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Chairman: Mr. Motoo OGISO (Japan).

AGENDA ITEM 79

Joint Inspection Unit (continued) (for the A/. . . and A/C.5/. . . documents, see 1512th meeting; A/C.5/L.1078, A/C.5/L.1081, A/C.5/L.1082/Rev.1, A/C.5/L.1083, A/C.5/L.1084, A/C.5/L.1086/Rev.1, A/C.5/L.1087):

(b) Question of the continuation of the Joint Inspection Unit: report of the Secretary-General (continued) (for the A/. . . and A/C.5/. . . documents, see 1512th meeting; A/C.5/L.1081, A/C.5/L.1082/Rev.1, A/C.5/L.1083, A/C.5/L.1084, A/C.5/L.1086/Rev.1, A/C.5/L.1087)

1. Mr. FAROOQ (Pakistan) introduced the amendments of his delegation (A/C.5/L.1083) to the draft resolution contained in the annex to the report of the Advisory Committee on Administrative and Budgetary Questions (A/8835 and Corr.1). He wished to amend operative paragraph 2 to provide for evaluation of the work of the Joint Inspection Unit at the twenty-ninth session of the General Assembly, instead of the thirty-first. The Unit, established five years ago, would continue in being for a further two years, so that by the twenty-ninth session it would have been functioning for seven years. During the past five years many new Member States had joined the United Nations and more expertise in United Nations affairs was now available. Some way should be found to use the additional talent available and rotation seemed the logical solution. Moreover, it would make the Unit more democratic. The *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies, in its second report,¹ had recommended establishing the Unit on an experimental basis. It should be remembered that there were political considerations which had led to the establishment of the Unit and the same considerations might keep the Unit in being, regardless of its usefulness. The rotation he proposed could provide the opportunity for other Member States to contribute to the work of the Unit. He accordingly proposed a further evaluation at the twenty-ninth session. He also proposed the deletion of operative paragraphs 4 and 5 of the draft resolution, as he considered them unnecessary. He did not wish to imply that all the reports of the Joint Inspection Unit were of secondary interest; some had been very useful, although they were consultant reports rather than inspection reports. Pakistan was not opposed either to the Unit or to any individual member of it,

¹ Official Records of the General Assembly, Twenty-first Session, Annexes, agenda item 80, document A/6343.

but merely wished to examine its usefulness to Member States. A two-year period would suffice to allow the Secretary-General to produce a suitable reappraisal. The principle of rotation could come into force if it was decided in two years' time that the Unit should continue in being.

2. The Advisory Committee's proposal for a four-year renewable term of office for members of the Unit would open the way for long-term tenure, particularly if there was no age limit. A two-year tenure should suffice. He felt that the present inspectors had received enough advice to make their functions clear.

AGENDA ITEM 73

Budget estimates for the financial year 1973 (continued) (for the documentation, see 1513th meeting)

Form of presentation of the United Nations budget and duration of the budget cycle (continued) (for the documentation, see 1513th meeting)

3. Mr. DE BELDER (Belgium) said he wished to explain his vote before the Committee was invited to take a decision on the revised draft resolution before it (A/C.5/L.1080/Rev.1). He congratulated the representative of Austria on all he had done to achieve a text that took account of all the problems involved.

4. The Belgian delegation agreed with the proposals of the Secretary-General contained in his report (A/C.5/1429 and Corr.1 and 2), as revised by the Advisory Committee on Administrative and Budgetary Questions in its report (A/8739), and with the time-table proposed (A/C.5/XXVII/CRP.3 and Corr.1), and accordingly supported the first three preambular paragraphs and operative paragraphs 1 and 2 of the draft resolution.

5. He noted that at the outset of the operation that would, it was hoped, evolve into a full programme-budgeting system, the Secretary-General had not proposed establishing any new bodies within the Secretariat. He had asked for three posts (see A/C.5/1453), at a total cost of some \$60,000. The Belgian delegation would have preferred that no extra costs should be involved, but understood that the Secretariat needed expert help on the question at the present stage. However, he recalled that at the tenth session of CPC in 1971, the Director of the Budget Division had stated that the Administrative Management Service had established budget-programming units throughout the Secretariat as part of the manning table. He also noted that for the present the legislative organs did not need to modify their procedures in order to intervene in

the preparatory stage of the budget. He would wait till January 1973, when the report of the study group on the restructuring of the Department of Economic and Social Affairs would be available, to get a clear view of that aspect of the programme, and would await with interest the action that might be taken on the Netherlands proposals. His delegation would do all it could to co-operate with the Director of the Budget Division. It would be a member of CPC from January 1973, and was disappointed to learn that the draft programme and budget and the medium-term plan would be available to CPC only two weeks before it met. However, it was prepared to accept that disadvantage, and the others referred to in the working paper on the time-table (A/C.5/XXVII/CRP.3 and Corr.1, para. 6).

