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New York

SUMMARY RECORD OF THE 53rd MEETING

Chairman:

Mr. MUNTASSER

(Libyan Arab Jamahiriya)

Chairman of the Advisory Committee on Administrative and
Budgetary Questions: Mr. MSELLE

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ORGANIZATION OF WORK

The meeting was called to order at 3.30 p.m.

AGENDA ITEM 109: CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS (continued) (A/46/600 and Add.1, and A/46/765; A/C.5/46/CRP.5)

AGENDA ITEM 110: FINANCIAL EMERGENCY OF THE UNITED NATIONS (continued) (A/46/600 and Add.1 and A/46/765; A/C.5/46/CRP.5)

- 1. Mr. INOMATA (Japan) said that, although his delegation did not believe that the deterioration in the pattern of payments by Member States was an indication of declining confidence in the United Nations role, the Organization should nevertheless make strenuous efforts to promote greater participation in its decision-making process in order to convince Member States of the value of its activities. Securing a greater degree of consensus on international issues did not necessarily mean that the costs involved would be met. In addition, the slowdown in world economic growth was also a factor in the late payment or non-payment of contributions.
- 2. There should be no relaxation in efforts to encourage Member States to pay their assessed contributions in full or to reduce the level of their outstanding contributions and, to that end, the Secretary-General should keep Member States informed of the financial situation of the Organization and continue to provide his best projections. He regretted that the two reports requested in General Assembly resolution 45/236 had not been submitted and said that he would have welcomed a report by the Secretary-General on his approach to the President of the General Assembly and the Chairmen of the regional groups, as a means of encouraging early and full payment of assessed contributions.
- 3. There were a number of reasons for the current financial crisis, the main one being the considerable increase in financial requirements relating to peace and security, including the implementation of Security Council resolution 687 (1991) on the situation in the Gulf, together with the additional burden of new peace-keeping operations in Cambodia, Western Sahara, Angola and El Salvador. He expressed concern that the General Assembly had not reached a decision on the financing of "other activities" and that little had been done to ensure that start-up funds would be available for the forthcoming United Nations Transitional Authority in Cambodia (UNTAC) operation.
- 4. Cash management was also a problem and, despite repeated borrowing from peace-keeping accounts, no austerity measures had been introduced. The dire financial situation was also obscured by significant unencumbered balance and substantial unliquidated obligations, as well as by interest and income revenue. Furthermore, the resumption of a full-payment policy by one major contributor had been offset by the growing difficulties faced by another, in addition to the problems experienced by many developing countries. The Organization should therefore strengthen and diversify its approach to cash management.

(Mr. Inomata, Japan)

- 5. He agreed with the Advisory Committee on Administrative and Budgetary Questions that Member States must meet their statutory obligations, since their failure to do so was the reason for the current precarious situation. However, the set of proposals contained in the Secretary-General's report (A/46/600/Add.1) was geared towards a long-term solution and did not adequately address the immediate situation. All the proposals required decisions by Governments that involved institutional and long-term financial commitments on which there was no prospect of reaching a realistic consensus at the current juncture.
- 6. Neither an increase in the Working Capital Fund nor the creation of other funds could be seen as a viable solution unless Member States honoured the principle of meeting all their financial obligations in full. Implementing the proposed increase in resources before resolving the Organization's financial difficulties could worsen the situation, since there was a danger of further increasing the burden on those Member States which had met their financial obligations. Payment of assessed contributions was a universal obligation and the more economically advanced Member States should not be required to bear an undue burden and make voluntary contributions, irrespective of their role in the decision-making process of the Organization.
- 7. His own Government had always paid its assessed contributions in full and it was therefore not out of self-interest that it seriously questioned the merit of the proposal to charge interest on outstanding obligations. In the light of the provisions of Article 19 of the Charter of the United Nations, there was no legal justification for such a measure.
- 8. With regard to the proposal to establish a Feace-keeping Reserve Fund, he reiterated his delegation's long-standing position that reserve funds to finance start-up costs for peace-keeping and related activities should be increased. Indeed, since 1989 his Government had contributed \$6 million to the Secretary-General's Trust Fund for peace-keeping activities. However, he considered that start-up costs should be considered under the agenda item on the administrative and financial aspects of the financing of peace-keeping operations. At the resumed session, the General Assembly should consider such issues as the legal basis for levying an assessment on Member States, size of the fund needed, the modalities of the operation, and the relation of such a fund to the Working Capital Fund. To that end, a detailed analysis of those issues by the Secretary-General would be most useful.
- 9. Mr. JADMANI (Pakistan) said that the current financial crisis was a matter of great concern to his delegation. Had all the Member States paid their assessed contributions on time and in full, as they were legally required to do under Article 17 of the Charter, the crisis could have been avoided. The Secretary-General had stressed the need for urgent action to enable the Organization to meet its financial obligations and the necessary political decisions now needed to be taken.

