

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.

3. The representative of Algeria had asked about allocation of personnel resources at the New York Computing Centre. Staff members of the Centre included 16 at the General Service level for entering data into machine-readable form, 8 General Service and 1 Professional for actual operation of the computer equipment, 6 General Service and 1 Professional for preparation of work for the computer and record-keeping, 3 Professional for maintenance of the basic operating programmes of the system and instructions to users, 2 Professional and 2 General Service for executive management and direction, 4 senior analysts, 5 programmers and 3 junior-level programmers. Utilization of the computer services could be broken down as follows: Department of Economic and Social Affairs, 50 per cent; Department of Conference Services, 6 per cent; administrative support, 20 per cent; and utilization by other agencies and on behalf of Governments which made appropriate reimbursements to the United Nations budget, 24 per cent.

4. Replying to the United States representative, who had recommended that rental be reduced in proportion to the reduction of staff, he said that the Advisory Committee, in paragraph 22.96 of its report, had recommended that the \$382,000 requested for renting office space for the proposed 150 new posts should be reduced by \$306,000. In that connexion, he pointed out that the remaining \$76,000 might not be sufficient to meet requirements for office space for the 108 new posts recommended by the Advisory Committee.

5. In connexion with the United Nations Development Corporation (UNDC) building, he said that the United Nations had signed a lease on 21 June 1974 reserving office space in the building, for which the United Nations would pay rent only when the office space was actually occupied. The United Nations had not participated in financing the construction of the building, and had not yet paid any rent. The lease stated that the new building would be occupied gradually as existing leases signed by the United Nations for other buildings expired, so as to avoid double rental. He drew attention to the Joint Inspection Unit report on the utilization of office accommodation at United Nations Headquarters (see A/9854), which indicated that by 1979 the United Nations would require more office space in addition to the Secretariat and UNDC buildings. It would therefore be necessary to find office space for units currently located outside the Secretariat building which could not be housed in the UNDC building.

6. Replying to the question of the United States representative concerning the computerized message-switching device and improvement of the communications between New York and Geneva, he said that Geneva was the principal relay station for all United Nations communications with Europe, the Middle East, Africa and the Far East. It was essential that New York and Geneva be able to cope, partly through modernization, with the increase in communications. The technical advantages of the device were described in detail in paragraph 27 of the report of the Secretary-General entitled "Survey of United Nations telecommunications and forecast of requirements for the period 1974-1983".<sup>1</sup> Automation would lead to increased

capacity during peak periods, greater accuracy, speed, and decreased staff costs. That report, in paragraph 47, also referred to upgrading the telex channel between New York and Geneva to provide telephone capacity, and the Advisory Committee in its corresponding report<sup>2</sup> had raised no objection to implementing that proposal in 1975.

7. The United States representative had asked whether the introduction of Arabic as a working language would lead to increased budget estimates, compared to the expenditures financed from extra-budgetary funds in 1974, 1975 and 1976. He said that the amount of \$3,562,000 represented, in real terms, the same level of expenditure as in previous years. That amount covered the existing 100 established posts, and no increase had been envisaged for 1977 for temporary assistance during the General Assembly, and rental of office space, communications and office supplies.

8. Replying to the representative of Madagascar, who had requested information on the participation of the specialized agencies in covering the cost of jointly financed bodies, he said that in the case of ICSC total expenses were included in the United Nations budget and reimbursement by the specialized agencies was included in income section 2. In the case of other joint activities, the United Nations indicated in its budget only the share it would pay, leaving the agencies to include their share in their own budgets. The question asked by the representative of Madagascar about pension coverage for members of the Joint Inspection Unit had already been answered by the Under-Secretary-General for Administration and Management at the 1715th meeting.

9. The representative of Madagascar had also referred to the inclusion of estimates for communications under section 22 as well as under section 21 (Public information). The Office of Public Information was the major communications user in the United Nations and had traditionally been responsible for its own communications costs. Programme budgeting would justify including communications costs for each unit in its own section; an alternative would be to include all communications costs under section 22, the regional commissions retaining responsibility for their own communications costs, however.