6. The Committee's vote on the present item would be a historic event, since it represented the culmination of six years of discussion. The system was not perfect, but few Member States could claim to have established a perfect system of programme budgeting. It was hoped that after a transitional period good results would be achieved. The United Nations must guard against the risk of obstructionism on the part of administrative die-hards who did not wish the new system to succeed, as sometimes happened. If the system got off to a bad start it might yield results quite the opposite of those desired. The new system should be well-suited to present-day requirements, and help to establish a better balance between political trends in the General Assembly, on the one hand, and the budget, on the other. Operative paragraphs 3 and 4 should ensure that the new arrangements did not degenerate into a mere academic exercise.

7. The text of the second amendment contained in document A/C.5/L.1085 merely repeated the content of the third preambular paragraph of the draft resolution, and its insertion would only throw the draft resolution out of balance.

8. In conclusion he pointed out that the new system would greatly help to reduce the mistrust sometimes noted between various Secretariat sections and the Budget Division, between CPC and ACC, between the Secretariat and Governments, and even sometimes between different Main Committees of the General Assembly. Belgium would accordingly vote in favour of the draft resolution.

9. Mr. NAUDY (France) congratulated the Austrian representative on what he had achieved in the revised draft resolution. France would vote for the revised text, since it embodied the conclusions of the Advisory Committee, which France supported.

10. Turning to the amendments in document A/C.5/L.1085, he said there was no need to insert the words "on an experimental basis" in paragraph 1, as proposed in the first amendment. The present proposals were not perfect, but paragraph 4 of the draft resolution provided for a continuous review. The principle of the proposed reform should not be questioned and he feared that the proposed amendment might

create misunderstanding on that point. Consequently, he could not vote for it. The second amendment was superfluous, since it merely repeated what was already contained in the third preambular paragraph of the draft resolution. There might be some reason why the sponsors wished to add those words to paragraph 3, but the effect could only be to weaken the draft resolution, and he would therefore be unable to vote for the amendment. France would accordingly vote for the draft resolution as it stood.

11. Mr. OSMAN (Egypt) said that the content of the draft resolution was acceptable, but he would prefer the text as amended along the lines indicated in document A/C.5/L.1085. The draft resolution was based on the Secretary-General's report (A/C.5/1429 and Corr.1 and 2); but the Secretary-General had stated in paragraph 26 of the report that it would be difficult to indicate all the practical implications of the proposed new procedures, and that a period of trial and error and gradual refinement of the system in the light of experience would be necessary. Thus the insertion of the words "on an experimental basis" in operative paragraph 1, would be in line with the Secretary-General's report. An experimental approach was essential in view of the budgetary realities and the many obstacles to efficient performance in the United Nations. His delegation would therefore vote in favour of the amendments in document A/C.5/L.1085.

12. Mr. JIMENEZ (Philippines), speaking as a sponsor of the draft resolution, thanked the Austrian representative for his efforts to obtain a consensus through informal consultations. Operative paragraph 1 reflected the position of the Philippines, and he could not therefore accept the amendment inserting the words "on an experimental basis". That would put the whole process on a temporary basis and would deprive the Secretariat of the right atmosphere for testing a system demanded by the General Assembly. CPC and the Economic and Social Council had both expressed a wish for implementation of the system; but if that was done only on an experimental basis, there was no assurance that the process would go ahead as expected. In fact the point the sponsors of the amendment wished to make was adequately covered in operative paragraph 4. It should be remembered that, according to the Director of the Budget Division, the Secretary-General had taken into account all the suggestions put forward in the Fifth Committee and would be incorporating them into the new system. Regarding the proposed amendment to paragraph 3, he agreed with the French delegation that the point was covered in the third preambular paragraph, and with Belgium that its inclusion would upset the balance of the draft resolution. He would accept the introduction of a biennial budget cycle on an experimental basis, subject to reservations on the manner of payment of assessments.

13. Mr. ABRASZEWSKI (Poland) said that his delegation favoured the introduction of the new form of budget presentation and a biennial budget cycle. The general lines of the draft resolution were acceptable, but he had some reservations about the

introduction of the system on an experimental basis. The work of the *Ad Hoc* Committee of Experts and the reports of the Secretary-General and the Advisory Committee provided enough data to enable the General Assembly to decide to implement the system. He agreed with those who thought that to operate on an experimental basis reflected a lack of confidence in the decision to introduce the new system. The biennial cycle had long been in operation in a number of specialized agencies and had proved its usefulness. The new system would involve far-reaching changes in various parts of the Secretariat concerned with budget preparation, with serious financial implications. If the Secretariat believed the system might be only provisional, it would have a feeling of uncertainty about the future, which might hamper the development of the system. Only actual operation would reveal its real advantages and disadvantages and the General Assembly would have full opportunity to evaluate its merits in the future. Any General Assembly resolution could be amended, revised or improved in the light of experience. No delegation was really opposed to the new system and he believed it was better to begin its operations on a normal permanent basis. He therefore proposed the deletion of the words "on an experimental basis" from operative paragraph 2 of the draft resolution and would submit an amendment to that effect.²

14. Mr. OUÉDRAOGO (Upper Volta) said he was prepared to support the draft resolution either as it stood, or as amended according to document A/C.5/L.1085. The draft resolution itself contained the words "on an experimental basis" in operative paragraph 2, while paragraph 4 provided for a continuous review. An experiment need not necessarily be limited to a period of a few years. The biennial cycle was approved on an experimental basis, so why not the form of presentation? It was immaterial whether the Fifth Committee adopted the draft resolution as it stood, or as amended by document A/C.5/L.1085, and he would be prepared to vote for either version.

