



SUMMARY RECORD OF THE 72nd MEETING

Chairman: Mr. KOBINA SEKYI (Ghana)

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

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Distr. GENERAL
A/C.5/33/SR.72
23 February 1979

ORIGINAL: ENGLISH

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The meeting was called to order at 3 p.m.

AGENDA ITEM 100: PROGRAMME BUDGET FOR THE BIENNIUM 1978-1979 (continued)

Administrative and financial implications of General Assembly resolutions 32/182 A to C concerning agenda item 27 (A/33/7/Add.32; A/C.5/33/104 and Corr.1)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) reminded members that, on advice from ACABQ, the Fifth Committee had recommended that the Secretary-General should be given authority to commit \$250,000, in order to allow some work on the implementation of General Assembly resolutions 33/182 A to C to commence in January 1979, pending detailed consideration of the financial implications at the resumed session (see A/C.5/33/SR.68, paras. 1-45). Taking into account an amount of \$284,100 already available for 1979, the Secretary-General estimated that additional requirements of \$2,668,900 net of staff assessment would be required in 1979.
2. The Advisory Committee had inquired into the meaning and implications of paragraph 8 of the Secretary-General's statement and the information given to the Committee could be seen in paragraph 4 of its report.
3. Within the total estimated cost of \$2,953,000 for the 1979 programme of work of the Council for Namibia, \$837,600 was intended for meetings away from Headquarters, missions and travel for purposes of representation. The Namibian problem had reached a critical stage and, in the view of the Council, it was necessary to intensify a number of activities covered by the Secretary-General's request. Accordingly, the Advisory Committee felt that the amount could not be regarded as excessive, provided the programme could be carried out in full. It noted, however, that \$538,100 had been appropriated for such purposes in 1978, of which \$248,300 had been spent in the first 11 months (para. 7). Bearing in mind the fact that General Assembly sessions in 1979 and developments related to the Namibian question might make it impossible to spend the entire amount requested, it recommended an amount of \$700,000 (ibid.).
4. The Advisory Committee recommended acceptance in full of the request for \$182,500 in support of the South West Africa People's Organization (para. 8). As stated in paragraphs 9 to 15 of its report, the Advisory Committee, while aware of the importance Member States placed on public information activities concerning Namibia, believed that an amount of \$237,000 would be sufficient for public information purposes. It recalled that a balance of \$55,000 remained to be spent in 1979 from the \$157,000 appropriated in 1978.
5. The Advisory Committee noted (para. 16) that the amounts of \$500,000 and \$300,000 for the United Nations Fund for Namibia and the United Nations Council for Namibia respectively were specified in the report of the Council for Namibia and the relevant resolution of the General Assembly. Paragraphs 18 to 20 of the Advisory Committee's report discussed the request of \$555,700 for the Nationhood Programme. ACABQ accepted that administrative support and the other tasks referred to by the Secretary-General should be funded from the regular budget but believed

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that 11 temporary-assistance posts, rather than 14, should suffice for the present. If more staffing were required, additional requests could be considered later. With regard to the implementation of Decree No. 1 for the Protection of the Natural Resources of Namibia, ACABQ recommended an appropriation of \$75,000 (para. 17).

6. The Secretary-General had put forward two proposals for the reclassification of posts. ACABQ had considerable sympathy for the request to reclassify the P 5 post at Lusaka to D-1 but, for the reasons stated in paragraph 22 of its report, it recommended that the request should be included in the budget proposals for the biennium 1980-1981. With regard to the post of the Secretary of the Council, the Advisory Committee regretted the growing practice whereby intergovernmental bodies took decisions on matters which were within the competence of the Secretary-General but it had not objected to the request, and recommended that consideration be given to obtaining a D-1 post through redeployment (para. 29). Its recommendation concerning the request for additional support to the Secretariat of the Council was set forth in paragraph 28 of its report.

7. The total additional appropriations being recommended by ACABQ for implementing the programme of work of the Council for Namibia as approved by General Assembly resolution 33/182 C amounted to \$2,162,600. There had been a misunderstanding between ACABQ and the Secretariat over the amount available from already-approved resources for financing the 1979 programme. The figures contained in document A/33/7/Add.32, paragraphs 33 to 35, indicated that some \$1,155,000 was available; the correct figure was \$355,000. An appropriate corrigendum to the report of ACABQ would be issued shortly.

