



FIFTH COMMITTEE  
39th meeting  
held on  
Wednesday, 16 November 1983  
at 10.30 a.m.  
New York

SUMMARY RECORD OF THE 39th MEETING

Chairman: Mr. KUYAMA (Japan)

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

CONTENTS

AGENDA ITEMS 109 AND 110: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985 AND  
PROGRAMME PLANNING (continued)

First reading (continued)

Section 9. Transnational Corporations (continued)

Section 15. United Nations Conference on Trade and Development

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Distr. GENERAL  
A/C.5/38/SR.39  
21 November 1983

ORIGINAL: ENGLISH

The meeting was called to order at 10.50 a.m.

AGENDA ITEMS 109 AND 110: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985 AND PROGRAMME PLANNING (continued) (A/38/3 (Part II) and Corr.1, A/38/6, A/38/7 and Add.2, A/38/38; A/C.5/38/4, A/C.5/38/12, A/C.5/38/20; A/C.5/38 CRP.2 and CRP.3)

First reading (continued)

Section 9. Transnational corporations (continued)

1. Mr. DELL (Executive Director, United Nations Centre on Transnational Corporations) said that the Centre's budgeted outlays for 1984-1985 showed a reduction in consultancy funds, temporary assistance and overtime. Overall expenditure in real terms would increase only minimally, notwithstanding the increased demands made on the Centre by the Commission on Transnational Corporations and by Governments.
2. The resources available to the Centre were not excessive in relation to its work programme. It had recently been necessary, for example, to cancel all leave for a period of three months to complete the major five-year study requested by the Commission on Transnational Corporations in time for its ninth session. The Commission had held three sessions in 1983, two of them concerned with negotiations on the code of conduct on transnational corporations. The Centre's programme of research, information and technical co-operation was onerous, even with the support of consultants. In fact, the share of consultancy funds in the total budget had declined from 15.3 per cent in 1980-1981 to 11.9 per cent for the biennium 1984-1985.
3. The Centre had a highly diversified work programme, part of which did not lend itself to implementation by permanent staff, since it involved the preparation of technical reports calling for expertise which was not required on a year-round basis. It was thus more cost effective to employ consultants in such cases. The Centre was concerned with transnational corporations which were active in particular industries, their scope and scale, their policies towards, experience in and impact on developing countries. The Centre had a need for highly specialized expertise to produce technical evaluations which would be helpful to developing countries in determining their own negotiating positions on draft agreements with transnational corporations in various sectors.
4. Although the Centre had made every effort to achieve a balanced geographical distribution of experts and consultants, the results so far had not been satisfactory. The same was true of the numbers of women recruited as consultants. It was not easy for the Centre's limited staff to spend an adequate amount of time on recruitment, so that there was a natural tendency for supervisors under pressure to turn to those people who had been employed on similar projects in the past. It was essential for the Centre to improve its recruitment files. In the near future descriptions would be sent to Governments of the kinds of expertise which the Centre required, with the aim of eliciting the names of potential recruits.

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(Mr. Dell)

5. Enlargement of the recruitment roster was not in itself sufficient. The Centre took responsibility for the quality of advice that was given, particularly where technical co-operation programmes were involved. Only a small proportion of the lawyers and economists, for example, in any one country had had the kind of experience in negotiating with transnational corporations which would qualify them to evaluate the contracts and agreements concerning which host countries sought the Centre's advice. Fortunately, the Centre's own experts were able to monitor the performance of consultants. The directors of the research and technical co-operation programmes, both of whom were from developing countries, would do their utmost to improve the geographical balance of the consultants used. It was in everyone's interests for the Centre to continue to give the highest importance to the quality of its work, but that quality could be maintained while diversifying the sources of expertise employed.

