



SUMMARY RECORD OF THE 44th MEETING

Chairman: Mr. FONTAINE-ORTIZ (Cuba)

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

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The meeting was called to order at 10 a.m.

AGENDA ITEM 117: PERSONNEL QUESTIONS (continued) (A/C.5/41/L.21, L.22)

1. The CHAIRMAN said that, agreement had been reached on draft resolutions A, B and D of document A/C.5/41/L.21 after long and sometimes difficult consultations. However, since negotiations were continuing with regard to draft resolution C, he suggested that a decision on the whole set of draft resolutions should be deferred until those negotiations had been completed. He also suggested that a decision on the draft decisions contained in document A/C.5/41/L.22, on which general agreement had been reached, should be deferred as well. If he heard no objections, he would take it that the Committee endorsed his suggestions.

2. It was so decided.

3. Mr. MURRAY (United Kingdom) said that it had been his delegation's understanding during informal negotiations that the draft decision contained in document A/C.5/41/L.22 would be a decision of the Fifth Committee, not of the General Assembly.

4. The CHAIRMAN said that it was normal for draft decisions to be taken by the General Assembly. However, he would consult with the Secretariat and interested delegations in order to elicit more information on the subject.

5. Mr. MURRAY (United Kingdom) said he recalled that the Fifth Committee had indeed taken decisions on its own behalf in the past. Moreover, his delegation felt that decisions taken in informal negotiations should not be changed unless those who had participated in the original decision were consulted.

6. Mr. DUQUE (Secretary of the Committee) said that the Main Committees of the General Assembly could adopt decisions relating to the conduct of their own work but not decisions on substantive issues. The draft decision in question should be adopted by the General Assembly.

AGENDA ITEM 118: UNITED NATIONS COMMON SYSTEM: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (continued) (A/41/30; A/C.5/41/L.14)

AGENDA ITEM 119: UNITED NATIONS PENSION SYSTEM: REPORT OF THE UNITED NATIONS JOINT STAFF PENSION BOARD (continued) (A/41/9; A/C.5/41/L.15)

7. The CHAIRMAN said that general agreement had been reached on draft resolutions A/C.5/41/L.14 and L.15. If he heard no objections, he would take it that the Committee wished to adopt the two draft resolutions without a vote.

8. It was so decided.

9. Mr. GREGG (Australia) said that Australia had joined the consensus without reservation and, in the case of the resolution concerning the United Nations pension system, with a sense of relief. The Fifth Committee had spent too much

(Mr. Gregg, Australia)

time in recent years coping with errors of judgement by expert bodies, in particular those of the United Nations Joint Staff Pension Board. The revised scale of pensionable remuneration just adopted should provide a basis for stability over the next few years. However, a number of methodological problems would have to be solved before the forty-fifth session, foremost among them being the relationship between pensionable remuneration and total emoluments. Pensions should be based on salaries, not on post adjustment allowances. His delegation had already made clear its opposition to any form of expatriation factor in pensionable remuneration, and would be working with like-minded delegations to secure the removal of that factor from future scales. Lastly, in the interest of fairness and transparency, the cost-of-living differential between Washington, D.C. and New York should be removed from net remuneration margin calculations.

10. Mr. TETTAMANTI (Argentina) said that his delegation regarded the operative paragraph of section I of draft resolution A/C.5/41/L.14 as a clear indication to the International Civil Service Commission that eliminating the cost-of-living differential between New York and Washington, D.C. was unacceptable. With regard to draft resolution A/C.5/41/L.15, although his delegation had not opposed adoption without a vote, it had serious doubts about the pension scale being proposed. The Commission had not been able to base its work on well-founded technical proposals, and there had not been adequate co-operation between ICSC and the Pension Board. The scale proposed by the Fifth Committee reflected a political compromise, the legal consequences of which had not been fully thought out. The Fifth Committee had become involved in technical matters which should be dealt with by ICSC and the Pension Board, and for which the delegations did not have the necessary expertise. The objectives of setting up a fair scale, initiating a period of stability and not imposing additional cost burdens on Member States had not been met. They could be achieved only by establishing methodologically clear and fully shared principles.

