

**REPORT OF THE EIGHTY-FIRST SESSION OF
THE CONSULTATIVE COMMITTEE ON ADMINISTRATIVE QUESTIONS
(FINANCIAL AND BUDGETARY QUESTIONS)**

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Introduction

1. The Consultative Committee on Administrative Questions held its eighty-first session on financial and budgetary questions from 29 August to 2 September 1994 at United Nations Headquarters in New York. Mr. Daniel Daly (UNESCO) was Chairman. The agenda adopted by the Committee, which also lists the documents submitted, will be found in annex I. A list of participants appears in annex II.

2. At the opening of the session, the Committee was welcomed by Mr. Joseph E. Connor, Under-Secretary General for Administration and Management of the United Nations, who outlined for the Committee a number of initiatives taken by the United Nations Secretariat to rationalize administrative systems and increase effectiveness, accountability and responsibility. The Committee would be given a presentation on the Integrated Management Information System, which was one of these initiatives; others of interest to the Committee were the reports of the Secretary-General on accountability and responsibility, and on the restructuring of the Secretariat. The establishment of a new Office of Internal Oversight Services, as approved by the General Assembly in July 1994, was also of interest to all organizations.

PART I - Matters to be brought to the attention of the Administrative Committee on Coordination

Programme and budget

Proposed programme budgets for 1994-1995

Information Systems Coordination Committee (ISCC)

3. The Committee had before it a revised programme budget for the ISCC, the successor body to ACCIS. At its last session, it had deferred consideration of the budget of the ISCC until such time as a financial review of the estimates had been made by the budget service of the United Nations Office at Geneva (UNOG); it had also believed that additional savings were possible under the transitional budget applicable in 1994, and that such savings should be frozen.

4. The proposed programme budget now before the Committee had been examined and costed by the budget service of UNOG, which had also taken account of probable savings in the transitional budget. The proposed level of the budget amounted to \$1,685,700, which was \$907,400 less than the recosted 1992-1993

budget. In accordance with the Committee's commitment to zero budget growth, it noted with appreciation this reduction in the cost of jointly-financed activities and looked forward to further savings in 1996-1997, when provision would no longer need to be made for a transitional budget. On this understanding, the Committee approved the proposed programme budget for the ISCC for 1994-1995 as set out in annex III.

International Computing Centre (ICC)

5. At the Committee's last session, a Panel of members of CCAQ(FB), representing user organizations of the ICC, had decided to re-examine the budget of the ICC after it had been reviewed by the competent budget service and approved by the Management Committee. The Panel had also noted that part of the proposed increase in the budget was dependent on decisions relating to the ISCC, the budget of which had not yet been approved by CCAQ(FB).

6. The revised budget presently before the Panel had now been reviewed by the competent budget service and approved by the Management Committee. At its current session, CCAQ(FB) had approved the budget of the ISCC which included financing of services to be rendered by the ICC. After a discussion of the work programme of the Centre, the Panel considered that it could now approve the revised programme budget of the ICC for 1994-1995 as set out in annex IV, on the understanding that a revised proposal would also be presented to ACABQ in accordance with established practice. In doing so, it requested that future budgets should continue to be presented in Swiss francs, with indicative figures in United States dollars to facilitate the evaluation of the budget by organizations which expressed their budgets in the latter currency.

7. The Committee also requested its secretariat to accept on its behalf a proposal from the Director of the ICC to make a presentation to the Committee on the work of the ICC, and to make the necessary arrangements for the presentation to take place at the Committee's spring 1995 session.

Organizational questions

Time and place of the next session

8. The Committee recalled that its spring sessions were normally held in a European city. It accepted the kind invitation of the International Maritime Organization in London to act as host for its forthcoming eighty-second session.

9. As regards the dates of the session, the participants were advised that under current proposals ACC might meet in the last week of February, with the Organizational Committee meeting in the week beginning 6 February 1995. The Committee examined the possibilities of holding its own session, in accordance with its usual practice, at least two weeks in advance of the date set for the meeting of the Organizational Committee. CCAQ(FB) found, however, that it would not be in a position to bring together satisfactory representation from member organizations if its session were to be scheduled before the week beginning 13 February 1995. The Committee accordingly agreed that its eighty-second session would best be held in that week.

