



SUMMARY RECORD OF THE 20th MEETING

Chairman: Mr. ABRASZEWSKI (Poland)

Chairman of the Advisory Committee on Administrative and
Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.40 a.m.

AGENDA ITEM 105: FINANCIAL EMERGENCY OF THE UNITED NATIONS: REPORT OF THE SECRETARY-GENERAL (A/C.5/37/15 and Corr.1)

1. **Mr. MSELLE** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that in paragraph 1 (b) of resolution 36/116 B, the General Assembly had decided to accept the recommendation of the Advisory Committee that the provisions of regulations 5.2 (d), 4.3 and 4.4 of the Financial Regulations of the United Nations should be suspended in respect of the surpluses arising at the end of the biennia 1980-1981 and 1982-1983. The surplus appropriations for the biennium 1980-1981 retained by the United Nations in pursuance of that resolution amounted to approximately \$5.4 million as the Secretary-General had stated in paragraph 12 of his report (A/C.5/37/15).
2. The Advisory Committee had discussed with representatives of the Secretary-General how paragraph 1 (b) of General Assembly resolution 36/116 B should be implemented. The suspension of regulation 5.2 (d) of the Financial Regulations, which provided that "Any balance of the appropriations surrendered under regulations 4.3 and 4.4" should be set off against the assessed contributions of Member States, entitled the Secretary-General to retain the aforesaid balance.
3. By "appropriations" was meant the amounts voted by a legislative organ for specified purposes for a financial period against which obligations might be incurred for those purposes up to the amounts so voted. Budget appropriations approved by the General Assembly might be revised at the end of the first or the second year of the biennium: the balance of appropriations referred to in regulations 4.3 and 4.4 of the Financial Regulations was therefore the balance remaining out of the final appropriations approved by the General Assembly.
- 3a. He pointed out that appropriations were revised in the light of the programme performance report of the Secretary-General and the related observations and recommendations by the Advisory Committee and that the Secretary-General and ACABQ had to ensure that the estimates recommended to the General Assembly were the minimum needed to carry out approved programmes, since any attempt to inflate the estimates so as to secure a larger surplus, would be contrary to the spirit of the Financial Regulations.
4. He pointed out, further, that the provisions of paragraph 1 (b) of General Assembly resolution 36/116 B had no effect on miscellaneous income which, pursuant to regulation 5.2 (b) of the Financial Regulations, were set off against the contributions assessed on Member States. The Advisory Committee noted that in recent years the competent intergovernmental bodies of the specialized agencies had on occasion taken decisions whereby miscellaneous income had been credited to the working capital fund of the agency concerned and that no such decision had been taken by the General Assembly.
5. In conclusion, he said that the representatives of the Secretary-General had informed the Advisory Committee that they agreed with the foregoing analysis.

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6. Mr. RUEDAS (Under-Secretary-General for Administration and Management), introducing the report of the Secretary-General containing an analysis of the financial situation of the United Nations (A/C.5/37/15), said that the report basically contained detailed information on the results which the measures adopted by the General Assembly at its thirty-fifth and thirty-sixth sessions had had in alleviating the financial difficulties of the Organization.
7. In the first part of the report, which dealt with the issuance of special postage stamps in pursuance of General Assembly resolution 35/113, it was indicated that the stamps would be issued shortly and that the expected net revenue from the sale of the stamps was estimated at \$2 million.
8. The second part of the report dealt with the implementation of the provisions of General Assembly resolution 36/116. The appeal made in that resolution to all Member States to pay future contributions in good time in accordance with regulation 5.4 of the Financial Regulations of the United Nations had had little effect. The figures indicated that the rate of payment for 1982 had reached the lowest level in the past five years. Unless it borrowed from funds contributed for other purposes in order to increase the General Fund and resorted to other stopgap measures, as indicated in paragraph 10 of the report, the Organization might be forced to delay the payment of its commitments. As indicated in paragraph 11 of the report, that problem also affected other organizations of the system.
9. A second measure related to the temporary suspension for the biennia 1980-1981 and 1982-1983 of certain provisions of the financial regulations governing the unobligated balance of appropriations. As indicated in paragraphs 12 and 13 of the Secretary-General's report, the surplus appropriations retained amounted to approximately \$5.4 million. To that figure would have to be added any possible surplus resulting from unliquidated obligations under the regular budget for the biennium 1980-1981. However, the full effect of the measure could not be assessed until the end of 1982 because, in accordance with regulation 4.4 of the Financial Regulations, the appropriations would remain available for use for an additional 12-month period before they had to be surrendered. He confirmed that the Secretary-General concurred in the Advisory Committee's analysis.
10. A third measure had been to increase the Working Capital Fund from \$40 million to \$100 million; it could be seen from paragraph 14 of the report that, as at 30 September 1982, Member States had provided \$18.3 million, or a little less than one third of the \$60 million required. As indicated in the paragraph, the intended benefit of the increased level of the Working Capital Fund had not yet been felt.
11. Turning to the short-term deficit of the Organization, he pointed out that it had increased by \$29.1 million, or 10.6 per cent, over the level reached at the end of the preceding year. Lastly, the balance of the United Nations Special Account, which had been set up to record voluntary contributions aimed at resolving the financial difficulties of the Organization, would be, as indicated in paragraph 16 of the report, \$61 million as at 31 December 1982.

