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SUMMARY RECORD OF THE 15th MEETING

Chairman:

Mr. MAYCOCK

(Barbados)

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

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The meeting was called to order at 10.20 a.m.

- 1. The CHAIRMAN asked delegations if they had no objection to inviting a representative of the Staff Union to introduce, at a subsequent meeting, a document which the Staff Union intended to submit to the General Assembly in accordance with resolution 35/213.
- 2. It was so decided.

AGENDA ITEM 126: PERSONNEL QUESTIONS (A/45/541 and A/45/548; A/C.5/45/3, A/C.5/45/10 and Corr.1, A/C.5/45/11, A/C.5/45/12, A/C.5/45/18 and A/C.5/45/19)

- (a) COMPOSITION OF THE SECRETARIAT
- (b) RESPECT FOR THE PRIVILEGES AND IMMUNITIES OF OFFICIALS OF THE UNITED NATIONS AND THE SPECIALIZED AGENCIES AND RELATED ORGANIZATIONS
- (c) OTHER PERSONNEL QUESTIONS
- 3. Mr. CISS (Assistant Secretary-General for Human Resources Management), after paying tribute to his predecessor, reviewed some of the personnel questions dealt with in the various reports submitted under agenda item 126. Leaving it to the Legal Counsel to introduce the report on the privileges and immunities of officials (A/C.5/45/10) at greater length he touched only briefly on the question of the security and protection of staff members. Pointing out that the security situation of staff members had continued to deteriorate in a number of countries, he stressed the obligations incumbent on Member States in that regard and expressed his determination to exert every effort to ensure respect for the immunities and privileges of international civil servants as an essential condition for the success of the activities of the United Nations.
- 4. Turning to the report on the composition of the Secretariat (A/45/541), he said that between July 1989 and June 1990 the number of underrepresented Member States had been reduced from 20 to 19, despite recruitment restrictions, and the number of unrepresented States had decreased from 11 to 10 with the recruitment of a national of Dominica. He counted on the co-operation of the Governments concerned, which could help to improve the figures still further by submitting applications for available posts from qualified candidates and, whenever necessary, by facilitating access by the Office of Human Resources Management (OHRM) to professional associations and national media. On the method of grouping Member States presented in section D of the report, he specified that the options presented were only examples and that it was for the Fifth Committee to decide on the composition of the groupings.
- 5. Some progress had been made with regard to the improvement of the status of woman in the Secretariat (A/45/548), but every effort must continue to be made to bring about a quantitative and qualitative increase in the representation of women. The successful participation of women in the United Nations mission in

(Mr. Ciss)

Namibia must not be forgotten. A number of measures had been taken during the year to improve the status of women, including emergency measures to attain the 30 per cent target set for the representation of women in posts subject to geographical distribution. He intended to monitor those measures to decide whether to maintain or expand them, and looked forward to the annual report of the Steering Committee for the Improvement of the Status of Women in the Secretariat. He thanked the many Permanent Missions which had collaborated with the Secretariat in that area.

