



Chairman: Mr. Motoo OGISO (Japan).

AGENDA ITEM 73

Budget estimates for the financial year 1973 (continued)*
(for the earlier documentation, see 1541st meeting; A/8708/Add.17 and 22, A/C.5/1490 and Corr.1, A/C.5/L.1100, A/C.5/L.1101)

Report of the Special Committee on the Financial Situation of the United Nations (continued)* (A/8729, A/C.5/L.1100)

1. Mr. REFSHAL (Norway) said that his delegation had, in one way or another, been involved in detailed and laborious efforts to try to find ways to solve the financial crisis of the United Nations for nearly two years, but without success. It had reluctantly come to the conclusion that it was the will that was lacking in some quarters. That was depressing to those Member States which regarded it as one of the primary objectives of their foreign policy not only to keep the Organization alive but to make it healthy and effective.

2. It was quite clear to everyone that the financial crisis was not really a financial problem; it was not a question of not being able to pay. The sums of money involved were not in any way so large as to make it financially impossible, or even financially difficult, to contribute to a solution. The question was basically political and reflected varying views on what the role and effectiveness of the Organization should be. The report of the Special Committee on the Financial Situation of the United Nations (A/8729) showed clearly that most members had tried seriously and with a flexible mind to reach a workable plan for a solution which, although several of them had had strong reservations concerning various elements of particular interest to them, they had agreed to use as a blueprint for a total package. There was, for instance, the question of providing for technical assistance programmes in the regular budget. The developing countries considered it of major importance that provision should be made for such programmes in the regular budget, but they had nevertheless agreed to discuss the possibility of transferring them to UNDP on the understanding that equivalent amounts would be transferred to UNDP as voluntary contributions. The willingness to discuss the transfer as part of a working plan had been a concession made by the developing countries in an effort to maintain a search for a "package" solution. Other members of the Special Committee had agreed to consider alter-

native methods of financing other budget items of particular interest to them. The positive will of most members to search for an over-all solution was clearly demonstrated in paragraph 13 of the Special Committee's report. Unfortunately, the willingness of most members to entertain the idea of making concessions had been of no avail, as some members had had no concessions to offer.

3. Paragraph 12 of the report contained in a nutshell what every Member State must bear in mind and accept if it wanted a solution. A total package solution was required. In plain language, that meant that all Member States had to accept certain sacrifices and none of them could afford to sit back and disclaim responsibility.

*First reading (continued)**

INCOME SECTION 4. REVENUE-PRODUCING ACTIVITIES (A/8706, A/8708 AND CORR.1 AND ADD.22, A/C.5/1479, A/C.5/L.1101, A/C.5/XXVII/CRP.2)

4. The CHAIRMAN said that, in his initial budget estimates for the financial year 1973 (A/8706), the Secretary-General had estimated income in the amount of \$3,001,300 under income section 4. In its report (A/8708 and Corr.1), the Advisory Committee on Administrative and Budgetary Questions had recommended an estimate of \$3,021,300, or an increase of \$20,000 in the Secretary-General's estimate.

5. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General's report on revenue-producing activities (A/C.5/1479) constituted a comprehensive and informative account of the trend of income from such activities since 1968.

6. It was clear from the table in paragraph 6 of the Secretary-General's report that the United Nations Postal Administration had provided the bulk of the revenue earned by the Organization. In more recent years, revenue from the sale of commemorative medals had provided a useful addition to revenue from the Postal Administration. Revenue from the Gift Centre and Souvenir Shop was fairly stable at approximately \$500,000.

7. There were three services which were not primarily revenue-producing, namely, the Visitors' Service, the garage and the catering services. The Visitors' Ser-

* Resumed from the 1550th meeting.

* Resumed from the 1542nd meeting.

vice had not been doing well, but an effort was being made to cut losses by increasing the admission charge and relating the number of guides and their working hours more closely to public demand. Some of the garage's fees had been adjusted, and prices had also been adjusted in the catering services, which expected to incur a loss of the order of \$60,000 in 1972.

8. There had been a sharp decline in receipts from the sale of publications, and the Advisory Committee had recommended that the Secretary-General should look into the question more closely in order to ascertain which titles were profitable and to take appropriate action in regard to those which were not.

9. There were three possible new revenue-producing activities, namely, a United Nations world-wide lottery, the issue of United Nations coins and the establishment of a special United Nations fund. The Advisory Committee's comments on the proposed lottery were to be found in paragraph 11 of its report (A/8708/Add.22). The Advisory Committee suggested that, even if the General Assembly had no objection to the idea in principle, the Secretary-General should ascertain from Governments—before money was spent on a study of the technical feasibility of a lottery—whether they would be willing to co-operate and whether they would be prepared to convert the proceeds of the local sale of tickets into convertible currency to be remitted to the United Nations.

10. In paragraph 12 of its report, the Advisory Committee indicated that the interesting suggestion that the United Nations should issue its own coins deserved further study. It would be wrong, however, to regard the issue of coins as a very substantial source of revenue, particularly if they could not be used as legal tender.

11. Reference to paragraph 14 of the report would show that, in the Advisory Committee's view, the proposal to establish a special United Nations fund was by its nature rather different from existing and proposed new revenue-producing activities and should be considered in a different context.