15. Mr. AL-SHARAFI (Yemen) said that he supported the first amendment contained in document A/C.5/L.1085 because he felt that it would be more practical to introduce the new form of presentation of the budget on an experimental basis, rather than as a permanent decision which would be difficult to reverse later.

16. Mr. SAFRONCHUK (Union of Soviet Socialist Republics) reaffirmed his delegation's support for the Secretary-General's proposal and the Advisory Committee's recommendation on the new form of presentation of the budget and the biennial budget cycle.

17. He welcomed the revised draft resolution, which reflected the views of the overwhelming majority of the members of the Fifth Committee in favour of the proposals. With regard to the words "on an experimental basis", in operative paragraph 2 of that draft, he said that any new procedure was experimental to some extent, but there was no need, and indeed it would be inadvisable, to stress the experimental nature of

the new system for that would merely create doubt and additional problems for the Secretary-General and the Secretariat in applying the General Assembly's recommendations. Accordingly, he felt that the words "on an experimental basis" should be deleted from paragraph 2.

18. Turning to the amendments contained in document A/C.5/L.1085, he opposed the first of those amendments for the same reasons as he opposed the inclusion of the words "on an experimental basis" in paragraph 2 of the draft resolution. He also opposed the second amendment because he felt that paragraph 1 of the draft resolution described adequately the new procedures to be introduced; suggesting that the Secretary-General should also take into account the views expressed in the Fifth Committee was superfluous and would merely complicate his task.

First reading (continued)

SECTION 16. UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (*concluded*)

19. Mr. DIPP GÓMEZ (Dominican Republic) said that his delegation had voted for section 16 because it could not accept any restriction on the natural growth of funds for helping the developing countries. He shared the views expressed at the preceding meeting by the delegation of Sweden, and many other delegations, and agreed with them that if the funds appropriated proved insufficient for the development programmes concerned, supplementary appropriations should be made to enable UNIDO to carry out its task.

20. He also wished to support the proposal of the representative of Belgium to record in the Committee's report a vote of thanks to the Austrian Government for its generous contribution to the premises in Vienna for UNIDO and other bodies.

INCOME SECTION 3. GENERAL INCOME (*concluded*)*

21. Mr. POLIC (Chile) said that there was an error in the Spanish version of paragraph IS 3-9 of the Advisory Committee's report (A/8708 and Corr.1), which referred to article (iii) instead of article (viii).

SECTION 1. TRAVEL AND OTHER EXPENSES OF REPRESENTATIVES AND MEMBERS OF COMMISSIONS, COMMITTEES AND OTHER SUBSIDIARY BODIES (A/8706, A/8708 AND CORR.1 AND ADD.2, A/C.5/1436)

22. The CHAIRMAN recalled that the Secretary-General had requested in his initial estimates (A/8706) an amount of \$1,507,700 for section 1 for 1973. In the revised estimates submitted in document A/C.5/1436, an additional appropriation of \$1,200 had been requested, giving a total of \$1,508,900.

23. The Advisory Committee on Administrative and Budgetary Questions, in its first report (A/8708 and

² Subsequently distributed as document A/C.5/L.1088.

* Resumed from the 1511th meeting.

Corr.1) on the budget estimates for the financial year 1973, had recommended a reduction of \$60,000 in the Secretary-General's initial estimate. In its report on the revised estimates, the Advisory Committee had recommended (A/8708/Add.2, para. 17), a further reduction of \$10,000. The total recommended by the Advisory Committee for section 1 for 1973 was therefore \$1,437,700.

24. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the estimate for section 1 for 1973 was approximately \$8,000 higher than the 1972 appropriation. He pointed out that the estimates for chapter I (The General Assembly, commissions and committees) and chapter III (The Economic and Social Council, commissions and committees), submitted to the Advisory Committee for consideration, had been final estimates, whereas the estimate for chapter IV (The Trusteeship Council, commissions and committees) had been provisional; the programme of the Trusteeship Council had now been finalized, however, and did not entail any changes in the provisional estimate.

25. The increase in the estimate for 1973 for chapter I over the 1972 appropriation was explained in paragraph 1-5 of the Advisory Committee's report. In connexion with the estimate on travel costs, he noted that the Joint Inspection Unit was preparing a report on travel standards. The Advisory Committee had recommended a reduction of \$60,000 for section 1 on the grounds of probable non-attendance at meetings by some members of some United Nations bodies. The Advisory Committee, having taken into account the revised estimate, was therefore recommending an amount of \$1,437,700 for section 1.