11. Mr. LADJOUZI (Algeria) said that, if draft resolutions A/C.5/41/L.14 and L.15 had been put to the vote, his delegation would have had some difficulty in supporting them. Technical work relating to conditions of service and on the scale of pensionable remuneration should be performed by ICSC and the Pension Board. The Fifth Committee's responsibility was to verify that the conclusions reached by those bodies conformed to the General Assembly's policy guidelines for the common system. Nevertheless, in the face of the contradictions between the conclusions of ICSC and those of the Pension Board, the Fifth Committee had been compelled to redo the work, thereby complicating the situation from both the legal and the practical points of view. Draft resolution A/C.5/41/L.14 did not recommend a satisfactory solution to the problem of the differential between New York and Washington, D.C. He expressed the hope that in future ICSC would take that differential duly into account. As to draft resolution A/C.5/41/L.15, his delegation had difficulty in understanding the technical reasoning on which the scale in the appendix was based.

12. Mr. JAGUARIBE (Brazil) said that his delegation had decided to support draft resolution A/C.5/41/L.15 because, in section I of draft resolution A/C.5/41/L.14, the General Assembly was sending a clear message to ICSC that the cost-of-living differential between New York and Washington, D.C. was a necessary element in the

(Mr. Jaquaribe, Brazil)

calculation of the margin between the United Nations and the comparator civil service and must be taken into account when ICSC considered all elements of the methodology and prepared recommendations for consideration at the forty-second session of the General Assembly.

13. Although it had not opposed draft resolution A/C.5/41/L.15, his delegation felt that the approval of a new scale of pensionable remuneration for the Professional and higher categories should be subject to broad consultations and to the technical advice of the relevant expert bodies. In that regard, Brazil regretted that the requested co-operation between ICSC and the Pension Board had not fully taken place.

14. Mr. ORLANDO (United States of America) said that his delegation was pleased that the Committee had achieved consensus on the two draft resolutions. ICSC had been requested to review the issue of the New York-Washington adjustment to the margin. Although there was indeed a difference in the cost of living between New York and Washington, the comparator civil service had one uniform national pay scale, regardless of location and cost of living. It was therefore technically inaccurate to add an adjustment factor to the comparator salaries in the margin calculation. The request to the Commission to review the matter was unnecessary because the Commission had not completed its work on the calculation of the margin, and it was premature to request it to review parts of its work before the overall result was obtained. That request should not be viewed by the Commission as prejudicial. Rather, the members of the Commission, as independent experts in personnel management, should review the matter in a reasoned and professional way.

15. With regard to pensionable remuneration, he commended both ICSC and the Pension Board for the restraint demonstrated in their proposals. The need to moderate the levels of pensionable remuneration had been fully acknowledged by both bodies. His delegation had preferred the ICSC proposal, because it would have provided equitable benefits as well as a saving to the common system of some \$11 million. However, in a spirit of compromise, it had accepted the scale developed in the Fifth Committee. The resulting saving of close to \$9 million, although less than under the ICSC proposal, was nonetheless significant.

16. Mr. MIKKELSEN (Denmark) said that his delegation had joined in the consensus on draft resolution A/C.5/41/L.15, including section II, paragraph 2 (b). Denmark had always been a firm supporter of full respect for the acquired rights of the participants in the Pension Fund. The definition of those rights should, however, be determined by the competent tribunals. His delegation therefore expressed its reservations to the conclusions concerning acquired rights expressed in paragraph 70 of the Pension Board's report.

17. Mr. BIDNY (Union of Soviet Socialist Republics) said that the pensions of international civil servants should be as closely aligned as possible with those of the comparator civil service. His delegation had therefore found even the new scale of pensionable remuneration proposed by ICSC to be unacceptable. It regarded the scale adopted - to which it had agreed only because of an overall saving of

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(Mr. Bidny, USSR)

about \$9 million - as a transitional measure pending the adoption of a still lower scale which would ensure equality of pensions between the United Nations and the United States civil service. As to the cost-of-living differential between Washington and New York, the ICSC decision not to take it into account was correctly based on the practice of the comparator civil service.

