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SUMMARY RECORD OF THE 33rd MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Jamahiriya)

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The meeting was called to order at 10.35 a.m.

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993
(continued) (A/46/6/Rev.1 and A/46/7)

AGENDA ITEM 108: PROGRAMME PLANNING (continued) (A/46/16 and Add.1)

First reading (continued)

Section 33. Administration and management (continued)

Section 33E. Administration, Geneva

1. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that section 33E was one of the sections of the budget for which there was negative growth, calculated at minus 2.1 per cent. The proposed estimates were based on the current level of expenditure. There were two proposals for reclassification, one from P-2 to P-3 for the Treasurer of the United Nations Office at Geneva, and one from P-4 to P-5 for the Chief of Security. Those requests illustrated the difficulty of relating post level to function and responsibility and of establishing a universal benchmark for post classification.

2. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee recommended approval of both requests for reclassification (para. 33E.4). Regarding the proposed estimates, the Advisory Committee had concluded, on the basis of past performance and expenditure for Geneva, that a slightly lower figure would be appropriate. The Secretariat had adjusted the amounts in some areas in the light of past requirements but the Advisory Committee felt that the adjustments were on the conservative side (para. 33E.5). It accordingly recommended an overall reduction in the estimates for Geneva of some \$4.6 million (para. 33E.6).

3. The recommendation of the Advisory Committee for an appropriation in the amount of \$97,220,200 under section 33E of the proposed programme budget for the biennium 1992-1993 was approved in first reading.

Section 33F. Administration, Vienna

4. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that administrative services for the United Nations Office at Vienna were provided by the Division of Administrative and Common Services, Vienna. That Division also provided some services for UNIDO and IAEA. Under the terms of General Assembly resolution 45/248, new arrangements were to be envisaged for administrative services as well as conference services in Vienna, and a report on the subject would be issued shortly. The proposed estimates for section 33E would therefore be substantially revised.

5. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, as the proposed estimates should be regarded as provisional, the Advisory Committee had no comment.
6. Mr. KINCHEN (United Kingdom) said that he looked forward to receiving the revised estimates. He noted, however, that in table 33F.7 of the budget document there was a discrepancy between the staffing of the Office of the Director at Vienna and that of the corresponding unit in Geneva. He hoped that point would be addressed in the forthcoming report.
7. The recommendation of the Advisory Committee for an appropriation in the amount of \$35,124,500 under section 33F of the proposed programme budget for the biennium 1992-1993 was approved in first reading, on the understanding that the issues raised in connection with section 33F would be considered in informal consultations and any necessary adjustments made.

Section 33G. Administration, Nairobi

8. The recommendation of the Advisory Committee for an appropriation in the amount of \$5,278,400 under section 33G of the proposed programme budget for the biennium 1992-1993 was approved in first reading.

Section 33H. Internal audit services

9. Mr. COHEN (United States of America) said that his delegation was concerned about the auditing of expenditure financed from extrabudgetary resources. Assets of non-regular budget activities totalled more than \$11 billion and the annual income of those activities was approximately \$3.5 billion. Audit expenses were equivalent to about 0.05 per cent of total annual income, which was clearly insufficient. The Secretariat should take steps to enhance internal audit coverage of all non-regular budget activities managed by the Secretary-General. Donors and recipients of those programmes must be assured that the resources made available to the Organization were used as efficiently and effectively as possible. His delegation intended to make a specific proposal in that connection during the informal consultations.
10. Mr. TEIRLINCK (Belgium) said that paragraph 33H.1 of the budget document stated that the Internal Audit Division conducted independent audits in conformity with generally accepted auditing standards. He asked how that independence was guaranteed, to what authorities the Internal Audit Division's reports were submitted, and what the generally accepted standards referred to were. Like the Advisory Committee, his delegation welcomed the close cooperation between the Internal Audit Division and the External Auditors and agreed that it would be useful for the Advisory Committee to hold periodic meetings with the Division similar to its meetings with the Board of External Auditors. Such meetings would undoubtedly enhance the impact of the Internal Auditors' work.

11. Mr. MORDACQ (France) said that the Internal Audit Division was required to conduct independent audits. He wondered how using extrabudgetary resources for a body that was required to be independent could be justified.

12. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that he had taken note of the intention of the United States delegation to put forward a proposal during the informal consultations on the field covered by the Internal Audit Division. In response to the questions about the Division's independence, he could confirm only that that independence undoubtedly existed. He would provide a detailed reply to the Belgian representative's question about auditing standards at a later stage. The audit reports were sent to the Under-Secretary-General for Administration and Management and to the Controller who decided how they should be utilized. In reply to the representative of France, he said that the extrabudgetary resources referred to were not voluntary contributions but rather that share of the financing of the audit function paid for out of extrabudgetary resources. The funds were thus not linked to the goodwill of contributors. For example, the Division derived some of its resources from payments received from UNDP for services provided to it. Another part came from the 13 per cent charge levied on the various trust funds in respect of activities carried out on their behalf. They were therefore not subject to the arbitrary decision of contributors or to their goodwill but were a way of ensuring that audit functions important to the voluntary contributors were recompensed.

13. The recommendation of the Advisory Committee for an appropriation in the amount of \$6,614,200 under section 33H of the proposed programme budget for the biennium 1992-1993 was approved in first reading, on the understanding that the issues raised in connection with section 33H would be considered in informal consultations and any necessary adjustments made.

Section 34. Special expenses

14. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that paragraphs 34.12 to 34.14 of the Advisory Committee's report dealt with after-service health insurance. The Advisory Committee had previously requested the Secretariat to establish a mechanism whereby the cost of after-service health insurance could be shared between regular budget and extrabudgetary accounts in view of the fact that the participants in the scheme had been engaged in both regular budget and extrabudgetary-funded activities. The Secretariat was currently working out a methodology and the Advisory Committee trusted that a report would shortly be submitted to it providing for a simple but effective methodology for apportioning the costs of after-service health insurance between the regular budget and the various extrabudgetary accounts. The Advisory Committee had noted the Secretariat's belief that the implementation of the Integrated Management Information System would facilitate the establishment of such a methodology (para. 34.14).

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15. Regarding interorganizational security measures, he recalled that, in response to the Advisory Committee's recommendation, the Secretary-General had been authorized to enter into commitments in an amount not exceeding \$300,000 in the biennium 1990-1991 pursuant to General Assembly resolution 44/203 on unforeseen and extraordinary expenses. Those funds were to be shared between the United Nations and the specialized agencies which shared in the cost of security services provided by the Secretary-General on their behalf. He believed that a proposal would shortly be submitted to the Advisory Committee to review the adequacy of that amount for the biennium 1992-1993 in view of the larger than expected expenditure incurred for security measures for staff in the field.

16. Mr. COHEN (United States of America) said that his delegation was extremely concerned at the increasing cost to the Organization of the after-service health insurance programme. When that programme was first established, the total cost to Member States had been \$25,000. The proposed budget for 1992-1993 estimated the cost at more than \$17,000,000. Given the increasing number of retirees and the rising cost of health insurance, overall expenses would continue to grow and would reach unacceptable levels. He noted that the comparator civil service did not subsidize the health insurance costs of its retired staff. Group plans were available but all premiums were paid by the former employees. The United Nations should follow a similar practice. As a first step, his delegation proposed that the share of costs paid by Member States should be reduced to one third of the total. That would reduce the appropriation requested for the after-service health insurance programme for the biennium 1992-1993 to approximately \$8.5 million.

17. Mr. INOMATA (Japan) said that it was correct, as stated in paragraph 34.5 of the Advisory Committee's report, that no resource growth had been proposed for the Joint Inspection Unit (JIU) for 1992-1993. He recalled that his delegation had been puzzled by the absence of any comment by the Secretary-General in the Administrative Committee on Coordination (ACC) on the resource requirements of JIU, which had submitted its own cost estimates. On the other hand, in General Assembly resolution 45/237, paragraph 3 the Secretary-General was requested to review, in the context of the proposed programme budget for the biennium 1992-1993, the research and analytical capacity of the JIU secretariat in order to enhance its performance. Nevertheless, the Secretary-General had proposed no resource growth for the biennium. The question was whether the provisions of article 20 of the JIU statute had been observed. According to the statute, those budget estimates should be submitted to the General Assembly together with the report thereon by the ACC, and with the comments and recommendations of the Advisory Committee. His delegation had already made it clear that, at the current session at least, it was unable to entertain the JIU request. It had proposed, in order to expedite consideration of the issue, that the General Assembly should take note of the JIU proposals and request the Advisory Committee to examine them in the context of improving the working methods and enhancing the performance of the JIU, followed by a report to the General

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Assembly by the Secretary-General. His delegation's proposal still stood and should be discussed at the current session, either under the item on the Joint Inspection Unit or, perhaps more properly, in the informal consultations on the relevant section of the budget.