The recommendation of the Advisory Committee for an appropriation in the amount of \$1,437,700 under section 1 was approved on first reading by 102 votes to none.

SECTION 10. GENERAL EXPENSES (A/8706, A/8708 AND CORR.1 AND ADD.2, A/C.5/1436)

26. The CHAIRMAN recalled that the Secretary-General had requested, in his initial estimates (A/8706), an amount of \$6,297,200 for section 10 for 1973. In the revised estimates (A/C.5/1436), the Secretary-General had requested an additional amount of \$1,000, giving a total of \$6,298,200.

27. The Advisory Committee, in its first report (A/8708 and Corr.1) on the budget estimates, had recommended a reduction of \$97,200 in the Secretary-General's initial estimate. In its report on the revised estimates, the Advisory Committee had recommended (A/8708/Add.2, para. 19) an additional provision of \$1,000. The total recommended by the Advisory Committee for section 10 for 1973 was therefore \$6,201,000.

28. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the estimate for section 10 for 1973 was approximately a quarter of a million dollars higher than

the 1972 appropriation. The factors responsible for that increase were analysed in paragraph 10-2 of the Advisory Committee's first report and were mainly related to higher rates, prices and contractual salaries which were outside the Secretary-General's control.

29. Paragraphs 10-3 and 10-4 dealt with the proposed higher speed submarine cable between New York and Geneva; the Advisory Committee was also recommending that the Secretary-General should conduct a comprehensive examination of the optimum arrangements for a communication link between New York and Geneva, taking into account the data transmission requirements.

30. The Advisory Committee was recommending a reduction of \$97,200 under section 10 mainly for communications and particularly long-distance telephone calls, the cost of which was rising quite steeply. Another item where savings would be possible was the pouch services of the Office of Public Information. The Advisory Committee indicated in paragraph 10-10 that savings would also be made when ECA had its own minibus and would not need to rent transportation equipment. A reduction of \$15,000 had been recommended in paragraph 10-11 for the gross expenses related to the United Nations Day concert; that reflected the income that normally accrued from the concert and it was not an attempt by the Advisory Committee to economize on the concert. The Advisory Committee had also invited the Secretary-General in paragraph 10-9, to carry out a study to determine whether the Geneva Finance Division still needed to rent a magnetic ledger card accounting system, in view of the fact that modern facilities were now available at the International Computing Centre.

31. Mr. SANDALA (Zambia) said it was essential that explanations should be provided for increases in estimates of expenditure from one year to another; although reasons for increases had been given in some cases in the budget estimates for 1973, they had not been given in others. It was a matter of principle in dealing with estimates of expenditure that reasons for any increases should be given.

32. With regard to chapter I (Communications) of section 10, he asked whether it was necessary to lease a more efficient teleprinter system capable of transmitting 100 words per minute to replace the existing system with its capacity of 60 words per minute at a cost of \$60,000, as compared with \$35,000 for the old system. In questioning the need for the proposed higher speed cable, he was simply trying to apply the policy of restraint that the Secretary-General was following. He hoped the Director of the Budget Division would explain the need for the new circuit.

33. Nevertheless, he would vote in favour of the estimate under section 10 for 1973.

34. Mr. GARRIDO (Philippines), referring to table 13 in the first report of the Advisory Committee, asked why the estimate for ECAFE had been reduced, when the estimates for the other regional economic commissions had increased.

35. He shared the concern of the Advisory Committee about the high cost of telephone calls between New York and Geneva. Accordingly, he supported the proposed higher speed teleprinter for communications between New York and Geneva. He wondered if it would also be possible to link the computer systems in Geneva and New York in order to increase efficiency.

36. In connexion with paragraph 10-9 of the Advisory Committee's report, he said that a uniform accounting system for the United Nations and the specialized agencies was necessary in order to facilitate co-ordination of activities. He hoped that the Advisory Committee would make an appropriate recommendation by the twenty-eighth session.

37. Mr. ARBOLEDA (Colombia), referring to paragraph 10-8 of the Advisory Committee's first report, agreed that it was necessary to review the material of the Office of Public Information, bearing in mind the use to which it was put and the interest it generated, but he expressed concern over the suggestion that savings would be possible on its pouches. In view of the fundamental importance of the work of the Office of Public Information, the need to keep the public throughout the world informed on United Nations activities and the increasing number of Member States, he wondered whether any savings on its pouches would be justifiable. He hoped that if reductions were to be made on that item, they would not restrict the work of the Office. In that connexion he requested clarification of the issue and assurance from the director of the Office of Public Information concerned and the Secretariat.

