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## UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Budget estimates for the administrative and programme support  
services for the year 1982

and

Supplementary appropriations for the year 1981Report of the Advisory Committee on Administrative and  
Budgetary Questions

1. In accordance with the provisions of rule 111.6 of the Financial Regulations and Rules of the United Nations Fund for Population Activities (DP/36), the Advisory Committee on Administrative and Budgetary Questions has considered the Executive Director's budget estimates for the administrative and programme support services of the Fund for the year 1982 and supplementary appropriations for the year 1981 (DP/531). During its consideration of the estimates the Committee met with the Executive Director of the Fund and his senior assistants.

Form of presentation

2. The form of presentation of the Fund's administrative and programme support services budget estimates for 1982 is similar to that of the estimates for 1981 (DP/483). In the opinion of the Advisory Committee further refinements can be made to facilitate consideration of the Fund's budget estimates. For example, table 2 in annex A of document DP/531 which provides a detailed breakdown of the expenditure estimates by section and object of expenditure might be included in the main text, and table D and table 1 in annex A can be dispensed with. Similarly, table 3 in annex A which summarizes increases due to resource growth and inflation by section and object of expenditure might also be included in the main text. In this connexion another summary table identifying those increases attributable to resource

growth and inflation by programme would be useful. Increases shown in the tabular material should be explained fully and justified in the text. Table 4 in annex A is not essential. Similarly, in the interests of brevity, the Advisory Committee recommends that unless the Governing Council decides otherwise, the quantitative workload tables (tables I-4, I-9, I-11, I-16, I-19 and I-22) need not be included in the budget document. Information in these tables should be compiled for intersecretariat use and for submission to ACABQ or the Governing Council if requested.

Supplementary appropriations for the 1981 administrative and programme support budget

3. The Executive Director recommends that the Governing Council approve supplementary estimates in the amount of \$1,249,500 for the Fund's administrative and programme support services budget for 1981 (DP/531, para. 23). This corresponds to an increase of 15.1 per cent over the total approved appropriation of \$8,275,667 for 1981. The Executive Director states in paragraph 24 of his report that the supplementary appropriation is required for non-recurrent expenditures incurred for office space planning and design and construction for UNFPA's new headquarters located in the Daily News Building (comprising some 59,500 square feet on the 17th, 18th and 19th floors). He provides a breakdown of the estimate in paragraph 25. In response to inquiries the Advisory Committee was informed that in order to meet United Nations standards of office accommodation and to provide for the Fund's future requirements, the architects/designers retained by UNFPA had estimated that it was more economical to demolish existing construction and build a new interior than to carry out ad hoc renovations and remodelling of existing space.

4. In paragraph 26 of his report, the Executive Director explains the terms of the lease negotiated by the Fund with the management of the Daily News Building. In this connexion the Advisory Committee notes from paragraph 24 of the Executive Director's report and from additional information provided to it that, as recommended by the Committee in paragraph 9 of its report to the Governing Council in June 1980 (DP/497), the Fund has consulted with the appropriate United Nations services so as to ensure compliance with United Nations bidding and contractual procedures and with office accommodation standards. The Advisory Committee notes further that the Fund has also arranged to sublet some 2,000 square feet of office space not immediately required by the Fund.

5. The Advisory Committee recommends that the Governing Council approve the Executive Director's request for revised appropriations in the amount of \$1,249,500 for 1981 for the purpose stated in paragraph 3 above,

Budget estimates for 1982

6. The Executive Director estimates the Fund's administrative and programme support services budget for 1982 at \$9,345,579 (DP/531, para. 20).

7. The methodology and assumptions used in the preparation of the estimates for 1982 are described in paragraphs 19 to 22 of document DP/531. In this regard

the Advisory Committee notes that the Executive Director has applied for 1982 a lower deduction rate for staff turnover and delayed recruitment than he had done in recent years (3 per cent as against 4 and 5 per cent respectively in the 1981 and 1980 budget estimates). According to the Executive Director this is based on prior experience (*ibid.*, para. 19). In response to inquiries regarding the vacancy situation in UNFPA, the Advisory Committee was informed that three posts at the Professional level (two P-4 and one P-2/1) were vacant but that two of them were under recruitment.

8. The Advisory Committee notes from table C of document DP/531 that the Fund's estimates for 1982 (\$9,345,579) are \$1,069,912 or 12.9 per cent higher than the appropriations for 1981 (\$8,275,667 - excluding the non-recurrent revised estimates of \$1,249,500 - see paras. 3 to 5 above) and \$2,590,532 or 38.3 per cent higher than the 1980 budget (\$6,755,047). These figures exclude the cost of the UNFPA field co-ordinator budgets (see paras. 18 to 20 below). Measured against total anticipated income in 1982 of \$147 million (DP/531, para. 17) the estimate for the Fund's administrative and programme support service budget in 1982 of \$9,345,579 represents 6.3 per cent of the Fund's resources (the same percentage as for 1981).

