



Twenty-first session
Agenda item 74

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1967

Report of the Fifth Committee

Rapporteur: Mr. David SILVEIRA da MOTA (Brazil)

1. Under agenda item 74 the Fifth Committee considered the budget estimates of the United Nations for the financial year 1967. The Committee recommends a gross appropriation for 1967 of \$130,314,230 and an estimate for income (other than income derived from staff assessment) of \$8,392,626. The net expenditure for 1967 is thus estimated at \$121,921,604.
2. As regards the Working Capital Fund, the Committee recommends that the Fund should be maintained for 1967 at the level of \$40 million, as approved for 1964, 1965 and 1966.
3. The Committee also recommends an estimate of \$13,249,800 as staff assessment income for transfer in the course of 1967 to the Tax Equalization Fund from which credits are distributed to Member States in accordance with General Assembly resolution 973 (X) of 15 December 1955.
4. For its examination of the budget proposed for 1967, the Committee had before it, as basic documents, the 1967 budget estimates submitted by the Secretary-General (A/6305) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/6307). Revised estimates for various appropriation sections were considered on the basis of reports of the Secretary-General and the Advisory Committee.

GENERAL DEBATE

Ad Hoc Committee to Examine the Finances of the
United Nations and the Specialized Agencies

5. While most delegations reserved their detailed comments on the recommendations of the Ad Hoc Committee until such time as its report came up for consideration under a separate item on the agenda, most delegations took the opportunity to express their appreciation for the remarkable task it had performed. Almost without exception, these delegations indicated their full support for the recommendations contained in the Ad Hoc Committee's report and expressed the hope that they would be adopted by a unanimous vote. The potential benefits to the Organization by the implementation of these recommendations by all concerned were considered to be of prime importance to the future effectiveness and well-being of the family of international organizations.

Financial situation of the Organization

6. Many delegations drew attention to the fact that the financial situation of the Organization had not improved since the end of 1965 and expressed concern that a substantial deficit remained. That part of the consensus reached by the General Assembly on 1 September 1965 which related to the solution of these difficulties by voluntary contributions had not as yet been fulfilled except by a limited number of States. It was recalled that the crisis had arisen not as a result of budgetary practices but of disagreement on the financing of peace-keeping operations. A number of delegations drew attention to the inclusion in the regular budget of certain provisions which they considered illegal and in the financing of which they consequently could not participate. Unless these provisions were eliminated this would add to the cumulative deficit. By the same token, the experience of the past should be studied in order to determine ways and means of avoiding a recurrence of similar situations in the future. The hope was generally expressed that Member States would give evidence of their faith in the future of the Organization by making early voluntary contributions in a spirit of co-operation. It was essential that the financial well-being of the Organization should be restored if it was to cope with its ever-increasing responsibilities.

Presentation of the budget estimates

7. A number of delegations expressed appreciation of the lucid and comprehensive manner in which the budget estimates for 1967 had been presented. The inclusion for the first time of an annex which distributed the estimates by object of expenditure and by main field of activity was particularly welcome and had been of great assistance. This annex went a long way towards meeting the wishes of certain delegations for a budget presentation which would clearly indicate the relationship between programmes and costs. It also represented a sensible compromise with reference to the recommendation of the Ad Hoc Committee of Experts that pending the possible achievement of a uniform budget presentation by the various international organizations, organizations using the object of expenditure breakdown should also provide a functional breakdown by field of activity. The annex would also have the virtue of providing additional information on costs in relation to activities while preserving the existing method of appropriating funds and thus maintaining the central financial control which was essential for administrative efficiency.

8. It was felt by other delegations that additional comparative detail was needed for each major field of activity which would make it easier to distinguish between expenditures for administrative purposes and expenditure for operational activities. The view was expressed, moreover, that it would be logical to divide the budget itself into an administrative budget and an operational budget. Such a presentation would give an over-all review of the needs to be satisfied, the programmes envisaged and the manner in which the contributions of Member States were to be used.

9. One delegation expressed the conviction that the United Nations should endeavour to present a consolidated programme and budget document. The new annex met this requirement only in a limited way.

10. On the other hand, the view was expressed that it would be prudent not to call for too rapid or too drastic a change in the form of budget presentation. It would be better to allow the current evolution towards a more consolidated presentation to take its course. The inclusion of a new annex, giving a comprehensive breakdown of expenditure was a step in the right direction. There should be a certain caution with regard to suggestions for a closer integration of budget and programme policy.

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Growth of the budget

11. In his general statement to the Fifth Committee on the budget estimates for 1967, the Secretary-General had indicated that he considered these estimates as conservative inasmuch as they provided little room for growth to meet the continuing upward trend in activities. Many delegations agreed with this assessment; others were not convinced that the marked increase over the level of the appropriations for 1966 corresponded to the actual expansion of activities. Others were concerned at the high ratio of administrative expenses as compared with the cost of operational activities.

12. Delegations speaking in support of the Secretary-General's estimates recalled that the Organization was in a process of constant development and had to cope with increasingly numerous and more complex problems. The growth in the related expenditures was a factor which had to be accepted if the United Nations was to carry out successfully the responsibilities entrusted to it. Particularly welcome was the increasing share of expense devoted to the economic and social development of less-privileged countries. All Member States must be prepared to develop and improve co-operation between nations. Governments should also be prepared to take substantive action to ensure the effective functioning of the Secretariat and to give the Secretariat fair conditions in which to pursue its task.

13. While it was important to ensure that available resources were used in the most effective way, the developing countries had in any event made it clear that they could not accept any ceiling or fixed rate of growth for operational activities. Any containment of the over-all level of expenditure should therefore not be at the expense of essential activities, but might rather be achieved by better co-ordination to avoid duplication of effort, long-term planning and the establishment of priorities. Much could also be achieved by strict budgetary control and careful administrative planning and deployment of available resources and the maintenance of the highest standards of efficiency. Above all, a policy of restraint and common sense was required.

14. There need be no conflict between the desire for the expansion of activity and maximum economy. In this regard, Member States could not deny their responsibilities. Control of expenditure ultimately depended on the willingness of Member States to curtail their demands on the Organization. Where those

demands were beyond the resources that the membership was prepared to provide, a proper order of priorities had to be determined. If the membership set no limit to its demands, uncontrolled expansion of expenditure was unavoidable.

15. The existence of numerous and more or less isolated sources of initiative and centres of action, and the absence of an all-embracing strategy which would give sense and direction to the future expansion of activities were largely at fault. Much would be gained if Governments made an effort to improve co-ordination between their delegations to various conferences and meetings, although a great deal could be done if the Secretariat itself took steps to ensure better co-ordination. Since the family of organizations already had a unique instrument that would serve the purpose, the Administrative Committee on Co-ordination, the task could be entrusted to that body and its findings might be taken into account by the Economic and Social Council with a view to the preparation of a general plan which would relate programmes to present and prospective budgetary resources.

16. A number of delegations were unable to regard the constant increase in the level of the budget estimates with equanimity. Reference was made to the increasingly heavy burden on developing countries, aggravated by difficulties in obtaining foreign exchange.

17. In the view of a number of delegations special efforts by the Secretariat were called for to improve administrative efficiency and general economy. Staff costs represented the largest single component of the budget. In particular, there was an urgent need for measures to simplify the unwieldy structure of the Secretariat, to eliminate its superfluous components - particularly in the Department of Economic and Social Affairs - to ensure the rational transfer of staff between sections and departments. New activities did not necessarily require an increase in staff. The fuller use of existing staff and their re-deployment following a re-evaluation of the relative importance of existing activities was indicated. Thus, it would be possible to avoid having, at the beginning of 1967, an expected 150 vacancies in the professional category alone. In certain units there was a tendency towards inflation of staff. There was also a disproportionate number of general service staff and manual workers. The increases for temporary assistance and for experts and consultants were also questionable.

18. One delegation requested an annual report on the reduction or elimination of activities in various areas and on measures taken to use the staff thus liberated to satisfy the Organization's legitimate needs. Information concerning the volume of work arising from new programmes might be adduced in support of proposed additional staff costs. In the same context another delegation observed that the General Assembly and other organs should keep programmes under constant review with the aim of discontinuing any project which was no longer of prime significance and necessity.

19. In referring to the success achieved by the Secretary-General in keeping the total level of posts requested for 1967 to the level approved for 1966, it was noted that it had been necessary to request certain additional staff for new activities that had subsequently intervened. Some further strengthening might prove necessary in certain sectors in the course of 1967. The Secretary-General had indicated that it would be his intention to meet these needs through the flexible use of the totality of the credits available to him. These efforts were to be commended and it was to be hoped that for 1968 he could again maintain total staff requirements within the over-all level approved for 1967.

20. One delegation urged that other delegations consider fully whether an over-all reduction in the 1967 budget estimates in the amount of \$1.0 million should not be made. This delegation set forth specific suggestions for reductions totalling \$1.1 million which it believed could be made and result in increasing the efficiency of the Organization. In this connexion this delegation felt that the estimates for personnel were unduly high, not in accordance with the Fifth Committee's recommendation of the twentieth General Assembly, and that they could safely be reduced. These reductions were in no way a reflection on the excellent work done by the Advisory Committee which had done a very fine job in facilitating the work of the Fifth Committee.

Administration of the appropriations

21. Certain delegations were of the opinion that the budget appropriations, once approved, allowed administrative organs too much latitude. All too frequently additional expenditures were incurred under the annual resolution on unforeseen and extraordinary expenses leading to the submission of supplementary estimates.

In a sense the General Assembly's decisions on a previous action were thereby by-passed. In certain cases programme changes had resulted in within-section transfers for entirely unrelated objects of expenditure having no identity with the programmes for which the funds had been appropriated by the General Assembly. This was a problem requiring further study. A review should be made of the practice of transfers between chapters and it might be necessary to impose a limitation. The General Assembly might assist the Secretary-General by adopting an appropriation procedure which would restrict to some extent such transfers of appropriations from one chapter to another, particularly in cases where large sums were involved.