12. Mr. TAKASU (Japan) expressed concern over the worsening of the financial situation of the Organization despite the various efforts made in accordance with resolution 36/116 and the positive attitude of China and Portugal. The magnitude of the long-term deficit could be appreciated by noting that it corresponded to about 40 per cent of the budget for 1982. His delegation was particularly concerned at the uninterrupted growth in withholdings by certain Member States, which would increase by \$7 million with regard to the regular budget and by \$29.4 million with regard to peace-keeping operations in 1982.

13. In order to resolve the financial emergency, the General Assembly had the preceding year authorized an increase in the Working Capital Fund from \$40 million to \$100 million. His delegation was fundamentally opposed to such an approach. The purpose of the Working Capital Fund was to meet short-term cash requirements. Unfortunately, the increase in the Fund had been largely offset by increased withholdings. The situation would have been far worse had it not been for China's commendable voluntary contribution of \$5 million. The use of such stopgap measures was unacceptable and action must be taken to put an end to the practice of certain Governments of withholding part of their assessed contributions.

14. His delegation was also concerned at delays in the payment of assessed contributions by Member States, a trend which had steadily worsened in the preceding three years. It would have welcomed more specific information in the Secretary-General's report on borrowings from funds set aside for other purposes to meet cash requirements of the Organization and the concrete measures taken to offset the financial shortfalls resulting from withholdings, in particular with respect to contributions for peace-keeping operations. Revenue producing activities, such as the issuance of special postage stamps, while praiseworthy, could not hide the need to tackle the underlying causes of the emergency, in particular the problem of withholding. Unless such problems were dealt with, the Organization might have to curtail programmes so as to remain within the resources provided by Member States. His delegation therefore appealed to Member States to bear their share of the collective financial responsibility which they had assumed under the Charter.

15. Mr. KEMAL (Pakistan) expressed regret that the financial situation of the Organization remained precarious in spite of the measures adopted by the General Assembly at its thirty-sixth session to alleviate its difficulties. The situation which the Organization faced was mainly the result of deep-rooted ideological differences with respect to peace-keeping operations. Such differences had given rise to the withholding of contributions not only for peace-keeping activities but also towards the regular budget and, to a lesser extent, the programme of technical assistance. The result was a massive deficit of more than \$300 million, two thirds of which related to contributions for peace-keeping operations. To offset the deficit, the Organization had \$61 million in voluntary contributions to the Special Account. His delegation wished to pay a tribute to the countries which had made it possible for the peace-keeping operations to continue.

16. By resolution 3538 (XX) the General Assembly had established a Negotiating Committee on the Financial Emergency of the United Nations, which in 1976 had laid down a series of guidelines based on a proposal by the Group of 77. The central idea of those guidelines was that all Member States must make some sacrifices in the

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(Mr. Kemal, Pakistan)

interest of the Organization, which played an essential role in the maintenance of international peace and security and the establishment of a just and equitable economic order.

