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BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1969

Report of the Fifth Committee

Rapporteur: Mr. Santiago MEYER PICON (Mexico)

1. Under agenda item 74 the Fifth Committee considered the budget estimates of the United Nations for the financial year 1969. The Committee recommends a gross appropriation for 1969 of \$154,915,250 and an estimate for income (other than income derived from staff assessment) of \$9,235,240. The net expenditure for 1969 is thus estimated at \$145,680,010.
2. As regards the Working Capital Fund, the Committee recommends that the Fund should be maintained for 1969 at the level of \$40 million.
3. The Committee also recommends an estimate of \$17,985,000 as staff assessment for transfer in the course of 1969 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 1969, the Committee had before it, as basic documents, the 1969 budget estimates submitted by the Secretary-General (A/7205) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/7207). Revised estimates for various appropriation sections were considered on the basis of subsequent reports of the Secretary-General and the Advisory Committee.

GENERAL DEBATE

5. The general debate on the budget estimates for 1969 reflected, in broad terms, the continued preoccupation of Member States with the increasing level of the regular budget and the related problem of the rapidly expanding activities of the Organization, resulting in a steady growth of the resources to be made available to the Secretariat.

Growth of the budget

6. A number of delegations were highly critical of the increased expenditures reflected in the budget estimates for 1969. If the budget of the United Nations continued to grow at a more rapid rate than the national incomes of many countries, there would be serious consequences. This had already been demonstrated by the increasing difficulties some Member States were encountering in paying their assessed contributions on time. These delegations were of the opinion that the Advisory Committee on Administrative and Budgetary Questions had not gone far enough in its recommended reductions. In their opinion, the Secretary-General should take more effective steps towards reducing the administrative expenses incurred by the Secretariat which comprised over 60 per cent of the total budget.

7. One delegation pointed out that if budget increases advanced at too rapid a rate, they might soon reach the point of diminishing returns. Any additional benefits which might be achieved would decrease in proportion to the extra cost incurred.

8. On the other hand, a number of other delegations observed that the growing level of the annual budget of the Organization was a normal phenomenon. Increased expenditure was inevitable in an organization which grew in response to the legitimate needs of its members. The important consideration was to assure that this expenditure was being incurred with maximum economy. Moreover, it was to be expected that a higher level of expenditure should have resulted from the increased membership of the Organization, which had approximately doubled in the last fifteen years. If Member States wished the United Nations to develop and to be adequately equipped to fulfil its purposes, they must be prepared to allocate the necessary funds. Very significant sums were spent yearly by national Governments on defence

measures and for the exploration of outer space in comparison to the relatively insignificant amounts invested in peace through the aegis of the United Nations.

9. One delegation called attention to the change in the order of priority of world problems since the inception of the United Nations. The problem of economic and social underdevelopment had assumed major importance for the developing countries. Budgetary growth could not be fixed at an ideal rate on purely financial considerations without affecting the Organization's moral obligation to contribute to the economic and social growth of developing countries which constituted about two thirds of its membership.

Reconciliation of work programmes and budgetary resources

10. In the course of Fifth Committee deliberations during the twenty-second session of the General Assembly, much emphasis had been placed on achievement of a proper balance between programme and budget processing, particularly in the economic, social and human rights fields. In response to the relevant recommendations made by the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies in its second report (A/6343), the General Assembly adopted, on the recommendation of the Fifth Committee, resolution 2370 (XXII), which requested the Secretary-General to take certain steps with a view to the development of an integrated system of long-term planning in order to ensure the most rational use of available resources.

11. Several delegations commended the Secretary-General and his staff for their initiative in responding to the underlying principles of resolution 2370 (XXII) by creating a small internal review group comprised of officials of the Office of the Controller and the Department of Economic and Social Affairs, which had made an analysis of the work programmes to be implemented by the latter Department, the secretariats of the four regional economic commissions, the United Nations Economic and Social Office in Beirut and the Division of Human Rights with a view to ensuring that the staffing and other resources required for effective implementation of

approved programmes were both reasonable and accurately assessed. The results of this initial review were reflected in the budget estimates for 1969 which for the first time, under the appropriate sections and particularly section 3, contained information on the programmes to be undertaken in 1968 and 1969 together with an indication of the allocation of the manpower available or requested for their implementation. The necessary internal machinery had already been set up for the determination of requirements for 1970 as well as of a planning estimate for 1971.

12. Although some delegations concurred in the view of the Advisory Committee on Administrative and Budgetary Questions, in its first report to the General Assembly (A/7207), that the concept of "man-months" used in the group's analysis was not a precise and scientific assessment of work, they also agreed with the Advisory Committee that the creation of the internal review group was an important step towards the implementation of General Assembly resolution 2370 (XXII). Moreover, the results of its work would be of considerable assistance to the Fifth Committee in its consideration of the programming aspects of the budget estimates as well as to the Committee for Programme and Co-ordination and to programme-formulating bodies in fulfilling their responsibilities in respect of programme review.

13. It was observed by many delegations, however, that there was considerable room for improvement in the functioning of the machinery established for co-ordination of programmes and the related budgetary requirements as well as for the establishment of priorities within the programmes approved by the various legislative organs and their subsidiary bodies. Some delegations noted that the functions of the various co-ordinating bodies should be carefully defined so as to avoid a possible overlapping and duplication of effort.

14. The problem of the establishment of priorities within the over-all system of co-ordination received considerable attention. Certain representatives recalled the comments of the Chairman of the Advisory Committee, in his oral statement before the Fifth Committee at its 1238th meeting (A/C.5/1177), that some of the programming organs tended to assign high priority to all programmes. The Secretary-General, in paragraph 13 of his foreword to the budget estimates for 1969 (A/7205), had stated that he was obliged to seek implementation of decisions taken by the

various principal organs of the Organization without any indication as to priority. One representative was of the opinion that the items within each programme should be classified in a decreasing order of priority, with an indication of a time-table for their implementation. In the opinion of a number of delegations, the committees which had been established to improve co-ordination had not yet done enough to solve this problem of priorities. However, the decision of the Committee for Programme and Co-ordination to assist the Economic and Social Council and the General Assembly in the establishment of priorities, as well as in the formulation of programmes, was a most welcome one.

15. In his foreword to the budget estimates for 1969 (A/7205), the Secretary-General expressed the opinion that if General Assembly resolution 2370 (XXII) was to serve a meaningful purpose, certain changes were called for in the present methods of approval, formulation and development of programmes. The Secretariat could play a more active role in the view of programmes. This suggestion was endorsed and welcomed by the Advisory Committee on Administrative and Budgetary Questions in paragraph 38 of its report (A/7207) and by a number of delegations taking part in the general debate. In their opinion, the Secretary-General should be given the authority, on the basis of co-ordinated appraisal of past and proposed activities, to propose adjustments in decisions in order to assure that proposals resulting from decisions taken by the different bodies might fall into a more coherent pattern than at present.

16. One delegation recalled certain comments made by the Advisory Committee in its report to the General Assembly at its twenty-second session on the budget estimates for 1968. The Advisory Committee had noted that one of the principal weaknesses of the United Nations financial system was that the Organization's programme of work was drawn up in the various commissions and committees without regard to central control. In the opinion of this delegation, the problem had reached an acute stage in respect of the United Nations Industrial Development Organization and also existed in regard to the United Nations Conference on Trade and Development. The role of the Boards of these two bodies should be advisory and should relate mainly to programme formulation. All control of United Nations funds by the central administration and by the General Assembly would be removed

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if these bodies were given the right to recommend their level of annual expenditure. Moreover, it would seriously hamper the planning and co-ordination of United Nations activities, particularly in the economic and social fields, as envisaged in General Assembly resolution 2370 (XXIII). His delegation also supported strongly the introduction of computers and electronic data-processing equipment as a means of improving the management of the United Nations system. The establishment by the Administrative Committee on Co-ordination of a Computer Users' Committee to explore the problems involved in using those new management techniques in the United Nations establishment was most welcome.

17. Another delegation expressed the view that it was necessary to give continuing attention to the performance of the programming organs of the United Nations with a view to making programmes more relevant to the requirements of the Governments which had to bear the ultimate burdens and responsibilities of development. It was also desirable to examine the possibility of delegating to the regional economic commissions the administration of programmes to be applied in their respective areas. It should be possible to achieve this within existing resources. Care should be taken at the same time to avoid any duplication of work between the regional commissions and Headquarters.

Proposed desk-to-desk survey of the deployment
and utilization of existing staff resources

18. In making its recommendations on the number of staff to be provided for under section 3 of the budget estimates for 1969, the Advisory Committee, in paragraphs 48 and 49 of its report (A/7207) noted that it had not been able to endorse the full proposal of the Secretary-General because it was not convinced that the absorptive capacity of the present manning table was completely exhausted and that each new programme would automatically call for additional staff. Furthermore, it was not able to satisfy itself, beyond all reasonable doubt, that savings could not be achieved either by reorganization of the work or a redeployment of the present staff. It was under the impression that there existed an unevenness in the intensity of the use of posts within the Organization. In the light of these observations, the Advisory Committee recommended in paragraph 50 of its report that the Secretary-General undertake on an urgent basis either in 1969 or earlier, a

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careful and detailed survey, preferably desk-by-desk, of existing staff, their deployment and utilization. It suggested, further, that the survey might be carried out either with the help of outside management experts, by the Administrative Management Service of the United Nations or by some team specifically selected for this purpose.

19. The Secretary-General, in a general statement before the Fifth Committee (A/C.5/1176) took no exception in principle to the recommendation of the Advisory Committee for such a survey. He pointed out, however, that if the survey was to be effective, a considerable amount of preparatory work would be required. A number of key personnel with a thorough knowledge and experience in the Organization would have to be actively involved. In normal circumstances, the preparatory work for such a survey would not pose a real problem, but given the present circumstances where heavy demands were being made of the Secretariat in connexion with the review of work programmes for 1970 and 1971, he would hesitate to assume the added responsibility at once and, therefore, would ask for a deferment of a few months in order to devote the proper resources to it. In addition, he would wish to consider the closely related recommendations of the Committee on the Reorganization of the Secretariat before embarking on such a survey.

20. A number of delegations, in their remarks during the general debate, were concerned with the continuing trend in the growth of the number of staff. Some of the delegations were convinced that approval of new programmes were constantly followed by requests for additional staff without a proper assessment of existing resources. One delegation observed that, in some instances, experts who had been recruited for the execution of a new programme received a permanent contract and remained in the Organization until retirement long after the programme for which they had been recruited was completed. This delegation was of the opinion that greater use should be made of fixed-term contracts and more frequent reviews should be made of permanent contracts. Other delegations pointed out that the problem of the growth of staff needed to be considered also in light of its interrelationship with the equally important problem facing the General Assembly of additional space requirements at New York Headquarters and elsewhere.

21. Many of the delegations were in agreement with the recommendations of the Advisory Committee to reduce the number of new posts requested by the Secretary-

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General for 1969. Other delegations felt very strongly that the present level of the manning table should not be altered until a survey such as that proposed by the Advisory Committee was completed.

22. While unanimous agreement was voiced in the course of the general debate on the necessity of a survey as suggested by the Advisory Committee different views were expressed as to its implementation.

23. Although they considered the problem of the growing staffing requirements a major one, most delegations concurred in the request of the Secretary-General for a short postponement of the survey, provided there was no excessive delay. In so doing, one delegation pointed out, the Fifth Committee would not be making any excessive demands on the Secretary-General and thus assure an unhurried and sounder survey.

24. Some delegations pointed out that the choice of method to be used in the implementation of the survey was clearly the prerogative of the Secretary-General. However, some representatives suggested that the survey should be conducted by a group of experts from within the United Nations Secretariat. These experts would have acquired special knowledge of the administrative and functional activities of the Organization. The United Nations was a unique organization and political considerations as well as considerations of geographical distribution and languages had to be taken into account. Caution should be exercised in using outside management specialists. The cost involved should justify the results achieved, and there should be some assurance that the recommendations arrived at could be implemented. Other delegations were of the opinion that, if outside consultants were to be used, they would need to be in close consultation with the Secretariat if their recommendations were not to be ignored or undermined. A few delegations suggested that the survey be undertaken entirely by external management specialists, as impartial experts.

25. The hope was expressed by some delegations that the proposed survey would be part of a continuing review designed to ensure that the Secretariat adapts itself quickly and efficiently to meet the changing demands upon it. Some delegations suggested that the report of the Committee on the Reorganization of the Secretariat might also contain certain recommendations on this subject.

Financial position of the Organization

26. Many delegations were concerned with the continuing financial deterioration of the Organization. Whereas in its first report to the General Assembly at its twenty-first session the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies had estimated that a minimum of \$31.9 million of new voluntary contributions would be needed to restore the Organization's solvency, the Secretary-General, in his statement to the Fifth Committee on 16 October 1968 (A/C.5/1176), stated that, at present, the minimum estimate of the amount required for that same purpose was \$47 million to \$48 million.

27. One delegation deplored the apparent general apathy in the face of the deteriorating financial position of the Organization; a number of other delegations were highly critical of the tendency to disregard the Organization's financial problems and the consensus reached in 1965 on the necessity of making voluntary contributions to overcome the growing deficit which had arisen mainly as a result of the non-participation of certain Member States in the financing of some of the undertakings of the Organization. One delegation observed that despite appeals from the Secretary-General and the General Assembly for assistance in restoring the solvency of the United Nations, only \$23 million had been paid or pledged by twenty-four countries to the United Nations Special Account which had been established three years ago. Two years ago, some countries which had not yet made any voluntary contributions had tacitly agreed to do so, but now remained silent.

28. Commenting on the failure of the Organization to settle, within a reasonable length of time, certain obligations arising from its peace-keeping operations, one delegation pointed out that as a result of this situation those Member States which were consistently responding to United Nations needs for troops and logistical support had to bear a totally disproportionate share of the financial costs.

29. In joining in the general appeal for voluntary contributions to ease the financial position of the Organization, one delegation felt that such contributions should be made especially by the countries which could best afford them. At the same time, disputed items must be excluded from the regular budget. Since the problem involved was basically a political rather than a financial one, the

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retention of such disputed items in the regular budget would only increase frictions without bringing a final solution to the problem any closer.

30. Another delegation observed that a factor which contributed to the unsatisfactory financial situation of the Organization was the failure of some Member States to pay their contributions on time. This compelled the Secretary-General to borrow from voluntary and trust funds to meet immediate obligations. These funds were subscribed to for other purposes. Such makeshift arrangements could not go on indefinitely.

Form of the budget

31. Many delegations expressed their appreciation of the considerable effort which had been made by the Controller and his staff to improve the presentation of the budget document for 1969.

32. In addition to improvements which had been made the previous year, the budget estimates for 1969 reflected the advantages of the work done by the newly-created internal review group which had made an analysis of work programmes and available resources in the economic, social and human rights fields. The distribution under section 3 of expenditures among the major organizational units by object of expenditure had gained new meaning with the addition of information on actual work programmes to be undertaken by each unit and the manpower and other resources available or requested for their implementation. One delegation noted that it might also be useful to include, in this context, programmes which had been completed or were nearing completion.

33. General appreciation was expressed regarding the usefulness of the annexes to the budget estimates for 1969 (A/7205, volume II) which contained, among other analyses and statements, a distribution of the budget estimates for 1969 by main activity and programme and by object of expenditure, with comparative figures for 1968 and 1967.