PART IIA - Action taken and decisions adopted by the Committee

Programme and budget

Budgeting methods

10. In 1989, the Joint Inspection Unit (JIU) had issued a study entitled "Budgeting in Organizations of the United Nations system" in two volumes: Volume I - Comparative Analysis and Volume II - Comparative Tables. In considering a request that CCAQ should arrange to have Volume II of the study updated, participants noted that the JIU had no immediate plans to update the study and had no objections to CCAQ doing so; participants also agreed that the tables in Volume II were useful as a reference document and should be brought up to date on a regular basis. The Committee accordingly requested its secretariat to take steps to produce an updated version of Volume II early in 1995 and to advise it, at its next session, of progress on this matter.

Cost-sharing arrangements

Formula for jointly-financed salary survey activities

11. At its seventy-eighth session, the Committee approved the proposed programme budget for jointly-financed salary survey activities on the understanding that its secretariat would re-examine the cost-sharing formula with a view to submitting proposals for a new version at a later session. The current formula had been developed under the auspices of CCAQ(PER) and was based on the total number of organizations' General Service field staff, adjusted to take account of the extent of each organization's salary survey activities. The Committee had agreed that, in these circumstances, the revision of the formula should be referred in the first instance for study at the summer 1994 session of CCAQ(PER). The Committee accordingly now had before it the results of that study; CCAQ(PER) had recommended that the current formula be maintained since it considered that the ratios of General Service staff had not changed significantly since the formula had first been developed and that the contributions of organizations in absolute terms would as a result not change materially.

12. While agreeing to the retention of the existing formula with respect to 1994, members of the Committee expressed their concern about the lack of clarity in the formula. There was no comprehensive indication of the indirect contributions of organizations in the form of salary surveys undertaken and of posts financed; thus, there was no way in which to evaluate the relative weights given to these indirect contributions in arriving at the adjustments to the formula. The Committee recalled the need for such formulae to be established on a logical basis, using a straightforward methodology, and urged CCAQ(PER) to make appropriate proposals for a new formula along these lines at the earliest possible date. Accordingly the Committee felt it would be difficult to agree to a cost-sharing formula for 1995 if such proposals were not received.

The JIU formula

13. At its last session, the Committee had requested its secretariat to formulate guidelines for the reporting of expenditure under the "JIU formula" which has been used for sharing the costs of jointly-financed activities where the volume of activity of participating organizations appeared to be the most relevant consideration. It further requested its secretariat to collect data on expenditure based on these guidelines and to submit these figures, and the resulting percentage shares, for consideration at its next session. The Committee had been

presented with the information requested together with a indicative distribution of the budgets of both the JIU and the secretariat of CCPOQ on the basis of the new percentage shares.

14. The Committee recognized that the GATT did not participate in the work of the JIU and thus its share of the expenditure of the ITC should not be taken into account in sharing the costs of the JIU. Having reviewed the relevant parts of the statutes of the JIU and the expenditure to be distributed, the Committee agreed that the formula to be applied for sharing the costs of the JIU should henceforth be derived from the expenditure reported in the audited accounts of the participating organizations, excluding: (a) expenditure related to peacekeeping; (b) expenditure in kind (including the value of donated commodities); and (c) 50% of the expenditure of the ITC corresponding to the GATT share, on the principle that the regular budget of the ITC was funded in equal parts by the GATT and the United Nations.

15. Appreciating the budgetary problems that the change to the new formula would create, the Committee exceptionally agreed that, without creating a precedent, the methodology used to distribute the 1992-1993 costs would continue to apply for the distribution of the costs incurred for the JIU in 1994; it also agreed to defer to its next session a decision on the practical arrangements for sharing the 1995 costs. It decided that a formula based on the new criteria for reporting expenditure would be definitively applied for cost-sharing of the 1996-1997 budget of the JIU.

16. To assist organizations in determining the effect of this change on their 1996-1997 budgets, the Committee requested its secretariat to refine the 1992-1993 expenditure data on the basis of the above criteria and to circulate the indicative percentage shares.

17. The Committee noted that the share hitherto attributed to the United Nations would be apportioned between the United Nations and its subsidiary programmes in a manner to be determined between them.

18. As concerned the cost-sharing of the secretariat of CCPOQ, the Committee decided that the new methodology used to distribute the costs of the JIU (cf. para. 14) would also apply to the costs of the secretariat of CCPOQ

,¹ immediately, with the billing of the 1994 costs. Finally, the Committee noted the World Bank's negative response to the request for a contribution to the CCPOQ budget and reiterated its view that all organizations participating in jointly-financed activities should contribute to their costs.

¹ Since GATT does not participate in CCPOQ as a full member, the same principle applies as regards ITC expenditure.