9. Of the total increase of \$1,069,912 in 1982 over 1981 the Executive Director attributes \$61,271 to real increases and \$1,008,641 to inflation (*ibid.*, annex A, table 3). As can be seen from this table the net resource growth of \$61,271 in 1982 is related to the Executive Director's proposals to reclassify six posts at the Professional and higher levels (\$21,206 - see paras. 10 to 13 below), to the application of a lower turnover factor (\$27,965) and to an increase in temporary assistance (\$26,500), offset by a negative resource growth of \$14,400 under consultancy requirements. The bulk of the provision for inflation in 1982 amounting to \$1,008,641 is attributable to salaries and common staff costs (\$704,681), other operating expenses (\$239,170) and reimbursement to the United Nations and UNDP (\$62,790).

10. In paragraphs 10 to 15 and tables A and B of his report (DP/531) the Executive Director states that while he is not seeking any additional staff, he is requesting the reclassification of six posts at the Professional and higher level as follows:

one D-2 to Assistant-Secretary-General  
(Assistant Executive Director to  
Deputy Executive Director) (paras. 11 and 12)

one D-1 to D-2  
(Chief, Asia and Pacific Branch,  
Programme Division to Chief,  
Programme Division) (para. 13)

four P-4 to P-5  
(Deputy Chiefs of the Geographical  
Branches for Africa, Asia and the Pacific,  
Latin America and the Caribbean, and  
Middle East and the Mediterranean, all  
in the Programme Division) (para. 15)

11. As regards the proposed reclassification of the Assistant Executive Director's post from the D-2 level to that of Deputy Executive Director at the Assistant Secretary-General level, the Advisory Committee recalls that it has previously addressed itself to this question in its report to the Governing Council in June 1980 (DP/497, para. 29). In decision 80/13, part II, paragraph 4 the Council decided:

"that the request for the reclassification of the post of Assistant Executive Director shall be considered at the next session of the Governing Council in the context of the future role of the Fund."

The Advisory Committee notes that in addition to the justifications adduced last year in support of the proposed reclassification, the Executive Director also makes reference to the additional responsibilities of the post attributable to the reorganization of the UNFPA headquarters.

12. The Executive Director's request for the reclassification of one D-1 level post to D-2 (DP/531, para. 13) is consequential upon the proposed reclassification of the Assistant Executive Director (see para. 11 above) who is currently directly responsible for the supervision of the Programme Division. Should the Governing Council approve the proposed reclassification to the Assistant Secretary-General level, the Advisory Committee would have no objection to the reclassification of the D-1 post to the D-2 level.

13. For the reasons stated in paragraph 15 of his report the Executive Director submits proposals for the reclassification of four Deputy Chief posts in the Geographical Branches (for Africa, Asia and the Pacific, Latin America and the Caribbean, and Middle East and the Mediterranean) of the Programme Division from the P-4 to P-5 level. The Advisory Committee recalls that in its report on the Fund's budget estimates for 1980 (DP/413, para. 22) it had not supported the Executive Director's request for the reclassification of the posts of the Chiefs of the Geographical Branches of the Programme Division from the P-5 to D-1 (DP/398, para. 40 (e)). In part II, paragraph 1 of decision 79/28 the Governing Council authorized the reclassification of the posts of the Chiefs of the Geographical Branches to the D-1 level. In the circumstances the Advisory Committee has no objections to the proposed reclassifications of the posts of Deputy Chiefs of the Geographical Branches (for Africa, Latin America and the Caribbean, Middle East and the Mediterranean, and Europe) of the Programme Division from the P-4 to P-5 level, since they are consequential to the Governing Council's decision on the reclassification of the posts of the Chiefs of the Geographical Branches.

14. In this connexion the Advisory Committee notes that in paragraph 14 of his report (DP/531) the Executive Director indicates that if the reclassification of the D-1 post of the Chief, Geographical Branch for Asia and the Pacific to Chief, Programme Division at the D-2 level is authorized (see para. 12 above) it is his intention to designate the Senior Officer (P-5 level) in the Asia and Pacific Branch as Acting Chief of the Branch. The Executive Director also states that it is his intention "to review this situation at the time of preparing the 1983 budget" (ibid., para. 14).

