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Held at Headquarters, New York,
on Monday, 13 October 1986, at 3 p.m.

President: Mr. CHOUDHURY (Bangladesh)
later: Mr. OSMAN (Somalia)
(Vice-President)

- Review of the efficiency of the administrative and financial functioning of the United Nations [38]: (continued)
 - (a) Report of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations
 - (b) Note by the Secretary-General

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The meeting was called to order at 3.10 p.m.

AGENDA ITEM 38 (continued)

REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

- (a) REPORT OF THE GROUP OF HIGH-LEVEL INTERGOVERNMENTAL EXPERTS TO REVIEW THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (A/41/49)
- (b) NOTE BY THE SECRETARY-GENERAL (A/41/663)

The PRESIDENT: I should like to remind representatives that, in accordance with the decision taken by the Assembly on Friday afternoon, the list of speakers in the debate will be closed today at 5 p.m. I therefore request those representatives who wish to participate in the debate to put their names on the list as soon as possible.

Mr. SIDDIKY (Bangladesh): We in this Assembly came together last year in a consensus move to initiate a process of restoring a sound financial foundation to the United Nations. We did so in the belief that there was indeed a need to review the administrative and financial functioning of the United Nations. That perception was based on the premise that as the world Organization had grown over the years in terms of its responsibilities and scope of activity an element of administrative and financial indiscipline had evidently crept into the system, giving rise to a lack of cohesion and co-ordination.

The adoption by consensus of resolution 40/237, which established the Group of High-level Intergovernmental Experts with a mandate to conduct a thorough review of the system, reflected our concern over the financial instability of the world body. As we proceed to deliberate on the report of the Group, this essential consensus on the need for reform in the United Nations should be the datum line for our approach, which must be based primarily on agreement among Member States as to

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the financing and utilization of the Organization, bearing in mind the principles and objectives of the Charter of the United Nations.

I must at this stage commend the Group for its painstaking and substantive work. We are also grateful for the report to Ambassador Tom Vraalsen of Norway in his capacity as Chairman of the Group. The report, which has generated intense interest among Member States, provides, as the Secretary-General cogently observed in his note,

"a crucial basis for a process of change that can bring the improvements in the administrative and financial functioning of the Organization needed for its long-term viability". (A/41/663, para.2)

It goes without saying that the report has provided a much-needed impetus for our work to that end.

Bangladesh took an active interest in remaining in the mainstream of this historic initiative in quest of a change towards, in your words, Mr. President, "a better United Nations for a better world". We lent a helping hand in generating a consensus for that move, as was evident in our co-sponsorship of resolution 40/237. At the same time, however, we are quite clear as to the status of the Group's endeavour. First, the Group inevitably had to base its findings on a critique of the intergovernmental machinery and the international bureaucracy already in place. We must view this in a constructive spirit, bearing in mind the Group's mandate - that is, to identify, precisely within the framework of the Charter, measures capable of improving the administrative and financial functioning of the United Nations in the medium and long term.

Secondly, the report of the Group is not to be seen merely as a prescription for economy measures, which, as we have reiterated time and again, cannot be an end in themselves. The objective of the total exercise is, in the final analysis, to

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seek the implementation of a whole range of duly mandated programmes in the most cost-effective manner. Thirdly, since the Group was established as the result of a consensus, and with the outcome of the Group's efforts at the level of experts before us, we are indeed under an obligation to approach this set of recommendations with a fair amount of seriousness of intent.

There has been some speculation as to what the role of the Fifth Committee would be vis-à-vis the plenary in regard to this agenda item. Going by the decision of the Assembly of 23 September 1986, we understand this to be essentially a plenary matter, as it involves issues and considerations that need to be handled at a political level.

We have in mind particularly the aspect of programme planning and budget procedure dealt with in chapter VI of the report, which remains open for negotiation. On the other hand, we are also conscious of the responsibilities of the Fifth Committee in this matter, which could be enumerated as follows: first, to examine the recommendations to see if they are factually in accord with existing rules and regulations; secondly, to elaborate on recommendations of the kind referred to in paragraph 13 (b) of the report; and, thirdly, to perform such other tasks in this connection as may be assigned to the Fifth Committee by the plenary Assembly.

On the budgetary process, the Group appears to have carried out extensive deliberations, although without reaching agreement. It would, however, be worthwhile to bear in mind that there is evident agreement on a number of points, as mentioned by the Secretary-General in paragraph 6 of his note, which affords a significant point of departure for negotiations.

We believe that we may approach the subject deductively by assigning due emphasis to the following points. First, since no single suggestion mentioned in

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section C of chapter VI of the report can attract universal acceptance, the points of agreement must lie somewhere in between. Secondly, existing planning and budget mechanisms, comprising the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions, continue to enjoy a degree of acceptance owing to their proved utility. We should therefore aim at rationalizing those mechanisms further, particularly specifying their respective roles vis-à-vis each other. Thirdly, to change the mode of decision-making in the budgetary process so as to give virtual power of veto to one Member State or a group of Member States would be tantamount to amending the Charter, which would be unacceptable. A practical procedure might therefore be devised to facilitate broad agreement while fully preserving the principle of the sovereign equality of States as enshrined in the Charter. Fourthly, the Fifth Committee, in accordance with its existing mandate, should continue to have a say in budgetary matters.

Deliberations on the budgetary process will remain incomplete if we limit ourselves to a discussion on allocation and disbursement, leaving the funding aspect untouched. Consideration of the scale of assessment therefore assumes importance. The scale of assessment is an important index of the financial commitment of Member States to the United Nations. There appears to be an intrinsic linkage between the need for consensus on the budgetary process and the need for agreement on the scale of assessment. We had expected that the Group would give its views on this important aspect as well.

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As for the specific recommendations in the report, particularly those dealing with personnel, the structure of the Secretariat and the functioning of the intergovernmental machinery, we believe that these can be implemented without undue delay, in the interest of securing a leaner, healthier and more effective United Nations. Those recommendations are the product of a long deliberative process spread over the course of years on which there is scarcely any scope for further disagreement by Member States. We should like in this connection to emphasize that this process of streamlining the United Nations system need not end with the implementation of these recommendations. Should we find during this process of implementation that we need to go further, the Assembly must not hesitate to take the necessary action.

As we consider the efficiency of the financial functioning of the United Nations, we are also inevitably drawn into consideration of the short-term liquidity crisis facing the Organization today. We have yet to see a respite from the continuing liquidity crunch faced by the United Nations. It would be worth while to ponder the fact that the crisis has been precipitated by the actions of some Member States that consider to withhold their assessed contributions, in contravention of the United Nations Charter.

If we are to address the real issue, is it not imperative that Member States discharge their Charter obligation in the first instance? Is it not also logical to find innovative ways of averting such crises through improvisation on the rules and procedures of the General Assembly?

In conclusion, we have reached a stage at which the issue of the need for reform in the United Nations is beyond debate. It is, therefore, about time we set an example of our constructive spirit, in which we have a firm conviction, and took decisive action on the report of the Group. Once the recommendations of the Group are accepted, there will be a need to ensure their implementation within the specified time-frame.

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Finally, time is of the essence. We cannot afford to procrastinate on this vital issue.

Mr. BADAWI (Egypt) (interpretation from Arabic): I should like at the outset to extend our deep sympathy to the people of El Salvador and our condolences on the tragic earthquake that occurred a few days ago and resulted in heavy loss of life and property.

I wish to extend my personal congratulations and those of my Government to the Secretary-General of the United Nations on his unanimous appointment as Secretary-General of the United Nations for a second term, which is an expression of the full confidence of the Member States in Mr. Javier Perez de Cuellar and his excellent qualities, which are needed by the Organization as it faces the present critical situation. I assure him of our continued full co-operation in the discharge of his onerous responsibilities in the days to come.

I should like to thank Ambassador Vraalsen for his lucid, objective review of the report of the Group of 18. My delegation very much appreciates the efficiency of the members of the Group, their firm belief in the role of the Organization, the great pains they took in preparing the report and the considerable number of positive recommendations it contains.

In this regard there is no doubt that the high-level composition of the Group, in which due regard was given to equitable geographical distribution, will have a positive effect on the seriousness and efficiency of the consideration given by the General Assembly of the numerous important topics covered in the report.