Cost of inter-organization security measures

19. As requested at its last session, the Committee had before it a comprehensive paper prepared by the United Nations which described the various jointly-financed security arrangements in force, including insurance coverage for hazardous duty stations, and the related agreements on charging the costs incurred. The paper made three proposals concerning the current arrangements in force: (a) that the existing formula should be changed to take into account all staff members (except those serving at Headquarters locations), including personnel of United Nations agencies who are serving at sites where there is a peace-keeping or special mission but excluding civilian staff of the peace-keeping missions per se; (b) that all charges relating to United Nations volunteers (UNV), beginning with the costs for 1994, would be billed directly to UNV Geneva, which could pass on the costs to the appropriate organizations; and (c) that the United Nations should bill organizations for jointly-financed security costs once expenditure had reached \$250,000, as an interim measure to cope with the ceiling of \$500,000 which is available to the United Nations for such security measures.

20. An extensive and productive discussion ensued in which the Committee was informed of the reasons for the increases in the costs for security and for the insurance coverage for hazardous duty stations. The Committee agreed with the proposals outlined above and supported the United Nations' proposal to distinguish between the staff costs and other recurrent costs related to security (the core budget), and emergency costs. It further requested the United Nations, in future presentations on the cost of security, to include costs relating to insurance at hazardous duty stations.

Accounting and financial reporting

Working Party on Financial Statements

21. The Committee had before it the report of the first meeting of its Working Party on Financial Statements, which had taken place from 27 to 29 June 1994, together with comments from organizations on that report. The Working Party had made a number of recommendations to the Committee concerning inter alia the proposed format and content of its final recommendations, the proposed dates, venue and work programme for its next meeting, and work which might be undertaken by organizations before the next meeting to identify problem areas in its initial draft proposals for the statements of income and expenditure and assets and liabilities. It had also requested guidance from the Committee on a proposal by the Technical Group of the Panel of External Auditors that the standard financial statements should include a Statement of the Director-General's responsibilities; to assist it, the Committee also had before it additional comments on this Statement from the Technical Group.

22. The Committee considered that the results of the first meeting of the Working Party constituted good initial progress. While agreeing in principle with the proposals made by the Working Party, many participants expressed concern with the principle of consolidated financial statements subject to audit. They believed that consolidated financial statements in the commercial sense would not be appropriate nor useful to readers; since funds of diverse donors were contributed for very different purposes and utilized in different ways, such consolidated statements would not be meaningful and could be misleading. A columnar presentation of all funds managed by an organization might be initially considered as an information annex, not subject to audit.

23. The Committee was also of the opinion that organizations should have the opportunity to increase the number of statements which would be subject to audit, notably in the area of statements to be provided to donors of voluntary contributions, and considered that the suggested exercise of recasting organizations' 1992-1993 financial statements in the new format would have the result of identifying problems with the draft formats. With these comments, the Committee approved the recommendations of the Working Party, the dates and venue of its next meeting, and the work programme for that meeting. The Committee also requested the Working Party to take into consideration at its next meeting the comments on its report made by organizations in ACC/1994/FB/81/CRP.1.

24. With regard to the issue of the Statement of the Director-General's responsibilities, the Committee decided to defer decision until its next session so that some organizations could discuss the principle with their external auditors. It noted, with appreciation, the continuing cooperation and input of the Technical Group in formulating the standards for financial statements as had been the case for the accounting standards. It was also informed that the Technical Group would be meeting in New York at the same time as the next meeting of the Working Party and suggested that an informal meeting of members of the Working Party and of the Technical Group might be held at that time to discuss the progress of the Working Party's work.

ACC statistical report on the budgetary and financial situation of organizations of the United Nations system

25. The Committee was invited to examine draft tables relating to the above report which was due for presentation to the forty-ninth session of the General Assembly. Although not all data had been received, the tables permitted the Committee to make a final review of the report as a whole, which had increased considerably in size as a result of the incorporation of data formerly submitted to ACABQ and to the Committee on Contributions. In examining the report, the Committee took note of a number of difficulties still to be resolved and agreed that the member States to be included on tables 3 and 4 should be those which formed part of the scale of assessments, that the format and content of table 6 (Working Capital Funds) should be as shown in annex V, and that table 8 should consist of two sections, related to contributions from states and from other contributors.

