

UNITED NATIONS  
GENERAL  
ASSEMBLY



Distr.  
GENERAL

A/4032  
5 December 1958

ORIGINAL: ENGLISH

Thirteenth session  
Agenda item 50

ADMINISTRATIVE AND BUDGETARY CO-ORDINATION BETWEEN THE  
UNITED NATIONS AND THE SPECIALIZED AGENCIES

Administrative budgets of the specialized agencies for 1959

Thirty-third report of the Advisory Committee on  
Administrative and Budgetary Questions to the  
thirteenth session of the General Assembly\*

1. In accordance with its terms of reference, the Advisory Committee on Administrative and Budgetary Questions has examined the administrative budgets or budget estimates for 1959 of the following specialized agencies, whose agreements with the United Nations provide for transmittal of their budgets for review by the General Assembly:<sup>1/</sup> International Labour Organisation (ILO); Food and Agriculture Organization of the United Nations (FAO); United Nations Educational, Scientific and Cultural Organization (UNESCO); International Civil Aviation Organization (ICAO); Universal Postal Union (UPU); World Health Organization (WHO); International Telecommunication Union (ITU); World Meteorological Organization (WMO).

\* Figures missing in a few places in this document will be filled in before final production of the Official Records.

<sup>1/</sup> Under the relevant agreements with the United Nations, the International Bank for Reconstruction and Development and the International Monetary Fund are not required to transmit their budgets for examination by the United Nations. Under its agreement with the United Nations, the International Atomic Energy Agency has transmitted its 1959 budget to the United Nations; for the Advisory Committee's report on that budget, (see A/4016).

2. The Advisory Committee offers, in paragraphs 3 to 27 below, comments on certain general questions related to its review of the 1959 budgets of these agencies. In addition, specific points arising in respect of the budgets of individual agencies are dealt with in subsequent paragraphs. A consolidated summary of appropriations or estimates by main heads of expenditure, compared with the corresponding figures for 1958, is also presented for each of the agencies.

#### GENERAL APPRAISAL

3. The gross totals of the 1959 budgets or budget estimates of these agencies and the United Nations are shown in the following table, together with the appropriation figures for 1958 and actual expenditure figures for each of the years 1954, 1955, 1956 and 1957:

	1954 Actual Expenses	1955 Actual Expenses	1956 Actual Expenses	1957 Actual Expenses	1958 Appropri- ations	1959 Appropri- ations or estimates	1959 in- crease or decrease by com- parison with 1958 Dollars(US)	Percentage increase or decrease by comparison with 1958
	Dollars(US)	Dollars(US)	Dollars(US)	Dollars(US)	Dollars(US)	Dollars(US)	Dollars(US)	
ILO <sup>a/</sup>	6,574,878	7,041,474	7,290,575	7,904,725	8,073,901	8,639,857	565,956	7.01
FAO	5,500,268	5,974,192	6,397,561	7,006,150	8,295,330 <sup>b/</sup>	8,704,670 <sup>b/</sup>	409,340	4.93
UNESCO	9,019,408	9,150,533	11,437,197	10,612,728	12,124,609 <sup>c/</sup>	12,828,096 <sup>d/</sup>	703,487	5.80
ICAO	3,086,747	3,255,335	3,348,596	3,899,709	4,001,400	4,406,604	405,204	10.13
UPU	432,711	429,328	441,157	522,804	640,420	619,860	(-20,560)	(-3.21)
WHO	8,134,514	9,275,300	9,982,794	12,091,421	13,566,130 <sup>e/</sup>	14,287,600 <sup>e/</sup>	721,470	5.32
ITU	1,327,292	1,290,884	1,684,933	1,470,639	2,157,114	2,638,014	480,900	22.29
WMO	326,922	394,653	371,316	418,054	482,531	498,107	15,576	3.23
Sub-total (special- ized agen- cies)	34,402,740	36,811,699	40,954,129	43,926,230	49,341,435	52,622,808	3,281,373	6.65
United Nations	48,510,009	50,089,808	50,508,095	53,172,964	61,081,900 <sup>f/</sup>	60,850,000 <sup>g/</sup>	(231,900)	(-.38)
GRAND TOTAL	<u>82,912,749</u>	<u>86,901,507</u>	<u>91,462,224</u>	<u>97,099,194</u>	<u>110,423,335</u>	<u>113,472,808</u>	<u>3,049,473</u>	<u>6.27</u>

[Foot notes to table on next page.]

Note: The following rates of exchange have been used in the above table:  
Canadian dollar at par; Swiss francs at Sw.frs.4.28 = \$US1.00.

- a/ Figures for the years 1954 and 1955 include \$250,000 each year for the reorganized Working Capital Fund; credits from the original Fund totalling \$245,717 for each year have not been taken into account.
- b/ Figures represent allotments for 1958 and balance available for 1959, as of 1 November 1958, based on a total biennial appropriation of \$17,000,000 for 1958-1959.
- c/ Includes \$587,186 undistributed reserve.
- d/ Estimates; includes \$630,755 undistributed reserve.
- e/ The appropriations for 1958 and 1959 are the amounts of the effective working budgets as approved by the Tenth and Eleventh World Health Assemblies, and do not include the amounts appropriated each year for the undistributed reserve described in paragraph 59 below.
- f/ Includes supplementary estimates approved by the Fifth Committee as of 5 December 1958. This figure will be subject to further revision before the conclusion of the thirteenth session of the General Assembly.
- g/ Represents tentative forecast as of 5 December 1958.

4. The 1959 appropriations or estimates of the eight specialized agencies amount in the aggregate to some \$52.6 million, or 6.65 per cent more than the 1958 appropriations. Thus, in descending order of absolute amounts, the increases relate to WHO (\$721,470, or 5.32 per cent), UNESCO (\$703,487, or 5.80 per cent), ILO (\$565,956, or 7.01 per cent), ITU (\$480,900, or 22.29 per cent), FAO (\$409,340, or 4.93 per cent) and ICAO (\$405,204, or 10.13 per cent). In the case of UFU, the estimates are slightly lower for 1959 than for 1958.

5. It is estimated that over the five-year period 1955-1959, the total expenditures of the eight agencies will have increased from \$36.8 million to \$52.6 million, or by more than 40 per cent. During the same period, the resources available to these agencies from extra-budgetary sources have also increased.

6. In respect of each agency, an indication of the main factors contributing to the increase (or decrease) in the 1959 budget, by comparison with 1958, is given

in the individual agency sections later in the present report. On an over-all basis, it would appear that of the total net increase of about \$2.5 million, some 60 per cent relates to expansion of activities, including heavier meeting and conference programmes, and the balance to increases in salaries, wages and prices and in the cost of contractual arrangements.

7. The Advisory Committee has already commented in its report on the 1959 budget estimates of the United Nations (A/3860)<sup>2/</sup> on the increase in these estimates by comparison with the 1958 appropriations.

#### PROGRAMME APPRAISALS FOR THE PERIOD 1959 TO 1964

8. Inasmuch as the budget represents a financial reflection of programmes, the Advisory Committee has followed with interest the progress made in undertaking, in terms of Economic and Social Council resolution 665 C (XXIV) of 1 August 1957, forward appraisals of the programmes of the United Nations and the specialized agencies in the economic, social and human rights fields. It may be recalled that the Advisory Committee, in commenting in 1956 (A/3489, paras. 6-7)<sup>3/</sup> on the continuing upward trend of the budgets of the specialized agencies, emphasized the need for a framework to guide the development of United Nations and agency programmes in order to ensure a maximum return from the increasing outlays. On the Committee's recommendation, the General Assembly, on 27 February 1957, adopted resolution 1094 (XI) by which it requested the Economic and Social Council to study the matters raised by the Advisory Committee and to report thereon to the Assembly at its thirteenth session.