The report of the Group of 18 contains 71 recommendations dealing with numerous topics, including the intergovernmental machinery, the structure of the Secretariat, measures regarding personnel, economic and social affairs, planning and budget mechanisms and other matters of basic importance to the work of the Organization.

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While the Group of 18 has succeeded in arriving at specific recommendations on some of those topics, shortage of time prevented the thorough study of other subjects. It was not possible to give the necessary consideration to the intergovernmental machinery and its functioning, although undoubtedly the results of a comparative study of this would contribute to efforts to increase the efficiency of the Organization. Unfortunately, divergent points of view prevented the achievement of a single recommendation on planning and budget procedure.

In view of its authority and mandate, as well as its keen interest in translating the recommendations into specific resolutions in keeping with other decisions and resolutions to be adopted at this session, the General Assembly will certainly attach due importance to consideration of the recommendations and means of implementing them so that the necessary decisions may be adopted.

Needless to say, the General Assembly will take into account in its consideration of the matter the content of paragraphs 70 and 71 of the report of the Group of High-level Intergovernmental Experts, which concerns the implementation of those resolutions, and also recommendation 15 (3) (c), relating to implementation of the resolutions in a manner that would not hamper the day-to-day functioning of the Organization.

I should like to express my delegation's confidence that the General Assembly's support of the recommendations of the Group of 18 and reaffirmation of the role of the Secretary-General in the process of administrative reform of the Organization should be accompanied by concrete political and financial support for the Organization by all Member States and the fulfilment of their financial obligations to the Organization in accordance with the provision of the Charter.

My delegation also hopes that agreement on a number of the financial and administrative reforms would increase the possibility of reaching an agreement on the scale of assessments according to an acceptable, stable methodology and of

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finding a just, radical solution of the problem of the depletion of the Organization's financial reserves.

Reverting to the recommendations in the report of the Group of 18 concerning budgetary and programming mechanisms, we believe that there exists already one intergovernmental institution relevant to that matter, namely, the General Assembly. If the General Assembly is not now fully playing its role in the budgetary process and programme planning, that should make us try to deal with the existing shortcomings before thinking of transferring that responsibility to another institution.

The decision-making procedure of the General Assembly stems from the nature of the United Nations itself and gives expression to the historical reality and democratic character of this Organization. We must not lose sight of the fact that the adoption of resolutions by consensus, though attractive, is a double-edged weapon that could completely paralyse the General Assembly, or at the very least confine its activities to a very limited number of areas; and it could lead to obstruction of the Organization's pioneering role in many other fields concerning which consensus may be reached gradually.

Egypt believes that all Member States of the Organization are responsible for and keenly interested in the management of its finances in such a way as to achieve optimum rationalization and efficiency. Egypt believes that it is necessary to give all Member States the opportunity to play their part and that no committee dealing with that matter should have its membership confined to a limited number of States, whether representation in such committees is at the level of experts or of States.

(Mr. Badawi, Egypt)

In the light of paragraph 15 of the report, which states that the Group has fully discharged its mandate and concluded its work with the submission of the report, there is a need for informal consultations in which all States interested in reaching agreement on these recommendations should participate after obtaining the necessary technical clarifications and familiarizing themselves with the Secretary-General's comments thereon. We are confident that the initiation of serious, objective consultations would provide an opportunity to reach concrete resolutions reaffirming the central role of the General Assembly in the process of budgeting and programme planning and clarifying the way in which that role should be played so as to achieve maximum supervision and efficiency.

Mr. MARINESCU (Romania) (interpretation from French): The item now before the General Assembly, "Review of the efficiency of the administrative and financial functioning of the United Nations", is undoubtedly one of our most important and complex items, with major implications for the future activities of the Organization. The satisfactory solution of the many aspects of this question will determine to a great extent the future image of the Organization and the way in which it will be able to carry out its basic tasks. The interest aroused by the report of the Group of High-level Intergovernmental Experts, submitted pursuant to resolution 40/237, is easy to understand. Consideration of the report is not an end in itself. The main consideration and constant guideline must be our deep concern for the fate of this world Organization, and our need to ensure that the United Nations continues to fulfil ever more effectively the task assigned to it by the Charter: to maintain international peace and security, to develop friendly relations among nations and to achieve international co-operation in solving international problems of an economic, social, cultural or humanitarian character. Consequently, it is essential that any decisions adopted by the General Assembly

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should serve to strengthen the role of the United Nations in solving the vast and complicated problems of the current international situation, in ensuring peace throughout the world, in reinforcing the principles and rules of international law and in developing broad and unlimited co-operation among all States of the world.

Only thus, by making full use of the possibilities available to it, will the United Nations will be able to fulfil its mission and serve the cause of peace and progress, more effectively, thus meeting the legitimate aspirations of peoples.

As the Romanian delegation has already stated, my country believes that the financial difficulties the Organization is at present facing must and can be solved without affecting its priorities, its structures or its democratic operational and decision-making machinery, based on the participation on an equal footing of all Member States. We could never accept measures which would limit and then reduce essential political and economic activities or affect the democratic principles which underlie the functioning of the United Nations, first and foremost of which is the equal sovereignty of States, whether small, medium-sized or large. We should emphasize especially the importance that should be attached to the General Assembly as the major political body of the United Nations, where all States, regardless of their size, can voice their views and act in accordance with their own rights and interests. In this connection we believe that no measures or decisions should be taken that might limit the prerogatives or competence of the General Assembly, the conditions for its functioning, or its ability to consider any issue pertaining to international peace and security and international relations in general. It is not by weakening the role of the General Assembly that we shall increase the administrative and financial efficiency of the United Nations. On the contrary, we can do that only by permanently strengthening its position as the most representative body of the United Nations.

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Romania has always advocated improving and streamlining the activities of the United Nations, as well as those of other international bodies. We share the view of the Group of High-level Intergovernmental Experts that if that is the aim, any serious analysis of the financial status of the Organization must take into account administrative questions, the level of expenditure, and staff problems.

It is quite clear that major savings could be made by improving the structures and functioning of the Secretariat and by substantially reducing the excessive and constantly increasing administrative costs of the Organization, above all staff costs. Accordingly we should take firm and consistent action to improve the intergovernmental machinery of the United Nations and simplify the Secretariat, eliminate useless structures and overlapping, improve working methods and reduce bureaucracy, substantially increase productivity and make full use of working hours. Only thus can we succeed in improving the efficiency of the administrative functioning of the Organization and significantly reduce administrative costs as a whole, and staff costs in particular. The staffing of the Secretariat must be both rational and equitable, so that all Member States are properly represented.

In addition to the above observations, which apply to many of the experts' recommendations, my delegation wishes to make some comments on the report of the Group of 18 relating both to questions of principle and to specific points.

We should like to express our appreciation of the experts' efforts to identify a whole series of problems, including improvement of the efficiency of the administrative and financial functioning of the United Nations. A study of the report shows that in many respects we are at the beginning of a longer process of administrative and financial reforms for the United Nations, as the experts themselves acknowledge. Undoubtedly this effort will have to be continued in the immediate future with all due determination if we are to benefit fully from the effect of the initial measures to be adopted. The recommendations of the Group of

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Experts naturally vary in importance and significance according to the question being considered. Many of the recommendations, we feel, are acceptable and useful, and are in keeping with the repeated requests and long-standing positions of many States Members, including Romania. I would refer by way of example to the need to improve co-ordination among the various activities both of the United Nations itself and of its whole system, the elimination of overlapping in the structure and functioning of the Secretariat, recommendations to reduce the total number of Secretariat staff, particularly at the highest levels, reduction of expenditure for consultants, and reduction of the excessive level of total remuneration, including salaries, and social benefits and generous allowances, which are without parallel in national administrations.

The Romanian delegation could support those recommendations, and others of a similar nature, after full and detailed consideration, with all necessary clarifications, in the Fifth Committee, which should make full use of its powers to act in this area. The quest for any final solution on the subject of the recommendations of the Group of Experts must be carried out with the direct participation of all Member States and with full respect for the democratic procedures of the General Assembly.