Payment of salaries and allowances

Currency of salary payments: Country-wide exceptions to the standard formula

26. The Committee was informed that the special measures which had been introduced for the Baltic States and CIS countries would remain in effect through September 1994 when another review would be undertaken upon receipt of additional information from the ICSC. These measures provided for 100 per cent payment of salaries and allowances in convertible currency for international staff stationed in Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Turkmenistan, Ukraine and Uzbekistan effective from 1 February 1993; and 90 per cent payments in convertible currency in Estonia, Latvia, Lithuania and the Russian Federation and continuation of 90 per cent payments in Belarus, with effect from the same date.

27. The Committee was also informed that on the basis of a report by the UNDP Resident Representative, the United Nations and UNDP had agreed to add Zambia to the list of developing countries whose currencies were regarded as fully convertible for the purpose of payments of salaries and allowances to international staff.

28. The above changes are reflected in the revised lists of country-wide exceptions to the standard formula for the currency of salary payments, and of developing countries' convertible currency regarded as fully convertible for such payments, which appear in annexes VI and VII respectively.

29. A number of participants expressed concern about the growth in number and complexity of exceptions to the standard formula and believed that the reasons for which the standard formula was originally set up might no longer exist. The Committee accordingly requested its secretariat to consult with organizations and the secretariat of CCAQ(PER) on the personnel and other implications of abolishing the standard formula, and to report to it at its next session on the possibilities of doing so.

Cash management

Collection of contributions: Incentive and penalty schemes

30. As has been the practice at its fall sessions, the Committee reviewed the functioning of incentive and penalty schemes designed to accelerate the payment of assessed contributions. The review again confirmed that while the penalty schemes could generally be considered useful, the effectiveness of the incentive schemes remained very doubtful. Participants considered that, in view of the largely unchanging nature of the information provided, the published review could usefully be incorporated in the update of the study on budgeting methods (cf. para. 10 above) with reference being made to any unusual results in the regular review of organizations' current financial situations. Participants also held an informal discussion on the application of those provisions which dealt with the loss of the right to vote and requested its secretariat to circulate a paper being prepared by FAO on the current practice of organizations in this area.

General financial systems

Productivity improvement

Travel arrangements

31. In accordance with its usual practice, the Committee resumed at this session its regular discussions on travel arrangements; in this context, it had before it a paper outlining subjects which had been suggested by organizations for discussion. These related to the utilization of lump sum arrangements for entitlement travel, arrangements with travel agents and airlines, use of computerized systems in relation to travel, procedures for giving advances, and decentralization of decisions on travel arrangements. Participants exchanged information on these and other travel subjects, giving particular attention to lump sum arrangements for entitlement travel. With regard to these, participants noted that while experience varied, depending on the schemes in effect and particularly on the points of commencement and termination of travel, all organizations operating such schemes had found them to be cost-effective. In view of the considerable interest expressed in the subject of travel, some participants proposed that a meeting of organizations' travel managers should be held to exchange information on procedures and practices. The Committee decided to return to this at its next session and asked its secretariat to review the conclusions reached at a previous meeting of this nature.

32. The Committee was also informed by the United Nations that no change to the standard rate for reimbursement of terminal expenses was proposed, in accordance with the Committee's decision, taken in 1990, to review this rate annually. One organization informed the Committee that it had discontinued the system of lump-sum payments for terminal expenses and now reimburses actual costs.

Other financial and budgetary questions

Health insurance

33. The Committee had before it updated tables on the cost of health insurance and additional information on after-service health insurance, cost containment measures, and services responsible for health insurance. Participants were concerned about the increasing cost of health insurance and about the potential liability of organizations for health insurance for retirees, and considered that information on after-service health insurance arrangements and cost containment measures could usefully form part of the standard package of information which was periodically placed before the Committee. It noted however the uneven quality of the information provided by organizations and requested its secretariat to make proposals, at its first session in 1996, for improvements to the tables and the information provided therein, after consultation with insurance services of organizations.

Other questions

34. At the request of WHO, participants exchanged information on initiatives being taken to cut costs through the subcontracting of work which had been performed in the past by staff of the organizations. The types of work included inter alia preparation of computer systems and programmes, including data input, internal audit functions, security guards, building maintenance, and translation. Some organizations had also introduced or were considering potential cost-saving measures related to services of travel agents and purchasing of standard items. The discussion included a review of the success of such initiatives during which participants emphasized the need to tender on a regular basis for long-term subcontracting arrangements to maximize cost benefits. During the discussion on subcontracted computer services, the Committee requested its secretariat to gather information on firms which organizations had employed to prepare computer programmes.

