

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

RESTRICTED

L/7258

14 July 1993

Limited Distribution

### ADMINISTRATIVE AND FINANCIAL QUESTIONS

#### Final Position of the 1992 Budget

1. In accordance with the CONTRACTING PARTIES' standing instructions regarding reporting on the results at the end of the financial period, the Director-General's proposals for dealing with any savings or deficits, the financial position concerning the transfer of credits between sections of the budget and any advances made from the Working Capital Fund, the Director-General submits the following information.

#### I. EXPENDITURE BUDGET

2. The CONTRACTING PARTIES appropriated Sw F 85,973,327 for the financial year 1992. Total obligations incurred in 1992 amounted to Sw F 83,452,619 leaving an unencumbered balance of Sw F 2,520,708, which is the net result of savings of Sw F 2,921,927 plus Sw F 100,000 for Unforeseen Expenditure as detailed in paragraphs 3 to 12, reduced by the excess expenditure of Sw F 501,219 referred to in paragraphs 13 to 16 below.

3. Savings occurred on the following sections:		<u>Sw F</u>
Section 2 - Meetings of the Council and other meetings		7,554
Section 3 - Salaries		1,402,541
Section 4 - Common Staff Costs		713,848
Section 8 - Printing		60,848
Section 9 - Representation and Hospitality		20,925
Section 12 - Trade Policy Training Courses		16,921
Section 13 - Uruguay Round		382,683
Section 14 - Trade Policy Review Mechanism		162,446
Section 17 - International Trade Centre UNCTAD/GATT		<u>154,161</u>
	Sub-total	2,921,927
Section 16 - Unforeseen Expenditure		<u>100,000</u>
	Total	<u>3,021,927</u> =====

4. Under Section 2 (Meetings of the Council and other meetings), the savings resulted mainly from a reduced requirement for freelance interpreters.

5. Under Section 3 (Salaries), the savings resulted mainly from the salary increases being lower than anticipated (for the General Service staff, the increase was 4.09% against 5%; for Professionals, the increase was less than the one class of Post Adjustment budgeted. There were also savings as a result of differences in the exchange rate (the 1992 budget was based on US\$1/Sw F 1.47 whereas the average rate over the year was US\$1/Sw F 1.40). Savings occurred also as some posts were vacant and/or filled at a lower level during the year.

6. Under Section 4 (Common Staff Costs), the major savings were under the Contributions to the United Nations Joint Staff Pension Fund sub-item due to a lower than budgeted exchange rate and to vacant posts. There were also savings in the sickness insurance, installation grants, travel on home leave (as some staff postponed their travel to 1993) and separation payments (as some contracts of staff were extended in 1993) sub-items. There was over-expenditure in the family allowances, travel and removal expenses, repatriation grants and education grants and travel sub-items. In respect for the over-expenditure, staff entitlements were in the event greater than had been originally foreseen.

7. Under Section 8 (Printing), the savings were due mainly to the fact that the 1992 edition of "International Trade" was limited to its statistical part.

8. Under Section 9 (Representation and Hospitality), the savings resulted from the unused portion of the credit allotted to the post of Deputy Director-General which was vacant for the entire year.

9. Under Section 12 (Trade Policy Training Courses), savings resulted from a host government paying the travel costs associated with the study tour to its country.

10. Under Section 13 (Uruguay Round) and Section 14 (Trade Policy Review Mechanism), the savings were the result of over and under-expenditures on various sub-items. Major savings were realized under salaries for temporary assistance and the UNJS Pension Fund contributions due to a lower rate of exchange and posts being vacant, as well as other Common Staff costs related to these posts. Over-expenditures occurred on installation grants, separation payments, official and technical co-operation missions and communications costs.

11. The provision under Section 16 (Unforeseen Expenditure) was not used.
12. Under Section 17 (International Trade Centre UNCTAD/GATT), savings resulted from an average exchange rate of the year of US\$1/Sw F 1.40 as opposed to the budgeted rate of US\$1/Sw F 1.47.
13. Over expenditure of Sw F 501,219 against the approved appropriations was incurred under the following sections:

	<u>Sw F</u>
Section 1 - Forty-eighth Session of the CONTRACTING PARTIES	210
Section 5 - Missions	134,926
Section 6 - Dispute Settlement Panels	86,508
Section 7 - Common Services	278,385
Section 10 - Permanent Equipment	<u>1,190</u>
	501,219
	=====

14. Under Section 5 (Missions), over-expenditure resulted from the need for technical cooperation and political level visits being greater than anticipated, due to the changing circumstances of the Uruguay Round.