8. Mr. ABANKWA (Ghana) said his Government attached great importance to the question of Namibia and had, since Ghana's independence, worked consistently with other like-minded nations for the removal of the racist South African régime from Namibia. At last the United Nations could hope for the achievement of that goal, but the final stages of the process would be the most difficult. The United Nations must show perseverance, determination and tenacity of purpose.

9. His delegation would have been happy if the Secretary-General's proposals had been accepted by ACABQ as presented: at such a crucial stage, no one should be given a spurious excuse to jeopardize the chances of success. Nevertheless, it felt that many of the recommendations made by ACABQ were quite fair. The basis for the recommended reduction in the appropriation for programmes and meetings away from Headquarters, missions and travel for purposes of representation and contact was reasonable. It was only right that the Council should hold some of its meetings in New York if all its members were going to be in the city.

10. His delegation noted from paragraph 14 of document A/33/7/Add.32 that in 1978 the appropriations for the dissemination of public information had not been fully utilized. It appealed to the Secretary-General to intensify his efforts in that area and to make information available to as many people as funds would allow.

(Mr. Abankwa, Ghana)

11. He was prepared to accept the recommended reductions in appropriations for the Nationhood Programme. But his delegation was not happy with the recommendation to provide a P-2 post for an administrative officer in New York on a temporary-assistance basis. The Secretary-General's representatives had on many occasions stated how difficult it was to recruit staff on a temporary-assistance basis, especially at the lower grades where young officers sought secure career prospects. If it could be confirmed that the P-2 post was likely to be necessary for some time, the Fifth Committee should reconsider that recommendation of ACABQ.

12. Finally, he turned to the Secretary-General's proposals (A/C.5/33/104, paras. 26 (a) and 28 (i)) to reclassify two P-5 posts to D-1. His delegation accepted the Advisory Committee's argument that the over-all workload of the Department concerned had decreased over the years, but pointed out that the few remaining Territories formed the hard core of the problem; the officers in the Department at such a crucial period should be given the status and authority to enable them to perform effectively.

13. Mr. SIKAULU (Zambia) expressed his delegation's grave concern at the statement in paragraph 7 of the ACABQ report, that, "in view of the sessions of the General Assembly in 1979 and the possibility that developments in the Territory might make it necessary for all members of the Council to be present in New York", the funds requested by the Secretary-General for the Council's programme of meetings away from Headquarters, missions, and travel for purposes of representation and contacts might not be required in full. It seemed that ACABQ had allowed a purely political judgement to influence its assessment of the resources which would be required in 1979. The Advisory Committee was not entitled to make such a judgement, particularly with regard to a programme of work to which the General Assembly had given its approval.

14. For the same reason, his delegation could not agree with the representative of Ghana that the reductions proposed by ACABQ were reasonable. At such a crucial period, it might be all the more necessary for the Council for Namibia to be active, explaining the position of the United Nations and representing Namibian interests. To imply that members of the Council travelled for travel's sake was a serious over-simplification: it would be far more convenient for delegations to meet at Headquarters, where all the facilities were available, but missions away from Headquarters sometimes had to be undertaken for specific purposes, and had in the past had a tremendous impact in terms of the results achieved.

15. Mr. SEMICHI (Algeria) associated his delegation with the views expressed by the representative of Zambia. In view of the efforts by the United Nations to reach a solution to the Namibian question as soon as possible, he was astonished at the judgement expressed by ACABQ in paragraph 7 of its report. He could not accept pronouncements by a body concerned with administrative and financial matters on the political substance of a matter under consideration at the United Nations. If, as it appeared, the Council had not used all the resources made available to it for work away from Headquarters in 1978, it should be stepping up its activities and seeking further appropriations.

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(Mr. Semichi, Algeria)

16. ACABQ was within its rights to make such recommendations about the management of United Nations resources as appeared in paragraphs 22 and 29 of its report. If, however, it had considered the requests for reclassification more closely it would have recognized that the reclassification of the post of Secretary of the Council was not merely administrative, but touched on the highly important issue of the calibre of the person who acted in that capacity. His delegation supported the Secretary-General's proposal in that regard.

17. The CHAIRMAN said that in his view, the wording of paragraph 7 of the report of ACABQ implied that the recommended reduction was because of the under-utilization of the resources made available to the Council in 1978.

18. With regard to the question of reclassifications he reminded members that it was the consistent policy of ACABQ to object to reclassifications in the course of a budget biennium. The Fifth Committee normally accepted the Advisory Committee's recommendations in that regard unless it had very strong reasons for doing otherwise.

19. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), replying to the criticisms raised by the representatives of Zambia and Algeria, said that he, as an African, was also sensitive to the issue of Namibia. He would not preside over a body which took any decision prejudicial to the Council for Namibia or its recommended policies. But ACABQ had to consider proposals submitted by the Secretary-General and in the light of its judgements, make recommendations as to the resources actually required.

20. The reduced appropriation recommended in paragraph 7 of the report of ACABQ did not stem from a political value judgement, and he disagreed with any delegation which tried to read such judgement into the wording of the paragraph in question. Paragraphs 6 and 7 indicated clearly the reasons for which the Advisory Committee had recommended the reduction. In the light of those reasons, ACABQ would have been more deserving of criticism had it not recommended any reduction; it should be noted, however, that the new appropriation recommended exceeded expenditure in 1978 by more than two and a half times.

21. The function of ACABQ was to recommend such changes in the Secretary-General's estimates as it found appropriate. If the Fifth Committee wished to disagree, either with the reduction in appropriation for meetings away from Headquarters, missions and travel for purposes of representation and contacts, or with the Advisory Committee's policy concerning the reclassification of posts, it was of course quite at liberty to do so.

22. Mr. KEMAL (Pakistan) expressed his delegation's confidence in the Chairman of ACABQ and said that the amount recommended by the Advisory Committee should be more than sufficient for the Council's needs. Should the Council subsequently require additional funds, his delegation would be prepared to support a further allocation at the end of 1979. Although it was in favour of the reclassification of the Lusaka post, his delegation appreciated that it was because of the Advisory Committee's belief that posts should not be reclassified half-way through a biennium

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(Mr. Kemal, Pakistan)

that that body had not recommended an immediate reclassification. No discrimination should be practised in the Secretariat: the privilege of serving the cause of Africa did not automatically confer other privileges on the members of the Secretariat concerned.

23. Mr. KOUYATE (Guinea) said that his delegation agreed with the views expressed by the representatives of Zambia and Algeria: paragraph 7 of ACABQ's report clearly seemed to contain a political judgement. The situation in Lusaka was a special one and, as such, required the adoption of special measures. His delegation was not prepared to make concessions on unacceptable budget cuts, for which the Chairman of ACABQ had presented no convincing argument, and wished to know whether, in the light of the arguments which had been advanced, ACABQ still wished to recommend the reductions of \$435,400.

24. Mr. SIKAULU (Zambia) said that his delegation had absolute confidence in the Chairman of ACABQ. However, if it was true that, when making the recommendations contained in paragraph 7 of its report, ACABQ had been guided only by the knowledge that the Council had not always fully utilized its funds, he wished to know why the second sentence of the paragraph referred to possible future developments in Namibia. That reference raised a sensitive political matter which should not be ignored if the question of Namibia was to be taken seriously. It seemed to imply that future developments might render unnecessary the Council's representation of Namibia at international conferences. Such developments could not be anticipated and, in any case, should be evaluated by the General Assembly or the Security Council, by whose position the Committee should be guided. Since the sentence in question might be injurious to the cause of the liberation of Namibia, his delegation wished to propose that, if ACABQ's report was to be adopted, the sentence should be deleted and it should be made clear that paragraph 7 was to be read in conjunction with paragraph 6.

25. The CHAIRMAN pointed out that the Fifth Committee would ultimately address itself only to the amounts to be appropriated and that the figures approved would not reflect the sentence to which the representative of Zambia objected.

26. Mr. MARMULAKU (Yugoslavia) said that his delegation fully supported the views expressed by the representatives of Zambia and Algeria and that, as a member of the Council for Namibia, his delegation would welcome deletion of the sentence.

27. Mr. KOUYATE (Guinea) suggested that the Chairman of ACABQ should announce the deletion of the sentence in question before the Committee made its decision.

28. The CHAIRMAN pointed out that the Chairman of ACABQ did not have the authority to amend the text and that, if the sentence was to be deleted, the report would have to be returned to ACABQ for reconsideration. However, that procedure would be very time-consuming and, in his opinion, the Committee was duty-bound to conclude its consideration of the item to enable the programmes in question to continue.

29. Mr. LAHLOU (Morocco) said that it would be impossible for the Chairman of ACABQ to amend the text but that the Committee could express its view on the sentence in question in its own report to the General Assembly.

30. Mr. KEMAL (Pakistan) said that, in his view, the sentence in question was the result of an oversight on the part of ACABQ, which had merely wished to suggest that members of the Council might not find it possible, in view of the heavy pressure of work in New York, to carry out all the missions envisaged. The sentence was a statement of fact and had not been intended to imply a political judgement. If the Committee were to attempt to amend the report, it would set a very bad precedent, and he suggested that the Committee's records would adequately reflect members' dissatisfaction with the sentence.

