality and schedule, the recommendation of the Committee that this matter be negotiated (see para. 5 above) has not been followed. Moreover, for reasons stated in paragraphs 7 and 8 below, neither of the two positions is fully consonant with the pragmatic and realistic approach called for by the Committee (see para. 5 above). Additional information, provided by representatives of the Secretary-General and the Director-General of UNIDO to the Committee at its request, also suggests that serious negotiations between the secretariats of the two organizations on the matter could have been undertaken during 1988, resulting in agreed proposals.

7. With regard to UNIDO's position that it repay \$1 million per annum commencing in 1990, the Advisory Committee notes that it would entail conversion of what "was intended as a short-term bridging facility, into a long-term element of UNIDO's financial structure, which may take as long as 19 years to repay" (*ibid.*, para. 17). As regards UNIDO's proposed procedure for accelerating the loan repayment schedule, which is set forth in paragraph (c) (ii) of conclusion 1988/6 of the Programme and Budget Committee of UNIDO (*ibid.*, para. 14), the Advisory Committee was informed by representatives of the Director-General of UNIDO that the "outstanding balance for assessed contributions" included the cumulative total of outstanding assessed contributions from prior years. In the opinion of the Committee, as presently specified, UNIDO's proposed procedure for accelerating the loan repayment schedule has limited practical effect and does not provide sufficient basis or incentive for quicker loan repayment by UNIDO to the United Nations as and when the financial position of UNIDO improves. Moreover, the Committee observes that this approach would also apparently modify the intent of the United Nations loan of \$16 million to UNIDO, which was granted as an advance, but instead would serve, among other things, as a means to provide funding for UNIDO's Working Capital Fund (\$9 million).

8. With regard to the Secretary-General's proposal, contained in paragraph 19 of his report, that UNIDO should instead repay its \$16 million loan within a five-year period, ending in 1993: either \$3.2 million per year, beginning in 1989, or \$4 million per year, beginning in 1990, the Advisory Committee believes that it does not take full account of UNIDO's current and projected near-term financial difficulties. The Secretary-General's suggestion, made in paragraph 20 of his report, that UNIDO be charged "a reasonable rate of interest" also appears inappropriate.

9. Despite the conflicting positions of UNIDO and the United Nations outlined in paragraphs 7 and 8 above, the Advisory Committee believes that it remains possible and necessary for the secretariats of the two organizations to continue to negotiate modalities for repayment of the loan (in particular, procedures for accelerated payments) that are equitable and would take into account the best interests of both organizations.

10. In the circumstances, the Advisory Committee recommends that, taking into account UNIDO's stated current and near-term financial difficulties, the General Assembly should accept UNIDO's proposal to commence repayment of the United Nations loan in 1990 at the minimum rate of \$1 million per annum. In keeping with what is stated in paragraph 7 above, the Committee calls upon the secretariats of the United Nations and UNIDO to work out modalities for accelerated repayment of the loan. Such action is necessary in view also of the fact that paragraph (c) (ii) of conclusion 1988/6 of the Programme and Budget Committee of UNIDO, which deals with the question of accelerating UNIDO's loan repayment schedule, is not clear as to

when accelerated repayments of the loan by UNIDO over and above the minimum level of \$1 million per annum will be triggered. In this connection, the Advisory Committee recommends that, commencing in 1990, the UNIDO administration should submit annual reports on the financial situation of UNIDO to it at its fall sessions, so that it may review and submit recommendations on the question of accelerating UNIDO's loan repayment schedule.

11. In view of its recommendation that UNIDO's repayment of the United Nations loan commence in 1990, the Advisory Committee concurs in the Secretary-General's proposal, contained in paragraph 21 of his report, that "the special arrangement made in [General Assembly] resolution 42/226 C [Financing of appropriations for the year 1988] regarding assessments on States Members of the United Nations be continued for 1989". Thus, assessments on States Members of the United Nations in 1989 would not be reduced by the amount of projected repayment of the loan to UNIDO that had originally been included in the estimates of income for the biennium 1988-1989.

Notes

1/ Official Records of the General Assembly, Forty-second Session, Supplement No. 7A (A/42/7/Add.1-10), document A/42/7/Add.5.

Seventh report

Emoluments of the members of the International Court of Justice

[Original: English]

[11 November 1988]

1. The Advisory Committee on Administrative and Budgetary Questions wishes to draw the attention of the General Assembly to the following considerations with regard to the emoluments of the members of the International Court of Justice.
2. By its resolution 31/204 of 22 December 1976, the General Assembly decided, *inter alia*, that the annual salaries of the members of the Court should next be reviewed at its thirty-fifth session and thereafter normally every five years, and that between such periodic reviews the members of the Court would be entitled to receive an interim cost-of-living supplement that would be reviewed each January, beginning in January 1977, and adjusted upwards or downwards in proportion to changes in the cost of living of 5 per cent or more. Such cost-of-living adjustments would be based on the simple arithmetic average of post adjustment classifications (APA index).
3. Following the periodic review in 1980, the General Assembly, by its resolution 35/220 A of 17 December 1980, approved the recommendations of the Secretary-General regarding the salary level and the cost-of-living supplement for members of the Court. The Assembly also approved the suggestion of the Secretary-General that the APA index be calculated on the basis of 51 locations and The Hague.
4. Following his next comprehensive review of the emoluments and conditions of service of the members of the Court, the Secretary-General, in his report to the General Assembly (A/C.5/40/32), concluded that an increase in the annual remuneration of the members of the Court would not be unreasonable and recommended that their annual base salary as of 1 January 1986 be set at \$US 82,000 with a cost-of-living supplement of \$3,000, yielding a total net remuneration of \$85,000 per year. By its resolution 40/257 A of 18 December 1985, the Assembly approved the Secretary-General's proposal. The Assembly also decided that the system of interim cost-of-living supplements introduced pursuant to its resolution 31/204 should continue, subject to rebasing and modifying the index used for this purpose. Future changes in the supplement were therefore to be calculated in relation to the revised annual salary of \$82,000 and were to be based on movements of 5 per cent or more, upwards or downwards, of the revised APA index as defined in paragraph 3 above.
5. In accordance with the procedure for calculating interim cost-of-living adjustments, the average movement of the post adjustment in the 52 cities used for that purpose (APA index) (see para. 3 above) was calculated for January 1987 and January 1988, respectively. As the APA index for January 1987 did not represent an increase/decrease of 5 per cent above/below the revised base APA index of January 1986, no change was warranted in the amount of the cost-of-living supplement payable to the members of the Court for January 1987. However, in January 1988, the APA index had increased by 16.77 per cent over the base.

Consequently, the amount of the cost-of-living supplement payable to the members of the Court increased from \$3,000 to \$13,800. Thus, with effect from 1 January 1988, the judges are receiving an annual salary of \$82,000 with a cost-of-living supplement of \$13,800, for a total annual compensation of \$95,800. The Advisory Committee has been informed that the latest available data indicate that no adjustment to the cost-of-living supplement will be due on 1 January 1989.

6. From data provided to it on the evolution of the judges' emoluments based on the current adjustment procedure, it appears to the Advisory Committee that the approach is reasonable. At the same time, it is evident that the current procedure is beneficial when the dollar strengthens vis-à-vis the Netherlands guilder. Conversely, it is less favourable when the dollar is weak, as is the case at present. This is because the cost-of-living supplement is based on an average of post adjustment classifications at 52 duty stations. It therefore does not compensate totally for the downward variation of the emoluments in local currency experienced at The Hague when the dollar weakens.

7. In this connection, the Advisory Committee recalls that in April 1987 the International Civil Service Commission (ICSC) introduced the concept of a local currency floor (and ceiling) at a certain number of duty stations, including The Hague. This means that the salaries of all staff of the Court, including the Registrar, are protected in local currency terms in the event of a weakening of the dollar below a certain exchange rate. The local currency floor amount, which relates to basic salary plus post adjustment less pension contribution, is determined by reference to a specific floor exchange rate between the local currency concerned and the dollar. When the United Nations official exchange rate falls below the floor rate, ICSC determines the post adjustment classification of the duty station concerned in such a way as to produce total dollar emoluments (base salary plus post adjustment less pension contribution) corresponding, at the applicable exchange rate, to the local currency floor amount. Conversely, a similar procedure applies when the United Nations official exchange rate rises above the ceiling rate.

8. Although there is no direct and automatic link between the emoluments of the judges and those of senior Secretariat officials, the Advisory Committee believes that consideration should be given to supplementing the current interim adjustment procedure by extending the application of local currency floor (and ceiling) measures to the emoluments of the judges in order to protect (limit) their emoluments in local currency terms in the event of a weakening (strengthening) of the dollar below (above) a certain level. If agreed upon, such an arrangement could be introduced as of 1 January 1989, it being understood that the arrangement would be reviewed in 1990 in the context of the next scheduled comprehensive review of the emoluments, the results of which would be introduced in 1991.

9. Recalling that changes in the annual salaries of the judges were last effected in 1986, the Advisory Committee recommends that a floor should be established using as a basis the 1986 emoluments (\$85,000 per year) and an exchange rate 4 per cent below the average 1986 exchange rate (2.47 guilders to the dollar). This mechanism would be comparable to that currently applied to Secretariat officials (see para. 7 above). The floor exchange rate (2.37 guilders to the dollar) produces a local currency floor of 16,787 guilders per month. When the current emoluments (\$95,800 per year) are taken into account, it would mean that the floor amount would become payable if the exchange rate falls below 2.11 guilders to the dollar.

10. As mentioned in paragraph 7 above, the ICSC scheme involves both a floor and a ceiling, and the Advisory Committee recommends that a ceiling also be established in respect of the judges' emoluments. On the basis of information provided to it, the Advisory Committee recommends that the ceiling be calculated using as a basis the 1986 emoluments (\$85,000 per year) and an exchange rate of 2.80 guilders to the dollar, i.e. the exchange rate applicable when these emoluments were introduced. This would produce a local currency ceiling of 19,833 guilders per month. When the current emoluments (\$95,800 per year) are taken into account, it would mean that only the ceiling amount would be payable if the exchange rate were to rise above 2.48 guilders to the dollar.

11. The financial implications of introducing the floor/ceiling concept to the adjustment procedure would depend on the movement of the current exchange rate. The Advisory Committee was informed that the current exchange rate is 2 guilders to the dollar, i.e. it is below the floor level. Consequently, should the current exchange rate not change as of 1 January 1989, at which time the procedure would be introduced, the additional dollar amount payable to each of the 15 judges for that month would be approximately \$410. Should the exchange rate remain at 2 guilders to the dollar for all of 1989, the additional payments for all judges would total \$73,800, and the emolument for each judge would total \$100,720. The Advisory Committee recommends that any additional expenditure that might be incurred from implementing the floor/ceiling adjustment measure be reported in the context of the final performance report of the Secretary-General on the programme budget for the biennium 1988-1989.

Eighth report

Revised estimates relating to the United Nations
Good Offices Mission in Afghanistan and Pakistan

(Agenda item 30)*

[Original: English]

[18 November 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the revised estimates relating to the United Nations Good Offices Mission in Afghanistan and Pakistan (A/C.5/43/22 and Corr.1 and Add.1). During the consideration of this question, representatives of the Secretary-General provided additional information to the Advisory Committee.
2. In its resolution 622 (1988) of 31 October 1988, the Security Council confirmed its agreement to the measures envisaged by the Secretary-General in his letters dated 14 1/ and 22 2/ April 1988 addressed to the President of the Security Council. Details regarding these measures are outlined in paragraphs 1 to 3 of the Secretary-General's report (A/C.5/43/22 and Corr.1).
3. As indicated in paragraph 5 of the Secretary-General's report (*ibid.*), in April 1988 the Advisory Committee concurred in the request of the Secretary-General to enter into commitments not exceeding \$5 million to cover the costs of the United Nations Good Offices Mission in Afghanistan and Pakistan for the period from 25 April to 31 October 1988. 3/ The Committee recalls that the request was made under the terms of paragraph 1 of General Assembly resolution 42/227 of 21 December 1987 on unforeseen and extraordinary expenses for the biennium 1988-1989.
4. Paragraphs 6 to 9 of the report of the Secretary-General (A/C.5/43/22 and Corr.1) relate to expenditures for the period from 25 April to 31 October 1988 and paragraphs 10 and 11, to requirements for the period from 1 November 1988 to 31 December 1989. The estimated requirements for the biennium 1988-1989 are summarized in paragraphs 12 to 14 and details are provided in annex II of the report.
5. In paragraph 9 of his report, the Secretary-General indicates that the net costs for the six-month period from 25 April to 31 October 1988 are now estimated at \$5,001,000. Included in this amount is \$891,000 relating to the costs of 50 military officers who are equally divided between Afghanistan and Pakistan. Also included is \$1,131,000 in salaries and common staff costs relating to the civilian staff. According to the table set forth in paragraph 7 of the report, in addition to the Deputy to the Representative of the Secretary-General, at the

* The situation in Afghanistan and its implications for international peace and security.