15. Under Section 6 (Dispute Settlement Panels), more panels were established than had been anticipated.

16. Under Section 7 (Common Services) there was over or under-expenditure on various sub-items. The main over-expenditure was on electronic data processing equipment, communications (unforeseen increases in local telephone costs) and the result of increases in insurance premiums. There were partly compensating savings under the contractual cleaning, books and information material, water and maintenance of service cars sub-items.

17. Transfers between budgetary sections of Sw F 501,219 are necessary in order to cover excess expenditure over approved appropriations on the sections mentioned in paragraph 13 by savings on other sections. Authority is sought to increase these appropriations accordingly, as follows:

	<u>Sw F</u>
<u>Transfers from:</u>	
<u>Part I: MEETINGS</u>	
Section 2 - Meetings of the Council and other meetings	7,554
<u>Part II: SECRETARIAT</u>	
Section 8 - Printing	60,848
Section 9 - Representation and Hospitality	20,925
<u>Part III: TRADE POLICY TRAINING COURSES</u>	
Section 12 - Trade Policy Training Courses	16,921
<u>Part IV: URUGUAY ROUND</u>	
Section 13 - Uruguay Round	78,364
<u>PART V: TRADE POLICY REVIEW MECHANISM</u>	
Section 14 - Trade Policy Review Mechanism	162,446
<u>Part VI: INTERNATIONAL TRADE CENTRE UNCTAD/GATT</u>	
Section 17 - Contribution to the International Trade Centre UNCTAD/GATT	<u>154,161</u>
	501,219
	=====
<u>Transfers to:</u>	
<u>Part I: MEETINGS</u>	
Section 1 - Forty-eighth Session of the CONTRACTING PARTIES	210
<u>Part II: SECRETARIAT</u>	
Section 5 - Missions	134,926
Section 6 - Dispute Settlement Panels	86,508
Section 7 - Common Services	278,385
Section 10 - Permanent Equipment	<u>1,190</u>
	501,219
	=====

18. In connection with Section 18 (Restitution of 1990 Deficit), authority was granted in the context of the approved 1992 budget to consider the 1990 over-expenditure of Sw F 261,327 under paragraph (iii) (b) of the Rules Governing the Use of the Working Capital Fund (document Spec(86)6/Rev.1) and this amount was withdrawn from the Fund. Consequently, the corresponding advance was reimbursed to the Fund by including this credit in the 1992 budget.

## II. INCOME BUDGET

19. Amounts totalling Sw F 85,906,175 were credited as budgetary income in 1992, which fell short of the approved estimate by Sw F 67,152.

	<u>Approved estimates Sw F</u>	<u>Income credited Sw F</u>	<u>(Shortfall)/ Excess of income Sw F</u>
Contributions assessed on contracting parties	84,600,000	84,600,000	-
Contribution assessed on contracting parties subsequent to the adoption of the scale of contributions	-	50,760	50,760
Miscellaneous income	<u>1,373,327</u>	<u>1,255,415</u>	<u>(117,912)</u>
	<u>85,973,327</u>	<u>85,906,175</u>	<u>(67,152)</u>
	=====	=====	=====

20. Net miscellaneous income fell short against the estimated figure by Sw F 117,912, details of which are outlined below:

	<u>1992</u> <u>Estimated</u> <u>Sw F</u>	<u>1992</u> <u>Actual</u> <u>Sw F</u>	<u>Balance</u> <u>Sw F</u>
Sale of publications	300,000	272,091	(27,909)
Profit or (loss) on exchange	(60,000)	(157,187)	(97,187)
Savings previous year's outstanding obligations	20,000	32,483	12,483
Refund of staff costs for staff employed at Centre William Rappard on behalf of other occupants	870,000	897,924	27,924
Overhead on Trust Funds	25,000	11,868	(13,132)
Rental of meeting rooms and office space at Centre William Rappard to others	20,000	17,700	(2,300)
Observer countries document services	23,000	18,354	(4,646)
Other:			
Interest on current account	150,000	123,872	(26,128)
Various	<u>25,327</u>	<u>38,310</u>	<u>12,983</u>
	<u>1,373,327</u>	<u>1,255,415</u>	<u>(117,912)</u>
	=====	=====	=====

21. As shown in Annex A, at 31 December 1992, the total contributions in arrears from contracting parties amounted to Sw F 22,083,678, of which Sw F 4,919,905 represented the arrears for the year 1992.

