

Council, held last July and August, would be made available to the Committee.

49. Mr. RUEDAS (Secretary of the Committee) said that, as recommended in Economic and Social Council resolution

1801 (LV), of 7 August 1973, the relevant summary records of the Council would be made available, if they had not already been circulated.

*The meeting rose at 1.05 p.m.*

## 1575th meeting

Monday, 15 October 1973, at 10.50 a.m.

*Chairman:* Mr. C. S. M. Mselle (United Republic of Tanzania).

A/C.5/SR.1575

### AGENDA ITEM 79

**Proposed programme budget for the biennium 1974-1975 and medium-term plan for the period 1974-1977 (continued)** (for the earlier documentation, see 1565th meeting; A/C.5/1509/Add.1, A/C.5/1516, A/C.5/1109, A/C.5/L.1111, A/C.5/L.1113-1116)

#### *General discussion (continued)*

1. Mr. JAIN (India) said that the new form of presentation of the work programme and budget estimates, although far from perfect, represented an important first step towards the achievement of an integrated programme planning and budget system. The time-table for consideration of the relevant documentation by the various organs, however, had gone seriously astray; but for consideration by the Committee for Programme and Co-ordination at its fourteenth session in June 1973, the proposed programme budget might have been submitted to the Advisory Committee on Administrative and Budgetary Questions without any intergovernmental scrutiny. The General Assembly had, in adopting resolution 3043 (XXVII), recognized the need for a careful examination of the budget by the intergovernmental organs concerned on the basis of a specific time-table; he hoped that, in future, that time-table would be adhered to. Another problem was, as the secretary-General had indicated in his foreword to the proposed programme budget (A/9006), how to reorient the Secretariat staff to the new form of the budget. As the Advisory Committee had noted, there was no full appreciation within the Secretariat that programme budgeting provided an effective means of monitoring programme implementation and ensuring the best possible use of available resources.

2. The recommendations by CPC and other bodies on various aspects of programme budgeting were useful, but of a general nature. The International Development Strategy for the Second United Nations Development Decade should be taken as a focal point for the presentation of the work programme and medium-term plan. That had not yet been done, although the Economic and Social Council had used the Strategy in that manner at its fifty-fifth session, held in July and August 1973.

3. Commenting on the recommendations made by CPC in paragraph 96 A of its report on its fourteenth session (E/5364), he expressed general agreement with recom-

mendations (1) to (5). With regard to recommendation (1), objectives and legislative directives were not clearly defined in the proposed budget and, even where objectives were potentially quantifiable, they had still been expressed in a general manner. The focus was still more on organizational inputs than on programme outputs. Since there were alternative methods of achieving objectives, as indicated in recommendation (2), it would be useful to provide the legislative bodies which established the objectives with information on the relative costs; that could lead to significant economies, which was one of the traditional justifications for a switch to an approach based on output rather than input. In connexion with recommendation (3), relating to priorities, although those should be set by Governments through appropriate intergovernmental organs, the proposed programme budget did contain implicit priorities based on the relative financial resources allocated to any given programme or programme component. Those priorities should be stated explicitly so that Government could make a more informed judgement on whether they were desirable in terms of their objectives. He also supported recommendations (4) and (5) that clearer indication should be given as to the relationships between objectives and the means of action for accomplishing them and that, wherever possible, specific activities should be stated in terms of the length of time required for their execution.

4. He had reservations, however, about recommendation (6). The concept of co-ordination should not be used to curtail the real level of activity, for he was not convinced that there was in fact extensive overlapping. In many cases there were sound reasons for the involvement of more than one body in a particular area, which produced a cumulative impact. He would greatly prefer an approach based on the harmonization of the activities of different programmes and programme components, within the context of a growing level of activity.