- 6. Since the end of June 1990 further progress had been made, with the appointment of another 13 women to posts subject to geographical distribution and an increas, in the number of women at the D-2 level from 8 to 10. The number of women at the D-1 and P-5 levels had decreased, however. OHRM intended to continue its efforts in that direction and counted very much on the co-operation of the Member States concerned in that regard.
- 7. On the subject of the administration of justice in the Secretariat (A/C.5/45/11), OHRM co-operated closely with the Office of the Under-Secretary-General for Administration and Management in ensuring that the appellate system continued to function efficiently and that, wherever possible, staff grievances were settled informally in order to avoid costly litigation.
- 8. The report on secondment from government service (A/C.5/45/12) set out recent devalopments relating to the practice of secondment following a judgement by the United Nations Administrative Tribunal. The report sought to identify the main hypotheses that might serve as a basis for the Secretary-General's policy in that area and requested the General Assembly's approval of the proposed approach. It stated that, under certain circumstances, secondment might undermine the independence and efficiency of the Secretariat, and specified that new procedures would be established to avoid any ambiguity in the future. The Secretary-General would give all staff coming within the ambit of resolution 37/126 consideration for a career appointment, bearing in mind the necessity of securing for the Organization the highest standards of efficiency, competence and integrity. Many staff members previously considered to have been on secondment would in future be treated as being on fixed-term contracts.
- 9. He then briefly reviewed the activities of OHRM pursuant to General Assembly resolutions A/14/185 and A/43/224, pointing out that those activities had been carried out in the difficult context of retrenchment and the staffing of important peace-keeping missions. Reporting on progress made in the area of career development, he referred, in particular, to a Career Development Handbook for staff in the General Service category, which had been compiled by the OHRM and should be published shortly.
- 10. Systematic training in office automation had been conducted, with a massive programme for retraining Headquarters staff with a view to the standard use of <u>Mord Perfect</u> software, the provision of equipment and software to all duty stations away from Headquarters to establish self-study centres, and the development of a

(Mr. Ciss)

comprehensive training programme in the Economic Commission for Africa (ECA). In addition, a standard programme for training in supervisory skills had been developed and should benefit all staff members concerned. The retraining of staff had received the requisite attention within the limits of available resources, and the External Studies programme had been expanded. Furthermore, seven Professional staff members from six offices away from Headquarters were attending university courses as part of the Sabbatical Studies programme.

- 11. Additional measures had been taken to strengthen the linguistic capabilities of staff, especially those in posts subject to geographical distribution, with the organisation of workshops and courses to address specific language needs, the preparation of self-study courses in English, French and Spanish, the publication of drafting handbooks in English and French, and the development of self-study materials in Arabic in anticipation of a mission to Western Sahara.
- 12. However, if the United Nations was to be in a position to rise creatively and competently to the challenges of the 1990s and beyond, the occupational training programme must be overhauled so that it fulfilled its essential function. The General Assembly must not confine itself to recognizing the importance of training, but must give it the key role it deserved in programme planning and budgeting. OHRM therefore hoped that the medium-term plan strategies proposed for the 1990s would receive the support of Member States.
- 13. There was a growing malaise among staff members, who now had fewer opportunities for advancement because of the retrenchment exercise and because of the rigidity of the job classification system that led to the blocking of staff members at the same level whatever their experience or the quality of their work. One way to improve the morale and motivation of the staff while at the same time maintaining the integrity of the job classification system would be, in the case of the entry and middle levels (P-2 to P-4 and G-1 to G-5), to base the promotion of staff members on merit and seniority, whether posts existed or not. For staff at the higher levels, the availability of posts classified at the higher level would still remain a prerequisite for promotion. Those ideas required further reflection. Meanwhile, OHRM was planning to authorize personal promotions in certain cases where serious blockages existed even if no higher level post was immediately available.
- 14. In order to solve those problems, he had already launched a review process of the current systems for the assignment and promotion of staff. As soon as specific proposals for reform had been developed he would, together with staff and management representatives, undertake consultations which he considered essential for the success of the reforms. The short-term goal was to institute a transparent and objective system for the management of personnel movements and promotions which would encourage mobility while ensuring opportunities for advancement for qualified and competent staff members. In the longer term, he hoped to establish a wider system of carrer development for all categories of staff; that would require considerable work and time. Efforts had already been made to improve the format of the performance evaluation reports.

