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SUMMARY RECORD OF THE 18th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

later: Mr. AMARI (Tunisia)
(Vice-Chairman)

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

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The meeting was called to order at 3.20 p.m.

AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued) (A/50/6 (Vols. I and II), A/50/7 and A/50/16)

First reading (continued)

Section 18. Economic Commission for Latin America and the Caribbean

Section 19. Economic and Social Commission for Western Asia

Section 20. Regular programme of technical cooperation

Section 18. Economic Commission for Latin America and the Caribbean

1. Ms. MONTAÑO-DURÁN (Bolivia), speaking on behalf of the Group of Latin American and Caribbean States, stressed the importance which the Group attached to the efforts of the Economic Commission for Latin America and the Caribbean (ECLAC) to promote economic and social development in Latin America and the Caribbean and to the Commission's valuable contribution to the reform of the region's economies. The countries of Latin America and the Caribbean belonged to the category of middle- and low-income countries, and it was therefore essential to strengthen the regional institutions that contributed to the development of the region's economies.

2. The Group considered that the percentage of resources spent on the salaries of the skilled staff of ECLAC was fully justified, since at a time when great importance was attached to intellectual and creative work, the analytical and forward-looking studies undertaken by ECLAC were valuable and the data which it processed useful.

3. The Group wished to express its concern over the reduction in the extrabudgetary resources received by all the regional commissions and, in that connection, supported the Advisory Committee's recommendation contained in paragraph V.10 of its report. ECLAC had achieved significant savings through, inter alia, the successful renegotiation of lease agreements and the increase in productivity following the introduction of new technologies. The savings thus realized, however, should not result in a reduction of resources but rather in their redeployment to other activities which were currently under-funded.

4. The Group regretted the failure to provide for an additional P-4 post to deal with drug control matters and requested that the necessary resources should be allocated for that purpose. On the other hand, it welcomed the establishment of a P-4 post for the follow-up of the activities related to the Global Conference on the Sustainable Development of Small Island Developing States. It was important to allocate additional resources to the subregional headquarters for the Caribbean in Port of Spain. It noted, moreover, that ECLAC was the only regional commission with limited conference facilities, a fact which should be taken into account when setting the future priorities of the Organization.

5. Mr. GODLEY (United States of America) said that his delegation had identified several areas of duplication in the activities of ECLAC and believed that the Commission's budget could be reduced by about 25 per cent. The programmes of food and agriculture, economic development, international trade and development finance, natural resources and energy, environment and human settlements, and social development appeared to overlap with projects of other United Nations agencies and of ECLAC itself and could therefore be scaled back. The activities of the economic and social planning programme and of the industrial, scientific and technological development programme should be abolished. Similarly, many of the projects of subregional activities in Mexico and Central America and in the Caribbean should be scaled back or eliminated for the same reasons.

6. Mr. AMARI (Tunisia) said that his delegation supported the establishment of a new P-4 post for the follow-up of the activities related to the Global Conference on the Sustainable Development of Small Island Developing States, since it attached great importance to the Conference's work.

7. Ms. BUERGO (Cuba) said that her delegation attached great importance to the work of ECLAC and, in particular, to its publications programme. It noted with concern the reduction in the resources allocated to the programmes of environment and human settlements and population and social development and wondered whether the resources allocated were sufficient to discharge the Commission's broad mandates in those fields. She supported the establishment of the new P-4 post for the follow-up of the activities related to the Global Conference on the Sustainable Development of Small Island Developing States and regretted the failure to include in the proposed programme budget the post related to drug control activities.

8. Mr. JU Kuilin (China), referring to the statements made by certain delegations which had deplored the duplication and overlapping of activities that allegedly took place in the various regional commissions, said that the countries of each region were in the best position to determine which activities should be carried out by their respective regional commissions. More convincing arguments were therefore needed to justify reductions in the proposed programme budget on those grounds.

9. Mr. RAMLAL (Trinidad and Tobago) and Mr. ODAGA-JALOMAYO (Uganda) expressed agreement with the statement made by the representative of China.