5. Recommendation (9) related to the question of cross-sectional and cross-agency presentation of programme components and activities. One of the major short-comings of the proposed programme budget was that it did not permit any horizontal, as opposed to vertical, analysis. The task was admittedly difficult, particularly in the context of recommendation (11), relating to system-wide co-ordination. In discussions at the recent joint meeting of the Administrative Committee on Co-ordination and CPC, it

had been made clear that more extensive use of *ex ante* co-ordination methods, such as prior consultation, would promote harmonization of activities. The task was, however, an immensely complex one in view of the great differences in terminology, definitions, programme periods and cycles and so forth. Nevertheless, he supported the idea of progressively moving towards a uniform presentation of programme budgets, synchronization of budget cycles and planning periods and an integrated system of prior consultation throughout the United Nations system. In that connexion, it was important to define the future roles of the various bodies involved in planning and budgetary processes, and to decide where debates on programme priorities and contents should take place and how they should be related to debates on budgetary and co-ordination matters. He agreed with the representative of Canada who had suggested at the fifty-fifth session of the Economic and Social Council that there should be less concern with the increase in budget inputs and more concern with programmes, priorities and outputs.

6. The programme budget was simply a tool to assist decision-makers in the more rational allocation of resources, by analysing the relationship between objectives and resources. The objectives must be elaborated by inter-governmental bodies. In that connexion, he stressed the close relationship between the Fifth Committee's discussion of resources and the debate in the Second Committee relating to the review and appraisal of progress in implementing the goals of the International Development Strategy. Those goals were minimal and would only partially alleviate conditions in developing countries. According to a recent study entitled *The United Nations system: an analysis* by Mr. Mahdi Elmandjra, the total expenditure of the United Nations over 25 years was equivalent to 0.37 per cent of the total gross national products of the Member States for one year. Although the budget estimates for the biennium 1974-1975 showed an increase of 19 per cent over the appropriations for 1972 and 1973, programme growth was estimated at only 2.4 per cent in 1974 and 0.6 per cent in 1975. Yet a significant and regular increase in the United Nations budget was essential if the Organization was to fulfil the objectives laid down in the Charter and the International Development Strategy. Moreover, the expanding membership of the United Nations and the simultaneous increase in its activities had added to its already complex responsibilities.

7. It was essential to seek long-term answers to the problem of currency fluctuations. The present financial system of the United Nations, based on the dollar as the primary unit of account, reflected the conditions of the earlier post-war years. The breakdown of the international monetary system in the last few years had radically changed the situation, and it was clear that the search by the international community for effective monetary reform would, increasingly, centre on attempts to find a more universal standard based neither on national currencies nor on gold. At its recent meeting in Nairobi, IMF had recognized that it was essential to devise a universal standard, and many had favoured the use of Special Drawing Rights (SDRs) as the primary international reserve asset. The United Nations, as the most universal multilateral organization, should be in the vanguard of that effort. There might be practical difficulties in using SDRs, as

presently constituted, as a unit of account for the United Nations. They would have to be made more generally acceptable, since the membership of IMF was smaller than that of the United Nations. Apparently, the Secretariat had been considering that option, but intergovernmental bodies should also examine the various aspects of the problem. He therefore proposed that a study of the possibility of using SDRs should be submitted to the General Assembly at an early date. The use of SDRs would assure the United Nations of more stability in resource estimates, would have a positive effect on expenditure and expenditure patterns, and would mean that there would be no supplementary estimates on account of currency fluctuations.

8. Extra-budgetary resources accounted for almost half the resources of the United Nations system. In that connexion, he supported the statement in paragraph 3.2 of the Bertrand report<sup>1</sup> that it would be pointless to consider any improved programming system for the United Nations family if there were no means of knowing in advance, and for a definite period, the total amount of available funds. The final judgement on the value of programme budgeting would thus depend on whether it made a significant contribution to mobilizing the political will of the world community through a better understanding of programme achievements in terms of programme resources, so as to provide the means for a more effective and determined attack on world poverty.