Assistant Secretary-General level, and the Alternate Representative, at the D-2 level, the United Nations Good Offices Mission in Afghanistan and Pakistan includes 25 internationally recruited staff, whose posts are broken down as follows: 3 Professional level (2 P-5 and 1 P-4), 20 Field Service and 2 General Service posts. However, the representatives of the Secretary-General indicated to the Advisory Committee that, from 1 November 1988, the two P-5 posts should be reclassified to D-1 (see para. 6 below). The Committee recalls that these posts had been classified at the D-1 level in the original staffing requirements presented to the Committee in April 1988.

6. With regard to the requirements for the period from 1 November 1988 to 31 December 1989, the representatives of the Secretary-General informed the Advisory Committee that an additional amount of \$8,401,500 would be required under section 2A (Political and Security Council affairs; peace-keeping activities) of the programme budget for the biennium 1988-1989, bringing the total estimated cost of the United Nations Good Offices Mission in Afghanistan and Pakistan to \$13,402,500. The table below provides information regarding the net requirements for the biennium 1988-1989, including the additional requirements relating to the two D-1 posts discussed in paragraph 5 above and the \$62,700 relating to the functions and responsibilities of the Representative of the Secretary-General on the Settlement of the Situation relating to Afghanistan, as outlined in the addendum to the report of the Secretary-General (A/C.5/43/22/Add.1).

United Nations Good Offices Mission in Afghanistan and Pakistan

Net requirements for the biennium 1988-1989
(US dollars)

| | | |
|---|------------------|-------------------|
| 1. Salaries and common staff costs | | |
| (a) Salaries | 1 540 400 | |
| (b) Common staff costs | <u>2 281 400</u> | 3 821 800 |
| 2. Travel of staff | | 214 500 |
| 3. Costs relating to military officers | | 2 674 000 |
| 4. Honoraria | | 18 200 |
| 5. Maintenance of premises | | 26 000 |
| 6. Rental and maintenance of transportation equipment | | |
| (a) Rental of aircraft | 4 530 000 | |
| (b) Other | <u>17 000</u> | 4 547 000 |
| 7. Other general operating expenses | | 405 000 |
| 8. Supplies and materials | | |
| (a) Telecommunication supplies | 138 000 | |
| (b) Other supplies | <u>239 000</u> | 377 000 |
| 9. Equipment | | |
| (a) Communications equipment | 828 000 | |
| (b) Other equipment | <u>491 000</u> | <u>1 319 000</u> |
| Total | | <u>13 402 500</u> |

In addition, an amount of \$503,400 would be required in the appropriation under section 31 (Staff assessment) to be offset by the same amount under income section 1 (Income from staff assessment).

7. The Advisory Committee recommends approval of the Secretary-General's revised estimates. The Committee notes, however, that the estimates for the biennium 1988-1989 have been prepared on the basis of maximum requirements. The Committee trusts that every effort will be made to achieve economies.

Notes

1/ Official Records of the Security Council, Forty-third Year, Supplement for April, May and June 1988, document S/19834.

2/ Ibid., document S/19835.

3/ In this context, a voluntary contribution associated with the Special Account of the United Nations has been received in connection with the efforts to achieve a political solution to the situation relating to Afghanistan (see A/C.5/43/22 and Corr.1, para. 5). This voluntary contribution should be seen in the context of paragraph 28 of the report of the Advisory Committee on the financing of the United Nations Iran-Iraq Military Observer Group (A/43/768).

Ninth report

Review of travel and related travel entitlements of
representatives attending United Nations meetings;
standards of accommodation for air travel

[Original: English]

[22 November 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered two reports of the Secretary-General: one on the review of travel and related entitlements of representatives attending United Nations meetings (A/C.5/43/4 and Corr.1) and the other on standards of accommodation for air travel (A/C.5/43/31). During its consideration of these subjects, the Advisory Committee met with representatives of the Secretary-General who provided it with additional information.

I. REVIEW OF TRAVEL AND RELATED ENTITLEMENTS OF REPRESENTATIVES
ATTENDING UNITED NATIONS MEETINGS

2. The report of the Secretary-General (A/C.5/43/4 and Corr.1) has been submitted pursuant to the provisions of section VI, paragraph 2, of General Assembly resolution 42/225 of 21 December 1987. Developments leading to the adoption by the Assembly of this resolution are recalled in paragraph 1 of the report.

3. The report comprises two main parts and an annex. Part I (paras. 3-7 and table 1) and the annex contain respectively a summary review of the entitlements currently accorded to members of the subsidiary bodies of the General Assembly and the Economic and Social Council, and the provisions governing the payment of travel and/or subsistence expenses to members attending meetings of bodies and subsidiary bodies of the United Nations. Part II (paras. 8-12 and table 2) deals with the question of the consideration of extending the application of recommendation 6 of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations, 1/ as endorsed by the Assembly in its resolution 41/213 of 19 December 1986, to the subsidiary bodies of the Assembly and the Council. In this regard, the Secretary-General provides, in table 2, statistics on participation in the years 1986, 1987 and 1988 of members from the least developed countries in those subsidiary bodies of the Assembly and the Council whose members are entitled to reimbursement of travel expenses for attendance at meetings. In paragraphs 11 and 12, he draws certain inferences from the statistics provided in table 2.

4. As shown in table 1 of the Secretary-General's report (A/C.5/43/4 and Corr.1), of the 23 subsidiary bodies listed, 16 have a membership of experts serving in their individual capacity (category "E"), while the remaining 7 are considered intergovernmental bodies whose members are representatives of their respective Governments (category "G").

5. The 16 subsidiary organs identified as having a membership of experts serving in their individual capacity (category "E") include the United Nations Scientific Committee on the Effects of Atomic Radiation (UNSCEAR). In this connection, the Secretary-General recalls in paragraph 10 of his report that "the Board of Auditors in 1986 [had] commented that the members of UNSCEAR were not members serving in their individual capacity but were in fact participating as representatives of their Governments". In view of this, the Secretary-General proposes that "the General Assembly may wish to give further consideration to this point". The Advisory Committee recalls that the Secretary-General had submitted a more detailed discussion of this issue in paragraphs 8 to 11 of his earlier report on standards of accommodation for air travel. 2/ In expressing its views on the matter in paragraphs 14 to 19 of its related report, 3/ the Advisory Committee concurred in the conclusion of the Board of Auditors. Should the General Assembly accept that conclusion, there would be 15 category "E" subsidiary bodies (instead of 16) having a membership of experts serving in their individual capacity and 8 category "G" subsidiary bodies (instead of 7) whose members are representatives of their respective Governments.

6. In paragraph 9 of his report (A/C.5/43/4 and Corr.1), the Secretary-General states, inter alia, his understanding that, should recommendation 6 of the Group of High-level Intergovernmental Experts be applied, "the principle of limiting reimbursement of travel cost to members of least developed countries would be confined to members attending meetings as Government representatives [i.e., category "G"] and would exclude meetings in which the membership serves as experts in their individual capacity" [i.e., category "E"]. The Secretary-General notes in paragraph 12 of his report that, on the basis of this understanding, the application of recommendation 6 "would possibly affect only seven subsidiary bodies" (eight if UNSCEAR is included (see para. 5 above)), and that, while it is difficult to estimate the level of savings that could be achieved, "it may nevertheless be inferred that the savings that would result would not be insignificant".

7. The Advisory Committee notes that the Secretary-General's report contains no specific proposal to extend the application of recommendation 6 of the Group of High-level Intergovernmental Experts, as endorsed by the General Assembly in its resolution 41/213, to the subsidiary bodies of the Assembly and the Economic and Social Council, other than the suggestion that, if applied, it should be restricted to members attending meetings as government representatives, i.e., category "G" members (see para. 6 above).

8. In this connection, should the General Assembly decide to extend application of recommendation 6 of the Group of High-level Intergovernmental Experts to the subsidiary bodies of the Assembly and the Economic and Social Council, the Advisory Committee would suggest that such extension be limited to those intergovernmental bodies whose members are representatives of their respective Governments (i.e., category "G"). Furthermore, a phased approach should be adopted so that its application would not come into effect until expiry of the current terms of office or membership of affected members of such intergovernmental bodies.

9. During its consideration of the Secretary-General's report, the Advisory Committee also reviewed the current provisions governing the payment of travel and/or subsistence expenses to members attending meetings of bodies and subsidiary bodies of the United Nations, contained in the annex to the report. Consistent with its recent recommendations on the subject, 4/ which were accepted by the General Assembly in paragraph 2 of its resolution 41/176 of 5 December 1986 and

section VI, paragraph 1, of its resolution 42/225 of 21 December 1987, the Committee wishes to suggest a further refinement to these provisions. The Committee recommends that the payment of a daily allowance of \$US 8 to eligible members while they are travelling by a direct route, by ship, aeroplane or train (see A/C.5/43/4 and Corr.1, annex, para. 6 (b)) should be discontinued with effect from 1 January 1989. Should the Assembly accept this recommendation, its decision should be reflected in an amendment to the present rules governing payment of travel expenses and subsistence allowances in respect of members of organs or subsidiary organs of the United Nations (ST/SGB/107 and revisions).

II. STANDARDS OF ACCOMMODATION FOR AIR TRAVEL

10. The form of presentation of the report of the Secretary-General (A/C.5/43/31) differs from that of his previous submissions on the subject. Information concerning all first-class travel and exceptions made to the rules on standards of accommodation for air travel for the twelve-month period from 1 July 1987 to 30 June 1988 has been split into two six-month reporting periods (i.e., 1 July to 31 December 1987 and 1 January to 30 June 1988). The Secretary-General explains in paragraph 1 of his report that this approach has been adopted because information on the period 1 July to 31 December 1987 is submitted pursuant to the "provisions of General Assembly resolution 32/198 of 21 December 1977 as amended by section X of resolution 35/217 of 17 December 1980, section III of resolution 37/237 of 21 December 1982 and section VII of resolution 39/236 of 18 December 1984". However, information on the period 1 January to 30 June 1988 is submitted pursuant to Assembly resolution 42/214 of 21 December 1987, the provisions of which supersede those of the earlier resolutions cited above.

11. In view of the developments outlined above, the Advisory Committee accepts the conclusion reached by the Secretary-General in paragraph 2 of his report that it would not be statistically meaningful to compare information gathered for the two six-month periods (1 July to 31 December 1987 and 1 January to 30 June 1988) with data relating to the prior twelve-month reporting period (1 July 1986 to 30 June 1987).

12. In paragraph 4 of his report, the Secretary-General provides comparative information on the total number of journeys and the cost of first-class travel by entitled individuals during the six-month period 1 January to 30 June 1988 (following entry into effect of the provisions of General Assembly resolution 42/214) and during the preceding six-month period from 1 July to 31 December 1987. The Secretary-General provides, in paragraphs 7 to 11, similar comparative information on his exercise of the discretionary authority granted to him to make exceptions allowing first-class travel on a case-by-case basis, also for the six-month periods 1 July to 31 December 1987 and 1 January to 30 June 1988. In this connection, the Advisory Committee observes that, the full effects of Assembly resolution 42/214 are as yet not known, owing to the fact that it has been only recently implemented and consequently it cautions against attempting to draw any conclusions from the preliminary data provided.

Notes

1/ See Official Records of the General Assembly, Forty-first Session, Supplement No. 49 (A/41/49).

2/ A/C.5/42/9.

3/ A/42/790.

4/ A/41/632, para. 27; and Official Records of the General Assembly, Forty-second Session, Supplement No. 7 (A/42/7), chap. I, para. 79.

Tenth report

Programme budget implications of the draft resolutions submitted by the First Committee in the following documents: A/43/833, A/43/855 (draft resolution A), A/43/856 (draft resolutions I and N), A/43/858 (draft resolution A) and A/43/894 (draft resolution B)

(Agenda items 54, 63, 64, 64 (a), 66 and 139)*

[Original: English]

[2 December 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered six statements (A/C.5/43/38, A/C.5/43/39, A/C.5/43/46, A/C.5/43/47, A/C.5/43/48 and A/C.5/43/49) submitted by the Secretary-General, in accordance with rule 153 of the rules of procedure of the General Assembly, on the programme budget implications of six draft resolutions recommended by the First Committee under agenda items 54, 63, 64, 64 (e), 66 and 139.
2. Table 1 below summarizes the total costs arising from these draft resolutions for both conference-servicing and non-conference-servicing requirements and indicates how the Secretary-General proposes to cover those costs.
3. As indicated above, the Secretary-General is requesting an additional appropriation of \$330,600 under section 2B in respect of 1989 requirements. The requirements for the biennium 1990-1991 under section 2B are estimated at \$573,800, to be dealt with in the context of the proposed programme budget for the biennium 1990-1991. No additional resources for the 1989 conference-servicing requirements of \$719,300 are requested. The conference-servicing requirements for the biennium 1990-1991, to be dealt with at a later stage, are estimated at \$1,438,400.