Work programme of the secretariat

35. The Committee agreed that the work programme of its secretariat up to the next session would need to include the following items:

- (a) Refinement of expenditure data for the calculation of the cost-sharing formula to be applied to the costs of the JIU and CCPOQ;
- (b) Completion of the ACC statistical report on the budgetary and financial situation of organizations of the United Nations system;
- (c) Work related to the 1994 meeting on rates of exchange and inflation to be assumed for Switzerland for 1995, 1996 and 1997 in the proposed programme budgets of organizations;
- (d) Preparation of CCAQ statistical reports on the collection of assessed and voluntary contributions;
- (e) Work related to financial statements, including the second meeting of the CCAQ(FB) Working Party on Financial Statements;
- (f) Work related to the proposed programme budget of the CCAQ secretariat for 1996-1997 and those of other jointly-financed activities;
- (g) Preparation of an updated version of Volume II of the JIU study on budgeting methods;
- (h) Collection of data on firms used to prepare computer programmes;
- (i) Work as required in connection with the third edition of the ACC report on programmes and resources of the United Nations system, including participation in any related inter-organization consultations.

PART IIB - Other items discussed

Cash management

Current financial situation of organizations of the system

36. In accordance with standing arrangements, the Committee reviewed the current financial position and outlook of organizations of the system. The United Nations reported that its overall financial situation had not improved. The financial situation of peace-keeping continued to be especially difficult, given the large number of operations which had been approved and the significant delays in payment of assessed contributions. The United Nations Committee on Contributions had recommended new scales of assessment for the years 1995, 1996 and 1997. Decisions taken thereon could have an effect on the scales of other organizations.

37. Some organizations with assessed budgets reported that their financial situations with respect to those budgets had improved slightly since the last discussion of this issue. The increasing level of arrears in some organizations also gave rise to concern. Organizations with technical cooperation programmes continued to suffer from a drop in income as a result of the drop in voluntary contributions to UNDP and the increase in national execution. Other organizations funded from voluntary contributions reported a satisfactory situation on the whole.

Deposit and investment arrangements

38. In accordance with standing arrangements, participants held a private exchange of information on matters of current interest in relation to the safety of organizations' cash assets, including the modalities of foreign exchange transactions and information gathered on insurance and bonding arrangements.

General financial systems

Extrabudgetary activities financed by the European Commission of the European Union

39. The United Nations informed the Committee of the status of discussions with the Commission regarding mutually acceptable audit arrangements, a matter of concern for many other organizations. Participants also held an exchange of information on the state of negotiations of framework agreements with the Commission, and on their experience with individual project agreements.

Support costs

40. The Committee held an exchange of views on the current positions of organizations on the reimbursement of support costs for activities financed by trust funds, and on the costs of providing such support.

Internal controls

41. The Committee held a private discussion related to the detection and prevention of fraud.

Productivity improvement

Procurement arrangements

42. The Committee had before it two papers relating to inter-organization purchasing arrangements; one dealt with the current situation of the Common Vendor Database, and the other with the waiver of competitive bidding for the purchase of items where prices have been obtained through international tendering through the mechanism of the Inter-Agency Procurement Working Group. The papers were presented by the Director of the Inter-Agency Procurement Services Office (IAPSO), who answered questions on the content and use of the Database, on the procedures used by IAPSO to establish standard prices, on IAPSO's approach to the concept of underutilized donor countries, and on the services provided by IAPSO including the financing of the costs of these.

43. While generally supporting the principle of the Database, some participants believed that it had expanded too quickly and welcomed the initiative described to review it regularly. As regards the IAPSO recommendation that organizations waive further bidding, concern was expressed that a blanket waiver might contravene organizations' own Financial Regulations and bidding procedures. While recognizing that the intent of the recommendation was to streamline and accelerate the procurement process, participants felt that it would not be possible to endorse the recommendation unconditionally. A waiver of competitive bidding of the type described might be resorted to on an ad hoc basis, in accordance with conditions permitted by each organization's Financial Regulations.

Organizational questions

CCAQ affairs

44. The Committee was informed of the position taken by the Organizational Committee of ACC in relation to the election of chairmen in the context of its review of the functioning of ACC subsidiary bodies. It noted that current CCAQ(FB) practice was in accordance with the Organizational Committee's decision that bodies which have jointly-funded secretariats should always have rotating chairmanships, that the term of office of chairmen should be two years, and that the designation of the chairman should be a matter of recommendation by the body itself.