17. In the report submitted by the Negotiating Committee to the Assembly at its thirty-first session, in 1976 (A/31/37), the Chairman of the Committee had listed the measures which he felt could solve the Organization's financial difficulties: prompt payment of assessed contributions; the removal of the "United Nations bond issue" from the expenditure section of the budget; the use of funds from revenue-producing activities and interest earned by the Organization through the investment of early contributions by Member States to pay the interest and principal of the bond issue; controlling the growth of the Organization's budget, in part by weeding out obsolete and marginally useful programmes and activities; and, finally, organizing a pledging conference at which the more affluent States could make substantial contributions and, finally, to erase the short-term deficit.

18. In his country's view, that package of elements amounted to a fair compromise between divergent interests. Unfortunately, as was well known, some States whose support was deemed essential had been unable to accept certain elements of the proposed solution, such as the use of miscellaneous income to liquidate the bonds issue debt. In the absence of a consensus, it had not been thought useful to reconvene the Negotiating Committee. Since that time, nevertheless, the General Assembly had included the financial emergency of the United Nations in its agenda at every session.

19. At the thirty-fifth session of the Assembly, his delegation had affirmed its commitment to the principle of a comprehensive solution to the Organization's financial difficulties based on the proposal by the Chairman of the Negotiating Committee, but had suggested a number of partial solutions for consideration pending a settlement of the differences that led certain States to withhold parts of their contributions to the regular budget of the United Nations. They included increasing the Working Capital Fund and allowing the Organization to retain the unused balance of appropriations under the regular budget and all or part of its miscellaneous income.

20. His delegation noted that the series of postage stamps devoted to the conservation and protection of nature would be issued on 19 November 1982, following the request made by the General Assembly in resolution 35/113. It hoped that the Organization would derive the expected income from the sale of the stamps, which was estimated at 2 million dollars.

21. At its thirty-sixth session, the General Assembly had decided to increase the Working Capital Fund and suspend the application of regulations 5.2 (d), 4.3 and 4.4 of the Financial Regulations. It had thus been possible to alleviate the Organization's financial difficulties to some extent.

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22. His delegation welcomed the decision by the People's Republic of China to cease withholding from its contribution the amounts due for peace-keeping operations and to make a voluntary contribution of 5 million dollars; it hoped that other States currently withholding sums from their contributions would follow China's example.

23. To bring about the prompt payment of assessed contributions, sanctions against Member States that did not pay their contributions in good time had been considered in the past. It had become apparent, however, that such sanctions would be difficult to apply, inasmuch as Article 19 of the Charter applied solely to States that withheld sums from their contributions, not to those that simply delayed payment. In his country's view, it would be better to provide incentives for Member States that paid their contributions in good time. Incentives would have the advantage of benefiting Member States that paid their assessed contributions promptly and in full, encouraging States facing administrative difficulties, and exerting moral pressure on those - whose contributions were among the highest - that paid their contributions at a relatively late date.

24. The prompt payment of assessed contributions would partially relieve the Organization's current financial problems, since the United Nations could then cope with its cash flow requirements. But only the full payment of assessed contributions and the abandonment by certain States of their practice of withholding sums from their contributions would bring the financial emergency of the Organization to an end.

25. Mr. ROY (India) said that the delay in his country's payment of its contribution for 1982 had been caused by administrative problems which were currently being dealt with. He was therefore able to announce that India would pay its contribution for 1982 in the very near future.

26. Mrs. KNEZEVIC (Yugoslavia) said that her country had made a contribution of \$1,252,000 to the regular budget of the Organization on 5 October 1982, and that that sum should be deducted from the total of its contributions outstanding as at 30 September 1982 that appeared in annex I to document A/C.5/37/15.

