

Council to implement those recommendations as early as possible in 1976, i.e. at its organizational session in January.

63. Mr. BOUAYAD-AGHA (Algeria) submitted an amendment,<sup>3</sup> by which the following text should be incorporated in the draft as a new paragraph between existing paragraphs 7 and 8:

*“Requests the Ad Hoc Committee on the Restructuring of the Economic and Social Sectors of the United Nations System to examine the role of the Advisory Committee on Administrative and Budgetary Questions within the context of possible modifications in the structure and functioning of the United Nations, including, inter alia, the mandate and composition of the Advisory Committee.”*

<sup>3</sup> Subsequently circulated as A/C.5/L.1227/Rev.1.

64. Mr. SCHMIDT (Federal Republic of Germany) said that, while he had not had time to consult the sponsors about the suggestions made by the representatives of Belgium and Algeria, he thought that the idea of making paragraph 7 more precise by including a reference to the organizational session of the Economic and Social Council would be acceptable to them.

65. Mr. DEBATIN (Assistant Secretary-General, Controller) suggested that the sponsors might wish to reconsider paragraph 3 of the draft and to replace “1978-1981” by “1977-1981” as the period for the medium-term plan. In that way, the Secretariat would be able to reflect in the plan the decisions taken at the seventh special session and the current session of the General Assembly.

*The meeting rose at 1.10 p.m.*

## 1715th meeting

Thursday, 16 October 1975, at 10.45 a.m.

*Chairman:* Mr. Christopher R. THOMAS (Trinidad and Tobago).

A/C.5/SR.1715

### AGENDA ITEM 97

**Review of the intergovernmental and expert machinery dealing with the formulation, review and approval of programmes and budgets: report of the Working Group on United Nations Programme and Budget Machinery (continued)** (for the previous documentation, see 1700th meeting; A/C.5/L.1227/Rev.1, A/C.5/L.1228)

1. Mr. SCHMIDT (Federal Republic of Germany), speaking with reference to the draft (A/C.5/L.1227/Rev.1), before the Committee, said that the sponsors had considered the amendment submitted by Algeria (A/C.5/L.1228) and the suggestions made at the preceding meeting by the representative of Belgium and the Controller and had reached the following conclusions. Although the reasons advanced by the Controller for incorporating 1977 into the next medium-term plan were sound, the sponsors preferred to retain the idea of a four-year plan. Accordingly, they had decided to insert in paragraph 3 after the words “for the period 1978-1981,” the words “including a revised plan for 1977,”. In order to reflect the suggestion of the representative of Belgium concerning paragraph 7, the sponsors had agreed to replace the words “recommends it to take” by the words “recommends that at its next organizational session it should take”. However, the sponsors preferred not to reflect the Belgian suggestion concerning paragraph 6 because the singling out of three recommendations would not be acceptable to all delegations. For the same reason, the sponsors were unable to accept the new paragraph proposed by Algeria (A/C.5/L.1228), which was somewhat controversial.

2. Mr. GARRIDO (Philippines) expressed support for the revision to paragraph 3 and for the draft as a whole. He felt that the views of the representative of Belgium concerning the recommendations of the Working Group on United Nations Programme and Budget Machinery could be determined from a reading of the summary record.

3. Mr. STOFOROPOULOS (Greece) requested clarification from the sponsors of the draft on two points. First, his delegation wondered why the report of the Working Group (A/10117 and Corr.1) had not been mentioned in paragraph 1 along with the other documents cited. That omission seemed particularly strange in view of the fact that paragraph 2 was also based on recommendation 1 of the Working Group, contained in paragraph 77 of the report, namely, that the medium-term plan and the biennial programme budget should be considered in alternate years. Secondly, his delegation felt that it would have been expedient, in paragraph 7, to request the Economic and Social Council to report on the recommendations of the Working Group other than those pertaining to the strengthening of CPC and the improvement of its work, not directly to the General Assembly, but instead, to the Assembly, through the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System.