6. Turning to the programme aspects of the budget, he said that one of the tasks performed by the joint units under subprogramme 4 (Regional activities) was to assist the Centre in carrying out the various programmes decided on by the Commission on Transnational Corporations and the Economic and Social Council, including technical co-operation. The Centre had the task of strengthening the negotiating capacity of host countries, particularly that of developing countries. The ECE region, in particular, included countries at various levels of development and with different types of relationship with transnational corporations. The Centre had hosted training workshops for government officials from those countries.

7. Reference had been made in the Committee to programme element 1.2, relating to corrupt practices or illicit payments. The General Assembly had in 1975 called for work by the Centre in that area, following which the text of an international agreement on illicit payments had been prepared. Proposals had been made for an international conference in order to adopt the agreement. The Centre would be required to service such a conference whenever it took place, and to provide updated information. CPC had recommended that the lowest-priority designation attaching to that programme element should be deleted (A/38/38, Part II, para. 180).

8. With regard to the Centre's study on the operations of transnational corporations in South Africa and Namibia, he said that the Centre had a specific mandate for that study, but did not in general orient its studies regionally. African countries were covered as a matter of course in the Centre's across-the-board studies of particular industries. However, assistance was given to the Centre/ECA Joint Unit in preparing studies on the activities of transnational corporations in individual African countries. During 1982-1983, for example, six major studies had been conducted on the activities of transnational corporations in agricultural primary commodities in several African countries, while other studies had covered mineral commodities and the pharmaceutical industry. Studies planned for 1984 in African countries included the role of the transnational corporations in the petrochemical industry and in energy. Studies on the activities of transnational corporations in South Africa and Namibia had been requested by the Commission on Transnational Corporations, which was interested in the extent of their collaboration with the racist, minority régime in southern Africa.

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(Mr. Dell)

9. No single criterion was used by the Centre in selecting transnational corporations on which profiles were prepared. The corporations profiled normally operated in industries on which the Centre had been asked to carry out studies, and the factors taken into account included the size of the transnational corporation, its degree of transnationality, and its significance in the industry. The Centre had also had to prepare profiles on a number of companies in response to specific requests from Governments. Approximately 400 profiles were in various stages of completion, over half of them relating to transnational corporations based in the United States.

10. With regard to the P-4 post requested in connection with the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, he confirmed the explanation given by the representative of Egypt. The Group had met for the first time in February 1983 and had adopted a programme of work which called for support from the Centre on Transnational Corporations. The financial implications submitted to the Economic and Social Council in 1982 had obviously been unable to take that programme of work into account. The area was a highly specialized one, in which a redeployment could not readily be effected.

11. The total appropriation for consultants for the biennium 1982-1983 had been \$1,221,400, which included both the Centre and the joint units. The Centre's share had been \$961,800, of which approximately \$910,000 had been committed as at 31 October 1983. During October 1983 the Centre had committed approximately \$100,000. The figures provided by the Controller at an earlier meeting had included both the Centre and the joint units. The bunching of commitments which tended to occur during the autumn, prior to the Commission's session, had been more pronounced in 1983 because approvals under the research programme had been withheld pending the arrival of the new Director of the Policy Analysis Division.

12. It was true that the standard figure of \$4,000 per month used in the budget was not the amount actually paid to consultants. In establishing the remuneration, account was taken of a consultant's academic qualifications and experience and the complexity of the task involved. Final approval was given by the Office of Personnel Services. The increase in the average cost of a consultant work-month as compared with the previous biennium was a general point which applied to all programmes.

13. Turning to the question of consultants whose qualifications were not directly related to the work to be carried out, he said that the ultimate test of a consultant's suitability was the recipient Government's own appraisal. Many of the ablest executives in finance and business administration had no paper qualifications in their area of expertise. There were, for example, a number of prominent international bankers with degrees in philosophy, which seemed to predispose them to an interest in business matters.

14. Expenditure on consultants in specific programme areas for the biennium 1982-1983 had come to within 10 per cent of the estimates presented in the programme budget for that biennium. With respect to the use of consultants from Arab countries, there had been a number of workshops on the international capital market at which Arab banks had been represented.