9. The Economic and Social Council, in resolution 665 C (XXIV), outlined various steps that were to be taken towards making the forward programme appraisal which, in effect, represents an important further step in the Council's

---

2/ Official Records of the General Assembly, Thirteenth Session, Supplement No. 7.

3/ Official Records of the General Assembly, Eleventh Session, Annexes, agenda item 49.

continuing efforts in the direction of the concentration, co-ordination and orderly development of programmes. The action that has followed the resolution of the Council is summarized below:

- (a) The Secretary-General and the executive heads of ILO, FAO, UNESCO, WHO and WMO held consultations in October 1957 on the manner in which they could best give effect to the request addressed to them by the Council, and considered, in particular, the question of the preparation in comparable form of the appraisals of the programmes of their respective organizations for the period 1959 to 1964. In the light of these consultations, the Administrative Committee on Co-ordination (ACC) submitted a report on the subject to the twenty-sixth session of the Council (E/3108, para. 20 and annex II).<sup>4/</sup>
- (b) The Advisory Committee, in its report on the 1958 agency budgets (A/3767, para. 9),<sup>5/</sup> clarified the intent of its original recommendation and stated that "the forward look, would, in its view, be in terms of the general scope and trend of broad segments of the programmes, rather than of a rigid blueprint of detailed projects to be undertaken over a period of several years". The Committee also recognized that special problems would arise in some of the organizations in attempting to define long-term trends in programmes but that such problems should be possible of solution - with sufficient margin for flexibility - in the interest of an orderly planning of over-all international effort in the economic and social fields.
- (c) Following the discussions in the ACC, the executive heads of the specialized agencies concerned brought the Council resolution to the attention of their respective governing bodies. The initial action taken by the competent organs of the ILO, FAO, UNESCO,

---

<sup>4/</sup> Official Records of the Economic and Social Council, Twenty-sixth Session, Annexes, agenda item 3.

<sup>5/</sup> Official Records of the General Assembly, Twelfth Session, Annexes, agenda item 48.



WHO and WMO was reported to the Council at its twenty-sixth session.<sup>6/</sup> In addition, a summary of the main points made by the governing bodies concerned was included in the ACC's report to the Council (E/3108, annex II, paras. 10-16).

- (d) From the action taken by the governing bodies of the specialized agencies, the ACC noted that a forecast in broad terms of programme development by each agency appeared practicable but that there would inevitably be differences in method and degree of detail in the appraisals which might also not cover the same number of years in all cases (E/3108, annex II, para. 16).

10. The Council reviewed this entire question at its twenty-sixth session and, on 31 July 1958, adopted resolution 694 D (XXVI) by which the Council, inter alia:

- (a) Recognized that the programmes and budgets of the specialized agencies will continue to be determined in accordance with the respective constitutional provisions of those agencies, which retain full flexibility in determining their programmes;
- (b) Affirmed that the forward appraisals in question should emphasize the over-all development, general direction and trend of the programmes, rather than attempt to define individual programmes and projects; that they should include, as far as can be predicted, in addition to the regular programmes, programmes undertaken within the framework of the Expanded Programme of Technical Assistance and the new Special Fund; that they should include an estimate of the magnitude of likely changes in the budgetary requirements based on the application of the cost factors known from experience to new and developing parts of the programmes;
- (c) Established a time-table for the preparation by the United Nations and the specialized agencies concerned of the appraisals in respect of their respective programmes;

---

<sup>6/</sup> For ILO, see E/3089, paras. 6 to 25; for FAO, UNESCO, WHO and WMO, see their annual reports (E/3105/Add.2, E/3101/Add.1, E/3106 and E/3090, respectively).

- (d) Established a committee of five individuals to collate the separate appraisals and prepare a consolidated report for consideration by the Council at its thirtieth session (1960).

11. The Advisory Committee is happy to note that, despite some earlier doubts and misgivings concerning the scope and character of the five-year appraisal, all the organizations concerned have found it possible to co-operate fully in the efforts of the Economic and Social Council in undertaking the appraisal. The Committee is convinced of the need, with due regard to the constitutional position of the specialized agencies for providing a five-yearly framework of total international effort in the economic and social fields, within which generally individual agency programmes for the period may be developed, so as to ensure a balanced and meaningful over-all effort at a minimum cost consistent with the attainment of stated objectives. It is important, as the Council has emphasized, that such a framework should seek to cover the different types of programmes which are undertaken by the organizations. A forward look along these lines will help to underline the inter-relatedness of the programmes of the several organizations and will promote concerted action to achieve essentially common objectives. A further advantage of this forward look will be that it will facilitate measures of administrative co-ordination among the several organizations.

#### REGIONAL ACTIVITIES IN AFRICA

12. The United Nations and the specialized agencies have in the past year made significant progress in respect of the organization of their activities and offices in the African region. A major step was taken with the establishment in 1958 of the Economic Commission for Africa under the aegis of the United Nations, with headquarters to be located at Addis Ababa. The Commission, which will hold its first session beginning 29 December 1958, will no doubt have an important role in the over-all economic development of the African continent. Equally important, in their own respective specialized fields, are the actions taken by the agencies to strengthen their efforts in respect of this region.



13. The situation in regard to the African offices of the specialized agencies is as follows:

- (a) ILO: The ILO has decided to establish an African Field Office at Lagos, which will assist in the formulation, operation and administration of the ILO's field programmes in that region.
- (b) FAO: A main regional office of the FAO is being set up in Accra, with the possibility of opening sub-offices at other locations in Africa. In addition, FAO will also have a senior representative at the headquarters of the Economic Commission for Africa in Addis Ababa.
- (c) UNESCO: In UNESCO, in addition to the existing Fundamental Education Centre at Sirs el Lazzan in Egypt (U.A.R.), a new programme of secondary and vocational education has been proposed for Tropical Africa for 1959-1960.
- (d) ICAO: Two ICAO Regional Offices, one located in Paris and the other in Cairo, are dealing with countries located in the African continent as far as air navigation services are concerned.
- (e) WHO: In 1950, the Third World Health Assembly approved the establishment of an administrative office for Africa at WHO headquarters until such time as a regional office could be established in Africa. In 1951, the Executive Board authorized the establishment of a regional organization for Africa, consisting of a regional committee and a regional office, and in 1952 a regional office was established in Brazzaville, French Equatorial Africa. The regional organization for Africa covers Africa south of 20 degrees north latitude and south of the Sudan.

14. The Advisory Committee trusts that, despite the different locations of the various offices, the secretariats of the United Nations and the specialized agencies will constantly strive to achieve the closest co-operation in their work in Africa.

# ESTABLISHED POSTS, TEMPORARY ASSISTANCE AND CONSULTANTS

15. The numbers of established posts authorized or requested under the regular budgets (i.e. excluding the Expanded Programme of Technical Assistance and other extra-budgetary programmes) for the three years 1957, 1958 and 1959 are given below:

	<u>1957</u>	<u>1958</u>	<u>1959</u>
ILO . . . . .	872	889	928
FAO . . . . .	996	1,100	1,114
UNESCO . . . . .	991	1,002	1,005
ICAO . . . . .	435	431	456
UFU . . . . .	35	37	43
WHO . . . . .	1,081	1,142	1,178
ITU . . . . .	205	221	222
WMO . . . . .	<u>58</u>	<u>64</u>	<u>64</u>
Sub-total, specialized agencies	4,673	4,886	5,010
United Nations . . . . .	<u>4,314</u>	<u>4,488</u>	<u>4,563</u>
TOTAL	8,987	9,374	9,573

16. Total expenditure on salaries, wages and allowances is expected to increase from some \$68.6 million to \$72.5 million, most of the increase (\$3 million) being in the cost of established posts.