10. The United States representative had asked why the transfer of one post for auditing to Geneva had not led to a corresponding reduction in the Headquarters auditing section: the question had already been answered by the Advisory Committee which, in paragraph 22.25 of its report, had recommended a \$9,000 reduction in the estimate for New York auditing, to correct the inadvertent omission. The need for temporary assistance for auditing had been felt during the current biennium and the estimates had included \$7,000 for temporary assistance, an amount reduced to \$5,000 by the Advisory Committee.

11. The United Kingdom representative had asked about extra-budgetary auditing at Geneva in connexion with paragraph 22.24 of the Advisory Committee's report. In reply, he said that extra-budgetary funds were used to audit expenditure of extra-budgetary funds; while the operation

<sup>1</sup> Document A/C.5/1540/Rev.1, of 8 August 1974.

<sup>2</sup> Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 8, document A/9608/Add.7, para. 35.

was usually carried out at New York, some aspects of it were now being dealt with by the Geneva Office.

12. The CHAIRMAN invited the Committee to consider the various parts of section 22 individually.

#### *Section 22A. Policy and direction*

13. Mr. PIRSON (Belgium) asked why the United Nations regular budget was expected to cover approximately one third of the expenses of ICSC, when the Organization's Secretariat was only one quarter of the total size of the secretariats of all organizations in the United Nations system.

14. Referring to the Joint Inspection Unit, he asked why the common staff costs, even as reduced by the Advisory Committee, had increased from \$69,000 to \$133,000. He asked why there had been approximately a 50 per cent increase in the travel costs of members of that Unit. He also asked why the United Nations paid 42.6 per cent of the total expenses of those members and why other organizations in the system did not contribute more. Once the estimates for the Joint Inspection Unit had been approved by the General Assembly, other organizations in the United Nations system simply accepted the estimates submitted to them; the Fifth Committee should be aware of the implications of its action in approving the estimates for the Unit.

15. By and large he endorsed the Advisory Committee's views on CCAQ, but he requested further information on its functions.

16. Mr. TALIEH (Iran) paid a tribute to the Office of the Under-Secretary-General for Administration and Management on its zero programme growth and small but efficient manning table. He compared it favourably to other units which had too many high-level posts. He requested clarification of the common staff costs for the Joint Inspection Unit in the table appearing in paragraph 22.15 of the proposed programme budget.

17. Mr. OUEDRAOGO (Upper Volta) asked whether the work programme of ICSC had now been drawn up and when the revised estimates for the Commission would be submitted.

18. Mr. LAVAU (Director of the Budget Division), replying to the representative of Belgium, said that the costs of the Joint Inspection Unit were distributed among the United Nations and the agencies in accordance with the amounts which the organizations actually disbursed in the year preceding the year in question. In the case of other jointly financed bodies, it was the cost of the number of posts financed from the regular budget and posts for project implementation carried by each organization that determined the distribution of costs among them. The increase in the travel costs for the Joint Inspection Unit was due to inflation, which particularly affected subsistence allowances, and to changes in the exchange rate. Common staff costs for the Unit for the biennium 1976-1977 had been based on 33 per cent of the salaries; that method differed from the old method and had led to higher costs. Concerning CCAQ, he pointed out that it was a subsidiary

organ of ACC that had been established in 1947 to make proposals relating to standardizing the personnel and financial administration of organizations in the United Nations system.

19. The Under-Secretary-General for Administration and Management had already replied at the 1715th meeting to the question asked by the representative of Iran.

20. Replying to the representative of the Upper Volta, he said that the Secretary-General would submit revised estimates for ICSC during the month of November.

21. Mr. PIRSON (Belgium) invited the Committee to reflect on the fact that the United Nations was paying one third of the total expenses of ICSC. That seemed to imply that posts financed from extra-budgetary funds were considered to be financed from the regular budget for the purpose of assessing the United Nations share of ICSC costs.