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(Mr. Dell)

15. The Centre would do all it could to meet the wishes of the Fifth Committee on the use of consultants, wishes which reflected those of the Commission on Transnational Corporations. The necessary changes could not be made overnight, but progress should be possible within the next year.

16. Mr. HOUNGAVOU (Benin) said it was regrettable that the Executive Director had not been present in the Committee when the questions covered in his statement had been raised. In fact, some questions had still not been answered fully, particularly those concerning consultants' fees and the administrative arrangements relating to consultants made by the Centre. His delegation would welcome additional information in writing. It would be useful if copies of the Executive Director's statement were made available to delegations.

17. Mr. DELL (Executive Director, United Nations Centre on Transnational Corporations) said that calculation of the cost of consultants on a monthly basis did not provide an accurate view, since most missions lasted one or two weeks. That meant that some 40 per cent of mission costs related to travel and per diem. It should be borne in mind that the services requested of the Centre required the use of experts with practical experience of transnational corporations and of the host country. It was not easy to find such people. The average daily fee of some \$300 to \$325 was well within the range paid in the United Nations system for short-term assistance and below that paid by some other international organizations. The use of consultants was governed by an administrative instruction, which could be made available. Copies of his statement would be distributed at the next meeting.

18. Mr. PIRSON (Belgium) inquired how the Centre secured information on transnational corporations. In the case of Belgium, the Centre had contacted Belgian companies directly without the knowledge of the Belgian Government. His Government had protested, and wished to know whether its protests would be heeded.

19. Mr. DELL (Executive Director, United Nations Centre on Transnational Corporations) said that the Centre was aware of the problems referred to by the representative of Belgium and would ensure that there was no cause for further complaint.

20. Mr. EL-SAFY (Egypt) noted with satisfaction the assurances given by the Executive Director of the Centre on Transnational Corporations that all points of view expressed in the discussion on the use of experts and consultants would be taken into account. His delegation would, however, monitor the performance of the Centre, especially with regard to its use of consultants and the achievement of geographical balance in all aspects of its work.

21. Mr. TAKASU (Japan) said that his delegation was convinced that there was still room to reduce the use of consultants without hampering the work of the Centre on Transnational Corporations. Accordingly, he proposed that the estimate for consultants should be reduced by 5 per cent, or \$58,000. His delegation was prepared to support the proposal made by the representative of the United Republic of Cameroon to restore the P-4 post requested by the Secretary-General, provided the Japanese proposal with regard to consultants was accepted and the Centre continued to review the necessity of the post in the light of future developments relating to its mandate.

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22. Mr. TOMMO MONTHE (United Republic of Cameroon) said that, if the Fifth Committee adopted the recommendations of CPC in both paragraph 184 and paragraph 378 of part II of its report, it would have to authorize the P-4 post requested, since one of the reasons why the Advisory Committee had refused the request for that post was that 13 work-months of consultants' services had also been requested in the field of international accounting and reporting. If the General Assembly wished to discourage the use of consultants, it must give the Centre the means to perform the tasks assigned to it. His delegation's proposal was designed to reconcile the recommendations of CPC and ACABQ. With regard to the Japanese proposal, he pointed out that CPC had not specified any percentage by which the use of consultants should be reduced. His delegation favoured the more general approach taken by CPC.

23. Mr. EL-SAFY (Egypt) said that most members were convinced of the need for the P-4 post. On the other hand, the request for consultants and experts for the forthcoming biennium was much higher than the appropriation for that purpose for the biennium 1982-1983 and was not justified by the rate of inflation applied in the programme budget proposals. His delegation would therefore support the proposed 5 per cent reduction as an expression of its concern. He was confident that the cut would not affect the programmes under section 9.

