



General Assembly

Distr.
GENERAL

A/C.5/45/9
26 September 1990

ORIGINAL: ENGLISH

Forty-fifth session
FIFTH COMMITTEE
Agenda item 118

PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991

International Computing Centre: 1991 budget estimates

Report of the Secretary-General

1. The 1991 budget estimates of the International Computing Centre (ICC), Geneva, are summarized below for review and approval by the General Assembly in accordance with the procedure laid down by the Assembly in its resolution 31/208, section III. In that resolution, the General Assembly endorsed the recommendation of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) that, bearing in mind the provisions of paragraph 3 of Article 17 of the Charter of the United Nations, the budget of ICC should be subject to review and approval by the General Assembly. In the absence of such a review, the proposed budgets of ICC would not be subject to scrutiny by any intergovernmental organ.

2. ICC was established in 1971 to serve all those organizations of the United Nations system wishing to participate in its activities. The large variety of substantive work carried out by its participants means that ICC has to provide a comprehensive range of interactive data, text-processing and related telecommunications services on a world-wide basis. The structure of the Centre is adjusted in response to participants' requirements, and its funding reflects the fact that not all participants make use of all the Centre's facilities all of the time. Users of ICC include the following participating organizations:

United Nations

United Nations Environment Programme (UNEP)

Office of the United Nations High Commissioner for Refugees (UNHCR)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Research Institute for Social Development (UNRISD)
World Food Programme (WFP)
International Labour Organisation (ILO)
United Nations Educational, Scientific and Cultural Organization (UNESCO)
World Health Organization (WHO)
World Meteorological Organization (WMO)
World Intellectual Property Organization (WIPO)
General Agreement on Tariffs and Trade (GATT)
International Trade Centre UNCTAD/GATT (ITC)
World Bank
International Monetary Fund (IMF)
United Nations Industrial Development Organization (UNIDO)
International Fund for Agricultural Development (IFAD)
Food and Agriculture Organization of the United Nations (FAO)
International Atomic Energy Agency (IAEA)

3. At its sixty-fifth session held in September 1986, the Consultative Committee on Administrative Questions (CCAQ) of the Administrative Committee on Co-ordination proposed to the Management Committee of ICC that it should consider the possibility of a complete presentation of budget estimates in Swiss francs, the currency in which a large part of the expenditures of ICC are actually incurred, in order to facilitate an analysis of real growth in the services provided. Although the presentation by ICC of its 1991 budget estimates complies with that proposal, these estimates have, for their submission to the General Assembly, been converted to United States dollars at the rate of SwF 1.61 to the dollar as reflected in the initial appropriation of the 1990-1991 programme budget of the United Nations. This has been done in order to relate the latter's share to the estimated 1991 total costs of ICC.

4. As shown in table 1, the 1991 budget estimates, based on an exchange rate of SwF 1.61 to the dollar, amount to \$10,515,500 as compared to a total of \$11,260,400 in 1990, which was based on an exchange rate of SwF 1.44 to the dollar. Each year ICC requests the participating organizations to provide estimates of their probable usage of each type of service rendered. For the purpose of costing their probable usage of ICC services, the participating organizations are provided with the rates agreed to by the ICC Management Committee.

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Table 1. Total ICC budget estimates, 1991

1990 approved estimates		Estimated additional requirements, 1991			1991 Total
		Maintenance of 1990 programmes <u>a/</u>	Programme growth <u>b/</u>	Inflation <u>b/</u>	
SwF	16 215 000	(1 295 000)	1 360 000	650 000	16 930 000
\$US	11 260 400	(1 993 300)	844 700	403 700	10 515 500

a/ The "maintenance of 1990 programmes" estimate reflects revised 1990 cost estimates as opposed to 1990 estimates approved in 1989, and in the case of the dollar estimates an adjustment of the exchange rate reflected in the 1990 approved estimates (SwF 1.44) to the rate of exchange (SwF 1.61) on which the current appropriation under the programme budget of the United Nations for the 1990-1991 biennium is based.

b/ The growth in the programme (8.3 per cent) reflects a net increase in the ICC work-load expected from participants (see table 2). Inflation is a net figure reflecting the various rates for different items and averages out at approximately 4 per cent.

5. Table 2 shows details on the probable use of ICC services in 1991 as provided by the participating organizations. For comparative purposes the actual funding for 1989 and the latest estimates of probable funding for 1990 are also shown in table 2. It should be noted that several of these estimates have been received, and included, in a provisional form, being subject in some cases to final review by the governing bodies of the agencies concerned. The work of the participants ranges from well-articulated projects to tentative undertakings for which they are at present unable to give precise estimates of the resources required. If the pattern that has evolved in the past is repeated, then, as a participant's work programme becomes more specific during the year, it will revise its funding of the various activities.

6. The total estimates in respect of the share of the United Nations for the use of ICC (see table 2) in 1990-1991 would, thus, amount to \$4,952,700 (i.e., \$2,236,300 and \$2,716,400 respectively at an exchange rate of SwF 1.61 to the dollar), in excess of the current 1990-1991 appropriation of \$4,289,700 included under section 28D (Office of General Services) of the programme budget for the biennium 1990-1991. Based on experience, it is expected that actual expenditures for the biennium might show a significant decrease against projected funding estimates. Any adjustments required at the end of the biennium would be reflected in the second performance report on the programme budget for the 1990-1991 biennium.

