

20. Mr. DE PRAT GAY (Argentina) thanked the Committee for having re-elected the Latin American candidate, Mr. McGough, to membership of the Pension Committee.

21. Mr. SAULS (United States of America) expressed his delegation's appreciation for the election of Mr. Kuttner, who was an able and experienced officer and who cared deeply about the work of the United Nations Staff Pension Committee.

22. Mr. NEUFELDT (Federal Republic of Germany) said that his delegation was grateful to the Committee for having elected Mr. Schmidt to the Pension Committee.

Mr. Schmidt would do his best to justify the confidence the Committee had placed in him.

23. Mr. THESTRUP (Norway) thanked members for having elected Mr. Refshal as an alternate member of the Pension Committee.

24. Miss WHALLEY (United Kingdom) said that she was grateful to the Committee for having elected her as an alternate member of the Pension Committee. As in the past, she would do her best to represent the General Assembly on that body.

*The meeting rose at 6.15 p.m.*

## 1617th meeting

Tuesday, 4 December 1973, at 11 a.m.

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

A/C.5/SR.1617

### AGENDA ITEM 88

#### Report of the United Nations Joint Staff Pension Board (continued)\* (A/9009 and Corr.1 and 2, A/9274, A/C.5/1524, A/C.5/1535, A/C.5/L.1128, A/C.5/L.1129, A/C.5/L.1145)

1. The CHAIRMAN proposed that the Rapporteur should introduce the first part (A/C.5/L.1145) of the draft report of the Committee; the representative of Saudi Arabia would then introduce draft resolutions A/C.5/L.1128 and A/C.5/L.1129.

2. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that, in principle, his delegation had no objection to the procedure proposed by the Chairman. He realized that the Committee was far behind in its programme of work, but appealed to the Chairman to give delegations more time to consider the first part of the draft report with which his delegation had some difficulties.

3. The CHAIRMAN said that he would ask the representative of Saudi Arabia to introduce the two draft resolutions, thus giving delegations more time to consider document A/C.5/L.1145.

4. Mr. BAROODY (Saudi Arabia) said that he had already touched on the issues raised in the draft resolutions two years previously. The purpose of draft resolution A/C.5/L.1128 was to draw attention to a situation which must be corrected. A useful discussion had been held on the subject and some delegations had expressed concern regarding the possibility that other host Governments might be involved. However, his proposal applied only to United Nations Headquarters in New York. Questions had also been raised regarding the composition of the proposed Committee and it had been suggested that it should include the Chairman of the Advisory Committee on Administrative and Budget-

ary Questions. In view of the nature of the draft resolution, it might not be possible to take a decision on it at the current session. He would not therefore press for a vote, on condition that the Fifth Committee's report to the General Assembly included the text of his proposal and made adequate reference to the debate on the issue. The Committee should recommend that his proposal should be referred to the Committee on Relations with the Host Country for further consideration and that the Secretary-General should be asked to provide that Committee with all the relevant expert assistance available within the Secretariat. Furthermore, the Chairman of the Advisory Committee should be kept informed as to the progress made on his proposal, so that the ground would be prepared for action in 1974.

5. A colleague in the United States delegation had informed him that the matter had been discussed with the Mayor's Office. The mayoral authorities had raised difficulties regarding international tax law. However, there was rapid inflation in the United States, and the staff of the United Nations must not be allowed to suffer. The negative balance in the Pension Fund reserves could not be allowed to continue. The United States had recently raised social security benefits by 11 per cent and the same treatment should be given to United Nations staff. The United Nations had a moral responsibility to circumvent any difficulties raised by the mayoral authorities and he hoped that the United States delegation would espouse the United Nations cause. If taxes were reimbursed as he proposed, the reimbursement would amount to \$3 or \$4 million per annum.

6. Turning to draft resolution A/C.5/L.1129, he said that there was no need to stress that the purchasing power of United States and European currencies was being eroded. He hoped that his proposal, which he would not press to a vote, would be included in the report and would persuade the Governments of Member States to explore the possibility of making voluntary contributions to the Pension

\* Resumed from the 1602nd meeting.

Fund reserves. He also hoped that a decision would be taken on the draft resolution in question in 1974, since it was immoral to neglect the staff of the United Nations.