(Mr. Jadmani, Pakistan)

- 10. Despite its economic difficulties, his country had paid its assessed contribution to the regular budget in full. There were some outstanding dues for peace-keeping operations, but measures were in hand to meet those obligations.
- 11. The increasing demands placed on the United Nations for the maintenance of international peace and security meant that adequate financial resources were required to enable it to fulfil its tasks. An increase in the Working Capital Fund was necessary to cover unforeseen expenses, while the establishment of a Humanitarian Revolving Fund would help the Organization to cope with new and urgent humanitarian situations. Serious consideration should be given to the Secretary-General's proposal to establish a Peace-keeping Reserve Fund, which would facilitate the start-up phase of new peace-keeping operations.
- 12. The fundamental problem was the non-payment of assessed contributions and unless steps were taken to ensure payment of those contributions in full and on time, the establishment of new mechanisms was unlikely to resolve the current financial crisis.
- 13. Ms. ERIKSSON FOGH (Sweden), speaking on behalf of the Nordic countries, welcomed the Secretary-General's report and supported the main thrust of its proposals. She urged the Committee to participate constructively in the deliberations on the proposals, with a view to reaching consensus decisions. The Nordic delegations concurred with some of the recommendations contained in the Advisory Committee's report (A/46/765), but had reservations concerning others.
- 14. Member States which met their treaty obligations concerning payments should not be penalized. The Nordic Governments had not only paid their dues in full and on time, but also had outstanding claims on the Organization amounting to \$236 million in connection with peace-keeping operations. She stressed the need to avoid internal borrowing between the regular budget and the various peace-keeping accounts.
- 15. The Nordic countries had long been proposing the establishment of a Peace-keeping Reserve Fund to facilitate the start-up of new operations and she supported the proposal by the representative of Canada that a decision should now be taken on the issue. She noted that the Advisory Committee agreed with the establishment of such a fund and, on the question of how it should be financed, called on the Secretariat to provide the latest figures concerning the residual funds in the accounts of the United Nations Iran-Iraq Military Observer Group (UNIIMOG) and the United Nations Transitional Assistance Group (UNTAG).

(Ms. Eriksson Fogh, Sweden)

