



SUMMARY RECORD OF THE 23rd MEETING

Chairman: Mr. AMNEUS (Sweden);

Later: Mr. MURRAY (Trinidad and Tobago)

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

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The meeting was called to order at 3.05 p.m.

AGENDA ITEM 118: ADMINISTRATIVE AND BUDGETARY CO-ORDINATION OF THE UNITED NATIONS WITH THE SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

- (a) REPORT OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS (A/41/671 and A/42/683)
- (b) EFFECTIVE ADMINISTRATIVE AND BUDGETARY CO-ORDINATION WITHIN THE FRAMEWORK OF THE UNITED NATIONS SYSTEM: REPORT OF THE SECRETARY-GENERAL (A/C.5/41/23, A/C.5/42/22)
- (c) FEASIBILITY OF ESTABLISHING A SINGLE ADMINISTRATIVE TRIBUNAL: REPORT OF THE SECRETARY-GENERAL (A/42/328)

1. Mr. FLEISCHAUER (Under-Secretary-General for Legal Affairs, Legal Counsel), introducing the report of the Secretary-General on the feasibility of establishing a single administrative tribunal (A/42/328), said that at the thirty-ninth session of the General Assembly a substantially identical report (A/C.5/39 and Corr.1) had been submitted at the repeated request of the Fifth Committee, the culmination of an extensive series of consultations with all the common system organizations, in particular the International Labour Office, the principal staff organizations, the United Nations Administrative Tribunal, the International Court of Justice, the United Nations Joint Staff Pension Fund, and the President of the ILO Tribunal and the several non-common system organizations subject to its jurisdiction. Although it had not been possible to give full satisfaction to all parties, or to achieve complete harmonization of the statutes of the two tribunals, the proposals relating to the United Nations and those submitted simultaneously by the Director-General of ILO relating to that organization's Tribunal went a long way towards bringing the two bodies into alignment and modernizing them through the first substantial set of amendments in over three decades.

2. Unfortunately, the General Assembly at its thirty-ninth session had little time to consider the proposals, and had not even decided how it would do so. Having been postponed, that preliminary matter had not been discussed at either of the two following sessions, for the fiscal problems of the Organization had predominated. In the interim, the Committee had received complaints, reports and proposals on various aspects of the disciplinary and recourse procedures in the Organization, giving members an idea of the broader context in which the judicial phase of those procedures should be reviewed and the urgency of the proposed reforms. The competent ILO bodies had also suspended their consideration of proposed reforms in the ILO Tribunal pending action by the General Assembly.

3. He reminded the Committee that his original presentation on the subject was summarized in the records of the thirty-ninth session (A/C.5/39/SR.33). Although it appeared that, once again, the Committee might be unable to give the matter due attention, various delegations had expressed the hope that the Committee might at least establish some procedure enabling the General Assembly to consider the Secretary-General's proposals and take a decision at the next session. In order

(Mr. Fleischhauer)

for that to happen, the procedure must allow the proposals to be given preliminary consideration in some intergovernmental forum other than the Fifth Committee. In that connection, he pointed out that questions relating to the organization and statute of the Administrative Tribunal had always been considered by the Fifth Committee and working groups of the Fifth Committee; the original Statute and the first amendment thereto had been considered directly in the Fifth Committee; that the Committee had entrusted the consideration of the second amendment to an 18-member intersessional special committee; that the work-load of the Fifth Committee had clearly increased substantially since then; and that, recently, the Sixth Committee had managed to examine and prepare quite complex texts through informal, largely intersessional consultations, producing resolutions which the Assembly had been able to adopt with little discussion. He hoped that that information would help the Committee to reach a satisfactory decision as to how to deal with the item.

4. The CHAIRMAN said that postponing consideration of the item might give the impression that the Committee did not take it seriously, but the time at the Committee's disposal was limited.

5. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the report which the Advisory Committee had submitted on the item at the preceding session (A/41/671), the consideration of which had been postponed until the current session, dealt, *inter alia*, with two special topics. The first was the administration of justice and procedures for the redress of staff grievances in the individual agencies. The Advisory Committee had indicated that it would submit its recommendations on that matter in the context of its consideration of a related report on that subject to be submitted by the Secretary-General to the General Assembly in 1987. The second topic was technological innovations in computer-based communications. The Advisory Committee welcomed the steps taken by the United Nations and the specialized agencies to introduce such new technology, which would help to promote effective management of communication services. It trusted that the organizations would co-operate closely with one another to ensure that the introduction of new technologies would proceed in an orderly manner so that progress made in one organization would be of benefit to the others. The current report (A/42/683), which was much shorter, updated the statistical information provided in document A/41/671.

6. Document A/C.5/41/23 contained the observations of the Administrative Committee on Co-ordination (ACC) on the question of standardization and comparability of budgetary and administrative practices within the United Nations system, which had been raised in General Assembly resolution 40/250. That issue had also been discussed in the report of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (A/41/49). As could be seen from paragraph 3 of the report, considerable progress had been made with respect to the standardization and harmonization of practices. Nevertheless, the Advisory Committee planned to carry out a special study of the matter to ascertain what the current situation was and to identify what further progress could be expected.

(Mr. Mselle)

7. The best procedure for considering the Secretary-General's report on unified conference services for the United Nations organizations at the Vienna International Centre would be to take it up in conjunction with section 29 of the proposed programme budget, when the Fifth Committee would be reviewing the conference-servicing requirements of the United Nations Office at Vienna and relations between the United Nations and UNIDO. It should be pointed out in the mean time that no change was being proposed to the existing arrangements between the United Nations, UNIDO and IAEA.

AGENDA ITEM 122: PERSONNEL QUESTIONS (continued) (A/42/636 and Corr.1; A/C.5/42/3, 7, 14 and 24)

8. Mrs. PULIDO DE BRICENO (Assistant Secretary-General, Co-ordinator for the Improvement of the Status of Women in the Secretariat) introducing the report of the Secretary-General on the improvement of the status of women in the Secretariat (A/C.5/42/24), said that annexes III and IV to the report summarized the recommendations of the Steering Committee for the Improvement of the Status of Women which, if put into effect, would bring about the institutional changes necessary to fulfil the mandate handed down by the General Assembly in its resolutions on the status of women in the Secretariat. The report was the result of a joint effort by the Steering Committee, the Office of the Co-ordinator for the Improvement of the Status of Women in the Secretariat and the Office of Human Resources Management. It discussed the topics of women in senior positions, women in substantive occupations, career opportunities for women, the distribution of women by region of origin, and the rate of recruitment and distribution across departments. It also presented a future work programme and described progress in the first two years of the action programme.

9. Despite the recruitment freeze, real progress had been made in the number of women in senior positions between June 1985 and June 1987, with an increase from 23.1 per cent to 25.7 per cent in the number of such posts occupied by women. In the same period, two women had been appointed Under-Secretaries-General. Steps had also been taken to offer contracts to women who had been working continuously on short-term appointments. The rate of promotions for women in the Secretariat had increased notably, mainly owing to the commitment made by the Secretary-General. The Office of Human Resources Management had established special guidelines for the promotion of women on merit, and other departments had taken similar initiatives to increase the number of women receiving promotions.

10. Obviously, the greatest obstacle to the action programme had been the financial crisis. The recruitment freeze had had very serious consequences on the improvement of the status of women in the United Nations. The lack of funds had also had detrimental effects in other sectors, such as training, the establishment of a computerized inventory of specialized skills and the integration of the career development scheme into the examination and selection process for promotion to the Professional category.

(Mrs. Pulido de Briceno)

