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*Chairman:* Mr. Hans ENGEN (Norway).

**AGENDA ITEM 38**

**Budget estimates for the financial year 1956  
(A/2904 and Add.1, A/2921, A/3006, A/C.5/  
622, A/C.5/629) (*continued*)**

**General discussion (*continued*\*)**

1. Mr. MENDEZ (Philippines) commended the Secretary-General and the Advisory Committee on their success in stabilizing the United Nations budget. At the same time, he regretted that the same had not been done with regard to the budgets of the specialized agencies.

2. The Secretary-General had said in his opening statement (A/C.5/630) that personnel policy was of the utmost importance and his delegation had certain observations to make in that respect. In particular, it felt that the higher levels of the Secretariat did not reflect sufficient compliance with the principle of geographical distribution. For example, the highest-ranking Philippine national in the Secretariat was a Second Officer, a fact to which he invited the attention of the Secretary-General and the Director of Personnel. Yet, for the year 1955, there had been 670 posts of the level of First Officer and above, exclusive of Under-Secretaries (A/2904, p. xv).

3. He cited opinions of the Preparatory Commission,<sup>1</sup> of members of the Fifth Committee (A/2884, para. 36) and of the General Assembly (resolution 153 (II)) to show that the broadest application could be given to the principle of geographical distribution in filling the senior posts in the Secretariat while at the same time maintaining the highest standards of efficiency, competence and integrity therein. The notion that talent was available only in certain areas of the world had long been discredited, and the Philippine delegation felt impelled to express its concern that after all the time that had elapsed the imbalance in the geographical structure of the Secretariat had not improved but was apparently being stabilized. It would therefore request that a report be submitted to the present session or, at

the latest, to the eleventh session, on the systematic steps taken to rectify the situation. In the meantime, his delegation would with all deference to the Secretary-General urge him to refrain from engaging on career appointments the nationals of countries at present over-represented and to appoint staff from over-represented countries only by means of fixed-term appointments, following the procedure he himself had advocated in his opening statement (A/C.5/630, para. 14).

4. His delegation noted that the Advisory Committee had inquired into the geographical distribution in a number of departments, and it would be interested to hear what conclusions the Committee had reached.

5. The representatives of Cuba and China had rightly emphasized the importance of promotions; the Philippine delegation approved of the promotions policy adopted by the Secretary-General as set out in document ST/ADM/SER.A/272. It agreed that vacancies should not be filled by outside recruitment if they could be filled by transfer or promotion from within the service, that entry into the service should be at junior category levels, and that selection should be on a competitive basis. The document cited mentioned the principle of geographical distribution but was not quite specific as to the manner in which that principle was to be applied. He noted that the promotion of competent junior officers already on the staff would go a long way towards achieving a better geographical distribution in the higher levels of the Secretariat. Promotions should also be systematic and far-sighted; the occurrence of a vacancy at any level should result in promotions down the line in order to benefit as many staff members as possible, and the long-range needs of the department should be borne in mind.

6. He noted that again, as in the previous year's report (A/C.5/L.270), the Secretary-General's report on the staff (A/C.5/L.331) failed to indicate the existing vacancies; he trusted that that omission would be made good in the next year's report.

7. His delegation agreed that a *prima facie* case appeared to exist for increasing the cost-of-living allowance of staff members at Headquarters. It did not propose to take a final position on the matter at present but felt that it might be preferable to effect the increase by granting relief under the Staff Assessment Plan, in order not to excite public opinion and in order to conform to the trend towards lower taxes referred to in paragraph 6 of the Secretary-General's note on the subject (A/C.5/636).

8. The Philippine delegation noted that the Secretary-General intended to propose certain changes in the form of the budget in order to secure greater administrative freedom than the present form allowed him. It agreed that the Secretary-General should have the authority to transfer both posts and staff between departments and offices within the Secretariat but it would point out that he already possessed considerable powers

\* Resumed from 492nd meeting.