38. Mr. RYAN (Assistant Secretary-General, General Services), replying to the representative of Zambia, assured him that the Secretariat was trying, with reasonable success, to do all it could to keep communications costs to a minimum. Before the submarine cable was introduced, a radio transmitter, capable of transmitting 66 words per minute and available for 16 hours out of 24, had been used since 1966 for communications between New York and Geneva; bad weather conditions had sometimes occasioned delays, and, when the radio transmitter could not be used, a telex had been used at an additional cost of around \$5,000 per year. The submarine cable transmitted words faster, was available 24 hours out of 24, and was not affected by weather conditions. UNDP also used the submarine cable (paying half the \$60,000 cost) and other specialized agencies were considering using it. Thus, by installing the higher speed submarine cable, the whole United Nations system would save a considerable amount of money.

39. Mr. COÏDAN (Director of the Budget Division), replying to the question of the representative of Zambia as to why reasons for increases in estimates were not always given, explained that the reasons for each estimate were not given in detail, in order to keep documentation to a minimum, where the increase was due to price changes or to other minor factors. The information was, however, available and, if requested,

the Secretariat would always be willing to supply further information on any estimate.

40. In connexion with the use of pouch services of the Office of Public Information, he said that the Advisory Committee had asked the Secretary-General whether it would be possible to economize in the use of pouches for sending brochures, press releases and all the other information material which the Office of Public Information at Headquarters sent to Geneva and to other information centres. The Secretary-General did not see much room for economies in that area. In any case, he assured the representative of Colombia that the Office of Public Information would not be deprived of the resources it required to carry out its activities.

41. Replying to the question asked by the representative of the Philippines on the reduction in the estimate for ECAFE, he said that the reduction did not represent a reduction in the activities of the Commission or in the services it provided, but was the result of a better contract under which the Commission would continue to provide the same services at a lesser cost.

The recommendation of the Advisory Committee for an appropriation in the amount of \$6,201,000 under section 10 was approved on first reading by 108 votes to 2.

SECTION 20. SPECIAL EXPENSES (A/8706, A/8708 AND CORR.1 AND ADD.2, A/C.5/1436)

42. The CHAIRMAN recalled that the Secretary-General had requested, in the initial estimates (A/8706), an amount of \$10,515,400 for section 20 for 1973. In the revised estimates (A/C.5/1436), an additional appropriation of \$25,000 was requested, for a total of \$10,540,400. The Advisory Committee, in its first report (A/8708 and Corr.1) on the 1973 budget estimates, had recommended a reduction of \$10,000 in the Secretary-General's initial estimate. In its report on the revised estimates, the Advisory Committee had recommended (A/8708/Add.2, para. 10) the additional appropriation of \$25,000. The total recommended by the Advisory Committee for section 20 for 1973 was therefore \$10,530,400.

43. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that section 20 provided for a variety of expenditures of dissimilar character, as was evident from table 21 of the Committee's first report. The estimate of approximately \$10.5 million was some \$60,000 lower than the 1972 appropriations, mainly because no provision had been made in the initial estimates for programmes for which provision had been made in 1972. Depending on decisions taken by the General Assembly at the current session, some additions to the section might be necessary.

44. Provision was made in chapter II (United Nations International School, New York) for payment of the third of the four annual instalments of \$500,000 to the School Development Fund. In 1969, the General

Assembly had decided to contribute \$2 million to the Fund; it had also decided that as the Fund was built up, grants to cover the operating deficit of the School should be phased out. The Advisory Committee hoped therefore that there would be no need after 1973 for a subvention towards the operating expenses of the School.

45. The estimate under chapter VI (United Nations participation in the Joint Inspection Unit) represented the United Nations share of the costs of the Unit. It reflected the General Assembly's decision that the Unit should continue in being until 31 December 1973. No change had been proposed in the Unit's secretariat.

46. Similarly, there was no change in the staff of the jointly financed activities, for which provision was made under chapter VII (United Nations participation in jointly financed activities of administrative co-ordination).

47. In paragraph 20-11 of its first report, the Advisory Committee had stated that the estimate for the United Nations Joint Staff Pension Fund was provisional. Since the report had been written, the United Nations Joint Staff Pension Board had considered the Fund's administrative budget for 1973 and, on the basis of its recommendation, no change in the estimate seemed called for under chapter VIII (United Nations participation in the costs of the secretariat of the Joint Staff Pension Fund).

48. Chapter X (Prizes for outstanding achievement in the field of human rights) was the only one in which the Advisory Committee had recommended a reduction. Provision had been made for the award of up to five prizes. The Advisory Committee was not proposing that the value of the prizes should be reduced. What it was criticizing was the cost of the method of selecting the prize-winners. It believed that the session of the selection committee could be scheduled to coincide with other United Nations activities; in that way, the travel and subsistence costs of the members of the selection committee could be reduced.

49. Mr. SILVEIRA DA MOTA (Brazil) said that he wished to reiterate his delegation's long-standing position with regard to the appropriation to pay for the United Nations bonds.