- 16. She recognized the need for the suspension of the financial regulations so as to allow for temporary retention of budgetary surpluses, but felt that it should be continued on a year-by-year basis and implemented in the way proposed by the Secretary-General rather than on the case-by-case basis suggested by the Advisory Committee.
- 17. The Nordic countries also supported the increase in the Working Capital Fund and felt that the proposed level of 25 per cent of the annual assessment was reasonable, given that the present level had proved insufficient. They also favoured establishment of a Humanitarian Revolving Fund. The three funds in question would provide the Secretary-General with the flexibility required for a more rational and efficient use of resources. The Nordic delegations wished to reserve their position on the proposed Peace Endowment Fund, since its sheer size made it appear unrealistic under the current circumstances and its full implications could not yet be foreseen.
- 18. Given that earlier efforts to improve payment discipline had failed, the Nordic countries supported the proposal to charge interest on outstanding assessed contributions, but felt that it should be applied across the board regardless of the reasons given by Member States for late payment or non-payment of contributions.
- 19. She shared the doubts expressed by delegations and by the Advisory Committee concerning the proposal to borrow commercially, since interest would have to be paid on the money and difficulties might arise in devising a fair formula to meet the additional expenses involved.
- 20. In conclusion, the Nordic countries felt that it would be a considerable achievement if agreement could be reached at the current stage on the establishment of the proposed Peace-keeping Reserve Fund.
- 21. Mr. SIKKANDER (Sri Lanka) noted that unpaid assessed contributions stood at \$988.1 million, a situation that was jeopardizing the ability of the United Nations to carry out its programmes, particularly the forthcoming operation in Cambodia.
- 22. The Secretary-General's proposal to borrow commercially would provide only temporary breathing space and the additional burden of interest payments would further exacerbate the situation. His own Government had paid its contributions in full and on time and he urged all Member States to do likewise. He welcomed the payments made in response to the Secretary-General's appeals, although they were still not adequate to alleviate the financial crisis. Unless substantial contributions were made, funds would have to be obtained from other lending sources in order to cover regular budget requirements and peace-keeping operations. In that connection, he fully supported the Secretary-General's proposal concerning the establishment of a Humanitarian Revolving Fund and fully endorsed the views expressed by the Advisory Committee in paragraphs 12 and 14 of its report

(Mr. Sikkander, Sri Lanka)

- (A/46/765). He stressed the responsibility of all Member States to pay all contributions in full and on time in order to enable the Organization to respond to the increasing challenges it was facing.
- 23. Ms. SHENWICK (United States of America) said that her delegation noted with appreciation the fact that the Secretary-General had chosen to deliver his statement on the financial situation facing the United Nations directly to the plenary Assembly. That was one more manifestation of his commitment to the Organization and his ongoing efforts to increase its financial strength to match the enhanced political strength it had gained during his tenure.
- 24. His specific proposals for improving the financial situation of the United Nations merited sober and detailed study. Her delegation was prepared to work with the Secretary-General and others to find appropriate and adequate solutions. However, it did not appear that the Organization was on the verge of financial ruin. Indeed, precipitous action on the Secretary-General's proposals without examining their long-term consequences could aggravate the very problem they were intended to solve.
- 25. With respect to the first of the five specific proposals made by the Secretary-General, it was her delegation's view that charging interest on unpaid assessments would simply cause arrears to increase for those Member States behind in their payments rather than serve as an incentive for prompt payment. In addition, many Member States were not in a position to pay in full within 60 days after issuance of a letter of assessment, either for peace-keeping operations or the regular budget. Moreover, both the specialized agencies which charged interest continued to have problems with arrears, although the magnitude of their budgets paled in comparison with that of the United Nations.
- 26. On the second of the Secretary-General's proposals, her delegation considered that if the Secretariat kept expenditures at or below income there should be no need to suspend the financial regulations in order to permit the retention of surpluses. In addition, the suspension would be an unnecessary burden on Member States and especially unfair to those which did pay.
- 27. Her delegation felt that the Secretary-General's proposal to increase the Working Capital Fund to a level of \$250 million was not needed. It supported the Joint Inspection Unit's view that working capital funds should be set at a level of 4 per cent of biennial budgets. According to annex III of the Secretary-General's report (A/46/600/Add.1), the United Nations currently had reserves totalling \$573.7 million, to which a further \$9.8 million should be added, reflecting the fact that the authorized level of the working fund was \$100 million. The funds were currently being used by the Secretariat as a de facto working fund in excess of 50 per cent of the annual United Nations budget.

