

UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/9435
10 December 1973

ORIGINAL: ENGLISH

Twenty-eighth session
Agenda item 78

SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1973

Report of the Fifth Committee

Rapporteur: Mr. Ernesto C. GARRIDO (Philippines)

1. At its 1612th, 1613th and 162nd meetings, held on 28 and 29 November and 10 December 1973 respectively, the Fifth Committee considered the supplementary estimates for the financial year 1973 on the basis of the report of the Secretary-General (A/9206) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/9340).
2. In his report, the Secretary-General submitted revised estimates that would have increased the appropriations for 1973 by a total of \$8,115,000. The Secretary-General also submitted revised estimates of income involving an increase in the approved estimates of income other than income from staff assessment by \$176,000 to a total of \$8,751,800, and an increase in income from staff assessment by \$1,467,000 to a total of \$28,850,000 resulting in a net increase of \$1,643,000 in the total estimated income. On this basis, the net effect in the assessment level for 1973 would have been an increase of \$6,472,000.
3. In his report the Secretary-General stated that the foremost reason for the additional requirements for 1973 was the result of the progressive devaluation of the United States dollar since the beginning of the year. The increase due to the effects of devaluation was estimated at \$10,920,500, to which was added an amount of \$505,200 representing additional commitments incurred under General Assembly resolution 3045 (XXVII) on unforeseen and extraordinary expenses for the financial year 1973. The Secretary-General explained that he was able to achieve certain savings amounting to \$3,310,700 which partially offset the increases described above, leaving a total increase in the appropriation of \$8,115,000 (A/9206, para. 6). In addition, he stated that this amount could be further reduced by the application, subject to the approval of the General Assembly, of a further net savings in the amount of \$685,298, which became apparent after the 1972 accounts were finally closed (\$255,046 in savings from 1972 expenditure appropriations and \$430,252 in increased income).

4. On the basis of the above, the Advisory Committee on Administrative and Budgetary Questions concurred in the estimates proposed by the Secretary-General after taking into account, in paragraphs 5 to 7 of its report (A/9340), certain adjustments, amounting to a net increase in the expenditure appropriations of \$40,000, resulting from decisions with financial implications taken by the General Assembly at the current session. Accordingly, the Advisory Committee recommended that the gross expenditure budget for 1973 should be set at \$233,820,374, and that the estimate of income for 1973 should be \$38,032,052 as recommended by the Secretary-General.
5. Some delegations, in the course of the discussion, reiterated their objections to the submission of supplementary estimates. Strict control should be exercised over expenditure in order to ensure that appropriations were not exceeded, and additional expenditure resulting from unforeseen circumstances should be met through savings in other sections. In this connexion, reference was made to the relevant paragraphs in the report of the Secretary-General (A/9206). Other delegations, however, emphasized the importance of supplementary estimates as part of their budgetary system.
6. Concern was expressed by some delegations regarding the contributions by some Member States to part V (Technical programmes) in national non-convertible currencies. In the view of these delegations, such a practice could jeopardize the implementation of the programmes under this heading and was contrary to the spirit of the Charter of the United Nations. Moreover, these delegations stressed that provision for technical programmes under part V was rightly included in the regular budget.
7. Other delegations reiterated their objection, in principle, to the inclusion of provisions for technical assistance in the regular budget which, in their view, was intended for administrative purposes. These delegations maintained their position regarding their contributions to part V of the budget and were of the opinion that appropriate steps should be taken by the Secretariat to ensure the fullest possible use of their non-convertible currencies.
8. One delegation reiterated its long-standing position of principle with regard to the expenditure relating to the United Nations bond issue under section 20 which it believed should be financed by means of a special scale of assessment different from that established for the regular budget, and taking into account the interests of developing countries. Some delegations reiterated their objection to the inclusion in the regular budget of certain items of expenditure which they considered to be in contravention of the Charter, among them the United Nations Commission for the Unification and Rehabilitation of Korea (UNCURK), the United Nations Memorial Cemetery in Korea and the United Nations bond issue.
9. Other comments made by delegations in the course of discussion on this item as well as statements made by the Chairman of the Advisory Committee on Administrative and Budgetary Questions and the representative of the Secretary-General appear in the summary records of the 1612th and 1613th meetings of the Committee (A/C.5/SR.1612 and SR.1613).

