



Finance Committee

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Cost-saving measures taken by the Secretariat

Report of the Secretary-General

1. The present report on certain cost-saving measures taken by the Secretariat was prepared pursuant to a request by the Finance Committee during the fourteenth session of the International Seabed Authority.

I. Rental and maintenance of premises

2. The Secretariat currently hires a security company to provide security services in the headquarters building; the company's unarmed guards are on the premises 24 hours a day, 365 days a year. The possibility is anticipated of reducing the number of guards required from July 2009 when the implementation of an electronic intruder monitor and access control system is planned. Anticipated savings to the Authority would be approximately 20 per cent of the total object of expenditure for security in the budget for the current financial period (\$84,600), or \$16,920.

II. Communications

3. The cost of communications is one of the objects of expenditure that have shown significant increase during the last three financial periods, owing mainly to increased charges for long-distance telephone calls (\$73,800 for the financial period 2007-2008), which are essential to the conduct of the Authority's business. It is planned in July 2009 to begin using Voice over Internet Protocol (VoIP) technology for long-distance calls. If successful, it is expected that the Authority could realize savings of approximately 12 per cent of the total budget for the financial period for communications (\$65,300), or \$7,836.

III. Conference-servicing costs

4. As noted in the report of the Secretary-General for 2009 under article 66, paragraph 4, of the United Nations Convention on the Law of the Sea (ISBA/15/A/2), the Department for General Assembly and Conference Management of the United Nations Secretariat had not been able to provide interpretation services for the meeting of the Legal and Technical Commission in 2009 (see para. 17 of that report). In these circumstances, the Authority made alternative arrangements for simultaneous interpretation by using the services of the organization Equipo de Servicios de Traductores e Intérpretes (ESTI), based in Cuba, with more than 30 years of experience in providing simultaneous interpretation. The cost of these services for 2009 will be \$16,200 for 10 meetings compared with the United Nations full cost of \$110,000 for the same number of meetings. The quality of the services provided by ESTI will be evaluated following the fifteenth session with a view to using the same services in 2010 in order to achieve similar cost savings. The cost savings for 2009 as a result of this measure will be about \$94,000 compared with the expenditure for 2008.

IV. General temporary assistance

5. The total expenditure for the financial period 2005-2006 on general temporary assistance had been \$20,331, or 56 per cent of the approved budget for the financial period of \$36,500. The total expenditure on general temporary assistance for the financial period 2007-2008 was \$13,733, or 37 per cent of the approved budget for the financial period of \$37,500.

6. Based on this performance, it is anticipated that the Secretariat could reduce the need for temporary assistance by 20-40 per cent of the currently budgeted amount (\$37,500) through redeployment of duties among existing General Service staff. This would result in estimated savings of \$7,500-\$15,000.

V. Official travel

7. During the financial period 2005-2006, the total expenditure on official travel had been US\$ 267,780, or 109 per cent of the approved budget for the financial period of \$245,600. During the financial period 2007-2008, the total expenditure on official travel was \$336,286, or 118 per cent of the approved budget for the financial period of \$285,600. The most significant factor in expenditure on travel is the relatively high cost of airfares quoted by the three major travel agencies in Jamaica. The Secretariat intends to review its current contractual arrangements in this regard with a view to securing more competitive arrangements, if possible. At the same time, the Secretariat will also continue to explore the possibility of making greater use of fares available online for direct purchase. Based on experience to date, it is anticipated that greater use of online ticket purchases will help to ensure that the Authority stays within the total budget approved for the financial period.

8. It is these five objects of expenditure that provide the Secretariat, in a first step, with the degree of flexibility required to implement cost-saving measures. During the course of the financial period, as other opportunities present themselves, the Secretariat will take the measures necessary to realize any other potential savings. To the extent possible, these new measures will be reflected in the proposed budget for the financial period 2011-2012.