4. Mr. HENČIĆ (Yugoslavia) said that his delegation supported the procedure outlined in the draft with respect to the report and recommendations of the Working Group. That procedure was appropriate because the full value of the suggestions and recommendations of the Working Group could not be ascertained until the *Ad Hoc* Com-

mittee had submitted its conclusions. The implementation of an integrated system of planning, programming, budgeting and evaluation required an in-depth examination of the terms of reference, the role and the membership of the intergovernmental and expert bodies responsible for the preparation, consideration and approval of programmes and budgets. Accordingly, his delegation endorsed the amendment proposed by Algeria (A/C.5/L.1228), which would draw the *Ad Hoc* Committee's attention to the role of the Advisory Committee on Administrative and Budgetary Questions and the possibility of enlarging its terms of reference and membership. The inclusion of that paragraph in the draft could only facilitate the work of the *Ad Hoc* Committee.

5. Mr. SCHMIDT (Federal Republic of Germany), replying to the comments of the representative of Greece, pointed out that the idea of alternating consideration of the medium-term plan and the programme budget had been suggested not only in the report of the Working Group but also in the medium-term plan for the period 1976-1979 submitted by the Secretary-General (A/10006/Add.1) and in the report of the Joint Inspection Unit (see A/9646). As far as the schedule for reporting was concerned, he said that the deliberations of the *Ad Hoc* Committee and those of the Economic and Social Council would probably overlap in the summer of 1976 and, furthermore, it was difficult to form a clear picture of the order in which the reports of the various bodies concerned would be submitted.

6. Mr. PIRSON (Belgium) thanked the sponsors for taking into account his suggestion concerning paragraph 7.

7. With regard to paragraph 6, he said that he would not insist upon a specific mention of recommendations 1, 2 and 3 of the Working Group, since that appeared to be giving rise to difficulties among the sponsors. However, his delegation would like to make a minor amendment to the text of that paragraph, which was too weak as it stood. The amended text would read:

"6. Welcomes the report and recommendations of the Working Group on United Nations Programme and Budget Machinery (A/10117 and Corr.1)."

If the sponsors could not accept that change, he would propose it as a formal amendment.

8. Mr. SAFRONCHUK (Union of Soviet Socialist Republics) said that his delegation supported the intent of the draft under discussion but could not take a final position on it until the revised text and all the amendments had been issued in writing.

9. Mr. SCHMIDT (Federal Republic of Germany) observed that the sponsors would need time to consider the amendment submitted by the representative of Belgium.

10. Mr. STOFOROPOULOS (Greece) said that the answers by the representative of the Federal Republic of Germany to his questions concerning paragraph 7 were not altogether satisfactory. He still failed to understand why mention of the Working Group's report had not been included in paragraph 1. Regarding paragraph 7, he reminded members that the General Assembly in resolution

3362 (S-VII) had requested the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System to submit its report to the Assembly at its thirty-first session.

11. Mr. BOUAYAD-AGHA (Algeria) endorsed the comments of the representative of the Soviet Union and suggested that the voting on the draft and the amendments thereto should be deferred until Monday or Tuesday of the following week. In that way, delegations would have time to hold consultations and adopt a position.

12. Mr. MAJOLI (Italy) agreed with the representative of Algeria that a decision could not be taken at the current meeting and said that the sponsors needed time to consider the amendments. It would be difficult to co-ordinate the Belgian oral amendment with paragraph 7; if the General Assembly were to "welcome" the report of the Working Group, it would be prejudging the conclusions of the Economic and Social Council.

13. The CHAIRMAN said that, if he heard no objections, he would take it that the Committee wished to defer the voting on the draft (A/C.5/L.1227/Rev.1) and any amendments thereto until Monday or Tuesday of the following week.