22. In the same context it was pointed out that in the case of certain autonomous organizational units whose provisions were contained in a single section, greater latitude existed than the Secretary-General himself had under other sections of the budget.

Programme of conferences and meetings and
volume of related documentation

23. Most of the delegations participating in the general debate devoted particular attention to the problem of the proliferation of conferences and meetings and the growth in the volume of related documentation. The Secretary-General had in recent years repeatedly warned that this particular activity had reached unmanageable proportions in terms both of the capacity of the Secretariat to provide adequate substantive and technical servicing and of the ability of Member States to participate to the best advantage. The problem had been considered in some detail by the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies and it had submitted a series of useful recommendations on the subject. The Advisory Committee on Administrative and Budgetary Questions, in its report on the 1967 estimates, had expressed the view that the time had come for the General Assembly to give its urgent and special attention to the matter and commended a suggestion which had been made by the Special Committee on Co-ordination of the Economic and Social Council^{1/} that the General Assembly should establish a committee to deal with the programme of meetings. It would be necessary for such a committee, in drawing up recommendations to the General Assembly, to consult with the various bodies

1/ E/4215, para. 60.

concerned with other sectors of United Nations programmes and in particular with the Economic and Social Council. It would, of course, also be necessary to consult at all stages with the Secretary-General in considering rearrangement of programmes, since he alone was in a position to advise on the size, the scheduling and the nature of conference activity which might be within the capacity of the staffing and other resources available. The establishment of such a committee of the General Assembly had subsequently also been advocated by the Secretary-General.

24. A number of delegations cautioned that sight should not be lost of the fact that conferences and meetings constituted a unique means by which all Member States, large and small, might as equals express their views and discuss their problems. Such meetings were, moreover, the natural expression of an international body's negotiating function and any measures to combat proliferation, though they should be firm, should not be carried to the point where they interfered with the exercise of that function. Without questioning this aspect of the matter, most delegations accepted the need to reconcile the demand for more conferences and meetings with available resources and facilities and the ability of Member States to derive the proper benefit from these activities. The vast proportions of the related documentation to be digested was not the least of the disadvantages of an over-ambitious meetings programme; the costs incurred were often out of proportion to the results achieved. There was the added difficulty of recruiting qualified personnel to supplement existing staff. Certain delegations were of the opinion that the only effective solution would be to impose a financial limit on expenditures on conference activity in any one year. Others felt that it should be possible to rationalize the meetings programme by the establishment of priorities in relation to available resources and the importance of meetings to the greatest number of Member States. The duration and frequency of sessions of regular bodies might also be limited to advantage. It was realized that any such measures might be difficult. An element of subjective judgement would be involved and a conflict of interests was bound to arise from time to time. No solution could be found without the co-operation of Member States and the exercise of discipline on their part. Attention was drawn in this regard to the futility of Member States making statements indicating concern over the growth of conferences and meetings for the convening of which they themselves were in the main responsible. Many delegations, therefore,

considered that there was much merit in the proposal that the General Assembly itself should assume the leading role in the control and co-ordination of the programme of meetings through the creation of a committee, responsible solely to the Assembly, to determine real priorities and devise the most orderly calendar of meetings possible. This would be in line with the right of the General Assembly to approve the programmes of all United Nations bodies. The Committee's recommendations would, of course, have to be founded on a careful and balanced assessment of the relative merits of the proposals submitted to it. The Secretary-General would play an important role in this process inasmuch as he was in the best position to assess the practical implementation of a particular meeting and to judge when and where it should be convened. There would, finally, be no question of the new body trespassing on the essential responsibilities and functions of other organs, but there would need to be some formal understanding that no final decisions about proposed meetings could be taken until it had submitted its comments, which the organs concerned should take fully into account.

25. Many delegations considered that there was also an urgent need for a comprehensive study of the related documentation problem. Documentation could be reduced in volume without affecting its quality. The Secretary-General might be requested to instruct the Publications Board to examine all possible means of achieving this objective. Serious reconsideration should also be given to the number of United Nations organs which were being provided with verbatim records.

Creation of autonomous organizational
units within the Secretariat

26. A number of delegations made reference to the comments which had been made by the Secretary-General in his foreword to the budget estimates on the subject of the recent phenomenon of creating autonomous organizational units within the Secretariat. These developments raised serious questions of organizational authority and responsibilities and were not altogether consistent with the concept of a unified secretariat working as a team towards the accomplishment of the main goals of the Organization. On the contrary, it might tend to have the adverse effect of pitting one segment of the Secretariat against the other

in competition for the necessary financial support for its own work programmes. Such a situation might well result in undue preoccupation with future requirements to the detriment of ensuring the effective and efficient use of existing credits and resources. Furthermore, practical experience over the years had shown that substantive arms of the Secretariat could not operate effectively in isolation from the central administrative, conference and general services on which they depended. To the heads of these services the Secretary-General had delegated day-to-day control and planning responsibilities which could not be diminished without detriment to the general interest of the United Nations.

27. In its related report, the Advisory Committee had associated itself with these remarks. Subsequently, in his general statement to the Fifth Committee on the budget estimates, the Secretary-General gave the assurance that, within the framework of basic organizational requirements, mutually satisfactory administrative and servicing arrangements had already been established with the United Nations Conference on Trade and Development. It was his hope that, with the co-operation of all concerned, equally satisfactory relationships could be worked out with the United Nations Industrial Development Organization.

28. A number of delegations upheld the concept of a unified secretariat and of a single central administration to support all the activities of the Organization. These delegations considered that a trend towards administrative autonomy of individual units would be wasteful and inefficient. One delegation recalled that when the United Nations Secretariat had first been organized, the Preparatory Commission had considered whether each United Nations organ should not have its own secretariat. The reasons why that concept had been rejected were still valid. The Fifth Committee's ability to carry out the function of budget examination could also be affected if it became too difficult to control the expenses of autonomous organs. On a related point, certain delegations regretted the tendency of the Economic and Social Council to allow itself to be divested of its responsibilities, especially in the economic field. Another delegation felt that the question whether the developments to which the Secretary-General had referred were right or wrong was not within the exclusive competence of the Fifth Committee. Its principal task was to ensure that there was proper co-ordination among the units concerned, with the role of the central authority

being clearly defined. Yet another delegation suggested that a study be undertaken of ways of avoiding the phenomenon by sole reliance on the normal resources of the Secretariat and on means of organizing the activities of the autonomous units with a view to minimizing their disadvantages. Special care should be taken to avoid excessive movement of personnel between units or an adverse effect on morale because of differing grading standards. In all these circumstances, it was reassuring to note that satisfactory arrangements had been established in the case of UNCTAD and the hope expressed that similar relationships would be established with UNIDO.

Composition of the staff of the Secretariat

29. A number of delegations, in referring to the personnel policy of the United Nations, stressed the importance of the principles of universality and the equitable distribution of staff. While some progress has been made, as indicated in the annual report submitted by the Secretary-General on this subject, the situation remained unsatisfactory. In particular, the quotas to which the countries of Africa and Eastern Europe were entitled remained unfilled and the number of senior posts held by their nationals were negligible. Urgent action was required to correct these imbalances. The problem could not be solved unless there was a change in the system of granting permanent contracts especially at the higher levels. It was also observed that the personnel policy of the United Nations and those of the specialized agencies should be better co-ordinated. Other delegations supported the authority of the Secretary-General and his responsibility for continuing the job on which much progress was being shown in bringing about the equitable geographical distribution of personnel and urged that he not be further burdened with criteria and instructions as to how to bring about a completely equitable distribution. Some of these delegations suggested that while there might well be a case for increased fixed-term contracts for developing countries, that the Eastern European region was, in fact, insisting on too high a proportion of such contracts and that the same need did not exist as in the developing countries.

Public information activities

30. A number of delegations made reference to the recommendation of the Advisory Committee for the approval of a total expenditure estimate of \$6,961,700 for /...

public information activities in 1967, representing a reduction of \$50,000 in the estimate submitted by the Secretary-General. In the foreword to his budget estimates the Secretary-General had indicated that he was well aware of the need to establish some limit on these expenditures but that he would nevertheless commend to Member States for their careful consideration the thought that the ceiling imposed should not be so restrictive as to prevent either adequate United Nations coverage of the expanding and important activities of the Organization or allow present facilities to become so obsolete that the United Nations was unable to benefit as appropriate from the new and revolutionary technological developments in mass communications media.

31. The Advisory Committee, in its related report, recalled its previously expressed view that a continuation of the stabilization policy was necessary although, in the final analysis, it was for the General Assembly to take a policy decision as to the proportion of the budget it wished to be devoted to public information activities. The Advisory Committee had also suggested that the Secretary-General might envisage the possibility of instituting a procedure for the thorough review of public information programmes, either on a continuing basis or at regular intervals, to consider the emphasis given to the various media in responding as rapidly as possible to the changing needs of the developing countries, with a concurrent curtailment of programmes to the more developed countries, thus ensuring the optimum use of funds.

32. The Advisory Committee had, therefore, been pleased to learn that the Consultative Committee on Public Information, at its thirty-fourth session held in Geneva from 28 March to 1 April 1966 adopted and submitted a proposal to the Administrative Committee on Co-ordination (ACC) recommending the formation of an inter-agency study group for the purpose of re-assessing the whole of the information activities for the United Nations and its family of agencies. This recommendation had been accepted and the study group had been instructed to present its report to the CCPI early in 1967 for subsequent consideration by ACC.