(Mr. Marinescu, Romania)

Another category of recommendations would appear, at least in their current wording, to be totally unacceptable, since they are in flagrant contradiction with previous decisions of the General Assembly and even with the Charter. I am referring above all to some recommendations on staff policy which go beyond the framework of the Charter and of General Assembly resolutions. In our view, there can be no valid explanation for the fact that, in spite of many General Assembly resolutions which have affirmed and reaffirmed the need for equitable geographical representation in the Secretariat, there continues to be a situation whereby we have under-represented States and others whose nationals in the Secretariat number two, three or even four or more times the maximum limit of their range of representation.

This situation, for one of many reasons, appears to us to be the consequence of a certain complacency in recruitment policy, as well as the ease with which permanent contracts have been offered, which has resulted in a constant reduction in the number of posts which are subject to geographical distribution. I should like to make myself perfectly clear. We are not against permanent contracts, even though the quality of work would not necessarily depend directly on the type of commitment. However, we are concerned about the exaggerated proportion of permanent contracts in the total number of Secretariat staff contracts. The actual relationship between permanent contracts and fixed-term contracts, in our view, is disproportionate and is in favour of the former.

This situation has a negative impact on the equitable representation of States Members, as well as on the efficiency and work productivity of the Secretariat. Consequently, we are of the view that this ratio should be corrected substantially in the near future so as to enable all States Members to be represented in an equitable manner.

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The acceptance of permanent contracts comes within the exclusive purview of each State Member. No one can dictate to a State Member a policy to be adopted in this regard or how many of its nationals should have permanent or fixed-term contracts. Consequently, the recommendations in the report of the Group of experts, which seem to impose some rules and regulations in this regard, are completely unacceptable to the Romanian delegation. They are in contradiction with the sovereign right of every State to have its own rules in this regard, as well as with the provisions and spirit of previous decisions of the General Assembly. Furthermore, the Romanian delegation regrets the fact that in spite of the express opposition of some of the members of the Group of 18 to such recommendations, they were introduced into the report.

There are other recommendations as well which we find difficult to accept but I have only mentioned those which pertain to staff policy so as to give, by way of example, recommendations by which an attempt is being made to violate the exclusive prerogatives of States Members which, consequently, are absolutely unacceptable.

The Romanian delegation agrees with the opinion of the Group of experts on the importance to come to the broadest possible agreement among States Members on the contents and size of the United Nations budget, as well as the need for States Members to have a greater say in the process of preparing the draft budget. The Secretary-General emphasizes in his note that even though the Group was not able to come to unanimous conclusions on the budgetary process, there was, nevertheless, agreement on some very important aspects, such as the need to set up intergovernmental machinery able to study budgetary questions in greater depth and the need to involve States Members more quickly in the process of programming and budgeting, as well as the need for the General Assembly to indicate without delay the amount of available resources to cover expenditures for a given budget period.

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It is a legitimate requirement that all States Members can have the opportunity to take part on an equal footing in all stages of the process of preparing and approving the budget. By the same token, we should prevent any situation arising whereby a State Member might be able to attach conditions to the amount of its contribution to the budget. Through this increased involvement of States Members, we do not at all mean stricter monitoring of programmes by States which make larger contributions. It might seem superfluous to emphasize that the programming of the Organization's activities should be quite consistent with the financial resources available to it. I would add, nevertheless, that these resources should not in any way be viewed as constantly increasing amounts. On the contrary, what we should do, without delay, is to undertake a reduction in budget expenditures, an aim which States Members and the General Assembly have always tried to achieve.

The Romanian delegation has constantly emphasized the fact that a responsible quest for solutions implies a sober attitude and sincerity as regards the level of expenditures of the United Nations. Sound management cannot be based on a constantly increasing and unlimited budget.

It is inconceivable that the United Nations budget might continue to increase constantly at a time when a great many States Members are making considerable efforts, and even sacrifices in national terms, for rigorous control over their own budgets.

We hope that, logically, the savings which might result from the adoption of most of the recommendations of the Group of experts will lead to an absolute reduction in the level of contributions to be made to the United Nations budget by States Members in the near future.

Special attention, we feel, should be paid to the idea that we should establish consensus in the process of preparing and approving the United

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Nations budget. To be sure, it is always preferable - and for Romania this is the preferred method - that consensus be constantly encouraged and used in order to adopt the largest possible number of resolutions and decisions in the General Assembly.

Romania has always striven to have its own proposals adopted by general agreement. Nevertheless, the Romanian delegation is of the view that we should be very careful so that the laudable intention of adopting budgetary decisions by consensus does not result in deadlock. In fact, the introduction of a second right of veto - above and beyond that already officially enshrined in the Charter - would be more than the Organization could bear.

Before concluding, I should like to reaffirm that an improvement of the administrative and financial functioning of the United Nations should not be sought by reducing the Organization's essential political and economical activities, or by affecting the basic democratic principles of its functioning.

We are convinced that by acting with perseverance and sense of responsibility - both to maintain and develop essential activities of the United Nations regarding the use of its financial and human resources we will be taking important concrete steps towards our objective of improving the administrative and financial effectiveness of the United Nations.

Mr. SHIHABI (Saudi Arabia): May I take this opportunity to extend to Mr. Javier Perez de Cuellar, on my own behalf and on behalf of the delegation of Saudi Arabia, my warm and sincere congratulations on his unanimous re-election for a second term. This is a token of appreciation and confidence, and an expression of our faith that he will lead the Organization towards the fulfilment of the aspirations of the world community. There is no need, on this occasion, to call attention to his great qualities. I wish him all success and reiterate the confidence of the Government of Saudi Arabia in his integrity, his able leadership and his dedication to the United Nations.

If this global Organization is to remain, as it should, a relevant and constructive force in world affairs 40 years from now and beyond, its institutional structure and capacity must evolve with the new global realities of today. On no account, however, should this be at the expense of the principles, on which it was founded, principles which must remain fundamental if the Organization is to retain its essential character as a world institution of sovereign equals.

This Organization is at present being subjected to challenges, not only to its sovereignty but also to its very viability. The current financial and institutional difficulties should not let us forget the experience of the League of Nations in the 1930s, when policies based on short-term political interests glorified nationalism, unilateralism, the erosion of the rule of law, and the cult of power politics destroyed the League of Nations and led directly to global conflagration. Let us therefore not imperil the existence of the United Nations at a time when its framework and principles are more vital than ever before. Indeed, let us remember the passionate addresses of its founders in the course of the first session of this Assembly, when the Organization's establishment was perceived as the vehicle for remedying all the ills of the international community. We in the

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Kingdom of Saudi Arabia are firmly committed to a strong United Nations. Because my country believes in the ability of nations to overcome the challenges of temporary difficulties and obstacles, it remains fully confident of the future of this Organization. Indeed, we believe that the prevailing crisis may even have a beneficial effect if we learn from the past and look optimistically to the future. For this reason the difficulties afflicting our Organization today should be viewed from a positive standpoint. We reject all reasons for despair.

As His Majesty King Fahd bin Abdul-Aziz said on one occasion, we in Saudi Arabia

"work in the global field within the framework of the United Nations and its affiliates and agencies. We adhere to its Charter and support its efforts and oppose any disruptive action aimed at weakening it. Our actions have always reflected and continue to reflect our sense of belonging to an international community that is one family, irrespective of the diversity of its interests".

The future of this Organization lies in our collective commitment to the implementation of its principles and, at the same time, to the mobilization of our resolve to that end. As the Secretary-General pointed out in a recent address:

"The fact is that the credibility problem of the United Nations mainly arises from the inability of Member States to make the Organization work."

If, therefore, we are to deal with the present United Nations financial crisis from its very roots, then it is imperative for us to reaffirm its fundamental credibility through our deeds, by upholding the character and validity of the United Nations Charter.