10. Mr. FATTAH (Egypt) said that his delegation fully supported the statements made by previous speakers and reiterated its support for ECLAC. It also wished to stress the importance of allocating additional resources to the Commission. The Egyptian delegation welcomed the decentralization of the work of the regional commissions which would enable them to implement their policies and programmes with the resources allocated to them. Unfortunately, there had been a significant reduction of those resources, and particularly of extrabudgetary resources, which meant that the results envisaged could not be achieved.

11. Mr. MARCONDES DE CARVALHO (Brazil) said that the immense prestige which ECLAC enjoyed in the region was well known to all. It seemed to be forgotten that, since its establishment 47 years previously, ECLAC had been playing a

critical role in the struggle to achieve economic growth and genuine development and that, since that time, it had undertaken a wide range of highly effective projects and programmes aimed at helping the region to overcome some of the structural problems which were deeply rooted in the continent. It had also made a valuable contribution to the development in the region of a progressive school of thought in economic and social matters.

12. But even though considerable progress had been achieved, much still remained to be done. Despite the recent increase in economic activity in Latin America and the Caribbean and the relative stability of prices, serious problems persisted, many of them social in nature. A large part of the population continued to await the tangible benefits of economic recovery and growth. All the countries of the region had full confidence in the valuable work of ECLAC and, in pursuing their development activities, had come to rely on the valuable cooperation of the Commission. It appeared as though some delegations overlooked that fact.

13. The delegation of Brazil fully supported the statement made by Bolivia on behalf of the Group of Latin American and Caribbean States and could not agree to any reduction in the budget without account being taken of the consequences which such a step would have on mandates and programmes. Throughout the world, the trend was towards local activities, an area in which regional commissions played a very important role. The attempt to reduce the resources of ECLAC appeared to be the result of a highly selective political initiative which was completely unacceptable to the delegation of Brazil. Much remained to be done in the region, and it was therefore necessary to recognize the work of ECLAC and to continue to give it every support, since to do otherwise would deprive Latin America and the Caribbean of the valuable assistance which it had been receiving from the Commission.

14. Mr. DIPP (Dominican Republic) said that his delegation supported the statements made by the representatives of Bolivia, Cuba and other countries on the need to strengthen ECLAC, which had been engaged in very effective work, particularly in the Caribbean through its office in Trinidad and Tobago. He also supported the recommendation made by the Advisory Committee that the P-4 post should be maintained for ECLAC. The Commission’s publications programme and its visits to the various countries were extremely important in order to maintain coordination and to disseminate information, activities which were of great value to other countries. He therefore supported all the recommendations that, instead of reducing the budget of ECLAC, adequate resources should be allocated to the Commission to enable it to continue its valuable programme of assistance and dissemination of information in the various countries.

15. Mr. TAKASU (Controller), referring to the views expressed by some delegations that ECLAC was spending too much on unnecessary activities involving the compilation of data, organization of meetings and sponsoring of information sessions, said that those were precisely the activities for which it had been created by the Economic and Social Council and by Member States. The role of the regional commissions was to serve as centres for the exchange of ideas in order to assist in the development of member countries. In the original mandates, all Member States had entrusted ECLAC and the other regional commissions with the task of undertaking or sponsoring research and studies

aimed at resolving economic and technological problems and at contributing to the development of the countries of the respective regions; they had also mandated them to undertake or to sponsor activities of compilation, analysis and dissemination of statistical data in the fields of economics and technology. That was precisely the mission which ECLAC was required to accomplish.

16. In preparing the budget proposal, the Secretary-General had used the medium-term plan for the period 1992-1997, which had already been adopted by the General Assembly and all Member States. Moreover, ECLAC had reviewed the programme of work and all delegations had taken part in that exercise, including those which now argued that ECLAC was performing unnecessary tasks. In 1995 the programme structure and resource requirements for ECLAC had been submitted through the Committee for Programme and Coordination (CPC), which had reviewed the relevant section, including those parts which might involve duplication and overlapping of duties or unnecessary work. Following the programme analysis by the Economic and Social Council and CPC, CPC had recommended to the General Assembly that it should approve the programme narrative of section 18, which included the 14 subprogrammes. The Secretary-General had been guided by those decisions and consequently, there was no reason to eliminate any activities unless the General Assembly expressly decided to do so and indicated that certain elements of the programme of work were unnecessary. The Secretary-General did not believe that to be the case.