<sup>1</sup> See *Report of the Preparatory Commission of the United Nations* (PC/20), chap. VIII, sect. 2, para. 7.

in that respect under General Assembly resolutions 13 (I), 456 (V) and 590 (VI) and the related Staff and Financial Regulations.

9. With regard to documentation, the Philippine delegation held that the aim should be not only reduced quantity and expenditure but also improved quality. To that end it would suggest the inclusion of references to the original documents in the annual reports of the Secretary-General on the work of the Organization as well as the use of a second identifying symbol based on the subject matter of the document to assist delegations in organizing their documents files.

10. The problem of contractual travel arrangements remained; his delegation would suggest either that the services of more than one travel agency should be engaged or that staff members should be authorized to make their own travel arrangements with the agency of their choice. Competition would benefit the staff in that as in other fields of service and should for that reason be encouraged.

11. Mr. CHAMBERS (Australia) said that it would be difficult to criticize a budget which showed a reduction of \$685,800 compared with the previous year's expenditure. The Secretary-General was to be congratulated on having achieved the object he had set himself two years earlier, as also on his reorganization of the Secretariat, which had already led to increased efficiency and smoothness of operation. The limited scale of the budgetary reductions proposed by the Advisory Committee was a confirmation of the fact that the United Nations budget had at length been stabilized — a very worthy achievement. His delegation was concerned to note, however, that the Secretary-General intended to introduce certain proposals for the improvement of the conditions of staff members which might well have considerable repercussions on the budget. It would have been preferable if those proposals had been made known to Member States well in advance of the present session. His delegation appreciated the need to maintain salaries and conditions of employment in the Secretariat at a level high enough to attract employees of the requisite calibre and it had no objection to the extension for another year of the provision for extra dependency credits. It could not, however, without further consideration, endorse the proposals relating to education grants and cost-of-living allowances. It felt that the proposed general review in 1956 of the salary system as a whole might offer the best method of dealing with all questions relating to remuneration and conditions of employment. His Government would not, however, be able to approve any proposal for a salary scale which, even allowing for the special factors involved, was markedly out of accord with the salary scales applied in national civil services.

12. His delegation whole-heartedly supported the Secretary-General's observations regarding the need for greater flexibility among the staff, and it considered that he should be granted full discretion to transfer both posts and staff between departments and offices in order to achieve the maximum efficiency and economy. In that connexion, his delegation could only be disappointed at the decision that the Fifth Committee had taken recently regarding amendments to the Joint Staff Pension Fund Regulations, whereby the basis of calculation would be the average salary, not of the best five consecutive years of service, but of the last five, for that could only hamper the Secretary-General in his attempt to use his staff to the best possible advantage.

13. His delegation also endorsed the Secretary-General's views regarding the desirability of flexibility in budgetary policies and hoped that the Advisory Committee would take a liberal view of requests for transfers of excess credits from one section of the budget to another; the Secretary-General might otherwise be driven to "padding" certain sections of the budget and to holding back excess credits until the end of the year.

14. As previous speakers had stated, the stability achieved in the United Nations budget had not yet been communicated to those of the specialized agencies, and the total budget of the United Nations, its specialized agencies, regional and functional commissions and extra-budgetary programmes was now reaching disturbing proportions. He agreed with the United States representative that all wasteful expenditure should be eliminated and administrative costs cut to the minimum. Progress had certainly been made but there remained much room for improvement, particularly in the matter of the co-ordination of the activities of the various organs and agencies and in the adoption of uniform personnel and budgetary practices. The specialized agencies might perhaps invite the Advisory Committee to examine their administrative and budgetary procedures, too; if that should entail additional staff and expenditure for the Advisory Committee, his delegation would have no objection.

15. His delegation agreed with the Advisory Committee that expenditure on public relations activities was unduly high in proportion to the total United Nations budget and it hoped that serious consideration would be given to that Committee's recommendations when the time came for the preparation of the 1957 budget.

16. Australia shared the alarm of other Member States at the increasing volume of documentation put out by the United Nations, which had reached such proportions that much of it must surely go unread. A drastic decision would shortly be required regarding the type of records which should be kept and reproduced. In that connexion, the Fifth Committee might set a good example by dispensing with summary records for some of the items on its agenda, relying instead upon the Rapporteur's report.