This Organization will naturally have to evolve and will have to adapt to the changing times. Moreover, in any process of reform, difficult choices must be made, new priorities have to be set, cost-saving measures must be instituted,

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readjustments in assessed contributions may even become necessary on the basis of our experience. To carry this out successfully we will all have to be tolerant and appreciate one another's legitimate interests and concerns. If this world body falls short of expectations, the responsibility must be heavily shared by the big contributors, who, perhaps, expect the United Nations to be modelled on their own image. Therefore we simply cannot agree with any rationale that obligatory contributions by any Member State can be withheld. However unpalatable existing rules may have become to a Member State, any effort to amend such rules must be undertaken within agreed procedures and in accordance with the established ground rules. Moreover, the decision-making process of the United Nations should give full recognition to the principle of the sovereign equality of all States. The balance of influence in favour of the wealthy and the powerful is already manifest in some major organs: the Security Council and the Economic and Social Council, to mention only two.

It is reassuring that this Organization has lately been witnessing a renewed recognition of the importance of multilateralism and of its vital role in the promotion of world stability.

It is evident that the task of revitalizing the effectiveness of the United Nations is fundamentally political in character. It requires that Member States mobilize the political resolve to place the financing of the Organization on a sound and viable foundation and reassure the Secretary-General of the mandate and the support he needs to carry out the major staffing and budget changes which will reduce costs, improve effectiveness and restore confidence. In this the Secretary-General has demonstrated his deep understanding of the difficulties now besetting the Organization and has brought to bear his vast experience and personal dedication in seeking to overcome them.

(Mr. Shihabi, Saudi Arabia)

I wish to take this opportunity to express my sincere appreciation to him for his laudable efforts to safeguard the integrity of the United Nations. We pledge our support and full co-operation with a view to the realization of that objective.

In his recent Annual Report on the Work of the Organization (A/41/1), the Secretary-General drew a distinction between the short-term aspects and the medium-term and longer-term dimensions of the financial crisis. The longer-term aspects are fundamentally political, structural and administrative in nature. The forging of a valid solution to the crisis will, therefore, require a package of measures which, on the one hand, will strengthen the income base of the Organization and thereby address the shorter-term emergency and, on the other hand, streamline its programme of expenditures, thereby addressing the longer-term financing problem.

With regard, first of all, to the short-term situation, Article 17, paragraph 2, of the United Nations Charter, states: "The expenses of the Organization shall be borne by the Members as apportioned by the General Assembly." Unfortunately, the United Nations Charter contains no explicit sanction other than Article 19 against Member States which, under Article 19, narrowly escape the automatic loss of their voting rights. Perhaps the time has come for the General Assembly to consider introducing a graduated scale of measures which might curtail the privileges rather than the rights of United Nations membership and which, therefore, would not require an amendment to the United Nations Charter, while conforming with its spirit. The aim of such measures would be to promote a stricter adherence to Article 17 of the Charter. If all Member States were thereby encouraged to comply with their Charter obligations, the current crisis would soon be dissipated.

The present scale of assessments makes the United Nations too vulnerable since it is dependent upon the few big contributors. When any of them cuts its contributions, the basis for the work of the entire Organization is affected. If

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assessments were distributed more evenly among Members which are able to pay, we should be able to reduce this vulnerability in the future. It should go without saying or emphasis that the United Nations is an organization of all States for all States. We all need the United Nations. Developments have confirmed our conviction that such a reform of the scale of assessments, towards a more equitable sharing of the Organization's expenses, should be included in a comprehensive solution of the problems facing this world body.

We must also try to utilize the current financial crisis to provide momentum for administrative reform, rationalization of expenditure, and the creation of a model institutional structure. In this regard, I wish to express our appreciation of the efforts of the Group of High-level Intergovernmental Experts - the Group of 18 - in reviewing the efficiency of the administrative and financial performance of the United Nations. Although the report of the Group of 18 falls short on some basic issues, which is understandable, though regrettable, it nevertheless provides a useful basis for further decision-making by this Assembly. We support the general thrust of the consensus recommendations contained in the report. The agreement should, however, be extended to areas for which the Group was unable to formulate unanimous recommendations, including a broadening of the mandate of the Committee for Programme and Co-ordination.

As far as the Group's proposals to streamline the Secretariat are concerned, we support the proposal that the number of staff members be reduced by 15 per cent and the number at the higher levels by 25 per cent. In this context, I should like to refer to the guidelines in Article 101, paragraph 3, of the Charter, which states: "Due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible." Saudi Arabia has good reason to draw attention to the need for full implementation of this Article. The rotation of

(Mr. Shihabi, Saudi Arabia)

senior posts, every one of them, should also be a basic principle of administrative streamlining. Moreover, the total entitlements, salaries and other conditions of service of staff members should be considered in the light of levels of worth and standards that would encourage the recruitment of highly qualified and capable international staff. It is quality that should be stressed rather than quantity. In sum, I agree with the Group's observations on the need for re-examination of the structure, staff and procedures with a view to bringing about a more cost-effective administrative body. I also commend the efforts of the Secretary-General, and those of his senior assistants, to improve the management of the Secretariat at all levels, to enhance co-ordination and to streamline various departments.

Streamlining and personnel cuts should, however, be accompanied by a reform of the intergovernmental machinery and its functioning as well. Over the years we have - as the Group of 18 notes - built an overly complex institutional structure which lacks cohesion in certain areas and which makes co-ordination difficult. A long-term solution to the present crisis must be found in a more coherent and effective programme. Member States should therefore give guidance for the rationalization of this Organization and should set the relevant priorities.

The recommendations of the Group of 18 are only the beginning of a process of reform, a process that will necessarily take time. Economies might well be realized through increased productivity, through the streamlining of activities and through the promotion of efficiency by means of such measures as the integration of overlapping activities - for example, of current duplications at overseas stations - and the elimination of obsolete activities.

While we support budget cuts to meet reductions in assessed contributions, the objective of the entire exercise should not be the maximum budget reduction, regardless of consequences, but rather the achievement of a coherent and

(Mr. Shihabi, Saudi Arabia)

effective programme of activity for the Secretariat and the Organization as a whole. Reforms should be carried out in full accordance with the provisions of the United Nations Charter. The principle of the sovereign equality of all Member States should not be tampered with, and essential programmes and activities of high priority pertaining to live and burning issues, such as those concerning Palestine, South Africa, Afghanistan and others, should continue to attract their proper share of available resources.

(Mr. Shihabi, Saudi Arabia)

Recent experience has demonstrated that when the Organization puts its mind to it it can accomplish a great deal. Therefore, in addressing the Organization's current financial and institutional crisis we need to produce a genuine consensus through concrete results arising from a serious dialogue.

As a founding Member State of the United Nations, the Kingdom of Saudi Arabia has been, and will remain, deeply committed to the Charter and all the obligations arising therefrom. Over the last 12 years alone Saudi Arabia's total voluntary contributions have cumulatively exceeded its total assessed contributions by over \$700 million, an indication of how important we perceive the United Nations role to be.

In concluding, I reiterate our appreciation to the Group of High-level Intergovernmental Experts for their worthy efforts and their constructive report, which was produced in a short period of time. During the course of the debate on the report the Government of Saudi Arabia will continue, as in the past, to adopt a positive and constructive stance. Its delegation stands ready to co-operate fully with the Secretary-General in his tireless efforts, as well as with all other delegations in the common search for comprehensive and pragmatic solutions that can serve as supporting factors and have the least adverse impact upon the Organization's fundamental character.

Mr. DELPECH (Argentina) (interpretation from Spanish): Before turning to the subject before us, I wish to express the sympathy of the Argentine Government with the victims of the earthquake that has taken place in the brother Republic of El Salvador. The news caused great distress in Argentina, and we wish to convey to the Government and people of El Salvador, through their Permanent Representative, the willingness of the Argentine people and Government to do all they can to help in dealing with the consequences of that tragedy.

(Mr. Delpach, Argentina)

As this is the first time my delegation has spoken since Mr. Javier Perez de Cuellar's re-election to the post of Secretary-General, I would like to express my Government's satisfaction at the renewal of his mandate, which is a fitting and well-deserved tribute to the work he has done over the past few years. We are convinced that he will continue to respond to the needs of the Organization and its Member States in the same way as in the past.

I should like also to thank Ambassador Vraalsen, Chairman of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations, for his efforts and those of his delegation, and for his introduction of the Group's report to the Assembly.

In order to be brief, I turn immediately to the subject before us. Its importance and implications for the Organization are so well known that they need no emphasis.