# COLLECTION OF CONTRIBUTIONS

17. The following table shows, in respect of 1957 and 1958, the percentage of the current year's contributions collected at 30 June and 30 September, together with the total of contributions outstanding at the later date:

	<u>Percentage of current year's contributions collected at</u>				<u>Total of all contributions outstanding at 30 September</u>	
	<u>30 June</u>		<u>30 September</u>		<u>1957</u>	<u>1958</u>
	<u>1957</u>	<u>1958</u>	<u>1957</u>	<u>1958</u>	Dollars (US)	Dollars (US)
ILO	41.64 <sup>a/</sup>	42.30	77.17 <sup>b/</sup>	78.77 <sup>c/</sup>	2,407,299	2,347,467
FAO	55.40	50.18	82.85	89.31	2,779,010 <sup>d/</sup>	2,592,643 <sup>d/</sup>
UNESCO	15.17 <sup>e/</sup>	64.45 <sup>e/</sup>	40.08 <sup>e/</sup>	86.23 <sup>e/</sup>	19,902,381 <sup>f/</sup>	8,537,068 <sup>f/</sup>
ICAO	65.06	65.95	87.30	92.53	1,338,600	1,248,800
UFU	70.07	74.56	81.58	78.78	94,430	107,559
WHC <sup>g/</sup>	32.98	33.46	90.51	90.72	1,124,838	1,245,299
ITU	86.48	84.62	89.58	87.99	131,643	152,227
WMO						
United Nations	30.06	28.23	69.93	71.48	17,301,352.69	17,204,173.76

a/ Including \$5,007 contributions assessed after the adoption of the budget.

b/ Including \$98,536 contributions assessed after the adoption of the budget.

c/ Including \$17,540 contributions assessed after the adoption of the budget.

	<u>1957</u>	<u>1958</u>
Former Member Governments	\$1,306,724	\$1,306,724
Present Member Governments	\$1,472,286	\$1,285,919

e/ No distinction was made between 1957 and 1958 which together form a two-year financial period. The percentages shown are accordingly for the two-year period.

f/ The comparatively high figure for 1957 is due to the fact that 1957 and 1958 were grouped together, with a single assessment for the two-year period.

g/ These figures relate to the collection of contributions assessed on active Members, excluding China, for which special provisions have been made by the World Health Assembly. The corresponding figures relating to assessments on all Members are 30.36 per cent, 31.15 per cent, 83.18 per cent, 84.34 per cent, \$2,172,498 and \$2,262,979.

18. The scales of assessment according to which the net 1959 appropriations of the United Nations and the larger of the specialized agencies are proposed to be allocated among Member States are shown in an annex to the present report.

19. The budgets of the United Nations, ILO, FAO, UNESCO, WHO and WMO are submitted in United States dollars, the budget of ICAO in Canadian dollars, and the budgets of UPU and ITU in Swiss francs. However, arrangements exist in almost all the organizations for accepting part of the contributions in other currencies. Thus for the year 1959, the larger agencies will accept other currencies as follows:

<u>Organization</u>	<u>Equivalent of</u>	<u>Proportion to total assessments</u>	<u>Other currencies acceptable</u>
ILO	US\$		
FAO	US\$5,000,000	57.50%	Italian lire
UNESCO	US\$ -	up to 66.32% <sup>a/</sup>	Mostly French francs
ICAO	Can.\$133,000	3.62%	French francs, Egyptian Pounds, Thai Baht and Peruvian Soles
WHO	US\$2,273,628	16.37%	Pounds sterling
United Nations	US\$10,440,000 <sup>b/</sup>	22.33%	Pounds sterling, Swiss francs, Netherlands guilders, Belgian francs, Thai Baht, Chilean pesos and Mexican pesos.

<sup>a/</sup> In practice it is likely that about 45 per cent of the contributions will be paid in US dollars and 55 per cent in other currencies.

<sup>b/</sup> In the absence of final arrangements for 1959, the figure provided is in respect of 1958.

# WORKING CAPITAL FUND

20. The amounts approved or proposed for the Working Capital Fund in respect of 1959 in the various organizations are shown in the following table:

	<u>1959 gross budget</u>	<u>Working Capital Fund</u>	<u>Percentage of 1959 gross budget</u>
	Dollars (US)	Dollars (US)	
ILO	8,639,857	2,750,000	31.8
FAO	8,704,670	1,900,000	21.83
UNESCO	12,828,096	3,000,000	23.39
ICAO	4,406,604	900,000	20.4
UFU	619,860	<u>a/</u>	-
WHO	14,287,600 <sup>b/</sup>	3,402,525	23.81
ITU	2,638,014	<u>a/</u>	-
WMO	498,107		
United Nations	60,850,000 <sup>c/</sup>	23,500,000	38.6

a/ In the case of UFU, the working expenses of the International Bureau are advanced by the Swiss Government. Such advances must be repaid at the earliest possible date and any sums outstanding on 31 December of the year of account carry interest as from that date at 5 per cent per annum. A similar procedure applies also to ITU.

b/ Excluding amount appropriated for the undistributed reserve.

c/ Tentative forecast as of 5 December 1958.

21. The general increases in the budgets of the United Nations and the specialized agencies have led to special attention to the levels of their Working Capital Funds. A brief outline of the present position of the Fund in each organization follows:

(a) United Nations: The purposes of the Fund in the United Nations as stated in the annual resolution on the Working Capital Fund, are more varied than in the other organizations, and, in particular, include financing of emergency expenditure for the maintenance of peace and security. Sizeable unforeseen expenditures together with the slower receipt of contributions, by comparison with the other organizations, have resulted in the United Nations having to draw more heavily on its Working Capital Fund. The Secretary-General proposed an increase in the Fund from \$22 million to \$30 million, to be achieved over the two years 1959 and 1960, while the Advisory Committee recommended an increase to \$25 million over the same period.<sup>7/</sup> The Fifth Committee has since decided to recommend action in respect of 1959 as follows:

- (i) To increase the level of the Working Capital Fund from \$22 million to \$23.5 million in 1959, by the transfer to the Fund of the balance on surplus account still available for credit to Members at 31 December 1957 (\$551,170) and by direct additional cash advances in amount of \$948,830;
  - (ii) To authorize the Secretary-General, in the event of urgent need in 1959 and subject to the conditions set out in paragraph 8 of the report of the Secretary-General (A/C.5/743), to borrow, on payment of normal current rates of interest, cash from Special Funds and Accounts in his custody, for purposes which normally relate to the Working Capital Fund.
- (b) ILO: A series of inter-related measures involving the purchase of a property ("Les Fougères" in Geneva) and the Working Capital Fund have been authorized by the International Labour Conference. The end result, in so far as it relates to the Fund, is that a target figure of \$2,750,000 has been established for the Fund, representing

---

6/ For the Advisory Committee's general views on the question of increasing the Working Capital Fund, see A/3939; also para. 22 below.



an increase of \$500,000 over the present (1958) level. The increase will be met by the addition of investment income as it accrues and by assessments on new Members as they join. It is of interest to note that no withdrawal was made in 1957 from the Working Capital Fund to finance budgetary appropriations pending receipt of contributions or other income. During the early weeks of the year, expenditures were financed by the amounts available from the 1956 and earlier surpluses, and by contributions from Member States with which arrangements for particularly early payments have been made.