DECISIONS OF THE FIFTH COMMITTEE

10. At its 1612th and 1613th meetings the Committee voted, section by section, on the revised appropriations as follows:

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Appropriation section	Revised estimate	In favour	Against	Abstentions
	(US dollars)			
1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies	1 568 670	80	0	1
2. Special meetings and conferences	2 137 900	70	7	2
3. Salaries and wages	102 489 600	73	9	2
4. Common staff costs	23 423 000	75	6	1
5. Travel of staff	2 997 150	73	9	1
6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations; hospitality	160 000	86	0	1
7. Construction, alteration, improvement and major maintenance of premises	11 657 900	77	0	12
8. Permanent equipment	1 267 800	74	0	11
9. Maintenance, operation and rental of premises	8 285 000	72	9	2
10. General expenses	7 233 900	69	8	5
11. Printing	3 155 200	adopted without objection		
Part V. Technical programmes	7 520 000	78	8	2
15. United Nations Conference on Trade and Development	14 558 900	76	8	2
16. United Nations Industrial Development Organization	16 824 600	78	5	3
17. Special missions	9 324 600	66	12	11

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Appropriation section	Revised estimate	In favour	Against	Abstentions
	(US dollars)			
18. Office of the United Nations High Commissioner for Refugees	6 655 900	69	9	2
19. International Court of Justice .	1 962 400	71	11	1
20. Special expenses	11 012 900	64	13	3
21. United Nations Environment Programme	1 840 000	72	0	10

11. The Committee then unanimously approved the revised estimates of income for the financial year 1973 totalling \$38,032,052.

12. At its 1621st meeting, the Fifth Committee adopted draft resolution A by 67 votes to 10, with 3 abstentions; and the Committee then adopted draft resolution B without objection (see paragraph 13 below).

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RECOMMENDATIONS OF THE FIFTH COMMITTEE

13. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolutions:

Supplementary estimates for the financial year 1973

A

Budget appropriations for the financial year 1973

The General Assembly

Resolves that for the financial year 1973:

1. The amount of \$US 225,920,420, appropriated by its resolution 3044 A (XXVII) of 19 December 1972, shall be increased by \$US 7,899,954 as follows:

<u>Section</u>	<u>Amount appro- priated by resolution 3044 A (XXVII)</u>	<u>Increase or (decrease)</u>	<u>Revised appro- priation</u>
			(US dollars)
<u>Part I. Sessions of the General Assembly, the councils, commissions and committees; special meetings and conferences</u>			
1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies . . .	1 519 570	49 100	1 568 670
2. Special meetings and conferences	<u>1 922 600</u>	<u>215 300</u>	<u>2 137 900</u>
Total, part I	<u>3 442 170</u>	<u>264 400</u>	<u>3 706 570</u>
<u>Part II. Staff costs and related expenses</u>			
3. Salaries and wages	99 989 500	2 500 100	102 489 600
4. Common staff costs	23 441 300	(18 300)	23 423 000
5. Travel of staff	2 646 350	350 800	2 997 150
6. Payments under annex I, paragraphs 2 and 5, of the Staff Regulations; hospitality	<u>150 000</u>	<u>10 000</u>	<u>160 000</u>
Total, part II	<u>126 227 150</u>	<u>2 842 600</u>	<u>129 069 750</u>

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<u>Section</u>	Amount appro- priated by resolution 3044 A (XXVII)	Increase or (decrease)	Revised appro- priation
			(US dollars)
<u>Part III. Construction, alteration, improvement and major maintenance of premises</u>			
7. Construction, alteration, improvement and major maintenance of premises . . .	11 649 400	8 500	11 657 900
Total, part III	11 649 400	8 500	11 657 900
<u>Part IV. Equipment, supplies and services</u>			
8. Permanent equipment	1 246 800	21 000	1 267 800
9. Maintenance, operation and rental of premises	7 850 200	434 800	8 285 000
10. General expenses	6 318 900	915 000	7 233 900
11. Printing	3 155 200	-	3 155 200
Total, part IV	18 571 100	1 370 800	19 941 900
<u>Part V. Technical programmes</u>			
12. Regional and subregional advisory services	1 825 000	(306 000)	1 519 000
13. Economic development, social development and public administration; human rights advisory services; narcotic drugs control	5 408 000	(907 000)	4 501 000
14. Industrial development	1 500 000	-	1 500 000
Total, part V	8 733 000	1 213 000	7 520 000