#### *Section 22B. Administrative Management Service*

22. Mr. AKASHI (Japan) noted that the Administrative Management Service had largely completed its task of conducting manpower utilization surveys and follow-up reviews, and that its major preoccupation appeared to be shifting towards studies carried out on its own initiative or in response to requests from individual departments of the Secretariat. His delegation welcomed that new orientation and hoped that the Service would be able to provide much-needed management advice to as many units of the Secretariat as possible. It wondered whether the principal role of the Service in future would be to identify internal expertise available for performing any *ad hoc* tasks that might arise, thereby keeping recourse to outside expertise to a minimum; it hoped that that possibility would be explored.

23. With regard to staffing, his delegation hoped that in future the Secretary-General's budget proposals would take greater account of the anticipated smaller workload and that the Service would be made more compact. Consideration should be given to a possible merger of the Administrative Management Service and the Internal Audit Service; those Services would maintain separate identities within a unified division, thereby facilitating a steadier flow of ideas between them.

24. Mr. BOUAYAD-AGHA (Algeria), referring to the Secretary-General's intention, as expressed in paragraph 22.26 of the proposed programme budget, to outpost one of the Professional staff to Geneva, asked why it had been deemed necessary to strengthen the administrative management capability of the Geneva Office. He requested some further information on that proposal, including details of the grade of the post concerned and of the anticipated date of and arrangements for the transfer.

25. Mr. TALIEH (Iran) said that his delegation welcomed the Secretary-General's proposal to prune the staff of the Administrative Management Service, taking into account the declining workload. It also endorsed the Advisory Committee's recommendation in paragraph 22.21 of its report. It wondered what the intentions were regarding the

future role of the Service and suggested that it might be appropriate for the Service to conduct surveys or reviews relating to, for example, the planning and programming systems of the different Secretariat departments and the situation with regard to inter-office co-ordination of projects and the evaluation of project implementation. His delegation further suggested that the Joint Inspection Unit and the Administrative Management Service should meet at the beginning of every year in order to co-ordinate their programmes of work.

26. Mr. PIRSON (Belgium) said that he was not at all satisfied with the Secretary-General's budget proposals for the Administrative Management Service. In the light of the Advisory Committee's comments in the first sentence of paragraph 71 of its report, namely that the Service's recommendations had led only to requests for additional resources and not to any reductions in resources, he was not at all convinced that the results of the Service's work justified the size of its staff. His delegation believed that economies should be made and that the amount budgeted for staffing the Service could be reduced by half without any ill effects. It intended to submit a proposal recommending a sharp reduction in the estimates submitted by the Secretary-General.

27. Mr. DAVIDSON (Under-Secretary-General for Administration and Management), referring to the possibility of merging the Administrative Management Service and the Internal Audit Service, as suggested by the representative of Japan, said that he personally saw merit in the idea because their functions coincided to some extent and each was obliged, as part of its functions, to send staff on visits to organizations located in different parts of the world. The Secretariat was already studying the possibility of such a merger; in the light of the Japanese representative's suggestion, it would conduct a more detailed examination and would report the outcome to the Committee at the thirty-first session.

28. He assured the representative of Algeria that the proposal to transfer one staff member of the Administrative Management Service to Geneva had not been made because the administrative capability of the Geneva Office was deficient; rather it was a recognition of the fact that since all the Service's staff were currently at Headquarters, frequent visits to Geneva were required to deal with administrative management problems, as they arose. It therefore seemed more rational to have one member of the Professional staff in Geneva and to provide a continuing service there. The staff member outposted to Geneva would be at the P-4 grade. The Secretariat felt that the experiment was worth while and believed that it would generate savings in the long term. If it did not, the staff member would be transferred back to Headquarters.

29. He informed the representative of Iran that the Director of the Administrative Management Service and the members of the Joint Inspection Unit did in fact meet at the beginning of every year in order to concert their work programmes and co-ordinate any studies planned. That arrangement was designed to ensure that there was no duplication of functions, as had arisen once when both the Service and the Unit had conducted simultaneous studies on personnel matters.