* Establishment of a nuclear-weapon-free zone in the region of the Middle East [item 54].

Chemical and bacteriological (biological) weapons [item 63].

General and complete disarmament [item 64].

General and complete disarmament: nuclear disarmament [item 64 (a)].

Review of the implementation of the recommendations and decisions adopted by the General Assembly at its fifteenth special session [item 66].

Verification in all its aspects [item 139].

Table 1

| Secretary-General's statement | Draft resolution | 1989 full-cost estimates | | | 1990 full-cost estimates | | | 1991 full-cost estimates | | | Secretary-General's proposal concerning additional requirements |
|-------------------------------|--|--------------------------|----------|---------|--------------------------|----------|---------|--------------------------|----------|-------|--|
| | | Sect. 2B | Sect. 29 | Total | Sect. 2B | Sect. 29 | Total | Sect. 2B | Sect. 29 | Total | |
| (United States dollars) | | | | | | | | | | | |
| A/C.5/43/38 | A/43/833, para. 10 | 27 600 | - | 27 600 | 14 000 | - | 14 000 | - | - | - | Covered from extra-budgetary resources |
| A/C.5/43/39 | A/43/894, para. 14, draft resolution B | 147 300 | 195 400 | 342 700 | 157 800 | 490 000 | 647 800 | - | - | - | Additional appropriation requested for 1989 under sect. 2B (\$147,300) |
| | | | | | | | | | | | No additional appropriation requested for 1989 under sect. 29 |
| | | | | | | | | | | | 1990 requirements to be dealt with in proposed programme budget for the biennium 1990-1991 |
| A/C.5/43/46 | A/43/855, para. 14, draft resolution A | 63 500 | 312 200 | 372 700 | - | - | - | - | - | - | Additional appropriation requested for 1989 under sect. 2B (\$60,500) |
| | | | | | | | | | | | No additional appropriation requested for 1989 under sect. 29 |
| A/C.5/43/47 | A/43/858, para. 11, draft resolution A | 32 900 | - | 32 900 | 32 900 | - | 32 900 | - | - | - | To be covered from extra-budgetary resources |
| A/C.5/43/48 | A/43/856, para. 71, draft resolution B | 122 800 | 211 700 | 334 500 | 70 000 | 297 300 | 367 300 | - | - | - | Additional appropriation requested for 1989 under sect. 2B (\$122,800) |
| | | | | | | | | | | | No additional appropriation for 1989 under sect. 29 |
| | | | | | | | | | | | 1990 requirements to be dealt with in proposed programme budget for the biennium 1990-1991 |

Table 1 (continued)

| Secretary-General's statement | Draft resolution | 1989 full-cost estimates | | | 1990 full-cost estimates | | | 1998 full-cost estimates | | | Secretary-General's proposal concerning additional requirements |
|-------------------------------|--|--------------------------|----------------|------------------|--------------------------|----------------|------------------|--------------------------|----------------|----------------|---|
| | | Sect. 28 | Sect. 29 | Total | Sect. 28 | Sect. 29 | Total | Sect. 28 | Sect. 29 | Total | |
| A/C.5/43/49 | A/43/856, para. 71, draft resolution I | - | - | - | 139 300 | 193 700 | 333 000 | 159 800 | 457 400 | 617 200 | Requirements to be dealt with in the proposed programme budget for the biennium 1990-1991 |
| | Total | <u>391 100</u> | <u>719 300</u> | <u>1 110 400</u> | <u>414 000</u> | <u>981 000</u> | <u>1 395 000</u> | <u>159 800</u> | <u>457 400</u> | <u>617 200</u> | Additional appropriation under sect. 28 for 1989 (\$330,600) 1989 requirements under sect. 28 to be covered from extra-budgetary resources: \$67,500 No additional appropriation under sect. 29 for 1989 requirements (\$719,300) Requirements for the biennium 1990-1991 (\$573,800 under sect. 28 and \$1,438,400 under sect. 29) to be dealt with in the proposed programme budget for the biennium 1990-1991 |

4. In reviewing the Secretary-General's statements, the Advisory Committee notes that in five of the six draft resolutions, the Secretary-General has been requested to prepare a study/report with the assistance of experts or consultants. In those instances where the convening of a group of governmental experts is requested (A/C.5/43/39, A/C.5/43/46, A/C.5/43/48, A/C.5/43/49), the Secretary-General has also proposed consultancy services to assist the groups in their work. Table 2 summarizes the non-conference-servicing requirements by year and by object of expenditure under the regular budget.

5. As shown in table 2 below, the additional appropriation for 1989 of \$330,600 (see para. 3 above) requested by the Secretary-General comprises \$244,100 for experts, \$55,300 for consultants, and \$31,200 for staff travel.

Table 2

| Secretary- General's statement | 1989 | | | 1990 | | | 1991 | | |
|--------------------------------------|-------------------------|---------------|-----------------|----------------|---------------|-----------------|----------------|---------------|-----------------|
| | Experts | Consultants | Staff travel | Experts | Consultants | Staff travel | Experts | Consultants | Staff travel |
| | (United States dollars) | | | | | | | | |
| A/C.5/43/39 | 115 200 | 32 100 | - | 134 000 | 23 800 | - | - | - | - |
| A/C.5/43/46 | 36 900 | - | 23 600 | - | - | - | - | - | - |
| A/C.5/43/48 | 92 000 | 23 200 | 7 600 | 62 400 | 7 600 | - | - | - | - |
| A/C.5/43/49 | - | - | - | 116 300 | 23 000 | - | 135 700 | 24 100 | - |
| Total | 244 100 | 55 300 | 31 200 | 312 700 | 54 400 | - | 135 700 | 24 100 | - |

Note: Requirements under these objects of expenditure requested in A/C.5/43/38 and A/C.5/43/47 are to be met from extrabudgetary resources.

6. The Advisory Committee notes that the additional requirements requested under these headings compare as follows to the appropriations made for the biennium 1988-1989:

| | <u>1988-1989 appropriations</u> (US dollars) | <u>Additional appropriations</u> (US dollars) |
|--------------------------------------|---|--|
| Consultants | 76 000 | 55 300 |
| <u>Ad hoc</u> expert groups | 579 400* | 244 100 |
| Staff travel to official meetings | 129 800 | 31 200 |

* 1988-89 appropriation under this object totalled \$619,400. However, \$40,000 was redeployed for overtime and general temporary assistance at the time of the special session of the General Assembly on disarmament.

7. At its request, the Advisory Committee was provided with the balance of uncommitted resources as at 31 October 1988 under the same objects of expenditure:

| | <u>1988-1989</u> <u>appropriation</u> (US dollars) | <u>Uncommitted</u> <u>balance</u> (US dollars) |
|---|--|--|
| Consultants | 76 000* | 38 900 |
| <u>Ad hoc</u> expert groups | 579 400** | 392 100 |
| Travel of staff to official meetings | 129 800 | 99 200 |

* Of this amount, \$31,300 is non-recurrent and earmarked for two studies mandated by the General Assembly at its forty-first session.

** See footnote in para. 6 above. Of the balance of \$579,400, \$106,500 is non-recurrent and earmarked for the above-mentioned studies. The remaining \$472,900 was earmarked for the Advisory Board on Disarmament Studies.

8. Representatives of the Secretary-General indicated that it would be difficult to absorb any meaningful portion of the additional requirements arising out of the draft resolutions and that, furthermore, the estimated requirements represented the minimum required to implement the requested activities. However, the Advisory Committee recalls that the General Assembly has called for restraint in expenditures for consultants, ad hoc expert groups, and travel. This concern was reflected in the recommendations of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of

the United Nations. 1/ Although not recommending any reduction, the Advisory Committee believes that the Secretariat should make every effort to absorb some of the requirements under these objects of expenditure.

9. As indicated in table 1 above, non-conference-servicing requirements for the biennium 1990-1991 are estimated at \$573,800. In response to inquiries, representatives of the Secretary-General informed the Advisory Committee that the provisions requested for the preparation of reports/studies called for in the draft resolutions are considered non-recurrent items and will be reflected as such in the outline and in the proposed programme budget for the biennium 1990-1991.

10. The Advisory Committee notes from paragraph 6 of the Secretary-General's statement (A/C.5/43/46) that the proposal to hold meetings at Geneva of the group of qualified experts mentioned in draft resolution A contained in document A/43/855 would constitute an exception to section I, paragraph 4, of General Assembly resolution 40/243 of 18 December 1985, in which it is stated that United Nations bodies shall plan to meet at their respective established headquarters. In paragraph 6 of document A/C.5/43/46/Add.1, the Committee on Conferences recommends that the Assembly approve a departure from section I, paragraph 4, of its resolution 40/243 to enable the group of six qualified experts to meet at Geneva.

Notes

1/ See Official Records of the General Assembly, Forty-first Session, Supplement No. 49 (A/41/49).

Eleventh report

Establishment of an integrated management information system:
revised estimates under section 28

[Original: English]

[2 December 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/43/24) in which he submits revised estimates under section 28A (Office of the Under-Secretary-General for Administration and Management) of the programme budget for the biennium 1988-1989, concerning his request to establish an integrated management information system (IMIS) in the Department of Administration and Management. During its consideration of this subject, the Advisory Committee met with representatives of the Secretary-General who provided it with additional information.
2. The Secretary-General projects the total cost of implementing phase I of the IMIS project over a three-and-one-half-year time-frame (1989 to 1992) at \$31,593,500 at 1988 rates. On the basis of a mixed-financing approach (65.1 per cent from the regular budget, 7.4 per cent from peace-keeping, and 27.5 per cent from the special accounts for programme support costs), he estimates the cost to the regular budget of implementing phase I of the project at \$20,567,400. Of this amount, \$6,204,200 would need to be appropriated for 1989; and \$11,786,900 and \$2,576,300 would respectively be requested in the context of the proposed programme budgets for the bienniums 1990-1991 and 1992-1993 (*ibid.*, paras. 50-52). At the same time, the Secretary-General indicates his intention to seek voluntary contributions for IMIS (*ibid.*, para. 53). In this connection, he states his understanding that, if such contributions are received, they will be used "not to expand the scope of IMIS but in lieu of funds from the regular budget, peace-keeping activities and the special account for programme support costs".
3. In the introduction of his report, the Secretary-General states that the form of presentation and the approach of the document and the information submitted therein take into account recommendations contained in the initial report of the Advisory Committee to the General Assembly on the subject. 1/ Following a summary of the primary considerations that led to the development of the IMIS proposal (A/C.5/43/24, paras. 2 and 3), the Secretary-General indicates that the course of action outlined in his report is derived from a project design and implementation analysis that was prepared by external consultants engaged for the purpose (*ibid.*, para. 4).
4. In section II of his report, the Secretary-General analyses the basic weaknesses and limitations of the computerized information systems currently used by the United Nations for administrative and management applications, and discusses the implications of not addressing the problems identified on a timely and co-ordinated basis. It is pointed out that, when examining these problems, account must be taken of the fact that the systems in place were developed in the 1970s and that their capacity was limited by the technology then available (*ibid.*, para. 13).

5. Subject to these comments, the Secretary-General's assessment of the 22 independent computerized information systems in current use in the area of administration and management is that "many ... require the same data and therefore partially duplicate each other and overlap. They provide limited support to the administrative functions of the Organization. They employ a level of data-processing sophistication widely used two decades ago. While efforts have been made over the years to improve and enhance them, the resources required to support and maintain these aged systems provide little or no return in automated assistance" (*ibid.*, para. 5). Moreover, these problems have been compounded by "the piecemeal development of systems designed to serve individual functional requirements and to meet particular needs without adequate regard to the benefits of integration" (*ibid.*, para. 7), and further aggravated by "fragmentation of administrative and management systems as various offices both at Headquarters and away from Headquarters have developed and installed their own local systems" (*ibid.*, para. 8). A number of examples are cited to illustrate this assessment. The Secretary-General concludes that "the administrative support systems in the United Nations are fragmented and no longer serve the needs of the Organization. What the Organization requires is a consolidated, corporate data base of information which would be current, consistent and reliable, easily accessible and conducive to improved efficiency and productivity" (*ibid.*, para. 11).

6. In section III of his report, the Secretary-General sets forth the scope of the proposed IMIS project, including its design objectives and its prospective benefits.