Services provided by the United Nations to activities financed from extrabudgetary resources (continued) (A/32/8/Add.9; A/C.5/31/33 and Corr.1; A/C.5/32/29 and Corr.1; A/C.5/33/L.43)

Technical co-operation support costs: redistribution of regular budget and reimbursement resources (continued) (A/33/7/Add.25; A/C.5/33/56 and Corr.1; A/C.5/33/L.43)

Agency support costs (continued) (A/33/7/Add.21; A/C.5/33/L.43)

31. Mr. AKASHI (Japan), introducing the draft decision in document A/C.5/33/L.43, said that his delegation had attempted to identify the common thread in the views expressed in the discussion of the various issues relating to the provision of services to activities financed from extrabudgetary resources and to present a text which could be accepted by consensus. The draft decision dealt not only with the general aspects of the subject but also with the more specific question of the adequacy of overhead or support costs reimbursed by UNDP and the Secretary-General's proposal for an exchange of several posts financed under the regular budget for an equal number of extrabudgetary posts. The draft decision would have the General Assembly approve the proposed exchange of posts. Since agency support costs were to be discussed shortly by a UNDP Working Group, whose recommendations would be considered by the UNDP Governing Council, the draft decision provided that the Advisory Committee's report (A/33/7/Add.21) should be transmitted without comment to the Governing Council and that the Fifth Committee should revert to the question at its thirty-fourth session.

32. The Secretary-General's two reports on the general question of services provided by the United Nations to activities financed from extrabudgetary resources contained no specific proposals: it was therefore sufficient for the Committee to take note of them and the related report of the Advisory Committee.

33. Mr. SCHMIDT (Federal Republic of Germany) noted that the draft decision provided that the summary records of the Fifth Committee's discussion should be transmitted to the UNDP Working Group. He hoped that the decision would not come too late, since the Working Group was scheduled to meet very shortly for three days only. In any event, the Working Group should be apprised, at least informally, of the Fifth Committee's views on the matter. The position of UNDP with regard to

(Mr. Schmidt, Federal Republic
of Germany)

agency support costs seemed to be governed more by pragmatism than by any strict logic and there was a disquieting tendency to describe new proposals as having a rational basis, which, in fact, they did not. In that connexion, his delegation agreed with the Advisory Committee's observation in paragraph 17 of document A/33/7/Add.21; in its view, the UNDP Administrator's proposals in document DP/NGOC/25 were every bit as arbitrary as the current 14 per cent reimbursement formula. That did not imply any criticism of the Administrator's proposals but simply reflected the recognition that they were based on considerations of convenience and political expediency rather than the dictates of abstract reason.

34. His delegation was of the view that neither the specialized agencies nor the Secretary-General had addressed themselves to the problem of reducing over-all support costs. In that connexion, his delegation found unconvincing the argument that a reduced rate of reimbursement would be an incentive to economy.

35. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said he wished to receive clarification regarding the import of the words "and accept the transfer of posts proposed by the Secretary-General" in paragraph 3 of the draft decision.

36. Mr. AKASHI (Japan) drew attention to paragraph 19 of the Secretary-General's report on the redistribution of regular budget and reimbursement resources (A/C.5/33/56) in which he proposed an exchange of posts between section 5D of the programme budget, on the one hand, and sections 22B and 22D, on the other. The exchange of posts would have no financial implications.

37. Mr. ABRASZEWSKI (Poland) asked whether acceptance by the General Assembly of the proposed exchange of posts would imply acceptance of the grading of the posts involved.

38. Mr. DEBATIN (Assistant Secretary-General for Financial Services, Controller) said that neither the staffing table of established posts nor the number of extrabudgetary posts would be changed by the Japanese draft decision. The Secretary-General had proposed the exchange of posts solely in response to views repeatedly expressed regarding costs which should be borne by the regular budget and extrabudgetary funds respectively.

39. Mr. KHAMIS (Algeria) expressed concern that the proposed exchange of posts might affect the programme budget proposals for the biennium 1980-1981 in that it might create the impression that there had been growth in the budget of the Department of Technical Co-operation for Development when in fact no growth had occurred.

40. Mr. DEBATIN (Assistant Secretary-General for Financial Services, Controller) said that the only change involved in the proposed exchange of posts was the manner in which the posts in question would be funded.

41. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that in his delegation's view, acceptance of the proposed exchange of posts did not imply approval of their existing grading and could not be interpreted by the

(Mr. Palamarchuk, USSR)

Secretary-General as an invitation to propose further exchanges of posts. On that understanding, his delegation would not object to the adoption of the draft decision by consensus.

42. Mr. ABRASZEWSKI (Poland) said that his delegation understood that the draft decision related solely to an administrative exercise and that the exchange of posts should not be interpreted as approval of the grading of the posts in question. In that connexion, he noted the intention of the Advisory Committee to revert to the question of extrabudgetary posts in the context of the programme budget proposals for the biennium 1980-1981.

43. Draft decision A/C.5/33/L.43 was adopted by consensus.

Performance report (continued) (A/33/7/Add.26; A/C.5/33/25 and Rev.1)

44. Mr. SERAFINI (Italy) observed that the additional appropriations requested to cover the impact of inflation, variations in exchange rates and the decisions of policy-making organs represented an increase of 7.6 per cent over the original appropriations for 1978-1979. His delegation was surprised that the Committee had been asked to take a decision on such a substantial increase in the course of the biennium without a genuine discussion and without allowing sufficient time for delegations to digest the information given by the Controller at the 71st meeting in response to a number of important questions. Although the Controller's reply concerning the method used to calculate the additional requests to cover variations in the exchange rate between the Swiss franc and the United States dollar had been reassuring, his delegation felt that fuller information concerning the currencies in which expenditure was incurred, broken down by budget section and programme, should be presented as an annex to future reports.

45. His delegation was not satisfied with the Controller's explanation as to why the assumption of a 3 per cent rate of inflation in Switzerland on which the Secretary-General had based his initial estimates, had been maintained. The argument put forward by the Controller, namely that the assumption of 3 per cent inflation would not in itself entail an increase in salaries since movement from one class of post adjustment to another took place only after a 5 per cent increase in the cost of living and only after a four-month waiting-period, had also been used to justify the Secretary-General's decision not to request additional appropriations for 1979 to meet additional requirements attributable to inflation in New York greater than projected. In the view of his delegation, there should not be a double standard and, accordingly, the amounts requested to meet additional requirements attributable to variations in the exchange rate for the Swiss franc should be reduced by 2 or even 3 per cent.

46. As to the objection that the December 1978 operational rate of exchange between the United States dollar and the Swiss franc was higher than the current rate, his delegation considered the view expressed by the Advisory Committee in paragraph 8 of its report (A/33/7/Add.26) to be completely apposite.

47. The current period was one of increasing instability with regard to exchange rates. It was not proper to require States to pay in advance substantial sums calculated on the basis of entirely uncertain forecasts. Additional

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(Mr. Serafini, Italy)

appropriations requested in the course of a budget period for requirements attributable to exchange rate fluctuations should be kept to a minimum, and any short-falls due to such fluctuations should be requested only at the close of the biennium.

48. The financial burden shouldered by States whose currencies had followed the dollar in its decline had become extremely heavy, and it was only reasonable to expect that at least part of the burden should be offset by more economic management of available resources. There was no indication that the Secretariat had taken any serious steps in that direction. For those reasons, his delegation would not be in a position to vote in favour of the additional appropriations requested by the Secretary-General in the first performance report.

49. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) noted with regret that the decision of the General Assembly to avoid additional appropriations and to finance increased expenditures through saving, a review of programme priorities and a redistribution of resources had been consistently ignored by the Secretariat, which in the performance report was requesting additional appropriations of more than \$62,000,000 net.

50. The reports of the Secretary-General and the Advisory Committee showed that the substantial increase in expenditure was caused basically by variations in the rates of exchange. His delegation regretted to point out that the negative effects of inflation and variations in the rates of exchange on the United Nations budget were compensated for by increasing the assessed contributions of all Member States. Such an approach was wrong and unjust. Furthermore, a large number of Member States had repeatedly expressed the opinion that additional expenditures caused by those two factors should be covered by the contributions of the developed countries in which the Secretariat offices that incurred those increased expenditures were located. Those countries were responsible for inflation and currency instability and, consequently, for their negative effects on the budgets of the United Nations and the specialized agencies. It was an abnormal situation when the size of the contributions to the regular budget of many developed countries with a market economy were actually growing smaller as a result of the decline in value of the United States dollar, while the majority of States were forced to take on additional financial burdens. His delegation hoped that the problem of compensating for the effects of currency instability and inflation within the United Nations system would finally be correctly and justly solved.