AGENDA ITEM 103: PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983

Review of the financing of the administrative costs of the Office of the United Nations High Commissioner for Refugees (A/C.5/37/1 and Corr. 1, A/C.5/37/22; A/37/7/Add.3)

27. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee (A/37/7/Add.3), said that the Advisory Committee had always expressed its support for the Office of the United Nations High Commissioner for Refugees when its budget estimates were considered and had approached the report of the Secretary-General on the review of the financing of UNHCR's administrative costs (A/C.5/37/1) in the same spirit. In that report, the conclusions of a joint review by the Secretary-General and the

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High Commissioner of the financing of the administrative costs of UNHCR were reproduced, together with a number of proposals for rationalizing the existing apportionment of UNHCR administrative expenditure between the regular budget and extrabudgetary resources. One proposal was that 65 Professional posts which were currently charged to voluntary contributions should be transferred to the regular programme budget and that 45 General Service posts should be transferred from the regular programme budget to extrabudgetary funds between 1984 and 1989.

28. The Advisory Committee had not rejected that proposal but had deemed it necessary to outline in paragraphs 15, 16 and 17 of its report the procedures that would have to be followed.

29. The Advisory Committee realized that the existing procedure for determining which expenditures should be charged to the United Nations regular budget should no longer be followed. It believed, however, that the question of additional expenditures to be charged to the regular budget should be considered in the context of the proposed programme budget for the 1984-1985 and subsequent biennia. The Advisory Committee held that it should not, in reviewing posts financed by extrabudgetary funds, approve in advance posts for transfer to the regular budget at a later date.

30. Article 20 of the Statute of the Office of the High Commissioner stated that only administrative expenditure relating to the functions of the Office of the High Commissioner should be borne on the budget of the United Nations and that all other expenditures relating to the activities of the High Commissioner should be financed by voluntary contributions. The term "administrative expenditures relating to the functioning of the Office of the High Commissioner" was not defined in the Statute. It was for that reason that the Advisory Committee had proposed in its first report to the General Assembly at its seventh session (A/2157, paras. 359-367) a definition of that term which had thereafter been applied to determine which expenses should be charged to the United Nations budget.

31. He pointed out that the report of the Secretary-General gave the impression that all expenditure relating to "statutory functions" of the High Commissioner should be charged to the regular budget. It was clear from the Statute of the Office of HCR, however, that the responsibility of the regular budget was limited to administrative expenditures relating to the functioning of the Office.

32. Mr. RUEDAS (Under-Secretary-General for Administration and Management), introducing the report of the Secretary-General (A/C.5/37/1), said he was surprised that the Chairman of the Advisory Committee had been worried lest the Secretary-General and the High Commissioner view the report of the Advisory Committee as a rejection of their proposals. On the contrary, they felt that the ACABQ report gave a very positive analysis of the conclusions of their own study, and they were fully aware that it was up to the General Assembly, during its consideration of the budget, to take all decisions concerning posts. In reference to paragraph 13 of the ACABQ report, he agreed with the Chairman of the Advisory Committee that the wording of paragraph 55 (a) of the Secretary-General's report,

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referring to the "statutory functions" of the High Commissioner, was ambiguous. Clearly, the responsibility of the regular budget was limited to "administrative expenditure relating to the functioning of the Office".

33. He stressed that the study, requested by the General Assembly in resolution 36/235 and described in the report, was based primarily on article 20 of the statute of UNITAR, which provided that "the Office of the High Commissioner shall be financed under the budget of the United Nations" and that unless "the General Assembly subsequently decides otherwise, no expenditure other than administrative expenditure relating to the functioning of the Office of the High Commissioner shall be borne on the budget of the United Nations and all other expenditure relating to the activities of the High Commissioner shall be financed by voluntary contributions". When that article was adopted the situation of refugees had been very different from what it was now; the task of the Office then had been to provide people displaced after the Second World War with legal protection and an opportunity to return to their homes. Since that time the situation had changed considerably and the Secretary-General and the High Commissioner had had to try to apply the provisions of article 20 in the light of the current situation. Over the past 20 years, the task of UNHCR had grown not only because of the steep increase in the number of refugees and the appearance of flows of refugees all over the world, but also because of an expansion in the services offered. The joint efforts of the Secretary-General and the High Commissioner were directed first and foremost at interpreting the provisions of article 20 as reasonably as possible in order to apply them to the current activities and structure of UNHCR. In that connection, he drew the Committee's attention to paragraph 17 of the Secretary-General's report which stated that developments over the past 15 years had not previously been taken into account or had been dealt with on a piecemeal basis.