(c) FAO: The Working Capital Fund was increased, in respect of the financial period 1958-1959, from \$1,750,000 to \$1,900,000. The Director-General had earlier proposed an increase to \$2,000,000. However, the Advisory Committee understands that the cash position of the Organization in 1958 has been favourable, in that some of the larger contributors paid part of their contributions in January, and practically all of the larger contributions were received in February and March. Accordingly, for the first time in many years, it was possible to limit drawings on the Working Capital Fund to requirements in January, in an amount of some \$250,000. There has been no withdrawal since that time, nor is any anticipated in the course of the current year.

(d) UNESCO: There has been little occasion in UNESCO to draw on the Working Capital Fund to meet expenditures pending receipt of contributions, as the organization has had enough cash resources throughout the year as the result of the operation of the Book Coupon Scheme and from accumulated cash surpluses. The Working Capital Fund has been maintained at \$3 million since 1949; the Advisory Committee understands that if the level has not been reduced, it is because neither the continued operation of the Book Coupon Scheme nor the accumulation of surpluses can be taken for granted.

(e) ICAO: Because of difficulties experienced in the existing method of administering the Working Capital Fund and the serious imbalance in the equities of contracting States, the ICAO Assembly decided that, effective 1 January 1959, the equities of contracting States should be

directly related to the current scale of assessments to the General Fund, totalling 1,500 basic units, and that the level of the Fund should be \$900,000, Canadian funds. The reorganization of the Working Capital Fund will be spread over six years. The present level of the Fund is \$1,161,900 although the cash standing to the credit of the Fund as of 13 November 1958 was \$597,000. The relatively low cash balance of the Fund is the result of advances made to the General Fund to finance in part and as necessary the supplementary appropriations approved by the ICAO Council for revised conditions of service for the secretariat in respect of the years 1957 and 1958.

(f) WHO: The size of the Working Capital Fund, which stands at present at \$3,402,525, is under review. Drawings are made from the Fund during the first half of the year, as well as at other times, even though monies may be available in the General Fund in the form of sterling deposits, to meet dollar requirements.

22. In its recent report on the Working Capital Fund of the United Nations (A/3939), the Advisory Committee has dealt with the basic considerations which govern the appropriate level at which the Fund should be maintained. The Committee would reiterate in the present context that the prompt payment by Member States of their contributions is the most logical and economical method of safeguarding the cash position of the organizations and that all other measures, including the maintenance of sizeable working capital funds, are, at the best, practical supplementary arrangements. While the executive heads of the organizations can constantly seek earlier payment of contributions, the Member States alone can ensure that the financial security of the organizations is founded essentially on the prompt payment of assessments, rather than on diverse arrangements for loans and advances.

#### SPECIAL STUDIES OF ADMINISTRATIVE AND BUDGETARY CO-ORDINATION

23. In accordance with the wishes which the General Assembly expressed at its ninth (1954) and tenth (1955) sessions,<sup>8/</sup> and in response to invitations received from the organizations concerned, the Advisory Committee had during 1956 and 1957 completed special studies of the administrative and financial procedures of the

8/ Official Records of the General Assembly, Ninth Session, Annexes, agenda item 43, document A/2861, para. 10; Ibid., Tenth Session, Annexes, agenda item 45, document A/3098, para. 8; also General Assembly resolutions 884 (IX) of 14 December 1954 and 972 (X) of 15 December 1955.

ILO, FAO, UNESCO, WHO and WMO, with particular reference to their activities under the Expanded Programme of Technical Assistance. These studies, which were undertaken at the respective headquarters of the organizations, are the subject of separate reports<sup>9/</sup> which the Advisory Committee has submitted to the eleventh and twelfth sessions of the General Assembly.

24. The Advisory Committee, during 1958, added to this series of special studies by undertaking, at the headquarters of the International Civil Aviation Organization (ICAO) in Montreal, a study of similar questions in respect of that organization. The Committee's comments and observations on this subject have been submitted separately in its fourth report to the thirteenth session of the General Assembly (A/3861).

25. It has not yet been practicable for the Advisory Committee to make a similar study in respect of the International Telecommunication Union (ITU), which is the only organization participating in the Expanded Programme that has not yet been covered. The Committee intends to consider this point in connexion with its work programme for 1959 and, in due course, to submit to the General Assembly an over-all report on administrative and budgetary co-ordination between the United Nations and the specialized agencies, with special reference to the Expanded Programme.

26. One of the basic questions arising from these studies of the administrative and financial procedures of the organizations concerns the identification and allocation of the administrative and operational services costs of the Expanded Programme between the regular and Expanded Programme budgets of the organizations. The Advisory Committee offered some preliminary comments on this question in its special report on FAO (A/3598, paras. 65-71) and added some further observations in its report on the 1958 estimates of the administrative and operational services costs of the Programme (A/3738, para. 21). Following a request by the Technical Assistance Committee (E/3055, para. 35) in terms of General Assembly resolution 1037 (XI) of 26 February 1957, the Advisory Committee prepared a special report on this subject (A/3832) which was made available to the TAC at its 1958 summer session. The recommendations which the Advisory Committee made in that report were subsequently embodied in Economic and Social Council resolution 702 (XXVI) of 31 July 1958.

27. Pursuant to a request from TAC, the Advisory Committee has also offered comment (A/3996) on the 1959 budget estimates of the secretariat of the Technical Assistance Board.

---

9/ A/3142 (ILO), A/3166 (UNESCO), A/3596 (WHO), A/3597 (WMO) and A/3598 (FAO).

# DETAILED COMMENTS ON 1959 BUDGETS OF AGENCIES

28. The Advisory Committee offers below comments on specific points in the 1959 budgets or estimates of the several specialized agencies.

## International Labour Organisation

	<u>1958</u> <u>Appropriations</u> <u>Dollars (US)</u>	<u>1959</u> <u>Appropriations</u> <u>Dollars (US)</u>
Personal services . . . . .	5,819,114	6,166,422
General services . . . . .	2,084,787	2,104,699
Special projects and activities . . . . .	164,000	164,000
Other budgetary provisions . . . . .	6,000	204,736
	<hr/>	<hr/>
Total (gross) . .	8,073,901	8,639,857
<u>Less:</u> Casual revenue . . . . .	101,000	110,000
	<hr/>	<hr/>
Total (net)	7,972,901	8,529,857

29. The Advisory Committee had an opportunity to discuss the 1959 budget of the ILO with the Director-General of the International Labour Office.

30. Of the increase of \$565,956, or 7.01 per cent, in the 1959 gross budget, by comparison with the 1958 appropriations, some \$284,000 arises in the ordinary budget covering the normal expenses of the organization; about \$199,000 is attributable to repayment of Working Capital Fund advances of 1957, about \$66,000 to net increase for Staff Pensions Funds, accounted for by the amortization of the cost of a 40 per cent increase in the pensions payable under the regulations of the ILO Staff Pensions Fund,<sup>10/</sup> and the balance of some \$17,000 to the increased cost of facilities in additional languages.

31. A major part of the increase of \$284,000 under the ordinary budget, to an amount of \$178,000, is in respect of salaries, wages and fees and includes about

<sup>10/</sup> The ILO Staff Pensions Fund, which was closed to new admissions on 27 May 1946 was formerly the League of Nations Staff Pensions Fund. Eligible ILO staff who are not members of the ILO Staff Pensions Fund participate in the United Nations Joint Staff Pension Fund.

\$72,000 for statutory allowances, adjustments and increments, \$20,000 for sixteen new General Service posts and \$16,000 for salary costs of the new African Field Office based on a six months' operation in 1959. An amount of \$80,000 is provided for the undertaking of factual surveys relating to freedom of association, a subject in which, the Advisory Committee understands, the ILO acts in close co-ordination with the United Nations. In addition, increases occur in the provision for home leave costs, common staff costs and the expenses in respect of branch offices and national correspondents. In connexion with the last of these items of increase, it is noted that in 1959 three new branch offices (Moscow, Buenos Aires and Cairo)<sup>11/</sup> and two additional (net)<sup>12/</sup> posts of national correspondents are to be established.