(Mr. Ciaa)

- 15. National recruitment examinations were to be organized at the P-3 level in 1991 for two occupational groups, on the understanding that the P-3 posts needed for the promotion of staff members at the P-2 level having the required qualifications would be excluded from those examinations. He noted that the further extension of the competitive examinations to all occupational groups within the Secretariat, if the results were satisfactory, would require some additional resources. It was also intended to improve the G to P promotion system and to expand its scope.
- 16. In conclusion, he stressed that, now more than ever, it was important for the Secretariat to employ highly qualified men and women and to be given the means to update and develop the qualifications of the staff. His aim was to give a high level of priority to competence and talent in the recruitment, assignment, training and promotion of staff. He would at a later date submit to the Fifth Committee a report on what had been done in that area and on his long-term plans.
- 17. Mr. FLEISCHHAUER (Under-Secretary-General, the Legal Counsel), introducing the report of the Secretary-General on respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations (A/C.5/45/10 and Corr.1), said that, as in previous years, the report was presentel on behalf of the Administrative Committee on Co-ordination (ACC). It covered the period from 1 July 1989 to 30 June 1990 and was based on the information provided by the members of ACC.
- 18. In recent years, the United Nations, as never before, had served as a centre of international diplomacy. Peace-keeping, peace-building and various other activities had expanded substantially. The United Nations had become more operational: in Namibia alone, 8,000 persons had been deployed. Consequently, it was important to provide favourable conditions for staff members to enable them to discharge their duties; indeed, sometimes that was a crucial requirement. At its previous session, the General Assembly had once again emphasized the importance of scrupulous respect for the privileges and immunities of officials and had called upon all Member States impeding officials in the proper discharge of their duties to review the cases brought to their attention and to resolv them with all due speed.
- 19. The report placed in the forefront the cases of arrest, detention, abduction and even loss of life which continued to be a matter of the gravest concern to the Secretary-General and the executive heads of the organizations concerned. Unfortunately, despite the efforts undertaken, the number of cases of arrest and detention remained very high during the reporting period. As in previous years, most of the cases related to official of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), but some other agencies were also concerned. The alarming fact was that it was not only the staff members who were involved; members of their families, in particular children, had also been subject to arrest or detention. Efforts had been made to intervene with the authorities, but often without success. Paragraphs 8 to 14 and annex II contained detailed information regarding cases of arrest, detencion, abduction and loss of life. Annex I provided a consolidated list in chronological order.

(Mr. Fleischhauer)

- 20. Although all the cases cited in the report deserved equal attention, there were some which were particularly disquieting: for example the case of Mrs. Guenet Mebrahtu, a WHO staff member who had been arrested by the Ethiopian security forces on 8 June 1989 and was still being held in custody. No formal explanations had been given. Three FAO staff members of Afghan nationality Mr. Danlat Mir, Mr. Saleem Hairan and Mr. Mohamed Omar had been arrested and forcefully conscripted into military service. Mention should also be made of the serious developments which had taken place recently in Rwanda, although they had not occurred within the reporting period. On 5 and 7 October 1990, the Rwandese military forces had arrested five staff members employed by UNICEF, UNDP and ILO. After several unsuccessful attempts on the part of the resident designated official, the Secretary-General had sent a note verbale to the Permanent Representative of Rwanda on 18 October 1990.
- 21. A number of staff members had, however, been released, for example, Mrs. T. Jawabri, an FAO staff member who had been arrested in 1982, and Mr. Sami Issa, a staff member of the United Nations Disengagement Observer Force (UNDOF), who had been detained since 1985.
- 22. On the issue of travel restrictions in the United States, there had been a number of positive developments. The United States Government had lifted its restrictions on staff members of Czechoslovak, Hungarian and Polish nationality. It was to be hoped that other similar restrictions would also be removed. In that connection, the Secretary-General noted with regret that the United States had recently introduced restrictions for nationals of Iraq. In his note verbale addressed to the Permanent Representative of the United States, he had repeated his position of principle regarding the discriminatory treatment of staff members of the Secretariat solely on the basis of their nationality.
- 23. In paragraph 16 of the report, it was stated that World Food Programme (WFP) staff members were sometimes denied access to certain operational areas for security reasons. That issue might require careful consideration at the current session.
- 24. Certain Member States continued to impose taxes on the salaries of their nationals. As had been emphasized on many occasions, that practice was a violation of the privileges and immunities granted to United Nations staff.
- 25. In his previous report, the Secretary-General had raised the question of the applicability of article VI, section 22, of the Convention on the Privileges and Immunities of the United Nations to the case of Mr. Dimitri Mazilu, former Rapporteur of the Sub-Commission on Prevention of Discrimination and Protection of Minorities. The International Court of Justice had concluded, inter alia, that persons (other than United Nations officials) to whom a mission had been entrusted by the Organization, i.e., experts on mission, were entitled to enjoy the privileges and immunities provided for in that article with a view to the independent exercise of their functions. In his capacity as Special Rapporteur, Mr. Masilu had to be regarded as an expert on mission. Notwithstanding, the advisory opinion had very wide implications.

