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SUMMARY RECORD OF THE 22nd 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, A/40/7, A/40/38 and A/40/262)

1. Mr. ELIASHIV (Israel) welcomed the Secretary-General's efforts to improve the administrative and financial management of the Organization and endorsed the recommendations of the Advisory Committee on Administrative and Budgetary Questions designed to reduce expenditure. Efforts should be continued to eliminate activities that were obsolete, ineffective or of marginal usefulness and, where necessary, to redeploy resources rather than approve additional appropriations. In addition, Member States should refrain from adopting resolutions with unwarranted financial implications.

2. One example of wastage of resources was the financing of activities undertaken at the instigation of certain countries which had exploited the United Nations for their relentless political warfare against Israel. Since one of the basic objectives of the United Nations was the betterment of social and economic conditions, those resources should rather be allocated to development projects. Israel, for its part, was providing assistance of that kind to a number of Member States under bilateral agreements.

3. Mrs. DEREGIBUS (Argentina) said that the smooth functioning of international institutions depended above all on the joint will of Member States. She was therefore concerned about the dissention which existed in the Committee for Programme and Co-ordination. Like the representative of Trinidad and Tobago, she wondered whether the division of tasks between CPC and ACABQ perhaps included a "grey area" that would explain the difficulty experienced by Member States in obtaining a complete picture of the processes of planning, budgeting, performance, monitoring and evaluation of United Nations activities and therefore in adopting a position on the proposed programme budget. In any case, co-ordination between those two bodies should be improved.

4. The difficulties were compounded by the fact, which had been noted by the representatives of Cameroon and the Sudan, that the Fifth Committee had no information on the implementation of the programmes of the preceding budget. It should therefore remedy that lacuna, in particular by studying more closely the reports on programme implementation, as advised by the Chairman of the Advisory Committee.

5. Since it shared the common desire for optimal utilization of United Nations resources, the Argentine delegation viewed the establishment of the planning system approved by the Assembly and the administrative reforms undertaken by the Secretary-General as steps in the right direction. It hoped that the Secretary-General's remark to the effect that much remained to be done to establish

(Mrs. Deregibus, Argentina)

monitoring and evaluation on a systematic and uniform basis throughout the Secretariat would soon no longer be true.

6. Argentina had some reservations about the policy of restraint advocated by the Secretary-General, since it might impede the proper execution of some of the activities requested by Member States. It had noted that the two objectives were to achieve cost-efficiency and cost-effectiveness and to rationalize programmes, and that the proposed programme budget was based, firstly, on the general principle of programmatic justification and, secondly, on the need to effect every possible saving. Those positions reflected a spirit of compromise which could only meet with the approval of Member States.

7. Ms. MUSTONEN (Finland), speaking on behalf of the Nordic countries, said that the most urgent problem in connection with programme planning was to improve the existing instruments. For example, there were no precise criteria for priority setting. A start had been made on performance monitoring, but the process should be expanded and become an ongoing one, so as to permit, inter alia, better assessment of needs and possibilities for redeployment of resources in the course of the budgeting exercise.

8. It was also necessary to find a way of taking the evaluation results into account in the preparation of the medium-term plan and of the proposed programme budget. The consideration by CPC of certain budget sections had been greatly facilitated by the availability of some evaluation studies. Her delegation had found no particular problems with the correspondence of programme output to the mandate given by the intergovernmental organs and to those expressed in the medium-term plan.

9. There was also scope for improvement as regards the time frame for the various stages of the planning and budgeting process. In view of the importance of the work of CPC and the fact that it had not had time at its twenty-fifth session to consider the proposed programme budget in detail, consideration should perhaps be given to extending the length of its sessions or even making them continuous, if the Assembly saw fit to entrust to CPC the monitoring of performance and possibly also the evaluation and setting of priorities.

10. As regards the institutional framework, the Nordic countries emphasized the need to distinguish between tasks of an expert nature and those which belonged to intergovernmental forums. Translation of legislative mandates, priority setting, monitoring and evaluation fell in the second category and were therefore the responsibility of CPC. At the same time, as specifically requested by the General Assembly in paragraph 48 of the annex to its resolution 32/197, CPC should work in close co-operation and continuous contact with the expert body - the Advisory Committee. The Secretariat also had an important role to play by providing the necessary information to the organs concerned; that function could be entrusted to the newly established Central Monitoring Unit. In that connection, the Nordic countries would like to know how the work of that Unit would be linked to the programming cycle.