32. The Advisory Committee understands that the general review of the programme of meetings of the ILO which was undertaken by a special committee of the Governing Body (A/3767, para. 25)<sup>13/</sup> has now been completed and that the special committee's report will be considered by the Governing Body in November 1958. In this connexion, the Director-General has made a specific proposal to the effect that the annual programme of meetings should provide for not more than four conferences, including one regional conference, in addition to the International Labour Conference and sessions of the Governing Body.

33. While the need for occasional ad hoc meetings on matters of urgency cannot entirely be excluded, the advance formulation of a pattern of conferences in respect of a reasonably long-term period will promote the holding of well-prepared and fruitful meetings, as well as the orderly and economical use of the appropriate facilities and resources. The Advisory Committee accordingly supports the efforts that are being made in the ILO in this regard.

34. The added emphasis that has been given within the United Nations to work in the field of industrialization has had an immediate impact on several specialized

---

<sup>11/</sup> There are at present nine branch offices, located at Paris, London, Washington, New Delhi, Rome, Ottawa, Bonn, Tokyo and Rio de Janeiro.

<sup>12/</sup> The 1959 estimate provides for thirty-nine National Correspondents, as against thirty-seven in 1958.

<sup>13/</sup> Official Records of the General Assembly, Twelfth Session, Annexes, agenda item 48.



agencies, and particularly the ILO. There has thus been an effort to strengthen ILO activities in such fields as manpower and training programmes, labour-management relations, and the development and adjustment to industrialization in the under-developed countries. A recent case in point is the submission by the Director-General to the Governing Body (November 1958) of certain proposals in regard to management development. Apart from the importance of the question itself, the Director-General's action is also indicative of the need for, and the usefulness of, forward planning of programmes, especially in such complex fields as industrialization and productivity where a balanced and concerted attack on several fronts is necessary to meet the several different problems that arise. This, in fact, is another instance of the type of approach implied in the five-year appraisal of programmes which is being undertaken by the Economic and Social Council (see paragraphs 8 to 11 above).

Food and Agriculture Organization

	<u>1958</u> <u>Appropriations<sup>a/</sup></u> <u>Dollars (US)</u>	<u>1959</u> <u>Appropriations<sup>a/</sup></u> <u>Dollars (US)</u>
Personal services . . . . .	6,221,505	6,637,895
General services . . . . .	1,914,825	1,907,775
Special projects and activities . . .	50,000	50,000
Other budgetary provisions . . . . .	109,000	109,000
	<hr/>	<hr/>
Total (gross) . .	8,295,330	8,704,670
<u>Less:</u> Casual revenue . . . . .	177,500	177,500
	<hr/>	<hr/>
Total (net) . . .	8,117,830	8,527,170

<sup>a/</sup> Figures represent allotments for 1958 and balance available for 1959, as of 1 November 1958, based on a total biennial appropriation of \$17 million for 1958-1959.

35. The Advisory Committee had an opportunity of discussing the 1958-1959 budget of FAO, with particular reference to the 1959 part, with representatives of the Director-General of FAO.



36. At its ninth session held in November 1957, the FAO Conference decided to adopt a system of biennial budgeting as from the financial period 1958-1959. This, in effect, means, the introduction of a two-year financial period; a single set of appropriations covers both calendar years 1958 and 1959.<sup>14/</sup> At the same time, the Conference approved a new financial regulation 4.5 reading as follows:

"(a) The Director-General shall so apportion and manage appropriations made for the financial period as to ensure that adequate funds will be available to meet expenditures during the entire financial period, and that the obligations and expenditures follow, in general, the financial plans contemplated by the Programme of Work and Budget approved by the Conference. There shall be no concentration of obligations or expenditure in any one calendar year, except as approved by the Conference, and under no circumstance shall any balance accruing during the financial period be used for any purpose which may involve additional obligations for Member Nations and Associate Members in future financial periods for the continuation of such projects or activities.

"(b) The Finance Committee shall review annually the Director-General's fund allotment and apportionment controls to determine that they meet adequately the objectives of this regulation."

37. In operating the 1958/1959 biennial budget, the Director-General has issued annual allotments for the first calendar year of the biennium (1958); the balance is available for expenditure in 1959. It is, however, within the Director-General's authority to amend the distribution of funds between the two years, within the terms of the Financial Regulation quoted above, so that the figures given above and in the following paragraphs cannot be taken as final, but only as reflecting the position as at 1 July 1958.

38. The balance available for 1959 represents an increase of \$409,340, or 4.93 per cent, over the 1958 allotments. Apart from minor variations, the increase is due to:

- (a) The Conference session, and additional Council sessions, in 1959;
- (b) The establishment in 1959 of the African Regional Office;

---

<sup>14/</sup> The annual contributions of member States are assessed on the basis of one-half of the net biennial budget (after deduction of miscellaneous income).

(c) The full-year cost in 1959 of certain posts, notably those involved in the strengthening of FAO regional activities, which were covered for only part of the year in the 1958 allotments;

(d) Salary increments.

39. The FAO Conference, at its ninth session, unanimously approved the Director-General's proposals for the strengthening of the regional organization of FAO.<sup>15/</sup> These proposals, which aim at a more effective and expeditious field machinery for FAO's programme of direct advice and assistance to Governments, involve both a strengthening of the technical expertise in the regional offices and a broadening of the responsibilities of the Regional Representatives.

40. Another matter which is currently under examination by the FAO Council relates to the Director-General's proposals for a reorganization of the headquarters secretariat. The proposed reorganization constitutes an attempt to facilitate a greater measure of central control and co-ordination of the activities of the several divisions of the secretariat, thereby emphasizing its basic unity. This approach is also expected to contribute to the development of an integrated programme for the whole of the organization as opposed to a collection of individual programmes of four or five technical divisions. Thus a main feature of the reorganization is the regrouping of technical and economic activities into new divisional units under two major departments. Various legal and public relations functions are drawn together in a third department. A strengthened Programme and Budgetary Service is included in the Office of the Director-General.

---

<sup>15/</sup> See document A/3598, paragraphs 30-32, for an outline of the proposals for the strengthening of the Regional Offices, and the Advisory Committee's comments thereon.

United Nations Educational, Scientific and Cultural Organization

	<u>1958</u> <u>Appropriations</u> <u>Dollars (US)</u>	<u>1959</u> <u>Estimates</u> <u>Dollars (US)</u>
Personal services . . . . .	6,199,303	6,248,471
General services . . . . .	2,268,305	2,421,112
Special projects and activities . . . . .	3,069,815	3,527,758
Other budgetary provisions . . . . .	587,186	630,755
Total (gross) . . . . .	12,124,609	12,828,096
Less: Casual revenue . . . . .	263,632	213,000
Total (net) . . . . .	11,860,977	12,615,096

41. The Advisory Committee had an opportunity to discuss the 1959-1960 estimates of UNESCO with representatives of the Director-General of the organization.

42. Since UNESCO's financial period covers two consecutive calendar years, the 1959 estimates given above are based on the Director-General's proposed programme and budget for 1959-1956 as revised,<sup>16/</sup> which will be submitted to the tenth session of the UNESCO General Conference, held at Paris in November-December 1958.