7. Section IV of the Secretary-General's report is divided into four subsections, which detail the application areas for the proposed IMIS system; the profile of the system; selection of a centralized or decentralized environment for the system; and choice of alternatives for its development and implementation. A total of 15 application areas for the proposed IMIS project have been identified and are listed in paragraph 18 of the report. The key characteristic of the system profile subsequently developed is that "with few exceptions, each of the 15 defined components will interface with each other", (*ibid.*, para. 19 (a)), i.e., IMIS will be a fully integrated system. The Secretary-General has opted for a decentralized environment for IMIS, the main features and advantages of which are discussed in paragraphs 22 and 24 of the report. After examining three basic approaches open to the Organization for the development and implementation of IMIS, namely, using commercial software, custom-building IMIS and utilizing modern software already available in the United Nations system, the Secretary-General has chosen the third approach for the reasons outlined in paragraphs 26 to 32 of his report.

8. Implementation of the proposed IMIS project is discussed in paragraphs 33 to 39 of the Secretary-General's report. As envisaged, "the implementation plan is a project approach designed to address the systematic implementation of IMIS, first at Headquarters, then at each regional location" (*ibid.*, para. 34). The implementation would be effected in three phases: "The first would involve designing and implementing modules which provide a functional core for IMIS and modules providing bridges with existing systems. In the second phase, modules whose existence and utility are contingent upon the design and implementation of the modules built in the first phase, would be built. The third phase would involve the modules which have little dependency outside their own application area" (*ibid.*, para. 36). A description of the main activities that would be carried out in order to develop and implement phase I is provided in paragraph 39 (a) to (z) and (aa) to (ee) of the report.

9. In section VIII of his report, the Secretary-General concludes by forecasting, inter alia, that the introduction of an IMIS "will radically alter the way the Organization manages and executes its administrative tasks"; give rise to significant productivity gains "which will, in the Department of Administration and Management and all associated executive and administrative offices at all locations, yield further savings beyond those envisaged in the context of the post reduction exercise"; and provide management with "analytical tools and decision-support systems that would enhance decision-making".

Observations and recommendations of the Advisory Committee

10. In response to its inquiries, the Advisory Committee was informed by representatives of the Secretary-General that one of the main reasons for proposing the introduction of IMIS in the administrative and management area was that, compared with the data-processing systems in place that support the statistical, economic and conference-servicing activities of the Organization, those currently in use in the administrative and management area were backward. The Committee recognizes that the Secretariat must improve its information systems in the administrative and management areas in order to have better management and control capacity to meet current and future challenges. The Committee also accepts that, if IMIS is implemented as envisaged, it would bring about significant change in the way the Organization carries out its administrative and management tasks. At the same time, the Committee cautions that the mere advent of new technology will not achieve the intended objectives if there is no accompanying clear management direction that will make optimum use of the analytical capabilities that such technological innovations can provide. Subject to these observations, and taking into account information contained in paragraphs 5 to 13 of the Secretary-General's report, as well as additional information provided by representatives of the Secretary-General, the Advisory Committee is satisfied that the Secretary-General has presented a realistic diagnosis of the current data-processing problems in the administrative and management area and has established a convincing case for the introduction of IMIS in that area.

11. The Advisory Committee notes that development of the scope, components and characteristics of the proposed IMIS system, which will be a fully integrated system, has been derived from analyses prepared by the external consultants engaged for the purpose (see paras. 3, 7 and 8 above). The Committee also takes note of the Secretary-General's statement in paragraph 36 of his report that, "Although it might appear that the amount of effort to be expended on the first phase compared to the other phases is inordinate, it should be noted that phases II and III are intended to provide additional functions while phase I will include the detailed design and overall framework for IMIS". In this connection, the Committee points out that information provided in section IV.A of the Secretary-General's report on the 15 administrative and management application areas identified is deficient, in so far as it does not provide a precise picture as to which component modules under each of these application areas will be completed in phases I, II and III of the project. At the request of the Committee, representatives of the Secretary-General provided additional information detailing the 15 administrative and management application areas selected for IMIS, its proposed architecture, and component modules of phases I, II and III.

12. The Committee notes from the additional information provided that phase I covers the three-and-one-half-year period, from 1989 to mid-1992. Phases II

and III cover the period from mid-1992 to the end of 1993. Thus, it has been assumed that it would take five years to complete the entire project. At the end of phase I of the project, while development work will be proceeding on 11 application areas, full development and implementation of all its component modules is expected to be completed in only one application area (insurance). For six of the application areas (programme management, human resources, procurement and inventory, travel and transportation, financial management, and evaluation and audits), development and implementation of all their component modules will be carried out through all three phases of the project. In the case of four other application areas (post classification, commercial management, personal accounts and payroll), development and implementation of their component modules is projected to be carried out through two phases of the project (phases I and II or phases I and III). For one of the application areas (records management), development and implementation of its component modules will be carried out during phases II and III. In the case of the three remaining application areas (property management, safety and security, and mail and communications), development and implementation of their component modules will be carried out only during phase III of the project. Representatives of the Secretary-General also stated that the development of phases II and III would be predicated on the experience gained in the development and implementation of phase I of the project.

13. For the reasons advanced by the Secretary-General in sections IV.C and D of his report, the Advisory Committee concurs in the selection of a decentralized environment for IMIS and in the choice of utilizing software already available in the United Nations system (see para. 7 above).

14. In section VI of his report, the Secretary-General has projected the cost of implementing phase I (1989 to mid-1992) of the IMIS project at \$31,593,500 at 1988 rates, from all sources of funds. In the opinion of the Committee, consideration of the financial aspects of the project would have been facilitated if the Secretary-General had also indicated the potential cost of implementing phases II and III (mid-1992 to the end of 1993) of the project, since such information would provide a more complete picture of its total overall cost. In response to its inquiries, the Advisory Committee was informed by representatives of the Secretary-General that the combined cost of phases II and III was projected at \$9,301,000. Thus, on the assumption that the entire project (phases I to III) would be completed in five years (1989 to 1993), its total projected cost would amount to \$40,894,500 at 1988 rates (\$31,593,500 plus \$9,301,000). However, whereas resource requirements for phase I covered an external technical system development team, hardware, software, terminal costs, and United Nations project team staff and related travel costs, projected requirements for phases II and III related entirely to the continuation of the external technical system development team and United Nations project team staff and related travel costs.

15. During its examination of these cost projections, the Advisory Committee raised a number of questions, responses to which were requested of representatives of the Secretary-General. First, the Committee sought clarification of the apparently "incremental" approach adopted in the preparation of the cost estimates for phase I of the project (i.e., little or no account appears to have been taken of the level of resources that are normally appropriated under section 28 of the programme budget for acquisition, replacement and/or maintenance of computer equipment). Moreover, document A/C.5/43/24 contained minimal discussion of the potential impact on future budgetary requirements of gains in staff productivity and in improved administration and management expected from implementing the IMIS

project. Secondly, the Committee requested an explanation of the basis for proposing to implement phase I of the IMIS project over three and a half years. In this connection, the Committee requested that it be provided with additional information as to the administrative and financial implications of extending implementation of phase I over a five or six-year period.

16. With regard to the Committee's first question, representatives of the Secretary-General stated that their preparation of the cost projections submitted took full account of the need to maintain the existing systems while IMIS was being developed and of the need to run the old and new systems in parallel during the testing stages. It was felt that, on that basis, it would not be possible to gradually reassign staff from existing systems to replace those detailed to IMIS. They drew attention to the fact that, while it had been estimated that 2,000 terminals would be required by those using IMIS, the proposed cost projections provided for the acquisition of only 1,000 terminals, on the assumption that the balance would be met from compatible existing terminals or financed from resources normally included in the programme budget for computer acquisition and replacement programmes (see also A/C.5/43/24, para. 46). Representatives of the Secretary-General also stated their view that, at this stage, it would be premature and misleading on their part to attempt to forecast in any degree of detail the potential budgetary consequences of the projected benefits of IMIS.

17. In response to the Committee's second question, representatives of the Secretary-General stated that, besides financial considerations, the main reason for proposing a three-and-one-half-year implementation period for phase I of the IMIS project was the need to sustain the interest and support that had been generated and secured for the project from all staff concerned. In their opinion, the key element in persuading organizational units to set aside their immediate parochial interests, as well as in gaining and maintaining the support of the staff, was the prospect of obtaining a new system and its related expected benefits within a reasonable period of time.

18. With regard to the financial implications of extending phase I of the project over a five-year or six-year time-frame, representatives of the Secretary-General informed the Committee that the estimates submitted in section VI of document A/C.5/43/24 for hardware, software and project team staff travel would remain unchanged. The estimate of requirements for terminals would be reduced, based on the assumption that a greater number of the 1,000 terminals proposed for acquisition as part of the project would become available in the context of resources normally requested in the programme budget proposals for acquisition and replacement of computer equipment. However, the cost and number of workdays of the technical system development team would increase, since their presence would be required during the entire duration of the project, irrespective of the time-frame adopted for it. Similarly, additional costs would arise in respect of the United Nations project team staff because of the stated need to maintain the existing systems while IMIS was being developed and the need to run the old and new systems in parallel during the testing stages. On that basis, representatives of the Secretary-General calculated that, if phase I of the IMIS project were to be implemented over either five or six years, the total projected costs at 1988 rates would be \$35,699,000 and \$38,150,700, respectively, as compared to the projected cost of \$31,593,500 over a three-and-one-half-year period.

19. The Advisory Committee recognizes that there is merit in the Secretariat's views concerning the need to maintain momentum for the project (see para. 17

above). At the same time, taking into account its observations contained in paragraphs 20 to 24 below, the Committee is not fully convinced by the other explanations submitted by the Secretariat (see paras. 16 and 18 above) concerning the projected cost of phase I of the IMIS project.

20. As indicated in paragraph 41 of document A/C.5/43/24, the Secretary-General's estimate of \$13,325,000 for the project's technical system development team assumes a requirement of 13,325 workdays at a cost of \$1,000 per workday for phase I of the project. In response to its inquiries, the Advisory Committee was informed by representatives of the Secretary-General that the estimate of \$1,000 per workday was based on a composite average of costs projected by the consulting organizations that had submitted proposals for the preliminary analysis of IMIS, which ranged from a low of \$440 per workday to a high of \$1,300 per workday. In this connection, the Advisory Committee notes that when the contract is finally awarded after competitive bidding, actual requirements under this heading should be lower than currently projected. In terms of projected workdays also, actual requirements may vary in the light of experience.

21. Paragraphs 42 to 44 of the Secretary-General's report (A/C.5/43/24) deal with the estimates for hardware (\$3,312,000), operating system software (\$1,530,000) and data base management systems (DBMS) software (\$1,470,000). Bearing in mind the general market trend of declining hardware costs and savings that may arise from ordering hardware and software in bulk, the Committee believes that economies are possible in these areas. In paragraph 46 of his report, the Secretary-General projects that a total of 2,000 terminals will be required by IMIS users, and proposes that the acquisition of 1,000 of these terminals at a total cost of \$3.5 million should be financed from the project budget. In this connection, the Advisory Committee notes that the basis of the Secretary-General's rationale in concluding that 2,000 terminals will be required is not readily apparent.

22. The Secretary-General estimates, subject to further negotiation, the cost to the United Nations of acquiring the existing computer system software of the Food and Agriculture Organization of the United Nations (FAO) at \$3.5 million. In this connection, the Secretary-General states his understanding that "the actual amount to be paid and the terms and conditions attached to such payment would be submitted to ACABQ" (*ibid.*, para. 45). In response to its inquiries, the Committee was informed by representatives of the Secretary-General that the proposed amount represented slightly more than half of the direct expenses incurred by FAO in developing its system. The representative also informed the Committee that it was envisaged that FAO would utilize such payment by the United Nations to develop and refine further its existing system, and that FAO would subsequently share the results of advances made in this regard with the United Nations. The Advisory Committee accepts that some reimbursement to FAO for the costs it incurred in developing its system would not be unreasonable. At the same time, the Committee has reservations concerning the amount proposed. In the circumstances, the Committee expects that, following negotiations between the United Nations and FAO, the actual amount to be paid by the United Nations to FAO for making available its computer system software, will be less than the Secretary-General's provisional projection of \$3.5 million. Furthermore, since negotiations have yet to be completed, the Committee is of the opinion that provision for such payment to FAO should not have been included in the request for additional appropriations in 1989 for the project. Instead, it should be requested as part of the 1990 resource requirements for the project and submitted in the context of the Secretary-General's programme budget proposals for the biennium 1990-1991.

23. The Secretary-General's estimate of \$4,836,500 for the United Nations project team staff is intended to provide temporary assistance resources to recruit replacements for staff already on board (1 D-1, 4 P-5, 8 P-4, and 3 principal level General Service posts) who would be detached from their current responsibilities and assigned full time to the project (*ibid.*, paras. 47 and 48 and annex). The Committee questions this approach, which involves full recruitment of replacement staff to cover, for the full duration, the responsibilities of existing staff on detached assignment to the IMIS project.

24. The Committee also believes that, by judicious scheduling and combination of United Nations project team staff travel, the Secretary-General's estimate of \$120,000 for this purpose (*ibid.*, para. 49) can be reduced.