*It was so decided.*

## AGENDA ITEM 96

**Proposed programme budget for the biennium 1976-1977 and medium-term plan for the period 1976-1979 (continued)\*** (for the previous documentation, see 1705th meeting; A/10008/Add.2 and 3, A/C.5/1688, A/C.5/L.1226, A/C.5/L.1229-1231)

### *First reading of individual sections of the programme budget (continued)\**

## SECTION 22. ADMINISTRATION, MANAGEMENT AND GENERAL SERVICES (continued)\* (A/10006, A/10008 AND CORR.2)

14. Mr. NORBURY (United States of America) said that his delegation regarded highly the uniquely excellent performance of the Under-Secretary-General for Administration and Management, Mr. Davidson, and his staff; however, it was giving section 22 particularly close scrutiny, partly because it expected central management to set a high standard of efficiency and economy. Its main concern was that it had not received full justification for the \$4.8 million in programme growth reflecting small increases in almost every organizational unit covered by the section. It wondered whether those units could not have practised a greater measure of austerity or, alternatively, offset the new functions involved in the increases by reducing expenditure on lower priority items. It shared the view of the Advisory Committee on Administrative and Budgetary Questions, as expressed in its report (A/10008 and Corr.2), that the requirements for additional posts should have been given in greater detail and urged the Secretary-General to provide more data on the subject in future.

\* Resumed from the 1713th meeting.

15. With regard to specific items under the section, he asked whether the figure of some \$3.6 million representing the costs of Arabic in 1977 referred only to the items which were previously financed from the Arabic language trust fund or included other amounts intended to make Arabic language facilities permanent.

16. He reiterated the position of the United States that technical assistance activities should not be financed from the regular budget, but by voluntary contributions.

17. In connexion with the Internal Audit Service, he noted that while funds for upgrading the Geneva unit had been requested, no commensurate reduction had been made to reflect the downgrading of the New York unit. Moreover, it was not clear why temporary assistance funds had been requested for maternity and other leave in Geneva instead of absorbing those costs within available staff resources.

18. With regard to the International Computing Centre, he asked whether it would not be more effective and less expensive to contract for special services rather than use additional temporary assistance, which tended to be converted into permanent posts. He would also welcome further explanation of the request for funds to rent computerized message switching units for Geneva and New York and for the upgrading of the New York/Geneva teleprinter link to a teleprinter/telephone link.

19. Under the expenditure for the Office of General Services, he suggested that the funds requested for rental of office space should be reduced at least to correspond with posts disallowed by the Advisory Committee.

20. Finally, his delegation was not certain that the increases requested for rental of data processing equipment and personnel in the Administrative and Financial Services of the United Nations Office at Geneva (A/10006, para. 22.130) were essential, particularly in view of the Advisory Committee's view that they were not justified and that the United Nations should have an interactive system with the International Computing Centre. Furthermore, it did not seem necessary to request temporary assistance to code data into computer-readable form and still request additional permanent posts. His delegation would appreciate clarification on those points before it could take a position on section 22.

21. Mr. HARDING (Sierra Leone), observing that contributions from Member States must have the endorsement of national legislative bodies, said that increases could only be justified if they realistically reflected the needs and possibilities of States and were supported by concrete explanations and actual figures. His delegation concurred with the Advisory Committee's opinion that certain justifications for added costs were too vague, but it would have wanted that Committee to recommend a more drastic reduction, taking into account the international financial situation. Particularly at a time when the average real income of most developing countries was deteriorating, their contributions should go not only toward maintaining peace, but toward improving the living standards of all peoples.

22. His delegation agreed with the Advisory Committee on the need for greater scrutiny of the Secretary-General's

requests to determine what existing activities could be displaced by more important ones and to explore alternative ways of accomplishing stated objectives. For example, instead of expanding the staff of the Secretariat, more effective utilization should be made of existing staff and the 826 proposed new posts should be cut to 590 posts, so distributed as to ensure greater representation for the underrepresented developing countries. The Secretary-General should provide information on the number of staff representing those countries now in the Secretariat.

23. The term "programme growth" did not mean increased programme delivery. The Secretary-General's method of calculating programme growth and real growth was open to question. For example, there was nothing to indicate how he had arrived at the figure of \$12,000, representing the element of programme growth included in the request for \$51,000 for consultants in the Office of Financial Services at Headquarters, and his delegation endorsed the Advisory Committee's recommendation that the total figure for consultants should be reduced from \$51,000 to \$12,000 (see A/10008 and Corr.2, paras. 22.44 and 22.45).

24. In connexion with the request for rental and maintenance of premises dealt with in paragraph 22.96 of the Advisory Committee's report, it would be preferable for the Secretariat to explore ways of acquiring more property to reduce the burden of escalating rents. He therefore supported the Advisory Committee's recommendation in paragraph 22.99 and was prepared to support the estimates in section 22 as a whole, subject to the Advisory Committee's recommendations.