ANNEX I

Agenda adopted by the Committee on 29 August 1994

<u>Item</u>	<u>Document</u>
1. Adoption of the agenda	ACC/1994/FB/R.20/Rev.1
2. Programme and budget	
2.1 Budgeting methods	ACC/1994/FB/R.32
2.2 Proposed programme budgets for 1994-1995	
2.2.1 Information Systems Coordination Committee (ISCC)	ACC/1994/FB/R.35
2.2.2 International Computing Centre (ICC)	ACC/1994/FB/R.36
2.3 Cost-sharing arrangements	ACC/1994/FB/R.26 ACC/1994/FB/R.37
2.4 Cost of inter-organization security measures	ACC/1994/FB/R.33
3. Accounting and financial reporting	
3.1 Working Party on Financial Statements	ACC/1994/FB/R.23 ACC/1994/FB/81/CRP.1 ACC/1994/FB/81/CRP.2
3.2 ACC statistical report on the budgetary and financial situation of organizations of the United Nations system	ACC/1994/FB/81/CRP.5
4. Payment of salaries and allowances	
4.1 Currency of salary payments: Country-wide exceptions to the standard formula	ACC/1994/FB/R.30
5. Cash management	
5.1 Current financial situation of organizations of the system	-
5.2 Collection of contributions: Incentive and penalty schemes	ACC/1994/FB/R.22
5.3 Deposit and investment arrangements	ACC/1994/FB/R.24 ACC/1994/FB/81/CRP.3 ACC/1994/FB/81/CRP.3/Add.1

<u>Item</u>	<u>Document</u>
6. General financial systems	
6.1 Extrabudgetary activities financed by the European Commission of the European Union	-
6.2 Support costs	-
6.3 Internal controls	-
6.4 Productivity improvement	ACC/1994/FB/R.27 ACC/1994/FB/R.28 ACC/1994/FB/R.31
7. Other financial and budgetary questions	
7.1 Health insurance	ACC/1994/FB/R.25 ACC/1994/FB/R.34
7.2 Other questions	ACC/1994/FB/R.29
8. Organizational questions	
8.1 CCAQ affairs	ACC/1994/FB/R.21
8.2 Time and place of the next session	-
8.3 Work programme of the secretariat	ACC/1994/FB/81/CRP.6
9. Adoption of the report of the session	ACC/1994/FB/81/CRP.6

ANNEX II

List of participants

Chairman: Mr. Daniel Daly
Secretary: Ms. Barbara Farrish-Walker

Representatives of member organizations

United Nations	Ms. Susan R. Mills Director, Financial Management Office
	Ms. Carol Thompson Director and Deputy to the Assistant Secretary-General (for Support Services)
	Mr. David Wengert Officer-in-Charge, Accounts Division
	Mr. Thomas Bieler Chief, Insurance Section
	Ms. Diana Russler Senior Security Coordination Officer
UNRWA	Mr. Ulrich Kalbitzer Comptroller
UNHCR	Mr. Wolfgang Milzow Treasurer
UNICEF	Mr. Lennart Aberg Comptroller
	Mr. Craig Booth Financial Planning Officer
UNDP	Mr. Peter Leslie Director, Division of Finance
	Mr. John Svendsen Director, Inter-Agency Procurement Services Office
	Mr. A. Potter Chief, Accounts Section, Division of Finance
	Mr. Walter Gore Acting Treasurer
UNFPA	Mr. Gary L. Cookhorn Acting Chief, Finance Branch

ITC	Mr. Joseph Smadja Chief, Budget
ILO	Mr. Anees Ahmad Treasurer and Financial Comptroller Assistant Director-General Mr. John D. Hunt Deputy Director Financial and Central Administrative Services Department
FAO	Mr. Elmer S. Owens Director, Financial Services Division
UNESCO	Mr. Daniel Daly Comptroller
WHO	Mr. Edward Uhde Comptroller and Director Division of Budget and Finance Mr. Chand N. Kaul Chief, Finance
World Bank	Mr. George West Senior Manager, Central Services Controller's Office Mr. Kah Hie Lau Trust Fund Administrator
ITU	Mr. Abdekhalek Tazi-Riffi Chief, Finance Department
WMO	Mr. Thomas Joel Acting Chief, Finance and Budget Division
WIPO	Mr. Tony Keefer Controller and Director Budget and Finance Department
UNIDO	Mr. Andrew Ingram Acting Director, Financial Services Division
IAEA	Mr. Abraham E. Espino Director, Division of Budget and Finance
GATT	Mr. Jacques E. Chabert Director, Finance and General Services Division

Other representatives:

OAS	Mr. James B. McCeney Director, Department of Financial Services and Treasurer
CCAQ	Ms. Barbara Farrish-Walker Associate Secretary