### III. SURPLUS ACCOUNT

22. The Surplus Account, reproduced in Annex B, shows an accumulated deficit of Sw F 934,208 at 31 December 1992, due to:

- (a) the negative opening balance as at 1 January 1992: Sw F 142,577;
- (b) the repayment to the Working Capital Fund in respect of 1991 deficit: Sw F 4,892,759;
- (c) the writing-off of irrecoverable debts: Sw F 3,293, and
- (d) the shortfall of actual miscellaneous income over estimated miscellaneous income: Sw F 117,912.

This was offset by:

- (a) the restitution of the 1990 deficit: Sw F 261,327;
- (b) a decrease in the provision for contributions in arrears: Sw F 1,389,538;
- (c) assessments on contracting parties subsequent to the adoption of the 1992 scale of contributions: Sw F 50,760, and
- (d) a budgetary surplus for 1992: Sw F 2,520,708.

23. The accumulated deficit of Sw F 934,208 was covered by a transfer from the Working Capital Fund.

### IV. EARLY PAYMENT ENCOURAGEMENT SCHEME

24. Pursuant to the Council's approval (C/M/226) of the Budget Committee's recommendation (L/6384) to introduce a system to encourage payment of contributions, interest earned on the current year's contributions is refunded to contracting parties on the basis of calculations which take account of the amount and date of payment. Annex C shows the apportionment of the amount of Sw F 704,754 earned as interest in 1992. The apportioned amounts will be deducted from the relevant contracting parties' assessed contributions for 1994.

### V. WORKING CAPITAL FUND

25. In accordance with the authority contained in document L/756, paragraph 10, of 27 November 1957, which stipulates that subsequent receipts of outstanding contributions are to be credited to the Working Capital Fund to the extent necessary to reimburse the advance made, Sw F 4,892,759 was repaid to the Working Capital Fund in respect of the advance made in 1991. With the interest of Sw F 374,131 credited to it, the principal of the Fund at 31 December 1992 amounted to Sw F 5,361,326. Of this amount, Sw F 934,208 were transferred to offset the accumulated deficit.

POINT FOR DECISION: Paragraph 17

## ANNEX A / ANNEXE A / ANEXO A

STATEMENT OF OUTSTANDING CONTRIBUTIONS AS AT 31 DECEMBER 1992 / ETAT DES ARRIERES DE CONTRIBUTIONS  
AU 31 DECEMBRE 1992 / ESTADO DE CONTRIBUCIONES PENDIENTES AL 31 DE DICIEMBRE DE 1992

Contracting Parties and Associated Governments/ Parties Contractantes et Gouvernements associés/ Partes Contratantes y Gobiernos asociados	Swiss Francs/Francis suisses/Francos suízos						TOTAL
	1969/1987	1988	1989	1990	1991	1992	
Antigua and Barbuda/Antigua et Barbuda							
Antigua y Barbuda.....	72,120	72,228	19,137	22,080	23,202	25,380	234,147
Argentina/Argentine.....	-	-	-	-	-	18,395	18,395
Bangladesh.....	-	-	-	-	-	76,140	76,140
Benin/Bénin.....	247,637	-	-	-	-	-	247,637
Bolivia/Bolivia.....	-	-	-	-	14,667	25,326	39,993
Botswana.....	72,120	72,228	31,895	36,800	30,936	42,300	286,279
Brazil/Brésil/Brasil.....	-	-	-	-	738,892	781,588	1,520,480
Burkina Faso.....	314,514	-	-	-	-	20,823	335,337
Burundi.....	594,395	72,228	19,137	22,080	23,202	25,380	756,422
Cameroon/Cameroun/Camerún.....	63,790	-	-	36,800	38,263	33,840	172,693
Central African Republic/République centrafricaine/República Centroafricana.....	477,900	72,228	19,137	22,080	23,202	25,380	639,927
Chad/Tchad.....	760,481	59,378	19,137	22,080	23,202	25,380	909,658
Chile/Chili.....	-	-	-	-	-	198,519	198,519
Congo.....	504,227	72,228	25,516	29,440	23,202	25,380	679,993
Costa Rica.....	-	-	-	-	46,404	50,760	97,164
Côte d'Ivoire.....	-	-	-	-	-	65,060	65,060
Cuba.....	300,000	-	-	-	37,720	205,437	543,157
Dominican Republic/République dominicaine/ República Dominicana.....	673,388	-	38,274	44,160	46,404	42,300	844,526
Gabon/Gabón.....	149,772	-	-	-	-	-	149,772
Gambia/Gambia.....	590,173	72,228	19,137	22,080	23,202	25,380	752,200
Ghana.....	182,296	72,228	25,516	29,440	30,936	25,380	365,796
Guatemala.....	-	-	-	-	8,694	42,300	50,994
Guyana.....	257,433	-	-	-	-	-	257,433
Haiti/Haïti/Haití.....	200,200	-	19,137	22,080	23,202	25,380	289,999
India/Inde.....	-	-	-	-	-	179,000	179,000
Israel/Israël.....	-	-	-	-	-	4,658	4,658
Jamaica/Jamaïque.....	-	-	-	-	-	41,960	41,960
Kenya.....	72,772	61,040	44,653	51,520	46,404	50,760	327,149
Madagascar.....	188,535	-	-	-	6,706	25,380	220,621
Malawi.....	33,286	-	-	-	-	8,920	42,206
Maldives/Maldives.....	14,709	-	-	-	-	25,044	39,753
Mauritania/Mauritanie.....	636,619	72,228	19,137	22,080	23,202	25,380	798,646
Mozambique.....	-	-	-	-	-	25,380	25,380
Namibia/Namibia.....	-	-	-	-	-	25,380	25,380
Nicaragua.....	412,136	53,353	-	22,080	23,087	25,380	536,036
Niger/Niger.....	276,811	72,228	19,137	22,080	23,202	25,380	438,838
Nigeria/Nigeria.....	-	-	-	-	-	121,814	121,814
Peru/Pérou/Perú.....	399,086	-	-	18,705	92,809	92,668	603,268
Philippines/Filipinas.....	293,079	-	-	-	-	36,078	329,157
Portugal.....	-	-	-	-	-	255,505	255,505
Romania/Roumanie/Rumania.....	607,360	-	-	-	-	-	607,360
Rwanda.....	-	-	19,137	22,080	23,202	25,380	89,799