25. Mr. HOLMES (United Kingdom) said that his delegation was very concerned about the size of the growth of section 22 (26.4 per cent) of the Secretary-General's estimates for 1976-1977 when compared with the growth of the budget estimates as a whole (21.6 per cent). It was regrettable that a section concerned with administrative services only, which, although vital, were of only secondary importance when compared with programmes more directly related to the fundamental objectives of the United Nations, should show more than average growth. Despite its concern, however, his delegation would restrict itself to general support for the recommendations and observations of the Advisory Committee.

26. His delegation was particularly concerned about one feature of the estimates under section 22 and would appreciate some further information in that regard. The Advisory Committee, in its report, had observed at several points in their comments on section 22 that it was not at all clear that the United Nations was being fully and equitably reimbursed for services provided to other organizations or activities funded from extra-budgetary resources. In that connexion, his delegation had noted the draft decision submitted by the Soviet Union (A/C.5/L.1230) and hoped to be able to support it. The examples of inadequate reimbursement commented upon by the Advisory Committee concerning the Internal Audit Service (A/10008 and Corr.2, 22.24), the New York Computing Centre (*ibid.*, para. 22.34), the United Nations Medical Service (*ibid.*, para. 22.54), the Communications, Archives and Records Service (*ibid.*, para. 22.82), the financing of security posts

(*ibid.*, para. 22.89) and the Purchase and Transportation Service (*ibid.*, para. 22.91) appeared to indicate clearly that in a number of cases the United Nations regular budget was bearing a disproportionate share of expenses for services it provided which were also used by other organizations. His delegation believed that the expenses should be shared equitably between the users of the various services and therefore fully supported the comments of the Advisory Committee. It would welcome assurances from the Secretariat that measures to deal with the problem were being, or had been, formulated.

27. Mr. DASHKEVICH (Ukrainian Soviet Socialist Republic) said he could not support the Secretary-General's requests for increased expenditure under section 22. The estimate submitted was higher than the revised appropriations for the biennium 1974-1975 and represented a rate of growth exceeding the over-all rate of growth of the budget. The estimate of more than \$59 million for the Office of General Services at Headquarters for the next biennium was among the more shocking figures. His delegation did not believe that the Secretariat was trying hard enough to curtail growth in expenditure and found the justification given for the Secretary-General's requests unconvincing. The funds requested for additional posts could be utilized more effectively for other purposes and the over-all reduction of some 2 million recommended by the Advisory Committee was not sufficient. His delegation could not support the Secretary-General's estimate under section 22 and would vote against it.

28. Mr. BOUAYAD-AGHA (Algeria) said that estimated expenditure under section 22 deserved the closest scrutiny because the services covered substituted the backbone of the Organization. Unfortunately, however, the expenditure was often incurred not out of necessity but as a result of habit and failure to appreciate the impact on the budget as a whole. He would like some explanation from the Under-Secretary for Administration and Management, for example, of the large number of staff requested to operate the Organization's computer system despite the very large technical capacity of the system, a more precise specification of the units it served and a more convincing justification of the need for additional consultants.

29. His delegation was also concerned by the costs of the rental and maintenance of premises. He recalled that most countries of the third world had been reluctant to agree to the 10-year lease entered into by the Organization with the United Nations Development Corporation (UNDC) and to participate in the related costs. If, as the Advisory Committee stated in paragraph 22.98 of its report, the lease on the most expensive rented premises ran until 1979, there appeared to be a real danger of duplicating expenses for leasing both present premises and space in the new building.

30. The Algerian delegation supported the reduction of some \$2 million recommended by the Advisory Committee under section 22.

31. Mr. BARRAGÁN MATA (Mexico) pointed out that the large increase in estimated expenditure under section 22 could not be properly appreciated without an evaluation of the results of the expenditure approved for the previous biennium and full justification for the new costs. For

example, it was impossible to judge from the table following paragraph 22.31 of the Advisory Committee's report whether the computer hours used by the various services were well used without knowing the technical capacity of the computer system. His delegation therefore supported the Advisory Committee's recommendation in paragraph 22.34.