In our opinion, the Experts' report is an important contribution to improving the Organization's administrative and financial efficiency. At the same time, it is a milestone in our continuing search for the objective all delegations are seeking. However, it comes at a particularly critical time for the Organization, one of the more disturbing aspects of which is the financial crisis into which we have been plunged. Nevertheless, it must be understood that the report does not contain a formula to alleviate the financial crisis over the short term, and it cannot be expected that if it is accepted it will produce immediate results, for that was not the mandate that we gave the Group of Experts. Only if all Member States abide by their obligations under the Charter can the crisis be overcome and the Organization's smooth functioning guaranteed.

On the other hand, the Group of Experts' primary aim was not to reduce the Organization's expenses, even if greater administrative and financial efficiency might well result in such a reduction.

(Mr. Delpech, Argentina)

The report presents a body of recommendations on almost all of which - in six of its seven chapters - it reflects a consensus by the Group of Experts. We have doubts, as we are sure all other delegations have, about the practicability of some of those recommendations and about the drafting of some others which do not seem to reflect very clearly the objectives being pursued. However, the recommendations as a whole are acceptable to us. The necessary corrections can be made when the recommendations are implemented, because those corrections would not affect the general thrust of the recommendations. We may in due course, if need be, have more detailed comments to make on the recommendations, but in general we share the view expressed by the Secretary-General in paragraph 4 of his note (A/41/663), which links aspects of the Secretariat's restructuring with the measures to be adopted in connection with the intergovernmental machinery.*

Chapter VI, concerning methods of analysing the Organization's planning and budget procedure, remains an outstanding issue. That is not surprising, because politically it is one of the most delicate subjects the Group of Experts had to deal with. An effort must be made to reach agreement on that question. At the same time, we must not lose sight of the fact that it is a delicate question, and that, as we consider probable compromise formulas, we must avoid creating practical problems that are more serious than those we are now trying to solve, through acting with undue haste.

* Mr. Osman (Somalia), Vice-President, took the Chair.

(Mr. Delpech, Argentina)

We believe that a practical way to make progress towards a solution would be to go back to the problems as they were posed in the Group of 18 and determine what areas of agreement may have developed, in order to dispose of as many of those problems as possible, and then formulate consensus alternatives.

We agree with a number of representatives who have already spoken that we must not confine ourselves to choosing one of the alternative formulas put forward by the Group of Experts. The solution might be to combine some elements of alternatives (a) and (b). We understand that the Secretary-General proceeded in that way in paragraph 6 of his note. Ideas such as the earlier participation of Governments in the budget process and earlier notification to the Secretary-General of the amount of available resources might be a practical basis for agreement at the current session.

As regards the specific planning and budget machinery, if a single body is not established to deal with both those problems together, and we are instead to continue with the present division of labour between the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions, we believe that any solution we adopt must make perfectly clear the sphere of competence of each body, to avoid any overlapping, which might create undesirable conflicts.

(Mr. Delpech, Argentina)

At the same time there must be greater co-ordination in the work of those two bodies.

On these details in particular and, consequently, as regards how Governments can improve their participation in the budget's preparation, we believe we should work with the same prudence and patience that we have already mentioned. However, that may mean that a final solution will be the product of work in some intergovernmental body which might be asked to carry out this task. That might make for a more thorough analysis of these questions.

As regards what method should be followed in the decision-making process, we believe that here, as elsewhere, it is necessary to exhaust all efforts to achieve a consensus and ensure the broadest possible basis for understanding. However, we cannot rule out the decision-making procedures provided for in the Charter. Anything of essential importance to the work of the United Nations, such as the budget, must be adopted within certain time-limits, if the Organization is not to be paralysed.

Finally, we should like to refer to the procedural question that was the subject of intense informal consultations. This matter can be more easily dealt with if we reach agreement on matters of substance. We do not believe that undue attention should be given to procedural debates which only conceal differences of opinion on matters of substance. If we do that, we may go astray in sterile debates that will hamper our efforts. That is why we are prepared to be flexible on this item and hope that other delegations will act similarly and refrain from trying to impose on others their approach to these matters, for such a tactic might only create resentment and suspicion.

Mr. AL-ANSI (Oman) (interpretation from Arabic): Allow me at the outset to express our deep sorrow and sympathy to the people and Government of El Salvador on the occasion of the tragic earthquake that recently afflicted that country.

I should like to congratulate the peoples and Governments of the United States of America and the Union of Soviet Socialist Republics, on the convening of the important summit meeting on 11-12 October at Reykjavik, Iceland. The efforts of the two super-Powers will, it is hoped, contribute to world peace and to the strengthening the role of the world Organization.

It was with great care that my delegation studied the important report submitted by the Group of High-level Intergovernmental Experts, comprised of 18 members who represent the international community. That report deals with a review of the efficiency of the administrative and financial functioning of the United Nations.

I seize this opportunity to join those who have preceded me in conveying thanks and congratulations to the Chairman of the Group, Mr. Tom Vraalsen, the Permanent Representative of Norway, and his colleagues members of the Group who have worked strenuously to prepare this lucid, comprehensive report containing 71 recommendations on improvement of the administrative and financial functioning of the Organization, as well as its functioning in various political, economic, social and disarmament fields.

Here, I cannot but pay tribute to the Secretary-General, Mr. Javier Perez de Cuellar, his staff and assistants for the strenuous efforts they have made to ensure the success of the work of the Group of High-level Intergovernmental Experts so as to arrive at solutions that would secure the operational, financial and administrative soundness of the United Nations, whether in the short term concentrated upon in the report, or the medium and long term. If the recommendations are adopted, they will have strong, positive results in the long and medium terms.

(Mr. Al-Ansi, Oman)

The Organization has never faced a crisis such as the one that now confronts it. Yet we must admit that, first and foremost, the current financial crisis has political dimensions. No one should have confused the reforms necessary for better functioning with the threat to minimize the United Nations role. The United Nations is mankind's only hope for protection against wars and misunderstandings among States.

The crisis could be attributed to the mismanagement of resources; it could also be attributed to the unjustified withholding by some Member States of their annual assessed contributions. This leads us to question the United Nations ability to continue to meet its financial obligations. The question is: whose interest would be served by such a situation in the United Nations?

With a view to enabling the Organization to overcome the current financial crisis in a satisfactory manner, we call for the reduction of expenses by the United Nations wherever possible and the rationalization of its work in a way that would not harm its functioning or the noble objectives enshrined in the Charter. The United Nations role is sorely needed as the Organization's membership has grown from 50 in 1945 to 159 at present. We also call for giving the Secretary-General our full confidence as the chief administrative officer, with authority to adopt the measures he deems appropriate in this regard.

My delegation accepts in principle chapters I to V and chapter VII of the report of the Group of Experts. With regard to the controversial Chapter VI, in principle my delegation also supports its section B. A large number of States Members of the United Nations have accepted that alternative as a consensus solution that protects the Organization's established democratic character. We should not open the door for any unnecessary amendments to the Charter principles or the modus operandi of the United Nations. We must intensify our efforts to

(Mr. Al-Ansi, Oman)

achieve co-operation and understanding among States, with the necessary political will, with a view to achieving the Organization's goals.

We had hoped that it would be possible for the Group to continue its work until it reached a consensus concrete text concerning chapter VI, as was the case with other chapters of the report. My delegation had also hoped to have the report at the same time as it dealt with agenda item 116 on contributions, in view of the ambiguities surrounding that item owing to the decision of the General Assembly at its fortieth session to increase the assessed contribution of some States, in particular developing countries, and reduce the assessed contribution of some developed countries - without taking into account the negative effect on some developing countries, in particular oil-producing countries whose revenues, as is well known, have sharply decreased as a result of the phenomenal decline in the price of oil.

(Mr. Al-Ansi, Oman)

In conclusion, I should like to stress once again the dangers besetting the Organization as a result of the financial crisis and the crisis of confidence. We must all work together to enable the Organization to fulfil its responsibilities and achieve its objectives as set out in the Charter. We call upon all Member States to strive to restore full confidence in the Organization.

Mr. ALLEYNE (Trinidad and Tobago): I should like to extend our congratulations to the Secretary-General on his election by acclamation to a second term of office.