33. The Advisory Committee had also been informed that the Under-Secretary of the Office of Public Information had entered into consultation with the Board of Trustees of the United Nations Institute for Training and Research (UNITAR) with a view to the Institute conducting an assessment of the public information programmes of the United Nations, with the assistance of an outside group.

34. These developments leading to a re-assessment of the public information activities were welcomed in the course of the debate. In the opinion of certain delegations the current rate of expenditures was excessive and any further increases unwarranted. In another view, the related activities should continue to rank relatively low in the over-all list of priorities. Since certain delegations considered the financial ceiling imposed on this operation to be too restrictive, it was suggested that the whole question should be placed on the agenda of the General Assembly at its twenty-second session in order that guidance might be given on the programmes to be undertaken and a decision taken on the appropriate financial support.

35. As regards specific aspects of the current programme, the view was expressed that information activities were not evenly spread in the various regions of the world and that, for instance, the obligations to the Chinese people were not being adequately met. It was felt also that it was not incumbent on OPI to address the peoples of the world directly through the mass media, but that it should work through national communications systems whose activities it could direct and oversee. Another delegation expressed the view that, while it was essential to publicize the activities of the United Nations, this should be done less expensively. There should be one public information service serving the United Nations system as a whole. There should be no separate information centres in countries where there was a Resident Representative who could perform the necessary functions. Since it was important to have local support, information offices should be staffed by locally-recruited professional journalists. If these measures were instituted, some forty international posts would become superfluous, much official travel would become unnecessary and substantial savings would result.

Headquarters accommodation

36. As described in paragraphs 59 to 65 of the present report, the Secretary-General had drawn the attention of the General Assembly to the growing problem of adequate office space at Headquarters and the disadvantages of recourse to the rental of outside accommodation. In order that the possibility of a new office building on Headquarters premises might be considered in all its aspects at the next session, he proposed that he be authorized to conduct a detailed engineering and architectural survey. In view of the voluntary assumption of this task by an outside concern, this proposal was subsequently withdrawn. /...

37. Several delegations addressed themselves to this issue in the course of the general debate. Certain delegations expressed the view that suitable and functional facilities were essential if the staff's efficiency was to be commensurate with the Organization's needs. Rented space did not commend itself as a desirable long-term solution. There were, therefore, economic reasons for considering the construction of new office space. At the same time, the possibility of relieving the situation in New York by the transfer of certain units to other locations such as Geneva should not be overlooked. Another delegation, with a certain degree of support, urged careful reconsideration of the suitability of New York as a location for the Headquarters of the Organization and quoted various factors of a psychological, physical and economic nature which were having an increasingly adverse effect on the conditions of work and which might make it preferable to consider a move to a small neutral country in Europe.

Inclusion in the regular budget of provisions
for controversial purposes

38. As in the past, a number of delegations objected to the inclusion in the budget estimates of provisions for certain activities which in their view had been taken in contravention of the Charter and to which they were consequently unable to contribute. The items in question were those relating to the United Nations Memorial Cemetery in Korea, the United Nations Commission for the Unification and Rehabilitation of Korea (UNCURK), the United Nations Truce Supervision Organization in Palestine (UNTSO), the United Nations Field Service and the United Nations Bond Issue.

39. A number of these delegations also considered that the provisions under part V relating to technical assistance had no place in the regular budget, which should be confined to administrative expenses. All technical assistance should be financed exclusively by voluntary contributions, preferably within the framework of the United Nations Development Programme. Certain of these delegations announced that in order to prevent discrimination against their countries in the selection of experts and other assistance under part V, they would make their related contribution in their national currency. On the other hand, the view was expressed that technical assistance should not only be retained as one of the major elements of the budget but that its scope should be broadened.

In particular, the provisions made for human rights activities were considered to be inadequate.

40. On a related point, it was considered by one delegation that too many activities were being financed outside the regular budget thereby adding to the total financial obligations of Member States and increasing the problem of co-ordination and control over programmes and spending. It would be worthwhile to explore the possibility of integrating at least some of these activities into the regular budget.

41. On the subject of the bond issue and other controversial items, the point was made that if the regular budget could be brought back into balance by removing the disputed sections, it would be possible to transform the budget into a genuinely administrative one which would be beyond the reach of political controversy. The continuity of United Nations activities would thereby be assured and the international civil servants would have their sense of security restored. Since the problems involved were essentially of a political nature, their solution did not depend on whether the impact of the deficit they entailed fell on the regular budget or on a special account.

42. On the subject of the bond issue, certain delegations remained convinced that the related expenditures, like those of peace-keeping operations, should be subject to a scale of assessments different from those applying to the regular budget. In response, another delegation warned that a change in the scale originally fixed for this purpose would not be justified and might have serious consequences for the Organization.

Legal status of the United Nations
in the United States

43. One delegation suggested special examination of the question of the legal status of the United Nations in the United States. Since the United States had not acceded to the Convention on the Privileges and Immunities of the United Nations, that status was based solely on the Headquarters Agreement which not only differed from the Convention but was less complete than similar agreements concluded by the United Nations and Switzerland in respect of the European Office and by the specialized agencies with the governments of the countries where they had their headquarters. Not only was the Headquarters Agreement imperfect, it

was not even fully implemented. As a result the work of the United Nations in the administrative and economic sphere as well as its political activities was seriously hampered.

44. A number of examples were quoted why in his delegation's view the Headquarters Agreement could not be considered deficient and why the United States was not adequately performing its duties as host country towards the United Nations.

45. While it could be conceded that these questions did not lend themselves to a rapid solution, the Secretary-General, the Advisory Committee and the proposed inspection unit should study the problem in all its aspects and a report should be presented to the General Assembly at its twenty-second session.

46. In associating himself with these observations, another delegation suggested that it would be useful to be provided at the next session with an analytical table indicating in which countries and at what prices the United Nations purchased materials, supplies and equipment and what percentage of the total expenditure was represented by any direct or indirect taxes.

CONSIDERATION OF SPECIAL QUESTIONS

Travel standards

47. At its 1145th to 1148th meetings the Committee gave particular consideration, in connexion with its review of sections 1 and 5, to the reports submitted by the Secretary-General (A/C.5/1074) and the Advisory Committee on Administrative and Budgetary Questions (A/6502 and A/6547/Add.1 and Corr.1) on the question of standards of air travel accommodation.

48. The proposals put forward by the Secretary-General in document A/C.5/1074, in which the Advisory Committee concurred with certain reservations (A/6502, paragraphs 5 and 10 to 13), are reflected in the decisions of the Committee set forth in paragraph 50 below. They may be summarized as follows:

- (a) First-class air travel to be authorized for all members of organs or subsidiary organs serving in their individual capacity; and
- (b) The United Nations to reimburse, on a first-class basis, the travel costs of one representative of each Member State for attendance at regular, special or special emergency sessions of the General Assembly;
- (c) As regards the travel of staff, Under-Secretaries and Directors (D-2) to be entitled to first-class air travel accommodation, except for flights of short duration in Europe or elsewhere, in which cases economy class to be the rule.

49. The following were among the points made by various delegations:

- (a) As regards members of organs and subsidiary organs serving in their personal capacity and not as representatives of governments, the Secretary-General had had to authorize exceptions to the policy of economy class travel on grounds such as personal hardship because of age or health or the eminence of persons serving the United Nations without remuneration. Yet a general raising of the travel standards might be deemed too easy and too costly a solution of the problem, and it might have been preferable to depart from the principle of economy travel only for long journeys;
- (b) Where staff travel was concerned, the situation was at present entirely clear in the United Nations - only the Secretary-General and officers accompanying him and appointed by him travelled first-class - but in other organizations within the United Nations system the corresponding

arrangements appeared to vary considerably. Such anomalies gave rise to a serious problem of co-ordination, since it was hardly proper that where officials of the same rank, but belonging to different organizations were travelling on the same journey some should travel first-class and the others economy-class;

- (c) In view of the fact that the Secretary-General had pointed out that the new rules approved at the twentieth session of the General Assembly had given rise to certain difficulties and that he had been compelled to authorize exceptions to the established policy, the proposal to reinstate first-class travel entitlement for persons serving in their individual capacity deserved serious study. There might also be justification for reimbursing governments for travel costs, on a first-class basis, of some of their representatives attending sessions of the General Assembly. Similarly, and in view of the administrative problems, which were disproportionate to the savings effected under the new rules, it might be wise that, where justified, Under-Secretaries and Directors should be authorized to travel first-class;
- (d) Since the financial situation of the Organization was virtually identical with that prevailing at the previous Assembly session, it was difficult to see how a wider application of the principle of first-class travel could be justified. Furthermore, there had been a general improvement in the conditions of air travel and there were accordingly no grounds for authorizing further exceptions for the official travel of staff members;
- (e) Variations in the practices of organizations within the United Nations family undoubtedly created a problem. That problem could, however, be resolved if the specialized agencies would reconcile their practices, in regard to staff members, with those of the United Nations. Such a solution was preferable to acceptance of the Secretary-General's proposals;
- (f) Whenever exceptions were made to a rule, the element of personal judgement came into play and it became increasingly more difficult to ensure an equitable application of the rule. Thus, were an exception to be made for a member of a given subsidiary organ, the other members would have the right to claim similar treatment; there were 179 members serving on the bodies listed in annex 1 to document A/C.5/1074. With the inclusion of staff members at the D-2 and higher levels a total of over 1,000 persons would have to be authorized to travel first-class, at very heavy cost to the United Nations. In general, it seemed dubious whether any amendments to the existing rules were really necessary, and in those circumstances the Committee should refrain from doing anything to inflate the budget.