24. Mr. GARRIDO (Philippines) asked the Executive Director whether the Centre could manage with a 5 per cent reduction in the appropriation for consultants and what specific areas would be affected if the proposal was adopted.

25. Mr. DELL (Executive Director, United Nations Centre on Transnational Corporations) said that the Centre was operating at the very limit of its resources and that there was no fat in the budget proposals under section 9. The Centre could live with the reduction recommended by the Advisory Committee. However, if the Fifth Committee reduced the Secretary-General's estimate for consultants, the Centre would, of course, do its best to produce what was requested of it, but he could not say that the reduced appropriation proposed corresponded to his assessment of what was required to do the job.

26. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to endorse the conclusions and recommendations of CPC regarding section 9 (A/38/38, Part II, paras. 179-185).

27. It was so decided.

28. The CHAIRMAN said that the representative of Japan had proposed that the provision for consultants should be reduced by 5 per cent or \$58,000. The representative of the United Republic of Cameroon had proposed at an earlier meeting that the Committee should approve the P-4 post requested in connection with the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting. Restoration of that post would entail an increase of \$60,700 in the appropriation recommended by the Advisory Committee. The net effect of adopting both proposals would be to increase by \$2,700 the total appropriation recommended by the Advisory Committee. If he heard no objection, he would take it that the Committee wished to adopt both proposals.

29. It was so decided.

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30. An appropriation in the amount of \$9,707,300 under section 9 for the biennium 1984-1985 was approved in first reading without a vote.

31. Mr. BELYAEV (Byelorussian Soviet Socialist Republic) said that his delegation attached great importance to the activities of the Centre on Transnational Corporations. At the same time, an analysis of the Centre's programme and proposed budget showed that there was some duplication and overlapping, to which CPC had also drawn attention. The management of the Centre should take urgent action to eliminate those shortcomings. In addition, there were some problems in the Centre's use of experts and consultants. While recognizing that, owing to the specific features of its programme, the Centre could not do without the services of outside consultants, his delegation maintained that the Centre must adhere to the basic principles governing the use of consultants in the United Nations system. In particular, consultants should be recruited on the basis of geographical distribution and they should not be used as a substitute for the permanent staff of the Centre.

32. If the proposal to restore the P-4 post and the appropriation for section 9 as a whole had been put to a vote, his delegation would not have been able to vote for them.

33. Mr. KELLER (United States of America) said that his delegation would have preferred the Committee to adopt the recommendation of the Advisory Committee. However, in the interests of accommodation, it had gone along with the consensus. It urged the Secretary-General to fill the P-4 post on a temporary basis. Since the Working Group was scheduled to meet for only two weeks once a year and one P-5 was already working on the related programme element, his delegation considered the staffing provided for it to be over-generous.

#### Section 15. United Nations Conference on Trade and Development

34. The CHAIRMAN pointed out that the initial estimates presented by the Secretary-General in document A/38/6, volume II, represented only the revaluation of the 1982-1983 resource base and anticipated inflation for the forthcoming biennium. The recommendations of the Advisory Committee on the initial estimates were set out in its first report (A/38/7). The Secretary-General had subsequently submitted revised estimates for section 15 in document A/C.5/38/4; the related report of the Advisory Committee appeared in document A/38/7/Add.2. Pursuant to a recommendation of CPC, the proposed programme budget of UNCTAD had been drawn to the attention of the Trade and Development Board and its Working Party on the Medium-term Plan and the Programme Budget. The conclusions of the Working Group, which had been noted by the Trade and Development Board, had been reproduced in document A/C.5/38/CRP.3 for the information of the Fifth Committee. Document A/C.5/38/12 contained a report of the Secretary-General on the preparatory work for bringing the Common Fund into operation; the related report of the Advisory Committee was in document A/38/7/Add.2. Lastly, the Committee had before it a note by the Secretary-General on the interim arrangements for the International Jute Council in document A/C.5/38/20.