12. Mr. GARRIDO (Philippines) said that the commercial success of the United Nations Postal Administration operations was a source of satisfaction to his delegation. It was to be hoped that the measures proposed by the Secretary-General in document A/C.5/1479 for increasing the revenue accruing to the Postal Administration would be successful. Efforts should also be made to increase the sale of commemorative medals and in that connexion his delegation wished to suggest that the Secretary-General should consider the possibility of issuing medals to commemorate World Environment Day and World Population Year (1974). His delegation endorsed the move to supplement the revenue from the sale of publications with the sale of United Nations documentation on microfiche and microfilm. Consideration might be given to the possibility of selling tapes covering the important events in the Security Council and the General Assembly. Such material would be useful to

students of history. His delegation agreed with the Advisory Committee that publications should be produced on a selective basis.

13. The garage and the catering services had been of great assistance to delegations in the performance of their functions at Headquarters. It was gratifying to note, therefore, that in those services the profit motive had been disregarded. In view of inflation, the slight increase in the charges of the garage and catering services seemed inevitable. In any case, the services still provided the best bargain in the city.

14. His delegation shared the views of the Advisory Committee on proposed new revenue-producing activities. It would submit comments on the proposed lottery and special United Nations fund at the twenty-eighth session.

15. As stated by the Secretary-General in paragraph 4 of his report, profit was not the primary consideration in undertaking revenue-producing activities in the United Nations.

16. It was vitally necessary to increase publicity regarding the activities of the United Nations. The reluctance of so many Governments to support the Organization financially stemmed from the fact that their peoples were ignorant of its activities and its basic objectives. Presumably the press of the developed countries made little or no mention of the fact that the advancement of the developing countries would benefit the developed countries as well. That public interest in the United Nations had declined was proved by the fact that there had been a sharp decline in the number of visitors to Headquarters. A more aggressive policy to revive interest in the activities of the Organization was therefore required.

17. In the light of those considerations, he wished to introduce draft resolution A/C.5/L.1101 on behalf of the sponsors, which now included Peru. The second preambular paragraph referred to the fact that the purposes of revenue-producing activities were not always consonant with a purely financial approach to management questions. In the third preambular paragraph, the importance of guided tours as a means of informing the public about the objectives of the Organization was recognized. Similarly, in the fourth preambular paragraph, the efforts of the Office of Public Information to project a favourable image of the United Nations were recognized. The fifth preambular paragraph emphasized the important public relations role played by guided tours, while the sixth drew attention to the benefits accruing to visitors taking the tours. The seventh preambular paragraph emphasized the fact that the number of visitors to the United Nations had declined steadily. Operative paragraph 1 affirmed the purpose of the guided tours; in paragraph 2 the Secretary-General was requested to take appropriate measures to strengthen the operation of the public services of the Office of Public Information. The term "appropriate measures" was intended to imply that full and effective use should be made of available resources which would strengthen the Visitors' Ser-

vice. It was doubtful that proposals to reduce the number of guides would, in the long run, benefit the Organization. He hoped that the draft resolution would be unanimously endorsed by the Fifth Committee.

18. Mr. MAHMASSANI (Lebanon) recalled that the Secretary-General had recently emphasized the importance of projecting a positive public image of the United Nations and of gaining support for the Organization. The guided tours constituted a direct link between the United Nations and the public and could play a constructive role in building up positive support for the United Nations. Consequently, their value should not be judged solely in terms of profit and loss. His delegation seriously doubted the wisdom of the proposal to increase tour fees; such a step might result in a further decline in the number of visitors, many of whom were children and students who might not be able to afford the extra 50 cents.

19. Mr. DE BELDER (Belgium) said that his delegation wished to make two comments on income section 4. The first concerned future activities of the United Nations Postal Administration. In paragraph 10 of his report, the Secretary-General referred to a market planning approach designed to increase sales and reduce the costs of the Postal Administration operation. The Advisory Committee, in paragraph 3 of its report, noted the proposal with interest and expressed the hope that the Secretary-General would explore the possibility of improving the sale of United Nations stamps outside their traditional markets. His delegation agreed with that suggestion and had confidence in the experience and imagination of the Postal Administration. Nevertheless, in efforts to expand markets, certain factors impeding the sale of stamps in existing markets must be borne in mind. In order, therefore, to enable delegations to determine the extent to which their Governments might contribute to the market planning approach, the Secretariat should supply more information on the subject. Perhaps the Committee should request the Secretary-General to submit to the General Assembly at its twenty-eighth session a very succinct study on the measures which might be taken by Governments and by the Secretariat to remove existing impediments and, more particularly, to promote the sale of postage stamps. In that way, Governments would be able to collaborate in formulating the new action programme of the Postal Administration.

20. At the preceding session, his delegation had spoken on the subject of the United Nations Correspondents' Association (UNCA) Club and had asked the Secretary-General to abide by the gentleman's agreement under which the Club would be considered as part of the over-all catering apparatus from the budgetary standpoint but would continue to be reserved exclusively for the use of journalists. It had therefore been surprised to learn from a Secretariat circular that the exclusive character of the Club had been abolished for reasons which could not be regarded as altogether convincing. The journalists accredited to the United Nations were understandably unhappy with the present situation and, as a result, the Executive Committee

of the United Nations Correspondents' Association, at its meeting on 8 December 1972, had voted unanimously to request exclusive use of the UNCA club-room for UNCA members and their guests, Office of Public Information personnel and mission officials, on the ground that loss of the facility had proved a serious handicap to members in the performance of their work.