18. Mr. KAMAL (Pakistan) said that the estimates for the International Computing Centre (ICC) offered an opportunity to review the functioning and performance of the Centre with particular reference to its accessibility to Member States, especially at Geneva. His delegation attached great importance to the development of new technological facilities and their accessibility to member countries. Access by Permanent Missions to those facilities through ICC was a difficult and complicated procedure, involving not only normal telephone lines but a commercial packet switching network for which Member States were billed separately. ICC, which was required to coordinate the database facilities in Geneva and whose budget was subject to review and approval by the General Assembly, possessed a Board which brought together nearly 20 United Nations agencies but did not include any Member State or representative of a Member State. Economic and Social Council resolution 1991/70, which had been introduced by Pakistan, and adopted by consensus, requested the Secretary-General to prepare, in consultation with representatives of States, a study analysing the causes of the present situation with respect to United Nations informatics systems and providing an outline of a rapid solution to the problem. That review of the operation of ICC and of the computer and database focal points was currently being discussed at meetings between the Secretariat and a group of permanent representatives with a view to removing the difficulties faced by Member States as soon as possible. The key question which remained to be answered was why Member States were not represented on the Board of ICC and how ICC intended to remedy the constraints and difficulties faced by Member States in going through the complicated procedures of its network. He hoped some comment would be received from ICC before any appropriation was approved. Information technology and access to it was a key factor in delegations' work and the point of view of Member States had been disregarded too long.

19. Mr. KARBUCZKY (Hungary) endorsed the views expressed by the representative of Pakistan. His delegation hoped that the report requested by Economic and Social Council resolution 1991/70 would be prepared in the foreseeable future on the basis of dialogue with Member States. In his delegation's view, action should be taken to ensure that whatever was recorded electronically by ICC was made available to all interested missions. Recording was the more expensive part of the procedure but it was pointless unless the data recorded were made available to interested parties, preferably on CD-ROM. In future, urgent up-to-date information should be accessible on-line and the rest should be made available through CD-ROM. Standardization was very important and there should be a single standard software which provided access to the whole system.

20. Mr. BAUDOT (Director, Programme Planning and Budget Division) said, in reply to the representative of Japan, that the process of preparing the budget for JIU had been in conformity both with its Statute and with normal budgetary procedure. Proposals had been received from JIU which included a request for additional resources. That request had not been supported during the internal review process and the ACC body concerned had indicated that increased resources in any particular area would have to be offset by a decrease elsewhere. He therefore believed that the Secretary-General's proposal had been drawn up in accordance with normal budgetary procedures.

21. He was grateful to the representatives of Pakistan and Hungary for raising an important matter. He was aware of the resolution adopted by the Economic and Social Council, for which a statement of financial implications had not been prepared at the time. A report was to be produced on the subject, which was being taken very seriously in the Secretariat. The comments made would be conveyed to the unit preparing the report. The question of access by Member States to information generated in the Secretariat, on which there was no clear policy, was also involved. The budget proposals provided another opportunity to examine the whole problem of access to information, including access to the optical disc system, from all angles.

22. The proposal made by the representative of the United States of America on the subject of after-service health insurance would be taken up in the informal consultations. It was up to the General Assembly to decide how health insurance costs should be divided between the Organization and its staff. It was a very complicated question. The increase in such costs was due not only to the numbers of retired staff but also to the costs of health insurance in different countries.

23. The recommendation of the Advisory Committee for an appropriation in the amount of \$44,807,600 under section 34 of the proposed programme budget for the biennium 1992-1993 was approved in first reading, on the understanding that the issues raised in connection with section 34 would be considered in informal consultations and any necessary adjustments made.

Section 35: Construction, alteration, improvement and major maintenance

24. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that a progress report on the construction of conference facilities at Addis Ababa and Bangkok had been issued as document A/C.5/46/22, but did not affect the estimates for those projects contained in section 35. The proposals in the section did not reflect every need but simply listed those projects that it was proposed to implement as a matter of priority.

25. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) drew particular attention to paragraphs 35.3 and 35.4 of the Advisory Committee's report, which gave its reasons for not endorsing the Secretary-General's suggestion that the total amount requested be placed in a separate account so that any unexpended balance could be carried forward from biennium to biennium. Because the General Assembly would provide the

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resources required in each biennium if adequate supporting information was provided, the Advisory Committee stressed the importance of providing, at the outset, all the information about the anticipated cost and duration of a long-term project that was likely to span more than one biennium.

26. In paragraph 35.10 of its report, the Advisory Committee noted that the estimates for alterations and improvements were presented as a list of priority projects but delays and changes in priority could affect their implementation. It therefore recognized that some of the resources allocated might eventually be redeployed. In paragraphs 35.13 and 35.14 of its report, the Advisory Committee noted the proposed provision for the development of a master plan for all United Nations facilities at Headquarters and for the preparation of a 12-year programme of priority renovations. Its recommendation that the study be undertaken in a more economical fashion was intended to encourage a more realistic approach, resulting in feasible proposals, rather than an over-ambitious approach which resulted in proposals that could not be implemented.

27. In paragraphs 35.15 and 35.16 of its report, after considering certain proposals for new wiring at Headquarters and in Geneva, the Advisory Committee took the view that a more gradual approach to the work should suffice and allow savings to be made. Given the volume of resources requested for those and other projects, the Committee believed that restraint should be exercised in respect of alterations, improvements and major maintenance so long as major construction projects such as those in Addis Ababa and Bangkok continued.

28. An instance of resources being redeployed to meet new priorities was the commitment of \$1 million, during the current biennium, to begin installing a computerized security access system at Headquarters. In paragraphs 35.18 and 35.19 of its report, the Advisory Committee noted that it had been informed of the commitment only after it had been made and expressed regret that it had not been consulted beforehand. While recognizing the importance of improved security arrangements, the Advisory Committee had strong reservations about the procedure adopted by the Secretariat. Finally, although it had not recommended reductions in the estimates for alterations and improvements at regional centres, the Advisory Committee urged that projects undertaken there be implemented as economically as possible.

29. Mr. BENNETT (United States of America) said that his delegation would comment later on the status of the construction projects in Addis Ababa and Bangkok. For the moment, it wished only to record its continuing reservations about the construction of the conference centre in Addis Ababa, which it had opposed from the outset. It also endorsed the Advisory Committee's views on the proposed master plan for facilities at Headquarters. It assumed that the \$750,000 requested for the study would be used to engage an outside consulting firm. His delegation would like to know why internal staff could not undertake the project, in view of the strong opposition in the Secretariat to his country's proposal to engage an outside consulting firm for a study of the Department of Conference Services.

30. Mr. INOMATA (Japan) said that the redeployment of resources to which the Advisory Committee had taken exception in paragraphs 35.18 and 35.19 of its report was symptomatic of the Secretariat's approach to the budget section under consideration. It was difficult to see how the current situation could continue, because the non-implementation of projects for which estimates had been approved and the redeployment of funds without notice put the Advisory Committee and the Fifth Committee in a difficult position. The Secretary-General's suggestion that the total amount requested under the section be placed in a separate account, so that unexpended balances could be carried forward, would create a similar situation with regard to alterations, improvements and major maintenance as already existed in respect of construction projects such as those in Addis Ababa and Bangkok. Appropriations were at the Secretariat's disposal, of course, but Member States were interested in how they were spent. His delegation therefore endorsed the Advisory Committee's observations in paragraph 35.4.

31. There was a need for more transparency in the management of funds allocated under section 35. For example, the request for \$3.7 million for the first phase of the project to rewire the Headquarters complex (A/46/6/Rev.1, para. 35.17 (a) (iii)) raised the question of how many subsequent phases there might be. His delegation was very uneasy at the prospect of the Fifth Committee approving the rewiring piecemeal. He therefore hoped that the Secretariat would heed the Advisory Committee's observations in paragraph 35.4 of its report and present a comprehensive picture of projects from the outset. Otherwise, the current situation would continue and projects costing millions of dollars might last for many years with Member States being expected to finance them automatically.