50. Under chapter III of section 20, a credit of \$8,633,400 had been requested to cover amortization of the bonds issued by the United Nations and the payment of interest on those bonds. As was well known, the proceeds from sales of the bonds had been entirely utilized to finance the peace-keeping operations in the Congo and the Middle East. The membership of the United Nations had repeatedly recognized, in principle and in practice, that expenditures resulting from peace-keeping operations should be met in accordance with a procedure and on a basis different from those applied to the regular budget, and which granted more favourable treatment to the developing countries. His delegation believed that there was an inconsistency between that recognition and the appor-

tionment of expenditure for repayment of the bonds in accordance with the same criteria as those applied to expenditures under the regular budget. It would therefore vote against the estimate proposed under chapter III and requested that it should be put to the vote separately.

51. Mr. HSING Sung-Yi (China) said that his delegation wished to reiterate that it firmly objected to the inclusion in the regular budget of estimates for the United Nations Memorial Cemetery in Korea and the United Nations bond issue. It would accordingly vote against those estimates.

52. Mr. SAFRONCHUK (Union of Soviet Socialist Republics) said that, as a matter of principle and in strict observance of the provisions of the Charter, his delegation objected to the provision to finance the United Nations bond issue. It was well known that the bonds had been issued to cover the illegal expenses resulting from operations in the Congo and the Middle East. According to the Charter, questions concerning peace-keeping operations and the financing of such operations should be dealt with by the Security Council. Both operations had, however, been undertaken as a result of decisions taken by the General Assembly, which had bypassed the Charter. Since those decisions had been taken in violation of the provisions of the Charter, they were not binding on Member States. It was for that reason that his delegation had voted against the relevant General Assembly resolutions and against the inclusion in the regular budget of estimates relating to the payment of interest on and the amortization of the United Nations bond issue.

53. Expenses for the United Nations Memorial Cemetery in Korea resulted from the aggression against the Democratic People's Republic of Korea unleashed under the United Nations flag. They were illegal and should be removed from the Organization's regular budget.

54. His delegation would therefore vote against section 20, and if the expenditure to which he had referred remained in the estimates, his Government would not contribute towards it.

55. Mr. NAUDY (France) said that in modification of its previous attitude, the French Government had not deducted from its contribution to the Organization's regular budget for 1972 a sum corresponding to the estimates under chapter III. That in no way implied a change in his Government's position of principle concerning the circumstances which had led to the United Nations bond issue. The payment represented a further gesture of goodwill and was an expression of France's sincere desire to help the Organization to emerge from its financial difficulties. In the same spirit, his delegation would vote in favour of all the estimates for section 20 for 1973.

56. Mr. SELMECI (Hungary) said that it was unfortunate that the budget estimates again included provision for the United Nations bond issue and the United Nations Memorial Cemetery in Korea. Those expenses

resulted from operations carried out in violation of the Charter in the Congo and Korea, and those who had forced the United Nations to undertake those operations should bear the full responsibility for them. His delegation's opposition to those expenses was well known.

57. With regard to chapter IX (International Computing Centre, Geneva) of section 20, he observed that the question of the Centre was a source of great concern to his delegation, which agreed with those speakers who, in the general discussion, had said that the costs of the Centre were excessive when compared to the benefits derived from it.

58. His delegation would vote against section 20 as a whole.

59. Mr. CLELAND (Ghana) said that his Government had bought a number of United Nations bonds, the proceeds of which had been used to finance peace-keeping operations in the Congo. His country had been an active participant in United Nations activities aimed at bringing peace to the Congo and to the whole Congo area. For those reasons, his delegation would vote in favour of the estimates for section 20. If a separate vote was taken on chapter III, his delegation would vote in favour of that chapter.

60. Mr. BENNET (New Zealand) said that his delegation held the view that until such time as the General Assembly decided otherwise, chapters I and III of section 20 continued to constitute proper expenses within the compass of the regular budget pursuant to legal decisions of the General Assembly. He was confident that that view would prevail in the Committee.

61. He expressed his delegation's appreciation of the French Government's constructive approach to the budgetary aspect of the question.

62. Mr. MAJOLI (Italy) said that his delegation would vote in favour of the estimates for section 20 as a whole, as amended by the Advisory Committee.

63. Referring to chapter III, he said that in their statements several speakers had implied that the sole purpose of the bond issue had been to finance peace-keeping operations. In fact, there was no legal link between peace-keeping operations and the bond issue. The bonds had been issued in order to restore the finances of the Organization to a sound footing. In buying some \$9 million worth of the bonds, Italy had taken a decision aimed at supporting the United Nations and enabling it to continue its activities, most of which were for the benefit of the developing countries. It should be borne in mind that bond issues were a normal form of credit to which all States had recourse and there seemed to be no reason why the United Nations should be prevented from having recourse to that form of credit. Indeed, occasions might arise in the future when further bond issues would become necessary. Public confidence in United Nations bond issues should therefore be maintained. However, if the question was dealt with as certain

delegations suggested, such confidence would not be maintained. If there was a separate vote on chapter III, his delegation would vote in favour of it.