43. In accordance with the time-table for the preparation of the Proposed Programme and Budget for 1959-1960, established by the UNESCO General Conference at its ninth (1956) session, the Director-General undertook extensive consultations with the Executive Board, the member States, the United Nations and specialized agencies, and international non-governmental organizations in developing his proposals. In May-June 1957, having examined the preliminary proposals of the Director-General on the programme content and the spending level for 1959-1960, the Executive Board provided certain advice to the Director-General as a guide to him in the preparation of the programme and budget. Accordingly, the Director-General prepared his proposals as embodied in document 10 C/5 and transmitted them in October 1957 to member States, the United Nations and specialized agencies and international non-governmental organizations for their

<sup>16/</sup> UNESCO document 10 C/5 Rev.

comments. In the light of the comments and observations received from these sources, the Executive Board examined in April-May 1958 the Director-General's proposals and made certain provisional comments thereon. On the basis of the comments of the Executive Board and of the other observations received, the Director-General revised his proposals (10 C/5 Rev.) for submission to the General Conference.

44. The Advisory Committee understands that the procedure outlined above, which for the first time has been applied in respect of the Programme and Budget for 1959-1960, has proved useful in developing a well-considered programme based on a large degree of advance planning. While certain aspects of this programming procedure may be simplified in future, it essentially represents a constructive approach to the long-term development of a cohesive and integrated plan of action in UNESCO's fields of competence.

45. The Director-General has proposed a total spending level for 1959-1960 of \$24,653,128,<sup>17/</sup> or \$1,973,490 above the approved spending budget for 1957-1958. The increase is primarily due to an expansion of programme activities, to the amortization of the headquarters construction loan, and to maintenance costs of the new headquarters. For the headquarters costs of the UNESCO technical assistance programme, the Director-General subsequently proposed the inclusion of some \$500,000 in the UNESCO regular budget, to be financed from the Special Account of the Expanded Programme, in accordance with the decision of the Economic and Social Council, at its twenty-sixth session.

46. The new building in Paris to house the headquarters of UNESCO was formally inaugurated on 3 November 1958. The building, which has been constructed and furnished at a cost equivalent to some \$9 million, financed through an interest-free loan from the French Government, will also provide accommodation for the United Nations Information Centre, the permanent delegations to UNESCO and various non-governmental organizations accredited to UNESCO. The Advisory Committee has previously noted the fact that negotiations between ICAO and UNESCO

---

<sup>17/</sup> The spending level for 1959-1960 excludes an undistributed reserve of \$1,273,622 representing the amount of contributions (5 per cent) which, it is anticipated, will not be received.

to locate the ICAO Regional Office for Europe and Africa in the premises of the new UNESCO headquarters proved abortive (A/3767, para. 45).<sup>18/</sup>

47. In accordance with a decision taken by the UNESCO General Conference at its ninth (1956) session, following the special study made by the Advisory Committee in 1956 (A/3166), an administrative management survey of UNESCO was conducted in November-December 1957 by three outside experts appointed by the Director-General. Their findings, although, of necessity, more specific and detailed, followed in the main the general lines of the Advisory Committee's special report, especially on such matters as the closer integration of the regular and technical assistance programmes and of their administration, and the need for a clearer delimitation of the functions and responsibilities of the Executive Board, on the one hand, and of the Director-General, on the other.

48. A specific recommendation of the management survey group, which is of special interest to the Advisory Committee, is that all administrative functions in UNESCO should be consolidated and co-ordinated under one senior official of the rank of an Assistant Director-General, or through redistribution of functions between the existing two posts at the Assistant Director-General level. The Director-General, while generally accepting this proposal, felt that a Director (D-2) level, rather than the level of an Assistant Director-General, would be appropriate for the post. The Executive Board has decided to recommend against the setting-up of a new post at the D-2 level for this purpose. A decision on this point, as on other related questions, will be taken by the General Conference in November-December 1958.

49. In the light of the current special interest in public information activities in the United Nations, the Advisory Committee notes that UNESCO expenditures in the field of mass communication amount approximately to 12 per cent of the total budget of some \$12 million a year. One-half of this 12 per cent represents expenditure on public information.

---

<sup>18/</sup> Official Records of the General Assembly, Twelfth Session, Annexes, agenda item 48.



International Civil Aviation Organization

	<u>1958</u> <u>Appropriations</u> <u>Dollars (US)</u>	<u>1959</u> <u>Appropriations</u> <u>Dollars (US)</u>
Personal services . . . . .	3,184,750	3,481,600
General services . . . . .	781,050	916,403
Special projects and activities . . . . .	30,000	-
Other budgetary provisions . . . . .	5,600	8,601
	<hr/>	<hr/>
Total (gross) . . . . .	4,001,400	4,406,604
<u>Less:</u> Casual revenue . . . . .	584,753	734,604
	<hr/>	<hr/>
Total (net)	3,416,647	3,672,000

50. The Advisory Committee, during its visit to the headquarters of ICAO in June 1958, undertook a broad over-all review of the administrative and budgetary aspects of the activities of that organization. The resultant report of the Committee (A/3861), though mainly concerned with ICAO's participation in the Expanded Programme of Technical Assistance, also touched upon certain general questions of programming procedures, secretariat structure, administration and finance.

51. The Committee has since had an opportunity of discussing with a representative of the Secretary-General of ICAO the details of the 1959 budget of the organization.

52. The ICAO Council has accepted an invitation of the Government of the United States of America to hold the twelfth session of the ICAO Assembly in San Diego, California, beginning 16 June 1959. The Advisory Committee understands that the United States Government has agreed to meet the "extra" costs involved up to a limit of \$200,000, resulting thereby in a cost to the ICAO budget of more or less the same as the cost of an Assembly session in Montreal (\$85,000).

53. The San Diego session will be a full-scale Assembly, with Technical, Economic and Administrative Commissions, as compared with the Administrative Session convened in 1958; the inclusion of a Legal Commission is under consideration. The 1959 Assembly is expected to take a decision on the question of holding full-scale sessions only once in three years.

/...



Universal Postal Union

	<u>1958</u> <u>Estimates</u> <u>Dollars (US)</u>	<u>1959</u> <u>Estimates</u> <u>Dollars (US)</u>
Personal services . . . . .	232,944	305,140
General services . . . . .	223,364	289,019
Special projects and activities . . . .	184,112	25,701
Other budgetary provisions . . . . .	-	-
Total (gross) . . .	640,420	619,860
<u>Less:</u> Casual revenue	<u>31,075</u>	<u>31,776</u>
Total (net) . . . .	609,345	588,084

54. The following comments are based on a study of official documentation supporting the 1959 budget of UPU. The definitive budget for 1959 has still to be approved by the Swiss Supervisory Authority.

55. The ceiling for the Union's ordinary expenditure (article 110 of the 1952 Brussels Convention) was raised from 1,300,000 to 1,750,000 gold francs (i.e. from 1,857,000 to 2,500,000 Swiss francs, or from \$US433,878 to \$US584,112) by the XIVth Universal Postal Congress, which met at Ottawa in 1957, but the provisions adopted by the Congress will not enter into force until 1 April 1959.

56. The provisional budget estimates for 1959, which amount to 2,653,000 Swiss francs (\$619,860), include a gross ordinary expenditure of 2,326,000 Swiss francs (\$543,458) and a gross extraordinary expenditure of 327,000 Swiss francs (\$76,402). Increases occur in staff costs due to an increase in the number of staff from thirty-six in 1958 to forty-three in 1959 and to a revision of pay scales, and in the cost of general services because of the rise in prices of supplies and furniture. These increases are, however, more than offset by a reduction in the expenditure on special activities, which in 1958 included substantial amounts for the printing of the Acts adopted by the 1957 Congress.

57. On the basis of a report by a sub-committee established by the Ottawa Congress, the Executive and Liaison Committee of UPU in May 1958 adopted a resolution containing recommendations to the Swiss Supervisory Authority concerning revisions in UPU staff salaries, along the lines of the adjustments in force in ITU.