21. It would be wrong to judge the catering services on purely commercial criteria, as the Secretary-General himself stated in his report. In the case of the UNCA Club, the primary consideration was service, and the small deficit which it incurred was of little consequence. It had also been said that the UNCA Club could not be separated from the other catering facilities, which were intended to be financially self-supporting. In that connexion, the Secretary-General had explained that various economy measures were necessary to offset rising labour costs. In his delegation's opinion, however, it should not be difficult to arrange a global solution in which the functional aspects of UNCA were fully taken into account. All that was needed was action by the Secretariat to reserve the UNCA Club facilities exclusively for the press, and he was confident that the Secretary-General would respond favourably to the memorandum addressed to him by UNCA on 15 November 1972.

22. His delegation had not yet studied draft resolution A/C.5/L.1101, but it welcomed the idea of taking constructive action to improve the guided tours on the occasion of their twentieth anniversary.

23. Mr. CLELAND (Ghana) recalled that his delegation had proposed (A/C.5/XXVII/CRP.2) a United Nations world-wide lottery as a potential source of revenue, and said he did not agree with the view that that activity would be inconsistent with the lofty aims of the Charter. Hard realities had to be faced and the United Nations, like individuals, had to make ends meet. It had also been objected that it was morally wrong for the United Nations to be associated with a gambling activity. However, lotteries had been organized in 57 Member States, including some of the socialist countries, all of which had succeeded in overcoming their inhibitions for the purpose of raising additional funds needed for economic and social development. The United Nations reflected the strengths and weaknesses of its Members, and if many of them had decided to run lotteries there was no reason why the Organization should not do the same.

24. The variant of a United Nations world-wide lottery suggested by the Secretary-General in paragraph 41 of his report—namely, an agreement to hold special lottery drawings for United Nations purposes, organized in each case by a national lottery organization—had much to commend it. A practical difficulty was that of currency convertibility, but it should be borne in mind that the Organization was offering stamps for sale in 90 Member States, including some with convertibility problems. Indeed, it might be possible to use the proceeds from lotteries to meet the administrative expenses of United Nations local offices and to cover expenditure on technical pro-

grammes. No State with strong reservations about lotteries would be under an obligation to become a party to such an operation.

25. He believed that the best course would be to endorse the Secretary-General's recommendation that he should ask a consultant to undertake an evaluation of the feasibility of a lottery in all its aspects and should report to the General Assembly at its twenty-eighth session. If the study yielded positive results, the United Nations should not hesitate to tap a source with considerable financial potential.

26. Mr. AIRALDI (Argentina) said that his delegation shared the concern expressed by the sponsors of draft resolution A/C.5/L.1101 with regard to the reduced public interest in the United Nations and the steady decline in the number of visitors to the Organization. That trend was particularly disturbing in view of the fact that the number of visitors to New York City had been rising in recent years. The situation was disquieting not merely because of the loss of income but primarily because of more serious considerations. Accordingly, his delegation endorsed the proposal, in operative paragraph 2 of the draft resolution, that the Secretary-General should take measures to strengthen the operation of the public services of the Office of Public Information in order to increase their effectiveness. He would vote for the draft resolution.

27. Mr. STOTTLEMYER (United States of America) noted that the Secretary-General intended to reduce the costs of the Visitors' Service and to raise guided tour fees. He wondered whether, by itself, that approach would restore the finances of the Visitors' Service and he suggested that it might also be appropriate to make the tours more attractive by providing for greater use of visual aids, colour slides, tour pamphlets and so on. Not only would that increase the informational aspects but it would also improve the financial situation of the Visitors' Service.

28. Mr. DIPP GÓMEZ (Dominican Republic) recalled his delegation's earlier statement of concern regarding the dwindling number of visitors to the United Nations and the decline in sales of United Nations publications, both of which indicated a waning interest in the Organization. He agreed with the Advisory Committee that the steadily increasing deficit shown by the Visitors' Service was disappointing, although the public relations and goodwill angle was more important than the profit aspect. He therefore agreed with the representative of the Philippines that an increase in tour fees was not the answer, and with the representative of the United States that the guided tour should be made more attractive. He also commended the sponsors of draft resolution A/C.5/L.1101, which stressed the important public relations role played by the guided tours.

29. He shared the concern of the representative of Belgium regarding facilities available to reporters accredited to the United Nations. Although the accommodation provided to them was rent-free, space was so limited that the press had expressed a willing-

ness to pay rent in return for more office space. His delegation hoped that every effort would be made to meet the wishes of the press in that respect.

30. Mr. DAVIDSON (Under-Secretary-General for Administration and Management) said that the need for improved accommodation for reporters was part of the total Headquarters accommodation problem. They certainly deserved better facilities, but space was in short supply and accommodation for delegations and Secretariat members was already less than adequate.

31. With regard to the Visitors' Service, he said that a major problem was that the Service was intended to serve two conflicting purposes: it was expected to impart a better understanding of the purposes of the United Nations and at the same time to operate without too great a financial loss. As the report of the Secretary-General revealed, there had been a steady decline in revenue from a profit of \$81,270 in 1968 to an estimated loss of \$270,000 in 1972. The question was not whether the Service should break even but how much of a loss was tolerable. The purpose of the aggressive promotional campaign referred to in paragraph 28 of the Secretary-General's report was to stem the financial loss by appropriate means, including improvements in the content and character of the guided tour. It was several years since the fee had been raised and an increase now seemed justified. However, if the increase to \$2 seemed to deter visitors, the old fee would be restored. Special groups, including schoolchildren, would continue to be shown round the building free of charge.