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35. Mr. MSELLE (Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General's initial estimate under section 9 was \$54,505,500. The revised estimate submitted in document A/C.5/38/4 was \$55,194,600, representing an increase of \$689,100. After reviewing the revised estimate, the Advisory Committee had agreed to recommend acceptance of the full amount. As a consequence of that recommendation, an additional amount of \$99,800 would be required under section 31 (Staff assessment), to be offset by an equivalent amount under income section 1.

36. Document A/38/7/Add.2, which contained the Advisory Committee's recommendations on the revised estimate, also covered the Secretary-General's proposals in document A/C.5/38/12 concerning the preparatory work for bringing the Common Fund into operation. That subject had already been discussed by the Fifth Committee, which had recommended the General Assembly to authorize an amount of \$1,750,500 for activities in connection with the Common Fund. The Secretary-General's note contained information on activities since 1980. The Advisory Committee had been informed that expenditure from 1980 to 1983 was estimated at \$808,500, leaving a balance of \$942,000. The appropriations for the biennium 1982-1983 would be reduced by that amount, and the Secretary-General was requesting that the same amount should be appropriated under section 15 for the biennium 1984-1985. The Advisory Committee accepted that request. As a consequence, in the budget for the biennium 1982-1983, income section 2 would show a reduction of \$1,750,500, and section 31 would show a reduction of \$49,700, offset by a reduction in the same amount under income section 1. All those reductions would be reflected in the final programme budget performance report. In the proposed programme budget for the biennium 1984-1985, income section 2 would show an increase of \$1,750,500, and section 31 an increase of \$49,700, offset by the same amount under income section 1.

37. With regard to the interim arrangements for the International Jute Council, dealt with in the note by the Secretary-General in document A/C.5/38/20, it would be recalled that the General Assembly had authorized an advance in the amount of \$150,000 under section 15 to cover the requirements of the Preparatory Committee and for the first session of the Council. The Secretary-General had informed the General Assembly that the Preparatory Committee had held a one-week session in the biennium 1982-1983 and that the related expenditure had not exceeded \$46,000, leaving a balance of \$104,000. That amount would be surrendered in the context of the final programme budget performance report for the biennium 1982-1983. The Secretary-General was requesting that the same amount be appropriated for 1984-1985 so that the preparatory work for could be completed. The Advisory Committee recommended acceptance of the Secretary-General's request. Accordingly, an amount of \$104,000 would be required under section 15, while income section 2 would show an increase of \$150,000 to offset the advance of \$104,000 for the biennium 1984-1985 plus the \$46,000 that had already been spent in 1982-1983.

38. The CHAIRMAN said that the discussion of section 15 in CPC was reflected in paragraphs 251 to 267 of part II of its report (A/38/38).

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39. Mr. PEDERSEN (Canada) drew attention to the statement in the report of the Advisory Committee (A/38/7/Add.2, para. 3) that the Secretary-General did not intend to submit further revised estimates under section 15. He suggested that the Secretary-General should try to effect savings in the budget for UNCTAD over the forthcoming biennium. Considerable real growth was proposed for both the hiring of consultants and travel. Too much of UNCTAD's work appeared to be done by consultants as opposed to permanent staff and savings should, accordingly, be possible.

40. Mr. AMNEUS (Sweden) said that his delegation was uneasy about the estimates submitted under section 15. In view of the very short time the Secretariat had had to prepare the revised estimates since the sixth session of UNCTAD, he wondered how UNCTAD and the United Nations Secretariat could be certain that the programme growth proposed could not be accommodated through redeployment of resources. He asked, specifically, whether the initial assessment of the UNCTAD secretariat's absorptive capacity had been confirmed by the more thorough analysis undertaken since August 1983, and whether the United Nations Secretariat saw the scope for economies in the UNCTAD budget in the light of the new directions taken by the UNCTAD work programme.