Natural disaster has once again struck a Member State. Trinidad and Tobago extends heartfelt sympathy to the Government and people of El Salvador.

On the matter before us, the time has come for us to face squarely the crisis which now confronts this Organization. There are many facets to the situation: there is a financial crisis, there is a political crisis, there is a challenge to multilateralism and there is in a most fundamental sense a crisis of confidence. All these have contributed in one way or another to the precarious situation in which the Organization now finds itself. The focus is now on the General Assembly to act decisively to stem the tide. The fortieth session of the General Assembly was a time for recommitment, a time for assessment of achievements and failures. This forty-first session provides the opportunity to undertake measures to improve the functioning of the system, thereby making the international climate more conducive to co-operation in the pursuit of common goals.

The Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations, now generally referred to as the Group of 18, has undertaken an analysis with a view to providing a new approach and an impetus to improvements in the functioning of the Organization vital to its long-term viability.

(Mr. Alleyne, Trinidad and Tobago)

My delegation wishes to congratulate the Chairman and members of the Group of High-level Intergovernmental Experts on their praiseworthy efforts. The Group of 18 was convened at the end of February of this year, yet by mid-August it was able to conclude its work, producing the report (A/41/49) now before us. The report and its 71 recommendations represent no small achievement, and each of the experts deserves our commendation. The Assembly owes the Group not only a debt of gratitude but also a duty to give due consideration to the issues raised in a manner that does justice to the report itself and to the ideals and aspirations shared by the international community, whose future is at stake.

In the 40 years of its existence changing international circumstances and challenges have led to a significant expansion in the scope and volume of the work of the Organization, as demonstrated by the agenda of the United Nations, the programmes and activities undertaken, the number of conferences and meetings and the growth of the United Nations Secretariat itself. Even if that growth was gradual, there is no evidence that it was planned and orchestrated; rather, the Organization has undertaken numerous ad hoc measures to cope with immediate requirements at various times. The Group's report provides the basis for a comprehensive review which could have far-reaching effects in enhancing the efficacy of the Organization and its long-term viability.

It would not be appropriate at this stage, in this forum, to attempt an in-depth analysis of the report or to comment on each of its recommendations, even though my delegation believes that this will be necessary before too long. I will confine myself here to a few remarks on some of the issues raised and on the procedure for dealing with the report.

(Mr. Alleyne, Trinidad and Tobago)

For my delegation, there is no doubt that the time is ripe for undertaking much-needed improvements in the system. There is little doubt, too, that the report focuses on certain important avenues through which those improvements can be sought. But the Assembly must approach the whole question in a systematic, logical manner, examining each problem and proposed resolution on its merits and in conjunction with others, taking into account both immediate and long-term effects, so as to ensure that the measures adopted do in fact contribute to achievement of the overall aims and objectives to which we aspire.

If we consider those recommendations related to the Secretariat and to personnel, many questions come to mind. There are specific recommendations related to a substantial reduction in the number of staff members, and there are general recommendations relating to the streamlining of departments and offices. But what is not clear is whether the streamlining exercise is to be pursued independently of, or in order to achieve, the 15 or 25 per cent recommended reduction.

Furthermore, the specific reductions suggested do not appear to have been arrived at in a scientific manner but, rather, appear to have leapt out as convenient targets. The same is true of the recommendation regarding the reduction in the use of outside consultants. It seems that before making a decision on those recommendations it will be necessary for us to examine possible ways in which they may be implemented and the various implications of those possibilities.

For example, we should have some basic framework and guidelines for effecting reductions in staff while maintaining the principles of geographic distribution, the highest standards of staff competence and the situation of women in the Secretariat. It is simply not enough to claim that this can be achieved by attrition, without specifying how all relevant conditions, including the continuing

(Mr. Alleyne, Trinidad and Tobago)

need to recruit new staff members and avoid any negative effects on the implementation of programmes, could be satisfied.

The recommendation regarding the reduction of the total entitlements of staff members is dangerously open-ended. It is likely to engender great unease among staff and unions. In an Organization in which 80 per cent of expenses can be attributed to staff costs, it is obvious that the staff will have to bear a part of the necessary financial paring, but this must not be done without due regard for the effects of staff morale and efficiency - the efficiency not only of those who have been affected, but even more of those who are not sure whether they will be.

(Mr. Alleyne, Trinidad and Tobago)

It is therefore necessary to ensure improvements in personnel management and career-development policies as part of the overall framework of reforms. It is imperative that in arriving at decisions which relate directly to staff there be full consultation with staff representatives in accordance with accepted industrial relations principles and practices.

Another aspect of the report which could be most sensitive is that relating to the planning and budget procedures of the Organization. The Assembly's work has been rendered even more difficult by the fact that the Group, having before it three proposals, was unable to agree on a specific recommendation in respect of this issue. It is for the General Assembly to find its own solution, which need not be confined to choosing between those three proposals. It is also important that the planning and budget procedure which is finally adopted by us conform to the established rules and practices of decision-making within the Organization.

The founding nations conferred upon certain members of the Security Council the power of veto. The General Assembly was left unfettered, assuring each nation of sovereign equality. We must not permit the introduction of any such disabilities in this area of decision making.

My delegation welcomes the Group's report and its recommendations, not least because they stimulate discussion on many crucial issues. What we must now agree on are procedures by which we can formally consider the proposals and act on them with dispatch. These are issues vital to the Organization and there should not be attempts to treat them as the domain of a few select participants; all members must be given the opportunity to participate in the deliberations on them.

There appears to be a reluctance to open the recommendations to intense scrutiny for fear of opening a Pandora's box. It is an open secret that many consider it inappropriate for the Main Committee responsible for administrative and budgetary matters to conduct a comprehensive examination of the report because of

(Mr. Alleyne, Trinidad and Tobago)

apprehensions that it may be torn apart. It still appears as though the decision of the General Committee on this issue is subject to various interpretations as to precisely what constitutes a "factual examination" and what status the "findings" of the Fifth Committee would enjoy in the plenary Assembly. But, if the report cannot survive a comprehensive examination, we would be deluding ourselves by giving it blanket approval and then hoping that it would stand the test of time.

The delegation of Trinidad and Tobago intends to participate fully in the deliberations on the report. We wish to join in the search for avenues through which the Organization can be improved, avenues through which its effectiveness in dealing with political, economic and social issues can be enhanced. We will approach the exercise knowing that it is only the beginning of a process of reform, a process which requires continuous review and adaptation, but a process which must involve immediate action on the part of the Assembly. The recommendations in the report give us a useful basis on which to build, but they must be considered with due regard for the aims and objectives of this Organization and the provisions of the Charter and with full respect for the sovereign equality of all States.

Mr. ESSY (Côte d'Ivoire) (interpretation from French): We have learned with great sadness of the terrible catastrophe that has struck El Salvador, a friendly country struggling so for economic development and progress with regard to human rights. On behalf of the Government of Côte d'Ivoire I would like to ask the Government and the courageous people of El Salvador to accept our most sincere condolences. We hope that the international community will once again play its part in meeting the challenge of nature.

This year our session began with a crisis, perhaps the most serious crisis the Organization has experienced since its creation 40 years ago. But, as is so rightly recalled and emphasized by the Secretary-General in his outstanding report on the work of the Organization, the crisis is above all a political one, and its

(Mr. Essey, Côte d'Ivoire)

severe financial implications are only the most striking manifestation and the most serious practical evidence of it.

Nevertheless, any crisis can in the final analysis be for the best if it provides an opportunity for introspection, soul-searching and self-criticism which may enable one to regain one's bearings in order to move forward more determinedly. Accordingly, we are called upon to examine in detail and take final decisions on the recommendations in the report of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations.

In this connection my delegation wishes to commend the Group of Experts, which succeeded in submitting, in the limited time allotted to it, a reasonably exhaustive report on extremely complex issues, which includes useful and constructive proposals that could bring to the administrative and financial functioning of the Organization the improvements necessary for its long-term viability.