18. The draft resolutions just adopted contained a number of provisions that would ensure savings and improve the United Nations pay-scale system; his delegation had therefore agreed to accept them without a vote. Moreover, he hoped that the tradition of adopting resolutions on staff salary questions by consensus would continue. However, he urged delegations, in the light of the financial crisis, to be more responsible in their approach to matters that had significant financial implications.

19. Mr. MAJOLI (Italy) said that economy measures should not be made at the expense of the elderly. In discussing the expatriation factor, it had been stated that a retiree who returned to his own country after many years abroad was a virtual expatriate in his own country. His delegation had accepted the compromise but would observe that paragraph 6 of draft resolution A/C.5/41/L.15 requested ICSC to act "in full co-operation with the United Nations Joint Staff Pension Board". The word "full" had been used in order to emphasize the necessity of such co-operation.

20. Mr. FORSHELL (Sweden) said that his delegation shared the views expressed by the representatives of Algeria and Brazil, amongst others, that the work completed in informal consultations had been the kind of specialized work which the Fifth Committee should not normally have to perform. He therefore hoped very much that the co-operation between ICSC and the Pension Board would proceed more smoothly in the future.

21. Mr. HOLBORN (Federal Republic of Germany) said that his delegation had joined in the consensus on draft resolutions A/C.5/41/L.14 and L.15, despite reservations concerning certain of their provisions, because it considered that there should be general agreement on resolutions with far-reaching consequences for the United Nations and the common system. His delegation would like to see a period of stability in the area of pensionable remuneration.

AGENDA ITEM 110: PROGRAMME BUDGET FOR THE BIENNIUM 1986-1987 (continued)

Salary and retirement allowance of the Secretary-General and salary and pensionable remuneration of the Director-General for Development and International Economic Co-operation and the Administrator of the United Nations Development Programme (A/41/7/Add.11)

22. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of ACABQ in document A/41/7/Add.11, said that draft resolutions A/C.5/41/L.14 and L.15 approved the introduction, with effect from 1 April 1987, of new scales of staff assessment and pensionable remuneration

(Mr. Mselle)

for the Professional and higher categories. In its report, the Advisory Committee had attempted to anticipate those developments and the effects they might have on the salary and retirement allowance of the Secretary-General, and the salary and pensionable remuneration of the Director-General for Development and International Economic Co-operation and the Administrator of the United Nations Development Programme. The report traced the development of the procedure whereby current maximum retirement allowances had been established. The Secretary-General was not a member of the United Nations Joint Staff Pension Fund and his retirement allowance had never been linked to scales of pensionable remuneration. For the reasons given in paragraph 4 of its report, the Advisory Committee was recommending that the current maximum retirement allowance should be maintained and that the method for determining allowances should be re-examined when further changes were made in the salary of the Secretary-General or by the forty-fourth session of the General Assembly, whichever was earlier.

23. The Advisory Committee pointed out (para. 5) that as a consequence of the new scales of staff assessment, it would be necessary to revise the gross salary of the Secretary-General. It recommended a new gross salary of \$131,161 from 1 April 1987, as compared with a current gross salary of \$163,300. Net remuneration would not be affected.

24. The Advisory Committee was also recommending (para. 6) the application of a new scale of staff assessment for the Director-General and the Administrator of UNDP, resulting in a reduction in their gross salaries from \$159,115 to \$119,429, with effect from 1 April 1987. Their current level of pensionable remuneration had been determined by extrapolation from the scales of pensionable remuneration for the Professional and higher categories, taking into account the new scale recommended in draft resolution A/C.5/41/L.15. The Advisory Committee recommended that the level of their pensionable remuneration should be established at \$126,900 with effect from 1 April 1987 (para. 8).

25. The recommendations of the Advisory Committee would result in a small net saving and it was therefore not necessary to adjust appropriations at the current time. The draft resolution embodying the Advisory Committee's recommendations was contained in the annex to its report.

26. The CHAIRMAN said that if he heard no objections he would take it that the Committee wished to adopt without a vote the draft resolution recommended by the Advisory Committee on Administrative and Budgetary Questions in document A/41/7/Add.11.