32. Mr. MOLTENI (Argentina) said that his delegation had voted in favour of signing a 10-year lease with UNDC for the rental of space in the new building because it believed that there was a need to centralize Secretariat services near the Headquarters building. It shared the concern expressed by the Algerian representative that, despite the availability of the new space, the Organization might have to continue to pay not only rent, but maintenance costs, until 1979 for premises it presumably would no longer need. He would like the Secretariat to explain what it would cost to break that long lease or what arrangements could be made to release the United Nations from the costly obligation it had assumed.

33. Mr. PONCE (Peru) also expressed concern about the large increase in the estimates under section 22 over the 1974-1975 revised appropriations and said that, while the Advisory Committee's comments and recommendations were satisfactory, he hoped that the Fifth Committee would be provided with more details so that it could decide what further adjustments had to be made in proposed costs under that section.

34. Mr. RAMAMONJISOA (Madagascar) said that, while he appreciated the key importance of section 22 to the functioning of the Organization, the expenditure involved could be explained in more concise form in future without sacrificing essential data. He shared the general concern about the high rate of growth in that expenditure, the large number of additional posts requested, the disparity in the exchange rates used in calculating the estimates and the exceedingly high estimate for United Nations participation in jointly financed administrative activities: 128.8 per cent higher than the revised and adjusted figure for 1974-1975.

35. For the Joint Inspection Unit, the Staff Office of the Consultative Committee on Administrative Questions and the International Civil Service Commission (ICSC) the estimated reimbursement by the specialized agencies of their share in jointly financed administrative activities should be computed and deducted from the expenditure sections of the United Nations budget and shown in its income sections. The same procedure should be followed in respect of the Medical Service. Moreover, in evaluating requirements, the Secretary-General should not make assumptions when even probabilities could not be assessed, as in the case of pension coverage for the members of the Joint Inspection Unit. The cost should be stabilized in the budget at the level required for maintenance pending a General Assembly decision on the question. The same procedure should be followed for all administrative units or organs which had not yet established their programmes. In any event, the practice of revised estimates offered them recourse in case of real need.

36. His delegation had noted a measure of overlapping between the Office of General Services and the Office of

Public Information regarding communications activities. Their respective functions should be clearly delimited, as should those of ICSC and the Office of Personnel, in the interest of economy. He also deplored what his delegation regarded as an unjustified increase in expenditure for the Division of General Services of the Geneva Office. The increasing use of modern management techniques in the Organization should result in economies, not such spectacular rises in costs. He would welcome recommendations from ACC on the budgets of United Nations subsidiary organs and generally supported the Advisory Committee's recommendations.

37. The CHAIRMAN invited the Committee to complete its consideration of section 22 as a whole before proceeding to consider individual subsections.

38. Mr. DAVIDSON (Under-Secretary-General for Administration and Management) said that, just as there could be no leaves or branches on a tree without a trunk and roots, so there could be no substantive programmes in the United Nations without the support machinery provided by the Departments of Administration and Management and Conference Services. The budget estimates under section 22 (Administration, management and general services) included considerable amounts to be allocated to substantive bodies which carried out more popular activities. For example, the budget estimates under section 1 (Over-all policy-making, direction and co-ordination) that related to the General Assembly amounted to \$7.5 million, but the actual total costs for the Assembly were approximately \$55 million, \$47.5 million of which was included in the budget estimates for other departments, such as the Department of Administration and Management and the Department of Conference Services. By giving that example, he simply wished to put into perspective the use to which the budget estimates under section 22 were put.

39. In replying to general comments on section 22 as a whole, he would leave more detailed questions on the subsections to his colleagues in the Budget Division.

