

GENERAL AGREEMENT ON

RESTRICTED

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TARIFFS AND TRADE

ADMINISTRATIVE AND FINANCIAL QUESTIONS

Analysis of Expenditure on GATT Regular Activities and Uruguay Round Activities 1988-1989

Explanatory Note

1. The attached table compares expenditure for each section of the budget for the years 1988 and 1989. It outlines the increase or decrease for each section together with an explanation, where appropriate. It also outlines expenditure on each section as a percentage of the total expenditure for each of the two years in question.

2. The table facilitates comparisons between expenditure on GATT regular activities and Uruguay Round activities. Expenditure on the Trade Policy Review Mechanism (TPRM) and the GATT contribution to the budget of the International Trade Centre (ITC) are shown separately.

3. The most significant features of the analysis are as follows:

Expenditure	1988 Sw F	1989 Sw F	Increase	
			Sw F	%
TOTAL	61,395,885	65,186,802	3,790,917	6.17
GATT Regular Activities	47,546,222	50,002,995	2,456,773	5.17
Uruguay Round	3,993,368	5,502,869	1,509,501	37.80
TPRM	-	538,529	538,529	-
ITC	9,856,295	9,142,409	(713,886)	(7.24)

4. The analysis also shows that:

- expenditure on GATT regular activities in 1988 represented 77.44 per cent of total expenditure and in 1989, 76.71 per cent of total expenditure. Salaries, which account for some 65 per cent of the expenditure on GATT regular activities, increased by 2.26 per cent over the period 1988-1989 which was due solely to unavoidable additional costs such as increases in UN common system salaries and included no additional posts or work-days. Over the same period there was a decrease in expenditure on certain activities such as reproduction of documents, postal services and rental of communications equipment;
- expenditure on Uruguay Round activities in 1988 represented 6.46 per cent of total expenditure and in 1989, 8.44 per cent of total expenditure. The rise is due to the increased activity under the Uruguay Round in 1989, principally reflected in staff costs for the financing of six additional posts (three Professional and three General Service category posts) together with the continuation for a full year in 1989 of ten Professional category posts approved for periods of less than one year in the 1988 budget (780 work-days);
- expenditure on the Trade Policy Review Mechanism, which was established in September 1989, represented 0.83 per cent of the total expenditure for that year.

5. It should be noted that some 1988 expenditure items have been reapportioned in order to make them comparable with similar items in 1989.

ANNEX

ANALYSIS OF EXPENDITURE 1988-1989

	1988 Expenditure Sw F ----	1989 Expenditure Sw F ----	Increase (Decrease) in 1989 Sw F ----	Percentage increase (decrease) in 1989 Sw F ----	Remarks -----
PART I: MEETINGS					
Section 1 - Sessions of the CONTRACTING PARTIES	7,268	6,130	(1,138)	(15.66)	
Section 2 - Meetings of the Council and other meetings	238,060	168,166	(69,894)	(29.36)	Fewer non-Uruguay Round meetings in 1989 (275 meeting days in 1988; 250 in 1989).
Total Part I	245,328	174,296	(71,032)	(28.95)	
Percentage of total expenditure	0.40	0.27			
PART II: SECRETARIAT					
Section 3 - Salaries					
(i) Established posts	26,695,584	27,423,666	728,082	2.73	Higher 1989 costs due to increase of a partial class of post adjustment for Professional staff; increase in General Service salaries and exchange rate changes \$1 = Sw F 1.45 in 1988 and Sw F 1.63 in 1989.
(ii) Temporary assistance (including overtime)	4,973,211	4,961,063	(12,148)	(0.24)	The same no. of work-days (23,030) were budgeted for in 1988 and 1989 but temporary staff was hired at a lower level in 1989 than in 1988.
Total Section 3:	31,668,795	32,384,729	715,934	2.26	
Percentage of total expenditure	51.74	49.68			
Section 4 - Dispute settlement panels	101,350	149,486	48,136	47.49	More panels in 1989 and more outside Geneva panelists work-days (payments in respect of 102 days to outside Geneva panelists in 1988 and 124 days in 1989).
Percentage of total expenditure	0.17	0.23			
Section 5 - Missions	382,587	431,143	48,556	12.69	More missions in 1989, mainly during lead up to TNC meeting in Geneva in April 1989 (161 missions in 1988; 175 in 1989).
Percentage of total expenditure	0.63	0.66			