27. It was so decided.

Draft report of the Fifth Committee (A/C.5/41/L.16)

28. Mr. HERIJANTO (Indonesia), Rapporteur, introducing the draft report of the Fifth Committee on the programme budget for the biennium 1986-1987 (A/C.5/41/L.16), said that section II listed the increases or decreases approved by the Committee at

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(Mr. Herijanto, Indonesia)

the forty-first session in respect of revised estimates and financial implications and indicated the changes that would be required in the appropriations and estimates of income contained in General Assembly resolution 40/253. The changes approved by the Committee were reflected in draft resolutions III A and B in section IV.

29. Section III summarized the special subjects considered by the Committee. An eighteenth subject, the emoluments of the Secretary-General, the Director-General and the Administrator of UNDP, would be added.

30. Section IV contained the draft resolutions. Before the report was submitted to the General Assembly, a tenth section would be added to draft resolution I to reflect the Committee's decision concerning the emoluments to which he had just referred.

31. Sections I, II and III and draft resolutions I and II were adopted.

32. The CHAIRMAN said that at the request of the representative of the United States a recorded vote would be taken on draft resolution III A.

33. Ms. MUSTONEN (Finland), speaking in explanation of vote before the vote on behalf of the five Nordic countries, said that if orderly financing of United Nations activities was to be ensured, broad agreement was needed on the level and content of the budget, the scale of assessments, and the payment of assessed contributions. The Nordic delegations had accepted the rather moderate increase in revised estimates for the biennium 1986-1987, caused in large part by currency fluctuations, and, indeed, considered that those estimates reflected a high degree of restraint. Their reservations related to the continued practice of withholding assessed contributions which was jeopardizing the financing of United Nations activities. The Nordic countries hoped that determined efforts would be made to ensure the credibility and financial viability of the United Nations.

34. Mr. MAJOLI (Italy) said that only by utilizing available funds more effectively and by monitoring the distribution of tasks within the various departments, and especially by eliminating low-priority initiatives, could the goal of strengthening the role of the United Nations be achieved with positive effect, in particular for the developing countries. In the current financial crisis, and at a time when Member States were curtailing their own national budgets, it was imperative to impose rigid discipline in the financing of international organizations, and particularly to avoid a rise in administrative costs. Any undue increase in assessed contributions might have the unwelcome result of reducing the flow of voluntary contributions from Member States.

35. His delegation was seriously concerned at the repeated requests for additional funds presented half-way through the biennium, the limited consideration given by the Fifth Committee to the recommendations of ACABQ and the continuing unsatisfactory geographical distribution of staff in the Secretariat, in which his own country continued to be underrepresented. Furthermore, the scale of

(Mr. Majoli, Italy)

assessments penalized Italy by not taking into account a number of pertinent factors and data. His delegation believed that the financial costs of various programmes should not exceed the initial appropriations. The budget must constitute the limits within which the various activities of the biennium should be carried out, and the financing of additional appropriations should be met from existing resources. For all those reasons, his delegation was unable to support the request for additional appropriations for the current biennium and would abstain in the vote on draft resolution III A.

36. Mr. VISLYKH (Union of Soviet Socialist Republics) said that additional expenditures arising during the budget period should be financed from existing resources, including those released as a result of the elimination of obsolete or marginally useful activities. Additional costs resulting from inflation and currency instability should be partially offset by voluntary contributions from headquarter countries, for the presence of United Nations facilities in their territory provided the countries concerned with significant income. The Secretariat should begin consultations with those countries on the subject. Furthermore, provision continued to be made for activities which ran counter to the Charter. Accordingly, his delegation would vote against the revised budget appropriations for the biennium 1986-1987.

37. Mr. TAKASU (Japan) said that, although efforts had been made in some areas to restrict additional requirements and there were some encouraging signs of administrative and financial reform, his delegation had a number of reservations on various aspects of the programme budget. Firstly, the additional activities proposed and the revised appropriations would substantially increase the budget, adding to the burden placed on Member States. It was difficult to accept a situation in which disbursements would be reduced by approximately 10 per cent and yet Member States would be assessed contributions on an increased level of appropriations. Secondly, the revised appropriations did not reflect such expenditures as those relating to the General Service job classification, and thus underestimated the real level of expenditure. Thirdly, his delegation noted with concern that, despite general efforts to contain growth, significant additional activities had been approved during the session with little regard to the current financial crisis. Accordingly, it was not convinced that every possible effort had been made to minimize add-ons. His delegation was also deeply concerned about the growing tendency to disregard reasonable recommendations by the Advisory Committee, including those relating to the UNIDO loan repayment and the job classification of the General Service staff in New York.