34. The Secretary-General had based himself not only on article 20 but also on the definition by ACABQ in 1951 of administrative and operational expenses, a definition which, in the view of the Secretary-General and the High Commissioner, was extremely important in that it offered adequate criteria while allowing appropriate latitude to meet changing circumstances. Paragraphs 18 to 20 of the report contained more detailed information on the manner in which the Secretary-General and the High Commissioner had taken account of the provisions of article 20 and the ACABQ definition in their review.

35. Paragraphs 21 to 47 of the report contained conclusions based on a detailed analysis of the established posts in the Office of the High Commissioner and corresponding recommendations. The implications for the programme budget and means of implementation were contained in paragraphs 48 to 55. In paragraph 52, the Secretary-General stated his intention to include his proposals in the programme budget over three biennia, from 1984 to 1989, subject to endorsement by the General Assembly of the conclusion of the joint survey. Those proposals would be prepared in close consultation with the High Commissioner, but it would be the Secretary-General's final responsibility to decide on their extent and precise formulation in the light of his overall programme budget policy. Paragraphs 54 and 55 contained a description of the procedure which the Secretary-General and High

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Commissioner proposed to adopt to monitor the situation, the objective being to avoid having to carry out another review equal in scope to the one the conclusions of which were under consideration. The procedure outlined in paragraph 55 could be implemented by the end of 1983. As the report clearly demonstrated, the review had been carried out on the basis of very close co-operation with the Office of the High Commissioner. He thanked the staff of that organization for their assistance and co-operation.

36. Mr. GARRIDO (Philippines) inquired whether there was a report of the Department of Administration and Management on the organization of UNHCR, and whether the classification study of posts in UNHCR, to be carried out by the Classification Section, had been issued. In addition, he inquired whether the expenditure incurred under the UNHCR's statutory functions had been charged to the regular budget.

37. Mr. KHARMA (Lebanon) said that it had taken 20 years for a satisfactory definition of the administrative expenses of the Office of the High Commissioner to emerge. It was to be hoped that another 20 years would not elapse before the conclusions contained in the report of the Secretary-General were implemented. In their statements, the Chairman of the Advisory Committee and the Under-Secretary-General for Administration and Management had demonstrated the spirit which should inspire members of the Committee when considering humanitarian affairs. Both the financial offices of the United Nations and the Office of the United Nations High Commissioner for Refugees had attempted to slow down the erosion in voluntary contributions noted by the auditors and ACABQ in 1981. The Fifth Committee, for its part, had demonstrated its concern by requesting the Secretary-General to prepare the report currently before it.

38. He paid tribute to the constructive efforts made by the Secretary-General and the High Commissioner to interpret in a balanced and rational manner article 20 of the Statute, which had not been applied for a number of years, despite comments by the auditors, the Executive Committee and ACABQ. The potential cost to the regular programme budget of the Secretary-General's proposals, namely \$4.1 million a year, was not excessive in view of UNHCR's many activities and the ever-growing burden imposed by refugee situations throughout the world.

39. The question facing the Committee was simple: it had to decide whether to adopt the Secretary-General's proposals. In addition, there was the question of the expenditure relating to refugees and whether all Member States were prepared to assume their share. His delegation endorsed the principles contained in the Secretary-General's report. They offered a sound basis for the equitable apportionment of UNHCR's administrative costs between the regular budget and extrabudgetary funds. His delegation also shared the view of the Advisory Committee that decisions by the General Assembly on the Secretary-General's proposals for the transfer of posts should be taken on a case-by-case basis in the context of the proposed programme budgets for 1984-1985 and subsequent biennia, an approach which would give the Secretary-General more time to discharge his task. He trusted that other members of the Committee would endorse that view and that, in the light of the Advisory Committee's comments, they would agree to recommend the

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(Mr. Kharma, Lebanon)

adoption by the General Assembly of the conclusions of the Secretary-General's report, thus ensuring compliance with the provisions of article 20 of the Statute of UNHCR and discharging their responsibility to share the burden imposed by refugees.