40. The representative of Turkey had asked about sharing by the organizations in the United Nations system of costs on items of an interagency nature, such as the Joint Inspection Unit and the Consultative Committee on Administrative Questions, as subsidiary organ of ACC. The Advisory Committee, in paragraph 22.9 of its report, had quite rightly recommended the elimination of the \$100,000 estimate for common staff costs for the Joint Inspection Unit, pending a policy decision by the General Assembly on pension coverage for members of the Unit. In its resolution 3354 (XXIX), section V, the General Assembly had requested the United Nations Joint Staff Pension Board to consider the eligibility of members of the Unit for participation in the United Nations Joint Staff Pension Fund, and had authorized the Secretary-General and ACC to explore alternative methods of providing pension coverage. Pursuant to that resolution, the Pension Board would be submitting a report at the current session, and ACC would be meeting to discuss the Secretary-General's proposals and would then report to the Advisory Committee and the Fifth Committee. In connexion with the Consultative Committee on Administrative Questions, the Advisory Committee, in paragraph 22.18 of its report, had

recommended deletion of the estimate of \$141,000 for the United Nations share of the costs of the Consultative Committee, pending revised estimates. That Committee was a technical expert body which advised ACC on personnel and finance management questions to enable the organizations in the United Nations system to maintain their common policies, practices and procedures; the Consultative Committee would also be carrying out technical and advisory functions in respect of ICSC when the latter considered the priority question of a salary review. The revised estimates for the Consultative Committee would most probably be higher than the initial estimates.

41. Responding to questions about work programmes, he suggested that the question of the work programme of ICSC should be raised when its Chairman submitted his first annual report to the Committee. The work programme of the Consultative Committee would take into account the fact that ICSC had been requested to give priority consideration in 1976 to the United Nations salary system, which was an extremely complex question. At the twenty-ninth session the estimates for ICSC had been reduced considerably and it had begun work with limited staff, transferred from the agencies, with the result that it relied heavily on the agencies' resources; that placed a heavy burden on the Consultative Committee, particularly its personnel branch which would be submitting studies to ICSC.

42. Replying to the representative of Italy, who had asked about separate budget estimates submitted within the context of the budget as a whole, he said the question referred mainly to such interagency bodies as the Joint Inspection Unit and the Consultative Committee which were financed jointly by the agencies, and to the International Court of Justice which was a special case. The Court was constitutionally in a slightly different situation: article XV of the Financial Regulations of the United Nations stated that its estimates would be prepared by the Court, in consultation with the Secretary-General, and would be submitted to the General Assembly by the Secretary-General, together with such observations as he might deem desirable. The Secretary-General thus did not have the authority to alter the Court estimates. Some other elements of the budget—for example, the Office of the United Nations High Commissioner for Refugees—also had a special status. In the case of the Joint Inspection Unit and the Consultative Committee, the Secretary-General submitted estimates arrived at by the heads of the agencies and requested approval by the General Assembly, not of the total costs, but only of the United Nations share.

43. Responding to the representative of the Philippines who had asked about a progress report by the Administrative Management Service, he said that in 1974 the Chairman of the Advisory Committee had made a recommendation, accepted by the Fifth Committee, that progress reports of that Service should be submitted first to the Advisory Committee, which would then decide whether any part of the report merited submission to the Fifth Committee. The current progress report had been submitted to and considered by the Advisory Committee.

44. The representatives of Algeria and Argentina had asked about rental of premises at the UNDC building. He

assured them that the United Nations did not pay double rental for office space in the new building and for office space in other buildings for which leases had not expired. The arrangements made with UNDC stipulated that no office space in the building reserved for the United Nations would be paid for until United Nations leases for other buildings had expired and the United Nations units were occupying space in the new building. The United Nations did not intend to move out of other buildings it was occupying until its leases expired. Negotiations of leases currently held were under way.

45. The representative of the United Kingdom had asked about the relationship between the United Nations regular budget and the extra-budgetary activities financed to some extent from the regular budget. Increasingly, concern had been voiced over the extent of support services provided under the regular budget. It should be borne in mind, however, that services were provided on a reciprocal basis to some extent; the United Nations provided support services to UNDP and in return relied on the world-wide UNDP network to carry out activities for the United Nations, which could not be regarded as specifically the responsibility of UNDP. Some General Assembly resolutions, for example resolution 57 (I) establishing UNICEF, stated that staff and facilities would be provided by the United Nations without charge, within the limits of the United Nations budget.