25. In paragraphs 50 and 51 of his report, the Secretary-General has proposed mixed financing arrangements for implementing phase I of the IMIS project (65.1 per cent from the regular budget, 7.4 per cent from peace-keeping and 27.5 per cent from the special accounts for programme support costs). Taking into account recent and prospective developments that are expected to enlarge the scope and level of peace-keeping activities carried out by the Organization, the Advisory Committee believes that the proposed share of the cost of phase I of the IMIS project to be met from peace-keeping may be understated. Similarly, the Committee believes that a greater share of financing the project than that projected could be met from the special accounts for programme support costs and from other extrabudgetary resources. Moreover, the Committee notes that the Secretary-General's stated intention to continue his efforts to seek voluntary contributions for the project (*ibid.*, para. 53) could also help to reduce further the funding requirements from the three sources identified, in particular the regular budget. In this connection, the Advisory Committee requests that the Secretary-General submit to the Committee at its fall 1989 session a progress report on the implementation of the IMIS project that would also include information on voluntary contributions received for this project.

26. In paragraphs 20 to 24 above, the Committee has indicated broad areas where it believes that economies can be achieved in the implementation of phase I of the IMIS project. In the circumstances, the Advisory Committee recommends that the General Assembly approve the implementation, within a three-and-one-half-year period, of phase I of the IMIS project at a total projected cost not exceeding \$28 million at 1988 rates. This represents a reduction of \$3,593,500 from the projection of \$31,593,500 submitted by the Secretary-General in document A/C.5/43/24. On that basis, the total regular budget share (65.1 per cent of \$28 million) of the cost of implementing phase I of the IMIS project would be \$18,228,000. Should the General Assembly approve this recommendation of the Committee, the Secretary-General should be authorized flexibly to administer and allocate among the cost centres identified, the total dollar amount established for the project.

27. As regards 1989 regular budget funding requirements for the IMIS project, the Advisory Committee recommends that the Secretary-General's request for additional appropriations in the amount of \$6,204,200 under section 28A of the programme budget for the biennium 1988-1989 be reduced by \$2,778,500, to \$3,425,700. The recommended reduction of \$2,778,500 includes the deletion, at this stage, of \$2,278,500, which represents the regular budget share (65.1 per cent of \$3.5 million) of the proposed payment by the United Nations to FAO for making available its computer system software (see para. 22 above).

28. Accordingly, the Advisory Committee recommends that the General Assembly approve an additional appropriation of \$3,425,700 under section 28A (Office of the Under-Secretary-General for Administration and Management) of the programme budget for the biennium 1988-1989. An amount of \$358,400 will also be required under section 31 (Staff assessment), to be offset by an increase in the same amount under income section 1 (Income from staff assessment).

Notes

1/ Official Records of the General Assembly, Forty-second Session, Supplement No. 7A (A/42/7/Add.1-10), document A/42/7/Add.6.

Twelfth report

First performance report on the programme budget for the
biennium 1988-1989

[Original: English]

[2 December 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the first performance report of the Secretary-General on the programme budget for the biennium 1988-1989 (A/C.5/43/30).
2. As stated in paragraph 1 of the Secretary-General's report, the revised net requirements for the biennium 1988-1989 are estimated at \$1,420,112,300, which is \$12,143,800, or 0.8 per cent, less than the net requirements of \$1,432,256,100 approved by the General Assembly in its resolutions 42/226 A and B of 21 December 1987. The net decrease comprises reductions of \$12,170,100 under expenditure estimates and \$26,300 under income estimates.
3. In paragraph 2 of his report, the Secretary-General notes that the revised requirements "primarily reflect variations in the rates of exchange and in the impact of inflation, changes in standard costs and decisions of policy-making organs the implementation of which could not be deferred to the 1990-1991 biennium". More information concerning these factors is provided in subsequent sections of the report.
4. The elements comprising the reduction of \$12,170,100 in expenditure estimates are summarized in paragraph 16 of the Secretary-General's report, as follows:

| | <u>United States dollars</u> |
|--|------------------------------|
| Decisions of policy-making organs | 1 727 500 |
| Other changes | 719 900 |
| Adjustments to standard costs | 19 271 100 |
| Savings from more favourable rates of exchange | (43 434 700) |
| Inflation | <u>\$ 546 100</u> |
| Net reduction in expenditure | <u>(12 170 100)</u> |

5. Annex I, section A, of the Secretary-General's report, summarizes the revised estimates by budget section and by main determining factor, while annex II, section A, provides a distribution of estimated additional requirements or decreases by budget section and by main object of expenditure. Annex I, section B, and annex II, section B, give corresponding information by duty station. The report is also supported by schedules 1 to 5, which contain additional information on rates of exchange and inflation, post adjustment multipliers, General Service salaries, and percentage rates of common staff costs.

6. In paragraph 4 of his report, the Secretary-General enumerates the additional requirements of \$1,727,500 attributable to decisions of policy-making organs, most of which have been incurred under the terms of General Assembly resolution 42/227 of 21 December 1987 on unforeseen and extraordinary expenses for the biennium 1988-1989. The net increase of \$719,900 under "other changes" is discussed in paragraph 5 of the report. Of that total, \$308,700 has been incurred under the terms of Assembly resolution 42/227 relating to the maintenance of peace and security, while an increase of \$230,000 relates to interorganizational security measures in accordance with paragraph 1 (g) of the same resolution.

7. At its request, the Advisory Committee was provided with information concerning the years covered by the requirements listed in paragraphs 4 and 5 of the Secretary-General's report. The Committee was also informed whether requirements were anticipated for 1989 in those instances where the requirements related only to 1988. The Committee recommends that information of this nature be included in subsequent performance reports.

8. As shown in paragraph 4 above, an increase of \$19,271,100 has been reported under "adjustments to standard costs". In paragraph 6 of his report the Secretary-General states that this amount comprises \$10,133,200 for adjustments in average realized salary levels within grades, and \$9,137,900 for changes in the percentage rate of common staff costs. According to paragraph 7 of the report, the net additional requirement of \$10,133,200, which is based on actual payroll costs incurred for the first nine months of 1988, reflects an upward movement of the average step within grade of staff charged to established and temporary posts. The continuing change in average levels observed in the prior biennium, 1986-1987, a consequence of the recruitment freeze, results from a carefully controlled rate of recruitment of new staff, which is necessitated by the transition from the initial appropriation staffing table to the target levels established for December 1989.

9. In this connection, the Advisory Committee recalls that in his first performance report on the programme budget for the biennium 1986-1987, ^{1/} the Secretary-General reported a net additional requirement of \$4.6 million for adjustment in average realized salary levels within grades. At the forty-second session of the General Assembly, the Secretary-General, in the context of his report on the changes in exchange and inflation rates during 1987 (the recosting exercise), ^{2/} reported increased requirements of \$19.7 million for changes in average level. According to the Secretary-General, "the change in average levels [was] a side effect of a prolonged period of recruitment freeze which, as a result of the absence of new staff joining at entry level steps, has caused the average step in grade of the Secretariat as a whole to increase". ^{3/}

10. In response to inquiries, representatives of the Secretary-General informed the Advisory Committee that the significant change in average grade levels experienced in recent years would henceforth moderate. Notwithstanding that statement, the Advisory Committee questions why the Secretary-General, in view of the need to exercise controlled recruitment in order to reach the target levels of the staffing table, did not anticipate continuation of the trend in 1988 and therefore include the necessary resources when the programme budget for the biennium 1988-1989 was recosted.

11. The Advisory Committee therefore urges the Secretary-General to re-examine his methodology with a view to refining and improving his methods for forecasting and budgeting for such increases.

12. As stated in paragraph 8 of the Secretary-General's report (A/C.5/43/30), the increase of \$9,137,900 in common staff costs is based on an analysis of the actual costs incurred during the biennium 1986-1987 and the nine months' experience for 1988. Because that analysis revealed that currently budgeted provisions have been underestimated by approximately 2.7 per cent, the rates have been "adjusted to reflect ... experience, expectations as regards revised pension contribution rates and other anticipated entitlement changes". The Secretary-General also notes that the "proposed rate changes would add approximately \$9.1 million to common staff cost provisions of \$258.1 million".

13. In response to its queries concerning the methodology for arriving at the \$9.1 million adjustment, the Advisory Committee was informed that contrary to past practice, the major elements involved in common staff costs have now been disaggregated, therefore providing a more precise picture of the changes in costs. This response did not totally alleviate the concerns of the Committee in respect of this matter. Consequently, although it will not object to the increase, it intends, in future, to examine the principles governing the computation of common staff costs.

14. Savings resulting from fluctuations in rates of exchange total \$43,434,700; this is partially offset by an increase of \$9,546,100 under inflation (see para. 4 above). With regard to the latter, the Secretary-General states that "existing budgeted inflation rates for non-salary objects of expenditure have been reviewed in the light of experience to date and, where available, published projections into 1989" (see A/C.5/43/30 para. 10). On the basis of that review, the Secretary-General states that adjustments are necessary for 8 duty stations (5 upward and 3 downward) and that no adjustment is recommended for the remaining 10 duty stations, including New York.

15. In paragraph 11 of his report (A/C.5/43/30), the Secretary-General states that an exception to the standard rates of inflation has been applied to provisions for the After-Service Health Insurance (ASHI) scheme, resulting in an additional requirement of \$375,300 under section 28H of the programme budget for the biennium 1988-1989. An exception to the standard rate of inflation has also been applied to provisions for the compensation of judges at the International Court of Justice, thus giving rise to additional requirements totalling \$324,000 under section 25 of the programme budget.

16. In this connection, the Advisory Committee recalls that, as it noted in its report on emoluments of the members of the International Court of Justice (see document A/43/7/Add.6 above), in accordance with the system of interim cost-of-living supplements introduced pursuant to General Assembly resolution 31/204 of 22 December 1976, the judges, in January 1988, received an increase in their cost-of-living supplement. The representatives of the Secretary-General confirmed that this amount had not been included in the initial estimates; consequently, the total of \$324,000 represents the total increase for 1988 and projected through 1989. The Advisory Committee recalls that, as it noted in paragraph 5 of that report, "latest available data indicate that no adjustment to the cost-of-living supplement will be due on 1 January 1989".

17. The decrease of \$43,434,700 under fluctuations in exchange rates "reflects the strengthening of the United States dollar over the period November 1987-November 1988" (see A/C.5/43/30, para. 12). The Advisory Committee notes that in accordance with established practice, the latest rates, i.e. those of

November 1988, have been projected at a constant level to the end of 1989, at which time any adjustments in the appropriation for the biennium 1988-1989 would be requested.

18. The revised estimates for income sections reflect a net decrease of \$26,300, comprising, as discussed in paragraphs 13 to 15 of the Secretary-General's report, (A/C.5/43/30), the following adjustments:

| | <u>United States dollars</u> |
|---|------------------------------|
| Income section 1. <u>Income from staff assessment</u> | (5 578 000) |
| Income section 2. <u>General income</u> | 3 233 700 |
| Income section 3. <u>Revenue-producing activities</u> | <u>2 318 000</u> |
| Net total | (26 300) |

19. The Advisory Committee recommends approval of the revisions to the appropriations and estimates of income for the biennium 1988-1989 as contained in annexes I and II to the Secretary-General's report.

Notes

- 1/ A/C.5/41/40.
- 2/ A/C.5/42/58 and Corr.1.
- 3/ Ibid., para. 7.

Thirteenth report

Addendum to the first performance report on the programme budget
for the biennium 1988-1989

[Original: English]

[9 December 1988]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the addendum to the first performance report of the Secretary-General on the programme budget for the biennium 1988-1989 (A/C.5/43/30/Add.1 and Corr.1).
2. As discussed below, the Secretary-General has amended the net requirements outlined in the first performance report (A/C.5/43/30) as follows:

SUMMARY OF REVISED ESTIMATES FOR THE BIENNIUM 1988-1989

| | Initial appropriations/ approved estimates for the biennium 1988-1989 | Adjustments, recommended in the first performance report of the Secretary-General (A/C.5/43/30) | Revised estimates (A/C.5/43/30) | Adjustments recommended by the Secretary-General (A/C.5/43/30/ Add.1/Corr.1) | Amended revised estimates (A/C.5/43/30/ Add.1/Corr.1) |
|--------------------------------------|--|--|---------------------------------------|---|---|
| (Thousands of United States dollars) | | | | | |
| Total expenditure (gross) | 1 769 586.3 | (12 170.1) | 1 757 416.2 | 11 027.0 | 1 768 443.2 |
| Total income | 337 330.2 | (26.3) | 337 303.9 | 1 266.7 | 338 570.6 |
| Net requirements | 1 432 256.1 | (12 143.8) | 1 420 112.3 | 9 760.3 | 1 429 872.6 |

3. As seen above, the Secretary-General now estimates net requirements for the biennium 1988-1989 at \$1,429,872,600, which is \$9,760,300 more than the estimate for net requirements of \$1,420,112,300 submitted by him in the first performance report (A/C.5/43/30). The Advisory Committee also notes that the amended revised estimate of \$1,429,872,600 is \$2,383,500 less than the net requirements of \$1,432,256,100 approved by the General Assembly in its resolutions 42/226 A and B of 21 December 1987.