17. With regard to the observation that resources could be cut substantially without detriment to the programme of work of ECLAC, he pointed out that the Secretary-General had proposed the budget on the basis of the minimum requirements to carry out all mandated activities, and that proposal had been accepted by all the members of the regional commission. Unless the General Assembly decided that some elements of the programmes were unnecessary, it would not be possible to make any significant reduction in the resources without jeopardizing the programme of work.

18. With regard to the subprogrammes on food and agriculture, economic and social planning, industrial, scientific and technological development, international trade and development finance, natural resources and energy, and social development, it would be misleading to state that any of them duplicated work done by other bodies and that ECLAC should not be involved in such activities. All the activities included in the subprogrammes had been reviewed and approved by the Commission. It was true that ECLAC was not the only body working in those areas and it should therefore work in close collaboration and consultation with other pertinent United Nations agencies and programmes; as noted in paragraph 18.4 of the proposed programme budget, ECLAC would continue liaison and cooperation with FAO, Habitat, UNIDO, UNEP, UNCTAD, ILO and other organs and departments.

19. The International Trade Centre (ITC) and the United Nations Development Fund for Women (UNIFEM) carried out activities related to trade and the social development of women, respectively, but they had very specific tasks. They were essentially executing agencies; for example, the mission of UNIFEM was to provide resources for projects pertaining to women. Thus, there was no basis for stating that ECLAC performed the same duties as UNIFEM; rather, its work was complementary to that carried out by UNIFEM.

20. Since the creation of the United Nations, the regional commissions had played an essential role in the Organization, which had always tried to delegate programme execution powers to them, since they were best suited to provide Member States with services in the area of economic and social development.

21. With regard to the drug programme, he said that it was considered to be global in scope, and was the responsibility of the United Nations Drug Control Programme (UNDCP). The regional commissions received support from UNDCP, but were not deemed to be responsible for drug-related activities.

22. Mr. Amari (Tunisia), Vice-Chairman, took the Chair.

23. The CHAIRMAN said he took it that the Committee had completed its first reading of section 18 of the proposed programme budget for the biennium 1996-1997, and that it wished to hold informal consultations on that section, with a view to taking appropriate action.

Section 19. Economic and Social Commission for Western Asia

24. Mr. FATTAH (Egypt) said that the Economic and Social Commission for Western Asia (ESCWA) was one of the commissions that had been most affected by an unstable situation, inasmuch as its headquarters had been moved from Beirut to Baghdad and from Baghdad to Amman and would probably be moved away from Amman also. All those moves had affected the work of its staff. His delegation was pleased to note that, despite all the difficulties, the Commission had carried out many activities. His delegation also welcomed the appointment of the new Executive Secretary of ESCWA.

25. The Commission needed support, particularly in the area of environmental protection, since following the Gulf War, there had been serious environmental pollution in the region.

26. His delegation also expressed concern over the tendency to reduce the resources allocated to ESCWA for the future.

27. Mr. ASHABI (Yemen) endorsed the comments made by the representative of Egypt, and said that he shared his concern regarding the financial situation of the Commission; the many moves it had had to make jeopardized the assistance it could provide to other countries. The Commission did not have the necessary resources for the relocation to its new headquarters, which would probably be once again in Beirut.

28. Yemen depended on ESCWA and placed great hopes in it, since it had been of great assistance in the past. A number of sectoral projects were still under way in the context of the development plans of Yemen and other countries of the region. He therefore considered it necessary to continue to provide ESCWA with support and resources, so that it could carry out its work.

29. The regional commissions represented one of the principal sources of funding for development activities. One of the main roles to be played by ESCWA in the future would be in the area of development, including support for the

structures of the developing countries in general and those of the least developed countries in particular.

