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SUMMARY RECORD OF THE 18th MEETING

Chairman: Mr. TOMMO MONTHE (Cameroon)

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

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The meeting was called to order at 11.05 a.m.

AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1986-1987 (continued)

AGENDA ITEM 117: PROGRAMME PLANNING (continued)

General debate (continued) (A/40/6, 7, 38 and 262)

1. Mr. DASHKEVITCH (Ukrainian Soviet Socialist Republic) said that his delegation was gratified that the objectives of United Nations activities and the policies governing them had been defined in the introduction to the programme budget, since that should enable the Organization to more effectively promote international co-operation, development and disarmament. He recalled that, at the thirty-eighth session, 22 Member States, including the Ukrainian SSR, which together financed almost 80 per cent of the Organization's expenditure, had been unable to vote in favour of the programme budget. That meant that the budget had attained a critical level and that the Secretariat should make radical changes. Despite the many assurances given to Member States over the past 10 years, the rate of growth had remained very high and the budget had tripled in size, attaining the astronomical sum of \$1.6 billion. The rate of growth anticipated for the biennium 1986-1987 was no doubt only 0.4 per cent, but it should not be forgotten that the initial estimates for 1984-1985 had reflected a rate of growth of 0.7 per cent, which had subsequently increased to 0.9 per cent and then to 1.4 per cent, and might yet increase still further. There was no guarantee that that would not happen again, particularly since, as the Advisory Committee on Administrative and Budgetary Questions had remarked in paragraph 10 of its report, not all foreseeable expenses had been included in the proposed programme budget. Further, calculation of the rate of growth had not taken account of so-called "non-recurrent" expenditure, whereas a number of such items appeared in budget after budget.
2. His delegation noted with concern that provision had been made for the allocation of major sums for the purchase of electronic equipment. The Ukrainian SSR was not opposed to equipping Headquarters and the regional commissions with modern facilities, provided that they were indispensable, that they were used efficiently, and that they resulted in an increase in productivity and a reduction in staff costs. His delegation shared the view expressed by the Advisory Committee in paragraph 32 of its report, that the Secretary-General should formulate draft guidelines concerning the use of electronic equipment.
3. As in the previous proposed budget, the Secretariat had taken account of the effects of inflation. That technique has enabled it to proclaim so-called savings and to avoid various General Assembly guidelines aimed at rationalizing the Organization's activities. With reference, in particular, to General Assembly resolution 3534 (XXX), his delegation reaffirmed that it was not for the Secretariat alone to decide on the use of resources made available through the termination, reduction or elimination of programmes - the Secretariat should take account, above all, of decisions of intergovernmental organs.

(Mr. Dashkevitch, Ukrainian SSR)

4. At its thirty-ninth session, the General Assembly had established additional appropriations totalling \$24.4 million, part of which had been to finance new types of activities. A universal organization such as the United Nations could not, of course, finalize a list of its activities once and for all, but only those which reflected the Organizations's priority tasks under the Charter justified the establishment of additional appropriations. All other activities should be financed with resources made available through the termination or elimination of programmes.

5. Staff costs, which represented 80 per cent of total expenditure, continued to grow, owing to increases in the number of staff and an upgrading of posts which was unmatched by any increase in the responsibilities of the incumbents. Similarly, his delegation could scarcely countenance the major appropriations requested for expert and consultant services, overtime, construction and refurbishing of premises, missions and telecommunications. The practice of including in the regular budget posts financed from extrabudgetary funds was unjustified.

6. His delegation reaffirmed its position on the regular programme of technical co-operation, the costs of which should not be included in the Organizations's regular budget, since such expenditure did not meet the definition of expenses under Article 17 of the Charter. The resources needed under that heading should be included in the budget of UNDP. Resources made available from voluntary contributions could be used more effectively for development purposes if they were amalgamated.

7. His delegation was also opposed to the inclusion in the regular budget of expenditure resulting from measures taken in violation of the Charter, particularly those relating to United Nations bonds. The Ukrainian SSR stressed once more that the size of the budget for the future biennium should not exceed that of the previous biennium in absolute terms.

8. Mr. LOZA (Egypt) agreed with the views expressed by the Chairman of the Advisory Committee regarding the fragmented approach to programme budgeting. Budget estimates must not only be flexible but they must also provide a comprehensive picture of the programme budget based on the initial estimates and the rate of real growth. It should be possible to restrict the use of revised estimates to exceptional circumstances without preventing the General Assembly and other deliberative bodies from deciding upon additional activities which generally entailed requests for additional resources.