(Mr. Fleischhauer)

- 26. With reference to measures and proposals in furtherance of the safety of officials, the measures taken by WFP to cover risks to its personnel in high-risk areas could serve as an example of a possible solution.
- 27. Mr. NIKIFOROY (Union of Soviet Socialist Republics) said that the world was witnessing the emergence of a new order which would no longer be based on confrontation; the international community should therefore devote itself to the following activities: adjusting United Nations activities and structures to the new realities; improving co-ordination in the work of international organizations; and ensuring better utilization of their resources. The Soviet Union accordingly shared the view that the ultimate objective of United Nations human resources management policy should be to achieve the highest standards of efficiency, competence and integrity in the international civil service and to make it a model of efficient executive machinery.
- 28. In that context, his delegation was pleased to note that the objectives of the administrative and budgetary reform had generally been fulfilled. It highly appreciated the contribution made by the senior officials of the fecretariat and above all by the Secretary-General. Improving the functioning of the United Nations executive machinery had become one of the components of new political thinking, and the Soviet Union had made its own contribution to that process by discarding obsolete approaches to personnel matters. Recognizing the need to ensure continuity and maintain a permanent core of highly qualified personnel, it had amended its recruitment criteria; henceforth, Soviet specialists would serve in the Secretariat so long as the Organization required. Some of them had received career appointments and the number was increasing. The Soviet Union intended to comply fully with the international norms and standards for practices associated with the service of Soviet citizens in international organizations.
- 29. On the issue of secondment, his delegation welcomed the calm and well-balanced tone of the Secretary-General's report (A/C.5/45/12). It shared the concern expressed regarding the guarantees to be provided to staff members returning to the service of their cwn Government. The proposed arrangement for secondment contracts would certainly add to their employment security. There was legislation in the Soviet Union to protect the rights of civil servants. Generally speaking, the basic hypotheses suggested in the report for establishing guidelines designed to maximize efficiency while bearing in mind the legitimate interests of Member States seemed acceptable. They should make it possible to defuse the issue and would eventually contribute to better administration of the Organization.
- 30. Like the approach of the Secretary-General, the position of the Soviet Union on personnel matters was based on the recognition that administrative reform was essentially a continuous process for developing self-regulating machinery highly responsive to the changing requirements of the international community. The long-term recommendations of the Group of 18 were still relevant and would continue to serve as guidelines for future work. The role of the Secretary-General in personnel matters, as the Organization's Chief Administrative Officer, should be strengthened, in strict conformity with the Charter and the interests of the

(Mr. Nikiforov. USSR)

international community. Personnel management must be based on clear, coherent and transparent rules and the work of the Office of Human Resources Management in that respect should be reactivated.