15. The Advisory Committee notes the information provided by the Executive Director in paragraph 8 of his report (DP/531) that he has exchanged the D-2 level post of the Chief of the Information and Public Affairs Division for a post at the D-1 level; and has used the D-2 post thus released for the Chief of the new Policy and Evaluation Division. According to the Executive Director this exchange of posts reflects more accurately the current importance of these Divisions in the context of the total operations of the Fund (ibid., para. 8).

16. In response to its inquiries the Committee was informed that the resource growth of \$26,500 for temporary assistance has been requested in lieu of additional new posts. The Committee was also informed that the reduced estimates for consultants (\$100,000 in 1982 compared with appropriations of \$130,000 in 1981) reflect actual expenditure experience in recent years. In the interest of economy, no change has been proposed in the estimate of \$330,000 for travel of staff on official business. The request for \$238,000 for communications in 1982 (the same as in 1981), without provision for inflation, reflected the expectation that the installation of a new computerized "Dimension 600" telephone system in the Fund's new premises would lead to savings. The Advisory Committee notes that the 1982 estimate of \$633,610 for reimbursement by the Fund to the United Nations and UNDP is tentative and subject to revision upon receipt of final estimates from the two organizations concerned (ibid., para. 21).

17. Subject to the decisions of the Governing Council on the proposed reclassifications (see paras. 11 and 12 above) the Advisory Committee accordingly recommends that the Executive Director's proposed administrative and programme support services budget estimate of \$9,345,579 for 1982 be approved.

#### UNFPA Field Co-ordinator and Liaison Officer Budgets

18. In part II, paragraph 3 of decision 79/28, the Governing Council reaffirmed:

"That UNFPA shall continue the practice of funding field co-ordinator and liaison officer posts from project funds and of including the data on such posts in the UNFPA administrative and programme support budgets for information purposes."

19. The Executive Director provides information on UNFPA field co-ordinator and liaison officer costs in part II, paragraphs 57 to 61 and tables II-1 and 2 of document DP/531. In paragraph 61, he indicates that the number of field co-ordinator posts planned for 1982 is 33 - 6 fewer than the 39 posts budgeted for in 1981 (although 42 posts were authorized). The Executive Director relates the reduction to the need to reduce the over-all administrative expenditures in the light of the projected programme level. In this connexion the Advisory Committee notes that a comparison of table II-2 in document DP/531 with table II-3 in document DP/483 which list the 1982 and 1981 field co-ordinator posts by country, reveals significant upward and downward changes in the level and locations of the posts. In response to its inquiries the Advisory Committee was informed that the grade of the field co-ordinator in a given country depended on the incumbent of the post and that the posts were not graded by country.

20. The Executive Director estimates the cost of the field co-ordinator and liaison officer posts, including travel, equipment and other services at \$4,497,707 for 1982, a decrease of \$441,529 or 8.9 per cent compared with the 1981 budget of \$4,939,236 (DP/531, para. 60 and table II-1). The decrease is due to the reduction in the total number of field co-ordinator and liaison officer posts projected for 1982 (see para. 19 above). The Advisory Committee notes that the Fund's proposed administrative and programme support services budget for 1982 plus the cost of the field co-ordinator and liaison officer posts (\$9,345,579 and \$4,497,707 respectively) will correspond to 9.4 per cent of the total anticipated income of \$147 million in 1982; the corresponding figure for 1981 is 10 per cent. Both these percentages exceed the ceiling of 7.9 per cent initially established by the Executive Director for such costs in his 1980 estimates (DP/398, para. 52).

#### Transfer of credits

21. In April 1981 the Executive Director sought the concurrence of the Advisory Committee in the transfer of \$463,072 from Programme III, Programme planning, appraisal and monitoring, of the 1980 UNFPA administrative and programme support services budget to Programme I, Executive direction and management, (\$105,022) and Programme II, Administration and public information support services, (\$358,050). The Executive Director informed the Advisory Committee that expenditures in Programmes I and II were higher than originally estimated because of several factors: common staff costs were overspent because of larger reimbursements of United States income tax. Additional expenditure for travel and transportation arose, inter alia, because of the full participation of the Fund in meetings of the Advisory Committee on Co-ordination. Additional rental of temporary premises, prior to the Fund's move to the Daily News Building (see paras. 3 to 5 above) and increased charges for communications as a result of the temporary dispersal of the Fund's offices at three different locations during 1980 largely account for the additional requirements in general operating expenses. Under-expenditure in Programme III was attributable in the main to savings resulting from vacancies and overestimation of requirements for consultants, general operating expenses and home leave travel. The Advisory Committee concurred in the proposed transfers.

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