34. It was generally noted that the implementation of certain of the related recommendations of the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies had resulted in a more thorough, clearer and more balanced budget document.

Pro memoria provisions in the initial estimates

35. The Advisory Committee on Administrative and Budgetary Questions, in paragraphs 38 and 39 of its report on the main budget estimates (A/7207) had observed that financial regulations 3.4, 3.5 and 3.6 required that the initial estimates should be as complete as possible in order to give Member States an accurate indication of the amount they would be required to contribute in respect of the financial year involved. The initial budget estimates for 1969 did not achieve this objective in view of the provision on a pro memoria basis only under Part V (Technical programmes) and certain chapters of sections 2, 12 and 20. As stated in paragraph 36 of its report, it was the intention of the Advisory Committee to request the Secretary-General in the future to indicate the estimated total of the submission which, in his judgement, might reasonably be expected for the ensuing budget year.

36. Many delegations, although recognizing the difficulties which had been encountered by the Secretary-General, concurred in the observations of the Advisory Committee on this aspect of the initial estimates.

37. As the principal items for which pro memoria provision had been made were the technical programmes under Part V, most of the comments on the subject during the general debate were directed to this question.

38. In his statement before the Fifth Committee on 16 October 1968 (A/C.5/1176), the Secretary-General had explained that certain proposals emanating from the Governing Council of the United Nations Development Programme (UNDP), on the one hand, and from the Industrial Development Board, on the other, involved a total recommendation under Part V in excess of the previous level of \$6.4 million. He had observed that the Fifth Committee would probably wish to consider this matter in the light of the deliberations of the Second Committee which had on its agenda the reports of the Governing Council of UNDP and the Industrial Development Board.

39. In commenting on this subject, certain delegations reiterated their opinion that technical assistance activities should not be financed from the regular budget. Article 17 of the Charter, they pointed out, clearly stated that the budget of the United Nations was intended exclusively to cover administrative requirements. In their opinion, technical assistance operations should be financed on a voluntary basis.

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40. A few delegations, in voicing their disagreement with the position taken by the above-mentioned delegations, pointed out that such a position was contrary to the principles of Article 55 of the Charter which relates to the promotion by the United Nations of international economic and social co-operation.

41. Another delegation noted that although it had always supported the funds for technical programmes under Part V, it was firmly convinced that the provision under the regular budget must remain within the agreed 6.4 million level. Contributions for major technical assistance undertakings should come from voluntary sources.

Public information activities

42. A number of delegations called attention to the comments of the Secretary-General in the introduction to his annual report on the work of the Organization (A/7201/Add.1) emphasizing the need for a large, sustained, co-ordinated and sharply focused information effort to be made, both nationally and internationally, if the achievements of the United Nations were to match its intentions. The Secretary-General suggested, further, that a review and reappraisal be made of United Nations information policies, procedures and practices in order to determine the financial needs in that field and to enable the Office of Public Information to operate effectively and economically. These delegations were awaiting the report on this review with keen interest.

43. One representative reiterated the view of his delegation that it was essential and desirable to publicize United Nations activities but that it could be done more economically and without the use of the present great number of international staff. In the opinion of his delegation separate information centres were not essential in developing countries where information services could be provided by the offices of the Resident Representatives.

44. One delegation expressed the opinion that the Office of Public Information in disseminating information about the Organization's aims and achievements was not paying sufficient attention to the requirements of the Chinese people. In one of its earliest pronouncements, the General Assembly had declared that the United Nations could not achieve its aims unless peoples of the world were fully informed of its aims and activities. Accordingly, this delegation concurred in the Secretary-General's observations that the public information activities of the

United Nations should carry the meaning and message of the United Nations to the peoples of each region in their own language. It was hoped that the manpower survey proposed by the Advisory Committee on Administrative and Budgetary Questions (A/7207, paragraph 50) would include recommendations for the redeployment of existing manpower and resources, the elimination of omissions, and the achievement of better co-ordination among the information services of the various members of the United Nations family of organizations. Since in the opinion of this delegation there had as yet been no attempt to improve the services of the Office of Public Information, it felt constrained to withhold for the time being its support of the programme and activities of the Office of Public Information.

Working languages of the Secretariat

45. Reference was made by a number of delegations to the implementation by the Secretary-General of General Assembly resolution 2359 B (XXII) in terms of which the Secretary-General was invited to take the necessary steps to ensure a linguistic balance within the Secretariat as well as the early introduction of an accelerated language instruction programme and a language bonus for staff in the professional category. The resolution also requested the Secretary-General to report to the General Assembly at its twenty-third session on the steps which had been taken to give effect to the provisions of the resolution.

46. In his statement before the Committee on 16 October 1968 (A/C.5/1176), the Secretary-General indicated that he had studied the question of working languages both within the United Nations Secretariat and in the context of the United Nations family of organizations as a whole, and had worked out a number of proposals designed to attain the objectives of the resolution. These proposals would be put before the Committee for its consideration in due course.

47. A number of representatives emphasized the special importance their delegations attached to the question of working languages and were glad to note that the Secretary-General intended to submit proposals designed to bring about a more equitable use of languages within the Secretariat. They also commended the Secretary-General for his efforts in accelerating the various language training courses.

48. Certain delegations cited the conclusion of the International Civil Service Advisory Board (ICSAB/XVI/1) that the introduction of the language bonus, as mentioned in resolution 2359 (XXII), would not achieve the desired results and

would even be disadvantageous. These delegations were of the opinion that the observations of ICSAB on this subject deserved careful attention.

49. Certain delegations looked forward to the adoption of Russian as a working language of the Secretariat and the principal organs of the United Nations. This language was used increasingly as an instrument of international communication in political, scientific and cultural matters and was the diplomatic language of a group of countries comprising a total population of 300 million. The implementation of this proposal should not impose any significant financial burden on the Organization.

Chinese translation

50. One delegation commented on the serious situation which continued to exist in respect of the translation of United Nations documents into Chinese. Although an increasing volume of Chinese conference documents was being produced, and his delegation appreciated the hard and efficient work of translators in the Chinese language section, there was still a backlog to the extent of some 40,000 pages. Many important reports, official records and resolutions had not been produced in Chinese. This situation had adversely affected the work of his delegation. At times it was necessary for the delegation to do its own translations in order to satisfy the demands of its national services. Moreover, information material, if produced in several languages, should also have a Chinese language edition. Chinese was the only Asian official language of the United Nations and should be placed on an equal footing with the others. His delegation had requested that a list showing the backlog in the translation and printing of Chinese documents be made available to it as soon as possible in order that it might indicate to the Secretariat those documents most urgently required.

CONSIDERATION OF SPECIAL SUBJECTS

Staffing requirements

51. The additional staffing requirements proposed by the Secretary-General for 1969, and the closely linked proposal of the Advisory Committee on Administrative and Budgetary Questions in paragraph 50 of its report (A/7207) regarding a desk-by-desk survey of the deployment and utilization of existing personnel, were discussed at length by the Committee during its deliberations on section 3 of the budget estimates for 1969.

52. The Secretary-General, in his initial budget estimates for 1969 (A/7205) had requested a total of 602 new posts under various sections of the budget, of which 452 occurred under section 3. The Advisory Committee in its related recommendations (A/7207) proposed a reduction of 145 in the number of new posts requested under the latter section, for a total of 307.

53. At the 1259th meeting, held on 14 November 1968, the representative of the Ukrainian Soviet Socialist Republic expressed the concern of his delegation at what it believed to be a tendency to automatically request additional staff whenever new programmes were initiated. In his opinion the reductions recommended by the Advisory Committee were inadequate. Accordingly, on behalf of his delegation, he formally submitted the following proposal (A/C.5/L.952);

"Costs under section 3 of the budget estimates for 1969 should be determined on the basis of the maintenance of the 1968 establishment of the United Nations Secretariat."

54. At the same meeting, the representative of the United States of America, agreed that the level of new posts recommended by the Advisory Committee could be reduced further. His delegation, although in sympathy with the request of the Secretary-General for a short delay, was convinced that the survey recommended by the Advisory Committee should commence as soon as possible. Although his delegation recognized that it might take time to cover the entire Secretariat, preliminary results could be achieved as the survey progressed which might possibly be reflected in further reductions in the proposed manning table for 1969, and the avoidance of any request for an increase in the number of posts for 1970. He therefore formally proposed the inclusion of the following paragraph (A/C.5/L.951) in the report of the ~~Panel~~ Committee on the budget estimates for 1969:

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"The Committee decided to approve the recommendations of the Advisory Committee that the new positions proposed by the Secretary-General under section 3 of the budget estimates for 1969 should be reduced by approximately one-fourth. In the belief that the forthcoming manpower utilization survey may well result in important improvements in the utilization of manpower, with attendant savings and increases in efficiency, the Committee further decided that an additional one-fourth of all the new positions proposed by the Secretary-General should not be filled unless and until he determines, on the basis of selective manpower utilization studies, and preferably after ACABQ concurrence, that he cannot defer these hirings pending completion of those studies. Moreover, the Committee requests that full consideration be given by the Secretary-General to reductions which he anticipates may be possible as the result of the manpower utilization studies with a view to avoiding any increase in posts for 1970."

55. One delegation was of the opinion that the proposal formulated by the United States had not gone far enough and that the number of new posts requested by the Secretary-General should be reduced by at least 50 per cent.
56. In voicing their concern with any action which would tend to hamper the activities and development of the United Nations, particularly in the economic, social and human rights fields, a number of delegations pointed out that the recommendations which might result from the manpower utilization survey should not be prejudged. The expectation that they would result in savings might well prove to be unfounded. In his foreword to the budget estimates for 1969 (A/7205), the Secretary-General had stated that he had prepared the estimates with due regard to the concern expressed by some Member States about the continual growth of the budget, and that he had endeavoured to provide for total foreseeable needs at the lowest possible costs. In the view of some delegations, any attempt to upset this delicate balance between programmes and resources, as reflected in the budget estimates and in the recommendations of the Advisory Committee, would seriously affect the implementation of the work programme activities of the Organization.
57. At the 1261st meeting, held on 18 November 1968, the representative of the Ukrainian Soviet Socialist Republic, in consideration of the concern expressed by some delegations with the possible consequences on the activities of the Organization of any further reductions under section 3 over and above those recommended by the Advisory Committee, indicated that his delegation would not press for a decision on its proposal (A/C.5/L.952) provided that the Committee would agree to the compromise solution of including the following paragraph (A/C.5/L.954) in its report:

"The Committee decided that the recommendations of the Advisory Committee on Administrative and Budgetary Questions concerning the increase of the staff of the Secretariat should be implemented not in 1969 alone, but in the two years 1969 and 1970."

His delegation was of the opinion that the proposed survey would undoubtedly reflect some unutilized manpower resources. If this element were taken into account in the assessment of staff requirements over the next two years, the Secretary-General would be able to use the existing staff more realistically and efficiently.

58. At the 1264th meeting, held on 21 November 1968, the representative of the United Arab Republic stated that his delegation had decided to support the recommendations of the Advisory Committee on the staffing requirements under section 3 after it was assured that the recommended reduction in the request of the Secretary-General would not deter the implementation of the work programmes of the United Nations. His delegation also trusted the judgement of the Advisory Committee when it recommended that the manpower utilization survey was essential to a fuller utilization of the existing personnel, and was convinced that the recommendations resulting from the survey would facilitate a more accurate assessment of staff requirements. However, his delegation, could not support any proposal which would have the effect of freezing the established posts until 1970 without due regard to programming, nor would it support any proposal based on a prejudgement of the results of the proposed survey. Accordingly, his delegation, in consultation with several other delegations, proposed the inclusion of the following paragraph (A/C.5/L.956) in the report of the Committee:

"The Committee approved the recommendations of the Advisory Committee that the Secretary-General should undertake at the earliest possible date a careful and detailed survey, preferably desk by desk, of existing personnel available to him, their deployment and utilization. In the event that this survey indicates opportunities for a reorganization of work or a redeployment of staff, the Committee is confident that the Secretary-General:

(a) will in the process of filling the new posts authorized for 1969, give due regard to any preliminary results of the survey which may become available; and

(b) will have given due consideration to any available results of the manpower survey, when he presents his budget estimates for 1970 to the twenty-fourth session of the General Assembly."

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59. The unanimous support expressed in the course of general debate on the recommended desk-by-desk manpower utilization survey continued during the Committee's deliberations on staffing requirements. Although it was generally agreed that the manner of its implementation must be left to the judgement of the Secretary-General, some delegations supported the views expressed by one delegation at the 1206th meeting of the Committee, and later explained in detail by its representative at the 1268th meeting. This delegation suggested that the survey might be entrusted to the Joint Inspection Unit. In addition to the undesirable additional expense which would be involved in the hiring of outside experts, it was doubtful whether such experts would be suitably qualified to plan for an organization such as the United Nations which had some very special characteristics of its own. On the other hand, if the survey were to be carried out by members of the Secretariat, it was doubtful whether they, themselves, could propose changes in the established structure without giving rise to internal objections and differences of opinion. The Joint Inspection Unit was independent of the Secretariat yet had the required competence because it was participating in, and examining administrative aspects of, the activities of the Organization. Moreover, if the Joint Inspection Unit undertook the survey, it would entail very little additional expenditure since expenses related to it were carried jointly by the United Nations, the specialized agencies and the International Atomic Energy Agency. If the General Assembly were to recommend that the Joint Inspection Unit undertake the survey, it could be conducted by two or three of the Inspectors in collaboration with secretariat staff appointed by the Secretary-General. It would be a permanent and continuous undertaking. The conclusions emerging from the survey would be transmitted to the Secretary-General for his approval as the survey proceeded and the Secretary-General would report periodically to the General Assembly on the nature and substance the decision he had taken in order to ensure better utilization of staff.

60. The Representative of the Secretary-General observed that a study of the relevant recommendations of the Committee on the Reorganization of the Secretariat in paragraphs 63 and 64 of its report annexed to the note by the Secretary-General (A/7359), made it apparent that the survey should not be regarded as a one-time operation but should mark the beginning of a continuous process. In order that

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the survey might commence as quickly as possible, a few teams should perhaps be formed, the nucleus of each being a representative of the Administrative Management Service, which would be assisted temporarily in each case by staff members with experience in the area of the Secretariat under survey. That method would make it possible not only to obtain rapid results, but to gain valuable experience as a basis for determining the structure and composition of the long-term control device, namely the new Administrative Management Service. The possibility of employing outside consultants would by no means be excluded. The Committee on the Reorganization of the Secretariat, in paragraph 94 of its report, explained that the Joint Inspection Unit had a wider and more general task to perform for the United Nations and could not perform the continuous survey which it believed the Organization needed; it had not, however, excluded the possibility of associating the Joint Inspection Unit with the process of planning and carrying out the survey and evaluating the results. Although it was felt that there would not be much advantage to be gained by employing outside management consultants, the idea of employing some outside consultant for limited tasks of a highly specialized nature would also be considered.

61. At the 1272nd meeting, held on 3 December 1968, the Committee, at the request of the Union of Soviet Socialist Republics, voted by roll call on the proposal submitted by the Ukrainian Soviet Socialist Republic (A/C.5/L.954) as follows:

In favour: Bulgaria, Byelorussian SSR, Cuba, Czechoslovakia, France, Hungary, Mongolia, Poland, Romania, Ukrainian SSR, Union of Soviet Socialist Republics.