38. Notwithstanding those reservations, because of its deep commitment to the United Nations and its desire to encourage the Secretariat and the intergovernmental bodies to implement the required administrative and financial reforms, his delegation would not oppose the revised appropriations. It would, however, closely monitor the implementation of the budget in 1987.

39. Mr. MICHALSKI (United States of America) noting that net resource requirements for the revised budget represented an increase of about 4.5 per cent above the previous year, said that while programme growth had slowed considerably, the cost of running the Organization continued to increase at an unacceptable rate. The level of budget add-ons, submitted in the form of revised estimates and programme budget implications of draft resolutions from other Main Committees, had been significantly below that of previous sessions. His delegation hoped that that trend would continue. The resolution on pensions recommended by the Fifth Committee built on previous efforts to restrain growth in personnel costs, which accounted for three quarters of the United Nations budget. Restraint in that area meant that rates of programme growth were proportionately higher in other objects of expenditure. The Advisory Committee deserved praise for its contributions towards budgetary restraint. Because the Fifth Committee had overturned the ACABQ recommendations relating to the repayment of the UNIDO loan and the General Service job reclassification exercise in New York, his delegation had voted against proposals which it would otherwise have been in a position to support.

40. Despite the relatively modest programme growth, the total resources requested were excessive, and his delegation would therefore vote against the revised appropriations. It believed that increases, resulting from changes in currency rates should be absorbed within existing resources wherever possible. While his delegation found much to commend in the budget, it felt that implementation of the recommendations of the Group of High-Level Intergovernmental Experts and an improved decision-making process in respect of the budget were essential to the long-term viability of the Organization.

41. Mr. MURRAY (United Kingdom) said that the circumstances in which the revised appropriations were being considered were notably different from the circumstances in which a similar exercise had taken place two years earlier. Exchange rates had moved against the United Nations and the Organization's cash position was perilous. It was therefore appropriate that real efforts were being made to bring about greater efficiency and that at least one other Main Committee had refrained from approving any resolution with financial implications. While the real growth of the budget might remain much as it had been at the time the budget had been approved, that was due at least in part, to the unsatisfactory basis on which real growth was calculated, for Member States assessments would increase in 1987 or and above the level that could be attributed to currency and inflation movements. It would be in the interests of all to work out a mechanism whereby all parties would know with certainty at the beginning of a biennium the maximum dollar amount required from Member States and available to the Secretary-General.

42. Having consistently argued that additional activities should be financed by redeploying existing resources, his delegation would vote against the revised budget appropriations. There was a certain unreality about the request for appropriations, considering that the Committee was at the same time pondering a separate proposal which would reduce expenditure by \$85 million, thereby bringing programme delivery to a level significantly lower than 100 per cent. That imbalance could not be sustained indefinitely.

43. Mr. ODUYEMI (Nigeria) said that his delegation on the whole supported the revised appropriations, which were not very large, and would vote in favour of them. It was unrealistic to expect the cost of currency movements and inflation to be absorbed within the budget. Moreover, some of the additional expenses which the Committee was being asked to approve stemmed from decisions taken by the Security Council, the Trusteeship Council and the International Court of Justice.

44. Mr. HOLBORN (Federal Republic of Germany) said that, while recognizing that some progress had been made, his delegation continued to have major reservations concerning three areas. Firstly, while the bulk of the increase in the budget was due to currency fluctuations over which the Organization had no control, the total net increase nevertheless came to approximately \$61 million. Secondly, Member States would be assessed on a level of expenditure that was more or less fictitious, for everyone knew that the resources likely to be available would be approximately \$100 million below the level of appropriations. Thirdly, his delegation was deeply concerned at the Fifth Committee's overruling of the Advisory Committee's recommendations. Accordingly, it would abstain in the voting on the revised appropriations.