30. With regard to the comments made by the representative of Belgium concerning the value of the Administrative Management Service's work, he recalled that the Service had originally been instructed to examine manpower utilization in each of the major units of the Secretariat. Those manpower studies had been carried out and formed the basis on which the Advisory Committee submitted to the Fifth Committee its recommendations concerning the manning tables of individual units. The Service had made recommendations concerning reductions, increases and re-deployment of staff and, in his opinion, had performed a useful task. It had been at least partially successful in pointing to areas in which redeployment was necessary. The task of recommending and implementing reductions in staffing was not easy at a time when new demands were being placed on the Secretariat. The Service had now moved into a new phase, in which its function was to provide internal management consultant services to the Organization as a whole. It was generally felt that the Secretariat required advice in managing its organizational affairs. The Organization was faced with two alternatives: either to rely for advice on outside expertise or to maintain a small team within the Secretariat whose advice would be entirely objective. While some members of the Fifth Committee had expressed support for the first alternative, it was the second that had been adopted by the General Assembly and the Secretary-General. In 1975—the first year of the new phase—the Service had received a large number of requests for assistance from heads of departments and units through the Organization. A report had been submitted to the Advisory Committee describing the various studies which the Service was conducting in the current year. It was his opinion that the Service was acting responsibly and was performing a useful function in the Secretariat; he would even go so far as to say that, if the Service were disbanded, it would be necessary to replace it with another service performing the same kind of duties.

31. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), referring to his statement at the 1709th meeting, wished to emphasize that it was the Advisory Committee, not the Administrative Management Service, that would draw the Fifth Committee's attention to any questions pertaining to the Service which it felt were of particular interest. He recalled that he had referred to the Advisory Committee's recommendation,<sup>3</sup> in which it had recommended that the annual reports submitted to the General Assembly by the Administrative Management Service should be discontinued and that instead the Service should submit a progress report to the Advisory Committee; the Advisory Committee would then draw the attention of the Fifth Committee to any matters that it considered pertinent. He had further informed members that the Advisory Committee had received a progress report from the Service and had concluded that it did not contain anything which warranted the attention of the Fifth Committee.

32. Mr. PIRSON (Belgium) said that he had not heard any explanations that caused him to alter his opinion of the Administrative Management Service. As he saw it, the Service was not indispensable and it would be quite possible for the Joint Inspection Unit to perform some of its

<sup>3</sup> *Ibid.*, document A/9608/Add.10, para. 13.

tasks—a view which was borne out by some of the comments in the documentation before the Committee. In keeping with his earlier statement, he reserved the right to make a proposal to reduce the amount budgeted for the Service.

#### *Section 22C. Internal Audit Service*

33. Mr. BARRAGAN MATA (Mexico) asked what action had been or would be taken on the 162 observations issued by the Headquarters Section of the Internal Audit Service, as referred to in paragraph 22.30 of the proposed programme budget.

34. Mr. PIRSON (Belgium) asked, in the light of paragraph 22.24 of the Advisory Committee's report, whether the 7 posts financed from extra-budgetary sources matched the proportion of auditing activities undertaken outside the framework of the regular budget.

35. Mr. LAVAU (Director of the Budget Division) said that he would reply to the questions on section 22C at the following meeting.

#### *Section 22D. Electronic Data Processing and Information Systems Service*

36. Mr. HART (Australia) noted that, according to paragraphs 22.59 and 22.60 of the budget proposals, the United Nations share of the cost of the Inter-Organization Board for Information Systems and Related Activities (IOB) was estimated by the Secretary-General at \$334,000 for 1976-1977 compared with \$194,000 for 1974-1975, and that the projected increase in the operating costs of the Board included an increased provision to allow for the implementation of Economic and Social Council resolution 1889 (LVII). He drew attention to the relevant provisions of that resolution, which were reproduced in paragraph 22.37 of the Advisory Committee's report. He further noted that the Advisory Committee considered that despite the much higher cost of United Nations participation in IOB, the detailed proposals requested by the Economic and Social Council had not been provided. That comment was causing his delegation some concern, since it might be inferred that the first step towards an integrated planning and programming system was faltering. In order to dispel that impression, his delegation wished to draw attention to a progress report submitted by ACC to the Economic and Social Council at its fifty-ninth session:<sup>4</sup> paragraph 10 of that report indicated that the responses of the organizations of the United Nations system to the Council's recommendations in resolution 1889 (LVII) had been favourable, although organizations would face certain constraints in implementing the recommendations within a specified time-frame; paragraphs 11 *et seq.* of the same report described how each organization was implementing or would implement the Council's recommendations. His delegation therefore welcomed the Advisory Committee's acceptance of the Secretary-General's budget estimate. It reaffirmed its commitment to information support for systemwide planning and programming and expressed the hope that the Council, at its sixty-first session, would be able to report that the development of the Common