32. The UNCA Club had been opened to all Headquarters personnel in January 1971, after protracted negotiations between the President of the Club and the representatives of the Secretary-General. In 1969 the United Nations Board of External Auditors had questioned the right of the Club to remain an exclusive facility, particularly as it had run up a deficit and was being subsidized by the other catering services at Headquarters. Beginning in January 1971, it had operated as an open facility without any objections until 4 October 1972 when a circular had been issued by the Office of General Services drawing attention to the alternative eating facilities in view of the pressure on the main Secretariat cafeteria. The President of the Club had objected to the use of the Club by all Headquarters personnel and the matter was being considered by the Secretary-General. At present, none of the catering facilities at Headquarters were reserved for the exclusive use of any group.

33. Mr. COÏDAN (Director of the Budget Division) said that the measures called for in draft resolution A/C.5/L.1101 would not affect the principles on which the public services unit of the Office of Public Information was based and were designed to help the unit to break even financially. That being so, no financial implications were involved.

34. Mr. MSELLE (United Republic of Tanzania) endorsed the Secretary-General's conclusion that profit was not the primary consideration in undertaking revenue-producing activities.

35. He agreed with the Advisory Committee that the Secretary-General should explore the possibility of improving the sale of United Nations stamps outside their traditional markets and he hoped that ways might be found of dissuading Governments from taxing the income from such stamps. As to the decline in revenue from the sale of publications, he endorsed the Advisory Committee's recommendation that an analysis should be undertaken of the sale of publications over the past few years on a title-by-title basis. It was wrong for the United Nations to subsidize the least profitable publications; it should concentrate instead on subjects which were of fundamental interest to the Organization and leave the purely academic subjects to outside research scholars. One field in which the United Nations had made a name for itself, and which should be explored further, was that of statistical publications.

36. With regard to the suggested United Nations world-wide lottery and the comments made by the Advisory Committee in paragraph 11 of its report, he said that, if the General Assembly saw no moral objection and if Member States were prepared to convert the proceeds into convertible currency to be remitted to the United Nations, his delegation would not object to allowing the Secretary-General to undertake the inquiry in the manner proposed by the Advisory Committee. However, such revenue-producing activities as lotteries, special accounts for voluntary contributions and the like should not be regarded as a substitute for performance of the legal obligation of Member States to support the United Nations.

37. Mr. REFSHAL (Norway) agreed with the representative of Belgium that the UNCA Club catering facilities should be exclusively at the disposal of UNCA members. The question of the deficit incurred by the Club had been brought up at every session for the last three years; there had been some discussion on how large the deficit was, because UNCA had declared that it had not been shown the accounts but had merely been told that there was a deficit. He pointed out that the UNCA facilities were not luxurious but consisted of a somewhat cramped area where press correspondents and their guests, mainly delegates, could meet and eat, mainly for the purpose of discussing business. He had understood that it had been agreed that the area would be reserved for press correspondents and that the deficit, if any, would be absorbed elsewhere. However, Secretariat staff should also have satisfactory catering services at their disposal.

ADMINISTRATIVE AND FINANCIAL IMPLICATIONS OF THE DRAFT RESOLUTION SUBMITTED BY THE SPECIAL POLITICAL COMMITTEE IN DOCUMENT A/8950 CONCERNING AGENDA ITEM 42* (A/8708/ADD.24, A/C.5/1498)

38. The CHAIRMAN noted that, in his statement on the administrative and financial implications (A/C.5/1498), the Secretary-General estimated that the cost of implementing the draft resolution submitted

* Report of the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories.

by the Special Political Committee in its report (A/8950, para. 11) would amount to \$55,500 under section 17 of the budget for 1973. In its related report (A/8708/Add.24), the Advisory Committee on Administrative and Budgetary Questions recommended an appropriation of \$40,000, or a reduction of \$15,500 in the amount estimated by the Secretary-General.

39. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said the Advisory Committee had decided that an additional appropriation of \$40,000 should be sufficient to implement the provisions of the draft resolution. As stated in paragraphs 3 and 4 of its report, the expenditure in the previous two years had been appreciably less than the amounts appropriated and, even if the situation in 1973 was not the same as in previous years, there were still areas where economies could be made.

40. The CHAIRMAN suggested that the Committee should request the Rapporteur to inform the General Assembly directly that, should it adopt the draft resolution of the Special Political Committee, an additional appropriation of \$40,000 would be required under a new chapter in section 17 of the budget estimates for 1973.

It was so decided.

41. Mr. OFER (Israel) said that his delegation was opposed to any allocation whatsoever for the Special Committee. The reasons for his delegation's complete negation of that Special Committee had been set forth in its statement in the Special Political Committee on 30 November 1972 (849th meeting) and in subsequent statements. The Special Committee to Investigate Israeli Practices served no other purpose than to be a tool of anti-Israel propaganda. It was regrettable that the draft resolution of the Special Political Committee sought to burden the United Nations budget for the fourth year running with considerable amounts in connexion with that futile and unjustified exercise.

ADMINISTRATIVE AND FINANCIAL IMPLICATIONS OF DRAFT RESOLUTIONS A, B AND C SUBMITTED BY THE FIRST COMMITTEE IN DOCUMENT A/8949 CONCERNING AGENDA ITEM 36* (A/8708/ADD.25, A/C.5/1496, A/C.5/1497, A/C.5/1499)

42. The CHAIRMAN drew the attention of the Committee to the statements of the Secretary-General (A/C.5/1496, A/C.5/1497 and A/C.5/1499) on the administrative and financial implications of draft resolutions A, B and C, respectively, submitted by the First Committee in its report (A/8949, para. 32). He noted that the related report of the Advisory Committee on

* Reservation exclusively for peaceful purposes of the sea-bed and the ocean floor, and the subsoil thereof, underlying the high seas beyond the limits of present national jurisdiction and use of their resources in the interests of mankind, and convening of a conference on the law of the sea: report of the Committee on the Peaceful Uses of the Sea-Bed and the Ocean Floor beyond the Limits of National Jurisdiction.

