

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/6733

9 October 1990

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REPORT OF THE COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION

INTRODUCTION

1. The Committee on Budget, Finance and Administration met on 18 September 1990.

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

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

3. At this meeting, Turkey was represented by an Observer.

I. DIRECTOR-GENERAL'S FINANCIAL REPORT ON THE 1989 ACCOUNTS OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE AND REPORT OF THE EXTERNAL AUDITOR THEREON (L/6720)

4. The Committee examined the Director-General's Financial Report on the 1989 Accounts of the General Agreement on Tariffs and Trade and the Report of the External Auditor thereon and heard explanations from representatives of the Secretariat.

5. The Committee recommends that the CONTRACTING PARTIES approve the audited accounts for 1989 and convey to the External Auditor their thanks for the valuable assistance given to the CONTRACTING PARTIES in the audit of these accounts.

II. CONTRIBUTION TO GATT BUDGET

a) Venezuela (CRP.9(90)9)

6. Consequent to the accession to the GATT of Venezuela (documents L/6716 and L/6717, the Committee recommends that a contribution to the 1990 budget amounting to Sw F 110,702 be assessed on this Government. This assessment, calculated on a pro-rata basis as from 31 August 1990, represents a contribution of 0.45 per cent and is based on Venezuela's foreign trade figures for the years 1986-1988. Further, on the basis of the level of the Working Capital Fund of Sw F 4,182,397 on 31 August 1990, the Committee recommends to the Council to assess an amount of Sw F 20,912 on the Government of Venezuela as an advance to the Fund.

b) Bolivia (CRP.9(90)10)

7. Consequent to the accession to the GATT of Bolivia (documents L/6561 and L/6562, the Committee recommends that a contribution to the 1990 budget amounting to Sw F 6,896 be assessed on this Government. This assessment, calculated on a pro-rata basis as from 8 September 1990, represents a contribution of 0.03 per cent and is based on Bolivia's foreign trade figures for the years 1986-1988. Further, on the basis of the level of the Working Capital Fund of Sw F 4,182,397 on 8 September 1990, the Committee recommends to the Council to assess an amount of Sw F 20,912 on the Government of Bolivia as an advance to the Fund.

III. BUDGETARY SITUATION AS AT 14 SEPTEMBER 1990 (CRP.9(90)1A, B, C & D)

8. The Committee examined the budgetary situation as at 14 September 1990 and noted that savings of some Sw F 230,000 were, at this stage, anticipated for the end of 1990. This amount includes some Sw F 180,000 under the item "Meetings outside the Centre William Rappard". It was recalled that any savings under this item could not be transferred to other items without prior approval by the Budget Committee.

9. It was explained that the anticipated situation at the end of the year included the absorption of the financial implications of the United Nations General Assembly decisions, estimated to cost Sw F 940,000 and for which only Sw F 600,000 had been provided in the 1990 budget. Another factor was the depreciation of the US dollar vis-à-vis the Swiss franc which could entail savings of some Sw F 480,000. Further savings amounting to Sw F 260,000 were foreseen in respect of the credit for the International Trade Centre UNCTAD/GATT.

IV. CASH SITUATION AS AT 14 SEPTEMBER 1990 (CRP.9(90)2)

10. The Committee examined the cash situation as at 14 September 1990 and noted that some 75 per cent of assessed contributions had been paid as of that date, as compared with 78 per cent at the same date in 1989 and 76 per cent in 1988. It was further noted that, with present funds available, the Secretariat could cover its obligations up to mid-November.

V. CRITERIA FOR THE ALLOCATION OF SEATS IN THE COUNCIL ROOM

11. The Chairman recalled that the question of allocating seats in the Council Room had arisen during the last meeting of the Committee and proposed an exchange of views on the matter. It was noted that meeting rooms D and E had been equipped as listening rooms and that discussions in the Council Room could be relayed to these rooms.

12. The Committee noted that the present system based on experience acquired over past years was working satisfactorily. It was decided to re-examine the matter in 1991.

VI. AVOIDANCE OF ARREARS IN THE FUTURE - PROGRESS REPORT
(CRP.9(90)4)

13. To date, four contracting parties had one full year's contribution outstanding, one had more than one but less than two years' contributions outstanding, and sixteen had more than two but less than three years' contributions outstanding.

VII. INSTALMENT PAYMENTS FOR COUNTRIES WITH CONTRIBUTIONS IN ARREARS - PROGRESS REPORT (CRP.9(90)5)

14. The Committee noted that of the thirty-two contracting parties assessed in 1988 at the minimum contribution level of 0.12 per cent and with arrears outstanding for 1987 and earlier, eleven had paid a total amount of Sw F 699,647 in respect of these arrears. Since the last meeting, two payments amounting to Sw F 87,249 had been received in respect of arrears for 1987 and earlier.

15. Among the six contracting parties liable for tailor-made repayment schemes for arrears for 1987 and earlier, Argentina has paid all of its arrears, the Philippines has made a payment and repayment schemes for Romania and Cuba have been established. So far, Peru and the United States have made no payment, in 1990, in respect of these arrears.

VIII. CONTRIBUTIONS BY OBSERVER COUNTRIES TOWARDS THE COST OF DOCUMENTATION SERVICES PROVIDED BY THE SECRETARIAT - PROGRESS REPORT (CRP.9(90)6)

16. At the time of the meeting, twenty-one countries had contributed a total of Sw F 20,914 for 1990 while for the year 1989, twenty-two countries had contributed a total of Sw F 21,845. In the case of Observers who had not paid the 1989 contribution, documentation was being sent only to a single address and, for those Observers with missions in Geneva, documentation had to be collected at the Centre William Rappard.

IX. PRINTING

17. A member of the Secretariat reported that, with a view to improve the presentation of GATT publications while reducing the cost, greater use was to be made of more modern techniques such as desk-top publishing. With the recent recruitment of a Publications Manager, further possibilities in terms of additional equipment and personnel to run it would be discussed in the examination of the 1991 budget.

POINTS FOR DECISION: Paragraphs 5
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