(Ms. Shenwick, United States)

- 28. Her delegation supported the need for a peace-keeping reserve fund and could join with others in working to establish it.
- 29. Finally, her delegation opposed commercial borrowing because it would do nothing to force financial discipline on the United Nations or on Member States. Allowing the United Nations to become indebted to commercial institutions should be avoided.
- 30. Her delegation favoured the establishment of a humanitarian revolving fund as proposed by the Secretary-General. Additionally, it felt that voluntary contributions should be solicited for the purpose.
- 31. Her delegation was confident that the United Nations could deal with the political problems submitted to it, and would like to see that confidence extended to its financial management of its resources. The solution to its financial difficulties lay in that context, and through the continuing process of reform.
- 32. Mr. ELDEEB (Egypt) said that his delegation realized that urgent and effective measures were needed to enable the United Nations to play the role the world expected of it. In spite of the financial difficulties it was experiencing, Egypt had paid its financial contribution for the current biennium in full.
- 33. Mr. ANNAN (Controller), replying to comments made in the Committee, said it was correct that the Secretary-General's report attempted to address the long-term financial situation of the United Nations. The decision not to include cash flow figures or to address cash flow problems had been a deliberate one; it had been the Secretary-General's intention to present proposals which, if seriously dealt with, could solve the Organization's medium- and long-term financial problems. Although there had been a cash flow problem for the current month, the Secretariat had considered that it could be dealt with without referring the matter to the General Assembly, and had in fact done so.
- 34. He had been surprised to hear the Secretary-General's proposal to request the payment of interest on unpaid assessments described as a coercive measure. It seemed to the Secretariat to be a normal business practice. The Secretary-General had said that his proposals were being put forward as a starting-point for discussion and had urged those delegations which rejected them to put forward proposals of their own. The United Nations was facing a financial crisis, and as long as \$1 billion in outstanding contributions remained ungeid it was in effect giving Member States an interest-free lc_n of that amount. Member States and the Secretariat must work together to solve the financial problem, and the Secretariat for its part was prepared to provide delegations with all the supporting documentation required to do so.
- 35. He had also been surprised to hear the representatives of States which were in fact violating the Charter by not paying their assessments quote the

(Mr. Annan)

Charter in criticism of the Secretary-General's proposals. He hoped that all delegations would demonstrate a willingness to make sacrifices in order to ensure the success of the Organization.

36. The CHAIRMAN said that he wholeheartedly supported the Controller's appeal to Member States to do their best to solve the financial crisis of the United Nations. He asked the representative of Australia to coordinate the preparation of a draft resolution on the items.

AGENDA ITEM 108: PROGRAMME PLANNING (continued) (A/C.5/46/L.8)

- 37. Mr. ZAHID (Morocco) introduced draft resolution A/C.5/46/L.8 and commended it to the Committee for adoption without a vote.
- 38. Mrs. GOICOCHEA (Cuba) said that her delegation intended to explain Cuba's position on the draft resolution in the plenary Assembly.
- 39. Draft resolution A/C.5/46/L.8 was adopted without a vote.

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Recommendation of the Advisory Board on Disarmament Matters in its capacity as Board of Trustees of the United Nations Institute for Disarmament Research (A/46/334; A/C.5/46/11)

- 40. The CHAIRMAN said that the request for a subvention to the United Nations Institute for Disarmament Research (UNIDIR) resulting from the recommendations of its Board of Trustees was being dealt with in the informal consultations on the budget and decisions on it would form part of the omnibus resolution on questions relating to the proposed programme budget.
- 41. Mr. KINCHEN (United Kingdom) said that it was his understanding that the Committee had agreed, ad referendum, on the text of a decision that would not affect the level of subsidy requested for 1992, the only point at issue in the report of the Board of Trustees. The Committee could therefore take action on the item at the current meeting.
- 42. The CHAIRMAN said he took it that the Fifth Committee wished to adopt the proposal of the Secretary-General in document A/C.5/46/11 and the related recommendation of the Advisory Committee; recall General Assembly resolution 44/201 B and reiterate the request contained in section IV of that resolution; endorse the observations and recommendations contained in paragraphs 5.9 and 5.10 of the report of the Advisory Committee (A/46/7) stressing the need for eventual self-sufficiency of the Institute and urging that every effort should be made to encourage donors to make additional unrestricted contributions which could be used to defray the administrative costs of the Institute.