9. Mr. COMO (Albania) expressed concern over the unfounded increase in the budget estimates. To a certain extent, the increase was the result of the further deepening of the political, economic and financial crisis in the capitalist world, particularly the United States of America, which had resulted in disorder in the international financial and monetary system. It was not fair that all Member States should have to pay for the deficits created by the monetary crisis. Nor could the increase in the budget be justified by the expanding activities of the United Nations. Budgetary expenditure could be reduced and considerable savings made by a more rational utilization of the available financial resources and by a reduction in the volume of documentation and in the size of the Secretariat, which was composed mainly of citizens of the two super-Powers. The Secretariat had not taken effective measures to simplify administrative practices; nor had it pursued a policy of financial restraint during the past year. The large number of meetings and conferences and their organizational arrangements could also be criticized.

10. The Secretariat consisted of 12,389 staff members holding permanent appointments or temporary appointments of one year or more. Measures should be taken to simplify the overlapping apparatus of the United Nations, in order to increase its efficiency and lighten the burden on Member States, since expenditure on staff costs accounted for 75 per cent of the budget. The staff should be recruited on as wide a geographical basis as possible and priority should be given to nationals of African and Asian countries which were under-represented.

11. The proposed programme budget for the biennium 1974-1975 still included expenditure, unrelated to the

<sup>1</sup> See document A/7822, of 3 December 1969.

regular budget, which constituted an open violation of the Charter. He was referring to estimates for the so-called United Nations Commission for the Unification and Rehabilitation of Korea, the United Nations Memorial Cemetery in Korea, the United Nations bond issue, and expenditure for certain other special missions. Those costs had been incurred as a result of aggressive acts by imperialist Powers in the Congo, the Middle East and Korea. They had been imposed on the United Nations by the Western Powers, primarily the United States, and constituted an interference in the internal affairs of other countries. That expenditure did not serve the interests of the United Nations and should be deleted from the proposed programme budget.

12. Mr. STOTTLEMYER (United States of America) expressed his delegation's appreciation to the Secretary-General and to the Chairman of the Advisory Committee for the exceptionally informative statements they had made at the 1564th meeting of the Committee (A/C.5/1526 and A/C.5/1527 respectively) and to the Advisory Committee for its outstanding work.

13. The programme budget for 1974-1975 represented the first serious effort to link programmes to available financial resources. In that connexion, his delegation endorsed the comments made by the Chairman of the Advisory Committee at the end of his statement and in particular his warning that, if sectional interests were to prevail, the concept of neutrality would be shattered and the role and authority of the Fifth Committee called into question.

14. His delegation appreciated the progress made by the Secretariat in difficult circumstances in preparing the proposed programme budget (A/9006) and the medium-term plan (A/9006/Add.1). An important step forward in developing a more meaningful resource management system had been taken. However, there was appreciable room for improvement. In that regard, the comments made by the Advisory Committee in paragraphs 9 to 22 of its report (A/9008), the recommendations of CPC summarized in paragraph 96 of its report on its fourteenth session (E/5364), and resolution 1801 (LV) of the Economic and Social Council were pertinent. A good foundation had been laid and the important task ahead was to improve progressively subsequent programme budgets. The Secretary-General should pay particular attention to the medium-term plan, which at present was of limited value. Future documents, if they were to be useful, required more thoughtful preparation and fuller integration into the programme budget. Moreover, insufficient attention had as yet been given to developing an effective evaluation system to ensure that the objectives established and the means of accomplishing them were put to the continuous test of effectiveness and efficiency. That would require a different approach from the one adopted in the review and appraisal exercise for the Second Development Decade; it called for the establishment of a system which would determine whether the resources made available by Member States were being utilized in such a way as to attain the objectives established.

15. While certain changes in the existing machinery for the preparation, review and approval of the Secretary-General's programme budget itself might prove necessary, it would be wiser to defer consideration of that question until some

experience of the new system had been acquired. In that respect, his delegation shared the views of the Advisory Committee and CPC.

16. The programme and budget proposals for 1973-1974 showed a significant increase over those presented in 1972 and 1973. His delegation therefore hoped that, before the Secretary-General submitted his revised estimates for the biennium and his supplementary estimates for 1973, he would take into account the possible ways of achieving savings suggested by the Advisory Committee. Furthermore, given the financial situation of the Organization, the Secretary-General should continue to introduce austerity measures wherever possible, as he had done in 1972. His delegation would review carefully not only the Secretary-General's initial proposal but also his supplementary and revised estimates. The Advisory Committee, when considering the supplementary and revised estimates, should demonstrate the same prudence and professionalism as it had displayed in making its recommendations on the initial estimates.