45. Mr. MUDHO (Kenya) commended the Secretary-General for his efforts to contain budgetary growth. Noting that the \$61 million increase represented only approximately 4 per cent, he asked the Secretariat what percentage of that amount was attributable to inflation and currency fluctuations.

46. A cursory look at the items of expenditure revealed that the programmes which had been revised downwards were those aimed at the developing countries. He trusted that that trend could be reversed. He pointed out that where appropriations had been revised upwards it had been primarily as a result of decisions taken by such bodies as the Security Council. He believed that everything possible had been done and that the modest increase which the Committee was being asked to approve was unavoidable. Accordingly, his delegation would support the revised appropriations.

47. Mr. ROY (India) said that he shared the views expressed by the representatives of Nigeria, Kenya and Finland. Emphasis was being placed on the expenditure aspects of the budget while the income aspects were being completely ignored. The approach taken by a number of members of the Committee who had urged that expenditures be reduced so as to bring them into line with available resources was tantamount to legalizing the practice of withholding assessed contributions. Such an approach was totally unacceptable. The serious negative impact which the financial crisis was having on programmes was also being ignored. All the programmes included in the programme budget had been approved by the General Assembly and it was only because certain Member States were withholding their assessed contributions that programmes were being affected. As a result, Member States which paid their assessed contributions in full were, in effect, subsidizing those which withheld part of theirs.

(Mr. Roy, India)

48. Commendable restraint had been shown in respect of add-ons. In that connection he asked the Secretariat what percentage of the add-ons was attributable to perennial activities of a political nature, movements in exchange rates and inflation, and additional activities respectively. Finally, he said that his delegation would vote in favour of the revised appropriations.

49. Mr. BOUR (France) said that while it was true that the revised appropriations represented a smaller percentage increase than in the previous biennium they were still too high. He associated himself with those delegations which held that great progress had been made thanks to the efforts of one Committee. Similar restraint should be shown by all the Main Committees. Noting that some \$36 million of revised appropriations was attributable to movements in the exchange rates and inflation, he expressed the hope that progress would also be made in working out a more reliable mechanism for estimating the precise dollar amounts required for a particular biennium.

50. He expressed concern at the fact that the Fifth Committee had taken some decisions without due regard for the recommendations of the Advisory Committee. That was a regrettable development and one that might eventually undermine the Advisory Committee's authority. Since his delegation had voted against some of the revised appropriations, it would have to abstain from the vote on the draft resolution on the subject.

51. Mr. VAN DEN HOUT (Netherlands) said that his delegation could not vote in favour of draft resolution III A for it strongly objected to the practice of adding on the cost of programmes or activities to the programme budget. Accordingly, it would abstain on draft resolution III A. Since the latter was inextricably linked to draft resolution III C, which dealt with the financing of the revised appropriations, his delegation would also abstain in the vote on that draft resolution. He noted that the Committee was considering the draft resolutions on the programme budget against a background of withholding and delayed payment on the part of certain Member States. That practice had created a crisis of unprecedented proportions. There was something basically wrong with the fact that Member States which paid their contributions fully and promptly were witnessing a decrease in programme delivery and, in effect, were having to pay more for less.

52. Mrs. PERKOVIC (Yugoslavia) endorsed the views expressed by the representatives of India, Kenya and Nigeria. Her delegation would vote in favour of draft resolution III A in view of the considerable efforts that had been made to implement cost-saving measures.

53. A recorded vote was taken on draft resolution III A.

In favour: Argentina, Austria, Bahamas, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burma, Burundi, Canada, Central African Republic, Chile, China, Colombia, Costa Rica, Cuba, Democratic Yemen, Denmark, Ecuador, Egypt, Ethiopia, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, Honduras, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Jamaica, Jordan, Kenya, Kuwait, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mexico, Mozambique, Nepal, New Zealand, Nigeria, Norway, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Rwanda, Saudi Arabia, Senegal, Singapore, Somalia, Sri Lanka, Swaziland, Sweden, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Republic of Tanzania, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Against: Australia, Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, German Democratic Republic, Hungary, Israel, Mongolia, Poland, Romania, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Belgium, Fiji, France, Germany, Federal Republic of, Italy, Japan, Netherlands, Portugal, Spain.