	1988 Expenditure Sw F ----	1989 Expenditure Sw F ----	Increase (Decrease) in 1989 Sw F ----	Percentage increase (decrease) in 1989 Sw F ----	Remarks -----
Section 6 - Common staff costs	7,791,689	9,339,656	1,547,967	19.87	Increase mainly due to higher contribution to the United Nations Joint Staff Pension Fund because of increase in pensionable remuneration of Professional staff, increase in General Service salaries in 1989 and exchange rate changes from Sw F 1.45 in 1988 to Sw F 1.63 in 1989.
Percentage of total expenditure	12.73	14.33			
Section 7 - Common services					
(i) Cables, telex, telefax, telephone, rental of equipment and communications	264,239	234,774	(29,465)	(11.15)	Lower 1989 figure reflects a decrease in telephone and related costs for GATT regular activities as compared with an increase in such costs under Uruguay Round activities (see section 13 (v) (a)).
(ii) Rental and maintenance of premises and equipment	3,103,199	3,245,230	142,031	4.58	An increase of 9.2 per cent of rental charges for CHR in 1989.
(iii) Postal services	363,416	350,449	(12,967)	(3.57)	The budget allocations were fixed at Sw F 330,000 in 1988 and 1989. The 1989 figure reflects the use of private postal services, the fact that more delegations have accepted to collect documents in CHR and the revision of mailing lists by delegations, etc.
(iv) Reproduction of documents	631,525	554,336	(77,189)	(12.22)	1988 figure includes costs not carried over into 1989 of a special machine for printing harmonized system tariff lists; moreover leasing contracts of photocopiers came to an end. In spite of an increase of 8 million pages reproduced (17%), costs have been reduced due to the acquisition of more modern equipment.
(v) Electronic Data Processing	1,056,698	1,081,560	24,862	2.35	Expenditures for 1988 and 1989 are in line with budget allocations for these years.
(vi) Other services and miscellaneous expenditure (1)	315,692	296,940	(18,752)	(5.94)	Savings were made on office supplies.
Total Section 7:	5,734,769	5,763,289	28,520	0.50	
Percentage of total expenditure	9.12	8.84			

(1) Includes freight and cartage, books and information material, office supplies, external audit and other services.

	1988 Expenditure Sw F ----	1989 Expenditure Sw F ----	Increase (Decrease) in 1989 Sw F ----	Percentage increase (decrease) in 1989 Sw F ----	Remarks -----
Section 8 - Printing	424 640	507 682	83 042	19.56	Increased volume of material in 1989 such as Basic Instruments and Selected Documents (BISD) which was twice as large as the 1988 edition.
Percentage of total expenditure	0	0	0		
	0.69	0.78			
Section 9 - Representation and hospitality	135 373	133 890	(1 483)	(1.10)	
Percentage of total expenditure	0	0	0		
	0.22	0.21			
Section 10 - Permanent equipment	116 646	105 116	(11 530)	(9.88)	Two cars were replaced in 1988. None was replaced in 1989.
Percentage of total expenditure	0	0	0		
	0.19	0.16			
Section 11 - Contribution to the Staff Assistance Fund	20 000	20 000	0		
Percentage of total expenditure	0	0	0		
	0.03	0.03			
Total Part II:	46 375 849	48 834 991	2 459 142	5.30	
Percentage of total expenditure	0	0	0		
	75.53	74.92			
PART III: TRADE POLICY TRAINING COURSES	0		0		
	0		0		
Section 12 - Trade Policy Training Courses	925 045	993 708	68 663	7.42	Increase due to 6 per cent rise in per diem costs in 1989 and 23 instead 24 trainees on 66th course in 1988.
Percentage of total expenditure	0	0	0		
	1.51	1.52			
Sub-total Parts I-III:	47 546 222	50 002 995	2 456 773	5.17	
Percentage of total expenditure	0	0	0		
	77.44	76.71			
PART IV: - URUGUAY ROUND	0		0		
	0		0		
Section 13 - Uruguay Round	0		0		
	0		0		
(1) Interpretation	354 524	374 823	20 299	5.73	More work-days for Uruguay Round meetings in 1989 (753 work-days in 1988; 790 in 1989).