17. Referring to General Assembly resolution 2961 (XXVII) concerning the scale of assessments for the apportionment of United Nations expenses, he expressed his delegation's appreciation of the widespread support given to part B of that resolution, which fixed the maximum contribution of any one Member State at 25 per cent of the total and, at the same time, stipulated that no increase should be made in the percentage contribution of any Member State as a consequence.

18. The deteriorating financial situation of the United Nations continued to give cause for alarm. His delegation therefore hoped that the Secretary-General would be successful in his search for a solution, although his efforts would certainly depend on the co-operation of Member States. His delegation had participated actively over a number of years in efforts to find a final and comprehensive solution. He commended Japan, the United Arab Emirates and all other countries which had made voluntary contributions to restore the Organization's solvency.

19. The General Assembly's decision to establish an International Civil Service Commission was a landmark in the history of personnel management within the United Nations family. His delegation intended to do all it could to ensure the creation of a strong Commission, capable of giving strength and vitality to a true common personnel system. Its statute should endow the Commission with sufficient authority and its members should be highly qualified experts on personnel and management and knowledgeable about the United Nations system. Meanwhile, the members and staff of the International Civil Service Advisory Board were to be commended for their valuable work over the years.

20. Given the financial situation, definitive action was needed to reduce travel costs. Substantial savings could be realized by requiring members of commissions and committees, experts, and all staff members below the level of Under-Secretary-General or equivalent to travel in economy class, with exceptions only in cases of justified hardship. A decision of the kind had been taken in 1972 by the Council of FAO with respect to travel of members of the Council

and key committees; the Council had requested the Director-General to follow its example with respect to travel of FAO staff. The savings realized should be redirected to substantive work and in particular to meet the needs of the developing countries.

21. While it would not be easy to find a final solution to the serious problems facing the Secretary-General and Member States owing to the instability of the monetary situation, it would be less than wise to act precipitously. The dollar—which had served the United Nations system well for the past 25 years—was expected by informed persons to maintain its current value and even grow stronger in the months ahead. Consequently, no definitive action should be taken until after the present unstable situation had ended. In the meantime, any additional appropriations required to make up the budgetary deficits caused by monetary fluctuations would be considered most sympathetically by his delegation.

22. Drawing attention to Article 101, paragraph 3, of the Charter of the United Nations, he expressed concern over the fact that in practice the paramount consideration of securing the highest standards of efficiency, competence, and integrity had often given way to the secondary requirement of recruiting staff on as wide a geographical basis as possible. The consequences for an organization so “labour-intensive” as the United Nations were serious.

23. The United States strongly supported the principle of equal opportunity for all staff members, irrespective of age, sex or creed. In continuously encouraging the Office of Personnel Services to recruit more qualified women, his delegation could not ignore the fact that, under some of the Staff Regulations and Staff Rules, men and women were treated differently. He looked forward to considering new proposals on that subject at the twenty-ninth session of the General Assembly.

24. In conclusion, he stated his delegation’s firm intention to do what it could to bring about a strengthened United Nations through more effective management and the optimal use of available resources.

25. Mr. OSMAN (Egypt) said that his delegation’s reservations concerning programme budgeting had not been unwarranted. In its report on its fourteenth session, CPC had identified certain weaknesses and possibilities for improvement in the programme budgeting system and, in its report (A/9008), the Advisory Committee had called attention to some short-comings in the use of that system. The recognition by the Secretary-General of those short-comings strengthened his delegation’s hope that, by the time the next biennial budget was examined, the prospects of the United Nations would be better and there would be a sense of achievement at the administrative and budgetary levels.