Register of Development Activities was progressing satisfactorily and that all the organizations in the system realized the importance of integrated planning.

37. Mr. MAJOLI (Italy) said that, in view of the last sentence in paragraph 22.37 of the Advisory Committee's report, it would be interesting to hear what progress had been made so far with the CORE project.

38. Mr. PIRSON (Belgium) said that his delegation supported the view expressed by the Advisory Committee in paragraph 22.38 of its report. That Committee should consider with particular care the budget estimates for IOB, the New York Computing Centre and ICC which would be submitted to it in the next biennium.

39. In response to a question from the CHAIRMAN as to whether that was a formal proposal, Mr. PIRSON (Belgium) recalled that in other Committees such a suggestion was usually recorded in the Committee's report to the General Assembly.

40. The CHAIRMAN said that the suggestion would be incorporated in the decision which the Committee would take later on.

41. Mr. LAVAU (Director of the Budget Division) recalled his earlier statement that CORE was developing satisfactorily; the main agencies likely to utilize it were already doing so. The ILO, WHO, FAO and UNESCO, like the United Nations, were increasingly developing their own systems for checking projects and such data were all fed into the Common Register.

#### *Section 22E. Office of Financial Services (Headquarters)*

42. Mr. PALAMARCHUK (Union of Soviet Socialist Republics), referring to table 22-22 of the proposed programme budget, said that, while variations in the amounts needed to offset the effect of inflation were understandable to some extent, it was impossible to be sure that they were correct without knowing on what basis the inflation factor had been computed. He hoped that the information which he had already requested would be forthcoming as soon as possible, since it was pertinent to other sections as well. The additional sums requested for consultants under section 22E, though rather insignificant, were unjustified and it would be interesting to know what criteria had been used to arrive at the figures. He recalled that at the twenty-ninth session of the General Assembly it had been felt that too much money was spent on consultant services.

43. Mr. BOUAYAD-AGHA (Algeria) said that he, too, would appreciate receiving that information. He asked the Under-Secretary-General for Administration and Management why, now that ICSC had been established to deal with all matters relating to personnel, the Salaries and Allowances Unit was to continue studying matters that were within the competence of the new Commission. There appeared to be some duplication. He asked for clarification of paragraph 22.81, subparagraph (c), of the proposed programme budget, which related to exceptional cases regarding allowances, and asked what the Salaries and Allowances Unit would deal with after the Commission

<sup>4</sup> Document E/5662, of 30 April 1975.

took over its full responsibilities and why the Unit still required 9 posts for 1977.

44. Mr. TALIEH (Iran) said that he could find no reference to the medium-term plan, although it was his understanding that the Budget Division had dealt with that matter. He asked whether the volume of work of the Budget Division would be reduced if the General Assembly accepted the recommendation of the Working Group on United Nations Programmes and Budget Machinery that the medium-term plan and programme budget be considered in alternate years (A/10117 and Corr.1, para. 77).

45. Mr. PIRSON (Belgium) endorsed the comments of the representative of Algeria concerning the Salaries and Allowances Unit. While he understood that the Unit would have to deal with certain activities until ICSC was able to take them over, he wondered whether the 9 posts requested for 1977 were really necessary.

