Note by the Secretariat

1. Point (iii) of the Group's terms of reference requires the Group to assess the financial implications of establishing and operating the Centre.

2. At their first meeting in February 1964 the Group considered a secretariat estimate that the cost of providing the services envisaged for the Trade Centre would be of the order of magnitude of $60,000 or, if trade promotion advisory services were also to be rendered, of approximately $70,000 during the first year. Personnel requirements in the secretariat note were estimated at three professional officers and two general service staff for the first year. Taking into account the range of services to be provided, the Group felt that estimates of this order of magnitude would not be excessive. The estimates were subsequently accepted by the CONTRACTING PARTIES at their twenty-first session (L/2184).

3. Although the Centre has been able to operate within the budget allocated to it, it has been found necessary to provide some temporary assistance to ensure: (a) fulfilment of the basic programme of work laid down by the Expert Group for the early stages of the Centre, and (b) prompt attention to the large number of enquiries that have come forward from developing countries. As regards the latter, it had not been foreseen that the demands made upon the Centre would build up so quickly. The temporary assistance referred to above has taken the form of the loan of one professional officer from another branch of the secretariat and, by January 1965, the hiring of four general service staff, comprising two stenographers, a circulation clerk, and a general duties clerk.

4. The Group will recall that in submitting its estimates in February 1964, the secretariat, in document Spec(64)20, indicated that by 1965 the Centre would need eleven officers. If the temporary assistance at present employed is included, the Centre has now reached this figure.
5. The future staff requirements of the Centre depend, of course, upon the programme of work which the CONTRACTING PARTIES, as advised by the Expert Group, agree should be undertaken by the Centre. But if something along the lines of the suggestions put forward in L/2357 were accepted, it would be the estimate of the secretariat that the staff would need to be built up over the present year to reach a total of fourteen early in 1966, comprising seven professional grade and seven general service staff.

6. The staff would be employed in two principal sections - the Market Information Section and the Documentation and Publications Section.

7. It is proposed that the Market Information Section be headed by an Economic Affairs Officer supported by a Trade Information Officer and a Trade Promotion Officer.

8. The Documentation and Publications Section would have two units. The first - Documentation Unit - would be led by an Economic Affairs Officer. The second - Publications Unit - would be headed by an Economic Affairs Officer/Editor.

9. The general service staff required would be as follows:

- Administrative Assistant
- Clerk/Bibliographer
- Clerk-Stenographer (bilingual)
- Clerk-Stenographer
- Clerk-Typist
- Clerk-Typist
- Circulation Clerk

10. The estimated cost of the proposed establishment, as outlined above, is as follows:

(a) Salaries and post adjustments \( \text{US}\$ 92,600 \)

(b) Common staff costs (installation expenses, family allowances, pensions and sickness fund contributions, education grants, etc.) \( \text{US}\$ 25,500 \)

\( \text{US}\$ 118,100 \)

11. Apart from the costs directly related to salaries it is necessary to provide for stationery and office supplies, postage, cable and telephone charges, all of which are directly proportionate to the number of staff. The estimate for these items totals \( \text{US}\$6,000 \).

12. The cost of books and information material is estimated at \( \text{US}\$3,000 \), most of which would be a non-recurring charge.
13. The estimated cost of the printing and distribution (12,000 copies) of four issues of the FORUM magazine in English, French and Spanish amounts to US$17,500. In addition, the cost of a roneoed pamphlet issued four times a year is estimated at US$700. These amounts include printing, paper, envelopes, distribution charges payable to the United Nations, postage, etc.

14. The estimates quoted above are summarized in the Annex to this document, which shows a net increase of US$50,000 over the provisions included for the Centre in the 1965 GATT budget. It will be noted that the estimates include non-recurring expenditure of US$8,550.

15. In addition, the regular budget item for furniture and equipment would have to be increased by US$5,800. This also would be a non-recurring charge.
### ANNEX

**INTERNATIONAL TRADE CENTRE**

**Summary**

*(in US dollars)*

<table>
<thead>
<tr>
<th>Item</th>
<th>New Estimates</th>
<th>Provision already included in the 1965 budget</th>
<th>Net increase of the 1965 budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and post adjustments (a)</td>
<td>71,900</td>
<td>44,800</td>
<td>27,100</td>
</tr>
<tr>
<td>Common staff cost (b)</td>
<td>22,100</td>
<td>(5,200)x</td>
<td>9,400</td>
</tr>
<tr>
<td>General office expenses</td>
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<td>6,000</td>
</tr>
<tr>
<td>Books and information material</td>
<td>3,000</td>
<td>(2,200)x</td>
<td>1,000</td>
</tr>
<tr>
<td>FORUM and pamphlets (printing, distribution, postage etc.)</td>
<td>18,000</td>
<td>(1,150)x</td>
<td>15,800</td>
</tr>
<tr>
<td></td>
<td>121,000</td>
<td>(8,550)x</td>
<td>71,000</td>
</tr>
</tbody>
</table>

(a,b) The full annual charges for these items amount to US$92,600 and US$25,500. The difference results from a retardation factor to be applied to the recruitment of new staff during 1965.

(x) Bracketed figures show non-recurring amounts.