



General Assembly

Distr.
LIMITED

A/C.3/44/L.90
28 November 1989

ORIGINAL: ENGLISH

Forty-fourth session
THIRD COMMITTEE
Agenda items 123 and 111

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991

INTERNATIONAL CAMPAIGN AGAINST TRAFFIC IN DRUGS

Programme budget implications of revised draft resolution A/C.3/44/L.41/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 revised draft resolution

1. By operative paragraph 9 of revised draft resolution A/C.3/44/L.41/Rev.1, the General Assembly would request the Secretary-General to undertake as soon as possible, with the assistance of a group of intergovernmental experts, a study on the economic and social consequences of illicit traffic in drugs, with a view to analysing, inter alia, the following elements:

(a) The magnitude and characteristics of economic transactions related to drug trafficking in all its stages, including production of, traffic in and distribution of illicit drugs, in order to determine the impact of money transfers and conversion on national economic systems;

(b) Mechanisms, including legislative measures, which would prevent the use of the banking system and the international financial system in this activity.

2. By operative paragraph 19, the General Assembly would express its serious concern at the 22 per cent cutback in the budget and staff of the Division of Narcotic Drugs and the secretariat of the International Narcotics Control Board, a cutback which would threaten their ability to carry out adequately any additional responsibilities deriving from the activities that the Organization must undertake to tackle the new dimension of the problem of drug abuse and illicit trafficking.

3. By operative paragraph 20, the General Assembly would recommend that the Secretary-General take urgent steps to ensure the increase of allocations to the Division of Narcotic Drugs and the secretariat of the International Narcotics Control Board, setting as a target 1 per cent of the total budgetary appropriation for the biennium 1990-1991.

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

4. The activity that would be called for under the revised draft resolution would fall under chapter 7, section II, programme 1: Division of Narcotic Drugs, subprogramme 3, Supply and demand reduction, the objectives and strategy for which are outlined in paragraphs 7.26 to 7.29 of the medium-term plan for the period 1984-1989, as extended through 1991. 1/

5. The activities are particularly relevant to section 20 (International drug control) of the proposed programme budget for the biennium 1990-1991, 2/ subprogramme 3, Supply and demand reduction, programme element 3.1, Monitoring illicit drug traffic and facilitation of co-ordinated international countermeasures.

C. Activities by which the requests would be implemented

6. Should the revised draft resolution be adopted, it would be the intention of the Secretary-General, in respect of operative paragraph 9, to convene in 1990 a group consisting of 10 intergovernmental experts, who would meet for two sessions of two weeks each at Vienna to study the economic and social consequences of illicit traffic in drugs. The timing of the sessions would depend on the receipt of the views of Member States on the scope and context of the study, as the General Assembly, in operative paragraph 10 of the revised draft resolution, would require.

7. The experts would be entitled to payment of travel costs and subsistence allowance.

8. It is assumed that the related conference services would be provided for based on holding two meetings a day with interpretation available in the six official languages of the United Nations.

9. With regard to the budget and staff of the Division of Narcotic Drugs and the secretariat of the International Narcotics Control Board, to which reference is made in operative paragraphs 19 and 20 of the revised draft resolution, the following elements may be taken into consideration. The 22 per cent staff reduction referred to is more apparent than real. In the context of the implementation of the reduction of personnel as requested by the General Assembly, maximum advantage was taken of possibilities for administrative rationalization and economies provided by the consolidation of the direction of the Centre for Social Development and Humanitarian Affairs and the co-ordination of drug control-related activities under the Director-General of the United Nations Office at Vienna. Thus, five posts that were performing administrative functions in the Division of Narcotic Drugs and the secretariat of the International Narcotics Control Board

were transferred to the Division of Support Services under the Director-General of the United Nations Office at Vienna. While this may appear as a reduction, it reflects a reorganization of administrative functions that does not threaten the ability of the drug-related units to carry out their responsibilities but, quite to the contrary, enhances their co-ordination.

10. In respect of the allocation of resources to the Division of Narcotic Drugs and the secretariat of the International Narcotics Control Board, it may be noted that the regular budget resources for section 20, International drug control, reflect an increase of \$1,045,200, or 14 per cent, over the 1988-1989 biennium, compared with an overall increase of 10.9 per cent for the budget as a whole. It should also be noted that the level of resources foreseen for drug-related activities in 1990-1991 accounts for 3.1 per cent of the proposed programme budget, when both regular budget and extrabudgetary resources are taken into consideration. The provision of regular budget resources equivalent to 1 per cent of the proposed programme budget for the biennium 1990-1991 would require that the resources under section 20 be increased from the proposed amount of \$8,478,800 to \$19,838,600, an increase of \$11,359,800. If the General Assembly wishes to increase the level of resources for the two units in the 1990-1991 budget without substantially exceeding the level of the outline, it may wish to indicate from which areas of the proposed programme budget the resources should be redeployed and related programmes curtailed. If the intended increase is to apply to the 1992-1993 biennium and beyond, the General Assembly may wish to request the Secretary-General to make provision to this effect in the next budget outline. The General Assembly would also need to give the necessary priority to international drug control in the next medium-term plan. Without such priority, it would not be possible to make the necessary budgetary provisions.