17. His delegation also shared the concern of other delegations at the way in which the United Nations extra-budgetary programmes were financed: it appeared from the report of the Negotiating Committee for Extra-Budgetary Funds that the main burden fell upon the shoulders of a few generous Members, whereas, to be truly international, those programmes should be financed by as large a number of Member States as possible. For the sake of the prestige of the Organization, he urged delegations to give serious attention to that matter.

18. Mr. BIRECKI (Poland) shared the opinion expressed by many previous speakers that the proper functioning of all United Nations organs depended largely on the efficient functioning of the Secretariat and on its high standards of competence and integrity. The Fifth Committee's main objective should be to ensure the best working conditions for the Secretariat, in order that it might play the role envisaged for it in the Charter and provide the necessary services for all United Nations bodies. The Secretariat, for its part, should work with a view to the best interests of Member States and the most efficient use of United Nations funds.

19. The United Nations budget estimates had been steadily increasing; although some improvement had been apparent in the 1955 budget estimates, the 1956 budget estimates, including the supplementary estimates, would reach the record figure of approximately \$46 million. The same applied to the specialized agencies, whose budgets showed a large increase as compared with 1955. Such a tendency should be checked. The Advisory Committee on Administrative and Budgetary Questions in its report (A/2921) had recommended certain reductions but he felt they were inadequate. His delegation considered that the United Nations annual budget should not exceed \$35 million and that the Fifth Committee, the Advisory Committee and the Secretary-General should try to keep within that figure, which would prove quite adequate if steps were taken to accelerate and extend the reorganization of the Secretariat.

20. With regard to the budget estimates for the Department of Public Information, he agreed with the United Kingdom and USSR representatives that there was great disparity between expenditure on information media and on other United Nations activities. The Polish delegation fully shared the Advisory Committee's opinion (A/2921, para. 96) that a maximum figure of \$4,500,000 should be adequate for total expenditure on public information activities.

21. The reimbursement of national income tax for 1955, for which the Secretary-General had said he would be requesting about \$1,600,000 in the supplementary estimates was a serious burden on the budget. At the ninth session the United States representative in the Fifth Committee had said (*472nd meeting*) that his Government would give careful study in 1955 to the various methods by which the problem of the taxation of United States citizens who were members of the Secretariat could be solved; it was to be hoped that the question would be settled during the current session of the General Assembly.

22. Referring to the Philippine representative's statement regarding the proper geographical distribution of posts within the Secretariat, he emphasized that the Polish delegation had always stressed the need for a truly international Secretariat and felt that the stable organization of the latter depended on the proper application of Article 101, paragraph 3, of the Charter. At the ninth session attention had been drawn to the need for securing the highest standards of efficiency and competence in the Secretariat, together with observance of the principle of equitable geographical distribution. The Polish delegation had emphasized at that time that the question of proper geographical representation among the staff should not be by-passed. In his delegation's opinion, that principle was still not being observed. It had noted that in certain departments of the Secretariat staff changes had been made which violated that principle. In 1953, 26.80 per cent of the Secretariat above the grade of G.5 (excluding manual workers, Field Service personnel and staff with special language qualifications) had been United States citizens, 13.56 per cent British, 8.72 per cent French, 3.81 per cent Canadian and 47.11 per cent citizens of the remaining fifty-six Member States. In 1955, 29.20 per cent were United States citizens, 13.18 per cent British, 8.44 per cent French, 3.19 per cent Canadian and only 45.99 per cent citizens of the remaining fifty-six Member States.

23. His delegation considered that steps should be taken to remedy the situation and that the attainment of

a proper geographical representation should be regarded as one of the main goals in the reorganization of the Secretariat. A first step towards that end would be for the Secretary-General to submit a list of vacant posts in the Secretariat to each Permanent Delegation.