40. Mr. KUYAMA (Japan) said that his Government was fully cognizant of the importance of the refugee problem and that its contribution to UNHCR was one of the largest. With regard to the apportionment of UNHCR administrative expenses between the United Nations regular budget and extrabudgetary funds, he expressed his appreciation of the report containing the conclusions of the joint review carried out by the Secretary-General and the High Commissioner (A/C.5/37/1). It went without saying that the basic authority remained the annex to General Assembly resolution 428 (V), of 14 December 1950, containing the Statute of the Office of the High Commissioner, articles 18, 20 and 21 of which established that budgetary and financial control of that Office was vested in the Secretary-General. It was thus quite appropriate for the Secretary-General to state, with regard to the proposed redistribution of posts between the regular budget and voluntary funds, that "it would be the Secretary-General's final responsibility to decide on their extent and precise formulation in the light of his over-all programme budget policy" (A/C.5/37/1, para. 52). That was the most important point to keep in mind in considering the question.

41. Since article 20 of the Statute did not define the term "administrative expenditure", his delegation endorsed the definition offered by the Advisory Committee in its report to the General Assembly at its seventh session. The interpretation of "administrative expenditure" as including all expenses other than "operational expenses and the related management costs" remained valid and should be respected. His delegation fully supported the argument advanced by ACABQ in paragraph 12 of its report that, "were it otherwise, the regular budget would become liable for expenses related to operations over which the General Assembly had no direct budgetary control".

42. Further, although the administrative expenditures of UNHCR had increased recently because of new refugee flows, it should be borne in mind that the situation could change in the future and that it was therefore advisable to preserve flexibility when deciding on the staffing level of the Office of the High Commissioner.

43. The Japanese delegation accordingly endorsed the recommendation of the Advisory Committee that decisions on the transfer of posts should be taken on a case-by-case basis and that the General Assembly should take note of the report of the Secretary-General and concur in the observations of the Advisory Committee. He noted, however, that although the joint review had largely achieved its objective, which was to propose a proper basis for the financing of UNHCR's administrative costs, it should be remembered that its most urgent task was to reduce the total amount of administrative costs, so as to release resources for use in the material assistance that was so badly needed. Whether those resources came from the United Nations regular budget or from voluntary contributions to UNHCR, they all had the

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(Mr. Kuyama, Japan)

same origin as contributions from Member States. The question before the Fifth Committee recalled somewhat the review of the financing of support costs, which had consumed so much of the Committee's time over a number of years.

44. According to the report of the Secretary-General, the redistribution of posts would cost about \$4.1 million a year at 1982 rates. The delegation of Japan did not know how that figure had been arrived at, but suspected that the actual cost would be higher. In any event, it was convinced that UNHCR should be able to adjust the size of its staff in keeping with possible changes in the refugee problem.

45. Mr. DITZ (Austria) said that the question was not simply one of complying with article 20 of the Statute of UNHCR but first and foremost one of solidarity and concern for refugees all over the world. The Austrian delegation whole-heartedly supported the conclusions of the Secretary-General's report on the review of the financing of the administrative costs of the Office of the United Nations High Commissioner for Refugees and endorsed the comments and recommendations of the Advisory Committee in that connection.

46. Mr. KEMAL (Pakistan) endorsed the comments of the Lebanese representative and hoped that the conclusions of the Secretary-General's report and the recommendations of the Advisory Committee would make it possible to find a speedy solution to the question of the apportionment of the administrative costs of the Office of the High Commissioner between the regular budget of the United Nations and UNHCR voluntary funds. The delegation of Pakistan hoped that the Secretary-General would, as part of his proposed programme budgets for 1984-1985 and later biennia, put forward suggestions for transfers of posts to be approved on a case-by-case basis. It also endorsed the comments of ACABQ in paragraphs 16 and 17 of its report. He was somewhat concerned that certain States systematically opposed the transfer of any post whatever to the regular budget, and feared that the practice merely aggravated the Organization's deficit. He suggested that the Secretary-General should devise a procedure which would make it possible to avoid that problem, and thought that the recommendation in paragraph 16 of the ACABQ report was very pertinent in that connection.