9. Regarding the real growth rate of 0.4 per cent mentioned by the Secretary-General, his delegation, contrary to certain views, did not consider that figure as a compromise between the aspirations of the majority of Member States and the wishes of the major contributors to the United Nations budget. The aspirations of all Member States must be taken into consideration without exception. However, since the assessed contributions of Member States were based upon their real capacity to pay, certain States were bound to be major contributors. He agreed with the statement made by the Assistant Secretary-General for Programme Planning and Co-ordination, that the real growth rate should primarily reflect the desire to

(Mr. Loza, Egypt)

translate legislative mandates into concrete outputs. He reiterated that activities mandated by the General Assembly should not be terminated without its prior consent, and expressed concern about the lack of a common, objective basis or criterion for the setting of priorities.

10. Regarding proposals for "the reform of the United Nations", he noted the proposal to establish a single budget committee and expressed particular interest in the suggestions made by Japan. He also noted with pleasure the growing acceptance of the distinction between administrative and financial reforms on the one hand and the improvement of the political aspect of the Organization's activities on the other. The Fifth Committee could and must evaluate and review administrative and financial procedures. The Committee should also endeavour to reorganize its work in the most effective manner. For example it should begin by examining one or two subjects requiring a detailed programmatic and budgetary analysis.

11. Mr. SAIDU (Nigeria) observed that most of the criticism against the Organization came from certain Member States and that it would be unrealistic to try to appease them with reforms in programme budgeting because their criticism was primarily based on political considerations. However, the situation was not as bad as it was said to be; the Secretary-General had already adopted a number of measures to ensure stringent economy and the Organization continued to enjoy the confidence of the vast majority of Member States, including Nigeria.

12. In reply to claims that the budget of the Organization was too high, he stated that it was not possible to put a price tag on the maintenance of world peace and the promotion of social and economic development were priceless. However, the most important question in that respect was whether resources were well managed and programmes were delivered in a cost-effective manner, in accordance with the priorities set by the General Assembly in the Medium-Term Plan. Referring to another commonly heard criticism, he pointed out that, as the Secretary-General himself had recently stated, the views of major contributors were duly taken into account in the elaboration of the budget proposals. He could not but approve the Secretary-General's realistic approach.

13. He could not support the policy of maximum restraint, which ran counter to the aspirations of Member States as reflected in the medium-term plan, nor that of zero growth, reflected in the budget proposals characterized by virtually no real growth (0.4 per cent). However, he welcomed the Secretary-General's efforts to establish an order of priority among the various programmes, and was not conceptually opposed to the redeployment of resources from low- to high-priority areas provided that that practice was not used to eliminate programmes arbitrarily.

14. The Secretary-General's proposals were generally reasonable. However, he was concerned to see that the rate of growth in resources requested under Section 13 (Economic Commission for Africa) was only 1.6 per cent, for that hardly reflected, in concrete terms, the importance attached by the General Assembly to the critical economic situation in Africa. He called upon the Secretary-General to present, without delay, the estimates concerning the conference facilities which were to be constructed in Addis Ababa.

(Mr. Saidu, Nigeria)

15. Expressing concern about the large share of the budget which was to be spent on consultancy services, he stated that consultants should be recruited on the widest possible geographical basis, that resources approved for consultancy purposes should not be used for other purposes and, in particular, that more use should be made of in-house expertise to provide the services required. Given the considerable resources spent on publications, United Nations practices in that area should be rationalized.
16. Another source of concern was the high percentage of savings on unliquidated obligations at the end of each biennium; it reflected serious deficiencies in the planning-programming-budgeting cycle and called for urgent remedial action. It should also be possible to limit the amount of revised estimates and provisional estimates; that would facilitate the evaluation of the proposed budget.
17. His delegation supported the efforts to limit the number of additional staff posts and hoped that in future the share of the budget spent on staff costs (currently between 75 and 80 per cent) would decrease and that spent on substantive activities would increase.
18. In the area of programme planning, much remained to be done to improve monitoring and evaluation, and co-ordinate the activities of the various organizations so as to avoid duplication. The Committee for Programme and Co-ordination should change its methods of work and concentrate on a manageable number of items at each session with a view to examining them in detail and formulating clear recommendations. The Secretariat, for its part, should continue its efforts to submit more meaningful and analytical reports and to submit them on time.
19. Nigeria would support all initiatives taken by the Secretary-General and Member States to improve the management of the Organization, provided that they were consistent with the provisions of the Charter. It also supported the Secretary-General's appeal to Member States for a firmer consensus on the level and structure of the budget, the scale of assessments and the payment of assessed contributions, and called upon members of the Committee to work towards that consensus.
20. Mr. MA Longde (China) said that the principles governing the preparation of the budget should neither hinder nor limit the activities which were necessary for the realization of the purposes of the Charter and the Organization. At the same time, care should be taken to limit increases in the Organization's expenses. In that regard, the proposed programme budgets for the bienniums 1984-1985 and 1986-1987 testified to the Secretary-General's efforts to enhance the financial effectiveness of the Organization. However, his delegation noted that the proposed programme budget did not include all the anticipated expenses for the biennium 1986-1987 and that revised estimates would have to be submitted under some sections. It was to be hoped that, in finalizing the budget, the Secretary-General would pursue his efforts to limit expenditures. Generally speaking, the modifications recommended by the Advisory Committee strengthened the coherence of the proposed programme budget.