4. As explained by the Secretary-General in paragraph 3 of document A/C.5/43/30/Add.1, the new operational rates of exchange established in December in respect of the Swiss franc, the Austrian schilling, the Netherlands guilder and the Italian lira "have an impact on the assumptions made in the first performance report in respect of the rates of exchange and the post adjustment multipliers applicable to staff in the Professional and higher categories at Geneva, Vienna, The Hague and Rome for 1988 and 1989, resulting in an increase of \$10,703,000 in respect of the expenditure sections and an increase of \$1,266,700 in respect of the estimates of income". In this connection, in paragraph 2 of document A/C.5/43/30/Add.1, the Secretary-General recalls that in the first performance report on the programme budget for the biennium 1988-1989 (A/C.5/43/30) he had indicated that, should the then (i.e., November 1988) foreign-exchange value of the dollar change between November 1988 and the end of 1989, the necessary upward or downward adjustment would be requested. As indicated in its report (document A/43/7/Add.11 above), the Advisory Committee had understood this to mean that the adjustment would be made at the end of 1989, i.e., in the context of the final performance report on the programme budget for the biennium 1988-1989. However, representatives of the Secretary-General informed the Committee that the increase could not be absorbed entirely in 1989 in view of the cash flow situation of the Organization.

5. A summary by budget section of the amended revised estimates, compared with those contained in the first performance report (A/C.5/43/30), is provided in paragraph 4 of document A/C.5/43/30/Add.1 and Corr.1. The Advisory Committee recommends approval of the revisions to the appropriations and estimates of income for the biennium 1988-1989 as contained in the latter document.

Fourteenth report

Separation payments for the Director-General for Development and
International Economic Co-operation and the Administrator of the
United Nations Development Programme

[Original: English]

[15 December 1988]

1. By its decision 36/459 of 18 December 1981, the General Assembly decided that separation payments (commutation of annual leave, repatriation grant, death grant and termination indemnity) for the Professional and higher categories would continue to be based on gross salary adjusted by movements of the weighted average of post adjustments, less staff assessment. Accordingly, a separate schedule for computing separation payments for staff in the Professional and higher categories was introduced as at 1 January 1981.
2. By section II of its resolution 39/69 of 13 December 1984, the General Assembly decided that the adjustment procedure approved in its decision 36/459 should continue to apply. Under that procedure, the scale of separation payments is adjusted when the weighted average of post adjustment index moves upwards or downwards by 5 per cent. The measurement is made on 1 January and 1 July of each year by the International Civil Service Commission and any adjustment is effected on the subsequent 1 April or 1 October, respectively.
3. The Advisory Committee on Administrative and Budgetary Questions has been informed that a proposal for establishing a scale of separation payments for the Director-General for Development and International Economic Co-operation and the Administrator of the United Nations Development Programme (UNDP) was never submitted to the General Assembly and that, thus, scales for computing separation payments for the Director-General and for the Administrator of UNDP have never been approved by the Assembly.
4. The table below provides the ratio between the net salary and the net separation payment, both in effect as from 1 April 1988, at the dependency rate for staff at the D-1, D-2, Assistant Secretary-General and Under-Secretary-General levels.

| <u>Level</u> | <u>Net base salary</u> | <u>Net separation payment</u> | <u>Ratio</u> |
|-----------------------------|-------------------------|-----------------------------------|--------------|
| | (United States dollars) | | |
| D-1, step 1 | 43 461 | 48 652 | 1.1194 |
| D-2, step 1 | 49 406 | 55 493 | 1.1232 |
| Assistant Secretary-General | 59 203 | 66 356 | 1.1208 |
| Under-Secretary-General | 64 535 | 72 266 | 1.1197 |

5. The Advisory Committee was informed that a base for the calculation of separation payments for the Director-General and for the Administrator of UNDP has been derived by taking into account the above-mentioned ratio between the net salary and the net separation payment at the Under-Secretary-General level (1.1197) and the net salary of the Director-General and the Administrator of UNDP in effect as at 1 April 1988 (\$78,430). The "with dependants" net base rate amounts to \$87,800; the "without dependants" net base rate amounts to \$76,530.

6. The Advisory Committee therefore recommends that the base for the calculation of separation payments for the Director-General and for the Administrator of UNDP be established, with effect from 1 April 1988, at a gross amount of \$150,000 (derived by the reverse application of the staff assessment rates in effect as at 1 April 1988), with a corresponding net "with dependants" base rate of \$87,800 and net "without dependants" base rate of \$76,530. The Advisory Committee also recommends that, in the future, the rates be adjusted by the same percentage and at the same date as the corresponding rates for an Under-Secretary-General.

7. A draft decision embodying the Advisory Committee's recommendation is annexed to the present report.

ANNEX

Draft decision

Separation payments for the Director-General for Development and International Economic Co-operation and the Administrator of the United Nations Development Programme

The General Assembly, having considered the report of the Advisory Committee on Administrative and Budgetary Questions (A/43/7/Add.13), concurs in the recommendations of the Advisory Committee concerning the separation payments for the Director-General for Development and International Economic Co-operation and the Administrator of the United Nations Development Programme, contained in paragraph 6 of its report.

Annex

REPORTS PRESENTED ORALLY BY THE CHAIRMAN OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS AT MEETINGS OF THE FIFTH COMMITTEE

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Revised estimates: implementation of recommendation 19 of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations

1. At the 23rd meeting of the Fifth Committee, the Chairman of the Advisory Committee on Administrative and Budgetary Questions noted that chapter IV, section A, of the Secretary-General's report (A/C.5/43/1/Rev.1) dealt with the implementation of recommendation 19 of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations a/ concerning activities relating to Namibia. The Chairman stated that in addition to the reorganization measures described in chapter IV, section A, of the Secretary-General's report, there had been a proposal to merge the posts of Director of the Office of the United Nations Commissioner for Namibia and the Secretary of the United Nations Council for Namibia.
2. The observations of the Advisory Committee on chapter IV, section A, of the Secretary-General's report were contained in paragraphs 34 to 37 of its report (A/43/651) while the views and recommendations of the Committee for Programme and Co-ordination were reflected in paragraphs 44 and 45 of its report (A/43/16 and Corr.1). In this connection, the Committee for Programme and Co-ordination had recommended that a decision on the implementation of recommendation 19 of the Group of High-level Intergovernmental Experts regarding the consolidation and strengthening of support activities relating to Namibia should be made by the General Assembly at its forty-third session.
3. In document A/C.5/43/1/Rev.1/Add.1, the Secretary-General noted that the United Nations Council for Namibia had considered that question at its 516th meeting on 23 June 1988. As indicated in paragraphs 3 and 4 of that document, the proposal to consolidate the functions of Director of the Office of the United Nations Commissioner for Namibia and the Secretary of the United Nations Council for Namibia had not been endorsed by the Council. It therefore appeared that the two functions would continue to be separate.
4. The addendum also contained a proposal which had not been before the Advisory Committee at its spring session, namely, the reclassification of the post of Secretary of the United Nations Council for Namibia from the D-1 to the D-2 level and the establishment of a D-2 post for that purpose. The Advisory Committee had, however, considered a similar proposal in the context of the programme budget for the biennium 1986-1987, and made observations at that time; they were summarized in paragraph 5 of the addendum. Unfortunately, no detailed substantiation of the reclassification proposal had been provided to the Advisory Committee in response to its request. In the circumstances, the Advisory Committee was unable to endorse the proposed reclassification. It would, moreover, point out to the Fifth Committee that proposals designed to reduce the number of posts at the Under-Secretary-General, Assistant Secretary-General and D-2 levels were under study. If the two functions mentioned earlier had been consolidated, they could indeed have been entrusted to a D-2 official; but, since the United Nations Council for Namibia had rejected the proposed consolidation, the reclassification sought appeared to be unjustified in the present circumstances. The Advisory Committee had no objection to the other changes proposed by the Secretary-General in chapter IV, section A, of his report. (See A/C.5/43/SR.23, paras. 18-20.)

Programme budget implications of the draft resolution contained
in document A/43/L.12. concerning agenda item 23*

5. At the 23rd meeting, the Chairman of the Advisory Committee said that as indicated by the Secretary-General in his statement (A/C.5/43/23), no additional appropriation would be required for the time being in relation to the draft resolution in question. Should the International Conference on Kampuchea be reconvened, any requirements would be dealt with in the manner indicated in paragraph 9 of the Secretary-General's statement. The Fifth Committee should therefore inform the General Assembly that, if it adopted the draft resolution in document A/43/L.12, there would be no need for additional appropriations in the programme budget for the biennium 1988-1989 at the present stage. (See A/C.5/43/SR.23, para. 24.)

International Computing Centre: 1989 budget estimates

6. At the 29th meeting, the Chairman of the Advisory Committee said that the budget estimates for the International Computing Centre had been submitted pursuant to the recommendation of the Advisory Committee as endorsed by the General Assembly in section III of its resolution 31/208 of 22 December 1976. The Advisory Committee recommended approval of the 1989 budget estimates which amounted to \$US 11,775,000 or SwF 16,014,000 at an exchange rate of SwF 1.36 to the dollar. (See A/C.5/43/SR.29, para. 74.)

Programme budget implications of draft decision I submitted by
the Second Committee in its report (A/43/750/Add.2, para. 25),
concerning agenda item 12**

7. At the 33rd meeting, the Chairman of the Advisory Committee said that the Committee had considered the Secretary-General's statement of programme budget implications (A/C.5/43/32) concerning the inclusion of Mozambique in the list of least developed countries and had no objection to the additional appropriation of \$39,000 requested under section 1 (Overall policy-making, direction and co-ordination) of the programme budget for the biennium 1988-1989. (See A/C.5/43/SR.33, para. 72.)

Programme budget implications of the draft resolution submitted
by the Third Committee in its report (A/43/811, para. 9),
concerning agenda item 93***

8. At the 33rd meeting, the Chairman of the Advisory Committee said that the Committee had considered the Secretary-General's statement of programme budget implications (A/C.5/43/35) and had determined that the amount involved was small

* The situation in Kampuchea.

** Report of the Economic and Social Council.

*** Crime prevention and criminal justice.

enough to be met through the redeployment of existing resources. Although the Committee believed that the request made to the Secretary-General to provide the necessary resources for the preparation of the Eighth United Nations Congress on the Prevention of Crime and the Treatment of Offenders, including its regional preparatory meetings, should be fully implemented, it did not recommend any additional appropriation for the time being. If necessary, that would be done in the final performance report on the programme budget for the biennium 1988-1989, which would be submitted to the General Assembly at its forty-fourth session. (See A/C.5/43/SR.33, para. 78.)

Programme budget implications of the recommendations of the United Nations Council for Namibia contained in part five, chapter I, of its report (A/43/24 (Part II))

9. At the 33rd meeting, the Chairman of the Advisory Committee said that the Secretary-General's statement of programme budget implications (A/C.5/43/34) and the observations of the Committee on Conferences (A/C.5/43/34/Add.1) should be read in conjunction with a statement submitted by the Secretary-General to the United Nations Council for Namibia (A/AC.131/296) on the estimated costs of its proposed activities for 1989 in comparison with the uncommitted resources of the provisions made in the programme budget for the biennium 1988-1989.

10. The draft programme of the Council for 1989 was a continuation of that for 1988; no account had been taken of recent developments suggesting that a formula might be found for the independence of Namibia. The Advisory Committee had been informed that, should independence be achieved, the necessary adjustments would be made to the work programme.

11. As indicated in paragraph 25 of document A/C.5/43/34, the estimated cost of implementing the draft programme of the Council for 1989 amounted to \$5,898,600, exclusive of conference-servicing costs. That total, which differed from the total of \$6,269,400 provided in annex I to document A/C.5/43/34, reflected the expected rates of utilization, whereas the estimate in annex I had been calculated on a full-cost basis.

12. In paragraph 25 of document A/C.5/43/34, the Secretary-General provided a breakdown, by budget section, of the estimated total of \$5,898,600, as compared with the uncommitted balance of \$6,613,300 under section 3C (Namibia) and section 27 (Public information) of the programme budget for the biennium 1988-1989 for activities related to Namibia.

13. The total requirements for 1989 included an allocation of \$1.5 million to the United Nations Trust Fund for Namibia and \$500,000 in support of the Council's programme of co-operation with non-governmental organizations. Those amounts were unchanged from the programme of activities for 1988. The Secretary-General also proposed a grant of \$447,000 to the South West Africa People's Organisation for 1989, as against \$429,200 in 1988.