11. She remained firmly committed to achieving the General Assembly's target of women in 30 per cent of posts subject to geographical distribution by 1990, and was aware of concern in the Secretariat at the post-abolition process, which could have serious consequences for female staff, particularly in the General Service category. It was necessary to ensure that the process did not affect women disproportionately.
12. Despite the serious crisis the Organization faced, however, the subject of the status of women had not been relegated to the second rank. On the basis of the Steering Committee's proposals, the Secretary-General had established a work programme for tackling issues related to the status of women in the Secretariat during the coming biennium. In that connection, she emphasized the fundamental role the recourse system would have to play in ensuring that the work programme was carried out in full.
13. She was firmly convinced that the Organization would emerge stronger from the current crisis. She was sure that the staff and Administration would do all they could to attain the target of equality between the sexes as the best means of upholding and consolidating their commitment to the Organization and demonstrating that solidarity between men and women was not just a fair-weather phenomenon. History showed that the highest standards triumphed in adversity when the goal sought was human dignity, the most highly esteemed of all prizes. Given the serious problems now confronting the United Nations, it was to be hoped that women's dignity would be accorded the respect it deserved.
14. Mr. DJAUHARI (Indonesia) said that personnel questions had always attracted particular attention because some 70 per cent of the budget was devoted to personnel costs. Recently it had become even more important because of the adoption of General Assembly resolution 41/213, which would have a direct impact on the staff, in particular, because it recommended a 15 per cent reduction in posts.
15. The current methodology for calculating desirable ranges for the geographical distribution of staff in the Professional category and above required further refinement in order to achieve a more balanced mixture of the various factors used in determining that range. Improving the methodology would lead to stricter implementation of the concept of "equitable geographical distribution." He had read with interest the report of the Secretary-General on the system of desirable ranges (A/C.5/42/7), which contained several options that were being presented to Member States, and he was pleased to note that the population factor had been included in the ranges of individual Member States even though he would have preferred it to have been given greater weight.
16. With regard to the appropriate base figure to be used in calculating desirable ranges, he pointed out that the Secretary-General's proposal on the subject offered two alternatives: 2,700 posts and 2,550 posts, on the assumption that the 15 per cent reduction would be implemented fully. His delegation was in favour of using a base figure of 2,700 posts, taking into account the number of occupied and vacant posts in the Secretariat.

(Mr. Djauhari, Indonesia)

17. He recognized that the Secretary-General must be able to act with flexibility in order to secure the highest standards of efficiency, competence and integrity of personnel. Using the population factor in calculating the desirable ranges would give the Secretary-General added flexibility. Accordingly, the option contained in annex II of the report deserved serious consideration, as it was fully compatible with the provision of article 101, paragraph 3 of the Charter.

18. His delegation welcomed the movement towards the establishment of parity between the membership and contribution factors. The membership factor was a reflection of the sovereignty of Member States. Accordingly, a smaller discrepancy between the membership and contribution factors would be in line with the principle of the sovereign equality of Member States, as contained in the Charter. His delegation could support the increase in the percentage of the membership factor and it hoped that the Committee would reach agreement on that issue.

19. Turning to the recruitment freeze, he said that it was a temporary emergency measure. Accordingly, his delegation reiterated its call to the Secretary-General to lift the recruitment freeze as soon as the financial situation improved.

20. He welcomed the increase in the proportion of women in the Secretariat; for the first time the number of women had exceeded 25 per cent. He expressed the hope that the Secretary-General would continue his effort to recruit women and to appoint women to high-level posts. Special consideration should be given to women from developing countries. His delegation was confident that, if the Secretary-General continued to apply the policy for the advancement of women, the target of 30 per cent of women in the Secretariat would be reached before 1990. He was convinced of the integrity, dedication and competence of the United Nations staff and believed that the staff were ready to contribute positively to the success of Member States' efforts to increase the efficiency and effectiveness of the Organization.

21. Mr. CABRIĆ (Yugoslavia) said that the statements made by the Secretary-General and the Assistant Secretary-General for Human Resources Management left no doubt as to the seriousness of the crisis which was adversely affecting all the activities of the Organization and the complexities of personnel policy management under those circumstances. However, those difficulties must not discourage the Secretary-General from trying to implement the reforms outlined in resolution 41/213, including the personnel reforms.

22. The reports of the Secretary-General on the system of desirable ranges for the geographical distribution of staff in the Professional category and above (A/C.5/42/7) and on the composition of the Secretariat (A/42/636) and the introductory statement by the Assistant Secretary-General provided a solid basis for a comprehensive consideration of all the issues related to personnel and gave the Committee an opportunity to take appropriate decisions which would contribute to the solution of that question. If it did not take such decisions, the situation would deteriorate and the numerous shortcomings in the personnel system would continue to prevail, to the detriment of the majority of Member States.