D. Modifications required in the proposed programme of work for 1990-1991

11. In connection with the new activities that the revised draft resolution would request, one new output would be added to subprogramme 3, as follows:

Subprogramme 3. Supply and demand reduction

3.1 Monitoring illicit drug traffic and facilitation of co-ordinated international countermeasures

Output:

- (v) Substantive servicing of an expert group convened to study the economic and social consequences of illicit traffic in drugs (1990)

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E. Additional requirements at full cost

12. The full cost of requirements to undertake the activity contained in section C above are as follows:

	<u>1990</u>
	\$
(a) <u>Conference-servicing costs</u> (see annex for breakdown)	
Two sessions (two weeks each)	490 900
(b) <u>Other costs</u>	
Travel and subsistence costs for 10 intergovernmental experts	82 900

F. Potential for absorption

Conference-servicing costs

13. With regard to the estimates of conference-servicing costs indicated in paragraph 12 in section E above, these cost estimates are based on the theoretical assumption that no part of the conference-servicing requirements would be met from within the permanent conference-servicing capacity under section 29 of the proposed programme budget, and that additional resources would be required for temporary assistance for meetings. The extent to which the Organization's permanent capacity needs to be supplemented by temporary assistance resources can only be determined in the light of the proposed calendar of conferences for 1990-1991. However, as indicated in paragraph 29.5 of the proposed programme budget, 2/ the 1990-1991 level of resources for temporary assistance for meetings was estimated on the basis of previous experience to accommodate not only meetings that are programmed, but also additional meetings. In other words, provision was made in the proposed programme budget not only for meetings known at the time of budget preparation but also for meetings that would be authorized subsequently, provided that the number and distribution of meetings and conferences in the biennium 1990-1991 was consistent with the pattern of meetings in past years. On that basis, it is estimated that no additional resources would be required under section 29 of the proposed programme budget for the biennium 1990-1991 as a result of the adoption of revised draft resolution A/C.3/44/L.41/Rev.1.

G. Indication of additional resource requirements

14. Should the General Assembly adopt revised draft resolution A/C.3/44/L.41/Rev.1, it is estimated that additional resource requirements of \$82,900 would have to be met under section 20 of the proposed programme budget for

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the biennium 1990-1991 in respect of operative paragraph 9 of the revised draft resolution.

H. Contingency fund

15. No provision has been made in the proposed programme budget for the biennium 1990-1991 to undertake the activities enumerated in section C above, for which it is estimated that an amount of \$82,900 is required.

16. It will be recalled that, under the procedure established by the General Assembly in its resolution 41/213 of 19 December 1986 and in effect starting with the biennium 1990-1991, a contingency fund is established for each biennium to accommodate additional expenditures derived from legislative mandates not provided for in the proposed programme budget. Under the same procedure, if additional expenditures are proposed that can exceed resources available from the contingency fund, these activities can be implemented only through redeployment of resources from low-priority areas or modifications of projected activities. Otherwise, such additional activities will have to be deferred until a later biennium. A consolidated statement of all programme budget implications and revised estimates will be submitted to the Assembly towards the end of the current session.

17. It would be the intention of the Secretary-General, in the event that the additional appropriation of \$82,900 required in connection with the establishment of an intergovernmental expert group called for in operative paragraph 9 of revised draft resolution A/C.3/44/L.41/Rev.1 cannot be financed from the contingency fund, to defer to the biennium 1992-1993, two of the seven meetings of the expert group envisaged in paragraph 20.18 of the proposed programme budget for the biennium 1990-1991 in connection with the programme of work of the Division of Narcotic Drugs.

Notes

1/ Official Records of the General Assembly, Thirty-seventh Session, Supplement No. 6 (A/37/6 and Corr.1); ibid., Thirty-ninth Session, Supplement No. 6 (A/39/6 and Corr.1); and ibid., Forty-third Session, Supplement No. 6 (A/43/6).

2/ Ibid., Forty-fourth Session, Supplement No. 6 (A/44/6/Rev.1), vol. II.

Annex

**ESTIMATED COST OF CONFERENCE-SERVICING OF THE INTERGOVERNMENTAL
 EXPERT GROUP ON THE ECONOMIC AND SOCIAL CONSEQUENCES OF ILLICIT
 TRAFFIC IN DRUGS**

	Session I	Session II
	(1990)	(1990)
	\$	\$
I. <u>Pre-session documentation</u> (25 pages, 5 documents: A,C,E,F,R,S) (25 pages, 10 documents)	33 700	35 500
II. <u>Meeting servicing</u> (Interpretation, 20 meetings: A,C,E,F,R,S)	124 900	124 900
III. <u>In-session documentation</u> (25 pages, 10 documents: A,C,E,F,R,S)	34 300	34 300
IV. <u>Post-session documentation</u> (30 pages, 5 documents: A,C,E,F,R,S) (32 pages, 1 document)	40 100	41 200
V. <u>Requirements of the Office of General Services</u>	11 000	11 000
Total	244 000	246 900