30. Mr. GODLEY (United States of America) said that, as in the case of the other regional commissions, his delegation had identified several areas of duplication and overlap in the programme of work of ESCWA. Once again, his delegation proposed a reduction of resources of some 25 per cent which, in its view, would not have an adverse impact on the Commission's work. In addition, it believed that some programmes should be scaled back or eliminated.

31. First, although water resources were important to the region, it was difficult to believe that the resources devoted to the region in subprogramme 1 could not be scaled back. In the view of his delegation, work on the regional power-generation network would be more appropriately conducted in the private sector.

32. Second, his delegation questioned whether the activities under subprogramme 2, which involved mostly analytical work on human development issues, including those concerned with the provision of shelter, women and the alleviation of poverty, contributed any further to the ongoing work in other bodies of the Economic and Social Council. His delegation therefore proposed that that subprogramme should be eliminated.

33. His delegation believed that the activities under subprogramme 3, which devoted considerable resources to the evaluation of the prospects for various regional projects and the development of statistical indicators, could be significantly scaled back.

34. Subprogramme 4 should also be eliminated, since its focus on evaluation and the formulation of recommendations on macroeconomic policies duplicated the work of the United Nations Conference on Trade and Development (UNCTAD), the World Trade Organization (WTO) and other institutions.

35. Finally, his delegation was concerned about the level of programme support for ESCWA. The proposed programme budget for the biennium 1996-1997 provided for $18.5 million and 163 posts, almost half of the Commission's resources. In comparison, the Economic Commission for Europe (ECE), which had a considerably larger membership, allocated only 8.8 per cent of its budget to programme support. ESCWA was grossly overstaffed, and was unlikely to be using resources efficiently.

36. Mr. DJACTA (Algeria) said that ESCWA and the pertinent section of the budget were particularly important to his country. He was therefore entirely in agreement with the level of resources and means allocated for its different mandates and activities and he appealed to the Committee to bear in mind the needs of the region. He trusted that the question of resources would be resolved in informal consultations.

37. Mr. TAKASU (Controller) said that the budget for ESCWA had been prepared on the basis of the programme of work approved in the medium-term plan. Under the leadership of its new Executive Secretary, the Commission had made an effort to reorient the main areas of priority in its programme of work and to follow a

thematic approach in order to avoid excessive fragmentation of programmes. The budget therefore focused on activities in five subprogrammes, which had been carefully reviewed by all States members of the Commission and had received their firm support.

38. With regard to subprogramme 2, Improvement of the quality of life, he said that it was a priority activity for ESCWA. Although there might appear to be some duplication of effort with respect to certain aspects or activities, that did not mean that the subprogramme was unnecessary. Moreover, it enjoyed the support of the members of the Commission.

39. That also applied to subprogramme 4, Regional development and global changes, the elimination of which had been proposed. It had received the unanimous support of the members of ESCWA. The Secretariat attached great importance to regional development and to efforts by States members of ESCWA to adapt to global changes.

40. It had also been argued that, compared with ECE, ESCWA was not using its resources efficiently because it had submitted a budget of $18.5 million for programme support activities, while ECE, whose headquarters was in Geneva, allocated only 8.8 per cent of its budget to such activities. That totally erroneous conclusion was the result of a simplistic analysis and could hinder the budget preparation process.

41. Because its headquarters was in Geneva, all programme support expenditures of ECE were borne by the United Nations Office in that city. ESCWA, on the other hand, did not receive any help and was solely responsible for all costs relating, inter alia, to general services, purchasing, buildings management, security, conference services, finance, and computer systems. The assistance that ECE received from the United Nations Office in Geneva totalled more than $14 million, an amount that was included in the budget of the United Nations Office. ECE thus spent more than $15 million for programme support and it was therefore incorrect to say that ESCWA had a larger programme support budget.

42. The CHAIRMAN took it that the Committee had completed the first reading of section 19 of the proposed programme budget for the biennium 1996-1997 and had decided to transmit the section to informal consultations for further discussion and the adoption of appropriate action.