Decisions of the Committee

50. At its 1148th meeting the Committee took the following decisions:

- (a) By 55 votes to 3, with 16 abstentions, the Committee approved the Secretary-General's proposals regarding the travel standards to be applied for the reimbursement to Member States of the costs of travel of representatives to the General Assembly;
- (b) By 47 votes to 4, with 20 abstentions, the Committee also approved the Secretary-General's proposals regarding the standards of travel for persons acting in their individual capacity as members of certain organs and subsidiary organs of the United Nations;
- (c) By 49 votes to 7, with 20 abstentions, the Committee approved the proposal put forward by the Secretary-General and concurred in by the Advisory Committee to the effect that air travel accommodation for all staff at the Director (D-2) level and above should be first class, except that economy class should be used where feasible for flights of short duration within Europe and comparable flights elsewhere.

51. The text of the draft resolution recommended by the Fifth Committee to give effect to these decisions is given in paragraph 9⁴ below (draft resolution IV).

Section 7. Buildings and improvements to premises

52. At its 1156th, 1157th, 1160th and 1163rd meetings, the Committee considered the proposals submitted by the Secretary-General relating to (a) the programme of major maintenance of the Palais des Nations at Geneva, already approved by the General Assembly at its twentieth session, (b) the programme of major maintenance and improvements of the Headquarters in New York, also approved by the General Assembly at its twentieth session, (c) the extension of conference facilities at the Palais des Nations and (d) a survey relating to the possible construction of another office building on the Headquarters site in New York. The Committee also received a progress report from the Secretary-General concerning the construction of the United Nations building in Santiago, Chile, by which the General Assembly was informed that construction was at an advanced stage and that occupancy of the building would be completed during November 1966. In view of the fact that completion of construction and exterior work, however, would not be accomplished until 1967, it would be necessary to carry forward into that year any balance of

funds available on 31 December 1966. It was the Secretary-General's intention to submit to the Assembly at its twenty-second session a final report on the project, including a final financial statement.

Major maintenance and improvements of the Palais des Nations, Geneva

53. The Fifth Committee, in considering this item, had before it the report^{2/} of the Secretary-General and the corresponding report^{3/} of the Advisory Committee on Administrative and Budgetary Questions. After hearing a statement by the Chairman of the Advisory Committee, in which it was pointed out that the Secretary-General's proposals took into account the effects of the plans to extend the conference facilities at the Palais, the Fifth Committee, at its 1156th meeting, decided to approve the proposals set forth in the Secretary-General's report.

Major maintenance and improvements of Headquarters, New York

54. The Fifth Committee, at its 1163rd meeting, took note of the progress made thus far and the projects proposed for implementation during 1967, as set forth in the Secretary-General's budget estimates under section 7^{4/} and as amended by the recommendations of the Advisory Committee on Administrative and Budgetary Questions in its related report.^{5/}

Extension of the conference facilities at the Palais des Nations

55. This matter was discussed by the Fifth Committee at its 1157th meeting. The Committee had before it reports^{6/} of the Secretary-General as well as of the Advisory Committee on Administrative and Budgetary Questions^{7/} relating to this question. One delegate favoured the proposals, which were necessitated by the increase in the activities of the organization, to which his country attached particular importance. He was pleased that due regard had been paid to the

2/ A/C.5/1075.

3/ A/6526.

4/ A/6305.

5/ A/6307.

6/ A/C.5/1054, A/C.5/1076.

7/ A/6385, A/6524, A/6526.

architectural harmony of the Palais, and that the required financing had been planned in such a way so as not to overburden the budget. He paid tribute to the Swiss authorities for their co-operation and assistance.

56. The representatives of the Secretary-General, in replying to questions raised by delegations, informed the Committee that the proposed extension of facilities at the Palais was necessary owing to the increase in membership of the Organization and the establishment of new organs. Moreover, the facilities would serve to facilitate accommodating the meetings schedule even at the present level. With reference to the proposed financing arrangements, the Committee was advised that the proposals submitted by the Secretary-General reflected the outcome of thorough discussion with the Swiss authorities and represented the best which could be obtained taking into account the present state of the money market. The Swiss authorities had displayed their usual generosity and understanding, which were sincerely appreciated.

57. A delegation, accepting the response of the representatives of the Secretary-General to his question, associated himself with the tribute paid to the Swiss authorities. He continued to be concerned at the size of the meetings programme and the assumptions which had been made of the rate of growth of the Organization's activities. He hoped that steps would be taken to reduce the number of meetings, which had been an object of certain recommendations of the Ad Hoc Committee of Fourteen. Some consideration should be given, he felt, to the possibility of holding conferences at places other than in Headquarters and Geneva.

58. The Fifth Committee decided to recommend that the General Assembly authorize the Secretary-General to proceed with the project and decide on the financial arrangements. A draft resolution for adoption by the General Assembly, incorporating the suggestion contained in paragraph 22 of the Advisory Committee's report,^{8/} is contained in paragraph 94 below (draft resolution V).

Headquarters accommodation

59. The Secretary-General, in his report^{9/} on this matter, had proposed that the General Assembly approve an appropriation in the amount of \$150,000 to meet the

8/ A/6524.

9/ A/C.5/1062.

costs of an engineering and architectural survey relating to the possible construction of a new office building on the Headquarters site. The existing shortage of office warehousing and parking space, and the growing demands of the Organization anticipated in the near future had, the Secretary-General stated, made it imperative to find some long-term solution to this problem, as rental of outside space was not, in his opinion, anything more than a costly, short-term remedy.

60. The Secretary-General had previously reported on this question to the Advisory Committee, in 1963 and 1964, and that Committee in 1965, had stated that "with the growth of the Organization and its activities, its physical facilities are becoming inadequate" and that "it appears now that the point has been reached where, given the trends of growth of the Organization, the prospect of the need for a major addition to facilities is evident" (document A/6007, paras. 100-104). The Secretary-General had made a detailed study of the estimated future requirements of the Organization and the current space situation, and now considered it essential to obtain the views and guidance of the General Assembly as to the possible courses of action.

61. Delegations who took part in the discussion of the Secretary-General's proposals generally cautioned against taking too precipitate a decision. More time should be given to allow for consideration of alternatives to the construction of another building on the Headquarters site which was already crowded. Some speakers felt that the activities of the Organization should be decentralized further with more units of the Secretariat being transferred away from New York, perhaps to Geneva, where it would be easier and less expensive to build additional offices.

62. Some delegations felt that conditions in New York were not conducive to the efficient operation of the Secretariat, nor to smooth, unimpeded functioning of the permanent missions to the Organization. In this connexion, some delegations made mention of the environmental deterioration evident in the atmosphere and physical surroundings in New York City, as well as the decline in the moral standards in some areas of the city, and the existence of racial discrimination. They felt it would be a mistake to commit the Organization at this stage to the costly construction of a new building.

63. At the 1160th meeting, the representative of the Secretary-General made a statement^{10/} on behalf of the Secretary-General, in which the Committee was

^{10/} A/C.5/1062/Add.1.

informed that the East River Turtle Bay Fund, Inc., a group of civic leaders and foundations interested in the preservation of the special character and appearance of the United Nations Headquarters site, had advised the Secretary-General that it was prepared, at its own expense, to conduct a thorough study to determine the feasibility of an area in connexion with needed United Nations facilities to be located south of the United Nations site and east of First Avenue and presently owned or controlled by the City of New York and the Consolidated Edison Company. The objective of the Fund would be to arrange for the availability, as a donation to the United Nations, of this additional, contiguous area.

64. The purpose of this study would be to establish the suitability and availability of this extension for possible United Nations uses. In view of the considerable expense involved in making this study, the Fund requested the Secretary-General's assurance of interest on the part of the United Nations before finally undertaking the study. The Secretary-General had been impressed with this generous offer and believed that it merited serious consideration.^{11/}

65. While expressing appreciation of the generous offer made by East River Turtle Bay Fund, Inc., some delegations requested assurances of the representative of the Secretary-General that its acceptance by the Secretary-General, on behalf of the United Nations, implied no commitment whatsoever that the Organization would be required to construct on any site which could be made available and would be suitable for the Organization's needs. The Committee was informed that the Secretary-General had indicated the Organization's interest in the offer and it was his intention to report fully on this matter to the Advisory Committee on Administrative and Budgetary Questions and the Assembly at its twenty-second session. However, he had felt that this new development should be reported to the General Assembly at once. The Secretary-General could assure the Committee that no commitment on the part of the Organization was given, nor implied. The Assembly, next year, would be given a full report on what had been determined in the study and what possible alternatives existed to alleviate the space problem at Headquarters. At that time, and only then, the Assembly would be asked to decide as to what course of action should be taken.

^{11/} Ibid., paras. 6-8.

Section 11. Publications and documentation of the United Nations

66. At the 1156th meeting of the Committee, the representative of Czechoslovakia introduced a draft resolution sponsored by his delegation and those of Belgium, Bulgaria, Cyprus, France, Iran and Malta. In his remarks, the Czechoslovak representative stated that the draft resolution was based on reiterated suggestions and recommendations of the Advisory Committee on Administrative and Budgetary Questions and took into account the views of the Ad Hoc Committee of Experts, as well as the experience of the Economic and Social Council. Under the terms of the draft resolution a review was to be carried out by the Publications Board, which should propose a system which would ensure that indispensable documents would be published at a reasonable cost, redundant publications and duplication would be eliminated, the quality of documentation and its timely distribution in the working languages would be guaranteed.

67. The results of the proposed review would be first submitted to the Advisory Committee on Administrative and Budgetary Questions and then to the General Assembly at its twenty-second session. During the discussion of the draft resolution, general support was given to its objectives. It was clarified that the Secretariat, in implementing operative paragraph 2 (a) of the draft resolution, would interpret it in the widest sense, and the Secretary-General, in submitting his report, would seek to make any suggestions and recommendations he considered would help to achieve economies in the publications programme.