26. With regard to the impact of the biennial programme budget on the volume of budgetary documentation, the solution proposed by the Advisory Committee and CPC—namely, that greater use in documents might be made of tabular and graphic presentations—was not entirely satisfactory. Although tabular presentations could reduce the volume of documentation, they did not always provide the

necessary information, particularly when commentaries were needed. The General Assembly had been facing the problem of an increasing volume of documentation for a long time, despite the adoption of a number of resolutions on the subject. Moreover, the Committee was likely to adopt resolutions and recommendations at its present session which would inevitably lead to an increase in documentation. In that connexion, he referred to the allocation to the Committee of agenda item 104 on the inclusion of Arabic among the official and working languages of the General Assembly, its committees and sub-committees. Similarly, the Committee had to consider the financial implications of the draft resolution contained in document A/C.5/L.1110 concerning the inclusion of Chinese among the working languages of the General Assembly and the Security Council, of which his delegation was a sponsor. It attached great importance to those two matters, but urged the most imaginative approach to the problem of documentation.

27. With regard to the application of the programme budget cycle and the medium-term plan, no spectacular results should have been anticipated as early as the present session and, in that connexion, it was pointed out in paragraph 18 (f) of the report of the Advisory Committee that the United Nations planning machinery was still very unsophisticated. The developing countries had every reason to be concerned about a situation where plans were drawn up for several years in advance while the qualifications needed to implement those plans were almost completely lacking. His delegation shared the misgivings expressed by several delegations at the twenty-seventh session with regard to the timeliness of instituting long-term planning and agreed with the views expressed in that connexion in the second report of the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies.<sup>2</sup> Because of their pressing needs and difficulties, the developing countries could not afford to place their highest priorities at the mercy of an obscure planning system which could be hampered by a lack of resources or by management deficiencies. His delegation fully supported the views of the *Ad Hoc* Committee concerning the need for a longer budget cycle than an annual one and the effects on the developing countries of the absence of the necessary rationalization of the activities of the United Nations. It was still not certain that the new form of presentation of the budget would create better conditions for the achievement of the targets set in the International Development Strategy for the Second United Nations Development Decade.

28. Egypt attached great importance to the preservation and successful growth of the United Nations and wished to see its structure solidly maintained and its machinery made more dynamic. It would be possible to cure it of its numerous ills by abiding by the principles of its Charter. A healthy organization would be able to provide the third world with greater benefits. As the Secretary-General had pointed out, however, the financial situation of the United Nations had still not improved. The initial estimates submitted for 1974 reflected an increase of 12.6 per cent above the level of the current appropriations for 1973 and

<sup>2</sup> Official Records of the General Assembly, Twenty-first Session, annexes, agenda item 80, document A/6343.

it would probably be necessary to seek supplementary estimates. As stated by the Secretary-General, the plight of the United States dollar was just one unexpected and uncontrollable factor with which the United Nations had had to deal. In addition, inflationary trends and currency exchange fluctuations had affected the Organization's ability to forecast accurately the budget requirements for the biennium 1974-1975. His delegation would express its views at a later time on the suggestions made for a solution to the monetary crisis and the use of a new currency unit for the United Nations.

29. While his delegation commended the efforts made by the Secretary-General and the Advisory Committee to eliminate some categories of expenditure and bring about possible savings—by freezing recruitment for high-level posts, for example—it found that there were still some short-comings in the performance of the Secretariat. The freezing of recruitment should not be an end in itself; it was also important to improve staff standards. The abandonment by UNITAR of the idea of a United Nations staff college and the adoption of a plan to train staff in development and management instead would promote a more efficient Secretariat as well as compliance with Article 101 of the Charter. The voluntary contributions received from the United Arab Emirates and Japan would undoubtedly help to improve the financial situation of the United Nations. Member States which were not in a position to make substantial voluntary contributions did have the possibility of contributing by complying with the principles of the Charter and strengthening the role of the United Nations in order to ensure its indispensability in preserving peace and justice in the world.