Section 20. Regular programme of technical cooperation

43. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee’s recommendations on section 20 of the proposed programme budget for the biennium 1996-1997 (Regular programme of technical cooperation), said that not only the United Nations allocated part of its budget for technical cooperation activities; nearly all the specialized agencies of the United Nations system did so as well.

44. The level of resources to be provided under section 20 had been determined by the General Assembly several years earlier and since that time it had been adjusted solely to take account of inflation. Reports on technical cooperation projects were submitted to the Executive Board of the United Nations Development

Programme (UNDP) and the internal and external auditing of the accounts was carried out in connection with the auditing of the accounts of United Nations operations involving the different implementing and executing entities.

45. The Advisory Committee recommended that the monitoring, evaluation and control of the resources allocated to section 20 should be strengthened in each of the implementing and executing entities and was transmitting the estimates for section 20 to the General Assembly for appropriate action.

46. Mr. ALOM (Bangladesh) said that his delegation had strong reservations concerning the budget appropriations for the programme. Technical cooperation in itself entailed considerable duplication and overlapping. One wondered to what extent central coordination by the United Nations system was appropriate in view of the existence of UNDP, which provided catalytic support to all Member States. Various specialized agencies also implemented independent technical cooperation programmes. Appropriations of up to $40 million had been included for sectoral, regional and subregional advisory services but there was no background information in support of the programme. Until such time as the programmes that were to benefit from technical cooperation or advisory services could be identified, advance approval could not be given for appropriations in the amount of $40 million.

47. Moreover, short-term advisory services were not always useful to the countries receiving them. They were generally provided on the initiative of particular special interest groups and rarely had any connection with the country's basic programme. Until such time as a link could be established between short-term advisory services and national or regional programmes, the appropriation of resources could not be approved. His delegation would be grateful if the Secretariat could provide at least a minimum outline of the programmes to which technical cooperation or advisory services would be provided.

48. Mr. MONGELLA (United Republic of Tanzania) said his delegation attached special importance to section 20 of the proposed programme budget and was convinced that the activities undertaken would be conducive to the development of the countries concerned. As indicated in the Advisory Committee's report, the Secretariat should provide the information needed to rationalize the programme and enhance its effectiveness. It might appear from an examination of the three main types of technical cooperation that the effects of short-term advisory services was ephemeral but his delegation considered that, on the contrary, such services could have a lasting impact. With regard to field projects and training activities, the majority of developing countries needed substantial support in those areas. On that understanding, his delegation supported the programme and took account of the conclusions of CPC in that regard.

49. Mr. GODLEY (United States of America) recognized and supported the important contribution of the United Nations system in the area of technical assistance and encouraged it to continue its work. He had, however, some objections with regard to the United Nations regular programme of technical cooperation. The resources allocated to that section of the budget consisted essentially of unprogrammed funds channelled into various United Nations

activities with a view to accomplishing unspecified technical cooperation tasks. As the regular programme of technical cooperation was financed by assessed contributions, the expenditures included in the programme budget of the United Nations should be clearly specified and justified and the funds should not be used to finance activities that were not specified in the regular budget. His delegation endorsed the recommendations of the Advisory Committee regarding the monitoring, evaluation and control of those resources.

50. In addition, the regular programme of technical cooperation should be gradually eliminated from the regular budget and financed exclusively through voluntary contributions. As a first step, he proposed that the resource base should be specified and the levels allocated to the programme reduced.

51. Mr. MIRMOHAMMAD (Islamic Republic of Iran) asked for clarification on two points. First, despite the great importance of economic development to developing countries, the resources allocated to the human rights programme in the proposed programme budget greatly exceeded those allocated to other activities. Second, in paragraph 20.22 it was stated that the activities under the technical cooperation programme were in support of the objectives of subprogramme 3 of programme 35, Promotion and protection of human rights, of the medium-term plan, as revised. However, as was known, the revision of programme 35 had not been carried out in accordance with the relevant mandates and had therefore not been approved by the Committee for Programme and Coordination or by the General Assembly.