(Ms. Mustonen, Finland)

11. Reaffirming their support for CPC, the Nordic countries endorsed all the recommendations made by the Economic and Social Council in its resolution 1985/76 concerning the role of that body and, in particular, urged that the cross-organizational programme analyses and evaluations should include objective and critical assessments of the activities and arrangements considered. Like the evaluation studies, the cross-organizational programme analyses were a very valuable co-ordination tool, as were the joint meetings of CPC and the Administrative Committee on Co-ordination, to which more importance should be attached, as recommended by the Economic and Social Council in its resolution 1985/77.

12. Mr. BELYAEV (Byelorussian Soviet Socialist Republic) noted with satisfaction that, thanks to the efforts of the Secretary-General and of the heads of the administrative units, the proposed programme budget under consideration was in some ways an improvement over the preceding one, particularly as regards the planning of resource utilization, in addition to the improvements introduced in the actual presentation of the data. The Secretariat prided itself on following a policy based on the strictest austerity. That policy deserved to be supported, as it had been by the Advisory Committee, by CPC and by various delegations in their general comments.

13. It thus seemed that programme growth and budget growth itself were on the decline. Other encouraging signs were also apparent: the requests for new posts were fewer (currently only 43); there was less of a tendency to include in the regular budget items previously financed from extrabudgetary resources (1, compared with 30 for 1984-1985); the abnormal situation which had prevailed with regard to post reclassifications had been corrected because, while the Secretariat was requesting 69 upgradings, at the same time it was proposing 19 downgradings.

14. Mention could be made of other positive changes made in other respects and in other areas. It should be remembered, however, that all those measures had no real effect on the programme budget as such. The vaunted moderation in planning had consisted simply in not going above the level of the preceding budget. That had admittedly been achieved, but nothing had been done to stabilize the general trend of expenditure. That was no doubt due to the fact that all heads of service had not responded to the appeal for moderation made by the Secretary-General, or achieved the savings and rationalization of activities that had been hoped for. Thus the proposed budget before the Committee was essentially the same as its predecessor.

15. The usual well-known gaps were present in the new proposed programme budget, possibly because of bureaucratic obstinacy, in other words the incompetence of its authors. First of all, the document had been drawn up without the benefit of a critical analysis of ongoing activities, and without eliminating programmes that were obsolete or of marginal usefulness. Annex IX to the introduction of the document (A/40/6) gave very scant information on that point. Member States were therefore unable to form a precise idea of the efficiency with which the resources were used or of the quality of the results to justify further estimates. Unless

(Mr. Belyaev, Byelorussian SSR)

that gap was filled, Member States would probably find it difficult to endorse fully the Secretary-General's estimates.

16. Secondly, there were hardly any changes in the budget methodology itself, as was apparent from the fact that the calculations had been made to show a growth rate much lower than it was in fact. The so-called "non-recurrent expenditures", a standing item in the budget, had been omitted and the estimates for the recruitment of temporary staff, construction work, and the travel of experts and consultants seemed to be forgotten. That was the procedure that had been followed for the previous biennium and, once again, a very moderate, but fictitious, growth rate was given. If non-recurrent expenditures were taken into account, it would be seen that the budget increase was very much larger.

17. All those activities not yet entered in the estimates constituted a huge additional load on the budget and seemed to belie the pledges of moderation given by the Secretariat officials concerned. In addition, there were items for which there was no sufficient justification, such as expenditures relating to activities deriving from violations of the Charter and or, again, allocations for technical assistance which, as his delegation had repeatedly observed, should be funded from voluntary contributions.

18. As always, however, a large proportion of the money contributed by Member States was absorbed, on the one hand, by the Secretariat and, on the other hand, by inflation and currency instability. Once again the Secretariat had placed the burden of the two last-mentioned phenomena on the shoulders of those who could do nothing about them, whereas it ought to have taken specific and positive steps to alleviate the effects, for example by drawing on its internal reserves.

19. If the foreseeable, but as yet unspecified, estimates were taken into account - and that would not be long in coming - it would be seen that the most rigorous austerity, promised to Member States, was not apparent in the proposed programme budget which was assuming such proportions that it was no longer sufficient to say that practical steps and, above all, radical measures must be taken to stabilize the growth in expenditures. For the time being a start might be made by pruning unjustified expenditures to the maximum. That was a sacrifice that had to be made: the debate on the scale of contributions had clearly shown that Member States' contributions to United Nations expenditures constituted a much too heavy burden on them. The Byelorussian SSR was fully prepared to participate in the stabilization effort which it advocated.