Administrative and Budgetary Questions was contained in document A/8708/Add.25.

43. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that draft resolution A provided that the Committee on the Peaceful Uses of the Sea-Bed and the Ocean Floor beyond the Limits of National Jurisdiction should hold two sessions in 1973: one five-week spring session in New York and one eight-week summer session in Geneva; it also recommended that a decision should be taken to convene another session of the United Nations Conference on the Law of the Sea in Santiago, Chile, in the spring of 1974. The Advisory Committee agreed with the Secretary-General's estimate of \$8,000 for free-lance interpreters, resulting from the need to postpone the spring session for one week, the request for \$40,000 for salaries and common staff costs, and for \$25,000 for consultant services. However, the main feature of the estimates was a matter of some concern to the Advisory Committee and had been dealt with in paragraphs 5, 6 and 7 of its report; holding the summer session of the Sea-Bed Committee at Geneva would mean additional expenditure of over half a million dollars, whereas if the session was held in New York, as had been provided for in the calendar of conferences, there would be no additional cost. In paragraph 6 of its report the Advisory Committee had stated clearly that the difficulty was part of the general problem that had been plaguing the Advisory Committee and the Fifth Committee for several years, namely the imbalance in conference servicing staff between New York and Geneva. In paragraph 7 the Advisory Committee expressed its concern at the magnitude of the additional expenditure required. In paragraph 8 it had noted that little information had been made available to the First Committee on the financial implications of the proposal to hold the summer session in Geneva; the financial implications had been presented orally and the Committee's attention had not been specifically drawn to the fact that holding the session in New York would not involve any additional cost. The Advisory Committee had wondered whether the First Committee, had it been fully aware of the situation, would have decided so unanimously to hold the session at Geneva, particularly at a time when everyone was keenly aware of the acute financial difficulties of the United Nations and the stringent measures applied by the Secretary-General to prevent the situation from deteriorating further. The Advisory Committee had accordingly suggested that the Fifth Committee should recommend that the General Assembly should approve the proposal to transfer the summer session of the Sea-Bed Committee to Geneva only if it was completely satisfied that the advantages of holding that session at Geneva were commensurate with the additional expenditure involved; the Advisory Committee's own inquiries had not revealed any such advantages. In paragraph 10 of its report, the Advisory Committee had noted that, if summary records were dispensed with, \$100,000 could be saved; that, however, was regarded as a second-best option, to be implemented only if there were very compelling reasons for so doing. In paragraph 13 of its report, the Advisory Committee had expressed surprise that the First Committee had

reached an understanding on how the extra costs relating to holding the 1974 session of the Conference on the Law of the Sea at Santiago would be calculated without first having discussed what the venue of the Conference would be had it not been invited by Chile. The host country undertook to bear the extra costs involved, calculated in relation to some base and it was therefore necessary to establish what base would be used.

44. Turning to draft resolutions B and C, he noted that the Secretary-General had informed the First Committee that between \$50,000 and \$200,000 could be required to carry out a study such as was being requested in draft resolution B; the First Committee had selected the cheaper alternative and the Advisory Committee welcomed that approach and approved the request for \$50,000. In connexion with draft resolution C, which called for another comparative study, the Secretary-General had estimated requirements at \$10,000, but the Advisory Committee had felt the work could be done from within the credits for consultants, namely \$75,000, requested by him in connexion with draft resolutions A and B.

45. The CHAIRMAN noted that the Secretary-General had estimated that the cost of implementing draft resolution A would amount to \$622,200 under section 2 of the budget for 1973, and that potential costs for 1974 would amount to \$1,148,200. In its report, the Advisory Committee had drawn attention to potential savings which could be effected if the venue of the summer session of the Sea-Bed Committee were changed from Geneva to New York, or if summary records were dispensed with at Geneva. The Advisory Committee had therefore recommended an additional appropriation for 1973 of \$73,000, should the General Assembly decide that the session should be held in New York, and of \$522,200, should the Assembly decide that the session should be held in Geneva.

46. Mr. YOGASUNDRAM (Sri Lanka), commenting on the Advisory Committee's recommendations in paragraphs 9 and 10 of its report relating to the venue of the summer session of the Sea-Bed Committee, of which the head of his delegation was Chairman, said that the overwhelming majority of the 90 members of the Sea-Bed Committee, favoured Geneva as the venue for the summer session. The First Committee had adopted draft resolution A by acclamation, and, although paragraph 8 of the Advisory Committee's report indicated that it had not been fully aware of the financial implications of that decision, they had been presented orally to the Committee. He understood the Advisory Committee's concern that costs should be kept as low as possible, but felt that Geneva had been the venue for the summer session of the Sea-Bed Committee for the previous three years for the very compelling reason that most Member States found it far more economical to send representatives to Geneva than to New York and also for political reasons, which he felt the Fifth Committee was not in a position to challenge.