41. Mr. KELLER (United States of America) said that the Fifth Committee should endorse the recommendations made by the Trade and Development Board's Working Party on the Medium-Term Plan and the Programme Budget that called on the Secretary-General of UNCTAD to endeavour to make economies in the UNCTAD biennial budget for 1984-1985, requesting him to submit a comprehensive document on programme and budgetary procedures within UNCTAD, and calling for the next sessions of the Working Party to take place well in advance of the corresponding meetings of CPC and the Advisory Committee. Other considerations arising out of the recommendations of the Working Party should be taken up in the Second Committee.

42. The Working Party had touched on two other matters: evaluation, and the excessive use of consultants. His delegation was concerned at the UNCTAD secretariat's complacent attitude to evaluation, and could not agree that UNCTAD's existing self-evaluation procedures were sufficient. The over-use of consultants was a recurrent item of discussion in the Fifth Committee. The estimates under section 15 reflected real growth of 6 per cent. UNCTAD, surely, was one section where substantial savings could be made in that area. The Secretary-General should look closely at the justification for the appropriations requested.

43. His delegation supported the concept of economic co-operation among developing countries (ECDC) and regretted that the concept had been overshadowed by the exclusion of certain Member States from UNCTAD meetings on ECDC. His delegation was opposed to that practice, believing that the principle of universality must apply in all meetings in the United Nations system. The ECDC programme included outputs for which there were no mandates - specifically, subprogramme 1.1 (i) and (ii). Some might hold that it was commendable for UNCTAD to wish to get on with the tasks involved, but his delegation believed that UNCTAD should await a mandate from the General Assembly.

(Mr. Keller, United States)

44. His delegation was opposed to the appropriation of \$408,700 to establish a special economic unit concerned with assistance to the Palestinian people, as referred to in paragraph 5 of the revised estimates (A/C.5/38/4). The description of that Unit's sole output, appearing in paragraph 8 (c) of the revised estimates, made it plain that the Unit would merely be duplicating efforts under section 1, where \$2,118,200 had been set aside for the Division for Palestinian Rights. UNCTAD was an important and useful body for negotiations on certain international economic issues. It should not be diverted from its tasks into political fields. His delegation had followed with concern recent reports of questionable procedures followed at meetings of UNCTAD in Geneva and the unsatisfactory explanations put forward by the UNCTAD secretariat. Such reports raised questions about the future of the body.

45. Mr. TAKASU (Japan) said that since UNCTAD programmes were a product of intergovernmental negotiations, the UNCTAD secretariat should abide strictly by the mandates given to it by intergovernmental bodies. The point was important in the case of ECDC programmes, where the secretariat should avoid duplicating the work of other bodies. He noted also that the revised estimates provided, in paragraphs 22 and 41, for meetings by two ad hoc expert groups, when agreement had not yet been reached on whether to establish either. What would happen if, by the end of 1985, the meetings had not been held?

46. He endorsed the recommendation made by CPC in part II, paragraph 267, of its report (A/38/38). Because the Working Party had not reviewed the proposed programme budget of UNCTAD in time, CPC had been unable to consider the submissions in the approved manner.

47. The Secretary-General's revised estimates provided for only modest real growth, but little redeployment was proposed within the UNCTAD secretariat and, it seemed, there had been some confusion in UNCTAD about the procedure for setting priorities. He hoped that the problems would be remedied in forthcoming budget submissions. He hoped also that the Secretary-General's intention of not submitting further revised estimates, referred to in paragraph 3 of the Advisory Committee's report (A/38/7/Add.2), would be taken fully into account in any future examination of the UNCTAD work programme. In that connection, paragraph 4 of the agreed conclusions of the Trade and Development Board's Working Party was very relevant.

48. His delegation was prepared to accept the introduction of word processing on a large scale if a more productive secretariat would result. It noted, however, that little redeployment of staff was proposed in that connection. The reductions in General Service staff time and overtime amounted in total to only 20 and 10 per cent respectively of the sum requested under general temporary assistance. Finally, his delegation endorsed the arrangements for the International Jute Council (A/C.5/38/20) and for bringing the Common Fund into operation (A/C.5/38/12).