(Mr. Cabrić, Yugoslavia)

23. His delegation had taken note of the new interim ranges for 1987 (A/C.5/42/7, para. 4) and, although it continued to support the efforts to establish a more equitable system of desirable ranges, it reiterated that its position on the need to proceed cautiously in that direction.
24. With regard to the movement towards parity between the membership factor and the contribution factor, any change in that direction must occur gradually since, as stated in the report, from the point of view of internal management, gradual change facilitated implementation.
25. With regard to the treatment of the population factor, it would be a good idea to accept, once more, the proposal made by China at the forty-first session of the General Assembly, namely, that calculation of the share of the population factor should be based on a progressively reduced rate for States with a population of more than 250 million inhabitants.
26. With regard to the issue of flexibility, he did not have the impression that the general feeling at the forty-first session had been that flexibility, which had been at 15 per cent, should be the same upwards as downwards. On the contrary, he believed that a lesser degree of flexibility upwards from the mid-point than downwards, as the Secretary-General had suggested in his earlier report (A/C.5/42/6, paras. 30 and 31) was more in line with the current situation and the prevailing political climate.
27. With reference to the report on the composition of the Secretariat (A/42/636), his delegation supported the positions presented so far concerning the Secretary-General's recommendation regarding the recruitment freeze as a means of alleviating the financial crisis, and felt that the freeze was only a temporary measure and that it should not be prolonged indefinitely nor applied across the board. Moreover, in the interest of a general improvement in the efficiency of the United Nations, the realization of the principle of equitable geographical distribution and a better and more just representation of Member States in the Secretariat, the measure should be lifted as soon as possible, irrespective of the need to achieve a 15 per cent reduction in staff as recommended by resolution 41/213. That would enable the Secretary-General to recover the most important means available to him to directly influence the composition of the staff by nationality and sex. Furthermore, he had noted that, despite the complexity of the situation, the situation of unrepresented and underrepresented States had improved.
28. His delegation had also taken note of the fact that Yugoslavia was one of the countries that had previously been underrepresented and that were now within range. Nevertheless, he expressed dissatisfaction with the fact that Yugoslavia had reached the lower level of the range only recently and that it was still well below the mid-point.

(Mr. Cabrić, Yugoslavia)

29. With all due respect for the delicate and often less than enviable nature of the position of the Assistant Secretary-General, his delegation hoped that he and the Office of Human Resources Management would take those facts into account, all the more so because Yugoslavia's interest in those issues had always been modest and discreet.

30. As to the changes which had directly affected the composition of the upper echelons of the Secretariat, he noted that nationals of Austria, Canada, the Union of Soviet Socialist Republics and the United States of America had been appointed to replace, respectively, nationals of Finland, Japan, the Union of Soviet Socialist Republics and the United States of America, which could hardly be called a change; it was just a continuation of the monopoly. There would have been a change if at least one national of a developing country had been appointed to one of those posts.

31. His delegation welcomed the progress made in promoting the status of women in the Secretariat, and noted that between 1 July 1986 and 3 June 1987 women had been appointed to posts subject to geographical distribution, and that three women had been appointed as Under-Secretaries-General since the beginning of the year. He was pleased to note that, in carrying out those policies, there was close co-operation between the Office of Human Resources Management and the Office of the Co-ordinator for the Improvement of the Status of Women, whose substantial contribution to the improvement of the status of women in the Secretariat was commendable.

AGENDA ITEM 119: JOINT INSPECTION UNIT; REPORTS OF THE JOINT INSPECTION UNIT (continued) (A/41/34, A/42/34; A/41/137, A/42/133; A/41/658, A/42/526; A/40/410 and Add.1, A/41/686; A/40/988 and Corr.1 and Add.1, A/41/639; A/41/121 and Add.1; A/41/201, 202, 304, 409; A/41/591 and Add.1; A/41/640, A/C.5/41/14; A/41/649 and Add.1; A/41/648, A/42/95, 672; A/41/806 and Corr.1, A/42/295, 673)

32. Mr. AHTISAARI (Under-Secretary-General for Administration and Management) said that the frank and constructive report submitted in 1987 by the Joint Inspection Unit (JIU) on its assessment of its activities, and the thought-provoking observations made by the Chairman of JIU in his statement of introduction to the item, had encouraged the Fifth Committee to discuss it in great depth. The Secretary-General welcomed that exercise and shared the view of the Unit and that of delegations which had addressed the question, that a more collegial approach to project preparation, by drawing more fully on the collective wisdom of the Inspectors, was a key element in the initiatives which had been proposed.