- 31. The Soviet Union was in favour of holding more national competitive examinations for recruiting junior officials. Furthermore, it was impossible to achieve the highest standards of efficiency, competence and professional integrity without an effective system of evaluation. Much remained to be done in that field.
- 32. Unfortunately, the recommendation on the role and functions of the Staff Union and non-interference in the administrative functions of the Secretary-General had not been satisfactorily implemented. Furthermore, the practice of financing union activities from the Organization's budget was difficult to justify.
- 33. His delegation was in favour of stricter application of the rule limiting heads of departments and divisions to a ten-year maximum term of office, on the ground that periodic rotation of high-level officials had a beneficial effect on the work of the Secretariat.
- 34. As a major contributor, the Soviet Union could not remain indifferent to the need to improve staff efficiency. In its view, the high predominance of career appointments was the principal obstacle. A reasonable balance of permanent and fixed-term appointments would have a number of clear advantages: it would at long last be possible to achieve an equitable geographical distribution for all Member States at all levels; the Secretariat would have the necessary flexibility in personnel management and redeployment; interchanges between national and international civil services would be developed; lastly, it would be easier to dismiss unsatisfactory staff members. The Soviet Union fully realized that the problem could not be solved overnight, but it was disappointing that little or nothing was being done to address it. At WHO, 80 per cent of the staff were on fixed-term appointments. At UNESCO, the proportion was 75 per cent. Without necessarily copying the policies of those organizations, the United Nations could establish a reasonable balance of different types of appointment.

AGENDA ITEM 125: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued) (A/45/11)

35. Mr. OSELLA (Argentina) said that the proposals put forward by the Committee on Contributions responded to a certain extent to the wishes expressed by the Fifth Committee but could be improved still further on certain points. The fundamental criterion used in establishing the scale, namely capacity to pay, seemed to meet with unanimous approval. At the same time the scale should reflect the general trends in the world economy as expressed in the individual situations of countries. That was why additional factors, such as those specified in resolutions 43/223 and 44/197, had been introduced. However, the fact that proposals were logical and coherent did not mean that they would necessarily achieve the desired results. In recent years, a paradoxical situation had emerged: the share of the expenditure assumed by the developing countries had increased, as a direct

(Mr. Osella, Argentina)

consequence of the deterioration of their economic and financial situation. Over the same period, some industrialized countries had seen their assessments reduced despite considerable improvement in the economic situation. It was not his delegation's intention to engage in polemics, but that trend risked compromising application of the basic principle, namely apportionment of the Organization's expenses in accordance with the capacity to pay. Account should be taken in the next scales of the effects of inflation and exchange rates, which would make it possible to correct the distortions linked to the relationship between national exchange rates used to convert United States dollars and the level of domestic prices. The idea was not new and had already been used by the Committee on Contributions to determine the income of countries with high rates of inflation. His delegation thought that that method should be used until the Fifth Committee made its application general. It was therefore in favour of continuing the work started on studying various exchange rates in relation to prices.

- 36. Raising the upper per capita income limit to \$2,600 would be a step in the right direction but not enough for the developing countries. His delegation, like others, was in favour of a reasonable level that would take into account the depreciation of United States currency. It was in favour of maintaining the gradient at its current level of 85 per cent.
- The income-adjustment mechanism used for interest payments was a major 37. component. Argentina endorsed the principle behind the proposal submitted by the Committee on Contributions, but felt that it was distorting the original underlying idea. That idea had been simple: to grant some relief to the heavily indebted countries, but subsequently, as a result of various factors included to refine the method, the fundamental object had ultimately been lost from view. It would be recalled, for example, that in the scale approved in 1985, the ad hoc formula had been of advantage to no more than 37 countries. From a document distributed on 23 October it could be seen that Australia had enjoyed a reduction of 20 points, as against the reduction for Argentina of only 1 point. It was well known that those two countries had different burdens to bear. The proposals of the Committee on Contributions were of advantage to only 20 developing countries, while 13 developed countries benefited from the adjustment proposed for indebtedness. As a result, to the extent that the notion of indebtedness - defined as the burden which the heavily indebted countries had to bear - was not duly allowed for, Argentina would wish the Committee to re-examine the initial idea underlying the "debt adjustment".
- 38. The statistical base period of 10 years gave the methodology a certain stability, but to enable it to reflect the real capacity to pay, a greater weight should be given to the most recent years.
- 39. Argentina supported the suggestion of the Committee on Contributions that the scheme of variation limits, as used at present, should be kept. With regard to special adjustments, Argentina supported the recommendations for a greater degree of transparency.
- 40. Firally, Argentina shared the concern expressed by the representative of Yemen and was ready to support the Yemeni proposal.