	1988 Expenditure Sw F ----	1989 Expenditure Sw F ----	Increase (Decrease) in 1989 Sw F ----	Percentage increase (decrease) in 1989 Sw F ----	Remarks -----	
(ii)	Temporary assistance (including overtime)	1,747,127	2,635,879	888,752	50.87	Increase in 1989 due to 6 additional temporary assistance posts approved and continuation for a full year in 1989 of 10 Professional category posts approved for periods of less than one year in the 1988 budget (780 work-days), increase of a partial class of post adjustment for Professional staff, increase in General Service salaries and exchange rate changes from \$1 = Sw F 1.45 in 1988 to Sw F 1.63 in 1989.
	Total (i) + (ii)	2,101,651	3,010,702	909,051	43.25	
	Percentage of total expenditure	3.43	4.62			
(iii)	Missions	410,221	429,642	19,421	4.73	More missions due to increased activity of Uruguay Round in 1989 (68 missions in 1988; 71 in 1989).
	Percentage of total expenditure	0.67	0.66			
(iv)	Common Staff Costs	476,458	525,858	49,400	10.37	Increase mainly due to higher contribution to the United Nations Joint Staff Pension Fund because of extra staff recruited and because of increase in pensionable remuneration of Professional staff, increase in General Service salaries in 1989 and exchange rate changes from \$1 = Sw F 1.45 in 1988 to Sw F 1.63 in 1989.
	Percentage of total expenditure	0.78	0.81			
(v)	Common services					
	a) Cables, telex, telefax and telephone, rental of equipment and communications	74,050	99,744	25,694	34.70	Reflects increased activity of Uruguay Round in 1989.
	b) Rental and maintenance of Premises and Equipment	219,803	501,725	281,922	128.26	Increase due mainly to continuation for a full year of rental of office space at 80 rue de Lausanne which was rented for the first time during 1988 and rental of additional offices at the same location during 1989.

	1988 Expenditure Sw F ----	1989 Expenditure Sw F ----	Increase (Decrease) in 1989 Sw F ----	Percentage increase (decrease) in 1989 Sw F ----	Remarks -----
c) Postal services	210,766	149,456	(61,310)	(29.09)	The budget allocations were fixed at Sw F 110,000 in 1988 and 1989 (see Section 7 (iii)).
d) Reproduction of documents	297,763	242,577	(55,186)	(18.53)	See Section 7 (iv).
e) Electronic Data Processing	65,061	293,520	228,459	351.15	Increase due to additional computer processing time with the International Computing Centre arising from increased activity of the Uruguay Round.
f) Other services and miscellaneous expenditure(1)	51,776	64,503	12,727	24.58	Increase due mainly to the purchase of books in connection with Uruguay Round activities.
Total item (v)	919,219	1,351,525	432,306	47.03	
Percentage of total expenditure	1.43	2.07			
(vi) Permanent equipment	85,819	69,626	(16,193)	(18.87)	Reduced level of demand for equipment in 1989 as compared to 1988.
Percentage of total expenditure	0.14	0.11			
(vii) TRADE NEGOTIATIONS COMMITTEE	-	115,516	115,516		TNC meeting Geneva April 1989 (no meeting of this kind took place in 1988).
Percentage of total expenditure	-	0.18			
Total Part IV:	3,993,368	5,502,869	1,509,501	37.80	
Percentage of total expenditure	6.46	8.44			

(1) Includes books and information material, office supplies and other services

	1988 Expenditure Sw F ----	1989 Expenditure Sw F ----	Increase (Decrease) in 1989 Sw F ----	Percentage increase (decrease) in 1989 Sw F ----	Remarks -----
PART V: - TRADE POLICY REVIEW MECHANISM					
Section 14 - Trade Policy Review Mechanism					
	-	538,529	538,529	-	TPRM was established in 1989.
Total Part V:	-	538,529	538,529	-	
Percentage of total expenditure	-	0.83			
PART VI:					
INTERNATIONAL TRADE CENTRE UNCTAD/GATT					
Section 15 -					
Contribution to the International Trade Centre UNCTAD/GATT	9,856,295	9,142,409	(713,886)	(7.24)	Figures represent GATT contribution for the biennium 1988/89. Lower contribution for 1989 reflects mid-term adjustment to ITC budget estimates.
Percentage of total expenditure	16.10	14.02			
TOTAL	61,395,885	65,186,802	3,790,917	6.17	