Against: Austria, Barbados, Belgium, Brazil, Chile, Colombia, Congo (Democratic Republic of), Denmark, Ethiopia, Finland, Ghana, Greece, Guatemala, Ireland, Israel, Ivory Coast, Kenya, Mexico, Netherlands, New Zealand, Niger, Norway, Rwanda, Senegal, Somalia, Sweden, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Republic of Tanzania, Upper Volta, Zambia.

Abstaining: Afghanistan, Algeria, Argentina, Australia, Burma, Cameroon, Canada, Chad, China, El Salvador, Equatorial Guinea, Guinea, Indonesia, Italy, Japan, Kuwait, Laos, Malaysia, Mauritania, Morocco, Nigeria, Pakistan, Peru, Philippines, Portugal, South Africa, Spain, Sudan, Syria, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

The proposal was therefore rejected by a vote of 34 to 11 with 32 abstentions.

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62. At the same meeting the Chairman of the Fifth Committee announced the following changes in the wording of the proposal of the United Arab Republic (A/C.5/L.956), as proposed by the delegations which had participated in its drafting:

(a) In the third line of the text, after the words "desk-by-desk", to add the words "either with the help of external management specialists or by teams specifically selected for this purpose"; and

(b) In paragraph (a) of the French text, the word "s'occupera" be replaced by the word "entreprendra".

63. One delegation raised the question of why, since the new wording which was proposed in (a) above was quoted from paragraph 50 of the report of the Advisory Committee (A/7207), the third possibility envisaged by the Committee, namely that the survey be entrusted to the Administrative Management Service of the United Nations, was not also included.

64. At its 1274th meeting, held on 4 December 1968, after taking into account some oral amendments to the proposal of the United Arab Republic (A/C.5/L.956), the Committee unanimously approved the text of the paragraph below on the understanding that it would be able to discuss the financial implications of the relevant proposal before giving its final approval.

65. Accordingly, the Committee approved the recommendations of the Advisory Committee that the Secretary-General, taking into account the views expressed during the discussion in the Fifth Committee, should undertake at the earliest possible date a careful and detailed survey, preferably desk by desk, of existing personnel available to him, their deployment and utilization. In the event that this survey indicates opportunities for a reorganization of work or a redeployment of staff, the Committee is confident that the Secretary-General:

(a) will in the process of filling the new posts authorized for 1969, give due regard to any preliminary results of the survey which may become available; and

(b) will have given due consideration to any available results of the manpower survey, when he presents his budget estimates for 1970 to the twenty-fourth session of the General Assembly.

66. The representative of the United States of America expressed his thanks to the sponsors of the draft paragraph unanimously approved by the Committee and stated that since the text of the paragraph had been constructed as a substitute for the draft paragraph submitted by his delegation, his delegation would withdraw its previous proposal (A/C.5/L.951).

Salary scales for the professional and
higher categories

67. The Secretary-General in a separate report (A/7236) proposed an interim salary adjustment of 5 per cent for the professional and higher categories of staff, to be introduced on 1 January 1969, based on the recommendations of the International Civil Service Advisory Board (A/7236, annex). The Secretary-General also recommended that one class of post adjustment at the dependency rate be incorporated in the base salary scales. The Advisory Committee on Administrative and Budgetary Questions in its related report (A/7280) concurred in the Secretary-General's proposals.

68. The Fifth Committee considered the question at length in the course of its discussion related to section 3 of the budget estimates for 1969.

69. In voicing their opposition to the proposed increase, a number of delegations noted that the report of ICSAB (ICSAB/XVI/1) did not contain all the relevant information on which it had based its interim recommendation. In their opinion, the frequent post adjustment increases which had been granted, based on the rising cost-of-living index, more than compensated for any inflationary trends. United Nations salaries had always been higher than those of other national civil services and could not therefore be subject to the comparison made by ICSAB in arriving at the conclusion that they had lagged behind the movement of outside salaries, as measured by the international salary index, by 4 per cent during the period from October 1964 to 31 December 1967. Although recognizing the integrity and expertise of ICSAB, these delegations questioned its replacement of the Noblemaire principle of identifying salary scales with the civil service scales of one particular Member State by the concepts of the international salary scale and world market rates. As to the latter concept, the nature and activities of private industry were

completely irrelevant to the work of the United Nations or any other international organization. Furthermore, between the five-year surveys based on world market rates, the use by ICSAB of the international salary index, based on the movement of real income in the civil services of seven countries in which the United Nations had headquarters, was not realistic since it excluded from consideration a number of developing countries in which the United Nations had offices.

70. At the 1246th meeting, the representative of the Union of Soviet Socialist Republics introduced, on behalf of his delegation, the following draft resolution (A/C.5/L.947):

"The General Assembly,

Having considered the report of the Secretary-General (document A/7236) and the relevant reports of the International Civil Service Advisory Board (document IC SAB/XVI/1) and of the Advisory Committee on Administrative and Budgetary Questions (document A/7280),

Noting that the International Civil Service Advisory Board has not yet completed the review which it started in 1966 of the principles which should underlie the establishment of salaries for international civil servants,

Noting that the ICSAB report does not contain all the information on which ICSAB based its interim recommendation,

Taking into account the fact that the present level of salaries of United Nations staff members in the professional and higher categories is above the corresponding salary level of professionals working in national State institutions,

Considering that the present salary system of international civil servants provides them with good protection against fluctuations in the cost-of-living index in individual countries,

1. Requests the International Civil Service Advisory Board to take steps to complete the formulation of new principles for establishing the salaries of international civil servants;

2. Decides to postpone consideration of the question of new salary scales for United Nations staff members in the professional and higher categories until the General Assembly has adopted new principles for establishing the salaries of international civil servants."

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71. One delegation, while not objecting to an increase of 4 per cent could not support the additional 1 per cent which had been recommended on the assumption that, if the current trend continued, a further lag of 1 per cent would probably develop during 1968.

72. In an oral statement to the Committee at its 1248th meeting, the Secretary of ICSAB during its sixteenth meeting, explained that by analysing comparative data, the Board had discovered that between late 1964 and the end of 1967 United Nations salaries had lagged behind salaries in the national services by 4 per cent in real income terms. An increase of only 4 per cent effective 1 January 1969 would not compensate United Nations staff for the lag which had developed between 1956, when the Salary Review Committee had carried out its survey, and 1964. Secondly, by 1 January 1969, as the trend showed, a further lag of 1 per cent would have developed. Moreover, a further lag was bound to develop between January 1969 and the possible introduction of new salary scales in 1971 on the basis of the world market rates survey. In recognition of these factors, the Board had decided to take a conservative attitude and recommend an additional increase of 1 per cent only.

73. Regarding the concern expressed by some delegations with the interim nature of the proposed increase, the representative of ICSAB explained that present salary scales were based on data collected as of the end of 1964. The results of the next survey would not be put into effect until 1971. The Board felt that it was neither reasonable nor efficient to allow seven or eight years to pass without some interim adjustment.

74. Responding to observations made by some delegations regarding the absence in ICSAB's report of all of the relevant information on which it had based its recommendations, the representative of ICSAB informed the Committee that there were about fifty pages of technical data supplied by Governments which had taken two years to collect and to which the Board had given close and careful study. The Board felt that the Fifth Committee could not be asked to undertake a similar examination, but it would be happy to provide the data to the Committee if it so desired.

75. In compliance with a request made by the delegation of the Union of Soviet Socialist Republics, the Secretary-General issued a note (A/C.5/L.950) in which answers were given to questions raised by delegations regarding the trends of United Nations salaries and those of national civil services for certain periods.

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76. A number of delegations expressed the view that such important bodies as the International Civil Service Advisory Board, the Administrative Committee on Co-ordination and the Advisory Committee on Administrative and Budgetary Questions did not make recommendations lightly. Moreover, the Secretary-General, who had all the necessary criteria at his disposal, was also convinced that the 5 per cent increase was timely. The cost of living in New York, where the greater part of the United Nations staff was aggregated, was one of the highest in the world. If salaries were kept at a minimum, there was a risk that many competent and efficient staff members would not be in a position to continue with their faith in the Organization alone to sustain them. The United Nations was increasingly in the position where it had to compete with private enterprise, and if it wished to secure the services of experts and specialists, it would have to offer them terms comparable to those they would receive from other employers.

77. These delegations called attention to the Secretary-General's remarks on this subject in his oral statement to the Committee (A/C.5/1176) on 16 October 1968, regarding the human element involved. For expatriated officials a variety of cultural, family and religious considerations existed. In the opinion of the Secretary-General, the dilemma in which these staff members found themselves would only be made more difficult with the addition of financial burdens. Furthermore, the Advisory Committee, in paragraph 9 of its report (A/7280), had concurred in the conclusions of ICSAB and the Secretary-General that any postponement of the revision of the United Nations salary scales until after the 1970 survey was completed was undesirable.

78. Some of the delegations taking part in the debate on this issue expressed the view that the salaries of the general service category of staff, especially in the lower echelons, also merited consideration.

79. At the 1256th meeting, the representative of the Union of Soviet Socialist Republics introduced a revision to his delegation's draft resolution (A/C.5/L.947/Rev.1) which replaced the first operative paragraph of A/C.5/L.947 with the following:

"Expressing the hope that the International Civil Service Advisory Board will take steps to expedite the formulation of new principles for establishing the salaries of international civil servants."

80. At its 1259th meeting, the Committee rejected the draft of the Union of Soviet Socialist Republics (A/C.5/L.947/Rev.1), as orally amended, by a vote of 41 votes to 7 with 26 abstentions.

81. The Committee then adopted, by 60 votes to 8, with 11 abstentions, the draft resolution submitted by the Secretariat (A/C.5/L.944), formulated on the basis of the recommendations of the Advisory Committee in paragraphs 24 to 26 of its report (see paragraph 178 below, draft resolution IV).

82. At the 1270th meeting of the Committee, the representative of Pakistan introduced the following draft resolution (A/C.5/L.959) on behalf of the delegations of Iran, Kuwait, Malta, Nigeria, Pakistan, Philippines, Somalia, Sudan, Syria, Trinidad and Tobago, United Arab Republic and United Republic of Tanzania:

"The General Assembly,

Having considered the report of the Secretary-General (A/7236) together with the relevant reports of the International Civil Service Advisory Board (A/7236/Annex I) and the Advisory Committee on Administrative and Budgetary Questions (A/7280),

Noting that parts A and B of chapter II of the Board's report contain only the broad outlines of the Board's recommendations regarding methods of establishing salaries for international civil servants,

Noting also the comments of the Advisory Committee contained in paragraph 6 of its report,

Mindful of the various possible effects of the changes envisaged by the Board in its report,

Recognizing that Member States should have an opportunity of examining these effects in detail, particularly in respect of those features of the salary system which are of special concern to them,

Conscious of the need to preserve "the common system",

1. Requests that in the report of the seventeenth session of the Board, separate chapters be included describing the progress made on

(a) the review proposed by the Board in paragraph 114 of the report on its thirteenth session (A/5918/Add.1);

(b) the construction of the international salary index and the study of 'world market rates';

2. Requests the Secretary-General to circulate the report of the Board's seventeenth session as a document of the twenty-fourth session of the General Assembly."

83. In introducing the twelve-Power draft resolution, the representative of Pakistan stated that in the course of consultations the idea of establishing an inter-governmental committee of experts to study the whole question of United Nations salary scales had received wide support. The sponsors felt, however, that such a committee should not be established before ICSAB had completed its examination of the concept of world market rates in 1970. The draft resolution had been prepared with the aim of assuring that the General Assembly be kept informed of the progress made in the review of the principles underlying the establishment of salaries for the international civil services, the constitution of an international salary index and the study of world market rates.

84. At the 1271st meeting, the delegation of Sudan introduced orally a revision (A/C.5/L.959/Rev.1) incorporating the following redraft of operative paragraph 1 (a) of the draft resolution in document A/C.5/L.959 which had been acceptable to all the sponsors:

"The review proposed by the Board in paragraph 114 of the report on its thirteenth session (A/5918/Add.1) in the light of the observations of the Advisory Committee contained in paragraph 45 of document A/6056;"

85. At the 1272nd meeting, the representative of Pakistan stated that further consideration of the revised draft resolution (A/C.5/L.959/Rev.1) had resulted in a decision to propose the inclusion in the preamble of the following new paragraph (A/C.5/L.959/Rev.12):

"Recognizing the need of clarifying the principles on which the salaries of staff may be based;"

86. The sponsors of draft resolution A/C.5/L.959/Rev.2 stated that, on the completion of the experimentation and study being conducted by the Board, it might be necessary to establish during the twenty-fifth session of the General Assembly an ad hoc committee of experts, nominated by an agreed number of Member States, selected with due regard to geographical representation, to examine the recommendations of the Board before their adoption by the General Assembly to enable it to exercise its legislative responsibility in respect of the establishment of the salaries of international civil servants. They felt that instead of providing in the draft resolution for the establishment of such a committee, it would be sufficient to include the idea in the Fifth Committee's report. Some

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delegations expressed reservations about the establishment of such a committee. They pointed out that the Board's report would next year come before the Fifth Committee which would have the benefit of the expert opinion of the Advisory Committee on Administrative and Budgetary Questions. The report would also be submitted to the appropriate finance committees of the specialized agencies and the International Atomic Energy Agency on which Member States were represented. In view of the fact that in their view member Governments would be able, through their membership of the above committees, to comment on the Board's report, they considered that it would be unnecessary to establish an ad hoc committee.

87. The draft resolution contained in document A/C.5/L.959/Rev.2 was adopted unanimously by the Committee at its 1274th meeting (see paragraph 178 below, draft resolution V).

Salary scales of the lower echelons of
the Secretariat

88. At a number of meetings of the Committee, one representative expressed his serious concern with the present salary scales of staff in the lower echelon of the Secretariat which, in his opinion, were not receiving a "living wage". In stating his views he cited, more particularly, the salaries of the United Nations guides and the United Nations security guards. Both of these categories of staff exercised their duties in an exemplary, courteous and efficient fashion which was a credit to the Organization, and yet were inadequately remunerated. New York City was the most expensive city in the world and he failed to understand how these staff members could manage on so little. The Fifth Committee should not remain indifferent to this problem. Staff members cannot live on the honour of working for the United Nations alone. At the present rate, if salaries were not increased, it would soon be necessary to look for people who could afford to work for the United Nations.

89. A number of other delegations shared the concern expressed.

90. A note was prepared by the Secretariat (A/C.5/L.948) which provided information on the remuneration of general service, security service, guides and manual worker personnel at Headquarters, the manner in which the salaries were

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determined and the gross and net salaries of each level within each category of staff. The representative of the Secretary-General commenting on this information, pointed out that the remuneration of general service, security service and manual worker personnel was fixed by the Secretary-General on the basis of best prevailing conditions of employment in the locality of the United Nations office concerned. The principle had been adopted by the General Assembly in 1950 when it arrived at the present classification of staff and was reaffirmed by the Salary Review Committee in 1957.

91. The guideline used in applying this principle was formulated by the United Nations family of organizations in consultation with the representatives of various staff associations as reviewed and endorsed by the International Civil Service Advisory Board.