47. The suggestion in paragraph 10 of the Advisory Committee's report that summary records should be

dispensed with was unprecedented and would mean, if implemented, that over 40 Member States of the United Nations, which were not members of the Sea-Bed Committee, would not be able to refer to the summary records to familiarize themselves with the debate which had led to the adoption of the draft articles which the Committee was to prepare for the Conference on the Law of the Sea, which would be open to all Member States of the United Nations; that would lead to lengthy discussions at the Conference and the suggestion was therefore a false economy. Moreover, it was strange to suggest that summary records should be dispensed with only if the summer session was held at Geneva and not if it was held in New York.

48. His delegation therefore opposed the recommendations contained in paragraphs 9 and 10 of the Advisory Committee's report.

49. Mr. HOLGER (Chile), commenting on the Advisory Committee's recommendation that the two sessions of the Sea-Bed Committee should be held in New York, recalled that it was the practice to hold one session in New York and the summer session in Geneva; indeed in 1971 both sessions had been held in Geneva. He challenged the budgetary arguments that had been put forward in support of the recommendation to hold the two sessions in New York; the General Assembly had decided the venue of the Sea-Bed Committee the previous year on the basis of both budgetary and political considerations. In connexion with the report that the two sessions had been scheduled for New York in the calendar of conferences, he stressed that the First Committee had never been informed that both sessions were to be held in New York. His delegation therefore could not support the Advisory Committee's recommendation; instead it supported the request for additional estimates for holding the session in Geneva. He also felt that it was indispensable to have summary records of the Sea-Bed Committee's meetings because, as experience had shown, they were extremely useful.

50. Turning to the statement in paragraph 13 of the Advisory Committee's report on how the additional cost for the Conference to be borne by the Government of Chile had been established, he said that the First Committee had decided at its 1911th meeting that the costs should be calculated on the basis of costs that would have been incurred if the Conference had been held in Geneva. Moreover, the two previous Conferences on the Law of the Sea had been held at Geneva, and until the Governments of Chile and Austria had offered to be host to the Conference, it had been assumed that the third Conference would also be held at Geneva. The Fifth Committee and the Advisory Committee, of which Chile was a member, should, in overseeing the expenditure of the United Nations, take into account not only budgetary considerations, but also the purposes for which the money was to be spent and the interests of the developing countries. The Government of Chile had agreed to pay the cost of organizing the Conference on the basis of what it would have cost at Geneva, in accordance with procedures established under General Assembly resolution 2609 (XXIV), and as decided by the First Committee.

51. He supported the Advisory Committee's recommendations in paragraph 12 of its report that funds to pay staff salaries and common staff costs should be provided.

52. Mr. DE SOTO (Peru) agreed fully with the comments made by the representatives of Sri Lanka and Chile. He supported the Advisory Committee's comment in paragraph 12 of its report, in which it had recognized the importance of the preparatory work for the next Conference on the Law of the Sea; codification, especially of outdated laws, was one of the most important tasks facing the United Nations. He agreed with the representative of Chile that economies should be effected on a selective basis; although holding the summer session of the Sea-Bed Committee in Geneva involved additional expenditure, the Committee, which was now the preparatory organ for the Conference on the Law of the Sea, should meet at Geneva, as it had done the previous three years, mainly because of political considerations which had been discussed in depth at the twenty-fourth session of the General Assembly. In the past there had been considerable discussion on where the Sea-Bed Committee should meet, but there had been a kind of tacit agreement that the question would not be raised at the current session; had it been raised, the First Committee might well have decided to hold both sessions at Geneva. He felt that the Fifth Committee should endorse the First Committee's recommendation, which had been adopted by acclamation, and it was simply not relevant to protest that the financial implications of that recommendation had been presented orally to the first Committee. Moreover, he did not understand why the calendar of conferences had assumed that the Sea-Bed Committee's summer session would be held in New York when, for the previous three years, it had been held at Geneva. Nor did he understand how the Advisory Committee had decided there would be no advantage in holding the session at Geneva. The alternative solution suggested by the Advisory Committee, namely that the session might be held at Geneva but without summary records of the meetings, was unthinkable and unacceptable.

53. He fully agreed with the representative of Chile that it was inaccurate to say that the Fifth Committee had not considered where the Conference on the Law of the Sea would have been held if Chile had not offered to host it; if there had been no offer, it would clearly have been held at Geneva.

54. Mr. SCOTT (New Zealand) expressed concern over paragraphs 6 to 10 of the Advisory Committee's report relating to the venue of the summer session of the Sea-Bed Committee and ways and means of reducing the cost of holding the session at Geneva. He shared the concern of the Advisory Committee over the decisions taken by various Committees to hold costly meetings away from Headquarters. While it was true that the financial implications of deciding to hold the summer session at Geneva had been presented to the First Committee, it might not have taken fully into consideration the fact that holding the summer session at Geneva would involve an additional expenditure of

over half a million dollars, whereas holding the session at New York would not involve any additional expenditure. He appreciated the First Committee's view that Geneva presented considerable advantage as a venue for the Sea-Bed Committee, since experience had shown that progress could be made there. However, in view of the financial situation of the United Nations and the very great difference in the expenditure involved, he could not but support New York as the venue for the summer session. He therefore endorsed the Advisory Committee's recommendation in paragraph 9 of its report that the General Assembly should approve holding the summer session in Geneva only if it was fully satisfied that the advantages were commensurate with the expenditure involved.

55. In connexion with the Advisory Committee's recommendation regarding summary records, he said he hoped that if the session were held at New York there would be no need to dispense with summary records, for it would be hard to accept the suggestion that an important Committee such as the Sea-Bed Committee could manage without summary records; he hoped however that he would not have to take a position on that issue.