51. At the previous session of the General Assembly a group of States consisting of the major contributors to the United Nations budget, including the Soviet Union, had expressed serious concern over the inadmissibly high growth rates for the United Nations budget, which greatly exceeded the average growth rates of the national income of Member States. The Soviet delegation had thought that the Secretariat would have seriously considered the fact that the States which financed more than half of the United Nations budget had found it impossible to support the budget for 1978-1979, which was tantamount to a vote of censure with regard to the Secretariat's budget policies. His delegation thought that effective steps would have been taken to cover additional expenditures through saving, a review of programme priorities, and the elimination or curtailment of obsolete or marginal programmes. However, the Secretariat had not carried out its task

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of indicating the resources that could be released through the termination of such programmes or of making economies. On the contrary, additional allocations to finance all additional expenditures had been requested. The Soviet delegation could not agree with that practice and would vote against the additional appropriations requested by the Secretary-General in his performance report.

52. Mr. SERRANO AVILA (Cuba) said that his delegation had repeatedly opposed full budgeting because the losses caused by inflation and currency instability were difficult to forecast and quantify. That opposition was warranted by the information given in the first performance report (A/C.5/33/25/Rev.1). Out of the total additional requirement of \$77.7 million, an amount of \$74.8 million was attributable to exchange-rate fluctuations, \$0.4 million to inflation and \$2.5 million to other causes. In other words, the losses due to currency fluctuations and inflation accounted for 97 per cent of the total amount sought. His delegation had often argued that losses incurred by the United Nations as a result of inflation and currency instability should be compensated primarily by the developed countries where headquarters cities were situated, given the responsibility of those countries for inflation and exchange-rate fluctuations and the extraordinary economic benefits derived by them through the presence of the United Nations offices. According to the information given in paragraph 5 and tables 1 and 2 of the first performance report (A/C.5/33/25/Rev.1), the increased losses were basically due to recent declines in the value of the United States dollar. It was unfair to make the entire international community pay for the adverse consequences of the misguided economic policies of one Member State. Accordingly, his delegation would vote against the additional appropriations requested in the first performance report.

53. Mr. GREEN (New Zealand) said that, when considering the use of experts and consultants, the Committee had been informed that, for reasons which his delegation considered sound, it had not been possible to give a detailed report on the implementation of General Assembly resolution 32/209, as requested in that resolution. The Controller had reported on certain steps which had been taken to impose a degree of restraint in accordance with the resolution. His delegation recalled in particular the decision to withhold from programme managers 10 per cent of the allotments for expenditure on experts and consultants. Although the Committee had been told that more information on expenditures to date would be provided in the context of the performance report, that information had not yet been provided. In view of the proposals now before the Committee calling for exceptions to be made to resolution 32/209, that information was particularly relevant. He wished to know whether the Committee could be given an indication of the savings realized to date.

54. Mr. ABRASZEWSKI (Poland) said that his delegation was not in favour of the request for additional appropriations contained in the first performance report (A/C.5/33/25/Rev.1). His delegation too would like information from the Controller concerning expenditure in connexion with experts and consultants, the review of requests from departments and the follow-up to the Controller's stated intention to allow only 10 per cent of the allotment in connexion with such requests.

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55. Mr. DEBATTIN (Assistant Secretary-General for Financial Services, Controller) said that the question of additional appropriations had to be viewed separately from the question of financing the related expenditures. The latter question, which had been raised by several delegations, had nothing to do with the main problem, which was to ensure that the activities of the Organization could be properly financed. The basic difference between national budgets and the United Nations budget was that the latter was affected by exchange-rate fluctuations and declines in the value of the United States dollar. The losses due to exchange-rate fluctuations were beyond the control of the United Nations, and the Secretary-General must somehow find additional resources to compensate for them.

56. With regard to the expenditures on experts and consultants, it had been the intention to give the relevant information not in the first performance report, which, pursuant to the instructions of the Fifth Committee, concentrated on showing the impact of inflation and exchange rates, but in the second performance report. The first performance report contained no provision for consultants and experts. More than 10 per cent of the allotment had therefore been withheld. The Controller's main concern was to have accurate budgeting and serve all Member States, and it was hoped that he would continue to enjoy the trust of the Committee in that respect.

57. A total additional appropriation of \$77,729,000 under sections 1 to 26 of the programme budget for the biennium 1978-1979, as set out in annex 1 to document A/C.5/33/25/Rev.1, was approved by 56 votes to 14, with 8 abstentions.

58. An estimate of \$15,120,900 for additional income from staff assessment under income section 1 was approved without objection.