68. The Fifth Committee decided to recommend approval by the General Assembly of the draft resolution, the text of which is given in paragraph 94 below (draft resolution VI).

United Nations Bond Issue

69. Under chapter V of this section the Committee considered, at a series of meetings held between 8 and 18 November 1966,^{12/} a draft resolution (A/C.5/L.876), relating to the United Nations bond issue submitted jointly by Argentina, Brazil, India and Nigeria, and reading as follows:

"The General Assembly,

"Bearing in mind resolution 1739 (XVI) of 20 December 1961, subsequently amended by resolutions 1878 (S-IV) of 27 June 1963 and 1989 (XVIII) of 17 December 1963, which authorized the Secretary-General to issue bonds up to the amount of \$US200 million,

^{12/} 1142nd to 1146th and 1150th meetings.

"Bearing equally in mind that several resolutions of the General Assembly, particularly resolutions 1854 B (XVII) of 19 December 1962 and 1874 (S-IV) of 27 June 1963, have in the past years continuously recognized in principle and in practice that expenditures caused by peace-keeping operations such as those in the Congo and in the Middle East should be met according to a procedure different from that applied to the regular budget of the United Nations,

"Noting that the receipts from the United Nations bond issue, attaining \$US169,905,679, were entirely utilized to finance the special accounts for the two peace-keeping operations mentioned above,

"Recognizes that the inclusion in the regular budget of a provision to pay the interest and the instalments of principal due on such bonds is inconsistent with related financial decisions of the General Assembly adopting special criteria designed to take into account the relatively limited capacity to contribute of the economically less developed countries;

"Decides, in the interest of equity, to establish a special account for the amortization and interest of the United Nations bond issue to be financed according to the principles set forth in document A/AC.113/R.18 of 15 March 1963 and in resolution 1874 (S-IV) or such other special criteria and arrangements that the General Assembly may approve for the apportionment of contributions of Member States."

70. The arguments advanced by the joint authors in support of the draft resolution may be summarized as follows:

- (a) The bond issue should not be financed on the same basis as other items in the regular budget for the reason that it failed to take account of the practice followed by the United Nations in connexion with the peace-keeping activities to which the proceeds from the sale of the bonds had been devoted. For this reason the necessary provision should be made under a special account as in the case of ONUC and UNEF.
- (b) The sponsors of the draft resolution had not attempted to offer specific criteria; instead they proposed that the special account should be financed according to the general principles set forth in General Assembly resolution 1874 (S-IV) of 27 June 1963 or such other special arrangements that the General Assembly might approve. The intention was to avoid any rigid formula and open the way for an exchange of views which might yield a positive solution;
- (c) The removal from the regular budget of the item relating to the bond issue would be a step towards the establishment of a budget which would

comprise only the regular and normal expenditures of the United Nations and which would thereby bring political controversy to an end and obviate a chronic deficit;

(d) Since December 1961, when the General Assembly had adopted resolution 1739 (XVI), two important events had occurred which warranted a reconsideration of the question: the first event was document A/AC.113/R.18 which, with the approval of a large majority of the Member States, set out certain principles that had been restated in resolution 1874 (S-IV); the spirit of the latter resolution ran counter to resolution 1739 (XVI) and the two texts should therefore be harmonized. The second event was the publication of the first report of the Ad Hoc Committee of Experts (A/6289), and particularly paragraphs 19 and 20 which showed clearly that the loan had been used for specific purposes; in consequence, certain Member States had political problems of principle and the Organization as a whole had suffered a cumulative deficit.

71. Delegations opposing the joint draft resolution maintained that the United Nations having entered into a contractual obligation towards the bond holders, was not entitled unilaterally to alter the terms and conditions of that obligation or to alter the basis on which the bonds had been issued. It was the financial difficulties of the Organization rather than its peace-keeping operations which had necessitated the bond issue, as was indicated in resolution 1739 (XVI) of 20 December 1961, in which the General Assembly had expressly authorized the Secretary-General to utilize the proceeds from the sale of such bonds for purposes normally related to the Working Capital Fund. These delegations noted that a proposal to adopt a special scale of assessment had been rejected in 1961. The bonds had, in their view, been issued on the clear understanding that the cost of servicing them should not only be borne on the regular budget but should be subject to the regular scale of assessment. Resolutions such as 1854 B (XVII), which in any case referred only to future peace-keeping operations, could not alter the terms of resolution 1739 (XVI), which had been reproduced on the back of each bond and which, in effect, constituted the prospectus for the bond issue. Apart from the possible injury to the interests of the subscribers the proposal might seriously affect the financial standing of the United Nations and prevent it from contracting future loans on favourable terms. Furthermore, the use of a special scale of assessment for the payment of interest and principle would impose an additional

burden on Member States which, having generously come to the aid of the Organization, would find themselves penalized for having placed their trust in it. The relatively modest reductions that could accrue to the developing countries would be negligible by comparison with the grave consequences that might result. The United Nations had entered into contractual obligations with the bond holders, which terms and conditions should not be unilaterally altered. Furthermore, the use of a special scale of assessments for the payment of interest and principal would impose additional burdens on Member States which had not only fully paid all of their assessments as well as voluntary contributions, but would be penalized for having responded to the Secretary-General's request for purchases of the bonds.

72. At the 1145th meeting the representative of Cameroon suggested that good results might be achieved by postponing the discussion of the question until the following session of the General Assembly and by setting up a small committee to prepare recommendations that would have regard to all shades of opinion. The revision of international conventions and agreements was a standard practice which did not reflect on the good faith of the contracting parties. In the matter under consideration it would be politic to adjust decisions taken five years previously, and in particular those contained in resolution 1739 (XVI), to the principles approved in 1963 in regard to peace-keeping operations. Accordingly, in consultation with the joint sponsors of draft resolution A/C.5/L.876, his delegation had decided to submit the following amendments (A/C.5/L.877) to their text, which were subsequently accepted by the sponsors of the initial text:

(a) To add after the third preambular paragraph the following new paragraph:

"Noting further the observations and suggestions of many countries, particularly the developing countries, concerning the payment of interest on, and the amortization of such bonds, bearing in mind the financial decisions of the General Assembly, adopting special criteria designed to take into account the relatively limited capacity to contribute of the economically less developed countries,";

(b) To replace the operative paragraph by the following text:

"Decides to create a working group of seven members appointed by the President of the General Assembly to study the problem of the amortization of and payment of interest on the United Nations bonds and to submit to the General Assembly at its twenty-second session a detailed report containing such recommendations as it may consider appropriate."

73. Some delegations argued that inasmuch as the peace-keeping operations had resulted from manifest actions of aggression and flagrant violations of the principle of national sovereignty, the financial consequences should be borne exclusively by the aggressors and not by the entire membership of the United Nations. Furthermore, all such operations and their financing should be authorized by the Security Council, as the Charter stipulated. The United Nations bonds had been issued in violation of the Charter, and since the method of financing peace-keeping operations should differ from that applied for the normal expenses of the Organization, the financing of the bond issue should no longer form a part of the regular budget.

74. It was suggested that the essential problem was to reconcile the necessity of respecting the contractual obligations incurred by the United Nations with the general principles stated in the preambles of General Assembly resolutions 1854 B (XVII) and 1874 (S-IV). That might be done by continuing to include an item in the regular budget to cover the repayment of the bond issue but applying to it a different scale of assessment fixed in accordance with those general principles.

75. Other delegations felt that such a formula, fully as much as the one contained in draft resolution A/C.5/L.876, would make the complex problem of restoring the Organization's finances even more difficult to solve.

Decision of the Committee

76. Having taken note of the expression of views from all sides in the debate and having ascertained that a broad consensus did not exist, the Fifth Committee decided, at its 1150th meeting, to postpone further discussion of the subject of the United Nations bond issue, including the proposals presented in the draft resolution contained in document A/C.5/L.876 and the draft amendments contained in document A/C.5/L.877, until the twenty-second session of the General Assembly, so as to provide adequate time for study and mature consideration of this matter by all concerned.

Section 21. United Nations Industrial Development Organization

77. At its 1141st meeting on 10 November 1966, the Committee considered a report on the administrative and financial implications of the establishment of a United Nations Industrial Development Organization (A/6481) in which the Secretary-General proposed, inter alia, the setting up of a new section 21 in the 1967 budget to which would be transferred the provisions already approved under various budget sections for activities in the field of industrial development, i.e., \$3,751,600, to be increased by an additional appropriation of \$1,641,500 to a total of \$5,393,100. This additional appropriation included a lump sum of \$750,000 to cover the cost of additional personnel services, and \$891,500 for such other items of expenditure consequent upon the establishment of the United Nations Industrial Development Organization as an autonomous organization within the United Nations.

78. As regards the first of these two items, the Secretary-General had indicated that, bearing in mind the rather significant growth in the staffing resources of the Centre for Industrial Development which had taken place so recently, the practical difficulties inherent in the achievement of the organizational structure and staffing pattern tentatively conceived and, at the same time, not wishing to prejudge the ultimate decision to be taken by the Industrial Development Board and by the General Assembly in regard to future work programmes in this field, it was his belief that a careful, yet flexible approach would be advisable for the first year, 1967. He had therefore proposed the inclusion of a lump sum of \$750,000 to be used for the employment as appropriate of regular and short-term staff. In the Secretary-General's opinion, this provision although representing some departure from normal practice would make practical the strengthening of the present staffing resources of the Centre for Industrial Development beyond what had been included in the initial 1967 estimates so as to enable the secretariat of UNIDO to proceed without delay with the implementation of priority programmes emanating from the first session of the Board and to fulfil its new and enlarged tasks of over-all management, administration, planning and co-ordination.