92. In accordance with procedures established some years previously, general service salaries at Headquarters were adjusted on the basis of a broadly representative annual survey conducted by an association serving a large number of local employers. Although the results of the survey were usually available only in September, in the present case there had been grounds for believing earlier in the year, when the budget estimates for 1969 were being prepared, that a salary increase for general service staff would be justified. Provision had accordingly been made in the budget estimates for an increase to be put into effect on 1 January 1969 that would represent an upward adjustment of 5 per cent. The need for such an increase had subsequently been confirmed by the results of the most recent survey.

93. The security service staff formed a separate group for salary determination purposes. However, in view of the relatively small size of the group and in order to avoid excessive fragmentation, it had been agreed that a survey of salaries paid to outside personnel in comparable posts should take place every five years, and that in the intervening period the salaries of United Nations security officers would be adjusted in the same way and at the same rate as those of general service staff. Accordingly, all security officers would receive salary increases effective on 1 January 1969. At the same time, consideration was being given to the possibility of conducting a new comparability survey in the immediate future.

United Nations accommodations

(a) Headquarters accommodation: proposed new construction and major alterations to existing premises

94. The Fifth Committee considered this question at its 1274th to 1277th meetings.

95. In his report (A/C.5/1183), the Secretary-General had communicated to the Committee the results of the study which, as he had informed the Committee at its 1160th meeting, was to be made by the East River Turtle Bay Fund, Inc.^{1/} On the basis of that study, proposals had been put forward for the construction, on an area south-west of the Headquarters site, of a new building comprising seven floors and four basements, with access to a riverside park. The proposed plan also incorporated the alterations and improvements to the existing Headquarters buildings which had been recommended by the Secretary-General in his report to the eighteenth session of the General Assembly.^{2/} The cost of these proposals could not be reliably estimated until detailed architectural and engineering plans had been prepared. However, on the basis of prevailing construction costs, total expenditures would probably be of the order of \$50 million. As regards the financing of the project, the Secretary-General was hopeful that arrangements could be worked out under which a substantial portion of the cost would be underwritten from sources other than the regular budget of the United Nations so that the amount that might need to be provided for under the regular budget, over a period of years, might be as small as possible. The Secretary-General requested the provision of \$250,000 for 1969 for the preparation of detailed plans and specifications on which reliable cost estimates could be based for submission to the Assembly at its twenty-fourth session. The Secretary-General added that only at that time would the Assembly be required to take a decision.

1/ Official Records of the General Assembly, Twenty-first Session, Annexes, agenda item 74, document A/6631, paragraph 63. The East River Turtle Bay Fund, Inc., has been renamed the Fund for Area Planning and Development.

2/ Official Records of the General Assembly, Eighteenth Session, Annexes, agenda item 58, document A/C.5/993.

96. The Advisory Committee in its related report (A/7366) recognized the need for providing additional facilities at Headquarters and concurred in the Secretary-General's proposal that a provision of \$250,000 be made in the budget for 1969 for the preparation of detailed plans and specifications on which final cost estimates for the proposed project could be based. The Advisory Committee's concurrence was predicated on the Secretary-General's assurance that such authorization would not constitute any commitment on the part of the General Assembly to the total project. In this regard, the Advisory Committee also suggested (a) that the Secretary-General might wish to give further thought to the advisability of submitting plans of projected space requirements beyond 1976 as proposed at present and (b) that the Secretary-General should submit a report to the General Assembly at its twenty-fourth session on the problem of accommodation at Headquarters considered in the over-all context of the development of the United Nations during the next twenty years and the disposition of staff during this period in relation to available and potential accommodation in New York, Geneva or at United Nations offices at other localities.

97. Many delegates expressed their appreciation to the Fund for Area Planning and Development and the other governmental, municipal and corporate institutions which had participated in the compilation of the very detailed study of the Headquarters area.

98. A number of delegations agreed that the problem of overcrowding in the present Headquarters buildings was indeed most serious. The rental of outside space would only be a temporary palliative, and there were limits on the extent to which dispersal of Secretariat units could be carried. Additional construction at Headquarters seemed to be inescapable. However, the Committee could not be expected to take any decision on this matter or conclude satisfactory arrangements for the sharing of the expenditures involved, without precise cost estimates. It was the purpose of the appropriation of \$250,000 to enable such estimates to be prepared, and by agreeing to that expenditure, the Committee was undertaking no commitment regarding any future course of action.

99. A number of delegations felt, on the other hand, that acceptance of the proposal to spend \$250,000 on detailed plans and specifications must logically represent at least a partial commitment to a construction project about which they had serious reservations. Many of them stressed the need for further study of

the possibility of transferring parts of the Secretariat away from Headquarters, either to existing premises or to new premises to be built in some other city, for example, Geneva, where land was available. If that were done, the need for additional construction at Headquarters might not arise. Some delegations referred in this connexion to the very high cost of constructing and maintaining a building in New York, as well as the considerable expense of maintaining delegation and secretariat staff. Other representatives pointed out that there was no certainty that the sum of \$50 million would in fact suffice for the proposed new construction. More importantly, there was no clear indication of the proportion of this cost which the United Nations would have to bear. A number of delegations agreed that the plans were based on too short a projection. Moreover, the question of accommodation for United Nations offices could not be approached piecemeal. For all these reasons, it would be desirable that the whole matter of accommodation at New York, Geneva and the regional economic commissions should form the subject of a co-ordinated report to the twenty-fourth session of the General Assembly. On the basis of such a report, the Committee would be able to weigh all the alternatives and arrive at a well-considered decision.

100. At its 1277th meeting, the Fifth Committee decided by 64 votes to 11, with 9 abstentions, to approve the Advisory Committee's recommendation that an additional appropriation of \$250,000 be made under section 7 of the 1969 budget estimates. The text of a draft resolution giving effect to this decision and to the related recommendations of the Advisory Committee, as supported by delegations in the course of the discussion, is given in paragraph 178 below (draft resolution VI).

(b) Headquarters accommodation: rental of outside office space

101. At its 1268th meeting the Committee considered the reports of the Secretary-General (A/C.5/1182) and the Advisory Committee on Administrative and Budgetary Questions (A/7341) on the question of the rental as from 1969 of outside office space in the vicinity of United Nations Headquarters in New York.

102. In his report (A/C.5/1182) the Secretary-General informed the General Assembly that the Headquarters facilities were overcrowded to such an extent that the efficient conduct of the work of the Secretariat was being seriously impaired.

As of the end of June 1968, there was a shortage of office space equivalent to more than two floors of the Secretariat building. In addition, the main servicing areas, particularly those devoted to the reproduction, distribution and storage of documents, were over-taxed. Consideration had been given to the possibility of relieving the situation by the transfer of certain units to other locations, such as Geneva. However, the consensus of heads of substantive departments and offices was that in most cases such transfers would not be in the best interests of their work. Moreover, the premises at Geneva and at the headquarters of the regional economic commissions were at present also filled to capacity. It had also been considered whether a temporary solution might be to construct temporary buildings on the Headquarters site, but this expedient was found to be uneconomical. On balance, the Secretary-General considered that the rental of premises was preferable to any other temporary measure during the four-year period until a new building could be made available to the Organization. Accordingly, the Secretary-General requested authority to enter into rental commitments in 1969 to house approximately 500 staff members in outside premises at an estimated cost of \$770,000. The estimated requirements for the three ensuing years would be at a similar level for 1970, \$882,900 for 1971 (655 staff members), and \$1,092,100 for 1972 (810 staff members).

103. The Advisory Committee in its report (A/7341) accepted the fact that a serious space problem existed and that there was a need to lease outside premises until such time as more permanent solutions were found.

104. At the same time, the Committee, having particularly in mind the conjectural nature of the figures for staff increases on which the costs of rental are primarily based, considered that the Secretary-General's estimates provided for the maximum or ultimate possible space requirements and operational and servicing facilities for the period 1969 to 1972. Accordingly, the Advisory Committee recommended that the General Assembly authorize the Secretary-General to enter into commitments for the rental of outside premises within a total amount of \$550,000 for 1969, including the operational, servicing and staffing requirements listed in paragraph 20 of the Secretary-General's report (A/C.5/1182).

105. As regards the estimates suggested for 1970, the Advisory Committee considers that the Secretary-General should base his initial requirements on the total amount of \$550,000 recommended by the Advisory Committee for 1969.

Budgetary provision for 1970 should be included in the Secretary-General's initial budget estimates, together with a report on the leasing arrangements entered into for 1969, and an updated assessment of total office and related accommodation requirements.

106. After a brief discussion, the recommendations of the Advisory Committee were approved by the Fifth Committee by a vote of 76 votes to none, with 1 abstention. This decision involved the approval of additional appropriations in the amount of \$44,500 under section 3, Salaries and wages; \$3,500 under section 8, Permanent equipment; \$456,000 under section 9, maintenance and rental of premises and \$46,000 under section 10, general expenses.

(c) Extension of the conference facilities and ancillary services at the Palais des Nations in Geneva

107. The Committee, at its 1264th and 1265th meetings, considered reports by the Secretary-General (A/C.5/1179) and the Advisory Committee (A/7337) on the plans for the extension of the Palais des Nations which had been authorized by the General Assembly in its resolution 2246 (XXI) of 20 December 1966.

108. As noted by the Secretary-General in his report (A/C.5/1179), the General Assembly in 1966 had authorized the implementation of an agreed plan within a maximum expenditure of \$15 million, to be provided for under the regular budget by means of annual instalments during the period 1967 to 1980. Since that decision was taken the architects of the project had suggested a number of changes in the plans which made it necessary to seek approval by the General Assembly of revised proposals and a revised pattern of expenditure. Apart from adjustments to the dimensions, seating capacity and ancillary facilities of the proposed new conference rooms and changes in respect of a number of other subsidiary projects, the revised plan involved a considerable expansion of the proposed additional office accommodation. The total costs on the basis of the Secretary-General's revised proposals were estimated at \$22 million as compared with the amount of \$15 million previously approved by the General Assembly. Approval of this additional expenditure would also require a revision of the previous schedule of amounts to be included in the annual budget appropriations during the period 1971-1980 and an extension of the total repayment period to 1982.

109. The Advisory Committee in its related report (A/7337) expressed its concern that the magnitude of the proposed changes in the original plans had not been

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brought to the attention of the Committee or the Assembly at an earlier date. At the same time, the Committee acknowledged that the revised proposals submitted by the Secretary-General resulted from the more detailed plans prepared subsequently by the Committee on Architects after a very extensive and thorough consideration of the many factors and requirements essential to providing adequate conference facilities at the Palais des Nations on a long-term basis. The Committee also recognized that the revised plans provided a more rational and functional layout for the efficient servicing of meetings and conferences. Having examined the Secretary-General's revised proposals and having satisfied itself on a number of the administrative, organizational and financial aspects involved, the Committee recommended that they be given favourable consideration. In paragraph 48 of its report, the Committee provided the text of a draft resolution embodying the revised proposals, should they commend themselves to the Fifth Committee.

110. The discussion of these proposals in the Fifth Committee reflected a general acceptance of the advantages of the revised plan in spite of the added financial burden to be placed on Member States. The hope was expressed in this regard that every effort would be made to keep the total cost of the project within the limits of the estimate that had been submitted. Another delegation supported the proposed expansion of office accommodation on the understanding that this would make it possible to transfer part of the Secretariat from New York to Geneva and thereby ease pressure on accommodation at Headquarters.

111. At its 1265th meeting, the Committee adopted, by 78 votes to none, the draft resolution contained in paragraph 48 of the Advisory Committee's report (A/7337). The text of the draft resolution as approved is given in paragraph 178 (draft resolution VII).

(d) United Nations building in Santiago, Chile

112. At its 1275th to 1278th meetings, the Committee had before it the recommendations of the Secretary-General (A/C.5/1186 and Add.1) and the related recommendations of the Advisory Committee (A/7375) regarding improvements to and the extension of the Santiago building.

113. In his report (A/C.5/1186 and Add.1), the Secretary-General recalled that he had reported (A/C.5/1143) to the Assembly at its twenty-second session regarding the closing phases of the construction of the United Nations building in Santiago, Chile. In doing so, it was mentioned that while the completed building had an acknowledged aesthetic quality, certain functional disadvantages had been noted and that these would be the subject of a further study and report. These problems having since been examined in detail, the Secretary-General was proposing to the Assembly at its present session a series of projects, at an estimated cost of \$1,799,500, to improve the working conditions in the existing premises. He also wished to advise the General Assembly that it had become evident that early steps would need to be taken for the provision of additional space either by the extension of the present building or by the rental of outside office space. In his opinion, however, the only real solution to current space problems and those which were expected to arise in the immediate future would be to supplement the present facilities by the addition of another building located on the same site. The cost of such a new building could provisionally be estimated at approximately \$1.5 million. Should the Assembly agree in principle to the construction of such a building, a number of projects for the adaptation of the existing premises in order to extend the present office accommodation facilities could be eliminated. In that event his estimate of \$1,799,500 could be reduced by \$471,000 to \$1,328,500. An additional provision of \$41,000 would be required, however, for the preparation of detailed plans and cost estimates for the construction of the new building.

114. The Advisory Committee in its related report (A/7373) recommended that consideration be given to the second alternative proposed by the Secretary-General, i.e., a reduced programme of improvements to the existing building at an estimated cost of \$1,328,500 and the construction in due course of an additional building. On this basis, the Fifth Committee might wish to recommend to the General Assembly as follows:

(a) That it authorize the Secretary-General to proceed with the implementation in 1969 of the additional projects proposed in paragraph 27 of his report in document A/C.5/1186 and paragraph 2 of his further report in document A/C.5/1186/Add.1, as modified by the Advisory Committee in paragraph 9, items I through VI, of its related report in document A/7373, within a maximum appropriation of \$659,000 in 1969;

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(b) That it authorize the Secretary-General to proceed within a maximum expenditure of \$41,000 in 1969, with the preparation of detailed plans and specifications and related costs for a satellite building in Santiago, having also in mind the needs of other organizations of the United Nations family with local offices in Santiago, and request him to submit a report for consideration by the General Assembly at its twenty-fourth session;

(c) That it request the Secretary-General to include in his initial budget estimates for 1970, for consideration by the Advisory Committee at its summer session in 1969, reliable estimates for the implementation in 1970 of the additional projects included for that year in the table contained in paragraph 9, items I through VI, of the Advisory Committee's report in document A/7373, currently estimated by the Secretary-General at approximately \$669,500.

115. A number of delegations referred to the lack of planning which had been evident throughout the construction of the Santiago building and the unsatisfactory nature of the financial controls over the project. They noted the Advisory Committee's intention of studying the whole question of administrative and financial controls of United Nations building projects away from Headquarters and expressed the hope that as a result of the Advisory Committee's study there would be no recurrence of the mismanagement which had beset the Santiago building project. It was pointed out that the "economies" made at the final stage of the construction in order to remain within the budgetary limits had not been well conceived in a number of cases and that the elimination at the present time of the unsatisfactory working conditions in which these measures had resulted would cost more than their inclusion in the original plans would have done.

116. Other delegations took the view that the lack of planning in the case of the Santiago building was a further manifestation of the general lack of long-term overall planning of United Nations office and conference space throughout the world, including such related factors as the possibility of decentralization. They felt that the Fifth Committee should not have to take a decision on one aspect of this global problem in isolation.

117. The representative of the Secretary-General gave an assurance that if the Committee decided to have plans prepared for a satellite building in Santiago, this would not prevent the implementation of any decision which might subsequently be taken on the decentralization of certain United Nations activities.