But the search for greater efficiency at any price must not serve as a convenient pretext for implicit questioning of what constitutes the common denominator of the Organization, gives it its originality and constitutes its essence - that is, the principle of the absolute equality of all States Members and of respect for their sovereignty, whatever the level of their contribution to the Organization's budget. To tamper even indirectly with that principle under the cover of apparently neutral technical reforms would be to deprive the Organization of its ethic, its soul and its raison d'être. That would be, in the final analysis, gradually to condemn it, through disaffection and disillusionment to inertia. It would be to destroy a great hope, for which the peoples would never forgive us.

(Mr. Essy, Côte d'Ivoire)

It was quite natural that, following a victory over States that wished to impose a hierarchical concept of relations among nations, the United Nations should have wished to emphasize the rule that underlies inter-State democracy.

Furthermore, the United Nations, given its responsibilities, is an essentially political organization, therefore its administration and financial functioning cannot always accommodate methods and evaluation criteria in use in other financial or economic organizations.

(Mr. Essy, Côte d'Ivoire)

Its efforts, no doubt slow but patient, gradual, persevering and praiseworthy, in favour of peace, international co-operation, development and a better understanding among peoples, which is its mission and its final objective, could not be measured solely in terms of financial ratios or economic cost-effectiveness.

Furthermore, as was recognized by the International Court of Justice in its advisory opinion on certain expenditures of the United Nations, it was natural

"to give pride of place to peace and international security, for other objectives cannot be achieved if that basic requirement is not met."

Contrary to some tendentious allegations, we are in favour of reforms designed to increase the administrative effectiveness of the Organization, which is more than ever necessary today for developing countries, faced with all kinds of problems the solutions to which are adapted to the current structure of the United Nations system.

Furthermore, our respective States set an example for reforms by taking extremely rigorous steps to cope with the effects of the crisis by which we were so hard hit.

We supported the creation of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization. That proves, if proof were needed, that the developing countries are those which have the greatest stake in improving the administrative and financial functioning of the Organization, for in the final analysis it is they who have the greatest need.

In accordance with the provisions of General Assembly resolution 40/237, we are in favour of ensuring that the principles of the Charter are not violated in any way, especially the principle of the sovereign equality of all Members of the Organization and the preservation of the authority of the Secretary-General who, in accordance with Articles 97 and 98 of the Charter, is the chief administrative officer of the Organization and who consequently prepares the draft budget. We are

(Mr. Essy, Côte d'Ivoire)

also in favour of preserving the powers of certain important bodies, such as the General Assembly which, pursuant to Article 17, alone has overall power to consider and approve the budget of the Organization, the execution of which lies with the Secretary-General.

Taking into account the foregoing, it goes without saying that a voting system which called into question the principles I have mentioned or any violation of the prerogatives of legislative bodies, which would be tantamount to a de facto revision of the Charter, would not have the support of my delegation.

The first part of the report emphasizes the agreement among the experts in Chapters I to V and therefore makes clear-cut recommendations. In this connection and as regards the report's recommendations on the structure of the Secretariat and on the staff, my delegation agrees with the views of the experts who ask that there be a secretariat structure which might be more rational, streamlined and less top-heavy and the establishment of a staff policy which would be more consistent and orderly. The recommendations formulated by the experts with that end in view, favouring a reduction of certain posts, on management, staff, as well as those on recruitment procedures and on the proportion of permanent and fixed-term staff present no difficulty to my delegation.

The increase in the number of staff in the Organization no doubt could be considered to be a sign of international dynamism and the extreme diversity of the tasks to be carried out by the central system and its subsidiary bodies, but it would seem now that a reorganization and an overhaul of the administration is more than ever necessary in order to remedy a situation of bureaucratic pile-up which has come about over several years. The Secretary-General himself no doubt foreshadowed that by deciding on 10 September 1984 to freeze staff recruitment for a period of six months, subject to extension. The rotation of staff called upon to serve in the system, like the application of the principle pursuant to which no

(Mr. Essy, Côte d'Ivoire)

post should be considered the exclusive preserve of any Member State, or group of States could save the Organization from paralysis and help in finding new solutions to certain problems.

My delegation believes that implementation of the recommendations of the Group of Experts on the Secretariat and its staff should be carried out with full respect for the prerogatives of the Secretary-General as laid down in the Charter, taking due account of the relevant provisions of the staff rules as adopted by the General Assembly. My delegation welcomes assurances given us by the Secretary-General that he will see to the implementation of these measures in equity and justice and with respect for the basic principles and ideals of the Charter in such a way as to make optimum use of the skills of these men and women in the interests of the international community. With this reform in view, it would be highly desirable for the high-ranking African officials in the Secretariat to be given the necessary authority to carry out all the responsibilities entrusted to them.

There can be no doubt that the sensitive question of the budget and planning machinery is the nexus of the entire report of the Group of High-level Experts. The complex nature of the subject, since it contemplates far-reaching radical reforms, did not enable the experts to make only one recommendation and they have left it to the General Assembly to choose, among the proposals made to it, the one that would best preserve the authority and prerogatives of the General Assembly and the Secretary-General and thereby take into account the balance of interests of each and every State Member of our Organization.

As I said earlier in my statement, the United Nations crisis, of which today we are experiencing only the financial aspect, has essential political causes. The search for better efficiency in the functioning of the Organization, the establishment of intergovernmental machinery whose mandate and powers might jeopardize the principles of equality, sovereignty and collective responsibility of

(Mr. Essy, Côte d'Ivoire)

States Members in budgetary matters, as recognized by the Charter, would not help to solve the problem. What we need is a negotiated political solution. The truth is that we cannot lay down a practical procedure which might facilitate and encourage overall agreement on the budget as long as there continue to be political differences which set State Members against each other on questions of substance. That is where the problem lies. No intergovernmental machinery, however intelligent it might be, will fill the chronic budgetary deficit of the United Nations if the profound divisions continue among members of the Organization on the programme budget.

In joining the consensus on the adoption of resolution 40/237, which set up the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations, my delegation, like many others, placed a great deal of hope and trust in the outcome of the Group's deliberations. While striving for the safeguarding of the basic principles of the United Nations, especially the authority of the General Assembly and its voting procedure on budgetary matters as provided for in the Charter, my delegation is prepared to lend its assistance to any reasonable measures which might mitigate differences and increase the confidence of all States Members in the Organization, so as to ensure its viability, because through its specific nature and its role it has become an institution which today, whether we like it or not, is absolutely necessary to the international community.

Mr. HITAM (Malaysia): I wish first to associate my delegation with the expression by many delegations of sympathy with and grief for the people of El Salvador in their suffering as a result of the natural disaster that has befallen them. My delegation hopes that the sympathy of the General Assembly will be some solace to the people who are the unfortunate victims of this tragedy.

This agenda item has brought us once more to an important juncture, at which we find ourselves at a crossroads. I could not agree more with the Secretary-General's statement that the report of the Group of Experts provides a basis on which Member States can come together to restore a sound and lasting financial foundation for the Organization. We have the opportunity now to ensure the increased efficiency of the United Nations and thereby enhance its capacity to play its important role in promoting peace, justice and development.

The report of the Group of 18 merits our serious and immediate consideration. The Malaysian delegation fully supports the recommendations that the Group has so painstakingly formulated. These recommendations, to our mind, reflect the deep sense of dedication and objectivity with which the Group set about carrying out its task, in accordance with resolution 40/237. In the context of endorsing the Group's report, I should like to make two further observations:

First, in certain parts of the report, such as recommendation 25 (1) and recommendation 30, a review has been recommended with a view to streamlining the machinery and eliminating duplication. I venture to ask who, in the view of the Group, should undertake the review and determine how far there is duplication? We hope that this will help to clarify our perception of how the recommendations would be implemented. In this regard, we should, of course, be equally appreciative if the Secretary-General would also present his views.

(Mr. Hitam, Malaysia)

Secondly, the report states in paragraph 19 and in recommendation 8 that there is a need for a body to be designated by the General Assembly to carry out an in-depth study of the intergovernmental structure, especially in the economic and social fields. In view of the magnitude of such a study, I think it would be a good idea for the members of the Group of 18 to form the intergovernmental body which the Group has most appropriately recommended. We do not mean to add to the burdens of our colleagues who were members of the Group. However, I cannot help recalling how very aptly the Chairman of the Group, Ambassador Tom Vraalsen, said that the Group had only begun "a reform process". Since the vital reform has just begun, I cannot think of a more competent and well-placed body than the Group of 18 to continue the process towards our important objective of ensuring the long-term financial viability of the United Nations.