33. Although the work of JIU was brought into focus for Member States substantially through the issuance of its reports, that work intersected with that of the Secretariat on an ongoing basis in several ways, for example, through on-the-spot inquiries and investigations conducted directly by the Inspectors; the provision of information required for their studies; the preparation of comments on, or the verification and updating of data pertaining to, draft reports circulated by the Unit; the preparation of comments of the Secretary-General on



(Mr. Ahtisaari)

final reports; the development of modalities for implementation of agreed or approved recommendations; and the submission of reports on implementation to the Assembly. All the foregoing engaged the collaboration of a considerable number of officials at all levels in the Secretariat, including the most senior levels. He therefore wished to make some remarks from the perspective of the co-operative relationship which existed between the Unit and the Secretariat.

34. It had been the constant practice of the Secretariat to co-operate fully with the Unit and render all possible assistance to it in the conduct of its inquiries and studies, in accordance with article 6.2 of its Statute. Such co-operation was essential if the Unit was to carry out the functions required of it, and it was also necessary to ensure, to the greatest extent possible, the accuracy, timeliness and practicality of the resulting analyses and recommendations. In that connection, the Secretary-General could assure that such co-operation, at all levels of the Secretariat, would be maintained.

35. The Secretary-General also welcomed the proposal that the Unit's annual report to the General Assembly on its programme of work should be expanded to give more information about the areas of coverage and the intended benefit to the United Nations. Under article 9 of its Statute, the Unit, in preparing its annual programme of work, should take into account, inter alia, any suggestions received from the executive heads of the participating organizations. In the case of the United Nations, that provision allowed the Secretary-General to bring to the attention of the Unit specific issues on which the expertise of JIU would be valued. The Secretary-General shared the view expressed by several delegations that JIU should develop a more narrowly focused work programme. For his part, in order to emphasize selected issues of high importance, the Secretary-General intended to suggest to the Unit that it should concentrate its work programme on a small number of topics - perhaps only one or two - which were amenable to the formulation of concrete and practical analysis and recommendations.

36. At its recent session, the Administrative Committee on Co-ordination (ACC) had supported the suggestion that a more considered and co-ordinated approach should be adopted by the participating organizations in making proposals and, specifically, that ACC should suggest topics which were of a system-wide nature, or whose results might affect more than one organization.

37. Other areas bearing on the direct responsibility of the Secretary-General related to the submission of comments on the Unit's reports. In those comments, the Secretary-General clearly set out his views on those recommendations with which he found difficulty, in whole or in part, and those with which he agreed and which he intended to implement or was in the process of implementing. Two key purposes were served by the Secretary-General's comments. On the one hand, by providing a clear indication of his thinking and intentions regarding the Unit's analysis and recommendations on specific issues, they served as a guide to the General Assembly in its consideration of the reports and facilitated its decision on the recommendations. On the other hand, they were also the foundation for the

(Mr. Ahtisaari)

Secretary-General's reports on the status of implementation of the recommendations. In line with General Assembly resolutions 2924B (XXVII) and 32/199, the annual implementation reports of the Secretary-General had placed major emphasis on those recommendations that had not been implemented. It would appear, however, desirable to keep Member States more fully informed about the status of all recommendations, including those that were in the process of implementation; to that end, future reports could present a more complete outline than had been required thus far in relation to the recommendations.

38. The Secretariat activities described in the previous paragraphs could benefit from streamlining, so that Member States might receive the information in a digestible and timely manner, and so that staff resources devoted to those efforts might be employed in the most efficient way. The Secretary-General would be prepared to work closely with the Unit in those areas, while fully respecting its independence. He therefore welcomed the initiatives proposed by the Unit, which by qualitatively improving its work programme could make a significant contribution to the process of management improvement and of increasing the efficiency and effectiveness of the activities of the Organization.