118. At its 1277th meeting, the Fifth Committee decided by 74 votes to none, with 10 abstentions, to approve the Advisory Committee's recommendation that an additional appropriation of \$700,000 be made under section 7 of the 1969 budget estimates.

Expenses to be incurred by the United Nations in respect
of individuals or groups of experts appointed by organs
or subsidiary organs for the performance of special ad
hoc tasks

119. At its 1293rd meeting the Committee considered reports by the Secretary-General (A/C.5/1200) and the Advisory Committee on Administrative and Budgetary Questions (A/7414/Rev.1) on this subject.

120. As pointed out by the Secretary-General in his report (A/C.5/1200), specific rules had been established by the General Assembly from time to time to govern the payment by the United Nations of the travel and subsistence expenses of members of organs and subsidiary organs, where appropriate, as well as the payment of such members, in certain exceptional circumstances, of honoraria. The rules governing travel and subsistence payments were laid down in General Assembly resolution 1798 (XVII) of 11 December 1962 and those relating to the payment of honoraria in a decision^{3/} taken by the Fifth Committee during the sixteenth session of the General Assembly, as endorsed by the Assembly at its 1082nd meeting. There was, consequently, no room for doubt as to the rules governing payments to members of organs and subsidiary organs. For some time, however, increasing constitutional and administrative difficulties had been experienced as a result of the fact that these rules did not cover with sufficient clarity the position in regard to individuals appointed by organs or subsidiary organs to undertake in their personal capacity special ad hoc tasks on behalf of the bodies involved. A particular problem had arisen in a number of instances as to the propriety of paying an honorarium. After tracing the relevant legislative history in order to establish the basic intent of the General Assembly in regard to these matters on past occasions, the Secretary-General, in paragraph 36 of his report, formulated for consideration by the General Assembly a series of additional rules covering individuals appointed by organs and subsidiary organs, as distinct from members of such bodies.

121. The Advisory Committee in its report (A/7414/Rev.1) welcomed the proposals submitted by the Secretary-General and recommended that the General Assembly might

^{3/} Official Records of the General Assembly, Sixteenth Session, Annexes, agenda item 54, document A/5005, paragraph 10.

wish to endorse the additional rules, as amended in certain respects by the Committee in paragraphs 8 and 9 of its report.

122. The recommendations of the Advisory Committee were approved by the Fifth Committee without objection. The text of a draft resolution embodying this decision is given in paragraph 178 (draft resolution VIII). This text (a) reaffirms the existing rules governing payments to members of organs and subsidiary organs, (b) introduces the additional rules approved by the Fifth Committee at the present session, and (c) indicates that the present proposals do not cover honoraria which the General Assembly has already authorized for payment on an exceptional basis, as enumerated in the annex to the draft resolution.

Amounts of honoraria paid to the President and other members of the United Nations Administrative Tribunal

123. In his report (A/C.5/1200) the Secretary-General had also proposed that the honoraria currently payable to members of the United Nations Administrative Tribunal be increased to the level of those payable to analogous bodies, i.e. the International Law Commission and the International Narcotics Control Board. Specifically, he proposed that \$2,500 per annum be paid to the President of the Tribunal and \$500 to other members for each session of the Tribunal in which they participated during a particular year, provided that the maximum amount paid to such members in any one year did not exceed \$1,000.

124. The Advisory Committee, in paragraph 15 of its report (A/7414/Rev.1), suggested that the General Assembly might wish to authorize these increased payments as proposed by the Secretary-General.

125. The Fifth Committee decided without objection to recommend to the General Assembly accordingly. A draft resolution embodying this decision is given in paragraph 178 below (draft resolution IX).

Part V (Technical programmes)

126. At its 1277th and 1278th meetings held on 6 and 9 December 1968 respectively, the Committee considered the statement of the Secretary-General (A/C.5/1190) of the financial implications relating to recommendations of the Second Committee resulting from decisions taken by the Governing Council of the United Nations Development Programme (UNDP) and the Industrial Development Board (A/7332, A/7331) concerning the level of the financial provision under Part V (Technical programmes) of the budget estimates for 1969, for which the Secretary-General had made only a

pro memoria provision. The Committee also considered the recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/7376) in its related report.

127. In his report the Secretary-General stated that if the General Assembly should adopt the recommendations of the Second Committee, a provision of \$6,908,600 would be required under part V of the budget estimates for 1969, as follows:

| | |
|---|--------------------|
| Section 13. Economic development, social development and public administration | \$5,113,600 |
| Section 14. Industrial development | 1,500,000 |
| Section 15. Human rights advisory services | 220,000 |
| Section 16. Narcotic drugs control | <u>75,000</u> |
| Total, part V | <u>\$6,908,600</u> |

128. The Advisory Committee on Administrative and Budgetary Questions, in its related report (A/7376), noted that in its consideration of the financial implications of the recommendations in question, it was not called upon to analyse and comment on the details of the programmes proposed and called the attention of the Committee to the fact that as regards sections 13, 15 and 16 the details of each project were available to the Governing Council of UNDP and that the Governing Council's decision was based on that detailed information. As regards section 14, Industrial development, the planning level of \$1.5 million recommended by the Industrial Development Board related to programme proposals submitted by the Executive Director of the United Nations Industrial Development Organization (ID/B.26/Add.2/Rev.1) and approved by the Board in resolution II (ii).

129. In the course of the discussion in the Committee, some delegations reiterated their view expressed during the general debate that the pro memoria provision in the budget estimates in respect of such an important item had made it difficult for the Committee to give proper consideration to the budget estimates as a whole and conflicted with the spirit of financial regulations 3.4, 3.5 and 3.6.

130. Other delegations reiterated their position that technical assistance activities should not be financed from the regular budget but by means of voluntary contributions.

131. One delegation was of the opinion that the inclusion of technical activities in the regular budget imposed a limit on their expansion. Technical assistance activities which were financed from special accounts based on voluntary contributions grew more rapidly and were of more benefit to developing countries. This delegation suggested the establishment of a special account for the regular programme of technical assistance to be financed by voluntary contributions, starting as a minimum from the present level of the total appropriation under part V of the regular budget. Funds contributed in this manner would increase much faster since Governments could make higher contributions to such an account in their respective currencies. Moreover, the special account would be open to contributions from non-Member States as well.

132. A number of delegations were of the opinion that it was quite proper to retain in the regular budget the provision for technical activities under part V in view of the Organization's responsibilities to Member States in the social, economic, and human rights fields under the provisions of the Charter. The principle of financing technical assistance by means of voluntary contributions was not unanimously accepted by Member States, some of which were inclined to favour bilateral technical assistance.

133. In support of an increased level of appropriation for part V, some delegations called attention to the report of the Secretary-General (DP/RP/4), submitted to the Governing Council of UNDP in January 1968, in which the Secretary-General commented on the stabilization of the level authorized for the regular programme at \$6.4 million since 1962. The proportion of the budget devoted to technical co-operation had decreased, mainly because the rising cost of goods and services was taken into account in estimating the over-all budget total but was left out of account in determining the requirements under part V. Consequently, the number of requests for aid which had to be refused because of lack of funds was constantly increasing. Programme costs had increased to such an extent that a minimum increase of 21.6 per cent over the unchanged amount authorized for part V in recent years was required to enable the Secretary-General to provide Governments with the same volume of assistance as in 1962. The Second Committee in its recommendations was seeking to have it increased by only 8 per cent. In the view of this delegation, these facts confirmed the apprehensions of developing countries

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regarding the consequences of stabilizing the allocation of part V at \$6.4 million. In the view of this delegation, the recommendations of the Second Committee were acceptable only as a compromise solution.

134. Certain delegations, in voicing their support for the regular programme of technical assistance and for keeping the level of appropriation for part V at the minimum level of 6.4 agreed upon in 1962, were of the opinion that, in order to ensure the efficiency of the programme in the economic field, there needed to be a certain amount of flexibility in that sector and that the appropriation for part V should not be split up into different sections. These delegations, while not objecting to the expansion of UNIDO's activities, were opposed to the provision of a separate section under part V for this purpose. In their view the main source of financing UNIDO's activities should be the UNDP. In this connexion, one representative drew the attention of the Committee to the fact that provision of a separate section in part V for technical assistance in industrial development was, in the view of his delegation, unsatisfactory budgetary practice. Since two inter-governmental bodies, the UNDP Governing Council and the Industrial Development Board, now made separate recommendations for part V it should be the prerogative of the Secretary-General to decide how a total recommended by the Governing Council of the UNDP should be divided, if it had to be divided at all. Moreover, his delegation felt that the unilateral position taken by the Industrial Development Board in recommending a planning estimate, without relating it to budgetary resources, was unfortunate. His delegation was of the opinion that as UNIDO was essentially a pre-investment activity its relationship with UNDP should be very close. The aggregate of funds being channelled through UNIDO from UNDP was very considerable. His Government, in determining its 1969 contributions to UNDP, had taken into account the financial requirements of UNIDO's operational activities. UNDP should be the central financing source for the operational requirements of all agencies concerned, including UNIDO.

135. Another delegation which was of the opinion that United Nations technical assistance projects should be financed through UNDP pointed out that there were substantial reasons for not increasing the level of part V of the budget. The objections and scope of the United Nations regular programme were to be examined by the Enlarged Committee for Programme and Co-ordination in January 1969. In

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addition, the Secretary-General was to submit to the Governing Council of UNDP at its seventh session a comprehensive study on the purposes and objectives of the regular programme and its relationship with the UNDP programmes. Pending discussions of the whole subject in the Enlarged Committee for Programme and Co-ordination and in the Governing Council of UNDP, it would be inappropriate at this time to increase the size of the regular programme.

136. At its 1278th meeting the Fifth Committee decided to inform the General Assembly that, should it adopt the recommendations of the Second Committee in its reports (A/7331 and A/7332), a total amount of \$6,908,600 would need to be appropriated under part V of the budget estimates for the financial year 1969 to be distributed as follows:

| | \$ |
|---|-------------------------|
| Section 13. Economic development, social development and public administration | 5,113,600 |
| Section 14. Industrial development | 1,500,000 |
| Section 15. Human rights advisory services | 220,000 |
| Section 16. Narcotic drugs control | <u>75,000</u> |
| Total, part V | <u><u>6,908,600</u></u> |

The Committee's decisions on the amounts which would be required under the individual sections involved were taken by the following votes:

- Section 13 - 72 votes to 5, with 2 abstentions
- Section 14 - 57 votes to 15, with 10 abstentions
- Section 15 - 75 votes to 5, with 2 abstentions
- Section 16 - 75 votes to 5, with 2 abstentions
- Part V, as a whole - 67 votes to 11, with 6 abstentions.

Rates of subsistence allowances payable to members of
organs and subsidiary organs of the United Nations

137. During its first reading consideration of section 1 of the budget estimates for 1969, the Committee considered the report of the Secretary-General (A/C.5/1178) on the rates of subsistence allowances payable to members of organs and subsidiary

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organs of the United Nations in accordance with the provisions of General Assembly resolution 1798 (XVII) of 11 December 1962.

138. The Secretary-General, in his report, suggested that the General Assembly might wish at its present session to review the adequacy of the current rates taking into account the increases in hotel and restaurant costs which had occurred at various localities since those rates were fixed by resolution 1588 (XV) of 20 December 1960 at \$30 per day at New York, the equivalent in Swiss francs of \$23 per day at Geneva and, at other places, at a rate to be fixed by the Secretary-General but not to exceed the equivalent in local currency of \$23 per day. At the same time, the General Assembly might wish to institute a system which would not only take into account the wide range of costs at an increasing number of localities other than New York at which United Nations meetings were being held, but would ensure that such rates were kept up to date in relation to changing cost levels. To this end the most practical procedure might be to base subsistence rates for members of organs or subsidiary organs on those periodically established for the Secretariat on the basis of annual reviews of conditions in a wide range of localities, with the addition of an appropriate percentage in recognition of the different nature of, and frequently the representational element in, the activities involved.

139. In its related report (A/7304), the Advisory Committee on Administrative and Budgetary Questions concurred in these proposals and recommended that the rates be equated to the standard rates established for the Secretariat, plus 40 per cent. The Committee also suggested that the additional expenditures to be incurred in 1969 amounting to some \$24,000 under sections 1, 17 and 20, be absorbed within the total of the appropriations recommended by the Committee for these sections for that year.

140. The Committee recommended the adoption by the General Assembly of the relevant draft resolution proposed by the Advisory Committee in the annex to its report by a vote of 68 to none, with 9 abstentions (see paragraph 178 below, draft resolution X).

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United Nations Industrial Development Organization:
headquarters planning and administrative management

141. At the 1280th meeting, held on 10 December 1968, the representative of Austria called the attention of the Committee to the publication he had provided to each delegation describing the conditions governing an international public competition for architects to establish a headquarters for international organizations and a conference centre at Vienna. The construction in question would comprise permanent headquarters buildings for the United Nations Development Industrial Organization (UNIDO) and the International Atomic Energy Agency (IAEA), a common service area, an autonomous conference area for these two bodies and a conference centre suitable for large-scale international conferences. Of these facilities, the conference centre would remain under Austrian management.

142. The representative of Austria also drew attention to the fact that, in the opinion of his delegation, the functions and terms of reference of the Office of Headquarters Planning and Administrative Management of UNIDO which had been established by the Secretary-General and which would provide the Austrian authorities with specifications and requirements concerning the permanent headquarters of UNIDO, were not clearly defined in section 21, chapter XII, of the budget estimates for 1969. His delegation wished to emphasize that a clear definition of responsibilities between UNIDO and the Austrian authorities was of paramount importance and would dispel any possible doubts which might arise in the course of the planning and execution of such a huge project.

143. With this consideration in mind, it was understood by the Committee that the Office of Headquarters Planning and Administrative Management of UNIDO, as described in document A/7205, section 21, chapter XII, and document A/7207, has the responsibility of providing the Government of Austria with the requirements and specifications of the Permanent Headquarters of UNIDO. The Office also has, on an equal basis with IAEA, the same responsibility for the requirements and specifications of UNIDO in the common service area and the autonomous conference area for international organizations to be provided for UNIDO and IAEA in common. The construction of the Headquarters Buildings for UNIDO and IAEA, after adaptation and harmonization with the over-all concept of the project of an international organizations' headquarters and conference centre, and based on the

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mentioned requirements and specifications, will be planned and executed by the Austrian authorities. The Office of Headquarters Planning and Administrative Management of UNIDO will also provide the Austrian Government with any other specific or illustrative detailed information pertaining to UNIDO's requirements and specifications which may be required.

Revenue-producing activities

144. During the general debate on the budget estimates for 1969 there was widespread support in the Fifth Committee for a suggestion advanced by the delegation of Brazil that a study should be made of the possibilities of increasing the Organization's income, particularly through the undertaking of new activities of a revenue-producing character. The Fifth Committee decided to request the Secretary-General to undertake a thorough-going study to explore short and long-range practical possibilities of increasing the income from present activities and, especially, of starting additional revenue-producing activities. The Fifth Committee also recommended that the Secretary-General take all appropriate steps to ensure the consideration of the widest possible number of objective ideas and suggestions in this direction, including those put forth by delegations during the general debate, and report to the General Assembly at its twenty-fourth session on his findings and recommendations.

United Nations bond issue

145. The method used for financing the repayment of amortization and interest on United Nations bonds issued by the Secretary-General under authority of General Assembly resolution 1739 (XVI), adopted on 20 December 1961, was discussed by the Committee during the twenty-first and twenty-second sessions of the General Assembly. Further consideration of the subject had been postponed to the twenty-third session.