20. So far as programme planning was concerned, it appeared from a reading of the CPC report (A/40/38) that no headway could be made in that direction until the planning machinery, already some 10 years old, was changed. It was incumbent on CPC to assist the Secretariat in eliminating activities that were obsolete or of marginal usefulness and in rejecting programme elements of no importance. CPC was paralysed by the lack of information attributable to reticence on the part of those responsible for programmes and it could not take the desired practical steps. Byelorussia was fully prepared to participate in drawing up specific recommendations for closing those gaps.

21. Mr. ORTEGA (Mexico) reminded the Committee that the United Nations budget was not a policy in itself but rather a policy tool. The Organization's policy was determined by the decisions reached among sovereign Member States. Accordingly, the budget had to be adapted to those decisions and not vice versa. From that point of view it was very disturbing to admit, as in paragraph 23 of the CPC's report, that the Organization was unlikely to be able to continue carrying out its mission in fulfilment of the aspirations of all its Member States if its resources remained virtually stagnant from one biennium to another.
22. The fundamental question to be settled by the Fifth Committee was not that of the rate of budget growth, nor of efficiency in using resources, but rather that of bringing resources into line with programmes. As the Chairman of the Advisory Committee had said, more time ought to be spent on evaluating the application and implementation of those programmes. The Committee should, for example, adopt a less superficial approach when considering reports on programme budget implementation.
23. The concepts of "zero growth" and "freezing" the budget called for some comment. The leading advocates of those concepts were precisely those who were largely responsible for inflating the Organization's budget. There was a desire to apply the budgetary policies of Governments to that budget, but the reason why the Organization was going through a financial crisis was precisely the fact that some countries were not paying their full contributions and certainly not to budget deficits which would serve to finance expenditures on armaments.
24. Setting priorities was a problem. It was unfortunate that no agreement had yet been reached on the criteria governing the scale of priorities and that the accepted procedure, as pointed out by the Chairman of the Advisory Committee, was to distribute the Organization's resources on a basis of vague priorities. It was therefore necessary to know precisely who was responsible for choosing and to ascertain whether the choice was made in accordance with the fundamental principles of international democracy. It would thus be possible to raise questions about the retrenchment of resources, in real terms, which had adversely affected the Centre for Science and Technology for Development, the Department of Technical Co-operation for Development and the United Nations Conference on Trade and Development: or was development not longer a priority?
25. The administrative budget, too, called for some comment: staff costs continued to constitute 80 per cent of the total. His delegation shared the view of others on that matter: stricter control must be exercised over that item, especially wherever commitments were not related to substantive activities.
26. More generally, all conflicts of competence, all jurisdictional overlapping between the Fifth and the other Main Committees must be eschewed. Reservations expressed in terms such as "within the limits of available resources", which reappeared in draft resolutions, were open to criticism, not only from the point of view of financial competence but also because they tied the Secretary-General's hands and, above all, because they served as a device for negotiation.

(Mr. Ortega, Mexico)

27. Given the number of initiatives, suggestions, reports and recommendations from all sources which, according to the Secretary-General, poured into the Organization, it should be remembered that the Fifth Committee was not the proper forum for introducing proposals involving radical changes in the United Nations Charter. The Fifth Committee was, however, responsible for considering all proposals that might help to broaden perspectives and improve the Organization's efficiency. As stated by the Secretary for Foreign Affairs of Mexico during the commemoration of the fortieth anniversary of the United Nations: "The international community is faced with acquired prerogatives and new problems that block any decision which would enable it to prevent and overcome the difficulties and to advance, much more than it is faced with problems of organization and the management of resources."

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

28. The CHAIRMAN announced that at its next meeting, the Committee would be invited to vote on the draft resolution proposed by the Committee on Conferences for adoption in paragraph 1 of its report (A/40/32).

29. Mr. VISLYKH (Union of Soviet Socialist Republics) remarked that the Committee could not vote on a draft resolution without knowing its implications for the proposed budget. Under item 35 in the calendar of conferences for 1986 the International Civil Service Commission (ICSC) was scheduled to hold its twenty-third session at Nairobi in March 1986. Paragraph 4, subparagraph (g), of the draft resolution in question stated that ICSC might accept an invitation from one of its participating organizations to hold one of its sessions at the headquarters of that particular organization. It would seem, however, that ICSC could not have been invited by a participating organization since there was none in that city. It therefore followed that that session at Nairobi would involve additional costs which the United Nations would certainly be obliged to defray. The draft resolution therefore had financial implications which the Committee would probably like to know about in detail before adopting the calendar of conferences and meetings.

30. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) pointed out that the financial implications of the ICSC session scheduled for Nairobi had been included in the revised estimates prepared separately for ICSC which the Committee would be considering later. The USSR representative had raised a very pertinent question. The members of the Committee should consult together in order to find a way of settling the matter.

The meeting rose at 12.20 p.m.