STATEMENT OF OUTSTANDING CONTRIBUTIONS AS AT 31 DECEMBER 1992 /ETAT DES ARRIERES DE CONTRIBUTIONS  
AU 31 DECEMBRE 1992 /ESTADO DE CONTRIBUCIONES PENDIENTES AL 31 DE DICIEMBRE DE 1992

Contracting Parties and Associated Governments/ Parties Contractantes et Gouvernements associés/ Partes Contratantes y Gobiernos asociados	Swiss Francs/Francs suisses/Francos suízos						TOTAL
	1969/1987	1988	1989	1990	1991	1992	
Senegal/Sénégal.....	324,202	-	-	22,080	22,982	25,380	394,644
Sierra Leone/Sierra Leone.....	683,300	72,228	19,137	22,080	23,202	25,380	845,327
Suriname.....	210,360	72,228	19,137	22,080	23,202	25,380	372,387
Tanzania/Tanzania/Tanzania.....	437,059	-	-	-	-	25,380	462,439
Togo.....	111,427	-	-	-	23,123	25,045	159,595
Trinidad and Tobago/Trinité-et-Tobago/ Trinidad y Tabago.....	-	-	-	-	-	42,153	42,153
Tunisia/Tunisie/Túnez.....	-	-	-	-	-	20,522	20,522
Turkey/Turquie/Turquía.....	-	-	-	-	-	48,637	48,637
Uganda/Ouganda.....	506,778	72,228	19,137	22,080	23,202	25,380	668,805
United States of America/Etats-Unis d'Amérique/ Estados Unidos de América.....	1,914,389	-	-	-	-	1,310,369	3,224,758
Uruguay.....	-	-	-	-	5,256	42,121	47,379
Venezuela.....	-	-	-	-	-	7,514	7,514
Yugoslavia/Yougoslavie.....	-	-	-	-	400,282	437,529	837,811
Zaire/Zaire.....	430,800	72,228	51,032	29,440	30,936	25,380	639,916
Zambia/Zambia.....	57,393	-	-	-	2,307	33,840	93,540
TOTALS	13,070,647	1,112,735	446,530	585,425	1,948,436	4,919,905	22,083,678

Cambodia/Cambodge/Camboya

25,380

ANNEX B

Surplus Account for the year ended 31 December 1992  
(in Swiss francs)

DEBITS

CREDITS

Balance at 1 January 1992	142,577	Restitution of the 1990 deficit	261,327
Repayment to Working Capital Fund	4,892,759	Decrease of provision for contributions in arrears	1,389,538
Write-off of irrecoverable invoices	1,624	Excess of income over expenditure:	
Write-off of irrecoverable medical expenses	1,669	Contributions assessed on two contracting parties subsequent to the adoption of the 1992 scale of contributions:	
		Mozambique	25,380
		Namibia	<u>25,380</u>
		1992 budgetary surplus	2,520,708
		Shortfall of actual miscellaneous income over estimated miscellaneous income	<u>(117,912)</u>
		Accumulated deficit at 31 December 1992:	2,453,556
		Transfer from Working Capital Fund	<u>934,208</u>
	<u>5,038,629</u>		<u>5,038,629</u>

