

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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8 September 1975

ADMINISTRATIVE AND FINANCIAL QUESTIONS

1976/1977 Budget Estimates of the ITC

Note by the Director-General

The attached document is an extract of the Report of the Advisory Committee on Administrative and Budgetary Questions of the United Nations concerning the Proposed Programme Budget of the International Trade Centre for the Biennium 1976/1977.

II. UNCTAD/GATT International Trade Centre

11.20 The Secretary-General's proposed programme budget for the biennium 1976-1977 includes, under section 11, United Nations Conference on Trade and Development (UNCTAD), \$4,540,000 ^{43/} for the International Trade Centre (see table 11-31 of the proposed programme budget). This represents 50 per cent of the Trade Centre's assessed budget for 1976-1977, the other half to be met by the General Agreement on Tariffs and Trade (GATT) under the terms of its agreement with the United Nations for joint financing of the Centre.

11.21 As indicated in paragraph 11.59 of the proposed programme budget, the Advisory Committee received detailed cost estimates of the Centre which are contained in document A/C.5/1669.

11.22 The budget estimates of the Centre for 1976-1977 (as contained in A/C.5/1669) amount to \$9,090,000, an increase of \$2,098,000 (30.0 per cent) over the revised appropriations for 1974-1975 of \$6,992,000. In addition to resources which will be available under the regular budget of the Centre extrabudgetary funds are expected to provide \$1,974,000 ^{44/} in 1976-1977.

11.23 The increases in the estimates for 1976-1977 are attributed by the Centre largely to the added cost of continuing in these years the establishment authorized for 1974-1975. However, 4 new professional and 4 new general service posts are requested in 1976. In addition, 5 regradings of posts are proposed in 1976 and 3 in 1977.

11.24 Of the 4 new professional posts requested, 2 relate to transfers to the regular budget of posts currently financed from overheads: a P-5 for the Division of Field Operations and a P-2 for Internal Audit to function as part of the Centre's contribution in terms of staff to the United Nations Office at Geneva for the administrative and financial servicing of the Centre. In the opinion of the Advisory Committee the reasons for these transfers are not clearly explained in convincing terms. However, the Committee recognizes that these proposals are made so as to strengthen the capacity of the Centre for programme delivery, and on that basis the Committee will interpose no objection. As for the other 2 proposed professional posts, which are both for the Division of Technical Services (P-3 for the Multinational Product Promotion Service and P-3 for the Market Development Service), the Committee is unable to endorse their establishment on the basis of the justification provided.

^{43/} This is a net figure, after deducting the United Nations share of the miscellaneous income accruing to the Centre (half of an estimated amount of \$30,000).

^{44/} Excluding operational funds.

11.25 Of the 4 new general service posts requested, 3 relate to transfers to the regular budget of posts currently financed from overheads. The Advisory Committee concurs in this action as regards the general service posts for the Division of Administrative and Common Services and for the Finance Division in the United Nations Office at Geneva (as part of the Centre's contribution as described in para. 11.24 above). However, the Committee is unable to support the regularization of the general service post for the Office of the Chief in the Division of Technical Services, nor can it concur in the establishment of the general service post intended for the Multinational Product Promotion Service in the same Division.

11.26 The eight proposed readings may be broken down as follows: 45/

1976

P-2 to P-3 - Documentation Officer, Documentation Service, Division of Technical Services.

P-2 to P-3 - Budget Officer, Budget and Finance Section, Division of Administration and Common Services.

P-2 to P-3 - Personnel Officer, Personnel Section, Division of Administration and Common Services.

P-3 to P-4 - Trade Promotion Officer - Division of Field Operations.

P-5 to D-1 - Chief Administration Officer - Division of Administration and Common Services.

1977

P-4 to P-5 - Co-ordinating Officer - Office of the Director.

P-4 to P-5 - Head of Section - Budget and Finance Section, Division of Administration and Common Services.

P-4 to P-5 - Head of Section - Personnel Section, Division of Administration and Common Services.

11.27 For the reasons provided under their respective headings in document A/C.5/1699, the Advisory Committee concurs in the regrading in 1976 of the Documentation Officer in the Division of Technical Services from P-2 to P-3

45/ The Committee treats the subject of reclassification as a whole in Part I, paragraph 61 above, but has decided to deal with ITC regradings on a case-by-case basis in view of the special financial arrangements which apply to it.

and of the Trade Promotion Officer in the Division of Field Operations from P-3 to P-4, as well as the regrading, in 1977, of the Head of Section, Budget and Finance Section from P-4 to P-5, and the Head of Section, Personnel Section, from P-4 to P-5. As regards all of the other regradings requested, the Committee could not find conclusive evidence of upgrading of function or responsibilities sufficient to recommend any change in status.

11.28 The Advisory Committee notes in connection with the proposed regrading of the Co-ordinating Officer in the Office of the Director (which it does not support - see preceding paragraph), that the coming retirement of the Director (Promotion) - one of the two D-2's in the Centre - is foreseen. The Advisory Committee recalls its statement in its seventh report to the General Assembly (at its twenty-eighth session) 46/ on the proposed programme budget for 1974-1975 that "the Committee is of the view that should there be a change in the circumstances which gave rise to the creation of two D-2 posts in the directorate, serious consideration should be given to reverting to the normal practice of having one Director in charge of the Centre." The Advisory Committee wishes to reiterate that position at this time.

11.29 The Advisory Committee notes that the general operating expenses of the Centre include \$395,000 for rental and maintenance of premises in 1976 and \$427,000 in 1977. The Committee understands that the Centre will be moving from its rented premises in the Rue de Lausanne to premises used by the United Nations sometime during 1977. If this move does in fact come about during the course of the coming biennium then some savings in rental should be possible and the Committee trusts that every effort will be made to achieve and maximize these economies.

11.30 In paragraphs 11.24, 11.25 and 11.27 above the Committee has recommended reductions in the ITC budget estimates totalling \$186,000. The consequential reduction under section 11 amounts to \$93,000.

III. Recapitulation

11.31 In paragraphs 11.19 and 11.30 above the Advisory Committee recommended reductions totalling \$604,000.

Reduction recommended

Section 11. United Nations Conference on	
Trade and Development	\$604,000.

46/ Official Records of the General Assembly, Twenty-eighth Session, Supplement No. 8 A (A/9008/Add.1-34), document A/9008/Add.6, para. 4.