46. The CHAIRMAN said that the questions raised under section 22E would be answered at the following meeting.

47. Mr. DEBATIN (Assistant Secretary-General, Controller), replying to an earlier question of the representative of Bulgaria concerning whether the United Nations was exempt from both direct and indirect taxes on the goods and services which it bought, said that the Convention on the Privileges and Immunities of the United Nations specifically provided that the Organization should be exempt from all direct taxes. Under section 8 of that same Convention, the United Nations was entitled to request reimbursement of any indirect taxes it had paid when making important purchases of property for official uses. Claims for reimbursement were made in the United States and in Switzerland, and in certain European countries the Organization was reimbursed for the value added tax added to the price of goods. There was only one area where the tax was not clearly shown and where it was therefore hard to maintain that there was an indirect charge on the Organization. However, every effort was being made to recoup indirect taxes and it was unlikely that any further savings could be achieved in that respect.

### AGENDA ITEM 103

#### Appointments to fill vacancies in the membership of subsidiary organs of the General Assembly (*continued*)\*:

##### (a) Advisory Committee on Administrative and Budgetary Questions (*continued*)\* (A/10151, A/C.5/1691)

48. The CHAIRMAN invited the Committee to hold elections to fill four vacancies in the membership of the Advisory Committee on Administrative and Budgetary Questions, resulting from the expiration on 31 December 1975 of the terms of office of Mr. García del Solar, Mr. Grodsky, Mr. Majoli and Mr. Stottlemeyer. Nominations for appointment or reappointment had been received from their respective Governments in respect of Mr. García del Solar (Argentina), Mr. Grodsky (Union of Soviet Socialist Republics), Mr. Kivanç (Turkey), Mr. Majoli (Italy), who had subsequently withdrawn his candidacy, Mr. Schmidt

(Federal Republic of Germany), and Mr. Stottlemeyer (United States of America). Members of the Committee could, of course, vote for any candidate, whether formally proposed or not.

49. Mr. KIVANÇ (Turkey) announced that his Government was withdrawing his candidacy, its prime concern being to preserve unity and to facilitate the elections. He thanked all regional groups and delegations which had pledged to support him.

*At the invitation of the Chairman, Mr. Harding (Sierre Leone) and Mr. Vandergert (Sri Lanka) acted as tellers.*

*A vote was taken by secret ballot.*

<i>Number of ballot papers:</i>	99
<i>Invalid ballots:</i>	1
<i>Number of valid ballots:</i>	98
<i>Abstentions:</i>	0
<i>Number of members voting:</i>	98
<i>Required majority:</i>	50

#### *Number of votes obtained:*

Mr. Lucio García del Solar . . . . .	95
Mr. Anatoly V. Grodsky . . . . .	87
Mr. David L. Stottlemeyer . . . . .	80
Mr. Rudolf Schmidt . . . . .	76
Mr. Mario Majoli . . . . .	5
Mr. Turan S. Kivanç . . . . .	5
Four other persons . . . . .	4

*Mr. García del Solar (Argentina), Mr. Grodsky (Union of Soviet Socialist Republics), Mr. Schmidt (Federal Republic of Germany) and Mr. Stottlemeyer (United States of America) having obtained the required majority, the Committee recommended their appointment as members of the Advisory Committee for a three-year term beginning on 1 January 1976.*

50. The CHAIRMAN proposed that the Committee should request the Rapporteur to report directly on the matter to the General Assembly.

*It was so decided.*

51. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) welcomed the new members and paid a tribute to Mr. Majoli, the outgoing member, who during his years of service on the Committee had proved one its most faithful members.

52. Mr. MAJOLI (Italy) thanked the Chairman of the Advisory Committee for his kind words.

### ORGANIZATION OF THE COMMITTEE'S WORK

53. The CHAIRMAN drew attention to the revised programme of work of the Committee (A/C.5/L.1225/Rev.1), adding that it contained certain errors: item 97 had been omitted, and item 107 had been wrongly grouped. A revised text would undoubtedly be issued. With regard to item 107, concerning the financing of UNEF and UNDOF, the Security Council was expected to take a decision before

\* Resumed from the 1712th meeting.

