

GENERAL AGREEMENT ON

RESTRICTED

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TARIFFS AND TRADE

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REPORT OF THE COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION

INTRODUCTION

1. The Committee on Budget, Finance and Administration met on 8 March 1991 and on 2 May 1991.

2. The Committee was chaired by Mr. K. Broadbridge of Hong Kong and the membership was as follows:

| | | |
|-----------|----------------|----------------|
| Australia | Hungary | Nigeria |
| Brazil | India | Singapore |
| Belgium * | Israel | Spain |
| Canada | Italy | Sweden |
| Chile | Jamaica | Switzerland |
| France | Japan | United Kingdom |
| Germany | Korea, Rep. of | United States |
| Hong Kong | Malaysia | Zaire |
| | Netherlands ** | |

* (Withdrew from Committee membership on 12 March 1991)

** (Committee membership commenced on 12 March 1991)

3. Denmark, the Netherlands, Turkey and Venezuela were represented by Observers on 8 March 1991.

4. Côte d'Ivoire, Cuba, Czechoslovakia, Tanzania, Turkey, and Venezuela were represented by Observers on 2 May 1991.

5. Attention was drawn to document L/5964/Rev.4 outlining the terms of reference and the revised membership of the Committee.

I. REVIEW OF PROCESS BY WHICH THE REGULAR PROGRAMME BUDGET OF THE INTERNATIONAL TRADE CENTRE UNCTAD/GATT IS PREPARED AND APPROVED (Spec(91)17)

6. A representative of the International Trade Centre (ITC) introduced document Spec(91)17 on the process by which the regular budget of the ITC UNCTAD/GATT is prepared and approved.

7. While expressing appreciation for the important work performed by the ITC, some members were concerned about the rôle of the Committee and that of the GATT Secretariat in the process of approving the ITC's budget. Several members made reference to the ITC Joint Advisory Group review of the work programme, which involved UNCTAD member States, contracting parties and representatives of the GATT and UNCTAD Secretariats. These members urged all governments to participate actively in the sessions.

8. The Committee requested the Chairman, in collaboration with representatives of the GATT and ITC Secretariats and the Chairman of the Advisory Committee on Administrative and Budgetary Questions, to consider how the Budget Committee might more effectively be involved in the determination of the GATT contribution to the ITC Regular Programme Budget.

II. MONITORING OF 1991 EXPENDITURE THROUGH MARCH
(CRP(91)5) and (CRP(91)8)

9. The Committee examined the expenditure situation as at 28 February 1991 (document (CRP(91)5)) and 31 March 1991 (document (CRP(91)8)).

10. Comparing the level of expenditure for the month of March 1991 with the same period in 1990, the Committee was advised that increased expenditure resulted mainly from salaries, as a direct result of adjustments to salary scales and allowances under the Common System, and from the Trade Policy Training Courses where subsistence allowances were paid in March 1991 rather than April, as was the case in 1990.

11. The Committee was advised that there was decreased expenditure in areas such as (i) interpretation, where the permanent team of interpreters were able to service all the meetings, (ii) dispute settlement, where there were no panels, and (iii) from a delay in the payment of the second quarter's rent for the Centre William Rappard.

12. The Committee was advised that, further to a decision of the International Civil Service Commission, the salaries for staff in the General Service category would be increased by 9.89 per cent and that dependency and language allowances would also be adjusted. These measures, retroactive to 1 January 1991, would be reflected in the salary expenditure for April 1991.

13. On the receipt of contributions, the Committee was advised that from 1 January to 30 April 1991, Sw F 40,431,986 had been received, of which Sw F 35,684,509 was in respect of the 1991 provisional assessment. This represented 48 per cent of the total contributions assessed. Last year, for the same period, 58 per cent of the contributions had been received.

14. The Committee noted the expenditure statement document (CRP(91)5) and, in response to the comments of one member, the Chairman agreed to consider with the Secretariat ways to improve the monitoring of expenditure.

III. CONTRIBUTION OF OBSERVER COUNTRIES TOWARDS THE COSTS
OF DOCUMENTATION PROVIDED BY THE SECRETARIAT

(CRP(91)2) and (CRP(91)6)

15. In response to the concern expressed by one member about the low level of contributions from Observers, the Committee noted that reminder letters would be issued shortly, in accordance with normal practice. The Committee noted the report.

IV. AVOIDANCE OF ARREARS IN THE FUTURE PROGRESS REPORT

(CRP(91)3) and (CRP(91)9)

16. The Committee attached great importance to this issue and noted the report on the administrative measures currently in force. The Committee accepted the Chairman's proposal to hold informal consultations on the possibility of further administrative measures being deployed where contracting parties had more than three full years outstanding contributions in arrears.

V. INSTALMENT PAYMENTS FOR COUNTRIES WITH CONTRIBUTIONS IN ARREARS

(CRP(91)4) and (CRP(91)7)

17. The Committee was informed that since the last report, no payments had been received, for 1987 and earlier years, from contracting parties assessed at the minimum level of contributions in 1988. For contracting parties assessed at above the minimum level, two payments had been received and others had been announced. The Committee took note of the report and recommends to the Council that a special plea be made for the early payment of arrears.

VI. OTHER BUSINESS

SHORT-TERM CONTRACTS AWARDED TO SENIOR STAFF AFTER RETIREMENT

18. The Committee was advised that as the provisions of the United Nations Joint Staff Pension Fund were such that staff retiring after 31 December 1990 received lower benefits, a number of senior staff had decided to retire at the end of 1990. However, due to the then circumstances of the Uruguay Round, the Director-General had offered them temporary contracts, in accordance with the rules for such contracts. The contracts had no adverse effect on the budgeted expenditure for 1991, since they were covered by established posts. The Committee sought further details of such short-term contracts awarded to senior staff after retirement, including a number of staff covered by such contracts and the full conditions. Clarification was also sought about the maximum duration of such contracts.

USE OF RECYCLED PAPER BY GATT

19. In response to a request by one member, the Secretariat would consider the use of recycled paper and would report to the Committee.