46. Mr. LAVAU (Director of the Budget Division) replied to some of the specific questions which had been raised. Replying to the representative of Turkey, who had asked about the exchange rate of 2.55 Swiss francs to the dollar used in the estimates for the Joint Inspection Service, he said that the estimates had been prepared by ACC, which had used the rate of exchange prevailing at the time it considered the estimates, and the Secretary-General had simply transmitted the estimates to the Committee.

47. On the question of the costs of the United Nations Medical Service at Headquarters, and the apportionment of the costs among the users of the Service, he said that the Secretary-General had been requested to review the activities undertaken on behalf of the United Nations and extra-budgetary organizations and programmes and to report to the General Assembly at its thirty-first session; the Advisory Committee had made similar comments regarding the Office of General Services in respect of communications, security, and purchase and transportation (see A/10008 and Corr.2, paras. 22.82, 22.89, 22.91).

48. It had been suggested that host Member States should be encouraged to pay all or part of the costs of conducting examinations in their countries for recruitment to Secretariat posts. So far three examinations had been held: in Italy, the Federal Republic of Germany and Japan; most of the costs had been paid by the host Governments, the United Nations having paid only a small daily honorarium to the Chairman of the Board of Examiners and the United Nations staff members participating in each Board, in the case of Italy \$10,400, the Federal Republic of Germany \$16,275, and in the case of Japan \$3,128, a provisional figure. It was felt that in terms of cost benefit United Nations expenditure on competitive examinations compared favourably with expenditure on recruitment missions where the cost was also shared with Governments.

49. Replying to the question by the representative of the Philippines about additional travel requested under sections 22A and 22C, he said that in the case of section 22A the increase in travel was only for the Joint Inspection Unit, and the figure of \$160,000 reflected changes in the rate of exchange and inflation; in the case of section 22C, concerning the Internal Audit Service, the proposed increase was requested mainly because it had been found that a more effective audit could be performed by two auditors rather than one at large offices, such as those of the regional commissions.

50. In reply to the representative of the Philippines, he said that the International Computing Centre (ICC) in Geneva would move to a use-related budget, under which each participating agency would contribute to its costs in proportion to its use of the facilities. Each participating agency had pledged a minimum level of support and had tried to forecast its future requirements. In addition to the three founding organizations—the United Nations, WHO and UNDP—seven others had begun participating and supporting the ICC. The ICC Management Committee, at its meeting in September 1975, had reviewed the terms of reference, organization and purposes of the Centre and affirmed that no change was required. It had endorsed requirements of \$2.17 million for 1976 and \$2.33 million for 1977, with 10 Professional and 26 General Service staff; equipment rental and supplies were expected to total \$1.14 million in 1976 and \$1.16 million in 1977. The United Nations was relying on ICC increasingly for data processing support for the administrative, financial, personnel and budgetary activities of the United Nations Office at Geneva, and UNCTAD, as well as the Statistical Division and other units in Geneva, were also using it. United Nations usage was growing, but its percentage share in the costs remained constant or was declining slightly because agency usage was growing more rapidly. The Common Register of Development Activities (CORE) project was continuing, the major contributor being UNDP, although the ILO and WHO also participated; evaluation of the benefits of CORE was also being carried on. The United Nations share of the costs of ICC had been reduced because, as could be seen from paragraph 22.129 of the proposed programme budget (A/10006), it had been agreed that some programmes could be handled more effectively under the Administrative Systems Section at Geneva than by ICC.

51. In connexion with the \$20,000 allocated for an accounting manual in the Office of Financial Services for the biennium 1974-1975, he said that a draft accounting manual had been prepared with the assistance of outside consultants and would soon be issued. In the coming biennium the scope of the manual was to be extended to cover transactions from extra-budgetary funds, particularly those relating to the United Nations as executing agency of development programmes.

52. The \$250,000 in temporary assistance allocated to the Office of Personnel Services for the biennium 1974-1975 to commence implementation of a classification system had been only partly used. An amount of \$108,000 had not been spent because of difficulty in recruiting qualified experts in classification systems. As the experts had not been recruited, additional support staff had not been hired either. Experts were now being recruited, however, and work on the project was expected to begin in early 1976.