64. Mr. AIRALDI (Argentina) said that his delegation would vote against chapter III, as it was opposed to the inclusion in the regular budget of estimates relating to the United Nations bond issue.

65. Mr. CHERPOOT (India) said that in general the Advisory Committee's recommendations on section 20 were acceptable to his delegation. In particular, his delegation endorsed the Advisory Committee's recommendation concerning chapter X. It seemed illogical to spend \$6,700 for the travel and subsistence costs of prize-winners and almost twice that amount for the travel and subsistence costs of the selection committee. His delegation would vote in favour of section 20 as a whole. If there was a separate vote on chapter I his delegation would abstain for reasons given in previous years. On chapter III, his delegation endorsed the comments of the Brazilian representative. It would abstain on that chapter if it was put to a separate vote.

66. Mr. BARTUŠEK (Czechoslovakia) said that his delegation regarded the estimates under chapters I and III as illegal and was opposed to their inclusion in the regular budget of the Organization. It would vote against those chapters and against section 20 as a whole.

67. Mr. OUÉDRAOGO (Upper Volta) said that as in the past, and for the same reasons, his delegation would vote against chapter I. Such a vote seemed all the more justified as negotiations were in process with a view to the reunification of Korea. It was because it felt that it should contribute to the creation of conditions likely to lead to such a reunification that his country had recently recognized North Korea. If chapter I was not put to a separate vote, his delegation would abstain on section 20.

68. Mr. GARRIDO (Philippines) said that in its resolution 977 (X) of 15 December 1955, the General Assembly had authorized the establishment of the Memorial Cemetery in Korea in order to pay tribute to all those who had laid down their lives upholding the objectives of the United Nations in Korea. Chapter I was, therefore, a legal United Nations expenditure and until resolution 977 (X) was rescinded, the United Nations was obliged to provide for expenses under chapter I. His delegation would therefore vote in favour of chapter I.

69. Mr. KRIVOSHEIN (Byelorussian Soviet Socialist Republic) recalled that in the general discussion (1505th meeting), his delegation had said that it would vote against any estimates for the United Nations bond issue and the United Nations Memorial Cemetery in Korea. Those expenses were illegal and contrary to the provisions of the Charter. United Nations activities in Korea were not designed to create conditions conducive to the reunification of the country. His delegation would vote against section 20 and would not contribute towards those illegal expenses.

70. Mr. VERRET (Haiti) endorsed the comments of the representative of the Philippines. His delegation would vote in favour of section 20, and in particular of chapter I thereof.

71. Mr. STEWARD (South Africa) said that his delegation would vote against chapter III and abstain on section 20 as a whole because of its opposition to the payment out of the regular budget of interest on the United Nations bond issue. His Government's position on the matter was already on record. His delegation would vote in favour of chapter I if that chapter was put to a separate vote. Such a vote would be consistent with the position his delegation had adopted on the matter in the past.

72. Mr. HALATCHEV (Bulgaria) said that the Committee was well aware of his delegation's position of principle with respect to chapters I and III. The operations covered by those chapters had been undertaken in violation of the provisions of the Charter and Bulgaria refused to recognize their legality. Therefore, his delegation would not contribute to the payment of expenses incurred under those chapters and would vote against section 20 as a whole.

73. Mr. SAFRONCHUK (Union of Soviet Socialist Republics), referring to the statement made by the representative of Italy, said that while the bonds might have been issued as a means of settling the Organization's financial difficulties, those difficulties had arisen precisely as a result of operations undertaken in the Congo and the Middle East. The decisions authorizing those operations had been taken by the General Assembly, not the Security Council. That was a gross violation of the Charter. Accordingly, expenses incurred as a result of those operations were also a gross violation of the Charter.

74. Mr. CONSTANTIN (Romania) said that his delegation regarded as illegal and contrary to the Charter expenses incurred under chapters I and III of section 20. It would therefore vote against those chapters and against section 20 as a whole.

75. Mr. FAROOQ (Pakistan) said that his delegation would vote in favour of section 20 as a whole. If chapter I was put to a separate vote, Pakistan would abstain, in keeping with its previous position on the matter.

76. Mr. STOTTLEMYER (United States of America) said that his delegation continued to adhere to its position of principle that the bond issue was a binding legal obligation on the United Nations; that obligation must be respected if the integrity of the United Nations was to be maintained. An attempt was currently being made in the Special Committee on the Financial Situation of the United Nations to deal, *inter alia*, with the question of the amortization of the bonds in a manner which might lead to a solution of the Organization's deficit problem. It would be inappropriate for the Fifth Committee to take any action which might negate the efforts of the Special Committee. For similar reasons, his delegation supported the estimates under chapter I. It would vote in favour of section 20. It

would also vote in favour of chapters I and III if separate votes were taken on those chapters.

77. Mr. SANDALA (Zambia) said that for the reasons given by several other delegations, his delegation would vote against section 20.