*Mr. Arboleda (Colombia), Vice-Chairman, took the Chair.*

30. Mr. KITI (Kenya) said that his Government would oppose any attempt to use the new budget system as a means of imposing an arbitrary ceiling on the growth of programmes and on the financial resources made available for their implementation. It was optimistic that, when the current financial difficulties had been overcome, there would be no justification for such low growth rates as those proposed for 1974 and 1975. The mid-point of the Second United Nations Development Decade was at hand and one would have expected a substantial increase in programmes for the purpose of attaining the targets set in the International Development Strategy. The Advisory Committee's recommendations for drastic reductions in the Secretary-General's requests for personnel—reductions of 50 per cent in some cases—were particularly disturbing in view of the fact that the United Nations was a labour-intensive Organization and, consequently, growth in personnel reflected growth in programmes.

31. It was quite evident that there must be machinery to carry out three distinct tasks: first, to make a critical analysis of the new presentation; secondly, to make a critical analysis of specific programmes in the budget and the medium-term plan, and to determine priorities; and, thirdly, to make a critical analysis of the requests for budgetary resources to implement those programmes. As far as the third area was concerned, machinery in the form of the Advisory Committee already existed, but for the other two areas it was lacking. Consequently, his own

delegation, together with the delegations of Japan, the Netherlands and Pakistan, had proposed the establishment of a body that would combine the necessary expertise to tackle the complex issue of programming with sufficient political authority to be respected by Member States as an organ competent to establish priorities. The Committee should give that matter its most serious consideration, since the workability of the entire new procedure was dependent on the unambiguous enunciation of priorities.

32. The Secretary-General was to be commended for making some helpful recommendations to alleviate the Organization's financial plight. But without the unselfish and unreserved support of Member States, the situation would soon be irretrievable. Unfortunately, the current trend appeared to be one of accentuating national interests at the expense of those of the Organization. Many delegations had expressed reservations about the inclusion of certain programmes in the budget. While his delegation too had reservations regarding the wisdom of including certain items in the regular budget—for example, expenditure on the United Nations Memorial Cemetery in Korea and amortization of the United Nations bond issue—and normally abstained in the voting on the appropriations for those items, it nevertheless paid its assessed contribution in full. It did so because it believed in the necessity of abiding by the decisions of the majority. The correct approach would be for the dissenters to submit a draft resolution in an appropriate political forum with a view to dispensing with those objectionable items of expenditure. Meanwhile, the extra burden imposed on some Member States by those which had withheld part of their contributions ran into millions of dollars. In that connexion, he expressed the hope that the generous example of Japan and the United Arab Emirates would be followed by other countries.

33. In conclusion, he said that more information was required in the medium-term plan and that he endorsed the views expressed by the representative of Guyana at the 1569th meeting, concerning the volume of documentation and the new budget presentation.

34. Mr. LELLKI (Sweden) said that, while the proposed programme budget for the biennium 1974-1975 was by no means a true programme budget, it did provide a detailed description of the activities of the various units of the Organization and of the resources required to carry them out. It would thus be easier for members to evaluate the Organization's work programmes and activities and place them in an order of priority. The most apparent short-comings of the proposed programme budget were the failure to distribute the substantial common service costs to the relevant sections and to evaluate alternatives to work programmes. However, if there was to be real planning in the United Nations, the problem of intergovernmental review of programmes would have to be faced and Member States would have to be prepared to relieve the Secretariat of some of the responsibility for evaluating and reassessing priorities. It was to be hoped that the Economic and Social Council would find the time and resources necessary to examine and allocate priorities to activities in the economic, social and human rights fields.

35. Alongside the gradual institution of a well-conceived programme budgeting system, there should be a co-

ordinated presentation of at least estimates of programme costs for the relevant period for the United Nations system as a whole. A clear and co-ordinated presentation of the work programmes and budgets of the organizations of the United Nations family was not only a labour-saving device but also a prerequisite for the active participation of all Member States in the work of the Organization. A small step in that direction had been taken when the Committee had decided to include United Nations trust funds in the budget presentation. Co-ordinated planning, evaluation and presentation of common resources might be especially important in connexion with the medium-term plan. It was to be hoped that future medium-term plans would be real forecasts, containing a delineation of alternatives, not merely an enumeration of current cost levels.