39. Mr. UDHO (Kenya) said that his delegation wished to request that, in future reports on the implementation of recommendations, more complete information should be presented including not only the recommendations which were in the process of being implemented but also those which had already been implemented or would be implemented in future.

40. The CHAIRMAN said that the statement made by the representative of Kenya had been noted and would be communicated to the Secretariat and the Joint Inspection Unit.

AGENDA ITEM 115: PROPOSED PROGRAMME BUDGET FOR THE TRIENNium 1988-1989 (continued)

AGENDA ITEM 116: PROGRAMME PLANNING (continued)

AGENDA ITEM 41: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS: REPORT OF THE SECRETARY-GENERAL (continued)

AGENDA ITEM 43: CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS (continued)

General debate (A/42/3, 6 and Corr.1, 7 and Add.2, 16 (Part I) and Add.1 and A/42/16 (Part II), 214, 225 and Add.1, 234 and Corr.1, 283, 512, 532 and 640; A/C.5/42/2/Rev.1)

41. Ms. BÖGARDE (Sweden), speaking on behalf of the Nordic countries, said that as a fundamental prerequisite for a successful programme planning system, Member States must fulfil their financial obligations to the Organization. The role and prerogatives of the Secretary-General as the chief administrative officer of the United Nations were other important elements to bear in mind. In that connection, the Secretary-General was to be commended on his initiative to engage Member States in dialogue on the future activities of the Organization.

(Ms. Bögårde, Sweden)

42. The Nordic delegations believed that the United Nations would benefit from having the next medium-term plan begin at the end, rather than the middle, of the current transitional period. They concurred with the conclusions of the Committee for Programme and Co-ordination (CPC) that the medium-term plan should be extended for another two years and urged active participation by all parties in the consultations. The Nordic countries also agreed with the qualifications proposed in paragraph 100 of the CPC report (A/42/16 (Part II)) and favoured the idea of the subsequent medium-term plan covering a four-year period.

43. The Nordic countries agreed with the broad priority areas outlined by the Secretary-General in "Some perspectives on the work of the United Nations in the 1990s" (document A/42/512, Enclosure). Setting priorities in more specific terms was more difficult, and input from the Main Committees of the General Assembly could be helpful. As the new medium-term plan would not be approved until 1990, wider consultations on priorities could take place over the coming year.

44. The Nordic countries shared the Secretary-General's doubts about the criterion that in the future, the United Nations should limit its activities to what it did best. The lack of positive and conclusive results in some United Nations activities did not mean that those endeavours were meaningless or of no consequence. All too often, disappointing results were due to a lack of commitment by Member States. On the other hand, the new criterion suggested by the Secretary-General, that "the objective sought was of a nature that multilateral action was demonstrably important to its achievement", deserved support. The relevance of that criterion was demonstrated by the addition of entirely new fields of activity for the United Nations in recent decades. Because of the ever-increasing interdependence of States, it would be felt even more strongly in the future. Global problems, such as environmental degradation, mass poverty, the struggle against AIDS and drug abuse, and the situation of refugees, needed a multilateral solution.

45. Mr. Murray (Trinidad and Tobago) took the Chair.

46. Mr. GITSOV (Bulgaria) said that his delegation welcomed the innovations in the new proposed programme budget and had noted the Advisory Committee's observation on the few changes made in the format of the proposals (document A/42/7, para. 4). Implementation of the Advisory Committee's recommendations would improve the budget presentation. In particular, outputs in future budget submissions should be accompanied, whenever possible, by an indication of the amount and source of financing. Such clarity would be of help in deciding which activities would not be implemented if budgetary and extrabudgetary resources did not materialize. Moreover, if activities were postponed, the information would show which postponements were due to financial constraints and which to a dearth of extrabudgetary resources.