24. Mr. TOLKUNOV (Ukrainian Soviet Socialist Republic) said that the reduction of \$686,000 in the regular budget estimates for 1956 as compared with those for 1955 went far towards meeting the wishes of a number of delegations which had repeatedly urged a reduction in United Nations expenditure and the stabilization of the Organization's budget. In view, however, of the supplementary estimates, which amounted to approximately \$6 million the total figure for the 1956 estimates would be higher than the estimates for any other year.

25. The reorganization of the Secretariat had led to a certain improvement in the work of servicing United Nations bodies but it did not sufficiently reflect the proposals which various delegations had made for a substantial reduction of expenditure on staff. His delegation had pointed out at previous General Assembly sessions that the Secretariat was cumbersome and had too many senior posts. At the present time approximately 75 per cent of the United Nations budget was devoted to the maintenance of the Secretariat; his delegation considered that too high a percentage.

26. In its report (A/2921) the Advisory Committee stated that its recommendations with regard to the Headquarters estimates were only provisional, in view of certain modifications which might be made in the estimates as the result of the Survey Group's findings. His delegation considered that the reorganization of the offices outside Headquarters visited by that Group should be expedited.

27. It further considered that the Department of Economic and Social Affairs should be merged with the Technical Assistance Administration, in order to strengthen the work done by the regional economic commissions.

28. He shared the views of the Advisory Committee with regard to the budget estimates for the Department of Public Information. He supported the reduction it recommended, which he felt should be applied to the 1956 estimates.

29. With regard to the appropriations requested for temporary assistance, he pointed out that his delegation had repeatedly suggested that there should be a transfer of staff between Departments during peak periods of work, thus obviating the need for temporary assistance. The use of consultants should be kept to a minimum and their services called upon only when the necessary specialized knowledge could not be found in the Secretariat.

30. The principle of the equitable geographical distribution of posts in the Secretariat had not been fully observed and a number of Eastern European nations were not yet represented in the Headquarters Secretariat or in the specialized agencies.

31. He supported the Advisory Committee's proposal that the 1956 budget estimates should be reduced by \$261,400 and hoped that the Committee would continue its efforts to stabilize the United Nations budget.

32. As his delegation had pointed out on previous occasions, large sums were spent on maintaining certain organs in violation of the principles of the Charter.



33. Every effort should be made to bring the 1956 budget estimates down to a figure of \$42 million excluding the cost of holding the Conference on the Peaceful Uses of Atomic Energy.

34. Mr. ILIC (Yugoslavia) recalled that at the commemorative meetings at San Francisco in June 1955 and at the present session of the General Assembly many delegations had stressed the need for strengthening the role of the United Nations. Indeed, it was to be expected that the Organization would be faced with new and greater tasks if the present international co-operation was intensified.

35. Everything possible should be done, therefore, to make the United Nations an efficient body capable of assuming and carrying out all the tasks with which it was entrusted. For that purpose there were two matters of capital importance: the rapid stabilization of the United Nations budget and the completion of the reorganization of the Secretariat.

36. The small reduction suggested by the Advisory Committee in the 1956 budget estimates, which had been accepted by the Secretary-General, bore witness to the conscientious and careful study that Committee had made of each part of the budget estimates and to the co-operation which existed between it and the Secretary-General.

37. As compared with the 1955 budget estimates, savings had been effected in all but four parts of the 1956 estimates, three of which related to offices outside Headquarters that had not yet been reorganized and where greater activity and new tasks could rightly be expected as a result of the improved international situation.

38. From the few replies which had been received to the Secretary-General's letter to the sixteen Member States that had not yet acceded to the Convention on Privileges and Immunities, as summarized in a report of the Secretary-General (A/2946), his delegation could not obtain a clear picture of the readiness of Member States to ratify the Convention. Ratification by the United States Government would naturally play an important role. He hoped that the Secretary-General would continue his efforts and that those Member States which had not yet ratified the Convention would do so in the near future.

39. He agreed with the Advisory Committee and the Secretary-General that the question of the inclusion of advertisements in United Nations publications should be dropped. That question had been raised at a time when the finances of the Organization had been such as to call for new sources of income but it had lost its importance when it had become clear that the revenue from such means would be infinitesimal.