79. In its corresponding report (A/6493), the Advisory Committee on Administrative and Budgetary Questions endorsed the establishment of a new section 21 and the transfer to it of the provisions already included in other sections of the budget for industrial development, but recommended that the additional amount requested by

the Secretary-General be reduced by \$193,100 to \$1,448,400. In arriving at this recommendation, the Advisory Committee had paid particular attention to the Secretary-General's proposal for the inclusion of a lump sum of \$750,000 and it had been informed that, while the more conventional reporting of staff resources was desirable, in view of the very tentative outline of the possible organizational structure and related staff needs of UNIDO it had been felt that the approach adopted would prove more economical and best serve the interests of the Member States. Bearing in mind the imponderables surrounding the new organization during this transitional period, and the many unknown factors requiring consideration by the Board in 1967, the Advisory Committee saw some merit in the approach taken by the Secretary-General, although it doubted that such an allocation would permit the same degree of administrative supervision and control as would have been the case with a traditional manning table.

80. The Advisory Committee noted that the estimates as presented were based on the assumption that the headquarters of UNIDO would be in New York, and that should the General Assembly accept an invitation of a government to establish the headquarters of UNIDO in some other location during 1967, the estimates would have to be revised. Another matter of concern to the Advisory Committee was the necessity for UNIDO to avoid overlapping and duplication of functions and activities with other areas of the Secretariat, and with certain of the specialized agencies; it suggested that any possible areas of duplication should be the subject of continuing review.

81. As regards the Secretary-General's intention, in the event of the requested provisions proving insufficient, to so report to the General Assembly at its twenty-second session and seek approval of such supplementary credits as might be necessary, the Advisory Committee considered that its recommendations would allow sufficient flexibility for UNIDO to operate effectively in its first year, 1967, and the Committee would expect therefore that in arriving at its decision on the programme of activities for 1967, the Industrial Development Board would take all possible measures to ensure that expenses were held to the essential minimum, thereby obviating any need of recourse to supplementary estimates for 1967.

82. While none of the delegations which took part in the debate in the Fifth Committee questioned the need to provide UNIDO with adequate resources to

undertake its tasks, many shared the misgivings of the Advisory Committee concerning both the principle of a lump sum appropriation for staff and the magnitude of the provision requested for the execution of programmes which had not yet been approved. In fact, it would not be until after the Industrial Development Board at its first session had considered the proposals of the Secretary-General, that the needs of UNIDO could be assessed and that the Advisory Committee would be able to consider all the financial implications of its establishment. However, in view of the special circumstances and the need to avoid the risk of delaying the activities of the new organization, the consensus was that the Advisory Committee's recommendations should be approved inasmuch as they would permit the Industrial Development Organization to proceed with its work and render unlikely the submission of supplementary estimates for 1967 in that respect.

Initial decision of the Committee

83. The recommendation of the Advisory Committee for an appropriation of \$5,200,000 for UNIDO under a new section 21 of the 1967 budget was approved, representing an increase of \$1,448,400 over the amount of \$3,751,600 included for activities in the field of industrial development under sections 2, 3, 4, 5, 6, 8, 10 and 11 of the initial 1967 budget estimates, after application of the reductions previously recommended by the Advisory Committee. As a corollary, the estimate of income from staff assessment under income section 1 should be increased by \$85,000. Thus the income from staff assessment attributable to UNIDO appropriations under section 21 would amount to a total of \$546,500, including \$30,000 attributable to assessable salary payments for the International Symposium on Industrial Development for which provision had been made initially under section 2, and \$431,500 attributable to assessable salary payments for the existing staff of the Centre for Industrial Development for which provision had been made initially under section 3.

Subsequent developments

84. At its 1163rd meeting on 8 December, the Committee considered a report by the Secretary-General (A/C.5/1092) containing revised estimates resulting from decisions taken by the Economic and Social Council at its resumed forty-first session on 15, 16 and 17 November, concerning the International Symposium on

Industrial Development. By resolution 1185 A, B, and C (XLI), the Council had decided: (a) that Chinese should be added to the working languages of the Symposium; (b) that summary records should be provided for plenary meetings only; and (c) that the Symposium should be held at Athens in December 1967.

Final decision

85. The Secretary-General's proposal, endorsed by the Advisory Committee, that the appropriation for the Industrial Symposium under chapter III of section 21 should be increased by \$26,500 as a result of the decisions of the Council was approved, with a corresponding increase of \$77,400 under income section 3 for 1967, representing the extra costs of holding the Symposium at Athens to be reimbursed by the Greek Government in accordance with resolution 2116 (XX).

86. As a result of this decision, the appropriation approved under section 21 of the 1967 budget was raised to \$5,226,500.

FIRST READING OF THE BUDGET ESTIMATES

87. On the basis of a note prepared by the Secretary-General (A/C.5/L.868), the Committee voted, at its 1130th, 1133rd, 1137th, 1139th, 1140th, 1141st, 1143rd, 1144th, 1148th, 1149th, 1150th, 1155th, 1163rd, 1167th meetings, on first reading of the budget estimates for 1967, as follows:

<u>Appropriation section</u>	<u>Recommended appropriation</u> \$	<u>In favour</u>	<u>Against</u>	<u>Abstentions</u>
1. Travel and other expenses of representatives, members of commissions, committees and other subsidiary bodies	1,158,350	72	0	4
2. Special meetings and conferences	1,824,650	55	0	11
3. Salaries and wages	59,317,500	66	12	1
4. Common staff costs	13,877,400	67	0	12
5. Travel of staff	2,112,430	63	0	16
6. Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; Hospitality	125,000	Unanimously approved		
7. Buildings and improvements to premises	4,930,700	66	0	1
8. Permanent equipment	627,900	Unanimously approved		
9. Maintenance, operation and rental of premises	3,986,500	68	0	10
10. General expenses	5,149,900	66	0	11
11. Printing	1,815,000	73	0	2
12. Special expenses	8,957,000	65	11	11
13. Economic development, social development and public administration	6,400,000 ^{a/}	67	6	5
14. Human rights advisory services				
15. Narcotic drugs control				

^{a/} The Committee approved the recommendation for an appropriation of \$6,400,000 under Part V as a whole.

<u>Appropriation section</u>	<u>Recommended appropriation</u> \$	<u>In favour</u>	<u>Against</u>	<u>Abstentions</u>
16. Special missions	2,943,000	54	11	5
17. United Nations Field Service	1,821,000	65	10	3
18. Office of the United Nations High Commissioner for Refugees	3,225,000	75	0	10
19. International Court of Justice	1,149,900	80	0	4
20. United Nations Conference on Trade and Development	7,400,000	66	0	0
TOTAL	<u>126,821,230</u>			

<u>Income Section</u>	<u>Recommended appropriation</u> \$	<u>In favour</u>	<u>Against</u>	<u>Abstentions</u>
1. Staff assessment income	13,164,800	Unanimously approved		
2. Funds provided from extra-budgetary accounts	2,196,276	"	"	
3. General income	2,700,000	"	"	
4. Sale of United Nations postage stamps	1,800,000	"	"	
5. Sale of publications	827,650	"	"	
6. Services to visitors and catering services	791,300	"	"	
TOTAL	<u>21,480,026</u>			

88. While approving the estimate for Section 16, Special missions, the Fifth Committee generally endorsed the views expressed by the Advisory Committee on Administrative and Budgetary Questions in paragraph 289 of its sixth report to the General Assembly at the twenty-first session. Furthermore, it considered it desirable that the General Assembly request the Secretary-General to give consideration in the course of 1967, in consultation with the Governments concerned, to the question of the continuation of the Office of his Special Representative in Amman.

89. The observations and reservations expressed by delegations in explanation of vote during first reading of the budget sections for 1967 are recorded in the summary records of the relevant meetings at which the vote was taken. The first reading decisions of the Committee were affected by its subsequent consideration of revised estimates under various sections, as well as by its recommendations on other items on its agenda.

<u>Agenda item</u>	<u>Additional appropriation</u> \$	<u>Section</u>	<u>Income Section</u>
41 United Nations Industrial Development Organization (A/6481; A/6493)	5,200,000	21	
By transfer to UNIDO			
- section 21 -	(560,000)	2	
	(2,495,000)	3	
	(500,000)	4	
	(107,500)	5	
	(4,000)	6	
	(5,000)	8	
	(37,000)	10	
	(43,100)	11	
	85,000		1
41 International Symposium on Industrial Development (A/C.5/1092; A/C.5/SR.1163)	26,500	21	
	77,400		3
41 Activities in the field of Industrial Development: Location of the secretariat of UNIDO (A/C.5/1110; A/C.5/SR.1170)	500,000	21	
84 International Conference of Plenipotentiaries on the Law of Treaties (A/C.5/1088; A/6528)	32,900	2	
27 Question of general and complete disarmament (A/C.5/1089; A/6535)	60,000	3	
87 Consideration of Principles of International Law concerning Friendly Relations and Co-operation Among States (A/C.5/1095; A/6556)	110,000	2	
52 General review of the programmes and activities in the economic, social, technical co-operation and related fields of the United Nations and agencies related to the United Nations system (A/C.5/1091; A/6560)	71,300	3	
	3,700	5	
	44,000	11	

<u>Agenda item</u>	<u>Additional appropriation</u> \$	<u>Section</u>	<u>Income Section</u>
82	Amendments to the Regulations of the Joint Staff Pension Fund in connexion with the abolition of the associate participation for staff entering into employment on or after 1 January 1967 (A/C.5/1078; A/6537)	174,000 5,000 3,000 8,000 7,000 3,000	4 16 17 18 20 21
83	United Nations International School (A/C.5/1099; A/6536)	48,900	12
74	Admission of new Member States and additional requirements for the Board of Auditors (A/C.5/1101; A/C.5/SR.1166)	33,400	1
65	Question of South West Africa (A/C.5/1100; A/C.5/SR.1166)	50,000 61,100 8,400 5,000 20,000	1 3 4 10 11
23 and 69	Report of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples (A/C.5/1094; A/6562)	200,000	16
23	Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples: Aden (A/C.5/1093; A/6561)	15,000	16