14. The Chairman of the Advisory Committee recalled that he had informed the Fifth Committee of the Advisory Committee's views concerning the recommended upgrading of the post of Secretary of the United Nations Council for Namibia to the D-2 level at the twenty-third meeting (A/C.5/43/SR.23, para. 20).

15. The Secretary-General had indicated in paragraph 28 of document A/C.5/43/34 that no additional costs would be incurred under section 29 (Conference and library services) of the programme budget for the biennium 1988-1989. On the other hand, the proposal to hold meetings away from Headquarters would require an exception to section I, paragraph 4, of General Assembly resolution 40/243 of 18 December 1985, and the preparation of verbatim records of the Council's meetings would require an exception to resolution 37/14 C of 16 November 1982.

16. The Advisory Committee had no objection to the estimates presented by the Secretary-General in document A/C.5/43/34. It recommended that the Fifth Committee should inform the General Assembly that adoption of the recommendations contained in part five, chapter I, of the report of the United Nations Council for Namibia (A/43/24 (Part II)) would not require any additional appropriation under sections 3C, 27 or 29 of the programme budget for the biennium 1988-1989. (See A/C.5/43/SR.33, paras. 34-39.)

Revised estimates related to the plans of the Secretary-General for the implementation of recommendation 5 of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations

17. At the 36th meeting, the Chairman of the Advisory Committee said that in his report (A/C.5/43/16), the Secretary-General had provided information on the status of the construction projects at Addis Ababa and Bangkok and had indicated that no new appropriations would be required for the biennium 1988-1989. As stated in paragraph 24 of the Secretary-General's report, the resources required for the biennium 1990-1991, which amounted to \$43,852,000 (\$38,700,000 at 1988 rates), would be requested in the context of the proposed programme budget for the biennium 1990-1991. (See A/C.5/43/SR.36, para. 32.)

Revised estimates resulting from the recommendations of the Board of Trustees of the United Nations Institute for Disarmament Research contained in document A/43/685

18. At the 36th meeting, the Chairman of the Advisory Committee said that as stated in the Secretary-General's report (A/C.5/43/20), a subvention of \$221,100 had been requested in accordance with article VIII, paragraph 3, of the statute of the United Nations Institute for Disarmament Research, which is contained in the annex to General Assembly resolution 39/148 H of 17 December 1984. The Advisory Committee had considered the work programme and proposed budget of the Institute for 1989 and had submitted to the Board of Trustees of the Institute its recommendations, on the basis of which the request for the subvention in question had been made. Accordingly, the Advisory Committee recommended that the Fifth Committee should approve the subvention, but stressed that no effort should be spared to achieve savings. (See A/C.5/43/SR.36, para. 35.)

Programme budget implications of the draft resolution submitted by the Third Committee in its report (A/43/775, para. 10), concerning agenda item 87*

19. At the 36th meeting, the Chairman of the Advisory Committee said that in the draft resolution the Secretary-General was requested to undertake the activities described in paragraphs 2 to 5 of his statement (A/C.5/43/28); the cost was estimated at \$90,700. In paragraph 17 of his statement, the Secretary-General indicated that it was his intention to finance the activities in question by appealing for voluntary contributions.

20. Consequently, the Fifth Committee should inform the General Assembly that if it adopted the draft resolution, no additional appropriations would be required under the regular budget. (See A/C.5/43/SR.36, para. 27.)

Programme budget implications of the draft resolutions contained in documents A/43/L.23 and L.24, concerning agenda item 18**

21. At the 36th meeting, the Chairman of the Advisory Committee recalled that the programme of work of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples was approved annually by the General Assembly. However, in accordance with the procedures laid down by the Assembly in its resolution 41/213 of 19 December 1986, the total costs of that perennial activity were currently included in the programme budget. Accordingly, as noted in paragraphs 12 and 13 of the statement submitted by the Secretary-General (A/C.5/43/37), the adoption of draft resolutions A/43/L.23 and L.24 by the Assembly, and the consequent approval of the Special Committee's programme of work would not entail any additional appropriations over and above those already included in the programme budget for the biennium 1988-1989. (See A/C.5/43/SR.36, para. 23.)

Programme budget implications of the draft resolutions contained in documents A/43/L.30/Rev.1, L.32-L.37 and L.41, concerning agenda item 36***

22. At the 39th meeting, the Chairman of the Advisory Committee said that the statement submitted by the Secretary-General (A/C.5/43/50) did not cover the programme budget implications of the draft resolution contained in document A/43/L.37, as they were still being prepared.

* Implementation of the Programme of Action for the Second Decade to Combat Racism and Racial Discrimination.

** Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

*** Policies of apartheid of the Government of South Africa.

23. The full cost of the activities planned under the other seven draft resolutions, excluding conference-servicing requirements, was estimated at \$1,493,400, or \$1,328,300, after application of the rates of utilization. The latter amount was \$145,700 more than the balance of the uncommitted resources appropriated for the biennium 1988-1989 (\$1,182,600). The Secretary-General therefore concluded in paragraph 40 of his statement that should the General Assembly adopt the draft resolutions contained in documents A/43/L.30/Rev.1, L.32 to L.36 and L.41, an additional appropriation of \$145,700 - \$57,000 under section 3 (Political affairs, trusteeship and decolonization) and \$88,700 under section 27 (Public information) of the programme budget for the biennium 1988-1989 - would be required.

24. Conference-servicing requirements were estimated, on a full-cost basis, at \$656,500 and related to activities planned under three of the draft resolutions, namely, draft resolutions A/43/L.32, L.36 and L.41 (see paras. 12, 24, 33 and 34 of document A/C.5/43/50 and annexes II to V thereto). For the reasons given in paragraph 41 of his statement, the Secretary-General considered that no additional cost would be incurred under section 29 (Conference and library services) of the programme budget for the biennium 1988-1989 as a result of the adoption of the draft resolutions under consideration.

25. In reviewing the details provided in paragraphs 6 to 34 of the Secretary-General's statement on the activities proposed in the draft resolutions and the comparative analysis of the 1988 and 1989 programmes of activities in annex I thereto, the Advisory Committee noted that most of the activities planned for 1989 were, in reality, a continuation of activities undertaken in 1988. However, two new major activities were planned. The first, called for under the draft resolution contained in document A/43/L.41 and discussed in paragraphs 28 to 34 of document A/C.5/43/50, would be the holding of hearings in April 1989 on the strengthening of the oil embargo against South Africa. The second, called for under the terms of the draft resolution contained in document A/43/L.36, would be a special session of the General Assembly on apartheid to be convened before the forty-fourth regular session, as stated in paragraph 20 of document A/C.5/43/50.

26. In paragraph 24 of document A/C.5/43/50, the Secretary-General had estimated the cost of the special session at \$492,200, comprising \$457,200 for conference-servicing requirements and \$35,000 for the Department of Public Information.

27. The Advisory Committee was of the view that, taking into account resources already available under sections 3 and 27 of the programme budget for the biennium 1988-1989, the Secretary-General should implement the programme of work as planned and indicated in document A/C.5/43/50 and should report on any additional requirements which might arise in the context of the final performance report on the programme budget for the biennium 1988-1989 to be submitted to the General Assembly at its forty-fourth session. Accordingly, the Fifth Committee might wish to inform the General Assembly that adoption of the seven draft resolutions would not give rise to any additional appropriation at the current stage.

28. At the 40th meeting, the Chairman of the Advisory Committee said that the programme budget implications of the draft resolution contained in document A/43/L.37 were included in the Secretary-General's statement (A/C.5/43/50/Add.1). An additional appropriation of \$46,000 would be required to cover the costs of two studies. The first, which was described in paragraph 10, would deal with the

capacity of selected broadcasting stations in Africa. The nature and amount of the technical assistance to be provided to the stations concerned would be determined on the basis of the proposed study and reported on to the General Assembly at its forty-fourth session. The second study, which was described in paragraph 14 of the Secretary-General's statement, would entail an evaluation of the amount of resources necessary for the radio programmes in question once the other study had determined the capacity of the stations concerned to reach South Africa.

29. With regard to the request in paragraph 1 (f) of the draft resolution to maintain the radio programmes as an exclusively separate entity for purposes of enhancing their effectiveness, the Secretary-General noted that, following the consideration of the question by the Committee for Programme and Co-ordination, a separate entity exclusively responsible for the anti-apartheid and Namibia radio programmes aimed at southern Africa had been re-established within the Information Products Division of the Department of Public Information of the Secretariat.

30. The Advisory Committee recommended approval of an additional appropriation of \$46,000 under section 27 of the programme budget for the biennium 1988-1989. (See A/C.5/43/SR.39, paras. 3-5 and A/C.5/43/SR.40, paras. 39-41.)

Programme budget implications of the draft resolution contained in document A/43/L.43, concerning agenda items 137* and 8**

31. At the 40th meeting, the Chairman of the Advisory Committee said that as indicated in the Secretary-General's statement (A/C.5/43/57), an additional appropriation of \$440,700 would be required under section 1 (Overall policy-making, direction and co-ordination) of the programme budget for the biennium 1988-1989 should the General Assembly decide to consider the question of Palestine at Geneva from 13 to 15 December 1988. The Advisory Committee recommended approval of that amount. (See A/C.5/43/SR.40, para. 26.)

Programme budget implications of draft resolution A submitted by the Special Political Committee in its report (A/43/904, para. 29), concerning agenda item 77***

32. At the 41st meeting, the Chairman of the Advisory Committee said that the programme of work called for in the draft resolution adopted by the Special Political Committee was similar to that covered in previous resolutions. Since the activities envisaged in the programme of work were regarded as perennial, provision had been made for them in the programme budget for the biennium 1988-1989. The non-conference costs of the programme of work were expected to total \$332,800 and

* Report of the Committee on Relations with the Host Country.

** Adoption of the agenda and organization of work: reports of the General Committee.

*** Report of the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories.

conference-servicing costs were estimated at \$519,000. As indicated in paragraphs 19 and 20 of the Secretary-General's statement (A/C.5/43/51), it was estimated that no additional appropriation would be required in the programme budget for the biennium 1988-1989. (See A/C.5/43/SR.41, para. 23.)

Organization and methods for official travel

33. At the 42nd meeting, the Chairman of the Advisory Committee said that in his report (A/C.5/43/54) the Secretary-General had provided updated information on the organization of official travel arrangements at Geneva in response to the request made by the General Assembly in its decision 42/453 of 21 December 1987. As the document required no action by the Fifth Committee, he suggested that it should recommend that the Assembly take note of the Secretary-General's report. (See A/C.5/43/SR.42, para. 11.)

Programme budget implications of the draft resolution submitted by the Third Committee in its report (A/43/873, para. 13), concerning agenda item 101*

34. At the 42nd meeting, the Chairman of the Advisory Committee said that as indicated in paragraph 8 of the Secretary-General's statement (A/C.5/43/55), the resources which could cover the activities requested in the draft resolution had already been appropriated under section 23 (Human rights) of the programme budget for the biennium 1988-1989. Adoption by the General Assembly of the draft resolution would not, therefore, give rise to any additional appropriations. (See A/C.5/43/SR.42, para. 2.)

Programme budget implications of draft resolution X submitted by the Third Committee in its report (A/43/868, para. 107), concerning agenda item 12**

35. At the 42nd meeting, the Chairman of the Advisory Committee said that the costs of holding meetings at Headquarters and at Geneva of the open-ended Working Group on the Drafting of an International Convention on the Protection of the Rights of All Migrant Workers and Their Families were given in paragraphs 9 and 10 of the Secretary-General's statement (A/C.5/43/56). In paragraph 12 of his statement, the Secretary-General indicated that the travel and subsistence costs required under the draft resolution could be absorbed within resources already appropriated under section 23 (Human rights) of the programme budget for the biennium 1988-1989. Similarly, the conference-servicing costs could be met from existing appropriations under section 29 (Conference and library services). Accordingly, no additional appropriation would be necessary if the General Assembly adopted the draft resolution. (See A/C.5/43/SR.42, para. 5.)

* Reporting obligations of States parties to United Nations instruments on human rights.

** Report of the Economic and Social Council.

Programme budget implications of the draft resolution submitted
by the First Committee in its report (A/43/860, para. 8),
concerning agenda item 6A*

36. At the 42nd meeting, the Chairman of the Advisory Committee said that as indicated in paragraph 9 of the Secretary-General's statement of programme budget implications (A/C.5/43/58), provision had been made under section 2A (Political and Security Council affairs; peace-keeping activities) of the programme budget for the biennium 1988-1989 for the substantive servicing of at least two sessions annually of the Ad Hoc Committee on the Indian Ocean; the related conference-servicing costs could be met from appropriations already made under section 29 (Conference and library services). Adoption of the draft resolution by the General Assembly would not, therefore, entail any additional appropriation. (See A/C.5/43/SR.42, para. 8.)