54. Draft resolution III A was adopted by 82 votes to 14, with 9 abstentions.

55. The CHAIRMAN invited those delegations wishing to do so to make statements in explanation of their vote after the vote.

56. Mr. JAGUARIBE (Brazil) said that, although his delegation had voted in favour of the draft resolution, it was concerned at the decrease in the appropriations for the Economic Commission for Latin America and the Caribbean, the Economic Commission for Africa, and the Economic and Social Commission for Asia and the Pacific. In the case of ECLAC, the decrease would be much greater if account was taken of the sum of \$410,000 which had been approved under section 32 of the revised budget appropriations for construction, alteration, improvement and major maintenance of premises.

57. Mr. KAZEMBE (Zambia) expressed concern at the decrease in resources earmarked for the regional commissions, particularly in the area of programme delivery. In his view, those delegations that withheld payment of their assessed contributions should suffer the consequences provided for under the Charter.

58. Mr. DEVREUX (Belgium) said that, despite the positive measures taken in budgetary matters, his delegation had abstained in the vote on the draft resolution since it felt that considerable improvements were still needed. No progress had been made on the difficult but crucial issue of budgetary decision-making procedures. The General Assembly had made no progress towards identifying marginal

(Mr. Devreux, Belgium)

and obsolete activities whose elimination would release additional resources for new activities. He noted further that the budget proposals had not been made available to delegations early enough to permit thorough analysis, and that, despite the current crisis, not enough effort had been made to improve the quality of management of the Organization's resources. Finally, he observed that countries which paid up their assessed contributions on time did so on the basis of the totality of the budget. The provisions of that budget, however, could not be fully implemented as a result of the cost-saving measures made necessary by the financial crisis.

59. Mrs. COHEN-ORANTES (Guatemala) requested that the record should reflect her delegation's reservation in respect of the reduction in the appropriations for the Economic Commission for Latin America and the Caribbean.

60. Mr. PALMA (Honduras) said that, while his delegation had voted in favour of the draft resolution, it was deeply concerned at the decrease in support for activities that benefited developing countries, especially in view of the substantial increases in the appropriations for administrative costs. The United Nations should, in future, focus more attention on means of promoting greater assistance to the developing countries.

61. Mr. MONIRUZZAMAN (Bangladesh) said that had his delegation been present during the voting, it would have voted in favour of the draft resolution.

62. Mr. KHAN (Saudi Arabia) said that, while his delegation had voted in favour of the draft resolution, it was concerned at the decrease in appropriations for the Economic and Social Commission for Western Asia and the other commissions serving developing regions. He pointed out that the Economic Commission for Europe was the only regional commission whose appropriation had been revised upward and that a large part of the real value of the proposed increase in appropriations for the other regional commissions had been negated up by inflation and currency fluctuations. Finally, there was too much scrutiny of expenditures under the budget and not enough of income.

63. Mr. HARAN (Israel) said that when the programme budget had first been approved in 1985, his delegation had expressed the view that, in light of the grave global issues on which the Organization was required to take action, there was no justification for the level of resources allocated for the activities of such bodies as the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories. Indeed, it was a standard practice to approve increases each year in the resources intended for bodies concerned with the Middle East. His delegation had therefore voted against the draft resolution and would continue to vote against similar appropriations until such time as the Organization distributed its efforts and resources in an equal and non-discriminatory manner in the search for solutions to the problems of peace and security.

64. Mr. DANUS (Chile), supported by Mrs. CARRASCO (Bolivia), expressed concern at the substantial decrease in the appropriation for the Economic Commission for Latin America and the Caribbean.

65. Mr. SALAZAR SANCISI (Ecuador) said that Latin America bore one of the highest debt burdens in the world. The work of ECLAC greatly assisted the region in its debt negotiations and it would be regrettable if the decrease in the Commission's appropriations resulted in the curtailment of its activities.

66. Mr. NGAIZA (United Republic of Tanzania) expressed concern at the decrease in the appropriation for the Economic Commission for Africa.