<u>Agenda item</u>		<u>Additional appropriation</u> \$	<u>Section</u>	<u>Income Section</u>
86	Programme of assistance and exchange in the field of international law (A/C.5/1103; A/6582)	66,300	12	
34	Report of the Special Committee on the Policies of Apartheid of the Government of the Republic of South Africa (A/C.5/1105; A/6599)	60,600	2	
41	Asian conference on industrialization (A/C.5/1056; A/6457/Add.1)	11,000	8	
		14,000	9	
		5,000	10	
88	Progressive development of the law of international trade (A/C.5/1107; A/C.5/SR.1170)	31,600	3	
		12,900	4	
		3,000	5	
	Total	162,400	3,143,000	
	Total - First reading	21,480,026	126,821,230	
	Grand total - Budget sections		129,964,230	
	Total - Income sections	21,642,426		

Budget estimates for the financial year 1967: second reading

90. At its 1171st meeting, the Committee considered the second reading of the budget estimates for the financial year 1967. The results of the voting was as follows:

<u>Section</u>	<u>Amount</u>	<u>Yes</u>	<u>No</u>	<u>Abstentions</u>
1	1,241,750	63	0	0
2	1,468,150	65	0	0
3	57,046,500	57	9	0
4	13,572,700	58	0	9
5	2,011,630	59	0	9
6	121,000	68	0	0
7	4,930,700	68	0	0
8	633,900	68	0	0
9	4,000,500	58	0	8
10	5,122,900	58	0	10
11	1,835,900	68	0	0
12	9,072,200	49	9	10
13	6,105,000	60	6	3
14	220,000	58	6	3
15	75,000	57	4	5
16	3,163,000	56	9	3
17	1,824,000	55	9	2
18	3,233,000	59	0	9
19	1,149,900	66	0	2
20	7,407,000	68	0	0
21	<u>5,729,500</u>	68	0	0
Total, Expenditure Sections	<u>129,964,230</u>			

<u>Income Section</u>	<u>Amount</u>	<u>Yes</u>	<u>No</u>	<u>Abstention</u>
1	13,249,800	66	0	0
2	2,196,276	67	0	0
3	2,777,400	69	0	0
4	1,800,000	69	0	0
5	827,650	68	0	0
6	<u>791,300</u>	67	0	0
Total, Income Sections	<u>21,642,426</u>			

91. Subsequent to its second reading of the budget estimates, the Committee, as a consequence of a resolution adopted by the General Assembly on the recommendation of the First Committee, decided to appropriate an amount of \$350,000 under section 2 to cover the costs of holding in 1967 an international conference on the exploration and peaceful uses of outer space.

92. The decisions of the Committee under sections 3, 18, 19, 20 and 21 provided for manning tables for 1967 for the various departments and activities covered by these sections as follows:

Category and level	Section 3 ^{a/}	Section 18	Section 19	Section 20	Section 21
		Office of the United Nations High Commissioner for Refugees	International Court of Justice	United Nations Conference on Trade and Development	United Nations Industrial Development Organization
I. Secretary-General	1				
Under-Secretary	19	1	1	1	1
Director	46	3	1	8	3
Principal Officer	<u>109</u>	<u>5</u>	<u>-</u>	<u>13</u>	<u>5</u>
	175	9	2	22	9
II. Professional					
Senior Officer	277	15	4	25	20
First Officer	550	21	-	53	25
Second Officer	723	23	2	73	27
Associate and assistant officer	<u>432</u>	<u>34</u>	<u>9</u>	<u>18</u>	<u>27</u>
Total I and II	<u>2,157</u>	<u>102</u>	<u>17</u>	<u>191</u>	<u>108</u>
III. General service ^{b/}					
Principal level	258	4	-	12	5
Other levels	<u>2,172</u>	<u>180</u>	<u>13</u>	<u>238</u>	<u>70</u>
Total III	<u>2,430</u>	<u>184</u>	<u>13</u>	<u>250</u>	<u>75</u>
Grand total	<u>4,587</u>	<u>286</u>	<u>30</u>	<u>441</u>	<u>183</u>

a/ Established posts for departments and offices at Headquarters; the European Office, Geneva; information centres; the secretariats of the Economic and Social Office at Beirut, and of the Economic Commissions for Africa (ECA), for Asia and the Far East (ECAFE), and for Latin America (ECLA); the joint secretariat of the Permanent Central Narcotics Board and the Drug Supervisory Body; the Joint Staff Pension Board and the United Nations Staff Pension Committee; and revenue-producing activities.

b/ Exclusive of local level posts at information centres, the Economic and Social Office at Beirut, ECA, ECAFE and ECLA for which a budgetary credit is provided (for approximately 912 posts).

Draft resolutions for 1967

93. At its 1172nd meeting, the Committee adopted draft resolutions I, II and III contained in paragraph 93 below. The voting was as follows:

	<u>In favour</u>	<u>Against</u>	<u>Abstentions</u>
Draft resolution I, A	67	1	10
B	78	0	0
C	67	0	11
Draft resolution II	66	7	4
Draft resolution III	69	0	10

RECOMMENDATIONS OF THE FIFTH COMMITTEE

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

DRAFT RESOLUTION I

Budget for the financial year 1967

A

BUDGET APPROPRIATIONS FOR THE FINANCIAL YEAR 1967

The General Assembly

Resolves that for the financial year 1967:

1. An amount of \$US130,314,230 is appropriated for the following purposes:

Section	US dollars	US dollars
<u>Part I. Sessions of the General Assembly, the</u> <u>councils, commissions and committees:</u> <u>special meetings and conferences</u>		
1. Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies	1,241,750	
2. Special meetings and conferences	1,818,150	
Total, part I		3,059,900
<u>Part II. Staff costs and related expenses</u>		
3. Salaries and wages	57,046,500	
4. Common staff costs	13,572,700	
5. Travel of staff	2,011,630	
6. Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; hospitality	<u>121,000</u>	
Total, part II		72,751,830

Section	US dollars	US dollars
<u>Part III. Premises, equipment, supplies and services</u>		
7. Buildings and improvements to premises	4,930,700	
8. Permanent equipment	633,900	
9. Maintenance, operation and rental of premises	4,000,500	
10. General expenses	5,122,900	
11. Printing	<u>1,835,900</u>	
	Total, part III	16,523,900
<u>Part IV. Special expenses</u>		
12. Special expenses	<u>9,072,200</u>	
	Total, part IV	9,072,200
<u>Part V. Technical programmes</u>		
13. Economic development, social activities and public administration	6,105,000	
14. Human rights advisory services	220,000	
15. Narcotic drugs control	<u>75,000</u>	
	Total, part V	6,400,000
<u>Part VI. Special missions and related activities</u>		
16. Special missions	3,163,000	
17. United Nations Field Service	<u>1,824,000</u>	
	Total, part VI	4,987,000

Section	US dollars	US dollars
<u>Part VII. Office of the United Nations High Commissioner for Refugees</u>		
18. Office of the United Nations High Commissioner for Refugees	<u>3,233,000</u>	
Total, part VII		3,233,000
<u>Part VIII. International Court of Justice</u>		
19. International Court of Justice	<u>1,149,900</u>	
Total, part VIII		1,149,900
<u>Part IX. United Nations Conference on Trade and Development</u>		
20. United Nations Conference on Trade and Development	<u>7,407,000</u>	
Total, part IX		7,407,000
<u>Part X. United Nations Industrial Development Organization</u>		
21. United Nations Industrial Development Organization	<u>5,729,500</u>	
Total, part X		<u>5,729,500</u>
..	GRAND TOTAL	<u>130,314,230</u>

2. The Secretary-General shall be authorized to transfer credits between sections of the budget with the prior 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 in accordance with the procedures and practices established for the Expanded Programme component of the United Nations Development Programme;

4. The provisions under sections 1, 3, 5 and 11, in a total amount of \$192,880 relating to the Permanent Central Narcotics Board and the Drug Supervisory Body, shall be administered as a unit;

5. The provisions under sections 1, 3, 4, 5, 6 and 10, in a total amount of \$494,560 relating to the United Nations Joint Staff Pension Board and the United Nations Staff Pension Committee, shall be administered in accordance with article XXVII of the Regulations of the United Nations Joint Staff Pension Fund;

6. In addition to the appropriations voted under paragraph 1 above, an amount of \$17,500 is appropriated from the accumulated income of the Library Endowment Fund for the purchase of books, periodicals, maps, and library equipment and 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 1967

The General Assembly

Resolves that for the financial year 1967:

1. Estimates of income other than assessments on Member States totalling \$US21,642,426 are approved as follows:

Income section	US dollars	US dollars
<u>Part I. Income from staff assessment</u>		
1. Staff assessment income	<u>13,249,800</u>	
Total, part I		13,249,800
<u>Part II. Other income</u>		
2. Funds provided from extra-budgetary accounts	2,196,276	
3. General income	2,777,400	
4. Sale of United Nations postage stamps (United Nations Postal Administration)	1,800,000	
5. Sale of publications	827,650	
6. Services to visitors and catering services	<u>791,300</u>	
Total, part II		<u>8,392,626</u>
GRAND TOTAL		<u>21,642,426</u>

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, and the sale of publications, not provided for under the budget appropriations, shall be charged against the income derived from those activities.