I would hasten to add, however, that my delegation views the report as an extremely satisfactory fulfilment of the Group's mandate under the terms of resolution 40/237. On behalf of my delegation, and on my own behalf, I should therefore like to express our highest admiration and congratulate Ambassador Vraalsen of Norway and the other members of the Group on the report submitted to us. It is with full confidence in the competence of the members of the Group that I venture the suggestion that the Group be given a fresh mandate in order to pursue recommendation 8.

As regards the immediate financial crisis that our Organization is facing, I also appreciate the point made by the Secretary-General in paragraph 11 of his note (A/41/663). I share the view that to a large degree this crisis is rooted in the dynamics of East-West relations, and this has unfortunately tended to erode management and financial principles. This is indeed a serious cause of concern, and I would therefore like to join all those who have spoken before me in urging all the parties that have in one way or another caused the problem seriously to

(Mr. Hitam, Malaysia)

reconsider their position. The financial rules and principles should be applicable to all Members equally, and we would deem it unfair for any Member to arrogate to itself a selective right to do other than abide by them. Furthermore, in the face of increasing international political and security problems, we logically need a stronger Organization. When the Group of 18 has so commendably identified measures which would contribute to such strengthening and to greater efficiency, it would be a sad irony if we the Members did not meet the financial obligations decided upon in the Organization, thereby nullifying our own decision. We are therefore in full agreement with the views expressed by the Secretary-General and we accordingly urge the faithful settlement of any outstanding financial obligations in accordance with the terms of the Charter.

We believe this call by the Secretary-General necessitates a certain degree of review of the criteria for contributions. While we would support such an effort, we would like to emphasize the need for a balanced approach as regards the various economic systems, particularly those of the developing countries.

Mr. BOUZIRI (Tunisia) (interpretation from French): Allow me, first of all, following the terrible disaster that has just struck El Salvador, to convey to the delegation of that country the deepest condolences of the people and Government of Tunisia.

On 10 October, on a unanimous recommendation by the Security Council, the General Assembly, by acclamation, gave a second mandate to Javier Perez de Cuellar as Secretary-General of the United Nations. On this happy occasion I should like to extend to the Secretary-General the warmest congratulations of the Tunisian Government on the esteem in which he is held by the international community, as shown by this spontaneous expression of confidence. It is undeniable that, during the past five years, he has demonstrated great wisdom, firm courage and a constructive spirit in his approach to the affairs of our Organization and in his many initiatives on behalf of peace throughout the world. Tunisia is confident that in the future the Secretary-General will continue his tireless efforts to promote peace and co-operation among nations. I am therefore pleased today to express to him once again the fullest support of the Tunisian Government in his difficult but noble task.

The celebration of the fortieth anniversary of the United Nations was a great event for two reasons. In addition to commemorating the founding of the Organization, it gave rise to resolution 40/237 setting up the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the Organization. Our Organization is to be sure experiencing a financial crisis unprecedented in its history. This situation, which is still acute, was an important factor in the setting up of the Group of Experts. In spite of its profoundly political nature, the financial crisis made it necessary to review, and if necessary modify, the administrative and financial machinery of the United Nations.

(Mr. Bouziri, Tunisia)

Many delegations have stated that such a review had become necessary because of the increase in the number of meetings and the swelling of the Secretariat staff. The main idea underlying the project in question was to transform the Organization in order to adapt it to present needs, while making it more effective and less costly. Because of the worthy objective, the proposal to set up the Group of 18, for which Japan deserves credit, was an idea that was welcomed, though at first with some caution, even reluctance, on the part of a number of delegations. Is there any need to remind you that the African Group immediately understood the scope of Japan's proposal and went along with it with enthusiasm? It is obvious that our Group attaches considerable importance to this Organization and to its continued existence, health and influence in the future.

Of all the continents, the African continent, which has suffered from colonialism and racism and still bears the yoke, probably needs the United Nations the most, especially since, in addition to the evils just mentioned, Africa has been struck by natural disasters for some time now. What would have happened to all these disinherited peoples without the considerable work done by the United Nations and its relief and works agencies? This understanding, which, to some extent, exists between our Organization and our continent was made more concrete this year through the holding of the special session on the critical economic situation in Africa. As has often been said recently - in a somewhat tendentious or even slanderous way - the African Group would be the last one to oppose the reforms proposed by the 18-member Group of Experts. Quite the contrary, our continent is more than ever aware of the fact that, after 40 years of existence, and in this ever changing world, there is a need to review the machinery of the United Nations.

The seriousness with which the African countries have studied the report of the Group of Experts shows how anxious we are to see this Organization function

(Mr. Bouziri, Tunisia)

effectively. In the interest of ensuring its survival and of contributing to peace and security throughout the world, our Organization must now more than ever function in accordance with the principles of democracy, as the representative of Romania and others have said, and in accordance with the sovereign equality of Member States. There is no question of creating two types of States within our Organization, small States and large States. Everyone must be given a chance to express his views and take an equal part in the decision-making process within the United Nations system. The level of contributions of Member States must by no means have a negative effect on these practices. Any contribution to the United Nations budget must be judged for what it is worth, namely, a relative effort undertaken by every country regardless of its size to the existence of the Organization. The existence of our Organization must be safeguarded at any price, given the fact that the United Nations is a symbol and an instrument of multilateralism, and a forum where the nations of the world can get together.

If we stray from these fundamental principles, which are the foundation of the United Nations, then, we will create a new international situation characterized by a loss of confidence in the Organization. Therefore in order to prevent such a situation from coming about we are in duty bound to work together for a common solution to the problems of the Organization. So my delegation has taken an open-minded approach to the report of the Group of High-level Intergovernmental Experts. On this occasion, I should like to present to the experts and to the Chairman of the Committee, Ambassador Tom Vraalsen, the hearty congratulations of the Tunisian delegation on the splendid job that they have done together. Their task was most certainly a delicate one, but they discharged it in the time assigned to them. The recommendations that the experts have put forward in their report concern all sectors of activity of the Organization, and that means that all sectors were reviewed, although some more than others in view of the scope of the task assigned to the experts.

(Mr. Bouziri, Tunisia)

It is fortunate that an agreement was reached among the 18 experts on the first five chapters of the report. Chapter VI, which is by far the most important part of the report, was not, owing to lack of time, the subject of a consensus among the members of the Group of Experts, and that is a matter of considerable regret for my delegation. For this reason it is not possible to consider this report as a package deal, as some would have desired. The experts were unable to reach an agreement on a procedure for the budget and now agreement must be reached among Member States on this question, in spite of the differences of opinion that exist on the subject.

My delegation is open to any solution that would improve the administrative and financial functioning of the Organization as stipulated in the mandate of the Group of Experts. However, we cannot endorse any form of rigid machinery that might impede the functioning of the Organization, rather than facilitate it. It now seems to be agreed and accepted that many delegations are opposed to any budgetary process that would exclude States whose contributions are at a fairly low level. My delegation is in favour of a budgetary process that would first and foremost take into account the desire of Member States to take part, from the outset, in the preparation of the budget and in the choice of priorities. These objectives can be achieved and we already have proposals in this connection. Nor must we ignore the prerogatives of the Secretary-General, to whom we have just renewed our confidence unanimously.

(Mr. Bouziri, Tunisia)

The Secretary-General is primarily responsible for the Secretariat, in which there are thousands of staff members whose future largely depends on the way in which this report is implemented. Therefore it is essential that the General Assembly give Mr. Perez de Cuellar clear and precise guidelines regarding the implementation of the reforms proposed in the report. Consequently the General Assembly must adopt a decision or a resolution. To rely on a vague document such as a declaration by the President of the General Assembly might only create confusion regarding the nature of the guidelines. Moreover, consideration of the report in the Fifth Committee will indeed facilitate the task of the Secretary-General and the General Assembly, as they will then have available a considerable body of explanations and ideas.

The meeting rose at 5.20 p.m.