24 October, and the Secretariat would prepare its report for the Committee as soon as possible. However, it appeared that the Committee would not be able to dispose of that item before the end of the following week and that it would be more realistic to plan to take it up during the last week of October. The Committee should also be prepared to repeat the pattern of the twenty-ninth session, namely, to take an interim decision and postpone consideration of the item to the latter part of November. If there was time and if the data concerning candidates were available, he proposed to hold the election to fill a vacancy in the membership of the Board of Auditors in the latter part of the following week.

54. Mr. TALIEH (Iran) asked whether the Committee was behind schedule in its work and whether the Secretary-General had tried to contact the President of the Security Council in order to urge that the Council might meet earlier than 24 October.

55. The CHAIRMAN replied that he did not know when the Security Council planned to take up the matter but that, at any rate, it would be before 24 October. The Committee was slightly behind in its work; however, its original schedule had been somewhat ambitious.

*The meeting rose at 1.15 p.m.*

## 1717th meeting

Monday, 20 October 1975, at 3.15 p.m.

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

A/C.5/SR.1717

### AGENDA ITEM 94

#### Financial reports and accounts for the year 1974 and reports of the Board of Auditors (A/10007/Add.1-7, A/10239)

1. The CHAIRMAN recalled that, in accordance with the decision of the Committee,<sup>1</sup> the financial report and accounts of the United Nations would henceforth be submitted on a biennial basis and were due at the thirty-first session of the General Assembly.

2. Mr. HAMID (Chairman of the Board of Auditors) said that, in accordance with that decision, the Board would submit its report in 1976 on the accounts of the United Nations for the current biennium. According to the same decision, the Board of Auditors was to discuss its observations on the accounts of the United Nations for the first year of the biennium with the Advisory Committee on Administrative and Budgetary Questions. That had been done and the Advisory Committee, in its report (A/10239, para. 3), had informed the Fifth Committee that those observations did not call for action by the General Assembly at its thirtieth session.

3. In 1974 the Advisory Committee had recommended, in its report on the study of the role, organization and functioning of the United Nations Board of Auditors,<sup>2</sup> that, with a view to economizing on expenditure, the Board should hold three sessions in a biennium; that the audit programme should provide for only three visits of auditors in a biennium, instead of four, to various audit points outside New York; that the audit assignments should be reallocated between the three members of the Board; and

that in doing so the proximity of the country of an Auditor General to an audit point should be kept in mind. In response to those recommendations, the Board had decided not to hold its special session in the autumn of 1975. The audit assignments would be reallocated in June 1976 for the biennium 1976-1977, and in doing so the Board would endeavour to follow, as far as possible, the guidelines provided by the Advisory Committee. The recommendation concerning the number of visits of auditors to points outside New York could not be implemented immediately. It had been decided, as an interim measure, that the accounts of the United Nations would be closed and reconciled, more or less, in the usual manner for the first year of the current biennium. As a result, the Board's programme for audit could not be changed. Should the Fifth Committee decide to dispense with the annual certification, as a result of the review which the Advisory Committee would carry out in 1976, the Board would modify its programme accordingly.

4. Turning to the reports (A/10007 and Add.1-7) before the Committee he drew attention to significant shortfalls in the delivery of programmes in more than one organization. The extent of the shortfall as well as the reason for it varied in each case. Delay in the implementation of programmes not only delayed resultant benefits, but inevitably increased costs. Administrative and programme support costs were also disproportionately high. The Board had suggested in one case that, if those costs were not susceptible to reduction, the possibility of increasing programme activity should be explored. The administrations of those organizations were endeavouring to remove bottle-necks, but the situation called for more concerted efforts.

5. The Board had drawn to the attention of UNICEF and UNHCR the need for strengthening procedures for planning, execution and monitoring of projects and programmes. It had been noticed that in UNICEF in several cases the unutilized commitments continued to be carried for-

<sup>1</sup> Official records of the General Assembly, Twenty-ninth Session, Annexes, agenda item 73, document A/9960, para. 102.

<sup>2</sup> Ibid., Twenty-ninth Session, Supplement No. 8, document A/9608/Add.1.