World Health Organization

	<u>1958</u> <u>Appropriations</u> <u>Dollars (US)</u>	<u>1959</u> <u>Appropriations</u> <u>Dollars (US)</u>
Personal services . . . . .	8,405,677	8,773,200
General services . . . . .	3,370,290	3,456,823
Special projects and activities . . . . .	1,605,163	1,872,577
Other budgetary provisions . . . . .	185,000	185,000
	<hr/>	<hr/>
Total (gross) . . . . .	13,566,130	14,287,600
<u>Less:</u> Casual revenue . . . . .	358,000	400,000
	<hr/>	<hr/>
Total (net) . . . . .	13,208,130	13,887,600

58. The Advisory Committee had an opportunity to discuss the 1959 budget of WHO with representatives of the Director-General.

59. The gross total in the above table for each year represents the "effective working budget", or the amount approved for actual expenditure; it is exclusive of an undistributed reserve (1958: \$1,203,030; 1959: \$1,078,060) equalling the assessments against "inactive" members<sup>19/</sup> and China.

60. The effective working budget for 1959 represents an increase, by comparison with 1958, of \$721,470, or 5.32 per cent. Of this increase, some \$600,000 relates to an expansion of field activities; most of the remainder of the increase occurs in respect of statutory costs relating to established posts, both at headquarters and in the regional offices.

61. Apart from the regular budget, WHO's participation in the Expanded Programme of Technical Assistance is estimated at some \$5.6 million in 1959, while the malaria eradication programme financed from a special account for that purpose is set at \$4.9 million. In addition, a special contribution of \$300,000 to be used for planning co-ordinated world-wide medical research was made to the organization and will be used primarily in 1959, though a portion was obligated in 1958. Although the monetary value of the gifts has not yet been established,

<sup>19/</sup> There are at present three "inactive" members: Byelorussian SSR, Hungary, Ukrainian SSR.

the organization also has received one contribution of 25 million doses of smallpox vaccine and another contribution of 2 million doses of smallpox vaccine has been pledged annually for anti-smallpox campaigns. The Pan American Health Organization, which serves as the Regional Organization for the Americas, has an independent approved budget of \$5.6 million for 1959 and a programme of some \$3.3 million for malaria eradication in the Americas to be financed from PAHO's Special Malaria Fund. It may be seen that the total programme planned to be financed from funds available to the World Health Organization totals some \$25 million in 1959 and that the programme to be financed from funds available to the Pan American Health Organization totals an additional \$6.9 million. It is also estimated that Governments would, in 1959, provide a total of \$57.8 million towards implementation of projects assisted by WHO in their countries.

62. Two new items in WHO's programme of work are worthy of note: a plan for an intensified programme of research in the etiology, treatment and prevention of diseases common to mankind, including such chronic diseases as cancer and heart disease; and the problem of world-wide eradication of smallpox.

63. The Eleventh (1958) World Health Assembly considered the Director-General's review of the long-term requirements for accommodation of the headquarters office at Geneva and the measures to be taken to meet these requirements. The Director-General was requested to proceed with a study on accommodation which would be suitable and adequate for the organization's headquarters, and to present a plan of action to the Executive Board at its session in January 1959 and to the Twelfth (1959) World Health Assembly. The Advisory Committee understands that this study would also cover, as one of the possibilities, the construction of a new headquarters building for WHO in Geneva.

64. The Advisory Committee has noted with interest that, of the total estimated cost of \$655,000 for the new building in Manila to house the Western Pacific Regional Office of WHO, about \$490,000 will be met from voluntary contributions of member Governments of the region, and the balance from the regular budget of the organization.

65. Another point which merits notice in connexion with WHO's financial arrangements relates to the currency of contributions. Probably because the

organization's activities are decentralized to a great extent, WHO for 1959 will accept 16.37 per cent of total assessments on "active" members in non-dollar currencies. This, in turn, has perhaps resulted in a relatively more favourable experience in WHO with the collection of contributions (from active members), as compared with other organizations.

66. The Advisory Committee understands that the Director-General will be submitting supplementary estimates to the Executive Board and the World Health Assembly, including the shortfall in the lump sum amount which is expected to be available in 1959 from the Expanded Programme of Technical Assistance for administrative and operational services costs. This shortfall results from the statutory increases for existing staff.

International Telecommunication Union

	<u>1958</u> <u>Appropriations</u> <u>Dollars (US)</u>	<u>1959</u> <u>Appropriations</u> <u>Dollars (US)</u>
Personal services . . . . .	1,768,107	2,042,196
General services . . . . .	368,248	559,439
Special projects and activities . . . . .	-	-
Other budgetary provisions . . . . .	20,759	36,379
	<hr/>	<hr/>
Total (gross) . .	2,157,114	2,638,014
<u>Less:</u> Casual revenue . . . . .	486,125	319,743
	<hr/>	<hr/>
Total (net) . .	1,670,989	2,318,271

67. The Advisory Committee had an opportunity to discuss the 1959 budget of ITU with a representative of the Acting Secretary-General of the Union.

68. The above appropriations cover the "ordinary" expenses of ITU and the "extraordinary" expenditures which relate to meetings of various bodies of the Union. In addition to these appropriations, ITU has a supplementary publications budget, which for 1959 has been approved at \$461,687.

69. The amounts approved for the ordinary, extraordinary and publications budgets in respect of 1958 and 1959 are as follows:

	<u>1958</u> \$	<u>1959</u> \$
Ordinary budget . . . . .	1,753,610	1,587,314
Extraordinary budget . . . . .	403,504	1,050,700
Supplementary publications budget . . . . .	380,318	461,687

70. Although the 1958 budget was the last under Protocol IV to the International Telecommunication Convention, Buenos Aires (1952), the Council of the Union decided to draw up the 1959 ordinary budget also within the limits specified in that Protocol. The reduction of \$166,296 in the ordinary budget for 1959, by comparison with 1958, is explained chiefly by a decrease in the contributions to be paid into the Staff Superannuation and Benevolent Funds in 1959. With regard to the extraordinary budget for 1959, the increase of \$647,196 over the 1958 provision is due in the main to the proposed holding of two major conferences in 1959: the Administrative Radio Conference, and the ITU Plenipotentiary Conference. It is expected that the relatively heavy conference schedule of 1958 and 1959 will be followed by two or three years of light meeting programmes.

71. Among the more important administrative and financial matters that will be considered by the 1959 Plenipotentiary Conference will be the finances of the Union for the next few years, the question of a consolidated budget to cover all expenses of the Union and the assimilation of ITU salary scales to the common United Nations system.

World Meteorological Organization

	<u>1958</u> <u>Appropriations</u> <u>Dollars (US)</u>	<u>1959</u> <u>Appropriations</u> <u>Dollars (US)</u>
Personal services . . . . .	322,407	363,951
General services . . . . .	154,335	127,718
Special projects and activities . . . . .	2,479	1,500
Other budgetary provisions . . . . .	3,310	4,938
	<hr/>	<hr/>
Total (gross) . . . . .	482,531	498,107
<u>Less:</u> Casual revenue . . . . .	13,500	13,500
	<hr/>	<hr/>
Total (net) . . . . .	469,031	484,607

/...

72. The maximum expenditure approved by members of the organization for the second financial period (1956-1959) amounts to \$1,770,008. This is made up of the sum of \$1,700,000 approved by the Second WMO Congress, held in Geneva in 1955, and \$70,008, approved by postal ballot as a supplementary estimate, upon the recommendation of the Executive Committee in 1957, with a view to overcoming certain financial difficulties foreseen for the years 1958 and 1959.

73. The budget for 1959, the last year of the current four-year financial period, was approved by the Executive Committee in May 1958. The relevant resolution provides for the reappropriation of the surpluses that may arise from savings in the 1958 budget, to the corresponding parts of the 1959 budget.