43. It was so decided.

Self-evaluation capacity of the Economic Commission for Africa (continued) (A/C.5/46/37)

- 44. The CHAIRMAN said that he would take it that the Committee wished to recommend that the Assembly should take note of the report of the Secretary-General on self-evaluation capacity of the Economic Commission for Africa (A/C.5/46/37) and of the observations and recommendations of the Advisory Committee; and decide to establish the P-5 post of Evaluation Officer for the Economic Commission for Africa for the biennium 1992-1993 and to review the functions of that post in the context of the preparation of the proposed programme budget for the biennium 1994-1995.
- 45. It was so decided.

Programme budget implications of draft resolution A/C.2/46/L.30/Rev.1 concerning agenda item 87 (A/C.5/46/60)

- 46. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the statement by the Secretary-General on the programme budget implications of draft resolution A/C.2/46/L.30/Rev.1 (A/C.5/46/60). The activities which the Secretary-General would undertake in response to the requests contained in paragraphs 2 (d) and (e) of the draft resolution were outlined in paragraph 4 of the statement and the related requirements for 1991-1992 were estimated at \$424,500. Four temporary, non-recurrent posts one D-1 post, one P-4 post and two General Service posts would be required, as would provision for consultants, overtime, common staff costs, travel of staff, contractual translation and printing, general operating expenses, supplies and materials and office automation equipment.
- 47. The Secretary-General indicated that coordination of the related activities had not been included in the medium-term plan for the period 1992-1997, nor a related provision under section 1 of the proposed programme budget for the biennium 1992-1993. In requesting support from the regular budget in 1992, the Secretary-General also stated that, should the coordinating activities relating to the Joint Plan of international cooperation to mitigate the consequences of the Chernobyl disaster extend beyond 1992, he proposed to seek to identify alternative financing as indicated in paragraph 8. Proposals in that regard would be included in his report to the forty-seventh session of the General Assembly. The Advisory Committee noted that such an approach was in line with the draft resolution, which called upon the United Nations system for assistance; and recalled that United Nations Development Programme (UNDP) Governing Council decision 1991/23 requested UNDP assistance in that area.
- 48. The Advisory Committee had been informed that, during the current year, support had been given to the Secretary-General's efforts through the use of a P-5 post loaned from the United Nations Environment Programme and a P-4 post from the Department of Technical Cooperation for Development. However, those

(Mr. Mselle)

arrangements had either already ended or were about to end. Hence the request for temporary posts.

- 49. In the circumstances, the Advisory Committee did not object in principle to the request for support from the regular budget in 1992. However, it trusted that the recourse to alternative financing either from the United Nations Chernobyl Trust Fund or through contributions from other parties would be vigorously sought.
- 50. As to the actual level of support being requested, the Advisory Committee noted that the staff would be working under the Director-General of the United Nations Office at Vienna, who had been designated as the United Nations Coordinator of International Cooperation for Chernobyl. It had sought information as to the reason for providing a post at the D-1 level, but no explanation had been provided. It therefore believed that posts at the P-5 and P-4 levels should be sufficient. It was also of the view that one General Service post should be provided. In that connection, it noted that the Director-General of the United Nations Office at Vienna had in her immediate office four Professional and eight General Service posts, and that one of the functions of the Office, according to the proposed programme budget, was to assist the Director-General in all her functions, including ad hoc responsibilities assigned to her by the Secretary-General.
- 51. The Advisory Committee did not object to the other provisions being requested in paragraph 7 of document A/C.5/46/60. The Advisory Committee therefore recommended that the General Assembly should be informed that, should it adopt draft resolution A/C.2/46/L.30/Rev.1, an additional, non-recurrent appropriation of \$414,700 should be required under section 1 of the proposed programme budget for 1992-1993. In addition, \$68,600 would be required under section 36 (Staff assessment), to be offset by an increase in the same amount under income section 1. The additional requirement of \$414,700 would be dealt with in accordance with the guidelines for the operation and use of the contingency fund. Accordingly, any additional appropriations required would be considered in the context of the consolidated statement to be submitted to the General Assembly by the end of the week.
- 52. The Advisory Committee's recommendation was adopted.