ANNEX C / ANNEXE C / ANEXO C

EARLY PAYMENT ENCOURAGEMENT SCHEME: INTEREST DISTRIBUTED/ PLAN VISANT A  
ENCOURAGER LE PAIEMENT RAPIDE DES CONTRIBUTIONS: INTERETS RISTOURNES/ PLAN  
DE INCENTIVOS PARA EL PRONTO PAGO DE CONTRIBUCIONES: INTERESES REEMBOLSADOS

Contracting Parties and Associated Governments/ Parties Contractantes et Gouvernements associés/ Partes Contratantes y Gobiernos asociados	Sw F/FS
Argentina/Argentine.....	781
Australia/Australie.....	15,616
Austria/Autriche.....	14,952
Barbados/Barbade.....	232
Belgium/Belgique/Bélgica.....	36,754
Belize/Bélize/Belice.....	325
Benin/Bénin.....	15
Burkina Faso.....	66
Canada/Canadá.....	49,649
Chile/Chili.....	26
Colombia/Colombie.....	2,116
Côte d'Ivoire.....	162
Cyprus/Chypre/Chipre.....	532
Czech Republic/ République tchèque/ República Checa.....	847
Denmark/Danemark/Dinamarca.....	12,642
Egypt/Egypte/Egipto.....	2,045
El Salvador.....	212
Finland/Finlande/Finlandia.....	10,126
France/Francia.....	70,325
Gabon/Gabón.....	293
Germany/Allemagne/Alemania.....	108,281
Greece/Grèce/Grecia.....	4,187
Guyana.....	38
Hong Kong.....	31,630
Hungary/Hongrie/Hungría.....	4,019
Iceland/Islande/Islandia.....	586
India/Inde.....	1,292
Indonesia/Indonésie.....	6,049
Ireland/Irlande/Irlanda.....	7,973
Israel/Israël.....	1,755
Italy/Italie/Italia.....	37,348
Japan/Japon/Japón.....	28,548
Korea, Republic of/Corée, République de/Corea, República de.....	10,840
Kuwait/Koweït.....	9
Lesotho.....	20
Luxembourg/Luxemburgo.....	3,535
Macau/Macao.....	510
Malawi.....	98
Malaysia/Malaisie/Malasia.....	1,656
Malta/Malte.....	309
Mauritius/Maurice/Mauricio.....	273

EARLY PAYMENT ENCOURAGEMENT SCHEME: INTEREST DISTRIBUTED/ PLAN VISANT A  
ENCOURAGER LE PAIEMENT RAPIDE DES CONTRIBUTIONS: INTERETS RISTOURNES/ PLAN  
DE INCENTIVOS PARA EL PRONTO PAGO DE CONTRIBUCIONES: INTERESES REEMBOLSADOS

Contracting Parties and Associated Governments/ Parties Contractantes et Gouvernements associés/ Partes Contratantes y Gobiernos asociados	Sw F/FS
Mexico/Mexique/México.....	3,273
Morocco/Maroc/Marruecos.....	1,263
Myanmar, Union of/Myanmar, Union du/Myanmar, Unión de.....	304
Netherlands, Kingdom of/Pays-Bas, Royaume des/ Países Bajos, Reino de los.....	42,762
New Zealand/Nouvelle-Zélande/Nueva Zelanda.....	3,509
Nigeria/Nigéria.....	1,312
Norway/Norvège/Noruega.....	11,047
Pakistan/Pakistán.....	674
Philippines/Filipinas.....	1,267
Poland/Pologne/Polonia.....	5,359
Portugal.....	1,501
Romania/Roumanie/Rumania.....	118
Singapore/Singapour/Singapur.....	7,195
Slovak Republic/ République slovaque/ República Eslovaca.....	423
South Africa/Afrique du Sud/Sudáfrica.....	7,056
Spain/Espagne/España.....	12,553
Sri Lanka.....	408
Sweden/Suède/Suecia.....	21,541
Switzerland/Suisse/Suiza.....	16,177
Thailand/Thaïlande/Tailandia.....	8,535
Tunisia/Tunisie/Túnez.....	918
Turkey/Turquie/Turquía.....	3,300
United Kingdom of Great Britain and Northern Ireland/ Royaume-Uni de Grande-Bretagne et d'Irlande du Nord/ Reino Unido de Gran Bretaña e Irlanda del Norte.....	57,272
United States of America/Etats-Unis d'Amérique/ Estados Unidos de América.....	27,567
Venezuela.....	2,482
Zimbabwe.....	261
<b>TOTAL</b>	<b>704,754</b>