74. The meteorological Data Centre for the International Geophysical Year (IGY) is operated by WMO on a self-financing basis by supplying the data to members against payment. Initial working capital for this project was made available by the utilization for the purpose of the surplus of the first financial period of about \$114,000. The Advisory Committee understands that advance payment of subscriptions in respect of the reproduced data is being received at a good rate and that the programme will reach a level in 1959 of \$90,000 as against \$87,000 in 1958.



ANNEX

SCALES OF ASSESSMENTS: UNITED NATIONS AND LARGER SPECIALIZED AGENCIES - 1959

<u>Members<sup>a/</sup></u>	<u>United Nations</u> (Per cent)	<u>ILO</u> (Per cent)	<u>FAO</u> (Per cent)	<u>UNESCO</u> (Per cent)	<u>ICAO</u> (units)	<u>WHO</u> (units)
Afghanistan	0.06	0.12	0.08	0.06	2	8
Albania	0.04	0.12	-	0.04	-	b/
Argentina	1.11	1.55	1.54	1.05	19	137
Australia	1.79	1.88	2.17	1.69	35	195
Austria	0.43	0.35	0.47	0.41	5	42
Belgium	1.30	1.40	1.67	1.23	23	150
Bolivia	0.04	0.12	0.07	0.04	2	7
Brazil	1.02	1.54	1.43	0.96	29	128
Bulgaria	0.16	0.20	-	0.15	-	17
Burma	0.08	0.16	0.14	0.07	2	12
Byelorussian Soviet Socialist Republic	0.47	0.45	-	0.44	-	56
Cambodia	0.04	-	0.04	0.04	2	b/
Canada	3.11	3.53	4.17	2.94	62	373
Ceylon	0.10	0.13	0.15	0.09	2	13
Chile	0.27	0.36	0.39	0.25	6	35
China	5.01	2.04	-	4.74	10	605
Colombia	0.31	0.41	0.49	0.29	12	-
Costa Rica	0.04	0.12	0.04	0.04	2	b/
Cuba	0.25	0.32	0.35	0.23	6	31
Czechoslovakia	0.87	0.93	-	0.82	13	99
Denmark	0.60	0.78	0.86	0.57	13	77
Dominican Republic	0.05	0.12	0.07	0.05	2	7

<sup>a/</sup>Footnotes at end of table.

<u>Members</u>	<u>United Nations</u> (Per cent)	<u>ILO</u> (Per cent)	<u>FAO</u> (Per cent)	<u>UNESCO</u> (Per cent)	<u>ICAO</u> (units)	<u>WHC</u> (units)
Ecuador	0.06	0.12	0.07	0.06	2	7
El Salvador	0.05	0.12	0.08	0.05	2	8
Ethiopia	0.06	0.12	0.15	0.06	2	13
Federation of Malaya	0.17	0.22	0.30	0.16	3	26
Federation of Rhodesia and Nyasaland	-	-	-	-	-	3
Finland	0.36	0.30	0.49	0.34	7	43
France	6.40	6.10	7.51	6.05	109	672
Germany, Federal Republic of	-	4.34	5.60	5.04	73	501
Ghana	0.07	0.12	0.09	0.06	2	8
Greece	0.23	0.21	0.26	0.22	4	24
Guatemala	0.05	0.12	0.09	0.05	2	8
Haiti	0.04	0.12	0.04	0.04	2	b/
Honduras	0.04	0.12	0.04	0.04	2	b/
Hungary	0.42	0.42	-	0.40	-	47
Iceland	0.04	0.12	0.04	-	2	b/
India	2.46	3.32	3.91	2.33	43	350
Indonesia	0.47	0.43	0.67	0.44	11	60
Iran	0.21	0.31	0.35	0.20	3	31
Iraq	0.09	0.13	0.16	0.08	2	14
Ireland	0.16	0.28	0.24	-	5	22
Israel	0.14	0.12	0.22	0.13	4	20
Italy	2.25	2.42	2.74	2.13	39	246
Japan	2.19	2.00	2.59	2.07	35	231
Jordan	0.04	0.12	0.04	0.04	2	b/

<u>Members</u>	<u>United Nations</u> (Per cent)	<u>ILO</u> (Per cent)	<u>FAO</u> (Per cent)	<u>UNESCO</u> (Per cent)	<u>ICAO</u> (units)	<u>WHO</u> (units)
Korea, Republic of	-	-	0.18	0.20	3	b/
Laos	0.04	-	0.04	0.04	2	b/
Lebanon	0.05	0.12	0.07	0.05	3	7
Liberia	0.04	0.12	0.04	0.04	2	b/
Libya	0.04	0.12	0.04	0.04	2	b/
Luxembourg	0.06	0.12	0.08	0.06	2	8
Mexico	0.71	0.77	0.92	0.67	22	82
Monaco	-	-	-	0.04	-	b/
Morocco	0.14	0.14	0.16	0.13	2	14
Nepal	0.04	-	0.04	0.04	-	b/
Netherlands	1.01	1.22	1.51	0.95	39	135
New Zealand	0.42	0.50	0.57	0.40	7	51
Nicaragua	0.04	0.12	0.04	0.04	2	b/
Nigeria	-	-	-	-	-	3
Norway	0.49	0.53	0.65	0.46	11	58
Pakistan	0.40	0.71	0.73	0.38	9	65
Panama	0.04	0.12	0.07	0.04	-	7
Paraguay	0.04	0.12	0.04	0.04	2	b/
Peru	0.11	0.21	0.20	0.10	2	18
Philippines	0.43	0.37	0.54	0.41	7	48
Poland	1.37	1.24	2.05	1.29	26	183
Portugal	0.20	0.31	0.32	-	4	29
Romania	0.34	0.50	-	0.32	-	59
Saudi Arabia	0.06	-	0.09	0.06	-	8
Sierra Leone	-	-	-	-	-	3
Spain	0.93	1.14	1.50	0.88	18	133
Sweden	1.39	1.73	1.93	1.31	24	173
Switzerland	-	1.44	1.32	0.92	19	119

/...

<u>Members</u>	<u>United Nations</u> (Per cent)	<u>ILO</u> (Per cent)	<u>FAO</u> (Per cent)	<u>UNESCO</u> (Per cent)	<u>ICAO</u> (units)	<u>WHO</u> (units)
Thailand	0.16	0.21	0.22	0.15	3	20
Tunisia	0.05	0.12	0.07	0.05	2	7
Turkey	0.59	0.77	0.82	0.56	9	73
Ukrainian Soviet Socialist Republic	1.80	1.00	-	1.70	-	217
Union of South Africa	0.56	0.91	0.90	-	12	81
Union of Soviet Socialist Republics	13.62	10.00	-	12.88	-	1,644
United Arab Republic	0.32	0.59	0.47(Egypt) 0.11(Syria)	0.30	8	51
United Kingdom of Great Britain and Northern Ireland	7.78	10.08	10.29	7.36	142	920
United States of America	32.51	25.00	32.51	30.74	495	c/
Uruguay	0.12	0.19	0.22	0.11	2	20
Venezuela	0.50	0.42	0.57	0.47	11	51
Viet-Nam	-	0.21	0.22	0.19	3	20
Yemen	0.04	-	0.04	-	-	b/
Yugoslavia	0.35	0.42	0.47	0.33	-	42
	100.00	100.00	100.00	100.00	1,500	8,688

a/ A dash (-) against a State indicates that it is not a member of the organization concerned.

b/ Minimum assessment of 0.04 per cent.

c/ Special Assessment on largest contributor representing 32.51 per cent of active members' assessments.