ANNEX III

Proposed programme budget for 1994-1995:
Information Systems Coordination Committee (ISCC)

SUMMARY TABLE OF ESTIMATED RESOURCES
 BY WORK PROGRAMME AND OBJECT OF EXPENDITURE

(thousands of United States dollars)

	TF/IAD	TF/DOM	TF/LIB	TF/SPL	TF/SEC	REVIEW	ICC	MGT	TRANS.	TOTAL
Established posts								461.2	366.8	828.0
General Temporary Assistance							253.8	15.0	77.0	345.8
Consultants			65.8		15.5	35.0			13.0	129.3
Travel of staff								14.3	0.8	15.1
Data Processing Services	73.5	65.0	28.8					14.0		181.3
General Operating Expenses	40.0		3.2				5.0	28.0	8.0	84.2
Supplies								15.0	2.0	17.0
Acquisition of equipment							70.0	10.0	5.0	85.0
TOTAL	113.5	65.0	97.8	N/A	15.5	35.0	328.8	557.5	472.6	1 685.7

ANNEX IV

Proposed programme budget for 1994-1995:
International Computing Centre (ICC)

SUMMARY OF 1994-1995 REQUIREMENTS BY PROGRAMME

(Expressed in Swiss Francs)

Regular budget - derived from Participants' Revised Funding Estimates and ISCC

	1992-1993 Approved Budget	Resource Growth		Total before Recosting	Recosting	1994-1995 Estimates
		Amount	Rate			
A. ICC Management Committee	105 500	(2 757)	-2.61%	102 743	6 577	109 320
B. Executive Direction and Management	1 346 830	(53 581)	-3.98%	1 293 249	83 101	1 376 350
C. Programme of Work (Services to the Centre's Participants)	36 000 290	(3 954 411)	-10.98%	32 045 879	2 050 933	34 096 812
D. Programme Support (Admin/Finance)	541 700	(15 511)	-2.86%	526 189	33 929	560 118
E. Special Project Programme	0	1 918 720	100.00%	0	0	1 918 720
F. Services to ISCC	0	489 912 ¹	100.00%	0	0	489 912
Total Regular Budget	37 994 320	(1 617 628)	-4.26%	33 968 060	2 174 540	38 551 232

¹ Equivalent to \$328,800 (see annex III).

ANNEX V

ACC statistical report on the budgetary and financial situation of organizations of the United Nations system

EXAMPLE

TABLE 6. WORKING CAPITAL FUNDS ¹

(thousands of United States dollar)

Organization	Budget estimates for		Working Capital Fund ⁴	Percentage of Working Capital Fund to budget estimates for 1994-1995
	Current Financial Period ²	1994-1995 ³		
United Nations ⁵	2 175 251	2 175 251	100 000	4.60
ILO	466 510	466 510	23 490	5.04
FAO	673 114	673 114	25 000	3.71
UNESCO	455 490	455 490	22 200	4.87
ICAO ⁶	51 317	103 521	5 100	4.93
WHO	822 101	822 101	11 138	1.35
UPU ^{6,7}	22 035	44 951	-	-
ITU ^{5,6,7}	100 775	208 017	-	-
WMO ⁸	177 518	82 147	3 588	4.37
IMO ⁵	24 961	51 237	1 868	3.65
WIPO	77 061	154 123	5 602	3.63
UNIDO	98 953	197 906	8 896	4.50
IAEA ^{5,6}	200 103	411 660	12 000	2.92

¹ Amounts in currencies other than United States dollars have in most cases been translated into United States dollars at the most recent year-end United Nations operational rate of exchange (see table 1, footnote (a)).

² Unless footnoted, financial periods are biennial.

³ As per table 1.

⁴ Balance as at 31 December 1993.

⁵ Budget for 1995 is provisional.

⁶ Financial period is annual.

⁷ No working capital fund.

⁸ Financial period 1992-1995.