36. Careful planning did not mean that there was to be an immutable budget ceiling; the need to meet unforeseeable situations must always be taken into consideration. Attempts to distinguish between real and apparent growth in the Organization's budget must be treated with caution. Currently, budgetary estimates were complicated by the monetary crisis. Nevertheless, it seemed that inflation and currency changes accounted in large measure for the proposed budget increase. In the circumstances, it was not unfair to characterize the next biennium as a period of low growth. His delegation, which adopted a favourable position to expenses resulting from new responsibilities in the economic and social fields and in the maintenance of peace and security, was not concerned about the level of the total budget, which must be regarded as moderate for an organization of the size and importance of the United Nations. However, too large a share of the increase was attributable to factors beyond the control of the Secretary-General. Unless the Secretary-General was able to absorb some of the costs resulting from such factors as currency realignments and inflation, the total budget figure would be considerably increased. A careful internal control of resources allocation and spending was thus very important and ways must be found of effecting rational savings. Efficiency and economy must be given the highest priority in order that resources for work programmes of great importance for mankind—the International Development Strategy for the Second United Nations Development Decade, exploration of the sea-bed and outer space, technical assistance and the environment—might be increased. His delegation wished to stress, in that connexion, that sufficient provision should be made in the regular budget for the coming United Nations Conference-Exposition on Human Settlements. In the matter of the allocation of resources, primary responsibility lay with Member States. It was to be hoped that, in discussions relating to sound economy and efficient administration, political overtones would be avoided.

37. Turning to the question of the Organization's financial situation, he reminded members that at the nineteenth session, the General Assembly, at its 1331st plenary meeting held on 1 September 1965, had adopted a consensus providing that voluntary contributions would furnish the remedy. Many States had not yet made contributions, but the situation would not be improved without the participation of the main contributors.

38. As to personnel administration, his delegation appreciated the Secretary-General's efforts to increase efficiency through reorganization of various sections of the Secretariat. An internal management service with proper authority could give valuable assistance in that important work. Close attention must also be given, and sufficient means reserved for, staff training. The increased use of electronic data processing for various purposes was also a source of satisfaction to his delegation. It seemed that most of the new posts requested by the Secretary-General were posts which had previously been financed from credits for temporary assistance and were being converted to established posts. While conversion on such a large scale might be desirable for correct presentation of the manning table, it might permit less flexibility in the allocation of resources.

39. Lastly, his delegation would give very favourable consideration to the recommendations of the United Nations Joint Staff Pension Board (A/9009, vol. I, para. 24) and the Advisory Committee (A/9274, para. 29) to solve the difficult situation in which many retired civil servants found themselves.

40. Mr. MANGAL (Afghanistan) said that his delegation shared the general satisfaction with the new form of budget presentation and was confident that the deficiencies to which the Advisory Committee had drawn attention in paragraph 21 of its report (A/9009) would be remedied in future presentations.

41. His Government had always supported efforts to strengthen the United Nations as an instrument for the maintenance of international peace and security. It would therefore have preferred a budget in which more attention was paid to the identification of goals and the establishment of priorities consistent with the provisions of the Charter, rather than the current programme budget in which attention seemed to have been concentrated on expenditure. He hoped that, in identifying priorities and reviewing programmes for the next biennium, due consideration would be given to programmes relating to decolonization and to the economic and social development of the developing countries. In future, too, the medium-term plan should not be merely a projection of the programme budget but a careful plan providing a basis for critical appraisal and thorough evaluation of programmes and programme performance.

42. Unless the revised estimates to be submitted were substantial, the increase in initial estimates for 1974 above the level of appropriations for 1973 could be regarded as modest. It was to be hoped that that did not mean that an undesirable ceiling would be placed on healthy budget growth.

43. The precarious financial situation of the Organization was a source of concern and it was to be hoped that countries with vast financial resources would follow the example of Japan and the United Arab Emirates and make voluntary contributions to eliminate the deficit. It was also to be hoped that those Member States which would benefit from the new scale of assessments recommended by the Committee on Contributions and the revaluation of their currency in relation to the United States dollar would heed the Secretary-General's plea and make a contribution

of the amount of their saving towards the elimination of the Organization's deficit. The developing countries should not be expected to make voluntary contributions, for their economies had already been adversely affected by the decline in the level of international assistance and the continuing reluctance of the developed countries to abide by their commitments under the International Development Strategy.