78. Mr. BOUCHOUAREB (Algeria) said that his delegation would vote against chapters I and III.

79. Referring to the United Nations Commission for the Unification and Rehabilitation of Korea and the United Nations Memorial Cemetery in Korea, he said that his delegation was in no way opposed to the interests of Korea or to the reunification of that country. Indeed, it would be recalled that at the 199th meeting of the General Committee on 20 September 1972, the Algerian representative, in an effort to reach agreement on the inclusion of the Korean problem in the agenda, had pointed out that the original decisions relating to Korea had been taken when the Organization had consisted of only about 60 Members. The membership had more than doubled since then and it was essential to discover whether it was the will of the current membership that the United Nations flag should continue to fly in Korea.

80. Mr. LEVIDES (Greece) associated himself with the views expressed by the representatives of New Zealand, Ghana, Italy and the United States of America. His delegation would vote for section 20 as a whole as it found nothing illegal in it. If separate votes were taken on chapters I and III it would also vote in favour of those chapters.

81. His delegation wished to thank the French delegation for its constructive approach to the matter.

82. Mr. SILVEIRA DA MOTA (Brazil) said that he was not arguing about the legality of the bond issue, but he did maintain that the proceeds from the sale of the bonds had been used to cover expenses incurred as a result of peace-keeping operations in the Congo and the Middle East. The representative of Italy seemed to be questioning the truth of that assertion. Perhaps the representative of the Secretary-General could inform the Committee for what purpose the proceeds from the sale of bonds had been used.

83. Mr. HAG (Sudan) said that his delegation would vote in favour of section 20, but would vote against chapter I.

84. Mr. YEREMENKO (Ukrainian Soviet Socialist Republic) said that his delegation objected to and would vote against the estimates under chapters I and III of section 20. Expenses under those chapters were the result of activities undertaken in violation of the provisions of the Charter. Basing itself on its position of principle, the Ukrainian Soviet Socialist Republic, as in previous years, would not participate in defraying those illegal expenses.

85. Mr. MIRZA (Afghanistan) said that his delegation would vote in favour of section 20 as a whole.

However, if chapter I was put to a separate vote, Afghanistan would abstain.

86. Mr. AL-SHARAFI (Yemen) said that his delegation would vote against chapter I if it was put to a separate vote.

87. Mr. HENČIĆ (Yugoslavia) said that his delegation would vote in favour of section 20. However, it would vote against chapter I if that chapter was put to a separate vote.

88. Mr. SAMBIRA (Burundi) said that his delegation would vote in favour of section 20 as a whole. However, if separate votes were taken on chapters I and III, it would abstain on those chapters.

89. Mr. MAJOLI (Italy) said that the very words used by the representative of the Union of Soviet Socialist Republics confirmed the Italian delegation's assertion that there was no formal or legal link between the bond issue and peace-keeping operations.

90. Referring to the statement of the representative of Brazil, he said that it was very difficult to say what use the proceeds from the sale of the bonds were being put to. What was certain was that the bonds had been issued in order to restore the Organization's finances to a firm footing.

91. Mr. RODRÍGUEZ (Cuba) said that the activities for which estimates were requested under chapters I and III were in contradiction to the provisions of the Charter and constituted interference in the internal affairs of countries. Furthermore, those activities were the result of the colonialist and neo-colonialist policies adopted by the United States of America. The Government of the United States had intervened in other countries and attempts were now being made to meet the cost of that intervention by means of the United Nations bond issue. His delegation was opposed to the estimates under chapters I and III and did not consider itself obliged to finance the activities covered by those chapters. It would vote against both chapters.

In conclusion, he said that his delegation requested a separate vote on chapter I.

92. Mr. COŤDAN (Director of the Budget Division), replying to the question put by the representative of Brazil, said that the proceeds from the sale of the United Nations bond issue had been credited to special accounts, the resources of which had been used to finance expenses of the operations undertaken in the Congo and the Middle East.

93. The CHAIRMAN recalled that separate votes on chapters I and III had been requested by the representatives of Cuba and Brazil, respectively.

The recommendation of the Advisory Committee for an appropriation in the amount of \$79,100 for chapter I was approved on first reading by 65 votes to 26, with 18 abstentions.

The recommendation of the Advisory Committee for an appropriation in the amount of \$8,633,400 for chapter III was approved on first reading by 70 votes to 20, with 16 abstentions.

94. The CHAIRMAN invited the Committee to vote on the recommendation of the Advisory Committee for an appropriation in the amount of \$10,530,400 for section 20 as a whole.

The recommendation of the Advisory Committee for an appropriation in the amount of \$10,530,400 under section 20 was approved on first reading by 88 votes to 12, with 8 abstentions.

95. Mr. ABRASZEWSKI (Poland) said that his delegation had voted against section 20 as a whole because of the inclusion in it of expenses relating to the United Nations bond issue and the United Nations Memorial Cemetery in Korea. Expenses under chapters I and III were the result of activities undertaken in violation of the provisions of the Charter. For that reason Poland would not contribute towards them.

The meeting rose at 1.25 p.m.