- 41. Mr. MONAYAIR (Kuwait) said that he would have preferred the statistical base period to be reduced from 10 to 5 years, to make better allowance for fluctuations in the economic situation of the various countries. It would also have been desirable, for calculating assessments, to take into account the particular situation of those countries which depended on a single product. To give a greater degree of fairness, it would have been necessary also to allow for various other factors. In invading Kuwait, Iraq had pillaged the country and totally dispossessed it, going so far as to destroy all its archives and suppressing the Kuwaiti dinar.
- 42. Mr. WILKINSON (United States of America) said that the United States had never agreed that capacity to pay should be the fundamental criterion for determining the scale of assessments, since such a criteria had the effect of denying the sovereignty and equality of Member States, of putting a disproportionate reliance on too small a number of contributors, and of discouraging responsible positions on budgetary issues. The best way for Member States to keep their assessments at levels that their Governments could afford was by controlling United Nations budgets and energetically pursuing means to keep down spending. Moreover, defining the real capacity to pay of Member States was an impossible task. With no agreement on the exact meaning of capacity to pay, it was perfectly understandable that delegations would want to weigh in with their own particular concerns and interests.
- 43. Attempts by Member States to fine-tune the present scale had the effect, of course, of robbing Peter to pay Paul. While not proposing a new basis for determining the scale, nor seeking to lower its own assessment rate, the United States urged the various delegations at least to give some thought to the desirability of finding a new basis for determining the scale, one that would spare the Fifth Committee the unfortunate arguments surrounding the technical complexities of the scale and, more importantly, would enable the formulation of a scale of assessments that would be simple, clear and understandable to all. The United States wished to stress, however, that it felt that the Committee on Contributions had done a heroic job under particularly trying circumstances. The Fifth Committee should refrain from providing the Committee on Contributions with further detailed instructions on the current scale.
- 44. The United States was emphatically opposed to any effort to change the composition of the Committee on Contributions. Since a handful of countries contributed some 80 per cent of the United Nacions' resources, it was at the very least surprising to hear that those countries were over-represented on the Committee on Contributions. Furthermore, enlarging that Committee would merely wasken the effectiveness of that expert body.
- 45. Substantial progress had been achieved in reducing the administrative costs of the Organization, with no negative impact on programmes, and further savings were possible. It was thus to be hoped that the Fifth Committee would focus its efforts on those measures that would control the rate of growth in assessments for all members.