59. An estimate of \$1,634,400 for additional income under general income section 2 was approved without objection.

60. An estimated decrease of \$1,272,900 under income section 3 was approved by 60 votes to 9, with 10 abstentions.

61. Mr. KHAMIS (Algeria), speaking in explanation of vote, said that his delegation had voted in favour of the additional appropriations for reasons of principle. It wished to state, however, that since the additional appropriations had been necessitated by exchange-rate fluctuations caused not by the United Nations but by some countries where the Organization had its offices, those countries had a special responsibility in that respect.

62. Ms. GILES (Australia) said that her delegation had abstained in the vote on the total additional appropriation under sections 1 to 26. It felt that more could and should be done to improve the efficiency of United Nations programmes and activities. Particular attention should be given to ensuring that expenses for new programmes were met from savings or, alternatively, that low-priority activities were discontinued to make way for those of higher priority. The magnitude of the budget underscored the need to limit increases wherever possible.

63. The CHAIRMAN suggested that further consideration of the item should be deferred until the following meeting, on the understanding that statements would be limited to explanations of vote.

64. It was so decided.

Administrative and financial implications of the draft resolution submitted by the Second Committee in document A/C.2/33/L.84/Rev.1 concerning agenda item 12 (continued) (A/33/7/Add.31, A/C.5/33/109 and Corr.1)

65. The CHAIRMAN said that the Committee was required to make a specific recommendation with regard to the Secretary-General's request for additional consultancy funds and to make exception to the provisions of General Assembly resolution 32/209. Unless there was a formal proposal to the effect that an exception should be made to the resolution, he did not intend to put the question to the vote.

66. Mr. HAQUE (Bangladesh) said that the representative of FAO had suggested at the previous meeting that research already conducted by FAO in exploring new sources of energy could be incorporated in and used as a basis for the work related to the Conference on New and Renewable Sources of Energy. That would obviate duplication of expenditure on identical fields of research and put the emphasis on fields such as biogas and similar sources of energy in which FAO was involved.

67. Mr. CUNNINGHAM (United States of America) said it was not necessary to provide funding for the remuneration of the Secretary-General of the Conference, since it had not been determined whether he would come from outside the Secretariat. It was not necessary to provide resources for all the consultants requested. The representative of FAO had indicated that FAO had done a great deal of work on fuelwood and charcoal. That should have been taken into account in the preparation of the estimates for the Conference. The four posts provided for the technical panels might prove excessive upon further examination, and much of the public-relations work, if not all, could be handled by the Office of Public Information. There was no reason to leave that matter open and suggest that at the time of the consideration of the programme budget for the biennium 1980-1981 some additional resources might have to be provided.

68. His delegation believed that it would not be possible to recruit personnel to work on the preparation of the Conference before the end of February 1979. The delayed-recruitment factor of 10 per cent was therefore inadequate.

69. Accordingly, his delegation would abstain in the vote.

70. An additional appropriation of \$307,393 under section 4 of the programme budget for the biennium 1978-1979 and a further amount of \$97,920 under section 25 for staff assessment, offset by a corresponding amount under income section 1, were approved by 66 votes to 8, with 1 abstention.

Administrative and financial implications of the draft resolution submitted by the Second Committee in document A/C.2/33/L.39/Rev.2 concerning agenda item 70 (continued) (A/33/7/Add.29; A/C.5/33/108 and Corr.1)

71. The CHAIRMAN said that the Committee was required to make a specific recommendation with regard to the Secretary-General's request for additional consultancy funds and to make exception to the provisions of General Assembly resolution 32/209. The representative of Ghana had indicated that an exception should not be made in the case before the Committee (A/C.5/33/SR.71, para. 81). Unless there was a formal proposal to the effect that an exception should be made to the resolution, the question would not be put to the vote.

72. Mr. ANDERSSON (Sweden) said that one of the crucial elements in any programme of action resulting from the Conference on Science and Technology for Development would undoubtedly be to achieve more efficient action by the United Nations system. To that end, it was essential to have a cross-organizational study of gaps and overlaps in the present United Nations system, as requested in paragraph 3 of draft resolution A/C.2/33/L.39/Rev.2. As to the cost of the study, his delegation would like to remind the Committee that the Conference would offer a unique opportunity to evaluate the action of the United Nations system in the area of science and technology for development. If funds for the requested study were not forthcoming, the resulting costs, because of lower efficiency in the United Nations system, would probably be much higher. With regard to the timing of the study, his delegation had understood from the outset that it could not be ready until shortly before the fourth session of the Preparatory Committee. Even so, it would be of great value both for the Preparatory Committee and for the Conference itself. The study would also have an impact on the follow-up and implementation of the programme of action to be adopted by the Conference. In view of the delay in the consideration of the item by the Fifth Committee, one possibility might be to have a first version available for the fourth session of the Preparatory Committee and the final more refined version for the Conference itself. It would be interesting to have the views of the Assistant Secretary-General for Programme Planning and Co-ordination on that possibility.