C

FINANCING OF APPROPRIATIONS FOR THE FINANCIAL YEAR 1967

The General Assembly

Resolves that for the financial year 1967:

- .. 1. Budget appropriations totalling \$130,314,230 decreased by revised appropriations for 1966 totalling \$486,890,^{13/} shall be financed as follows, in accordance with regulations 5.1 and 5.2 of the Financial Regulations of the United Nations:
- (a) As to \$8,392,626, by income other than staff assessment approved under part B of this resolution;
 - (b) As to \$1,279,400,^{13/} by the revised income other than staff assessment for 1966;
 - (c) As to \$1,904,268, by the amount available in the surplus account for the financial year 1965;
 - (d) As to \$164,247, by the contributions of Indonesia for the years 1965 and 1966;
 - (e) As to \$18,128, by the contributions of new Member States for 1966;
- .. (f) As to \$118,068,671, by assessment on Member States in accordance with General Assembly resolution 2118 (XX) of 21 December 1965 on the scale of assessments for 1967.

^{13/}See resolution 2195 (XXI) of 16 December 1966 on supplementary estimates for the financial year 1966.

2. There shall be set off against the assessment on Member States, subject to the provisions of General Assembly resolution 973 (X) of 15 December 1955, their respective shares in the Tax Equalization Fund in a total amount of \$12,688,736, comprising:

- (i) \$13,249,800, being the estimated staff assessment income for 1967;
- (ii) Less \$664,900, ^{13/} representing the decrease in the revised income from staff assessment for 1966;
- (iii) \$103,836, being the excess of the actual income over the approved estimated income from staff assessment for 1965.

DRAFT RESOLUTION II

Unforeseen and extraordinary expenses for the
financial year 1967

The General Assembly

1. Authorizes the Secretary-General, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions and subject to the Financial Regulations of the United Nations and the provisions of paragraph 3 below, to enter into commitments to meet unforeseen and extraordinary expenses in the financial year 1967, provided that the concurrence of the Advisory Committee shall not be necessary for:

- (a) Such commitments, not exceeding a total of \$US 2 million, as the Secretary-General certifies relate to the maintenance of peace and security;
- (b) Such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by:
 - (i) The designation of ad hoc judges (Statute of the Court, Article 31), not exceeding a total of \$37,500;
 - (ii) The appointment of assessors (Statute, Article 30), or the calling of witnesses and the appointments of experts (Statute, Article 50), not exceeding a total of \$25,000;
 - (iii) The maintenance in office of Judges who have not been re-elected (Statute, Article 13, paragraph 3), not exceeding a total of \$50,000;
 - (iv) The holding of sessions of the Court away from The Hague (Statute, Article 22), not exceeding a total of \$75,000;
 - (v) The payment of pensions and travel and removal expenses of Judges not re-elected, and travel and removal expenses of new members of the Court, not exceeding a total of \$58,500.

2. Resolves that the Secretary-General shall report to the Advisory Committee on Administrative and Budgetary Questions and to the General Assembly at its twenty-second session all commitments made under the provisions of the present resolution, together with the circumstances relating thereto, and shall submit supplementary estimates to the Assembly in respect of such commitments;

3. Decides that if, as a result of a decision of the Security Council, commitments relating to the maintenance of peace and security should arise in an estimated total exceeding \$10 million before the twenty-second session of the General Assembly, a special session of the Assembly shall be convened by the Secretary-General to consider the matter.

DRAFT RESOLUTION III

Working Capital Fund for the financial year 1967

The General Assembly

Resolves that:

1. The Working Capital Fund shall be established for the year ending 31 December 1967 in the amount of \$US 40 million;
2. Member States shall make advances to the Working Capital Fund in accordance with the scale adopted by the General Assembly for contributions of Members to the budget for the financial year 1967;
3. There shall be set off against this allocation of advances:
 - (a) Credits to Members resulting from transfers made in 1959 and 1960 from surplus account to the Working Capital Fund in a total amount of \$1,079,158;
 - (b) Cash advances paid by Members to the Working Capital Fund for the financial year 1966 under General Assembly resolution 2127 (XX) of 21 December 1965;
4. The Secretary-General is authorized to advance from the Working Capital Fund:
 - (a) Such sums as may be necessary to finance budgetary appropriations pending the receipt of contributions; sums so advanced shall be reimbursed as soon as receipts from contributions are available for the purpose;
 - (b) Such sums as may be necessary to finance commitments which may be duly authorized under the provisions of the resolutions adopted by the General Assembly, in particular resolution (XXI) of December 1966 relating to unforeseen and extraordinary expenses; the Secretary-General shall make provision in the budget estimates for reimbursing the Working Capital Fund;
 - (c) Such sums as, together with net sums outstanding for the same purpose, do not exceed \$125,000, to continue the revolving fund to finance miscellaneous self-liquidating purchases and activities; advances in excess of the total of \$125,000 may be made with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions;

(d) With the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, such sums as may be required to finance payments of advance insurance premiums where the period of insurance extends beyond the end of the financial year in which payment is made; the Secretary-General shall make provision in the budget estimates of each year, during the life of the related policies, to cover the charges applicable to each such year;

(e) Such sums as may be necessary to enable the Tax Equalization Fund to meet current commitments pending the accumulation of credits; such advances shall be repaid as soon as credits are available in the Tax Equalization Fund;

5. Should the provision in paragraph 1 above prove inadequate to meet the purposes normally related to the Working Capital Fund, the Secretary-General is authorized to utilize, in 1967, cash from special funds and accounts in his custody, under the conditions approved in General Assembly resolution 1341 (XIII) of 13 December 1958, or the proceeds of loans authorized by the Assembly.

DRAFT RESOLUTION IV

Standards of air travel accommodation for reimbursement
of travel expenses of members of organs and subsidiary
organs of the United Nations

The General Assembly,

Recalling the provisions of its resolution 1798 (XVII) of 11 December 1962 on the system of travel and subsistence allowances to members of organs and subsidiary organs of the United Nations as well as the provisions of the annex to that resolution,

Having considered the report of the Secretary-General on the standards of air travel accommodations^{14/} and the report of the Advisory Committee on Administrative and Budgetary Questions on the subject,^{15/}

Decides that paragraph 4 of the annex to resolution 1798 (XVII), as amended by resolution 2128 (XX), shall be amended to read as follows:

"4. Payment of travel expenses shall be limited to the cost of economy class accommodation by air or its equivalent by recognized public transport via a direct route, except that in the case of one representative of each Member State attending regular, special or special emergency sessions of the General Assembly and of all persons who serve in their individual capacities, as distinct from those serving as representatives of Governments, payment of travel expenses shall be limited to the cost of first-class accommodation by air or its equivalent by recognized public transport via a direct route. The cost of air travel shall normally be regarded as the ceiling regardless of any alternative mode of transport used."

^{14/} Official Records of the General Assembly, Twenty-first Session, Annexes, agenda item 74, document A/C.5/1074.

^{15/} Ibid., document A/6502.

DRAFT RESOLUTION V

Extension of conference facilities at Geneva

The General Assembly,

Taking note with approval of the reports of the Secretary-General^{16/} and of the Advisory Committee on Administrative and Budgetary Questions^{17/} concerning the extension of the conference facilities at the Palais des Nations in Geneva,

Expresses its gratitude to the Swiss governmental authorities for the co-operation and assistance given to the United Nations in this matter,

Authorizes the Secretary-General to proceed with the plans for the extension of the Palais des Nations within a maximum expenditure of \$15 million;

Further authorizes the Secretary-General to accept the offer of the Swiss authorities of a gift of 4 million Swiss francs (\$925,000) towards the cost of the project and to accept a loan, as required, at 3 per cent interest to assist in the financing of the project and to be repayable in instalments within the period 1972 to 1980;

1. Decides to finance the programme in such a way that the amount to be met from the budget estimates in successive years over the period 1967 to 1980, shall be:

1967-1974	\$ 1,000,000
1975-1979	1,500,000
1980	495,000

2. Decides to establish a special account for which all funds made available for the project of the extension of the Palais des Nations would be deposited and to which the unexpended balance of the annual appropriations would automatically revert.

16/ A/C.5/1076 and A/6524, respectively.

17/ A/6524.

DRAFT RESOLUTION VI

Publication and documentation of the
United Nations

The General Assembly,

Taking into account the 1967 budget estimates and the sixth report submitted by the Advisory Committee on Administrative and Budgetary Questions (A/6307),

Bearing in mind the Second report of the Ad Hoc Committee of Experts to examine the finances of the United Nations and the specialized agencies (A/6343),

1. Requests the Secretary-General, in accordance with the recommendations of the Ad Hoc Committee of Experts and of the Advisory Committee on Administrative and Budgetary Questions, to instruct the Publications Board:

(a) To review the present practice of preparation and publication of Official Records and Supplements and Annexes of all organs of the United Nations with the aim of determining whether any economy can be achieved;

(b) To review the publications programme in order to ascertain whether publications, studies and reports are prepared in accordance with pertinent resolutions of the General Assembly and other policy making bodies, as well as to determine whether any publication may have lost its usefulness or have become redundant;

(c) To study the documentation of the Organization with a view to suggesting possible ways and means of achieving possible economy both in extent and cost;

(d) To harmonize the publication programme of the United Nations with that of the specialized agencies and International Atomic Energy Agency with a view to eliminating possible duplication;

2. Requests the Secretary-General

(a) To submit to the Advisory Committee on Administrative and Budgetary Questions at its summer session on the basis of the above-mentioned studies by the Publications Board a preliminary report containing such suggestions and recommendations as may be appropriate for the elimination, consolidation or reduction in frequency of various publications;

(b) To report to the twenty-second General Assembly session;

3. Asks the Secretary-General to ensure, in the spirit of operative paragraph 3 of resolution 1090 E (XXXIX) of the Economic and Social Council, that documents submitted to the United Nations organs should be available to the Member States within a sufficient time and simultaneously in the working languages envisaged by various internal regulations.