7. Mr. STOTTLEMYER (United States of America) pointed out that his Government had scrupulously complied with the Convention on the Privileges and Immunities of the United Nations, the Vienna Convention on Diplomatic Relations and the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations. Furthermore, it granted exemption from real estate property taxes and sales taxes to all diplomatic personnel who were eligible for such exemption. His delegation agreed that the appropriate procedure for dealing with the question raised in draft resolution A/C.5/L.1128 was to refer the substance to the Committee on Relations with the Host Country.

8. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee agreed that draft resolution A/C.5/L.1128 should be transmitted to the Committee on Relations with the Host Country and that both draft resolutions A/C.5/L.1128 and A/C.5/L.1129 should be included in the Committee's report, as proposed by the representative of Saudi Arabia.

*It was so decided.*

*Draft report of the Fifth Committee to the General Assembly (A/C.5/L.1145)*

9. Mr. GARRIDO (Philippines) (Rapporteur) introduced the first part (A/C.5/L.1145) of the draft report of the Fifth Committee on the report of the United Nations Joint Staff Pension Board. The text was somewhat lengthy since the discussions had been very full. The first sentence of paragraph 12 should be amended to read: "... some of whom linked their observations with what they considered to be various unsatisfactory aspects of the Fund's investment policy and performance." Paragraph 21 contained the draft resolution that the Fifth Committee was to recommend to the General Assembly for adoption.

10. Mr. DE PRAT GAY (Argentina) said that an important point raised by his delegation during the debate had been omitted from the draft report. In the report of the United Nations Joint Staff Pension Board (A/9009 and Corr.1 and 2) it was stated that the voluntary emergency fund referred to in paragraphs 41 and 42 would serve to relieve the distress of small pensioners in the interval between the often abrupt reduction in the purchasing power of the pension received and the compensatory action ultimately authorized by the General Assembly. His delegation had felt that the fund should be established from the Pension Fund reserves and not through voluntary contributions. Furthermore, his delegation had expressed the hope that the proposal in paragraph 42 of the report of the Board would be submitted to the General Assembly at its twenty-ninth session. He wished his delegation's views to be reflected in the draft report.

11. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) thanked the Rapporteur for presenting the draft report, which had eliminated some of his delegation's concerns. However, the Soviet delegation still had dif-

ficulties with paragraph 10, because it felt that it did not accurately reflect the statements made by delegations. In order to prevent any delay, he proposed that his delegation should discuss its difficulties with the Rapporteur, after having consulted the summary records, and that paragraph 10 could then be amended accordingly.

12. Mr. GARRIDO (Philippines) (Rapporteur) assured the representative of Argentina that his delegation's views would be reflected in the draft report. He agreed with the representative of the Soviet Union that they could discuss paragraph 10 after the meeting and make the necessary amendments.

13. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee was prepared to adopt the first part (A/C.5/L.1145) of the draft report, as amended by the Rapporteur and subject to the minor changes to paragraph 10, to be decided upon by the representative of the Soviet Union and the Rapporteur, and the amendments proposed by the representative of Argentina.

*It was so decided.*

**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 1589th meeting; A/9008/Add.9, 11, 12, 16, 17 and 18, A/C.5/1509/Add.2, A/C.5/1540, A/C.5/1543 and Corr.1 and 2, A/C.5/1544, A/C.5/1545, A/C.5/1547, A/C.5/1554, A/C.5/1566, A/C.5/1571, A/C.5/L.1146)

**Revised estimates resulting from decisions of the Trade and Development Board at the second part of its twelfth session and at its thirteenth session (A/9008/Add.17, A/C.5/1545)**

14. The CHAIRMAN said that, in his report (A/C.5/1545), the Secretary-General had proposed, for the biennium 1974-1975, an additional amount of \$416,000 under section 14 concerning UNCTAD. In its related report (A/9008/Add.17), the Advisory Committee on Administrative and Budgetary Questions had agreed to that amount.

15. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee's report was quite clear. Paragraph 2 showed that the Advisory Committee had accepted the bulk of the Secretary-General's request concerning recruitment of conference staff on a temporary basis. The Advisory Committee had not recommended any reduction, on the understanding that the Secretary-General would make every effort to reduce reliance on temporary staff and use existing staff to the fullest possible extent. Paragraphs 4 and 5 stated that the Advisory Committee accepted the other parts of the Secretary-General's request.

16. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that he wished to confirm his delegation's position, already explained in the Second and Fifth

\* Resumed from the 1615th meeting.

Committees, regarding the question of recruitment of temporary staff, consultants and other unjustified expenditure.

17. Mr. STOTTLEMYER (United States of America) said that his delegation had no objection to holding the meetings referred to in the revised estimates. However, the funds available to the Trade and Development Board were sufficient for those meetings and lower priority activities should be eliminated. In discussions on the proposed programme budget for the biennium 1974-1975, many delegations had urged that greater attention should be given to determining priorities. That important principle could usefully be applied to the Trade and Development Board, which had 130 programmes and needed a priority scale. His delegation agreed with paragraph 3 of the Advisory Committee's report. For the reasons he had given, his delegation would have to abstain if a vote was taken on the revised estimates.

18. Mr. NAUDY (France) said that his delegation shared the reservations already expressed on the revised estimates. Savings could be made through a better utilization of resources and a re-examination of programme priorities.

19. The CHAIRMAN proposed that the Committee should take a vote on the proposal that it should approve an additional amount of \$416,000 under section 14 together with an amount of \$71,000 under section 34, concerning staff assessment, to be offset by an increase in the same amount under income section 1, concerning income from staff assessment.

*The proposal was adopted by 60 votes to none, with 15 abstentions.*

20. The CHAIRMAN said that the amount approved would be included in the revised amounts to be submitted to the Committee in second reading.

*Administrative arrangements for the  
International Trade Centre (A/9008/Add.18, A/C.5/1533)*

21. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, as stated in paragraph 3 of its report (A/9008/Add.18), the Advisory Committee found the new administrative arrangements for the Trade Centre to be reasonable. That judgement was based on the assumption contained in the last sentence of paragraph 4, which the Advisory Committee would endeavour to confirm. The Advisory Committee had felt it more appropriate to recommend in paragraph 7 that the General Assembly should take note of rather than approve the new administrative arrangements, since they had been in effect since 1 March 1973.

22. Mr. HARAN (Israel) said that his delegation attached great importance to the International Trade Centre, which was among the joint ventures of UNCTAD and GATT of greatest value to the developing countries. He hoped that the Centre would continue its policy of making all its documents readily available to both individuals and institutions, although that differed from United Nations policy on documentation. As administration facilities were now grouped within the Centre itself, he hoped a solution would

be found in the near future to the problem of the direction of the Centre mentioned by the Advisory Committee in its first report on the Centre (A/9008/Add.6).

23. Mr. CHERPOOT (India) said his delegation supported the arrangements for the Centre set out in the note by the Secretary-General (A/C.5/1533) and urged the Secretary-General to ensure that the modifications to the administrative arrangements proposed in section IV of the annex to that note would not in any way affect the independent functioning of the Centre.

24. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee recommended to the General Assembly that it should take note of the administrative arrangements for the International Trade Centre as set out in document A/C.5/1533.

*It was so decided.*

## AGENDA ITEM 52

### United Nations University: report of the Secretary-General (A/9149/Add.2, A/9368, A/C.5/1550)

25. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report (A/9368), said that the Advisory Committee had been required to consider only parts of article VIII and the whole of article IX of the revised draft charter of the United Nations University (A/9149/Add.2). The Advisory Committee had endorsed those articles, subject to certain observations, the most important of which was contained in paragraph 4 of its report. The Advisory Committee's interpretation of article IX, paragraph 1 (a), was that there would be no implicit or explicit charge on the regular budgets of organizations acting as intermediaries for contributions to the University.

26. Mr. P. LAMARCHUK (Union of Soviet Socialist Republics) reaffirmed the position expressed by his delegation during the discussion of the United Nations University in the Second Committee.

27. Mrs. DERRE (France) recalled her delegation's comments on the item in the Second Committee. The French Government agreed entirely with the view expressed in paragraph 4 of the Advisory Committee's report.

28. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee recommended to the General Assembly that it should approve article VIII, paragraphs 4 and 6, and article IX of the revised draft charter of the United Nations University and that it should endorse the interpretations of the Advisory Committee contained in paragraphs 4, 6 and 8 of its report.

29. Mr. YEREMENKO (Ukrainian Soviet Socialist Republic) proposed that a single vote should be taken on both the suggestions of the Chairman.

*The suggestions of the Chairman were adopted by 71 votes to none, with 9 abstentions.*

30. The CHAIRMAN proposed that the Rapporteur should be requested to report on the item directly to the General Assembly.

*It was so decided.*

#### AGENDA ITEM 87

**United Nations salary system (A/9147 and Corr.1, A/9370):**

- (a) Report of the Secretary-General (A/9147 and Corr.1);
- (b) Report of the Advisory Committee on Administrative and Budgetary Questions (A/9370)

31. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had submitted an interim report (A/9370) on the question of the International Civil Service Commission because it had concluded that it was essential to have the opinion of the members of the Fifth Committee before it produced a final report on what was a crucial item. The question on which the Fifth Committee was called upon to take a decision was set out in paragraph 8 of the Advisory Committee's interim report.

32. In the annex to its report the Advisory Committee had attempted to show which powers were reserved under the draft statute of the International Civil Service Commission to the Commission as a whole and which powers were allocated to the 3 full-time members. Most articles of the draft statute itself merely referred to the Commission—a term that could apply either to the Commission as a whole or to its full-time members. The key article was article 18 which defined the powers to be reserved to the full Commission. By a process of exclusion one could then deduce which functions would be exercised by the full-time members. That was what the Advisory Committee had done in the annex to its report.

33. As indicated in paragraph 9 of the Advisory Committee's report, arrangements could be made for either of the approaches suggested in paragraph 8, but the Fifth Committee's choice would have a bearing on the number of full-time members of the Commission. The Advisory Committee was willing to accept a Commission with 13 members, but its position on the number of full-time members required was that set out in paragraph 9 of its report.

34. He reiterated the importance of a decision on the questions posed in paragraph 8. He recognized that the Administrative Committee on Co-ordination had already spent a good deal of time on the draft statute and that more time would be required if substantial changes were made in it because executive heads might wish to refer amendments to their executive bodies. The Fifth Committee should, however, consider the question on its merits. The International Civil Service Commission would be of great significance in the future of the United Nations and it was therefore vitally important to provide it at the outset with an appropriate constitution.

35. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said his delegation's view was that the International Civil Service Commission should have 13 members chosen according to the principle of equitable geographical distribution. Accordingly, his delegation supported paragraph 4 of the Advisory Committee's report. The Commission should not be subject to the Administrative Committee on Co-ordination, which was an interagency body under the Secretary-General, but should be an organ of the General Assembly.

36. His delegation was utterly opposed to any division of the members of the Commission into full-time and part-time members. All members should participate equally in decision-making and bear full responsibility for the Commission's decisions and recommendations. Accordingly, his delegation supported paragraph 8(b) of the Advisory Committee's report. Like the Advisory Committee, it was not convinced of the need for more than one full-time member of the Commission, who would be its Chairman. If there were more full-time members, there was a danger they might control the Commission. The Chairman's duties should include preparatory work for meetings of the Commission and the practical implementation of decisions taken by the Commission as a whole. He should be elected by the members of the Commission for a one-year term and be eligible for re-election.

37. Mr. CLELAND (Ghana) proposed that the meeting should be adjourned in order to enable members of the Group of 77 to hold consultations on the item.

*The meeting rose at 12.20 p.m.*

## 1618th meeting

Wednesday, 5 December 1973, at 10.55 a.m.

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

#### AGENDA ITEM 48

**United Nations Industrial Development Organization:**

- (a) Report of the Industrial Development Board (A/9008/Add.19, A/9016, A/9324, A/C.5/1555)

1. The CHAIRMAN drew attention to document A/C.5/1525/Add.2, where it was indicated that the General

Assembly had referred to the Fifth Committee certain parts of the report of the Industrial Development Board on the work of its seventh session (A/9016).

2. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Fifth Committee had been asked to consider three subjects arising out of different paragraphs in the report of the

A/C.5/SR.1618