- 46. Mr. ALI (Chairman of the Committee on Contributions), in response to the questions raised by delegations during the general debate, observed that wide agreement existed with regard to the underlying principle of methodology, the capacity to pay. Despite the reservations voiced by Brazil, Cuba, Poland and others, most Member States saw the advantages of stability and predictability offered by a statistical base period of 10 years. The scheme of limits was another component of the methodology which was acceptable to most delegations in its present form, despite its distorting effect on the capacity to pay as determined by the other components.
- 47. Most delegations had supported the Committee's recommendation regarding the increase to \$2,600 of the upper per capita income limit, to give some relief to the low per-capita-income countries. However, there were several delegations, Mexico, Poland, Tunisia and Venezuela among them, which felt that, while the proposed increase was a step in the right direction, it did not go far enough. Mexico had proposed a limit of \$3,220 based on the Consumer Price Index of the United States, and a real growth rate of 2.9 per cent per year or 18.7 per cent between 1986 and 1992. The Committee on Contributions could certainly review the level of the upper per capita income level again in future years. It should not be forgotten, however, that the delegations of Australia, Japan and Pakistan had observed that such an increase beyond \$2,600 might benefit Member States not ordinarily included in the group of developing countries. In that connection, conference room papers 1 A and 1 B, which showed the step-by-step application of the scale methodology including the impact of the ceiling, the floor, and the scheme of limits on the machine scale resulting after the application of the low per capita allowance formula, gave an answer to the question from Poland regarding the one-point increase.
- 48. India had raised a point regarding the duplication of the effect of the low per capita income allowance formula, if countries with very low per capita incomes were automatically excluded from the allocation of any additional points as a result of the application of the scheme of limits. It was true that no particular consideration was given in the formula to countries with very low per capita incomes, but the formula did provide for progressively larger deductions from national income with declining per capita incomes. For instance, given an upper per capita income level of \$2,600 and a gradient of 85 per cent, a country with a per capita income of \$1,000 would receive a reduction from its national income of 52 per cent, whereas a country with a per capita income of \$200 would receive a reduction of 78 per cent, with only 22 per cent of its national income being accessable.
- 49. With regard to the issue of price-adjusted exchange rates (PARE), several delegations, including India, the Nordic countries, Pakistan, Tunisia and Venezuela had spoken in favour of incorporating PARE into the methodology, or had raised questions about data availability and remaining obstacles. In fact, the utilization of PARE was hampered merely by some countries' well-known political difficulties in accepting its application.
- 50. Debt relief had seemed to be the most controversial issue. Many delegations had supported the Committee's propolal but a number of others had had strong

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reservations about it, which seemed to concern the effect of the proposal more than the methodology itself. The Committee's recommendation had been an attempt to place the debt relief component of the methodology on a sounder conceptual foundation than had been the case with the methods employed for the preceding two scale. For the refinement of this process, it had been hoped that for the next scale, country-specific loan stock data and repayment schedules would have been available from a study undertaken by a joint working group of IMF, the World Bank, OECD and the Bank for International Settlements. However, that study had had to be abandoned, and the Group was currently studying balance-of-payment data, which should make it possible to give more reliable external debt information for all countries. The results of the new study were expected in 1993.

- 51. At the same time, the Committee on Contributions had begun to explore alternative income concepts. The advantage of the concept of debt-adjusted income was that it reflected the actual financial burden of a country's repayment of external debt, rather than assuming that all countries followed similar repayment schedules. Moreover, it avoided any double accounting, and its data requirements dovetailed with the information that would be generated by the aforementioned study.
- 52. The disadvantage of the new concept of debt-adjusted income was that it could considered an income concept only through such complex rationales as those outlined in paragraph 30 of the Committee's report. Some delegations had requested a comparison of debt-adjusted income and national income adjusted for debt using the method applied in the current scale. According to the Statistical Office, such a comparison was not possible, as the data base did not contain debt stock data beyond 1986.
- 53. A number of delegations had commented on the interaction of various factors of the scale methodology. Conference room papers (CRP.1 A and CRP.1 B) contained information similar to what had been provided on the subject in the previous report (A/44/11). The only difference was the updated data base, the use of debt-adjusted income and the increase in the upper per capita income level for the low per capita income formula. It should be remembered that the scale of assessments reflected the capacity to pay of Member States, albeit imperfectly. Changes from scale to scale reflected relative changes in the economic situation of Member States. The relativity of those changes was apparently at the heart of the growing discontent of many developing countries, which saw assessment rates rise for some of them and fall for developed countries. Positive development had taken place in some countries, particularly in what might be called the middle-income countries. The countries that had had the greatest difficulties in accepting the last few scales as fair were to be found among their numbers. The relative improvements in their economic situations and the zero sum character of the scale were responsible for that perceived unfairness.
- 54. Lastly, with respect to the remarks of the representatives of Algeria, the Libyan Arab Jamahiriya, Oman and Morocco concerning the need to consider incorporating other factors in the scale methodology, the Committee on Contributions had not ignored pararaph 3 of resolution 43/223 B and