Draft resolution III B

67. At the request of the representative of the United States of America, a recorded vote was taken on draft resolution III B.

In favour: Argentina, Australia, Austria, Bahamas, Bahrain, Barbados, Belgium, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burma, Burundi, Canada, Central African Republic, Chile, China, Colombia, Costa Rica, Cuba, Denmark, Ecuador, Egypt, Ethiopia, Fiji, Finland, France, Gabon, Ghana, Greece, Guatemala, Guinea, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Italy, Jamaica, Japan, Jordan, Kenya, Kuwait, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mexico, Mozambique, Nepal, Netherlands, New Zealand, Niger, Nigeria, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Portugal, Rwanda, Samoa, Saudi Arabia, Senegal, Singapore, Somalia, Spain, Sri Lanka, Swaziland, Sweden, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Against: Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, German Democratic Republic, Hungary, Mongolia, Poland, Romania, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United States of America.

Abstaining: Germany, Federal Republic of, Honduras, Israel, United Kingdom of Great Britain and Northern Ireland.

68. Draft resolution III B was adopted by 91 votes to 11, with 4 abstentions.

69. Mr. MONIRUZZAMAN (Bangladesh) said that had his delegation been present during the voting, it would have voted in favour of the draft resolution.

Draft resolution III C

70. At the request of the representative of the United States of America, a recorded vote was taken on draft resolution III C.

In favour: Argentina, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burma, Burundi, Canada, Central African Republic, Chile, China, Colombia, Costa Rica, Cuba, Democratic Yemen, Denmark, Ecuador, Egypt, Ethiopia, Fiji, Finland, Gabon, Ghana, Greece, Guatemala, Guinea, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Jamaica, Jordan, Kenya, Kuwait, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mexico, Mozambique, Nepal, New Zealand, Niger, Nigeria, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Rwanda, Samoa, Saudi Arabia, Senegal, Singapore, Somalia, Sri Lanka, Swaziland, Sweden, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Against: Australia, Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, German Democratic Republic, Hungary, Mongolia, Poland, Romania, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Belgium, France, Germany, Federal Republic of, Honduras, Israel, Italy, Japan, Netherlands, Portugal, Spain.

71. Draft resolution III C was adopted by 85 votes to 13, with 10 abstentions.

72. Mr. GREGG (Australia), speaking in explanation of vote after the vote, said that, while his delegation acknowledged that efforts had been made to curtail expenditure in some areas, it had been unable to support the additional appropriations requested. Not enough priority had been attached to absorbing cost increases, such as those resulting from currency fluctuations, particularly in view of the substantial undeclared gains during the previous biennium. The revised programme budget had been conceived and approved without due regard to the financial crisis or the views of Member States on the recommendations of the Group of 18. His delegation was opposed in principle to add-ons of any kind in the United Nations budget, and objected, in particular, to the continued practice whereby additional expenditures in connection with ongoing or recurrent activities circumvented the biennial budget process and concealed real growth. Moreover, it was concerned at the lack of consultations on important budget questions and the manner in which they were brought to the attention of Member States at the last minute. The lack of transparency in United Nations budget documentation did nothing to reassure delegations that the finances of the Organization were being properly managed. His country regretted the lack of progress towards agreement on reform during the current session, and its position on the payment of Australia's

(Mr. Gregg, Australia)

assessed portion of the additional funds requested would take account of the progress made on the reform process and would be the subject of further consideration by the Government.

73. MR. ODUYEMI (Nigeria), speaking in explanation of vote after the vote, said that, while his delegation had voted in favour of draft resolution III C, it disapproved of the withholding by Member States of part of their assessed contributions. The Organization needed a solid base for funding its activities and such a practice was detrimental to its financial viability.

74. The CHAIRMAN said that the Committee had thus concluded its consideration of agenda item 110.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued) (A/41/3)

75. The CHAIRMAN proposed that the Fifth Committee should recommend to the General Assembly that it take note of those chapters of the report of the Economic and Social Council that had been allocated to the Fifth Committee (chaps. I, IV (sects. A to C), V (sects. A, C and F), VI (sects. B and C), VII to IX).

76. It was so decided.

The meeting rose at 1 p.m.