40. His delegation fully agreed with the speakers who had advocated a reduction of documentation. It appreciated the efforts made by the Secretary-General to increase the use of modern methods of internal reproduction as a substitute for external printing and felt that the placing of printing orders in soft-currency countries should be continued.

41. With regard to the reorganization of the Secretariat, his delegation fully shared the Secretary-General's view that the Secretariat was an indivisible whole and it understood the difficulties which he had encountered. Continued efforts should be made, however, to effect a complete reorganization, so that the United Nations might represent a closely knit organization in which

the different department and offices would be well-fitting parts of a unified Secretariat. Table 4 appended to document A/2916 (report on the third actuarial valuation of the Joint Staff Pension Fund) showed the need for a planned recruiting of fully qualified staff members with a view to replacing those members who would retire in the course of the coming ten years.

42. His delegation was very interested in the question of technical assistance and considered that that part of the budget estimates should be adopted in the form in which it had been proposed by the Secretary-General. He noted that administrative expenditure in connexion with technical assistance had been reduced and he hoped that efforts would be continued in that respect.

43. Mr. CHAPMAN (New Zealand) drew attention to the fact that the relevant particulars for New Zealand had, doubtless accidentally, been omitted from table O on pages 30 and 31 of information annex II to the budget estimates for 1956 (A/2904/Add.1). His delegation's continuing interest in the budget, however, reflected his Government's acceptance of the financial obligations of membership.

44. Having in the past consistently advocated strict budgetary control, New Zealand shared the satisfaction of other Member States at the further reduction shown in the 1956 estimates. While the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee could legitimately claim some credit for that development, thanks were due also to the Secretary-General for his detailed review of the work programme of the United Nations and his administrative reorganization of the Secretariat. The reduction had been achieved despite monetary pressures which might have led to an increase and was the more noteworthy when compared with the net budgets of the specialized agencies, all of which, with the exception of that of the World Meteorological Organization had steadily increased in recent years. While he had no intention of questioning the merit of the activities of those agencies, he would point out that the Fifth Committee had to consider the combined total cost of the United Nations and the specialized agencies, which would be scrutinized by national treasuries and parliaments. It was to be hoped that the specialized agencies would profit by the example which the United Nations had set in achieving a reduction.

45. The Secretary-General's plan to revise the form of the budget should increase its clarity. A better presentation of the estimates by regrouping items either by function or by objects of expenditure would assist the Committee in performing its functions of parliamentary control.

46. With regard to the appropriations for the Department of Public Information, it was undeniably necessary to disseminate news of the activities and objectives of the United Nations through available channels. Since, however, it was only a small public which the United Nations could reach directly and since its information activities were not organized on a commercial basis, the United Nations had no yardstick for assessing the value of the work done by the Department. The work was unquestionably of value but it was the task of the Committee to determine a level for the appropriations which would ensure both a proper flow of information and the best return for the money expended. The Secretary-General would undoubtedly scrutinize the appropriations with care. Nevertheless, it would assist the

Committee if it could be given a detailed study of the Department's objectives and an analysis of the use made of its output by the public and by other information media.

47. The problem of excessive documentation could be approached from two angles: that of the initiation of projects and that of their execution. Before requesting a Secretariat study, all the delegations represented on the initiating organ should consider the priority to be given to the request. The Secretary-General's initiative in presenting to the Economic and Social Council his own views on the Council's work programme was very welcome. Once a project was initiated, it was the Secretariat's responsibility to handle it with discretion and economy but it was similarly the responsibility of delegations neither to over-estimate the importance of a matter nor to make unnecessary demands for copies of publications and texts. Only through recognition of the interrelated responsibilities of delegations and the Secretariat could the documentation problem be brought under control.

48. While it accepted the political need for the provision of a secretariat for the Military Staff Committee, his delegation felt that the staff concerned might be primarily employed in other parts of the United Nations Secretariat and be seconded to the Military Staff Committee as required, making the identification of that secretariat largely nominal.

