



General Assembly

Distr.
GENERAL

A/C.2/44/L.35
9 November 1989

ORIGINAL: ENGLISH

Forty-fourth session
SECOND COMMITTEE
Agenda item 82 (h)

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: HUMAN SETTLEMENTS

Programme budget implications of draft resolution A/C.2/44/L.24/Rev.1

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

A. Requests contained in the draft resolution

1. Under the terms of operative paragraphs 6 and 7 of the draft resolution contained in document A/C.2/44/L.24/Rev.1, the General Assembly would request the Secretary-General to make available to the United Nations Conference on Trade and Development the extra funds needed to prepare a comprehensive study on the Palestinian national economy. The General Assembly would also request the Secretary-General to report to it at its forty-sixth session, through the Economic and Social Council, on the progress made in implementation of the resolution.

B. Relationship of proposed request to the proposed programme of work

2. The activity proposed would fall under section 15 (United Nations Conference on Trade and Development), Executive Direction and Management, programme element 1.5 (Special Economic Unit), of the proposed programme budget for 1990-1991.

C. Activities by which the proposed request would be implemented

3. Should the General Assembly adopt draft resolution A/C.2/44/L.24/Rev.1, the Secretary-General would undertake the preparation of the comprehensive study on the Palestinian national economy requested in operative paragraph 6. It is anticipated

that, given the scope of the proposed study, it might not be possible to finalize it for submission to the General Assembly at its forty-sixth session.

D. Modification required in the proposed programme of work

4. Activities in this area are programmed under section 15 (UNCTAD), Executive Direction and Management, programme element 1.5 (Special Economic Unit), of the proposed programme budget for 1990-1991. Should the draft resolution be adopted, the following output would be added to programme element 1.5:

Preparation of a comprehensive study on the Palestinian national economy.

E. Additional requirements at full cost

5. While the proposed programme budget for 1990-1991 does not provide for such a comprehensive study, provision has been made for related activities under section 15 (UNCTAD), Executive Direction and Management, as follows:

Programme element 1.5: (i) two reports to the Trade and Development Board on developments in the economic conditions of the Palestinian people in the West Bank and Gaza Strip, and on studies and surveys on sectoral and intersectoral issues relevant to the growth and development of the Palestinian economy; and (ii) technical publications of statistical series and research abstracts on the Palestinian economy.

6. It is envisaged that related on-going work mandated by programme element 1.5 (Special Economic Unit) would contribute to the requested comprehensive study on the Palestinian national economy, and that a portion of the costs of preparing the comprehensive study could be absorbed within related resources already included in the programme budget for 1990-1991, as follows:

(a) Consultants' fees (8 work-months)	\$ 40,000
(b) Travel and subsistence of staff (4 trips to region)	20,000
(c) Professional staff (24 work-months)	210,000
(d) Secretarial staff (12 work-months)	67,000
(e) General operating expenses	35,000
Total	\$372,000

7. It is estimated that additional costs for preparing the comprehensive study on the Palestinian national economy would amount to \$420,000, as itemized below:

(a) Consultants' fees and travel	\$290,000
(b) <u>Ad hoc</u> expert group meeting	50,000
(c) Travel and subsistence of staff	20,000
(d) General temporary assistance	<u>60,000</u>
Total	<u>\$420,000</u>

F. Potential for absorption

8. Of the total amount of \$792,000 required to prepare the comprehensive study on the Palestinian national economy, it is anticipated that the sum of \$372,000 could be absorbed within the resources requested under section 15 (UNCTAD) of the proposed programme budget for 1990-1991, as indicated in paragraph 6 above.

G. Indication of additional resource requirements

9. Should the General Assembly adopt draft resolution A/C.2/44/L.24/Rev.1, it is estimated that additional resources amounting to \$420,000 would be required to implement operative paragraph 6.

10. In this context, UNCTAD has prepared, and is seeking extra-budgetary financing for, a project for an intersectoral study on the Palestinian economy which is conceptually similar to that called for in operative paragraph 6 of draft resolution A/C.2/44/L.24/Rev.1. Extra-budgetary contributions received to date for preparation of the proposed intersectoral study amount to \$80,000. In view of the similarity of the two studies, and in order to avoid duplication of activities, the intersectoral study financed from extra-budgetary resources would be modified to address the request contained in operative paragraph 6 of draft resolution A/C.2/44/L.24/Rev.1. Under the circumstances, it would be the intention of the Secretary-General to seek extra-budgetary funds for the additional resources required to respond to the request contained in operative paragraph 6 of draft resolution A/C.2/44/L.24/Rev.1. However, in the event that such resources do not materialize, it would be the Secretary-General's intention to revert to this issue in the context of a progress report to be submitted to the General Assembly at its forty-fifth session.

11. In conclusion therefore, should the General Assembly adopt draft resolution A/C.2/44/L.24/Rev.1, no additional appropriation would be required at this stage.