Programme budget implications of draft resolution II submitted
by the Sixth Committee in its report (A/43/886, para. 14),
concerning agenda item 135**

37. At the 43rd meeting, the Chairman of the Advisory Committee said that as indicated in the Secretary-General's statement (A/C.5/43/52), the draft resolution in question had conference-servicing implications estimated on a full-cost basis at \$290,600. However, the provision made under section 29 (Conference and library services) of the programme budget for the biennium 1988-1989 was considered sufficient to cover the requirements; consequently, no additional appropriation would be required should the draft resolution be adopted by the General Assembly. (See A/C.5/43/SR.43, para. 1.)

Programme budget implications of the draft resolution submitted
by the Sixth Committee in its report (A/43/884, para. 10),
concerning agenda item 133***

38. At the 43rd meeting, the Chairman of the Advisory Committee said that as indicated in the Secretary-General's statement (A/C.5/43/53), the draft resolution in question had conference-servicing implications estimated on a full-cost basis at \$290,600. However, because the provisions made under section 29 (Conference and library services) of the programme budget for the biennium 1988-1989 was considered sufficient, no additional appropriation would be required in connection with the draft resolution. (See A/C.5/43/SR.43, para. 4.)

* implementation of the Declaration of the Indian Ocean as a Zone of Peace.

** Report of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization.

*** Report of the Ad Hoc Committee on the Drafting of an International Convention against the Recruitment, Use, Financing and Training of Mercenaries.

Current financial crisis of the United Nations: Financial
emergency of the United Nations

39. At the 45th meeting, the Chairman of the Advisory Committee said that in his report on the current financial crisis of the United Nations (A/43/932) the Secretary-General indicated that, as at 30 November 1988, \$269.2 million or 35.5 per cent of the 1988 total regular budget assessment of \$758 million, remained unpaid. Together with the arrears of \$180.9 million for prior years, total assessed contributions outstanding amounted to \$450.1 million. Of that total, \$337.3 million, including almost \$122.4 million of arrears in respect of prior years, was owed by one Member State.

40. The cash reserves to meet the shortfall in the payment of contributions, namely the Working Capital Fund and the Special Account, had been replenished once during the first quarter of 1988 and, as could be seen from the table in paragraph 5 of the report, had since been drawn upon. The Advisory Committee noted that the table made no allowance for any additional unforeseen and extraordinary expenses for peace-keeping operations before the end of 1988. Moreover, if actual receipts followed the projected pattern, at the end of 1988 the Organization's reserves, as shown in the same table, would be replenished only by \$81.5 million. The Advisory Committee noted that this projection superseded the information provided in annex VII to the report of the Secretary-General on the financial emergency of the United Nations (A/C.5/43/29 and Corr.1). As indicated in paragraph 6 of his report (A/43/932), the Secretary-General also estimated that at the end of 1988 unpaid assessed contributions would total \$389.4 million.

41. The Secretary-General's projections regarding income and disbursements in 1989 were contained in the annex to his report (*ibid.*). As noted in paragraph 8 of the report, the forecast of the payment of assessed contributions was based on the 1988 experience on the timing and amount of such payments, except that the forecast assumed that the major contributor would pay an amount approximately equivalent to its 1989 regular budget assessments. The forecast of disbursements also assumed that the pattern would parallel the 1988 experience. On those assumptions, the Organization would manage to avoid insolvency, but only by once again utilizing its reserves to meet cash requirements at many points during the year. However, in that connection, the Secretary-General stated in paragraph 21 of his report that the expanding responsibilities of the United Nations for peace-making and peace-keeping had placed new strains on the already precarious financial situation of the Organization. As pointed out in paragraph 17 of that report, should any additional demands be placed upon the depleted reserves to meet the cash requirements for existing or new peace-keeping operations, or the negative impact of acute currency fluctuations or inflation, the financial situation of the United Nations could rapidly and dramatically deteriorate.

42. In section I of his report on the financial emergency of the United Nations (A/C.5/43/29 and Corr.1), the Secretary-General gave a final report on special postage stamps on the social and economic crisis in Africa. Section II of the report, together with annexes I to VII to the report, dealt with the current and foreseen deficit and the cash-flow situation of the Organization. According to paragraph 8 of that report, the combined short-term deficit, as defined in paragraph 7 of the report and projected to 31 December 1988, was currently estimated at \$319.7 million, compared with an estimated \$356 million for 1987. According to the Secretary-General, the decrease of an estimated \$36.3 million between 1987 and 1988 resulted from a number of factors including the payment in

full by five Member States, partial payment by four other Member States of amounts previously withheld from their assessed contributions to the regular budget and the partial payment by four Member States of amounts previously withheld from their assessed contributions to peace-keeping operations.

43. As stated in paragraph 11 of document A/C.5/43/29 and Corr.1, in respect of peace-keeping operations financed by assessed contributions, it was estimated that as at 31 December 1988, unpaid debts to Member States which had participated in peace-keeping operations under agreements with the United Nations that provided for reimbursement for the services rendered would amount to \$310.6 million. At the current time, the Organization's peace-keeping activities could remain in operation only because the troop-contributing Member States continued to bear the full burden of the deficit. In addition to unpaid debts for peace-keeping operations, as stated in paragraph 22 of that document, estimated withholdings from peace-keeping activities projected to 31 December 1988 amounted to \$31.7 million with respect to the United Nations Emergency Force and the United Nations Disengagement Observer Force and to \$205.6 million with respect to the United Nations Interim Force in Lebanon (UNIFIL).

44. In section II.B of his report (A/C.5/43/29 and Corr.1), the Secretary-General provided information on the payment of assessed contributions to the regular budget. The percentages of annual assessed contributions paid as at 30 June and 30 September 1988 were somewhat higher than the corresponding percentages in 1987. However, as noted in the Secretary-General's report on the current financial crisis of the United Nations (A/43/932), total assessed contributions outstanding under the regular budget as at 30 November 1988 amounted to \$450.1 million.

45. Paragraphs 18 to 20 of the Secretary-General's report (A/C.5/43/29 and Corr.1) dealt with the suspension of the provisions of financial regulations 4.3, 4.4 and 5.2 (d). As indicated in paragraph 23, the Special Account of the United Nations had been established to record the results of the Secretary-General's appeal to the Governments of "all Member States to make voluntary contributions so that the financial difficulties of the Organization may be solved". In 1987, the Secretary-General had made a further appeal to Member States for voluntary contributions to augment the Special Account. In 1988 one Member State had contributed \$5 million to that account. Annex VI to the report indicated the status of the Special Account projected through December 1988.

46. Voluntary contributions in respect of UNIFIL and the United Nations Iran-Iraq Military Observer Group (UNIIMOG) had also been sought. According to paragraph 25 of the Secretary-General's report (*ibid.*), cash contributions amounting to \$1.3 million for UNIFIL and \$11 million for UNIIMOG had been received as at 31 October 1988 and had been placed in the respective suspense accounts. (See A/C.5/43/SR.45, paras. 1-7.)

Programme budget implications of draft resolution VII submitted by the Second Committee in its report (A/43/915/Add.2, para. 37), concerning agenda item 82 (b)*

47. At the 47th meeting, the Chairman of the Advisory Committee said that the Advisory Committee recommended that the Fifth Committee should inform the General Assembly that adoption of the draft resolution in question would not, as indicated in document A/C.5/43/60, give rise to any additional appropriation in the programme budget for the biennium 1988-1989. (See A/C.5/43/SR.47, para. 8.)

Revised estimates arising from implementation of Security Council resolution 621 (1988) relating to the question of Western Sahara

48. At the 48th meeting, the Chairman of the Advisory Committee said that the Security Council, in its resolution 621 (1988) of 20 September 1988, had authorized the Secretary-General to appoint a Special Representative for Western Sahara and had requested the Secretary-General to transmit to it a report on the holding of a referendum for self-determination for the people of Western Sahara and on ways and means to ensure the organization and supervision of such a referendum by the United Nations in co-operation with the Organisation of African Unity (OAU). That resolution had been adopted by the Security Council following a statement by the Secretary-General on the agreement reached on 30 August 1988 between the Kingdom of Morocco and the Frente Popular para la Liberación de Saguia el-Hamra y de Río de Oro (Frente POLISARIO) on proposals for a peaceful settlement put forward by the Secretary-General and the Chairman of OAU. The objectives of the proposals and manner in which they would be implemented were detailed in paragraphs 3 to 7 of the Secretary-General's report (A/C.5/43/59).

49. The peace proposals would be implemented under the guidance of the Special Representative, assisted by a support group of civilian and military personnel large enough to enable him to perform his organizational and supervisory functions. The peace proposals called for the deployment of United Nations military personnel who would, *inter alia*, verify, confirm and supervise the cease-fire.

50. As indicated in paragraph 8 of the report, the peace proposals would be implemented in two phases. The financial implications detailed in the Secretary-General's report related to the implementation of phase I; estimates for phase II would be submitted to the General Assembly following the completion of phase I and the submission by the Secretary-General of a report to the Security Council seeking further authority to proceed with phase II.

51. The Advisory Committee had examined the request for \$687,900 in additional appropriations under section 2A (Political and Security Council affairs; peace-keeping activities) of the programme budget for the biennium 1988-1989. The Committee felt that there had been some over-estimation by the Secretariat with respect to some items such as travel on official business. However, bearing in mind that additional funds would be required for the implementation of phase II,

* Development and international economic co-operation: trade and development.

the Committee had decided against recommending a reduction of the Secretary-General's estimates. Accordingly, the Committee recommended approval of the Secretary-General's requests, on the understanding that any savings under phase I would be used to offset expenditure under phase II, if implemented in the biennium 1988-1989. (See A/C.5/43/SR.48, paras. 1-4.)

Programme budget implications of draft decision III submitted by the Second Committee in its report (A/43/915/Add.8, para. 31), concerning agenda item 82*

52. At the 50th meeting, the Chairman of the Advisory Committee recalled that as indicated in the Secretary-General's statement (A/C.5/43/61), under the terms of the draft decision, the General Assembly would decide to convene a resumed forty-third session not later than the end of February 1989, so that the Second Committee could consider further and take a final decision on the convening of a special session of the General Assembly in 1990 devoted to international economic co-operation, in particular to the revitalization of economic growth and development in developing countries.

53. The Chairman also stated that should the draft decision be adopted no additional costs would be incurred under section 29 (Conference and library services) of the programme budget for the biennium 1988-1989 in respect of the meetings to be held in 1989. (See A/C.5/43/SR.50, paras. 91 and 92.)

Programme budget implications of the draft resolution submitted by the Second Committee in its report (A/43/915/Add.1, para. 12), concerning agenda item 82 (a)**

54. At the 50th meeting, the Chairman of the Advisory Committee said that, as indicated in the Secretary-General's statement (A/C.5/43/62), under the terms of paragraph 1 of the draft resolution the General Assembly would decide to establish an ad hoc committee of the whole for the preparation of an international development strategy for the fourth United Nations development decade and would request the ad hoc committee to submit a progress report to the Assembly at its forty-fourth session. The strategy was to be adopted in 1990. The activities envisaged in the draft resolution would be carried out in 1989 and 1990. Paragraph 9 of document A/C.5/43/62 gave an indication of the meetings to be held by the ad hoc committee. Paragraph 14 contained information on the costs involved.

55. Should the draft resolution be adopted, no additional appropriation would be required in the programme budget for the biennium 1988-1989, since the costs would be accommodated under section 29 (Conference and library services) of the programme budget. (See A/C.5/43/SR.50, paras. 95 and 96.)

* Development and international economic co-operation.

** Development and international economic co-operation; international development strategy for the fourth United Nations development decade.

Programme budget implications of draft resolution B submitted by the Committee on Conferences in its report (A/43/32 and Corr.1 and 2, para. 1), concerning agenda item 119*

56. During its consideration of the statement of programme budget implications submitted by the Secretary-General (A/C.5/43/11), the Advisory Committee noted that under the terms of the draft resolution in question, the General Assembly would decide to retain the Committee on Conferences as a permanent subsidiary organ. The Advisory Committee also noted from paragraph 9 of the Secretary-General's statement that the proposed meetings of the Committee on Conferences in 1989 had not been included in the draft revised calendar of conferences and meetings. The full cost of the conference-servicing requirements for those meetings was estimated at \$521,400. However, because provision had been made in the programme budget for the biennium 1988-1989 for meetings expected to be authorized subsequent to the preparation of the budget, no additional appropriation under section 29 (Conference and library services) would be required as a result of the adoption of the draft resolution.

Notes

a/ See Official Records of the General Assembly, Forty-first Session, Supplement No. 49 (A/41/49).

* Pattern of conferences.

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