49. On personnel questions his delegation was guided by the decision taken by the United Nations in its earliest days to offer the staff a career service based on permanent appointments. That decision had been essential if the members of the Secretariat were to develop a due sense of responsibility towards the United Nations. In any career service, however, there must be provision for the exceptional recruitment from outside of persons better fitted to fill a vacancy than anyone already on the staff. The recognition of that spur to efficiency did not prejudice the status of the Secretariat and was not meant to qualify his delegation's sincere appreciation of the high standard of the services it rendered.

50. It was somewhat surprising that the Secretary-General should have suggested the introduction of a new salary structure; New Zealand, like Canada, had understood that the main changes in that respect had already been introduced at the previous session. The Secretary-General had recommended certain changes to improve what he regarded as the unsatisfactory conditions of service for staff from overseas, changes which would affect a large proportion of the Secretariat. While his delegation realized the difficulties facing expatriates, it did not feel that the Secretariat suffered any substantial injustice. As to the proposal to increase the cost of living allowance from 7½ per cent to 10 per cent, his delegation would have no objection to an increase in the allowance where justified by the facts, but it reserved its position on the proposal to remove the present ceiling of \$750 gross, particularly with regard to the cases for which salaries had been fixed at the previous session.

51. With those reservations New Zealand would give the Secretary-General's detailed proposals its close attention, both on account of their importance and from a keen appreciation of the progress achieved by the Secretary-General in discharging his heavy responsibilities.

52. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Ques-

tions), replying to the Philippine representative's inquiry concerning the Advisory Committee's conclusions regarding the extent to which the principles of equitable geographical distribution was observed in the Secretariat, pointed out that the application of Article 101, paragraph 3, of the Charter was the responsibility of the Secretary-General, subject to the directives issued by the General Assembly. As stated in paragraph 14 of its report (A/2921), the Advisory Committee had inquired into the geographical composition of the Secretariat in a number of departments. The Fifth Committee would appreciate, however, that under its terms of reference, as defined in rule 158 of the rules of procedure of the General Assembly, the Advisory Committee had only limited competence to consider personnel policy and should not concern itself with the political considerations inseparable from the application of the principle in question. The Committee which had drafted Article 101, paragraph 3, of the Charter at San Francisco had discussed in detail the question whether the principle of equitable geographical distribution was more or less important than the other principles enunciated in that paragraph. After lengthy deliberation, the Conference had adopted, as a compromise, the provisions embodied in that Article. It was therefore for the Secretary-General to administer those provisions in making each individual appointment to the staff. If the Advisory Committee was to intervene in the practical application of the provisions it would require very precise instructions and criteria from the Fifth Committee.

#### *First reading (continued\*\*)*

#### SECTION 19. OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

53. Mr. ZARUBIN (Union of Soviet Socialist Republics), referring to the appropriation requested for the Office of the United Nations High Commissioner for Refugees, said that the Office of the High Commissioner had in the past disregarded the provision in the annex to General Assembly resolution 62 (I) that with regard to displaced persons the main task to be performed was to encourage and assist in every way possible their early return to their country of origin. Instead of that, it had concentrated on the resettlement of displaced persons and refugees in foreign countries. That fact was recognized in the High Commissioner's report to the General Assembly at the present session (A/2902 and Add.1), and no provision for repatriation had been made in the work programme of the Office for the coming year. His delegation therefore opposed the appropriation of any funds to the Office and would vote against the Advisory Committee's recommendation in its ninth report of an appropriation of \$685,000 for section 19 (A/3006, para. 10).

54. Mr. PSCOLKA (Czechoslovakia) pointed out that his delegation had already drawn the Third Committee's attention at its 628th meeting to the fact that the activities of the Office of the High Commissioner were not in accordance with the recommendations made by the General Assembly for the earliest possible repatriation of refugees and displaced persons. As the Third Committee had rejected a draft resolution (A/C.3/L.463/Rev.1) designed to instruct the High Commissioner to encourage the early repatriation of such persons, there could be no assurance that the activities

\*\* Resumed from 492nd meeting.

of the Office, hitherto so unsatisfactory, would become more effective. He therefore proposed that the Fifth Committee should reject the Advisory Committee's recommendation for an appropriation for section 19.