56. Mr. NJENGA (Kenya) said that the Fifth Committee should revise another Committee's decision only if there were very good reasons for doing so; he did not feel that the Advisory Committee had presented adequate reasons for reversing the First Committee's decision that the summer session of the Sea-Bed Committee should be held at Geneva. It was irrelevant to say that the financial implications of that decision had not been drawn to the attention of the First Committee, for the calendar of conferences had been before the First Committee and had indicated that the summer session of the Sea-Bed Committee would be held in New York. Moreover, it was common knowledge that meetings held in New York did not involve additional expenditure. The main reason for recommending Geneva as the venue was that many delegations, particularly from countries in Africa and Europe, found it much more economical to send representatives to Geneva than to New York. His delegation could therefore not subscribe to the Advisory Committee's recommendation that the summer session of the Sea-Bed Committee should be held in New York.

57. The Advisory Committee's recommendation that summary records could be dispensed with was irresponsible. The Advisory Committee had apparently not taken full account of the importance which many delegations attached to the successful outcome of the Sea-Bed Committee's work.

58. In connexion with paragraph 13 of the Advisory Committee's report, he supported the representative of Chile, who had reviewed the background of the First Committee's decision to hold the Conference on the Law of the Sea at Santiago.

59. Mr. VELLA (Malta) expressed his support for the recommendation contained in draft resolution A that the summer session of the Sea-Bed Committee

should be held at Geneva. That recommendation represented a compromise which had been reached by the First Committee the previous year under which one session would be held in New York and one at Geneva. With regard to the Advisory Committee's recommendation in paragraph 10, he said he felt it was wrong to dispense with summary records for reasons of economy. In accordance with General Assembly resolution 2750 C (XXV), the Sea-Bed Committee had been requested to draw up draft articles on the law of the sea; the only way for the 40 States Members of the United Nations, but not members of the Sea-Bed Committee, to ascertain the background for the adoption of the draft articles before the Conference on the Law of the Sea was through the summary records. He therefore opposed the recommendation to dispense with summary records.

60. Mr. OUE'DRAOGO (Upper Volta) said that the discussion in the Fifth Committee had shown that it was very necessary to restore some balance in the conference servicing staff between Geneva and New York. As a matter of principle, he did not see how the Fifth Committee could reverse a First Committee decision to hold the summer session of the Sea-Bed Committee at Geneva. If, as the Advisory Committee had claimed, the First Committee had not had at its disposal full information on the financial implications of that recommendation, that was the fault of the Secretariat and should not affect the Fifth Committee's attitude towards the First Committee's recommendation.

61. Mr. BAROODY (Saudi Arabia) commended the Chairman and the members of the Advisory Committee on the frankness and objectivity of their report. He decried the wanton manner in which the Organization was trying to disburse funds without due regard to the fact that the funds did not exist and that the Organization was insolvent. It had been observed that the First Committee had taken its decision by acclamation. Henceforth, however, no representative to any Committee should take a decision on any matter requiring additional appropriations without the advice of his delegation's representative to the Fifth Committee or its financial expert. It was too late to reverse the First Committee's decision; any attempt to do so might involve the Organization in a procedural debate which might prolong the session. In the future, however, any proposal that a conference or meeting should be held away from Headquarters must be looked into very carefully.

62. So far as the proposal to dispense with summary records was concerned, he wondered whether the Sea-Bed Committee might not be content with detailed press releases rather than requiring both summary records and press releases. Since the proceedings of all meetings were recorded on tape, they could be made available, at cost, to any delegation that wanted summary or verbatim records.

63. In conclusion, he expressed the hope that the Committee would approve the First Committee's decision, for any attempt to reverse it might involve the Organization in even greater expenditure.

64. Mr. OSMAN (Egypt) said that the First Committee's decision to hold the meeting at Geneva had been based on valid reasons; moreover, there were precedents to justify the decision. His delegation appreciated the arguments of the Advisory Committee. It doubted, however, that it would be in the best interests of the Sea-Bed Committee to dispense with summary records. It therefore could not endorse the suggestions made by the Advisory Committee in paragraph 10 of its report.

65. Mr. McENTYRE (Canada) said that his delegation considered that both sessions of the Sea-Bed Committee should be held in New York. It agreed that, should the General Assembly decide that the summer session was to be held at Geneva, an effort should be made to achieve economies. Summary records should not be dispensed with, however, for they were essential to the effectiveness of the Committee's work.

66. Mr. FAROOQ (Pakistan) recalled that a similar situation had arisen in the Sixth Committee with regard to the venue of the 1973 session of the Special Committee on the Question of Defining Aggression. There, the Sixth Committee had favoured Geneva, the Advisory Committee had recommended New York but the General Assembly had decided in favour of Geneva.

67. Mr. CLELAND (Ghana) said that for reasons similar to those expressed by other delegations, his delegation was unable to endorse the recommendations made by the Advisory Committee in paragraphs 9 and 10 of its report.

68. Mr. JALIL (Ecuador) said that the position of his delegation was identical with those of Chile and Peru.

69. Mr. MORKVED (Norway) said that his delegation fully supported the First Committee's decision and would vote against the Advisory Committee's suggestion that summary records might be dispensed with. Summary records were of the greatest importance for the preparation of the third United Nations Conference on the Law of the Sea.