52. Mr. TAKASU (Controller) said that the programme of technical cooperation had formed part of the programme budget of the United Nations since the establishment of the Organization. As early as its first session, the General Assembly had agreed, in resolution 58, that the activities in question should be financed from the regular budget. At its third session, the General Assembly had decided to expand the programme and to appropriate the resources that would allow the Secretary-General to implement economic development programmes. The Assembly had decided that the promotion of conditions of economic and social progress and development was one of the principal objectives of the Charter of the United Nations, and that the lack of expert personnel and the lack of technical organization were among the factors which impeded the economic development of Member States. In the light of Chapters IX and X of the Charter, it had decided to appropriate the funds necessary to enable the Secretary-General to send experts to organize training programmes. Since then, the regular budget of the United Nations had systematically included a section devoted to such activities.

53. As had been noted by the Chairman of the Advisory Committee, all the specialized agencies followed the same procedure of including appropriations, charged against assessed contributions, in their regular budget for technical cooperation activities. Technical cooperation should not depend solely on the voluntary contributions of donor countries. All Member States should make contributions to the programme on the basis of a scale of assessments. Initially, the technical cooperation programme had been considered on a project-by-project basis by the Economic and Social Council. Later on, the General Assembly had taken the view that authority should be delegated to the Secretary-General and in 1969 a new budgetary and administrative procedure had been

adopted for the implementation of the programme and the Secretary-General had been empowered to authorize individual projects. The Secretary-General had in turn delegated that authority to the executive heads of the implementing and executing entities.

54. As shown in table 20.2 of section 20, appropriations were distributed among 12 fields of activity. In the case of the human rights programme, appropriations had been increased in the biennium 1994-1995 because of the Vienna Conference, but in the next biennium the appropriations which had previously been approved would be maintained. Table 20.3 showed the scale of the activities and the number of experts required. With regard to paragraph 20.22, the first revision of the medium-term plan had been approved by the General Assembly in 1992 and the version submitted in 1994, which had not yet been approved, had not been used in the preparation of the proposed programme budget.

55. Project implementation was not a Secretariat initiative but occurred in response to the requests and needs of Member States. The Secretariat did not prepare projects at random but, given that the requirements of Member States might change during the period of execution, it was considered more appropriate not to compile a list of projects at the beginning of the biennium but to allow the Secretariat the necessary flexibility to respond more effectively to changes in the requirements of Member States.

56. Mr. HANSON (Canada) said that his delegation fully supported technical cooperation for development but, as had already been noted, the programme had been operating on essentially the same basis since 1969 and the time had come for a fundamental review.

57. Resources were appropriated to the section solely for the purpose of being transferred to other sections. That was a cumbersome and unnecessarily complex procedure and did not make for transparency or give the General Assembly the responsibility and control that it should always exercise when dealing with regular budget resources. The proposed programme budget had little to say about the specific activities to be funded. As technical cooperation was provided in response to specific requests by Governments, which could not be predicted in advance, it was only possible to indicate areas of activity and to give a rough breakdown of appropriations. Those general indications were, however, insufficient in the case of regular budget resources financed from assessed contributions. In all other sections of the budget, details were rightly expected in advance concerning the type of activities to be undertaken and the resources to be used for the purpose. Only in section 20 were Member States requested to contribute almost $50 million on the basis of very general indications regarding the purpose for which the funds were to be used.

58. There was a section in the regular budget for each of the organizations receiving funds under the technical cooperation programme. It would be much more appropriate, and consistent with minimum standards of transparency and accountability, if the budget section corresponding to each department or organ were to specify the proposed technical cooperation activities to be financed from the regular budget where such financing was appropriate. The General Assembly would then be in a better position to exercise the necessary control.

59. The CHAIRMAN took it that the Committee had completed the first reading of section 20 of the proposed programme budget for the biennium 1996-1997 and had decided to transmit the section to informal consultations for further discussion and the adoption of appropriate action.

The meeting rose at 4.45 p.m.