146. The matter was taken up by the Committee at its 1271st, 1273rd and 1276th meetings held on 2, 3 and 5 December 1968 respectively. In the course of the discussion a number of delegations reiterated their objections to the method used for financing the repayment of the principal and interest due on the bonds by means of an appropriation apportioned in accordance with the scale of assessments of the regular budget. Since the funds raised on these bonds had been utilized entirely

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to cover expenditures resulting from the peace-keeping operations in the Congo (ONUC) and the Middle East (UNEF), these delegations considered that their repayment should be made subject to the same special criteria as that applied to the apportionment of contributions to ONUC and UNEF. A number of resolutions adopted by the General Assembly before and after the adoption of resolution 1739 (XVI), such as resolutions 1575 (XV) and 1583 (XV) of 20 December 1960, 1732 (XVI) and 1733 (XV) of 20 December 1961, 1983 (XVIII) of 17 December 1963, and 2194 (XXI) of 16 December 1968, and in particular resolution 1874 (S-IV) of 27 June 1963, had recognized, in principle and in practice, that special criteria should be used for the apportionment among Member States of the expenditures related to major peace-keeping operations, taking into account the relatively limited capacity of economically less developed countries to contribute to them. Moreover, since some Member States were, as a matter of principle, withholding payment of their share of the contributions required for these repayments, the continuance of this method added to the over-all problem created by the increasing financial deficit of the Organization.

147. At its 1271st meeting held on 2 December 1968, the representative of Brazil introduced a draft resolution (A/C.5/L.961) on behalf of the delegations of Argentina, Brazil, India and Nigeria which in its operative paragraph proposed that the Advisory Committee on Administrative and Budgetary Questions study the question in the light of debates held at the twenty-first, twenty-second and twenty-third sessions of the General Assembly and the proposals presented to it, and report to the Assembly at its twenty-fourth session.

148. A number of delegations objected to any attempt to change the method of repayment of the bonds as spelled out in resolution 1739 (XVI). In accordance with these arrangements which had been reproduced in full on the reverse side of the bonds, an amount sufficient to cover the payment of interest charges and instalments of principle due would be included annually in the regular budget, beginning with the financial year 1963. There was no doubt, therefore, that the regular scale of assessments would apply. It was on the basis of these terms and conditions that sixty-four countries had subscribed to this bond issue. When the requests for their purchase was put before the respective parliaments of these countries, the commitments of the General Assembly in respect of the basis on which the bonds would be repaid was relied upon completely. This contract, solemnly entered into between the bondholders and the United Nations could not now be unilaterally

altered. If any attempt was made to use any other basis than the regular scale of assessment it would constitute a major breach of faith and raise serious doubts about the credit standing and reliability of the United Nations. These delegations were of the opinion that no amount of study entrusted to the Advisory Committee on Administrative and Budgetary Questions could alter the terms of resolution 1739 (XVI). Several delegations pointed out that the provisions of resolution 1874 (S-IV) of 27 June 1963 referred to future peace-keeping operations.

149. Other delegations pointed out that the problem was of such a sensitive and complex nature, with strongly held contentions on both sides of the issue, that it was extremely difficult to take any firm position at this point. An objective study and analysis of the whole issue by such an expert and competent group as the Advisory Committee, as envisaged in the draft resolution (A/C.5/L.961) might put the matter in its proper perspective.

150. Certain other representatives reiterated the reservations of their delegations on the legality of the inclusion in the regular budget of any provision related to the United Nations bond issue.

151. At the 1276th meeting held on 5 December 1968, the Committee adopted the draft resolution (A/C.5/L.961) by a roll-call vote of 29 to 28, with 26 abstentions, as follows:

In favour: Argentina, Barbados, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Equatorial Guinea, Guatemala, Guyana, India, Kenya, Mauritius, Mexico, Nigeria, Pakistan, Panama, Portugal, Spain, Sudan, Syria, Trinidad and Tobago, Uganda, United Republic of Tanzania, Uruguay, Venezuela, Yugoslavia, Zambia.

Against: Australia, Austria, Belgium, Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia, Denmark, Finland, Greece, Hungary, Iceland, Ireland, Italy, Japan, Luxembourg, Malaysia, Mongolia, Netherlands, New Zealand, Norway, Poland, Romania, Sweden, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Algeria, Burma, Cameroon, China, Congo (Brazzaville), Cyprus, Ethiopia, France, Ghana, Guinea, Indonesia, Iran, Israel, Ivory Coast, Kuwait, Laos, Lesotho, Mali, Mauritania, Philippines, Rwanda, Senegal, South Africa, Togo, Tunisia, Upper Volta.

152. The text of the draft resolution as approved is given in paragraph 178 below (draft resolution XI).

Unforeseen and extraordinary expenses

153. The General Assembly, by operative paragraph 6 of its resolution 2370 (XXII) requested the ACABQ to recommend for the consideration of the General Assembly at its twenty-third session, an appropriate definition of the term "unforeseen and extraordinary expenses", together with a resolution to cope with the interrelated problems, especially those recommendations of the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies relating to transfers and supplementary estimates.

154. In response to this directive, the Advisory Committee submitted a report (A/7336) to which it annexed a draft resolution giving effect to the recommendations submitted therein.

155. In introducing the report to the Fifth Committee, the Chairman of the Advisory Committee stated that implementation of the procedures recommended by the Advisory Committee in its report would indicate to Member States with greater accuracy than in the past, the amount they would be called upon to contribute to the expenses of the Organization during a particular year once the General Assembly had voted the appropriations for that year. Moreover, the new definitions recommended by the Advisory Committee, termed "unforeseen related expenses" and "unforeseen new expenses", would provide a clearer understanding of what is involved than the present terms of "unforeseen" and "extraordinary".

156. At the 1279th meeting of the Committee, one representative, in noting his delegation's support of the recommendations of the Advisory Committee in paragraphs 24 to 30 of its report (A/7336), observed that the need for strict budgetary discipline should be reconciled with the need to undertake activities considered necessary by Member States. His delegation was of the opinion that the new procedure recommended by the Advisory Committee was sufficiently flexible to enable the United Nations to undertake urgent priority programmes which might develop during a given financial year and which could not be deferred without adversely affecting its activities. In this connexion, his delegation suggested that the General Assembly might wish to give closer consideration to the new procedure in the light of the experience which would be gained in the preparation of these estimates. In the meantime, the procedures recommended by the Advisory Committee could be implemented on the understanding that the General Assembly alone had authority to appropriate supplementary funds for urgent priority activities.

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157. The representative of the United Republic of Tanzania, commenting on the recommendations of the Advisory Committee, stated that his delegation would be unable to support the recommendations in the draft resolution of the Advisory Committee because, in its opinion, the Advisory Committee had dealt with the question only superficially without including detailed information and past practices in respect of all the problems concerned. Accordingly, the delegation of the United Republic of Tanzania formally requested that the Fifth Committee postpone any action on this matter until the twenty-fourth session of the General Assembly, by which time the Advisory Committee should submit a more comprehensive report for the consideration of the Fifth Committee.

158. In expressing his delegation's support of the proposal of the representative of the United Republic of Tanzania for postponement of any decisions on the matter until the twenty-fourth session of the General Assembly, one delegation pointed out that what was needed was not a re-examination of the definitions of the terms "unforeseen" and "extraordinary" but rather a re-examination of the manner in which they had been applied in the past as well as the extent to which the procedures for applying them were consistent with the definitions. In the opinion of his delegation the revised formulation recommended by the Advisory Committee did not give convincing reasons for replacement of existing definitions by entirely new terms. It would, therefore, be preferable to study the problem further. In addition, his delegation felt that adoption of a contingency provision, as recommended in paragraph 27 of the report of the Advisory Committee (A/7336), should be accompanied by a clear definition of the circumstances and conditions in which the use of such a provision would be used. Another delegation also felt that the recommendations of the Advisory Committee were far reaching and that it would be more appropriate to study them at the twenty-fourth session of the General Assembly when the first planning estimate, as provided for in resolution 2370 (XXII), would be submitted to the Assembly.

159. One representative noted that his delegation was in favour of the recommended draft resolution of the Advisory Committee provided the Fifth Committee would retain some flexibility on the subject and that the adoption of the resolution would not preclude further debate on the subject. His delegation, therefore, tentatively suggested an amendment to the draft resolution to the effect that the subject of unforeseen and extraordinary expenses should be kept under constant review.

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160. Some delegations commended the Advisory Committee for its report which represented a great deal of hard labour and an effort to work out a formula which would be generally acceptable by reconciling the need to provide for cases where supplementary estimates were inevitable with the need to curtail, so far as possible, expenditure which might give rise to supplementary estimates.

161. One representative, in stating his delegation's opposition to a postponement of a decision on the proposals of the Advisory Committee to the twenty-fourth session of the General Assembly, was of the opinion that an immediate decision by the Fifth Committee of the proposals would provide the Secretary-General with greater flexibility and would lay down certain guidelines to which he might be able to refer in preparing provisional estimates on the basis of which the budget estimates for 1971 would be planned. An immediate decision on the proposals would also define more clearly the conditions under which the powers granted by the annual resolution on unforeseen and extraordinary expenses could be exercised.

162. At the 1280th meeting of the Fifth Committee, the Chairman of the Advisory Committee, in replying to some of the points raised in the course of discussions on this subject, pointed out that it had been the intention of the Advisory Committee to include in the report all the detailed information at its disposal. However, such a course would have made the report too unwieldy. The Advisory Committee had at its disposal figures covering a period of ten years, although the circumstances were not always comparable from year to year. In reply to one delegation's remarks regarding the inconsistency of the position of the Advisory Committee regarding the special appropriation line for minor contingent expenses, the Chairman of the Advisory Committee explained that the Advisory Committee's position as set forth in paragraph 290 of its report (A/7207) on the budget estimates for 1969 and its recommendations in its report on the present subject (A/7336) were identical. He pointed out that the contingency provision was completely different from a provision for unforeseen expenses and would be useful to the Secretary-General in situations in which it was not possible for him to make transfers within sections. It would also allow him to meet certain requirements for minor activities.

163. In reply to the argument of one delegation who supported the postponement of a decision on the matter, the Chairman of the Advisory Committee stated that the adoption of the recommendation of the Advisory Committee would in no way restrict

the freedom and flexibility of subsidiary organs. On the contrary, the adoption of the recommendations would allow the Secretary-General greater flexibility in meeting the requests of United Nations bodies.

164. The Chairman of the Advisory Committee noted that he was unable to forecast in detail how the proposed system would work in practice. The Advisory Committee thought it worthwhile to give it a trial and he was glad to note the suggestion of the representative of one delegation that the system should be subject to review after one or two years. In his opinion, such a course would be of more practical value than submitting another report in 1969 which, though it might provide more information, would not necessarily alter the conclusions already reached by the Advisory Committee.

165. At the 1291st meeting of the Committee, the representative of the United Republic of Tanzania reiterated the proposal of his delegation as stated during the 1279th meeting of the Committee. This representative indicated that, in the event of rejection by the Committee of his proposal, he would propose certain amendments to the draft resolution recommended by the Advisory Committee.

166. The Committee decided by 30 votes to 19 with 23 abstentions, to defer further consideration of the definition of unforeseen and extraordinary expenses and the procedures proposed by the Advisory Committee on Administrative and Budgetary Questions in its report in document A/7336 until the twenty-fourth session of the General Assembly when a decision could be taken in the light of studies and information requested by delegations during the discussion of this item at the present session.

FIRST READING OF THE BUDGET ESTIMATES

167. At its 1240th, 1241st, 1242nd, 1245th, 1254th, 1257th, 1260th, 1267th, 1272nd and 1273rd meetings, the Fifth Committee voted in first reading on the budget estimates for 1969.

168. The first reading decisions were taken on the basis of the recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/7207) with regard to the initial estimates submitted by the Secretary-General (A/7205), as well as a series of revised estimates submitted to the General Assembly during the course of its twenty-third session.

169. In his initial estimates (A/7205) the Secretary-General had proposed a gross expenditure budget of \$140,520,510 and total estimates of income in the amount of \$25,059,240. In its related report (A/7207) the Advisory Committee on Administrative and Budgetary Questions recommended a total appropriation of \$138,316,950 and estimates of income in the amount of \$25,059,240. The recommendations of the Advisory Committee on the revised estimates which had been submitted subsequently, and prior to the first reading decision on the particular budget sections involved, required a total additional appropriation of \$3,788,100 and additional estimates of income of \$1,387,800 as follows:

| <u>Subject</u> | <u>Expenditure section</u> | <u>Amount</u> \$ |
|---|--------------------------------|---------------------|
| (i) Implementation of the decisions of the Economic and Social Council at its forty-fourth and forty-fifth sessions (A/C.5/1169 and Corr.1, A/7255) | 3 | 84,700 |
| | 5 | 23,600 |
| (ii) Salary scales for the professional and higher categories (A/7236, A/7280) | 3 | 2,480,900 |
| | 4 | 511,700 |
| | 20 | 240,600 |
| (iii) Other personnel questions - Education grant (A/C.5/1170 and Corr.1, A/7295 and Corr.1) | 4 | 109,000 |
| | 20 | 8,200 |
| (iv) Grant towards extension and improvement of the physical facilities of the International School at Geneva (A/C.5/1188, A/7351) | 12 | 30,000 |
| (v) United Nations Conference on Trade and Development - International Trade Centre (A/C.5/1186, A/7339) | 20 | 299,400 |
| Total | | <u>3,788,100</u> |

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| | <u>Income section</u> | <u>Amount</u> \$ |
|---|---------------------------|---------------------|
| (i) Salary scales for the professional and higher categories (A/7236, A/7280) | 1 | 1,387,800 |

170. The results of the decisions taken by the Committee in first reading on individual expenditure and income sections were 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 | 1,218,050 | Unanimously approved | | |
| 2. Special meetings and conferences | 1,302,000 | Unanimously approved | | |
| 3. Salaries and wages | 66,667,000 | 64 | 8 | 1 |
| 4. Common staff costs | 16,013,700 | 65 | ● | 11 |
| 5. Travel of staff | 2,151,600 | 73 | 0 | 9 |
| 6. Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; Hospitality | 140,000 | Unanimously approved | | |
| 7. Buildings and improvements to premises | 4,372,400 | Unanimously approved | | |
| 8. Permanent equipment | 735,200 | 70 | 0 | 7 |
| 9. Maintenance, operation and rental of premises | 4,260,000 | Unanimously approved | | |
| 10. General expenses | 5,950,800 | 78 | 0 | 9 |
| 11. Printing | 1,667,000 | Unanimously approved | | |
| 12. Special expenses | 9,013,200 | 55 | 9 | 15 |
| 17. Special missions | 6,321,400 | 68 | 10 | 8 |
| 18. Office of the United Nations High Commissioner for Refugees | 3,600,500 | 90 | 0 | 6 |
| 19. International Court of Justice | 1,375,000 | 87 | 0 | 1 |
| 20. United Nations Conference on Trade and Development | 8,291,200 | Unanimously approved | | |
| 21. United Nations Industrial Development Organization | <u>9,026,000</u> | Unanimously approved | | |
| Total | <u>142,105,050</u> | | | |

| <u>Income section</u> | <u>Recommended estimates</u> | <u>In favour</u> | <u>Against</u> | <u>Abstentions</u> |
|---|------------------------------|----------------------|----------------|--------------------|
| | \$ | | | |
| 1. Staff assessment income | 17,737,800 | Unanimously approved | | |
| 2. Funds provided from extra-budgetary accounts | 2,704,790 | Unanimously approved | | |
| 3. General income | 3,281,650 | Unanimously approved | | |
| 4. Revenue-producing activities | <u>2,722,800</u> | Unanimously approved | | |
| Total | <u>26,447,040</u> | | | |

171. The observations made and reservations expressed by delegations in explanation of the vote during the first reading of the budget estimates are recorded in the General Assembly summary records of the meetings at which the votes were taken.