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- paragraph 3 (b) (i) of resolution 44/197 A. However, work in that area was very complex and controversial, in addition to being fraught with problems of data availability and quality. The Committee on Contributions would continue its work on alternative income concepts if so directed.
- 55. Mr. GUPTA (India) said that, despite the detailed explanations given by the Chairman of the Committee on Contributions, he still did not really understand how exempting Member States with very low per capita incomes from the absorption of additional points as a result of the application of the scheme of limits would duplicate the effect of the low per capita allowance formula, as stated in paragraph 21 of the Committee's report. He hoped that the Committee would clarify that point during its next session.
- 56. Mr. LOPEZ (Venezuela) said that he would like the Secretariat to provide him with a copy of the tables the Committee had used in examining the concept of "available income". With respect to debt adjustment, he thought that it was very important for the Statistical Office to provide delegations with a statement showing the consequences of applying the method used to establish the 1989-1991 scale to the next scale, since it had been unable to furnish the comparative statement initially requested. He noted that the repayment of debt referred to in paragraph 30 of the Committee's report involved only public debt. His delegation wished to repeat its request for a document that succinctly explained the methods of price-adjusted rates of exchange (PARE), as well as for a table that would make it possible to compare the scale produced by applying the rates of exchange published by the International Monetary Fund with the scale produced by applying the price-adjusted rates of exchange. Those documents would be all the more useful since the Nordic countries had put forward a proposal based on the PARE method.
- 57. Mr. DUHALT (Mexico) said that he would like to know the source of the Committee's information on the growth rate of the world economy, the growth rate of average per capita income, and the rates of change for dollar and world prices. In paragraph 27 of its 1989 report, the Committee had recommended raising the upper per capita income limit to \$2,600 since average per capita income had increased by 18.3 per cent in the three-year period from 1983 to 1986. Six years would have gone by from 1986 to 1992, when the new scale would take effect. Perhaps some thought might be given to what the upper limit should be in 1992.
- 58. Ms. BERENGUER (Brazil) said that the concept of debt-adjusted income had undergone considerable evolution. For her delegation, the purpose of adjustment was to reflect the situation of very heavily indebted countries. Since the Secretariat had been unable to produce a table comparing the impact of the method applied to date and the proposed new method, delegations should at least have a document indicating the impact of applying the old formula to the next scale, which would give them an idea of the general trend. According to the data in the previous report (A/44/11) and in the conference room papers (CRP.1 A and CRP.1 B), the redistribution of points for debt adjustment was less favourable to developing countries with the new formula. In other words, the objectives set by the General

(Ms. Berenquer, Brazil)

Assembly were not met. Perhaps it would be wiser to keep the old formula, as the Chairman of the Committee had said was possible. With respect to the scheme of limits, she noted that it accentuated the largest distortions.

- 59. Mr. MARRON (Spain) said the the figures on national per capita income in annex III to document A/44/11 provided a useful supplement to the data in documents CRP.1 A and CRP.1 B. Those figures were current as of 1988.
- 60. Mr. ALI (Chairman of the Committee on Contributions) assured the representative of India that his point would be very carefully eramined by the Committee at its next session. He hoped that the Statistical Office would be able to provide the information requested by the representatives of Venezuela, Mexico, Brazil and Spain.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Work-load standards for various categories of conference-servicing staff, including clerical and typing staff, and work-load statistics for the various conference services in the 1986-1987 and 1988-1989 bienniums (continued) (A/45/7/Add.1; A/C.5/45/1)

61. Mr. MICHALSKI (United States of America) said that, as a result of its consultations on that item, his delegation proposed to make slight changes in the draft decision that it had submitted to the members of the Committee in order to reflect their views. The progress already made would be highlighted in paragraphs 2 and 3, and the Secretary-General would be invited to submit the various requested reports at the forty-seventh session of the General Assembly instead of the forty-sixth.

The meeting rose at 1.05 p.m.