55. Mr. MERROW (United States of America) stated that his delegation could not accept the charges levelled at the High Commissioner by the Soviet Union and Czechoslovakia. The charges which those countries had made recently in the Third Committee had been fully answered by the High Commissioner himself and by several representatives. The United States would support the Advisory Committee's recommendation.

*The Advisory Committee's recommendation of an appropriation of \$685,000 for section 19 was approved on first reading by 38 votes to 5, with 6 abstentions.*

#### SECTION 33. INTERNATIONAL COURT OF JUSTICE

*The Advisory Committee's recommendation (A/2921, para. 210) of an appropriation of \$620,000 for section 33 was approved on first reading.*

#### **Inclusion of advertisements in United Nations publications**

56. Mr. VAN ASCH VAN WIJCK (Netherlands) said that as it had been found on investigation that the inclusion of advertisements in United Nations publications would not represent a significant source of revenue, he was glad to note that the Secretary-General, after detailed study, shared the serious doubts expressed by his delegation at the ninth session regarding the feasibility of such a plan. He agreed with the Secretary-General's conclusion, as set out in his report on the matter (A/C.5/622), that no further steps should be taken at present.

57. Mr. FRIIS (Denmark), Mr. ZARUBIN (Union of Soviet Socialist Republics) and Mr. LARREA (Ecuador) expressed agreement with the conclusions of the Secretary-General and the Advisory Committee (A/2921, paras. 22-26) with regard to the inclusion of advertisements in United Nations publications.

58. In reply to a question from Mr. FRIIS (Denmark), Mr. EVANS (Secretariat), speaking as Chairman of the Publications Board, stated that when the budget estimates concerning publications were under discussion he would supply full details of the circulation of the three-language edition of the *United Nations Review*.

59. The CHAIRMAN said that the sense of the Committee's views on the question would be given in its report to the General Assembly on the budget estimates for 1956.

#### AGENDA ITEM 44

#### **United Nations Joint Staff Pension Fund (concluded)**

#### DRAFT REPORT OF THE FIFTH COMMITTEE TO THE GENERAL ASSEMBLY (A/C.5/L.340)

60. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) proposed the insertion of the word "virtually" between the words "the actuarial effect would be" and "the same" in the penultimate sentence in paragraph 10 of the draft report.

*It was so decided.*

*The draft report was adopted, as amended.*

#### AGENDA ITEM 43

#### **Review of audit procedures of the United Nations and the specialized agencies: reports of the Secretary-General and of the Advisory Committee on Administrative and Budgetary Questions (A/2974, A/2990)**

61. The CHAIRMAN noted that the question of review of audit procedures had been before the Fifth Committee for several years. The reports now under discussion were largely based on paragraph 1 of General Assembly resolution 672 B (VII). At its seventh session the General Assembly had considered that the existing system for the audit of their financial accounts might not be the most suitable and efficient to meet the increased requirements of the United Nations and the specialized agencies. It had accordingly invited the Administrative Committee on Co-ordination to review the question, invited the Governments of Member States to submit their views and recommendations on it and requested the Advisory Committee to examine the recommendations and report upon them to the General Assembly.

62. The Committee had first to decide whether or not it wished to recommend to the General Assembly any change in the existing system of audit. If it concluded that no change was desirable, its conclusion could be simply stated. If, on the other hand, it felt that a change was necessary, it would have to agree, at least in principle, upon the direction the change should take. With those considerations in mind he thought that it might be useful if the Committee were first to discuss the principles at issue, deferring till a later date the formulation of its recommendations to the General Assembly.

63. He proposed to ask the Secretary-General's representative to give the Committee a brief summary of the development of the item and to set forth certain considerations which the Committee would have to examine.

The meeting rose at 1.5 p.m.