SECOND READING OF THE BUDGET ESTIMATES

172. The first reading decisions of the Committee were affected by subsequent actions taken on the basis of the recommendations of the Advisory Committee on further revised estimates submitted by the Secretary-General under various sections, including those arising from decisions taken by the General Assembly on resolutions recommended by other Committees. These developments were summed up by the Secretary-General in a special report on the accumulated estimated requirements as of 14 December 1968 (A/C.5/1214 and Corr.1). These estimates included (a) amount of appropriation recommended in first reading; (b) additional appropriations subsequently recommended to the Fifth Committee for the implementation of specific proposals submitted to it for its approval; (c) additional appropriations for the implementation of resolutions adopted by the General Assembly on the recommendation of other main committees, in amounts previously determined by the Fifth Committee in fulfilment of its obligations under rule 154 of the rules of procedure, and (d) additional appropriations requested by the Secretary-General for purposes not previously brought to the attention of the General Assembly.

173. In its related report (A/7454 and Corr.1), the Advisory Committee recommended a total appropriation of \$153,188,550 under the various expenditure sections and total estimates of income in the amount of \$27,157,240. Decisions taken by the Fifth Committee and by the General Assembly on draft resolutions recommended by

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other main committees subsequent to the preparation of the report on revised estimates as contained in document A/C.5/1214 and Corr.1 required additional appropriations, as recommended by the Advisory Committee, for the purposes, and in the amounts, indicated below:

| <u>Subject</u> | <u>Expenditure section</u> | <u>Amount</u> \$ |
|--|--------------------------------|---------------------|
| (i) Expenses to be incurred by the United Nations in respect of individuals or groups of experts appointed by organs or subsidiary organs for the performance of special <u>ad hoc</u> tasks (A/C.5/1200, A/7414/Rev.1, A/C.5/SR.1293) | 1 | 5,000 |
| (ii) United Nations Development Decade (A/7416) | 1 3 | 18,000 (18,000) |
| (iii) Report of the Special Committee on the Question of Defining Aggression (A/7431) | 2 | 25,600 |
| (iv) Personnel questions - language training programmes (A/7334, A/7386, A/C.5/1289) | 3 4 | 117,600 116,400 |
| (v) Personnel questions - Russian as a working language of the General Assembly and the Security Council (A/7334, A/7386, A/C.5/SR.1289) | 3 4 | 326,400 148,600 |
| (vi) International Year for Human Rights - Humanitarian International Conventions (A/7458) | 3 | 20,000 |
| (vii) Report of the United Nations Commission on International Trade Law (A/7432) | 3 11 | 36,000 14,000 |
| (viii) United Nations Training and Educational Programme (A/7439) | 12 | 100,000 |
| (ix) United Nations programme of assistance in the teaching, study and wider appreciation of international law (A/7469) | 12 | 40,000 |

| <u>Subject</u> | <u>Expenditure section</u> | <u>Amount</u> \$ |
|--|----------------------------|---------------------------|
| (x) International Year for Human Rights (A/7458) | 17 | 19,000 |
| (xi) 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/7463) | 17 | 200,000 |
| (xii) Conference of Non-Nuclear-Weapon States: Final document of the Conference (A/7464) | 3 10 | 126,000 3,500 |
| (xiii) Technical Co-operation in the Peaceful Uses of Outer Space (A/7461) | 2 | 178,600 |
| (xiv) Question of General and Complete Disarmament (A/C.5/1218, A/C.5/SR.1291) | 3 5 10 | 143,800 2,100 4,100 |
| (xv) Report of the <u>Ad Hoc</u> Committee to Study the Peaceful Uses of the Sea-Bed and the Ocean Floor beyond the Limits of National Jurisdiction (A/C.5/1229, A/C.5/SR.1294) | 3 10 | 63,200 36,800 |
| Total | | <u>1,726,700</u> |

Income section

| | | |
|---|---|--------|
| (i) Staff assessment income arising from additional requirements in relation to language training programme and Russian as a working language in the General Assembly and the Security Council (A/7334, A/7386, A/C.5/SR.1289) | 1 | 63,000 |
|---|---|--------|

174. At its 1295th meeting, the Committee considered the second reading of the budget estimates for the financial year 1969. The results of the voting were as follows:

| <u>Appropriation section</u> | <u>Recommended appropriation</u> \$ | <u>In favour</u> | <u>Against</u> | <u>Abstentions</u> |
|------------------------------|--|----------------------|----------------|--------------------|
| 1 | 1,333,450 | Unanimously approved | | |
| 2 | 1,594,400 | Unanimously approved | | |
| 3 | 68,495,300 | 49 | 9 | 11 |
| 4 | 16,362,000 | 46 | 0 | 23 |
| 5 | 2,182,600 | 57 | 0 | 11 |
| 6 | 140,000 | Unanimously approved | | |
| 7 | 5,352,100 | 61 | 0 | 9 |
| 8 | 769,200 | Unanimously approved | | |
| 9 | 4,765,000 | Unanimously approved | | |
| 10 | 6,073,800 | 61 | 0 | 10 |
| 11 | 1,692,000 | Unanimously approved | | |
| 12 | 9,215,500 | 52 | 10 | 9 |
| 13 | 5,113,600 | 63 | 7 | 2 |
| 14 | 1,500,000 | 46 | 17 | 10 |
| 15 | 220,000 | 62 | 7 | 3 |
| 16 | 75,000 | 64 | 7 | 3 |
| 17 | 6,786,700 | 55 | 10 | 8 |
| 18 | 3,829,200 | 63 | 0 | 8 |
| 19 | 1,396,000 | 72 | 0 | 2 |
| 20 | 8,326,200 | Unanimously approved | | |
| 21 | <u>9,693,200</u> | Unanimously approved | | |
| Total | <u>154,915,250</u> | 63 | 1 | 10 |

Income section

| | | | | |
|--------------|-------------------|----------------------|--|--|
| 1 | 17,985,000 | Unanimously approved | | |
| 2 | 2,704,790 | Unanimously approved | | |
| 3 | 3,298,250 | Unanimously approved | | |
| 4 | <u>3,232,200</u> | Unanimously approved | | |
| Total income | <u>27,220,240</u> | Unanimously approved | | |

175. The representatives of Israel, the United Kingdom, the United States, Italy and Brazil explained the votes of their delegations during the second reading of individual sections of the budget estimates.

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ESTABLISHED POSTS

176. The decisions of the Committee under sections 3, 18, 19, 20 and 21 and under income sections 3 and 4 involved the approval of established posts 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 | Income Section 3 | Income Section 4 | Total |
|---------------------------------|-------------------------|---|--------------------------------|--|--|--|--|-------|
| | Salaries and Wages | 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 | Revenue-producing activities ^{c/} | Revenue-producing activities ^{d/} | |
| I. Secretary-General | 1 | - | - | - | - | - | - | 1 |
| Under-Secretary-General | 10 | 1 | - | 1 | 1 | - | - | 13 |
| Assistant Secretary-General | 11 | - | 1 | - | - | - | - | 12 |
| Director | 52 | 3 | 1 | 8 | 6 | - | - | 70 |
| Principal Officer | 128 | 5 | - | 13 | 14 | - | 1 | 161 |
| II. Professional | | | | | | | | |
| Senior Officer | 309 | 19 | 4 | 30 | 47 | - | 5 | 414 |
| First Officer | 614 | 26 | 3 | 57 | 82 | - | 4 | 785 |
| Second Officer | 780 | 24 | 2 | 74 | 84 | 1 | 7 | 972 |
| Associate and Assistant Officer | 460 | 24 | 6 | 24 | 36 | - | 12 | 562 |
| Total I and II | 2,365 | 102 | 16 | 207 | 270 | 1 | 29 | 2,990 |
| III. General Service | | | | | | | | |
| Principal level | 302 | 7 | - | 13 | - | - | 10 | 332 |
| Other levels | 2,266 | 177 | 16 | 253 | 321 | 3 | 90 | 3,126 |
| Total III | 2,568 | 184 | 16 | 266 | 321 | 3 | 100 | 3,458 |
| IV. Local level | 1,074 | - | - | - | - | - | - | 1,074 |
| V. Manual Workers | 285 | - | - | - | 70 | - | - | 355 |
| Total I, II, III, IV and V | 6,292 | 286 | 32 | 473 ^{b/} | 661 | 4 | 129 | 7,877 |

^{a/} Established posts for departments and offices at Headquarters; United Nations Office at Geneva; Information Centres; the secretariats of the Economic and Social Office in Beirut, and of the Economic Commissions for Africa (ECA), for Asia and the Far East (ECAFE), and for Latin America (ECLA); the secretariat of the International Narcotics Control Board and the Joint Staff Pension Board and the United Nations Staff Pension Committee.

^{b/} Excludes 34 Professional and 48 General Service posts relating to the Joint UNCTAD/GATT International Trade Centre.

^{c/} Established posts for the Garage Administration.

^{d/} Established posts for the United Nations Postal Administration, Sale of Publications and Visitors' Service at Headquarters and Geneva and for Commercial Management Service at Headquarters.

Draft resolutions for 1969

177. At its 1296th meeting, the Committee adopted draft resolutions I (A, B and C), II and III contained in paragraph 176 below. The voting was as follows:

| | <u>In favour</u> | <u>Against</u> | <u>Abstentions</u> |
|--------------------------------|------------------|----------------|--------------------|
| Draft resolution I.A | 55 | 0 | 12 |
| I.B | 65 | 0 | 0 |
| I.C | 57 | 0 | 9 |
| Draft resolution II | 55 | 9 | 1 |
| Draft resolution III | 58 | 0 | 10 |

RECOMMENDATIONS OF THE FIFTH COMMITTEE

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

DRAFT RESOLUTION I

Budget for the financial year 1969

A

BUDGET APPROPRIATIONS FOR THE FINANCIAL YEAR 1969

The General Assembly

Resolves that for the financial year 1969:

1. Appropriations totalling \$US154,915,250 are hereby voted for the following purposes:

| <u>Part</u> | | <u>Amount in US dollars</u> |
|----------------|---|-----------------------------|
| | I. <u>Sessions of the General Assembly, the councils, commissions and committees; special meeting and conferences</u> | |
| <u>Section</u> | | |
| 1. | Travel and other expenses of representatives and members of commissions, committees and other subsidiary bodies | 1,333,450 |
| 2. | Special meetings and conferences | 1,594,400 |
| | TOTAL, PART I | <u>2,927,850</u> |

| | | <u>Amount in US dollars</u> | |
|----------------|--|-----------------------------|------------|
| <u>Part</u> | II. <u>Staff costs and related activities</u> | | |
| <u>Section</u> | | | |
| 3. | Salaries and wages | 68,495,300 | |
| 4. | Common staff costs | 16,362,000 | |
| 5. | Travel of staff | 2,182,600 | |
| 6. | Payments under annex I, paragraphs 2 and 3 of the Staff Regulations; hospitality | 140,000 | |
| | TOTAL PART II | | 87,179,900 |
| <u>Part</u> | III. <u>Premises, equipment, supplies and services</u> | | |
| <u>Section</u> | | | |
| 7. | Buildings and improvements to premises | 5,352,100 | |
| 8. | Permanent equipment | 769,200 | |
| 9. | Maintenance, operation and rental of premises | 4,765,000 | |
| 10. | General expenses | 6,073,800 | |
| 11. | Printing | 1,692,000 | |
| | TOTAL, PART III | | 18,652,100 |
| <u>Part</u> | IV. <u>Special expenses</u> | | |
| <u>Section</u> | | | |
| 12. | Special expenses | 9,215,500 | |
| | TOTAL, PART IV | | 9,215,500 |
| <u>Part</u> | V. <u>Technical programmes</u> | | |
| <u>Section</u> | | | |
| 13. | Economic development, social activities and public administration | 5,113,600 | |
| 14. | Industrial development | 1,500,000 | |
| 15. | Human rights advisory services | 220,000 | |
| 16. | Narcotic drugs control | 75,000 | |
| | TOTAL, PART V | | 6,908,600 |

| | | <u>Amount in US dollars</u> | |
|----------------|---|-----------------------------|--------------------|
| <u>Part</u> | VI. <u>Special missions and related activities</u> | | |
| <u>Section</u> | | | |
| 17. | Special missions | 6,786,700 | |
| | TOTAL, PART VI | | 6,786,700 |
| <u>Part</u> | VII. <u>Office of the United Nations High Commissioner for Refugees</u> | | |
| <u>Section</u> | | | |
| 18. | Office of the United Nations High Commissioner for Refugees | 3,829,200 | |
| | TOTAL, PART VII | | 3,829,200 |
| <u>Part</u> | VIII. <u>International Court of Justice</u> | | |
| <u>Section</u> | | | |
| 19. | International Court of Justice | 1,396,000 | |
| | TOTAL, PART VIII | | 1,396,000 |
| <u>Part</u> | IX. <u>United Nations Conference on Trade and Development</u> | | |
| <u>Section</u> | | | |
| 20 | United Nations Conference on Trade and Development | 8,326,200 | |
| | TOTAL, PART IX | | 8,326,200 |
| <u>Part</u> | X. <u>United Nations Industrial Development Organization</u> | | |
| <u>Section</u> | | | |
| 21. | United Nations Industrial Development Organization | 9,693,200 | |
| | TOTAL, PART X | | 9,693,200 |
| | GRAND TOTAL | | <u>154,915,250</u> |

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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 Technical Assistance component of the United Nations Development Programme;

4. The provisions under sections 1, 3, 5 and 11, in a total amount of \$252,300 relating to the International Narcotics Control Board shall be administered as a unit;

5. The provisions under sections 1, 3, 4, 5, 6 and 10, in a total amount of \$632,700 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 \$19,000 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 1969

The General Assembly

Resolves that for the financial year 1969:

1. Estimates of income other than assessments on Member States totalling \$27,220,240 are approved as follows:

| <u>Income section</u> | <u>Amount in US dollars</u> |
|---|-----------------------------|
| <u>Part I. Income from staff assessment</u> | |
| 1. Staff assessment income | <u>17,985,000</u> |
| TOTAL, PART I | 17,985,000 |
| <u>Part II. Other income</u> | |
| 2. Funds provided from extra-budgetary accounts | 2,704,790 |
| 3. General income | 3,298,250 |
| 4. Revenue-producing activities | <u>3,232,200</u> |
| TOTAL, PART II | <u>9,235,240</u> |
| GRAND TOTAL | <u>27,220,240</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, shall be charged against the income derived from those activities.