Programme budget implications of draft resolution A/C.2/46/L.91 concerning agenda item 77 (a) (A/C.5/46/66)

53. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) observed that draft resolution A/C.2/46/L.91 called for the convening of a United Nations/International Maritime Organization Conference of Plenipotentiaries on a Draft Convention on Maritime Liens and Mortgages in Geneva during the first half of 1993 for three weeks. The Secretary-General in document A/C.5/46/66 estimated the conference-servicing costs at \$1,439,000 (para. 4) and indicated that the amount would be covered

(Mr. Mselle)

under section 32 of the proposed programme budget for the biennium 1992-1993, so that no additional appropriation would be requested. He also indicated (para. 5) that the amount of \$14,700 required for the travel of representatives of national liberation movements would be covered under section 15 of the proposed programme budget.

- 54. The Advisory Committee therefore recommended that the General Assembly should be informed that, should it adopt the draft resolution, no additional appropriations should be required under the proposed programme budget for the biennium 1992-1993.
- 55. The Advisory Committee's recommendation was adopted.

Programme budget implications of draft resolution A/C.3/46/L.61/Rev.1. as orally revised, concerning agenda item 98 (b) (A/C.5/46/67)

- Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) observed that the detailed provisions of draft resolution A/C.3/46/L.61/Rev.1, as orally revised, were summarized in paragraph 2 of the Secretary-General's statement of programme budget implications in document A/C.5/45/67. The activities arising out of those provisions were described in paragraphs 4 to 6. One such activity was the designation of a senior official in the Offices of the Secretary-General to act as a focal point for electoral matters (para. 4). The Secretary-General provided the estimated requirements at full cost (paras. 8-9): as indicated in paragraph 9, two Professional staff members (P-5 and P-3) and one General Service staff member would be required to provide support for the senior official. The requirement for those temporary posts amounted to \$349,600, which together with other related requirements came to a total of \$526,100. However, the Secretary-General indicated (para. 10) that it was not possible to specify the exact requirement that would have to be appropriated under the regular budget until such a senior offical had been designated and the relevant programme of work developed. It was therefore his intention to seek authority, if necessary, from the Advisory Committee to enter into the necessary commitments in 1992.
- 57. The Advisory Committee accordingly recommended that, should the General Assembly adopt the draft resolution in question, no additional appropriation should be required at the current stage.
- 58. The Advisory Committee's recommendation was adopted.
- 59. Mr, MICHALSKI (United States of America) said that his delegation appreciated the efforts of the Secretariat to keep the financial implications of draft resolution A/C.3/46/L.61/Rev.l to a minimum. However, it was still not convinced that the additional requirements spelled out in paragraph 9 of document A/C.5/46/67 were actually necessary. It was to be hoped that in the course of implementing the draft resolution, the Secretariat would not engage in what might be considered empire building.

Programme budget implications of draft resolution A/C.2/46/L.71/Rev.1 concerning agenda item 77 (e) (A/C.5/46/69)

- 60. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General indicated in his statement (A/C.5/46/69) of the programme budget implications of draft resolution A/C.2/46/L.71/Rev.1 that international cooperation to mi!.igate the environmental consequences on Kuwait and other countries in the region resulting from the situation between Iraq and Kuwait would give rise to an estimated requirement of \$185,900 (para. 7). The Secretary-General stated that it would be his intention (para. 9) to seek voluntary contributions to enable him to carry out the tasks enumerated in the draft resolution.
- 61. The Advisory Committee therefore recommended that the Fifth Committee should inform the General Assembly that should it adopt the draft resolution, no additional appropriation should be required under the regular budget for 1992-1993 and should note that, as indicated in paragraph 10 of the Secretary-General's statement, the extent to which the Secretary-General would be able to discharge his mandate would depend in large measure upon his success in obtaining voluntary contributions.
- 62. The Advisory Committee's recommendation was adopted.