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Table 2. 1991 probable funding of ICC as estimated by participating organizations

Participating organization	Swiss francs			United States dollars 1991 <u>a/</u>	Percentage	
	Actual funding 1989	Estimated funding			1990	1991
		1990	1991			
United Nations	2 629 541	3 600 495	4 373 327	2 716 351	22.20	25.83
WHO	2 136 833	2 810 000	2 775 000	1 723 602	17.33	16.39
UNDP	272 093	90 340	62 435	38 780	0.56	0.37
UNICEF	139 724	128 831	99 653	61 896	0.79	0.59
ILO	288 904	484 000	381 400	236 894	2.98	2.25
WMO	36 770	57 000	69 000	42 857	0.35	0.41
UNRISD	7 354	4 590	4 590	2 851	0.03	0.02
UNEP	129 219	198 817	221 693	137 698	1.23	1.31
GATT	348 784	800 000	870 000	540 373	4.93	5.14
WIPO	740 640	1 447 914	1 703 246	1 057 917	8.93	10.06
UNESCO	35 719	44 800	47 000	29 193	0.28	0.28
ITC	341 431	392 800	414 000	257 143	2.42	2.44
UNHCR	1 985 550	3 169 500	3 163 500	1 964 907	19.55	18.69
WFP	1 151 409	1 982 000	1 938 524	1 204 052	12.22	11.45
World Bank	138 673	178 100	168 600	104 720	1.10	1.00
IFAD	112 410	651 000	370 090	229 870	4.01	2.19
UNIDO	3 151	20 320	20 600	12 795	0.13	0.12
IMF	4 202	3 518	3 665	2 276	0.02	0.02
FAO	3 151	7 500	15 000	9 317	0.05	0.09
IAEA	-	1 200	93	58	0.01	0.00
Participants	10 505 558	16 072 725	16 701 416	10 373 550	98.80	98.65
Other funds	4 434 845	142 275	228 584	141 978	1.20	1.35
TOTAL	14 940 403	16 215 000	16 930 000	10 515 528	100.00	100.00

a/ Based on an exchange rate of SwF 1.61 to the dollar.

7. Upon receipt of the various estimates of probable usage by the participating organizations, ICC translates the projected demand for its services into the physical resources required to meet the demand and, by grouping expenditures on similar resources, ICC's budget by purpose of expenditure is then developed. Table 3 shows the allocation of the 1991 budget estimates, by purpose of expenditure, among the organizational units of ICC.

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Table 3. Allocation of 1991 budget, by purpose of expenditure,
to organizational unit and type of service

(In Swiss francs)

Purpose of expenditure	Administration	Systems development	Operations	End-user service	Total	Expenditure item as a percentage of total expenditure
Salaries, related expenses contract services	881 000	490 000	2 396 000	433 000	4 200 000	24.81
Duty travel	5 000	3 000	5 000	2 000	15 000	0.09
Contingency	30 000	50 000	50 000	10 000	140 000	0.83
Supplies and software	150 000	200 000	1 500 000	150 000	2 000 000	11.81
Equipment	100 000	100 000	8 700 000	100 000	9 000 000	53.16
Technical literature	2 000	8 000	8 000	2 000	20 000	0.11
Common services	300 000	200 000	1 000 000	50 000	1 550 000	9.16
Operating expenses	2 000	1 000	1 000	1 000	5 000	0.03
Total	1 470 000	1 052 000	13 660 000	748 000	16 930 000	100.00

8. As indicated in table 3, the 1991 total requirement of ICC based on probable usage by participants are estimated at SwF 16,930,000, or \$10,515,500 at an exchange rate of SwF 1.61. The budget level so estimated includes a residual income in the amount of SwF 228,584 designated as "Other funds" (see table 2). ICC indicates that the residual income would be received from non-participant organizations that use ICC facilities, for example, agencies of the United Nations system such as the International Telecommunication Union and inter-agency bodies such as CCAQ, the United Nations Joint Staff Pension Fund and the Advisory Committee for the Co-ordination of Information Systems, national Governments and intergovernmental bodies and also from those participants that exceed their stated usage.

9. Table 4 shows a summary of the 1991 budget estimates by purpose of expenditure and, for comparative purposes, the equivalent budget approved for 1990.

Table 4. Summary of budget estimates by purpose of expenditure

Purpose of expenditure	Approved estimates	Estimated requirements		Percentage of overall budget	
	1990 (SwF)	1991 (SwF)	1991 (\$US) <u>a/</u>	1990	1991
Salaries and related costs	4 200 000	4 200 000	2 608 696	25.90	24.81
Duty travel	15 000	15 000	9 317	0.09	0.09
Supplies and software	1 600 000	2 000 000	1 242 236	9.87	11.81
Equipment	8 700 000	9 000 000	5 590 062	53.66	53.16
Technical literature	10 000	20 000	12 422	0.06	0.11
Common services	1 550 000	1 550 000	962 733	9.56	9.16
Operating expenses	-	5 000	3 105	-	0.03
Contingency (personal services)	140 000	140 000	86 957	0.86	0.83
Total	16 215 000	16 930 000	10 515 528	100.00	100.00

a/ Based on an exchange rate of SwF 1.61 to the dollar.