44. Turning to personnel questions, he said that, in accordance with Article 101, paragraph 3, of the Charter, due consideration should be given to candidates from under-represented countries; he could not subscribe to the idea that the under-represented countries were unable to supply qualified candidates. The United Nations should help those countries by enabling their qualified candidates to gain experience in the work of the Organization. In that connexion, it was to be hoped that the freeze on recruitment would not perpetuate the under-representation of certain countries.

*First reading (continued)\**

**SECTION 6—POLICY-MAKING ORGANS (ECONOMIC AND SOCIAL ACTIVITIES) (A/9006, A/9008, A/C.5/L.1111)**

45. Mr. STOBY (Guyana) said that he realized that the Committee would not commence its discussion of section 6 of the proposed programme budget until the following meeting. Nevertheless, since the question he wished to put might call for information over and over and above that which the Chairman of the Advisory Committee on Administrative and Budgetary Questions intended to supply when introducing the Advisory Committee's recom-

mendations on section 6, he felt he should put it at the current meeting. He wished to know how the reduction of \$60,000 recommended in paragraph 6.8 of the Advisory Committee's report (A/9008) was to be divided between the factors referred to in paragraphs 6.6 and 6.7 of that report.

**ORGANIZATION OF THE COMMITTEE'S WORK**

46. The CHAIRMAN reminded members that according to original plans (see A/C.5/L.1108) the Committee was to have taken up agenda item 88, concerning the report of the United Nations Joint Staff Pension Board, during the week starting 15 October. It appeared, however, that it would be unable to take up that item before the week starting 22 October. The report of the Pension Board dealt, *inter alia*, with the report of the Board of Auditors on the accounts of the Joint Staff Pension Fund for the year ended 30 September and the Chairman of the Board of Auditors had arranged to be in New York during the week starting 15 October. Unfortunately, because of commitments in Colombia, he would be unable to be present in the week beginning 22 October. He had therefore requested to make a short statement to the Committee on the report of the Board of Auditors on the account of the Joint Staff Pension Fund on Tuesday, 16 October. If there was no objection, he suggested that the Committee should accede to the request of the Chairman of the Board of Auditors on the understanding that there would be no further discussion of agenda item 88 on 16 October and that the Committee would comment on the statement of the Chairman of the Board of Auditors when it considered the question the following week.

*It was so decided.*

*The meeting rose at 1.05 p.m.*

\* Resumed from the 1572nd meeting.

## 1576th meeting

Tuesday, 16 October 1973, at 10.50 a.m.

*Chairman:* Mr. C. S. M. MSELLE (United Republic of Tanzania).

A/C.5/SR.1576

### AGENDA ITEM 79

**Proposed programme budget for the biennium 1974-1975 and medium-term plan for the period 1974-1977 (continued) (for the earlier documentation, see 1565th meeting; A/C.5/1509/Add.1, A/C.5/1516, A/C.5/L.1109, A/C.5/L.1111, A/C.5/L.1113-1116)**

*General discussion (concluded)*

1. Mr. ELKHATIM (Sudan), noting that the United Nations budget had risen from \$100 million in 1964 to \$513 million for the biennium 1974-1975 and that the number of staff had more than doubled over the same period, said that that expansion, even when allowance had been made for natural growth, inflationary factors and

realignment of currencies, was so substantial that it had become essential to reform the budget system. The new programme budgeting system should lead to improved efficiency in the allocation of resources and thus increase the benefits derived from the various activities of the United Nations. It should help to overcome the major short-comings of the existing administrative budget and should also open up new avenues for a clearer insight into the identification and evaluation of goals in all areas of United Nations activities.

2. The medium-term plan for 1974-1977 was simply a projection of the biennial budget for 1974-1975, as had been indicated by the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions. He agreed with the