Programme budget implications of draft decisions A/C.2/46/L.62 and A/C.2/46/L.64. concerning agenda item 12 (A/C.5/46/70)

- 63. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the programme budget implications in draft decisions A/C.2/46/L.62 and A/C.2/46/L.64 would give rise to an estimated additional expenditure of \$398,900. The full estimate for 1992-1993 would amount to \$489,500. However, as the Secretary-General had indicated in paragraph 9 of his report (A/C.5/46/70) the resources requested under subprogramme 19 of section 23 of the proposed programme budget for the biennium 1992-1993 would partly cover the costs involved. Accordingly, adoption of the two draft decisions would require an additional appropriation of \$398,900 under section 23, and an amount of \$16,100 under section 36, to be offset by the same amount under income section 1, subject to the guidelines for the use of the contingency fund.
- 64. The CHAIRMAN proposed that the Fifth Committee should inform the General Assembly that, should it adopt draft decisions A/C.2/46/L.62 and A/C.2/46/L.64, (1) the proposed programme of work under section 23 of the proposed programme budget for the biennium 1992-1993 would be increased by the additional activities listed in paragraphs 8 and 20 of document A/C.5/46/70; and (2) subject to guidelines for the operation and use of the contingency fund, an additional appropriation of \$398,900 would be required under section 23, together with an appropriation in the amount of \$16,100 under section 36 (Staff assessment), to be offset by the same amount under income section 1.

Programme budget implications of draft decision A/C.2/46/L.65 concerning agenda item 12 (A/C.5/46/71)

- 66. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the draft decision would give rise to an additional expenditure of \$73,500, to be dealt with in accordance with the procedures established for the use of the contingency fund.
- Assembly that, should it adopt draft decision A/C.2/46/L.65, (1) the activities detailed in paragraph 6 of document A/C.5/46/71 would have to be added to the work programme under subprogramme 14 of section 24 the proposed programme budget for the biennium 1992-1993; and (2) an additional appropriation in the amount of \$73,500 would be required under section 24 of the proposed programme budget for the biennium 1992-1993, subject to the guidelines on the use of the contingency fund, and that an amount of \$15,400 would be required under section 36 (Staff assessment), to be offset by an increase in the same amount under income section 1.

68. It was so decided.

Programme budget implications of draft resolution A/C.2/46/L.75 concerning agenda item 78 (A/C.5/46/72)

- 69. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that no additional appropriations would be required under the draft resolution.
- 70. The CHAIRMAN proposed that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/46/L.75, no additional appropriation or programmatic changes would be required.

71. It was so decided.

Programme budget implications of draft decision A/C.2/46/L.58, as orally revised, concerning agenda item 77 (g) (A/C.5/46/73)

72. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, as the Secretary-General had indicated in paragraph 7 of his statement (A/C.5/46/73), the activities provided for in the draft resolution would give rise to additional expenditure of \$47,000 under section 19 of the proposed programme budget for the biennium 1992-1993, subject to the guidelines for the use of the contingency fund.

73. The CHAIRMAN proposed that the Fifth Committee should inform the General Assembly that, should it adopt draft decision A/C.2/46/L.58, as orally revised, the programme of work under section 19 of the proposed programme budget for the biennium 1992-1993 would be increased by the additional activities listed in paragraph 4 of document A/C.5/46/73, and that an additional appropriation in the amount of \$47,000 would be required under section 19 of the proposed programme budget for the biennium 1992-1993, subject to the guidelines for the use of the contingency fund.

74. It was so decided.

- 75. Mr. MICHALSKI (United States of America), speaking in explanation of position, said it was his delegation's view that the activities funded under the draft resolution would not contribute in any way to the peace process in the Middle East.
- 76. Mr. LEV (Israel) said that his delegation had reservations with respect to the draft resolution in question. Over 800 reports and studies of the subject were already in existence; it was therefore difficult to see what purpose the proposed new study would serve, while it would certainly not contribute to the peace process. In his delegation's view, the money would be better spent improving the living conditions of the Palestinian people in the occupied territories.

Programme budget implications of draft resolution A/C.2/46/L.121 concerning agenda item 82 (A/C.5/46/75)

- 77. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said the Advisory Committee recommended that the General Assembly take note of the Secretary-General's statements in paragraphs 4 and 5 of his report (A/C.5/46/75).
- 78. The Advisory Committee's recommendation was adopted.