47. Mr. RALLIS (Greece) supported the principles put forward in the Secretary-General's report, and the recommendations of ACABQ in paragraphs 21 and 22 of its report, and hoped that when the Committee again took up the problem in 1983 it would have sufficient information to be able to settle the matter once and for all.

48. Mr. BIRIDO (Sudan) said that, while article 20 of the Statute of the Office of the High Commissioner was very important, his delegation shared the Secretary-General's anxiety at the increasing difficulties caused by the world refugee situation. The Economic and Social Council and the General Assembly had already adopted a number of resolutions amending the Statute of the Office of the High Commissioner in the light of that situation. Article 20 must be considered in that context and interpreted sufficiently flexibly to take the actual refugee

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(Mr. Birido, Sudan)

situation into account. The Sudanese delegation was in favour of the principle of the apportionment of expenses and therefore supported the reservations of the High Commissioner, as reflected in paragraph 32 of the Secretary-General's report, regarding ACABQ's opinion that costs related to the management of operational activities were operational rather than administrative expenditures.

49. The Sudanese delegation also considered that a definition of UNHCR's statutory functions required further study. The Office of the United Nations High Commissioner for Refugees had a dual function of protection and assistance, and the management of its activities must be looked at in that context. He was in favour of the recommendations in paragraphs 16 and 17 of the ACABQ report and whole-heartedly endorsed the comments of the Lebanese representative.

50. Mr. ROY (India) fully supported the conclusions of the Secretary-General's report and the comments and recommendations of ACABQ. The implementation of those principles and recommendations would make it possible to normalize UNHCR's financial situation and thus demonstrate the commitment of the international community to the cause of the refugees.

51. Mr. AMNEUS (Sweden) noted with satisfaction the similarities between the conclusions of the joint review by the Secretary-General and the High Commissioner, the recommendations of ACABQ and the decisions of the Executive Committee of the High Commissioner's Programme, and felt that all three documents deserved the Fifth Committee's unanimous support. The Swedish delegation endorsed the comment of the Chairman of ACABQ regarding the need to seek a consensus. The best means of arriving at such a consensus was to apply the recommendations in paragraphs 21 and 22 of document A/37/7/Add.3.

52. Mr. PEDERSEN (Canada) said that his delegation was pleased by the progress that had been made towards a solution. It supported ACABQ's recommendations and felt in particular that the Secretary-General should in the context of his proposed programme budget for 1984-1985, suggest transfers of posts to be determined case by case. The Canadian delegation also noted that paragraph 19 of the ACABQ report said that the Secretary-General and the High Commissioner had agreed that unless unforeseen situations arose no proposals for the transfer of additional posts over and above those identified in the joint survey would be made before the 1990-1991 biennium. He hoped that the Committee would approve ACABQ's recommendations.

53. Ms. CASTILLO (Dominican Republic) said that the date in the eighth line of paragraph 17 of the Spanish version of document A/C.5/37/1 was illegible.

54. Mr. RUEDAS (Under-Secretary-General for Administration and Management) said, in reply to the representatives of the Dominican Republic and the Philippines, that the date in question was 1973. In reply to the Philippine representative's other questions he said that the Administrative Management Service had completed its study of the organization of UNHCR's field offices. However, the initial version of the report had not yet been sent out. That kind of report was first written up as a draft and submitted to the body concerned for comments, and it was in the

(Mr. Ruedas)

light of those comments that the final version was prepared and sent to the Secretary-General. It was only after being read and, where appropriate, approved by the Secretary-General that the report was circulated. In the case in point, the study in question had not yet been sent to UNHCR. Regarding the classification of UNHCR posts, he said that no study had yet been made but that, since ACABQ requested a study, one would be carried out.

55. Mrs. de HEDERVARY (Belgium) supported the conclusions of the Secretary-General's report and the recommendations of ACABQ. In connection with paragraph 49 of the Secretary-General's report, she asked why it was the Professional posts that were to be transferred to the regular programme budget whereas the General Service posts were to be transferred to extrabudgetary funds.

The meeting rose at 1.05 p.m.