C

FINANCING OF APPROPRIATIONS FOR THE FINANCIAL YEAR 1969

The General Assembly

Resolves that for the financial year 1969:

1. Budget appropriations totalling \$154,915,250, together with supplementary appropriations for 1968 totalling \$1,356,800, shall be financed in accordance with regulations 5.1 and 5.2 of the Financial Regulations of the United Nations as follows:

(a) As to \$9,235,240, by income other than staff assessment approved under part B of this resolution;

(b) As to \$3,280,256, by the amount available in the surplus account for the financial year 1967;

(c) As to \$76,587, by contributions of new Member States for the financial years 1967 and 1968;

(d) As to \$212,700, by the revised income other than staff assessment for 1968;

(e) As to \$143,467,267, by assessment on Member States in accordance with General Assembly resolution 2291 (XXII) of 8 December 1967 on the scale of assessments for the financial years 1968, 1969 and 1970;

2. There shall be set off against the assessment on Member States, in accordance with 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 \$18,299,012 comprising:

(a) \$17,985,000, being the estimated staff assessment income for 1969;

(b) \$181,712, being the excess of actual income over the approved estimated income from staff assessment for 1967;

(c) \$132,300, being the increase in the revised income from staff assessment for 1968.

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DRAFT RESOLUTION II

Unforeseen and extraordinary expenses for the financial year 1969

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 1969, provided that the concurrence of the Advisory Committee shall not be necessary for:

(a) Such commitments, not exceeding a total of \$US2 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 \$48,000;

(ii) The appointment of assessors (Statute, Article 30), or the calling of witnesses and the appointment of experts (Statute, Article 50), not exceeding a total of \$25,000;

(iii) The holding of sessions of the Court away from The Hague (Statute, Article 22), not exceeding a total of \$75,000;

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-fourth 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-fourth session of the General Assembly, a special session of the Assembly shall be convened by the Secretary-General to consider the matter.

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DRAFT RESOLUTION III

Working Capital Fund for the financial year 1969

The General Assembly

Resolves that:

1. The Working Capital Fund shall be established for the year ending 31 December 1969 in the amount of \$US40 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 1969;
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 1968 under General Assembly resolution 2365 (XXII) of 19 December 1967;
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 (XXIII) of December 1968 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 \$150,000, to continue the revolving fund to finance miscellaneous self-liquidating purchases and activities; advances in excess of the total of \$150,000 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

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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 1969, 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

Salary scales for the professional and higher categories

The General Assembly,

Having considered the report of the Secretary-General,^{4/} together with the relevant reports of the International Civil Service Advisory Board,^{5/} and the Advisory Committee on Administrative and Budgetary Questions,^{6/}

Decides that:

(a) With effect from 1 January 1969, annex I to the Staff Regulations shall be amended as follows:

- (i) In paragraph 1, substitute "\$US36,850" for "\$US33,500" and "\$US32,950" for "\$US30,000";
- (ii) Under paragraph 4, substitute the following salary scales:

(in US dollars)

Principal Officer and Director category

Director \$26,410 by two increments of \$700 and one of \$710 to \$28,520

Principal Officer \$21,960 by increments of \$710 to \$23,380, and then by increments of \$720 to \$26,260

Professional category

Senior Officer \$19,120 by increments of \$540 to \$21,280, and then by increments of \$550 to \$24,030

First Officer \$15,260 by increments of \$470 to \$17,610, and then by increments of \$480 to \$20,490

Second Officer \$12,380 by increments of \$400 to \$17,180

Associate Officer \$ 9,940 by increments of \$340 to \$12,660 and then by increments of \$350 to \$13,360

Assistant Officer \$ 7,600 by increments of \$310 to \$10,390

^{4/} A/7236.

^{5/} ICSAB/XVI/1.

^{6/} A/7280.

- (b) In applying paragraph 9 of annex I of the Staff Regulations:
 - (i) The amounts of post adjustment for each 5 per cent variation in the cost of living above or below the new base level shall, at all the main headquarters areas and normally at all other offices, be those specified in annex III of the report of the Secretary-General;
 - (ii) The United Nations post adjustment index at Geneva based on 1 January 1966 shall be deemed to be 100, in place of 105, to compensate for the consolidation of one class of post adjustment in the base salaries and the post adjustment indices at all other duty stations shall be adjusted accordingly by $100/105$ as of 1 January 1969.

DRAFT RESOLUTION V

Methods of establishing the salaries of international civil servants

The General Assembly,

Having considered the report of the Secretary-General^{7/} together with the relevant reports of the International Civil Service Advisory Board^{8/} and the Advisory Committee on Administrative and Budgetary Questions,^{9/}

Noting that parts A and B of chapter II of the Board's report contain only the broad outlines of the Board's recommendations regarding methods of establishing salaries for international civil servants,

Noting also the comments of the Advisory Committee contained in paragraph 6 of its report,

Mindful of the various possible effects of the changes envisaged by the Board in its report,

Recognizing that Member States should have an opportunity of examining these effects in detail, particularly in respect of those features of the salary system which are of special concern to them,

Recognizing the need of clarifying the principles on which staff salaries may be based,

Conscious of the need to preserve "the common system",

1. Requests that in the report of the seventeenth session of the Board, separate chapters be included describing the progress made on

(a) The review proposed by the Board in paragraph 114 of the report on its thirteenth session^{10/} in the light of the observations of the Advisory Committee contained in paragraph 45 of document A/6056;

(b) The construction of the international salary index and the study of "world market rates";

2. Requests the Secretary-General to circulate the report of the Board's seventeenth session as a document of the twenty-fourth session of the General Assembly.

^{7/} A/7236.

^{8/} Ibid., annex I.

^{9/} A/7280.

^{10/} A/5918/Add.1.

DRAFT RESOLUTION VI

Proposed new construction and major alterations to existing premises at United Nations Headquarters in New York

The General Assembly,

Having examined the report of the Secretary-General^{11/} and the related report of the Advisory Committee on Administrative and Budgetary Questions^{12/} on proposals for new construction and major alterations to existing premises at United Nations Headquarters in New York;

Expresses its appreciation to the Fund for Area Planning and Development Inc. for the considerable financial outlay and the time and effort devoted to the feasibility study it has made regarding the acquisition and development for possible United Nations use of the area located south of the Headquarters site and east of First Avenue and for the excellence of the technical presentation of proposed construction plans;

Authorizes the Secretary-General to proceed, at an estimated cost to the United Nations of \$250,000 in 1969, with the preparation of detailed plans and specifications on which reliable cost estimates could be based and to report on the results to the General Assembly at its twenty-fourth session;

Requests the Secretary-General, in formulating his further proposals, (a) to take into account projected space requirements at Headquarters beyond 1976 and (b) to submit a report to the Assembly at its twenty-fourth session on the problem of accommodation at Headquarters considered in the over-all context of the development of the United Nations during the next twenty years and the disposition of staff during this period in relation to available and potential accommodation in New York, Geneva or at United Nations offices at other localities.

^{11/} A/C.5/1183.

^{12/} A/7366.

DRAFT RESOLUTION VII

Plans for the extension of conference facilities at
the Palais des Nations, Geneva

The General Assembly,

Having considered the reports of the Secretary-General^{13/} and the Advisory Committee on Administrative and Budgetary Questions^{14/} concerning changes in the programme for the extension of conference facilities at the Palais des Nations, approved under General Assembly resolution 2246 (XXI) of 20 December 1966,

Approves the revisions in the programme for the extension of the Palais des Nations as set out in the reports of the Secretary-General and of the Advisory Committee on Administrative and Budgetary Questions, as well as the proposals for financing the entire programme, as modified, at a construction cost not to exceed \$22 million;

Authorizes the Secretary-General to proceed with the execution of the revised programme;

Decides that the schedule of annual budget instalments contained in paragraph 4 of General Assembly resolution 2246 (XXI) shall be amended as follows:

| | <u>Annual instalment</u> |
|--------------------------------------|------------------------------|
| | US dollars |
| For the years 1967 to 1970 | 1,000,000 |
| For the years 1971 to 1974 | 1,500,000 |
| For the years 1975 to 1981 | 1,860,000 |
| For the year 1982 | 1,830,000 |
| Instead of 1967 to 1974 | 1,000,000 |
| Instead of 1975 to 1979 | 1,500,000 |
| Instead of 1980 | 495,000 |

Requests the Secretary-General to keep the Advisory Committee on Administrative and Budgetary Questions informed of developments in the progress of the extension programme and to report annually to the General Assembly on this matter until the new construction is completed.

13/ A/C.5/1179.

14/ A/7337.

DRAFT RESOLUTION VIII

Expenses to be incurred by the United Nations in respect of individuals or groups of experts appointed by organs or subsidiary organs for the performance of special ad hoc tasks

The General Assembly,

Recalling its decision by resolution 1798 (XVII) of 11 December 1962 on the payment by the United Nations of travel and subsistence costs in respect of members of organs and subsidiary organs of the United Nations, as well as its endorsement at its 1082nd meeting of the recommendation by the Fifth Committee in document A/5005, paragraph 10, regarding the rules governing the payment to such members of honoraria,

Considering that additional rules are called for to govern such payments to individuals appointed by organs or subsidiary organs to undertake in their personal capacity the performance of special studies or other ad hoc tasks on behalf of the bodies involved,

1. Reaffirms the basic principles governing payment of travel and subsistence costs of members of organs and subsidiary organs as laid down in resolution 1798 (XVII) of 11 December 1962;
2. Reaffirms the basic principles adopted at its 1082nd meeting governing the payment of honoraria to such persons according to which neither fee nor other remuneration in addition to subsistence allowances at the standard rate shall normally be paid to members of organs or subsidiary organs;
3. Decides that the following additional rules shall become effective as of 1 January 1969:

- (i) A clear distinction shall be drawn between (a) individuals appointed by organs or subsidiary organs to undertake in their personal capacity the performance of special studies or other ad hoc tasks on behalf of the bodies involved and (b) experts or consultants appointed by the Secretary-General to assist him in the performance of special studies or other ad hoc tasks entrusted to the Secretariat;
- (ii) Cases falling under category (a) above shall be governed by the rules established by the General Assembly in its resolution 1798 (XVII) on the payment of travel and subsistence costs of members of organs and subsidiary organs of the United Nations and the decision taken by the General Assembly at its sixteenth session on the payment of honoraria, i.e., that neither fee nor any other remuneration in addition to travel expenses and a subsistence allowance at the standard rate shall normally be payable;

(iii) If a fee or remuneration is proposed by way of exception to the established rules, the decision shall invariably be taken by the General Assembly after prior examination by the Fifth Committee of any special considerations in the particular case. The criterion might be whether the person best qualified for a particular task could be induced to accept the appointment unless some financial provision was made to compensate for the loss of professional earnings. Thus a factor in each case would be whether or not the person concerned would remain in the employ of a Government or other institution without suspension of normal emoluments. In such cases, at least as far as States Members of the United Nations are concerned, it shall be assumed, in any event, that they would normally wish to make available to the Organization without charge the services of persons in their employ;

4. Decides that the decisions in paragraphs 2 and 3 above shall not be deemed to apply to the payment of any honoraria which it has already authorized on an exceptional basis and which are enumerated in the annex to this resolution.

ANNEX

| | \$ |
|--|---------------------|
| Chairman of the Advisory Committee on Administrative and Budgetary Questions | 5,000 ^{a/} |
| Chairman of the International Law Commission | 2,500 ^{b/} |
| Special rapporteurs of the International Law Commission . . | 2,500 ^{b/} |
| Other members of the International Law Commission | 1,000 ^{b/} |
| President of the International Narcotics Control Board . . | 2,500 |
| Vice-Presidents of the International Narcotics Control Board | 1,500 |
| Other members of the International Narcotics Control Board | 1,000 |
| President of the Administrative Tribunal | 2,500 |

^{a/} Honorarium to be paid only so long as the Chairman is not in the service of his Government.

^{b/} Payment of the higher of the two amounts to be conditional upon the preparation of specific reports or studies between sessions of the Commission.

In addition, an honorarium of \$500 is payable to the other members of the Administrative Tribunal for each session in which they participate, provided that the maximum amount payable in any one year shall not exceed \$1,000.

/...

DRAFT RESOLUTION IX

Amounts of honoraria paid to the President and other members
of the United Nations Administrative Tribunal

The General Assembly,

Recalling its endorsement on 20 December 1960, at its 960th meeting, of the recommendation submitted by the Fifth Committee in document A/4609, paragraph 10, regarding the payment, as an exceptional measure, of honoraria to the President and members of the United Nations Administrative Tribunal,

Decides that, with effect from 1 January 1969, the following increased amounts shall be payable:

- (a) An amount of \$2,500 per annum to the President of the Tribunal;
- (b) An amount of \$500 to the other members of the Tribunal in respect of each session in which they participate, provided that the maximum amount paid in any one year shall not exceed \$1,000.

DRAFT RESOLUTION X

Rates of subsistence allowances payable to eligible members
of organs and subsidiary organs of the United Nations

The General Assembly,

Taking note of the increases in subsistence costs that have occurred since the rates of subsistence allowance were last revised in General Assembly resolution 1588 (XV) of 20 December 1960,

Having considered the report of the Secretary-General^{15/} together with the report of the Advisory Committee on Administrative and Budgetary Questions,^{16/}

1. Decides that, with effect from 1 January 1969, daily subsistence allowances shall be payable to eligible members of organs and sub-organs of the United Nations, as follows:

(a) While attending meetings away from their normal place of residence or duty station at rates equivalent to the standard travel subsistence allowance rates for officials of the Secretariat, plus 40 per cent, rounded to the nearest United States dollar and normally payable in local currency, provided that the Secretary-General may establish minima and maxima if he deems it appropriate, and may reduce the rates in the event of the provision of board and/or lodging by a host Government;

(b) While attending meetings at the place of residence or duty station, the equivalent in local currency of \$US10;

(c) While travelling by a direct route, aboard vessels, planes and trains, the amount of \$US8;

2. Decides that the present resolution shall supersede General Assembly resolution 1588 (XV) of 20 December 1960 and paragraph 7 of the annex to General Assembly resolution 1798 (XVII) of 11 December 1962;

3. Further decides that the subsistence allowance rates for members of the International Court of Justice, payable under the travel and subsistence regulations of the Court, shall be the same as those set forth in paragraph 1^{15/} above.

^{15/} A/C.5/1178.

^{16/} A/7304.

DRAFT RESOLUTION XI

United Nations bond issue

The General Assembly,

Recalling 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 \$200 million and which provided for repayment of these bonds from the regular budget of the United Nations,

Recalling further that the receipts from the sale of these bonds were entirely utilized for the payment of obligations of the United Nations for the peace-keeping operations in the Congo and in the Middle East,

Noting that in a number of prior and subsequent resolutions, particularly resolutions 1854 B (XVII) of 19 December 1962 and 1874 (S-IV) of 27 June 1963, the General Assembly has recognized in principle and in practice the relatively limited capacity of the economically less developed Member States to contribute to expenditures caused by major peace-keeping operations, and has reduced their rates of contribution to those two operations,

Noting further that many delegations have expressed strong reservations concerning the financing of the bonds through the same procedure applied to other expenditure items in the regular budget of the United Nations,

Bearing in mind the strong hope of the Secretary-General that ways and means be found so that the United Nations might celebrate its twenty-fifth anniversary as a financially sound and solvent organization,

Requests the Advisory Committee on Administrative and Budgetary Questions to study the question of the amortization of and payment of interest on the United Nations bonds, in the light of the debates held at the twenty-first, twenty-second and twenty-third sessions of the General Assembly and the proposals presented to it, and to submit a report to the twenty-fourth session on its recommendations.