73. His delegation, for the reasons mentioned, was in favour of the study requested by the Second Committee and felt that the Secretary-General should be provided with the necessary resources. Accordingly, as an exceptional measure, it would recommend an exception to resolution 32/209 and an additional appropriation of \$151,600 to cover the cost of the consultants and related travel.

74. Mr. VISLYKH (Union of Soviet Socialist Republics) said that his delegation had made a statement on behalf of the delegations of Bulgaria, the Byelorussian Soviet Socialist Republic, Czechoslovakia, the German Democratic Republic, Hungary, Mongolia, Poland, the Ukrainian Soviet Socialist Republic, and the Soviet Union in the Second Committee on draft resolution A/C.2/33/L.39/Rev.2. The statement had pointed out that the socialist States were interested in the successful preparation and outcome of the Conference, which they considered to be a major international event aimed at unifying efforts to apply the achievements of science and technology to the development of all countries. Those States were prepared to continue to

(Mr. Vislykh, USSR)

give all possible support to the developing countries in their efforts to promote scientific and technological co-operation. The socialist States had not objected to the adoption of the draft resolution without a vote, because they felt that the comprehensive and detailed preparation of the Conference would make it possible to direct its decisions towards overcoming the obstacles to mutually profitable economic and scientific co-operation among all countries, including the developing countries.

75. Any preparatory work for the Conference should be carried out with strict observance of the principle of realizing maximum savings and making rational use of resources from the regular budget allocated for the purpose. That view was based on the fact that the General Assembly at its thirty-second session had for practical purposes fully met all the Secretary-General's requests for the preparatory period. In addition, the Preparatory Committee at its second session had again indicated the need to finance the preparations for the Conference through resources already earmarked by the General Assembly or through voluntary sources. The socialist States could not agree to proposals which involved new unjustified expenditure from the regular budget. In particular, they could not support the request for consultants and researchers for additional documentation in connexion with the general review of United Nations activities in the area of science and technology for development. They could not support the request for additional appropriations to continue national and regional measures and activities to prepare for the Conference, because that stage of preparation had already been completed. There was no need to extend the sessions of the Preparatory Committee or to hold an additional session. That might create a situation in which the secretariat of the Conference would be physically unable to process the information available to it or to present the necessary documentation for the sessions of the Preparatory Committee and for the Conference. His delegation would therefore be unable to support the request for additional appropriations to implement draft resolution A/C.2/33/L.39/Rev.2 or to support the request for resources for consultants.

76. Mr. CUNNINGHAM (United States of America) said that, in the light of the Secretariat's notorious record with respect to documentation, he had little confidence that the study requested by the Second Committee could be prepared in time for the fourth session of the Preparatory Committee. His delegation did not believe, moreover, that the other activities outlined in document A/C.5/33/108 would serve to improve the Conference significantly. His delegation was opposed to the Secretary-General's requests on substantive and financial grounds and would vote against the Advisory Committee's recommendation.

77. Mr. HANSEN (Assistant-Secretary-General for Programme Planning and Co-ordination) said that in his statement at the preceding meeting (A/C.5/33/SR.71, paras. 77-80) he had attempted to indicate what could be done in the time remaining before the fourth session of the Preparatory Committee to prepare the document requested in paragraph 3 of the resolution adopted by the Second Committee. Within reasonable time-limits the Secretariat would do its utmost to ensure the production of a good study.

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(Mr. Hansen)

78. With regard to the time-table outlined by the representative of Sweden, he felt that his suggestions would allow sufficient time to deliver the study requested, assuming that the experts whom the Secretariat had in mind to prepare the study could be mobilized at short notice and the six-week rule for the submission of documentation was waived. It should be clearly understood, however, that if the required manpower could not be mobilized or if the Fifth Committee did not appropriate the necessary funds, the Secretariat would not be in a position to deliver the study requested. That point should be clearly stated when the plenary Assembly came to take a decision on the basis of the Fifth Committee's recommendation.

The meeting rose at 6.25 p.m.