70. Mr. FAYACHE (Tunisia) said that his delegation would vote against the Advisory Committee's recommendations. It hoped that the Sea-Bed Committee would hold its 1973 summer session in Geneva.

71. Mr. MOTT (Australia) said that draft resolution A represented a delicate compromise reached after difficult negotiations. His delegation was a sponsor of the draft and would vote accordingly.

72. Mr. LELLKI (Sweden) said that his delegation fully shared the views expressed by the representative of Norway.

73. Mr. RODRIGUEZ (Cuba) said that his delegation endorsed the arguments advanced by the delegations of Chile and Peru and would vote accordingly.

74. Mr. STOTTLEMYER (United States of America) said that it was the responsibility of the Fifth

Committee to ensure cost effectiveness in the Organization. In paragraph 9 of its report, the Advisory Committee had suggested an appropriate way of handling the matter. The Advisory Committee's recommendation that summary records should be dispensed with if the General Assembly endorsed the holding of the session at Geneva was also appropriate. His delegation would therefore vote in favour of the Advisory Committee's recommendations.

75. After a procedural discussion in which Mr. MSELLE (United Republic of Tanzania), Mr. DE SOTO (Peru), Mr. YEREMENKO (Union of Soviet Socialist Republics), Mr. STEENBERGER (Denmark), Mr. FAYACHE (Tunisia) and Mr. VELLA (Malta) took part, the CHAIRMAN said that, in accordance with Fifth Committee practice, he would invite the Committee to vote first on the Advisory Committee's recommendation as contained in paragraph 9 of document A/8708/Add.25. Should the Committee reject that recommendation, it would then be invited to vote on the Advisory Committee's recommendation that summary records should be dispensed with if the General Assembly endorsed the holding of the session at Geneva. Depending on the outcome of the vote on that recommendation, he would suggest a course of action based on the provisions of draft resolution A.

76. Mr. SILVEIRA DA MOTA (Brazil) suggested that the exact difference in cost between holding the summer session in New York or at Geneva and between having summary records or dispensing with them should be specifically mentioned in the Fifth Committee's recommendation to the General Assembly.

77. The CHAIRMAN said that the information would be given in the Fifth Committee's report on the question.

78. He called for a vote on the Advisory Committee's recommendation (A/8708/Add.25, para. 9) that the Fifth Committee should recommend that the General Assembly should approve the change of venue to Geneva only if it was completely satisfied that the advantages of holding the session at Geneva were fully commensurate with an expenditure in excess of \$0.5 million.

The recommendation of the Advisory Committee was rejected by 49 votes to 15, with 19 abstentions.

79. The CHAIRMAN invited the Committee to vote on the Advisory Committee's recommendation (*ibid.*, para. 10) that summary records should be dispensed with should the General Assembly endorse the holding of the session at Geneva.

The recommendation of the Advisory Committee was rejected by 64 votes to 2, with 19 abstentions.

80. The CHAIRMAN proposed that the Committee should request the Rapporteur to report directly to the General Assembly that should it adopt draft resolution A of the First Committee, an additional appro-

priation in the amount of \$622,200 would be required under section 2 of the budget estimates for 1973.

The proposal was adopted by 57 votes to none, with 23 abstentions.

81. Mr. DE SOTO (Peru), noting that the Advisory Committee had approved the amount of \$50,000 estimated as necessary for a comparative study recommended in draft resolution B of the First Committee, challenged the Advisory Committee's view that no further appropriation was required for a second study recommended in draft resolution C. Both draft resolutions deserved equal treatment and to act in any other way would be impolitic. Moreover, draft resolution B had given rise to considerable controversy in the First Committee and 19 States had voted against its adoption. Draft resolution C, on the other hand, had been adopted with only one vote against. He therefore urged members to reject the Advisory Committee's proposal in paragraph 18 of its report and suggested that the Committee should vote on that proposal first.

82. Mr. COÏDAN (Director of the Budget Division), replying to a question put by Mr. Tardos (Hungary), said that the Secretariat did not challenge the reduction recommended by the Advisory Committee in connexion with the study proposed in draft resolution C.

83. After a procedural discussion in which the CHAIRMAN, Mr. TARDOS (Hungary), Mr. RANGANATHAN (India), Mr. DE SOTO (Peru) and Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) took part, the CHAIRMAN said that if there was no objection he would put the financial implications of draft resolution C to the vote first, as requested by the delegation of Peru.

It was so decided.

84. The CHAIRMAN noted that the Secretary-General estimated in document A/C.5/1499 that the implementation of the provisions of draft resolution C would require an additional appropriation in the amount of \$10,000. In its report, the Advisory Committee had indicated that no additional appropriation would be required (A/8708/Add.25, para. 18).

85. He proposed to the Committee that it should request the Rapporteur to inform the General Assembly directly that, should it adopt draft resolution C of the First Committee, no additional appropriation would be required.

The proposal was adopted by 54 votes to 9, with 8 abstentions.

86. The CHAIRMAN noted that the Secretary-General estimated in document A/C.5/1497 that the cost of implementing the provisions of draft resolution B would amount to \$50,000 under section 2 of the budget estimates for 1973. In its report, the Advisory Committee had concurred in that estimate (A/8708/Add.25, para. 16).

87. He proposed to the Committee that it should request the Rapporteur to inform the General Assembly directly that, should it adopt draft resolution B of the First Committee, an additional appropriation in the amount of \$50,000 would be required under section 2 of the budget estimates for 1973.

The proposal was adopted by 60 votes to none, with 13 abstentions.

The meeting rose at 2.35 p.m.