ANNEX VI

Country-wide exceptions to the standard formula for the currency of payment of salaries and allowances of internationally-recruited staff

<u>Country</u>	<u>Percentage payable in:</u>		<u>Effective date a/</u>
	(a) <u>Duty station currency (minimum net monthly)</u> %	(b) <u>Any single other currency (maximum net monthly)</u> %	
Afghanistan	0	100	1 September 1990
Albania	0	100	1 December 1992
Algeria	30 <u>b/</u>	70	1 August 1981
Angola	0	100	1 October 1980
Armenia	0	100	1 February 1993 <u>c/</u>
Azerbaijan	0	100	1 February 1993 <u>c/</u>
Belarus	10	90	1 December 1992 <u>c/</u>
Bosnia and Herzegovina	0	100	1 October 1991 <u>d/</u>
Cambodia	0	100	1 April 1985
Cape Verde	10	90	1 October 1980
China	20 <u>e/</u>	80	1 January 1985
Croatia	0	100	1 October 1991 <u>d/</u>
Democratic People's Republic of Korea	20	80	1 January 1991
Eritrea	0	100	1 January 1993
Estonia	10	90	1 February 1993 <u>c/</u>
Ethiopia	30	70	1 October 1993
Former Yugoslav Republic of Macedonia	0	100	1 October 1991 <u>d/</u>
Georgia	0	100	1 February 1993 <u>c/</u>
Ghana	10	90	1 December 1983
Guinea	10	90	1 March 1986
Guinea-Bissau	0	100	1 March 1987
Guyana	20	80	1 March 1987
Haiti	0	100	1 December 1991
Iran	10	90	1 July 1992
Israel	10	90	1 October 1982
Kazakhstan	0	100	1 February 1993 <u>c/</u>
Kyrgyzstan	0	100	1 February 1993 <u>c/</u>
Lao People's Democratic Republic	0	100	1 October 1980
Latvia	10	90	1 February 1993 <u>c/</u>
Lithuania	10	90	1 February 1993 <u>c/</u>
Madagascar	20	80	1 October 1982
Maldives	10	90	1 October 1980
Moldova	0	100	1 February 1993 <u>c/</u>
Mongolia	0	100	1 August 1990
Mozambique	0	100	1 August 1986
Myanmar	0	100	1 November 1990
Nicaragua	0	100	1 April 1986
Romania	20	80	1 January 1989
Russian Federation	10	90	1 February 1993 <u>c/</u>
Rwanda	20	80	1 May 1991
Sao Tome and Principe	0	100	1 September 1986
Sierra Leone	10	90	1 April 1989
Slovenia	0	100	1 October 1991 <u>d/</u>
Somalia	0	100	1 November 1990
Sudan	0	100	1 January 1991
Tanzania	30 <u>f/</u>	70	1 June 1989
Turkmenistan	0	100	1 February 1993
Uganda	10	90	1 June 1989
Ukraine	0	100	1 February 1993 <u>c/</u>
Uzbekistan	0	100	1 February 1993 <u>c/</u>
Viet Nam	0	100	1 August 1981
Windward and Leeward Islands <u>g/</u>	10	90	1 October 1980
Yemen	20	80	1 May 1993
Yugoslavia	0	100	1 October 1991
Zaire	0	100	1 October 1991

For footnotes, see next page.

Footnotes to annex VI:

- a/ In a few cases the date shown is approximate, since no effective date was specified at the time of a change in the percentage distribution.
- b/ Of this, 30 per cent is payable in convertible dinars and 70 per cent in non-convertible dinars.
- c/ Subject to review at the end of September 1994
- d/ Under the arrangements approved for the former Yugoslavia.
- e/ Payable from 1 November 1988 in convertible renminbi or foreign exchange certificates after deduction of rents in non-convertible renminbi.
- f/ Payable in convertible shillings.
- g/ Covers Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines.

ANNEX VII

**Developing countries' currencies regarded as fully convertible for the purpose
of payments of salaries and allowances of internationally-recruited staff
(country and currency)**

Bahamas (Bahamian dollar)
Bahrain (Bahrain dinar)
Bermuda (Bermuda dollar)
Brunei Darussalam (Brunei dollar)
Costa Rica (Costa Rican colon)
Djibouti (Djibouti franc)
Ecuador (Sucre)
Hong Kong (Hong Kong dollar)
Indonesia (Indonesian rupiah)
Kuwait (Kuwaiti dinar)
Lebanon (Lebanese pound)
Liberia (Liberian dollar)
Libyan Arab Jamahiriya (Libyan dinar)
Malaysia (Ringgit)
Oman (Rial Omani)
Panama (Balboa)
Papua New Guinea (Kina)
Paraguay (Guarani)
Peru (New sol)
Qatar (Qatar riyal)
Samoa (Tala)
Saudi Arabia (Saudi Arabian riyal)
Seychelles (Seychelles rupee)
Singapore (Singapore dollar)
Suriname (Suriname guilder)
Turkey (Turkish lira)
United Arab Emirates (UAE dirham)
Uruguay (Uruguayan new peso)
Vanuatu (Vatu)
Venezuela (Bolivar)
Zambia (Kwacha)

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Annex IV