32. Mr. IRUMBA (Uganda) said that he agreed with the previous speaker's remarks about the need for more transparency in the management of funds allocated under the section, in the interests of Member States. He also agreed that the Advisory Committee needed to have as much information as possible, from the outset, about projects that were likely to last more than one biennium, so that it could form a clear picture of their likely duration and the various factors involved. He welcomed the publication of the report of the Secretary-General on the construction of conference facilities at Addis Ababa and Bangkok (A/C.5/46/22) and the fact that it advocated the same level of resources as previously. He hoped that there would be less opposition to the project in Addis Ababa than had originally been the case.

33. With reference to paragraph 35.10 of the Advisory Committee's report, even though the redeployment of resources was to be expected, there should be some mechanism for reporting projected changes in the interests of greater transparency and to ensure that they were not made lightly. The Secretary-General's proposal to develop a master plan for all United Nations facilities had merit and he hoped that the restriction of the plan to facilities at Headquarters could be removed. However, he noted the Advisory Committee's concern that a 12-year plan might be over-ambitious and suggested that it might be confined to the shorter period of the medium-term plan, if necessary. Finally, he shared the Advisory Committee's concern at the

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Secretariat's failure to notify its commitment of \$1 million to the installation of a security access system at Headquarters in advance and hoped that it would be more communicative in future.

34. Mr. KINCHEN (United Kingdom) said that, as in the case of sections 32 and 33, his delegation questioned the appropriateness of requesting appropriations for non-essentials in view of the Organization's cash-flow situation. However, he hoped that the Committee would be able to arrive at a rigorously costed approach to section 35 on the assumption that all Member States would fulfil their obligations. Not all of the projects proposed had always enjoyed his country's support, which had been contingent on the adoption of General Assembly resolution 41/213. Its continued support remained conditional on respect for that resolution. Referring to paragraphs 35.18 and 35.19 of the Advisory Committee's report, he underlined its recommendation that all individuals concerned should be well informed regarding the new security system before it was implemented. The Fifth Committee should start the process of informing those affected, who might find the use of electronic identity cards somewhat cumbersome.

35. Mr. MORDACQ (France) emphasized that the real rate of growth under section 35 had been calculated at zero. His delegation commended the Secretary-General's intention to develop a master plan for long-term maintenance and capital improvement, which was standard practice at most organizations. On the other hand, it also understood the Advisory Committee's concern that the final plan might be too ambitious for the Organization. Nevertheless, it should be possible to find the golden mean, and an attempt should be made to do so.

36. He hoped that ACABQ would be able to provide further information supporting its objection to the Secretary-General's proposal to place the total amount requested under section 35 in a separate account. For expenditures that were by definition non-recurrent, funds not spent in one year were not included in the base for the next. Thus, in the case of appropriations for construction work, there was a special procedure for carrying forward any unexpended balance. In the case of alterations, improvements and major maintenance, unspent funds were refunded to the Member States, so there was no risk of their being included in a future base. He could therefore see no reason why it would not be technically feasible to have a separate account for all projects of a multi-year nature.

37. Mr. TEIRLINCK (Belgium) supported the statement made by the representative of France. There was certainly a need for in-depth discussion during informal consultations of the issues raised.

38. Mr. KAPBUCZKY (Hungary), referring to the need for additional office space and conference facilities at Vienna, requested the Secretariat to look at possible options for achieving the best possible use of office space and at the future availability of additional facilities, bearing in mind cost-effectiveness and the efficiency of the Organization as a whole.

39. Mr. BAUDOT (Director, Programme Planning and Budget Division) wished to emphasize that, while the Secretary-General could alter the priorities adopted in the programme budget in the event of emergencies or unforeseen circumstances, he did not have complete flexibility in the use of resources provided under a given section. As a general comment, he informed the Committee that the Office of General Services had only one architect and one engineer; hence the need for outside experts. Concerning the query of the representative of France, he said that the use of a separate account was still being negotiated in the context of agenda item 104 and the report of ACABQ on the question of unliquidated obligations (A/46/601), and that the Chairman of ACABQ had suggested extending the expiration period for unliquidated obligations from one to two years. He would therefore revert to the matter during the informal consultations.