53. The representative of the Philippines had also requested information on units to be relocated in the United Nations Development Corporation building and on the share of maintenance costs to be paid by UNDP. Apart from the two floors to be occupied by Permanent Missions to the United Nations, the Secretariat—in particular as many staff as possible from the Department of Economic and Social Affairs—and UNDP would share the office space. The United Nations would occupy about 60 per cent, while UNDP would occupy the remaining 40 per cent, and maintenance costs and rental would be shared proportionately.

54. Replying to the representative of Italy, he said that members of the Joint Inspection Unit received remuneration comparable to the D-2 level, and their salaries were

estimated on the basis of projected requirements at Geneva for that level.

55. The representatives of Belgium and the Soviet Union had asked questions about the rapid growth under section 22 compared to the growth of the budget as a whole. The reasons for that growth would become clear during consideration of the subsections.

56. He said that he would reply to other questions, including the question by the representative of Bulgaria about taxation of purchases by the United Nations, at a later meeting.

*The meeting rose at 1.15 p.m.*

## 1716th meeting

Friday, 17 October 1975, at 10.45 a.m.

*Chairman:* Mr. Christopher R. THOMAS (Trinidad and Tobago).

A/C.5/SR.1716

### AGENDA ITEM 96

**Proposed programme budget for the biennium 1976-1977 and medium-term plan for the period 1976-1979 (*continued*)** (for the previous documentation, see 1705th meeting; A/10008/Add.2 and 3, A/C.5/1688, A/C.5/L.1226, A/C.5/L.1229-1232)

#### *First reading of individual sections of the programme budget (continued)*

#### SECTION 22. ADMINISTRATION, MANAGEMENT AND GENERAL SERVICES (*continued*) (A/10006, A/10008 AND CORR.2)

1. Mr. LAVAU (Director of the Budget Division) replied to some of the questions asked at the previous meeting. In connexion with the inquiry by the representative of the United States of America as to whether any reduction could be made in the estimate for electronic data processing at Geneva given in paragraph 22.130 of the proposed programme budget for the biennium 1976-1977 (A/10006), he recalled that the Advisory Committee on Administrative and Budgetary Questions in paragraph 22.61 of its report (A/10008 and Corr.2) had recommended elimination of the total estimate of \$121,000. If the Advisory Committee's recommendation was approved, the United Nations Office at Geneva would not have any data processing equipment and would have to process data manually with a resulting increase in staff. He had been reassured, however, by the comments of the Chairman of the Advisory Committee, when introducing section 22, at the 1709th meeting, that electronic data processing should continue until the General Assembly discussed the matter at its thirty-first session, and he interpreted that statement as permitting the Secretary-General to maintain the existing configuration, within available resources, until further

review. The United States representative had also questioned the additional posts and the temporary assistance requested by the Administrative and Financial Services at Geneva; in response, he pointed out that, without the savings made by using the computer, far more than 4 General Service posts would have been required to deal with the administration of a growing number of employees at Geneva, including the secretariat of the Division of Human Rights. While expert contractual services could be engaged to perform certain specific programming tasks, it had seemed more cost-effective to hire 3 junior-level programmers for the biennium, while the permanent staff of the Administrative Systems Section (3 Professional and 5 General Service), would be engaged in the long-term process of designing and installing electronic data processing support in the Geneva Office.

2. Replying to the representative of Mexico, who had asked about the capacity of the United Nations computer system, he said that the computer use hours noted in the table following paragraph 22.31 of the Advisory Committee's report represented a technical unit designed to measure computer tasks of different sizes and not to provide a measure of capacity. A clearer picture of the workload could be gained from an analysis of the actual hours of computer rental. In 1973 the average number of hours of computer rental per day had been 14, in addition to 25 per cent of the week-ends; in 1974, 16 hours with 50 per cent of the available week-ends; and, in 1975, almost 20 hours per day with approximately 55 per cent of the week-ends. Taking into consideration preparation for computer tasks, the International Computing Centre had been functioning two 8-hour shifts per day in 1973 and three 8-hour shifts per day, five days per week, in 1975. The workload projections for 1976 and 1977 indicated that additional shifts would be required, together with an increase in computer capacity.