

Assembly
Council

Distr.
GENERAL

ISBA/A/12
ISBA/C/7
14 August 1996

ORIGINAL: ENGLISH

Resumed second session
Kingston Jamaica
5 - 16 August 1996

PROPOSED BUDGET OF THE INTERNATIONAL SEABED AUTHORITY FOR 1997

Report of the Finance Committee

1. On 14 August 1996 the Finance Committee considered the draft budget of the International Seabed Authority for 1997 submitted by the Secretary-General (ISBA/A/9). In the light of the comments by members of the Committee and in order to give effect to an evolutionary approach to the establishment of the Secretariat, the Secretary-General submitted to the Finance Committee revised budgetary requirements for the administrative expenses of the Authority for the period 1 January to 31 December 1997 (ISBA/A/9/Add.1). The Secretary-General explained the justification for the revised budgetary requirements and members of the Committee asked further questions.
2. The Finance Committee then discussed the Secretary-General's proposals in private. It was recalled that the United Nations General Assembly had decided to fund the administrative expenses of the Authority in accordance with the Implementing Agreement (General Assembly resolution 48/263). In the course of the discussions, it was noted that in 1997 the costs of the Authority would have to be absorbed within the existing United Nations budget ceiling of US\$2,608 million.
3. The Finance Committee recommends the adoption of the revised budget requirements for 1997 (ISBA/A/9/Add.1), subject to the points in paragraphs 4, 5 and 6 below. The Committee further recommends endorsement of the evolutionary, approach (ISBA/A/9/Add.1).
4. The Finance Committee makes the following recommendations:

(a) Given that all the computers and associated costs may not be needed in 1997 the cost of acquisition of furniture and equipment should be reduced from \$240,000 to \$190,000.

(b) Bearing in mind that some of the proposed travel could be combined the total amount provided for official travel of staff (other than to official meetings) should be reduced from \$64,000 to \$44,000.

(c) The amount proposed for consultants should be reduced from \$120,000 to \$90,000.

5. As a consequence the Finance Committee recommends that the total proposed revised budgetary requirement of \$4,250,500 be reduced by \$100,000 to \$4,150,500.

6. The Finance Committee makes the following further recommendations:

(a) The Secretary-General should keep under consideration the question whether each of the additional posts provided for in the revised budget needs to be filled in the course of 1997. ^{1/}

(b) The Secretary-General should review the transportation arrangements (buses) to see if reductions can be made.

(c) The Secretary-General should consult the host country concerning the residence to see whether in future this item could be omitted from the budget.

(d) As regards conference servicing costs, the Finance Committee noted that the intention was to hold 4 weeks of meetings in 1997, and urged that further efforts should be made to seek to rationalise the arrangements for meetings. Efforts could also be made to engage staff locally wherever possible.

(e) As regards office accommodation the Secretary-General is encouraged to continue to seek to obtain the best possible terms.

(f) The programme support element should not be a charge on the Authority since the Authority's budget for 1997 is to be met from the United Nations budget.

7. The Committee noted that the present case is exceptional since it was considering the first budget of the Authority. The Committee requested the Secretary-General to submit an initial performance report on the implementation of the 1997 budget in time for the Committees consideration of the 1998 budget.

^{1/} The approximate cost of the additional 10 posts in a full year is \$1 million.

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