40. Mr. INOMATA (Japan) said that the question of unliquidated obligations had nothing to do with the approval of appropriations under section 35 and should be totally dissociated from the discussion of that section. Furthermore, he had never seen any such proposal by ACABQ.

41. The recommendation of the Advisory Committee for an appropriation in the amount of \$97,756,100 under section 35 of the proposed programme budget for the biennium 1992-1993 was approved in first reading, on the understanding that the issues raised in connection with section 35 would be considered in informal consultations and any necessary adjustments made.

Section 36. Staff assessment

42. The recommendation of the Advisory Committee for an appropriation in the amount of \$326,373,100 under section 36 of the proposed programme budget for the biennium 1992-1993 was approved in first reading.

Income section 1. Income from staff assessment

43. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the total estimate under income section 1 was larger than that under income section 36 because section 1 included income from staff assessment derived from the emoluments of staff who were charged to revenue-producing activities under income section 3.

44. The estimate of \$331,606,400 recommended by the Advisory Committee under income section 1 for the biennium 1992-1993 was approved in first reading.

Income section 2. General income

45. The estimate of \$62,690,500 recommended by the Advisory Committee under income section 2 of the proposed programme budget for the biennium 1992-1993 was approved in first reading.

Income section 3. Services to the public

46. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that the period 1992-1997 was the first time that services to the public had been included as a programme of the medium-term plan. Drawing the attention of the Committee to paragraphs IS3.1 and IS3.2 of the budget proposals, he stressed that while the activities included under income section 3 were of a commercial nature, their primary purpose was to promote, publicise and disseminate the work and achievements of the United Nations.

47. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that ACABQ recommended an increase in the estimate under income section 3 because it did not think that the three local office posts referred to in paragraphs IS3.7 and IS3.8 of its report (A/46/7) should be reclassified. With respect to the comprehensive mail order and inventory system, he regretted that it was not functioning as expected and would have to be redesigned. He stressed the importance of achieving a workable design for the new system and requested that its implementation should be coordinated with the introduction of the Integrated Management Information System. He also drew attention to the Advisory Committee's comments on United Nations publications, contained in paragraphs IS3.19 and IS3.20 of its report.

48. Mr. MORDACO (France) said that the Secretary-General's position in paragraphs IS3.1 and IS3.2 of the proposed programme budget contradicted the policy expressed in paragraph IS3.97, which stated that the activities under subprogramme 4, Services to visitors, were carried out with a view to recovering full costs and making a profit if possible. It was somewhat surprising that Member States were being asked to pay for tourists to visit the United Nations. Those services, as well as the activities in subprogramme 3, Sale of United Nations publications, should be made profitable.

49. Mr. INOMATA (Japan) entirely agreed with the representative of France. Since, as indicated in paragraph IS3.25 of the Advisory Committee's report, the largest deficit for visitor services was at Vienna, those services should receive priority attention. He wondered what action the Secretary-General planned to take in that regard.

50. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that he personally believed that the emphasis under income section 3 should be placed on paragraphs IS3.1 and IS3.2 of the proposed programme budget. He did not know what measures were planned to attract tourists or reduce costs at Vienna.

51. The estimate of \$7,480,300 recommended by the Advisory Committee under income section 3 of the proposed programme budget for the biennium 1992-1993 was approved in first reading, on the understanding that the issues raised in connection with income section 3 would be considered in informal consultations and any necessary adjustments made.

52. The CHAIRMAN raised the subject of sections 1, 6 and 27, on which debate had been postponed pending the availability of further information. After a procedural discussion in which Mr. KINCHEN (United Kingdom) and Mr. CONMY (Ireland) took part, he suggested that, in view of the importance of completing the first reading as soon as possible, a decision should be taken on those sections at the earliest possible meeting, on the understanding that acceptance of the recommendations of the Advisory Committee would be provisional and that all sections would be treated equally.

53. Ms. VOURINEN (Finland) recalled that, during general debate on the proposed programme budget, the Nordic countries had expressed reservations concerning the reductions recommended under sections 33D, 33E and 35. As those countries had refrained from repeating their comments during the first reading, she sought reassurance from the Chairman that all points made in general debate could be taken up in informal consultations.

54. The CHAIRMAN reiterated the understanding of the Committee that any issues that had been raised concerning any of the sections would be considered in informal consultations.

The meeting rose at 12.35 p.m.