# United Nations GENERAL ASSEMBLY

FIFTH COMMITTEE 55th meeting held on Monday, 7 December 1987 at 10 a.m.

New York

FORTY-SECOND SESSION
Official Records\*

SUMMARY RECORD OF THE 55th MEETING

Chairman: Mr. AMNEUS (Sweden)

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

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ORGANIZATION OF WORK

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## The meeting was called to order at 10 a.m.

#### QUESTION OF DOCUMENTATION

1. The CHAIRMAN, replying to a question raised at an earlier meeting by the representative of Poland, said that any document listed in the <u>Journal of the United Nations</u> could be distributed in the conference room at any time. The distribution of other documents required the prior approval of the Chairman of the Fifth Committee. Although it was difficult to control events in the conference room while the Committee was not in session, every effort would be made to ensure that unauthorized documents were not distributed.

The meeting was suspended at 10.10 a.m. and resumed at 10.30 a.m.

AGENDA ITEM 123: UNITED NATIONS COMMON SYSTEM: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (continued)

AGENDA ITEM 124: UNITED NATIONS PENSION SYSTEM: REPORT OF THE JNITED NATIONS JOINT STAFF PENSION BOARD (continued)

- 2. The SECRETARY-GENERAL, speaking in his capacity as Chairman of the Administrative Committee on Co-ordination, said that the severe financial crisis affecting most organizations of the United Nations system was unprecedented. The large deficits in funding for those organizations' mandated programmes made their continued effectiveness uncertain. There was an ever-increasing need for international co-operation in fields such as health, the environment, economic development, food and agriculture, human rights and humanitarian programmes, international trade, scientific and cultural exchange, postal and telegraphic communications and weather forecasting, as well as the maintenance of international peace and security. There could be tragic consequences for all if multilateral organizations working in those and other fields were seriously undermined by inadequate or unreliable financial support.
- 3. The immediate cause of such financial difficulties was the failure of many Governments to pay their assessed contributions in a timely manner, and the situation was further aggravated by serious currency instability. The adverse effects of failures to pay assessments were evident in many organizations of the common system. Cash reserve: had been reduced or exhausted; recruitment freezes had been widely implemented; meetings and publications had been cancelled; critical areas such as health, industrial development, civil aviation and telecommunications had been subject to damaging cut-backs; other substantive programme cuts had been made in activities related to primary health care, community water supply and sanitation and disease control; priority areas such as humanitarian and technical assistance and consultants services for the least developed countries had been severely affected. The damage had, indeed, affected all levels of operations. capacity of the system to respond to new challenges was now at risk. The impact on programme and budgetary planning had been particularly serious, to the extent that decisions in some organizations were being taken on a weekly or monthly basis, depending on the expected receipt of contributions.

# (The Secretary-General)

- 4. The ability of organizations to provide established conditions of service for staff was under threat, and the perception of the United Nations system as a fair employer might be fundamentally altered as deteriorating employment conditions, attenuated career prospects, uncertainty and insecurity combined to undermine morale. It should be remembered, in that context, that the experience and commitment of the staff constituted the system's greatest asset. If current trends were allowed to continue, they would increasingly impair the effective delivery of programmes.
- 5. The organizations of the United Nations system must enjoy financial stability and possess the capacity to provide common conditions of service if they were effectively to serve the social, economic and political needs of the world as mandated by the United Nations Charter. While it was true that the budget of each organization must be formulated and agreed in such a manner as to secure the confidence and support of member States, it remained essential that member States should pay thir contributions fully, promptly and predictably, in accordance with their basic obligations of membership. Currently existing arrears and assessments for 1988 must be paid to all organizations of the system which were dependent on assessed contributions. Otherwise, the political, institutional and financial viability of the system would be in serious jeopardy.

## ORGANIZATION OF WORK

- 6. Mr. MOHIUDDIN (Bangladesh), noting that the Secretary-General was due to make a statement on the current financial crisis at the Committee's next meeting, asked whether time might not be saved if he were to combine both statements in one.
- 7. The CHAIRMAN said that it was the practice of the Committee to accept any requests on the part of the Secretary-General to appear before it. It was possible that the Secretary-General wished to address the Committee once in his capacity as Chairman of the Administrative Committee on Co-ordination and subsequently as the chief administrative officer of the Organization. He would endeavour to provide further clarification in due course.
- 8. Mr. SINGH (Fiji) expressed bewilderment at the question raised by the representative of Bangladesh. It was difficult to see how the Secretary-General could combine two statements in one if he had already made one of those statements. It was the privilege of the Secretary-General to address the Committee as often as he wished. Further discussion of the question would cause valuable time to be wasted.

The meeting rose at 11 a.m.