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49. Mr. EL-SAFETY (Egypt) objected to the selective references made by some delegations to the recommendations of the Trade and Development Board's Working Party on the Medium-term Plan and the Programme Budget. If the Committee was going to endorse some of those recommendations, it should endorse them all.

50. Mr. TOMMO MONTHE (United Republic of Cameroon) said that CPC had been unable to consider the budget for UNCTAD during the course of the year, and in that connection drew attention to the recommendation made in part II, paragraph 267 of its report (A/38/38). He welcomed the draft agreed conclusions of the Working Party (A/C.5/38/CRP.3) and believed that in future years the procedural problem was unlikely to recur. The divergences of opinion on the UNCTAD work programme were described in paragraph 253 of the CPC report and covered by paragraph 1 of the Working Party's Conclusions. Discussion on the matter should not be reopened in the Fifth Committee.

51. In paragraph 10 of its report (A/38/7/Add.2) the Advisory Committee recommended acceptance of the Secretary-General's revised estimates. His delegation would support the Advisory Committee's recommendation.

52. Mrs. KNEZEVIC (Yugoslavia) said that her delegation fully supported the revised estimates submitted in document A/C.5/38/4. She stressed the importance of ensuring full implementation of the resolutions and decisions adopted by UNCTAD sessions and subsidiary bodies, especially the decisions taken at the sixth session of the Conference. She felt that the draft agreed conclusions submitted by the Working Party should be considered in their entirety, and she endorsed the remarks just made by the Vice-Chairman of CPC, the representative of the United Republic of Cameroon, on the procedure for consideration of the UNCTAD budget.

53. Mr. PINHEIRO-GUIMARAES (Brazil) supported the comments of the Yugoslav representative and said that the revised estimates under section 15 should be accepted by the Fifth Committee.

54. Mr. FORAN (Controller), replying to one of the Swedish representative's earlier questions, said that the Secretary-General of the United Nations had not, since receiving the report of the Working Party, formulated any specific proposals for savings under the UNCTAD budget but would consult the Secretary-General of UNCTAD to see how best to address the Working Party's recommendations. In preparing the revised estimates, the United Nations Secretary-General had taken into account all possible avenues for achieving economies within section 15. Delegations would note that the revised estimates revealed only a very modest increase after a major conference as compared with those submitted after the previous two sessions of UNCTAD.

55. Turning to the question of ad hoc expert groups, he said that estimates for meetings of such groups fell into two categories: those prepared in response to specific mandates laid down by the Conference, and those for groups convened by the Secretary-General of UNCTAD to advise him on specific technical aspects of the UNCTAD work programme. The two ad hoc expert groups referred to by the Japanese representative fell into the latter category. In UNCTAD's experience, Governments sometimes called for expert groups to be convened at very short notice. When that occurred, the requests were generally met by reducing the number of groups convened to advise the Secretary-General.

56. Mr. DURAND (Office for Programme Planning and Co-ordination) said that the Controller's comments on the very modest increases in the revised estimates under section 15 largely answered the Swedish representative's inquiry as to whether the initial assessment of UNCTAD's absorptive capacity had been confirmed by subsequent analysis. The UNCTAD Secretariat had recently confirmed that it could, with some redeployment, meet the demands made on it by the Conference at its sixth session within the resources now being requested by the Secretary-General. If any modifications in anticipated inputs proved necessary, the Programme Planning and Budgeting Board would be notified. As for the possibility of making economies in the UNCTAD budget, the Working Party's recommendation was that economies should be sought without compromising the activities called for by UNCTAD at its sixth session. The UNCTAD secretariat would therefore be seeking to do its work as well as possible, by remaining constantly aware of the desirability of making savings.

The meeting rose at 1.05 p.m.