(Mr. Ma Longde, China)

21. The establishment of budgetary priorities was a particularly delicate task and the Secretary-General should consult extensively with all parties concerned and respect the wishes of the majority of Member States when setting priorities and when terminating obsolete projects or undertaking new ones.

22. The Secretariat played an essential role in the functioning of the Organization and staff costs accounted for a large proportion of the total budget. Still, the achievement of savings in that area was a matter of urgency. In that regard, he noted that requirements for travel costs and anticipated expenditures for the use of experts and consultants had been reduced. However, further efforts were needed to keep staff costs within reasonable limits. His delegation supported the many constructive recommendations of the Advisory Committee regarding the creation and reclassification of posts and the increase in the number of established and temporary posts.

23. Concerning the purchase of computers and other office equipment, it was important for the Organization to be provided with modern facilities for improving its efficiency; such expenditures, however, should be undertaken after careful study of the overall needs of the Organization. His delegation agreed with the suggestion of the Advisory Committee in paragraph 32 of its report that the Secretary-General should undertake a comprehensive review of the question and should draft guidelines giving special emphasis to the need to make the best possible use of existing equipment.

24. In conclusion, his delegation emphasized that the reforms proposed on the occasion of the fortieth anniversary of the Organization, including budgetary reforms, should be aimed at revitalizing the Organization and not at jeopardizing its existence. Any proposal should respect the principles set forth in the Charter, in particular that of the equal status of all States within the Organization.

25. Mr. MURRAY (Trinidad and Tobago) said that the concept of the programme budget was relatively new and must be further refined to become a more efficient tool of management. While the absolute size of the budget and its rate of growth were important issues, his delegation was above all concerned about the effectiveness with which the Organization used its human and financial resources. It had to respond to the ever-increasing needs and problems raised by the world situation - that implied additional programmes and activities - while at the same time ensuring the best possible use of the resources available to it.

26. It was the responsibility of the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions to assist the Organization in its pursuit of greater efficiency, the former dealing with programmatic aspects, the latter with financial aspects. However, that separation of responsibilities left considerable grey areas, given the difficulty of drawing a clear distinction between those two aspects. Citing the case of the Caribbean Unit in the Radio and Visual Services Division of the Department of Public Information, he said that neither CPC nor the Advisory Committee had raised any objection to the proposals made in the proposed programme budget, in particular to the proposed

(Mr. Murray, Trinidad and Tobago)

splitting of the Division into two separate divisions. Those proposals were not consistent with the needs of the Caribbean Unit. He wondered who had established the priorities and how the proposed measures would contribute to increased efficiency of the Department as a whole. Needless to say, on that point, as on many others, the Fifth Committee would be unable to take a decision based on all the facts, owing to lack of time and insufficient information, and would confine itself to adopting the recommendations of the Advisory Committee and CPC possibly with minor amendments.

27. For that reason, his delegation believed that there was a need for more detailed consideration of the various suggestions aimed at tightening budgetary and administrative procedures, particularly through the setting up of a single budgetary committee. It endorsed the idea of a joint session of the Advisory Committee and CPC, which would contribute to removing some of the grey areas he had referred to and make it possible to evaluate priorities in relation to available resources. In the final analysis, the question was whether it was possible to make improvements internally or whether completely new mechanisms would have to be established.

AGENDA ITEM 121: PATTERN OF CONFERENCES: REPORT OF THE COMMITTEE ON CONFERENCES
(continued) (A/40/32)

28. Mr. LADJOUZI (Algeria) said that, although the discussion of agenda item 121 had been concluded, he felt compelled to return to it in order to clarify any misunderstanding, that might have arisen, due to an error of interpretation, regarding the statement which he had made at the 17th meeting. Concerning paragraphs 4 and 5 of section I of the draft resolution contained in the report of the Committee on Conferences (A/40/32), he had made the following statement: "We agree with the exceptions to the general principle that United Nations bodies shall plan to meet at their respective established headquarters, as indicated in operative paragraph 4 of the draft resolution. Delegations and the Secretariat should endeavour to respect this principle, and the Committee should examine carefully any such proposed exception from the standpoint of the greater cost-effectiveness of the meeting in question. We can only welcome the fact that countries have hosted meetings within the limits envisaged in paragraph 5 of the first section of the draft resolution, which provides for the host country to defray any additional costs involved. We reaffirm our support for this principle, which makes a real contribution to greater savings in conference-servicing."

29. Lastly, regarding the draft resolution as a whole, he had said specifically: "We have no insurmountable difficulties with the draft resolution recommended by the Committee on Conferences and we hope that it will be adopted by consensus, as has hitherto been the practice."

30. He felt that that position was sufficiently clear and reiterated his call for the draft resolution to be adopted by consensus.

The meeting rose at 12.25 p.m.