ORGANIZATION OF WORK

79. Mr. SPAANS (Netherlands), speaking at the coordinator of the informal consultations on agenda item 115 said that, although the discussion of the three draft resolutions and one draft decision relating to agenda item 115 had been lively, and many interesting and useful suggestions had been put forward, it was clear that it would not be possible to reach agreement on any of them at the current session. In his view, therefore, the Committee might either decide to take up those items again at the Assembly's forty-seventh session or to keep them under consideration, which would mean that it could take them up again at the earliest opportunity.

- 80. Mrs. GOICOCHEA (Cuba) said that her delegation was not in favour of the first alternative. It was necessary to ensure that the Secretary-General was given specific policy instruction by the General Assembly before the close of its current session in September 1992. Her delegation therefore proposed that a decision should be taken on the matters relating to agenda item 115 before that time.
- 81. Mr. ELDEEB (Egypt) said that his delegation favoured deferring the discussion of personnel questions to the forty-seventh session of the General Assembly. Such deferment would enable the Committee to benefit in its deliberations on personnel questions from the views formulated by the various working groups on the restructuring of the United Nations, including those concerning the restructuring of the Secretariat, and from the recommendations which the resumed session in early 1992 would put forward on that matter. In addition, the reforms which the new Secretary-General was expected to undertake in the Secretariat could be taken into account when the matter was discussed at the forty-seventh session.
- 82. Mr. TANG Guanting (China) said that his country traditionally attached great importance to the consideration of personnel questions and believed that the item could still be concluded in the current session, if the Chairman would agree to a short extension. If, however, it was decided to defer the matter, China would only accept deferment to the resumed session in early 1992, and not to the forty-seventh session.
- 83. Mr. GREALY (Australia), speaking also on behalf of Canada and New Zealand, said that responsibility for the failure to conclude consideration of the item rested with Member States. The delegations on whose behalf he spoke supported the suggestion by Egypt, that the item should be closed and taken up again only at the forty-seventh session. If negotiations were to take place on the item at the resumed session and a resolution adopted in March, the Secretary-General would have only two or three months to implement the resolution and to report on its implementation, resulting in a wasteful use of the Organization's resources. Australia, Canada and New Zealand also opposed any attempt to adopt the resolution piecemeal as it was a package and should be adopted as a whole.
- 84. Mr. KARBUCZKY (Hungary), Mr. MICHALSKI (United States of America), Mr. STOCKL (Germany), Ms. VUORINEN (Finland), speaking on behalf of the Nordic countries, and Ms. VASAK (France) said that they supported the suggestion by Egypt and believed, also for the reasons advanced by Australia, that the item should be closed and only taken up again at the forty-seventh session.
- 85. Mrs. CLIFF (United Kingdom) said that her delegation was prepared to continue work on the item until the end of the current session, as suggested by China. The United Kingdom was opposed, however, to consideration of the item at the resumed session, for the reasons put forward by Egypt. The United Kingdom could not countenance the use of the Organization's scarce resources for the consideration of personnel questions at the resumed session, especially in the light of the plea by the Controller to delegations to make efforts to solve the financial crisis faced by the United Nations.

- 86. Mrs. GOICOCHEA (Cuba) asked whether there was any link between policy measures on the composition of the Secretariat and those personnel questions relating to the structure of the Secretariat. Her delegation believed that those measures might have repercussions on the restructuring of the Secretariat, which should be taken into consideration in the Committee's consideration of personnel questions.
- 87. The CHAIRMAN said that the Bureau would consider the question asked by the representative of Cuba and would endeavour to give a reply in due course. He would also discuss the question of deferment with the Bureau, and would return to the Committee for a decision on whether to defer the matter to the resumed session or to close it and take it up again at the forty-seventh session of the General Assembly.
- 88. After hearing the progress reports by the coordinators of the informal consultations on the outstanding agenda items before the Committee, he said that efforts would be made to accommodate their requests for further time but urged members to work with the greatest possible expedition, reminding them that the Committee could not adjourn without a scale of assessments, which it required on the following day.

The meeting rose at 6.05 p.m.