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<u>Section</u>	Amount appro- priated by resolution 3044 A (XXVII)	Increase or (decrease)	Revised appro- priation
	(US dollars)		
<u>Part VI. United Nations Conference on Trade and Development</u>			
15. United Nations Conference on Trade and Development	13 252 600	1 306 300	14 558 900
Total, part VI	13 252 600	1 306 300	14 558 900
<u>Part VII. United Nations Industrial Development Organization</u>			
16. United Nations Industrial Development Organization . .	14 634 700	2 189 900	16 824 600
Total, part VII	14 634 700	2 189 900	16 824 600
<u>Part VIII. Special missions</u>			
17. Special missions	8 959 100	365 500	9 324 600
Total, part VIII	8 959 100	365 500	9 324 600
<u>Part IX. Office of the United Nations High Commissioner for Refugees</u>			
18. Office of the United Nations High Commissioner for Refugees	5 925 900	730 000	6 655 900
Total, part IX	5 925 900	730 000	6 655 900
<u>Part X. International Court of Justice</u>			
19. International Court of Justice	1 714 900	247 500	1 962 400
Total, part X	1 714 900	247 500	1 962 400

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<u>Section</u>	Amount appro- priated by resolution 3044 A (XXVII)	Increase or (decrease)	Revised appro- priation
	(US dollars)		
<u>Part XI. Special expenses</u>			
20. Special expenses	10 810 400	202 500	11 012 900
Total, part XI	10 810 400	202 500	11 012 900
<u>Part XII. United Nations Environment Programme</u>			
21. United Nations Environment Programme	2 000 000	(160 000)	1 840 000
Total, part XII	2 000 000	(160 000)	1 840 000
	225 920 420	8 155 000	234 075 420
<u>Deduct:</u>			
Unspent balance of revised 1972 appropriations approved under General Assembly resolution 2947 A (XXVII)	225 920 420	(255 046)	(255 046)
	225 920 420	7 899 954	233 820 374

2. The Secretary-General shall be authorized to transfer credits between sections of the budget with the concurrence of the Advisory Committee on Administrative and Budgetary Questions;

3. The appropriations for technical assistance programmes under part V shall be administered in accordance with the Financial Regulations of the United Nations, except that the definition of obligations and the period of validity of obligations shall be subject to the following procedures:

(a) Obligations for personal services established in the current financial year shall be valid for the succeeding financial year, provided that appointments of the experts concerned are effected by the end of the current financial year and that the total period to be covered by obligations established for these purposes against the resources of the current financial year shall not exceed 12 man-months;

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(b) Obligations established in the current financial year for fellowships shall remain valid until liquidated, provided that the fellow has been nominated by the requesting Government and accepted by the Organization and that a formal letter of award has been issued to the requesting Government;

(c) Obligations in respect of contracts or purchase orders for supplies or equipment recorded in the current year will remain valid until payment is effected to the contractor or vendor, unless they are cancelled;

4. The provisions under sections 1, 3, 5 and 11, in a total amount of \$438,300 relating to the International Narcotics Control Board, shall be administered as a unit;

5. In addition to the appropriations voted under paragraph 1 above, an amount of \$19,000 is appropriated from the accumulated income of the Library Endowment Fund for the purchase of books, periodicals, maps and library equipment and for such other expenses of the Library at the Palais des Nations as are in accordance with the objects and provisions of the endowment.

B

Income estimates for the financial year 1973

The General Assembly

Resolves that for the financial year 1973:

1. The estimates of income approved by its resolution 3044 B (XXVII) of 19 December 1972 shall be increased by \$US 2,073,252 as follows:

	Amount approved by resolution 3044 B (XXVII)	Increase or (decrease)	Revised estimates
<u>Income section</u>			(<u>US dollars</u>)
<u>Part I. Income from staff assessment</u>			
1. Income from staff assessment	<u>27 383 000</u>	<u>1 467 000</u>	<u>28 850 000</u>
Total, part I	<u>27 383 000</u>	<u>1 467 000</u>	<u>28 850 000</u>

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	Amount approved by resolution 3044 B (XXVII)	Increase or (decrease)	Revised estimates
<u>Income section</u>		(US dollars)	
<u>Part II. Other income</u>			
2. Funds provided from extra- budgetary accounts	734 000	(46 000)	688 000
3. General income	4 934 000	146 500	5 080 500
4. Revenue-producing activities .	2 907 800	75 500	2 983 300
Total, part II	8 575 800	176 000	8 751 800
		1 643 000	
<u>Add:</u>			
Excess of income over revised 1972 estimates approved under General Assembly resolution 2947 B (XXVII)	_____	430 252	_____
Grand total	35 958 800	2 073 252	38 032 052

2. The income from staff assessment shall be credited to the Tax Equalization Fund in accordance with the provisions of General Assembly resolution 973 (X) of 15 December 1955;

3. Direct expenses of the United Nations Postal Administration, services to visitors, catering and related services, television services and the sale of publications, not provided for under the budget appropriations, shall be charged against the income derived from those activities.