47. Concerning the programme aspects of the budget presentation, his delegation supported the recommendation made by CPC in paragraph 37 of its report (document A/42/16 (Part I)). The overall level of the budget for the biennium 1988-1989, including all additional expenditures, should not exceed the level of the 1986-1987

(Mr. Gitsov, Bulgaria)

budget. If the recommendations of ACABQ and CPC were followed, further savings and more efficient deployment of resources could be realized. His delegation supported the Advisory Committee's recommendation to delete \$10 million from the initial 1988-89 estimates, and to adjust the turnover deduction of 2.5 per cent, thus bringing about a further net reduction of \$26.7 million in the budget. It was disturbed, however, that the lower budget estimates for personnel costs were being achieved largely by means of the current recruitment freeze. It also supported the CPC recommendation to reduce administrative and support costs so that maximum resources could be devoted to substantive activities.

48. The Advisory Committee's recommendations in document A/42/640 constituted a sound basis for resolving the intricate question of the contingency fund. In that connection, he shared the Advisory Committee's view that a set of procedures for the fund should be in place before it went into operation. The budget proposals should indicate how programmes of lowest priority could be modified, reduced or deferred, if necessary. That was the procedure followed for statements of programme budget implications and revised estimates. In the event of additional requirements exceeding the contingency fund, that procedure would make it possible to scale down or defer not only programmes and activities proposed by the Main Committees, but also programmes and activities of the lowest priority appearing in the initial budget proposals.

49. He shared the view of the Chairman of the Advisory Committee that there was an urgent need to solve the problem of additional expenditures arising from inflation and currency fluctuations. The Secretary-General's proposals for the establishment of a special reserve and budgeting in several currencies were worth considering. Any such reserve, however, once established, must not turn into another device for raising the assessments of Member States. The reserve must be kept level and in overall balance by offsetting increases in expenditures due to inflation and currency fluctuations in some years, against decreases in other years. If increases in expenditure over certain periods were much larger than decreases, economy measures should be introduced, and the reserve could be replenished with the savings realized. As the Soviet delegation had suggested, interest earned on United Nations assets and voluntary contributions by certain States could also be credited to the reserve. The establishment of a system which encouraged prompt payment of assessed contributions, thereby reducing losses due to inflation, would also help to maintain the reserve balance.

50. Mr. GOUDIMA (Ukrainian Soviet Socialist Republic) said that the document entitled "Some perspectives on the work of the United Nations in the 1990s" (A/42/512, Enclosure) merited general support and should be carefully studied. The United Nations would be able to operate efficiently only if all States Members respected the Charter and fulfilled their financial obligations. The Ukrainian SSR had already contributed \$3,150,000 to the regular budget and was considering the possibility of helping to eliminate the budget deficit in regard to peace-keeping forces.

(Mr. Goudima, Ukrainian SSR)

51. His delegation's position on the proposed programme budget for 1988-1989, had been expressed in the joint statement made at a previous meeting by the representative of Hungary on behalf of the socialist countries. In that connection, he reiterated his delegation's support for the Advisory Committee's recommendations that certain unjustifiably high expenditures should be limited, particularly in respect of staff costs, the recruitment of consultants, official travel, printing and the rental of premises, and welcomed the Advisory Committee's decision to study the problem of additional expenditures, especially those arising from inflation and currency fluctuations. The problem was one of grave concern to the Ukrainian SSR, which hoped that the results of the study would be submitted to the General Assembly at its next session.

52. Mr. Bhakta JOSHI (Nepal) said that the Secretary-General's budget proposal was pragmatic and realistic. Unfortunately, the danger of the Organization's being paralysed for lack of funds persisted, because certain countries were failing to pay their assessed contributions. It was to be hoped that all Member States would respect their Charter obligations and clear their outstanding arrears as soon as possible. He expressed his delegation's satisfaction at the decision of the Government of the Union of Soviet Socialist Republics in that connection, and the Government of Japan's special contribution of \$20 million.

53. The level of the proposed programme budget was approximately \$30 million below the appropriations for the current biennium. That was an important achievement. The Advisory Committee had recommended further reductions totalling \$51.4 million, which would need further examination, particularly if it was borne in mind that the Committee for Programme and Co-ordination had not yet reached agreement on the overall level of resources or on the practical details of the contingency fund.

54. The budget estimate incorporated some new elements, such as the inclusion of activities of a perennial nature, and reduced estimates for official travel, consultants and printing were commendable. In addition, in accordance with the provisions of General Assembly resolution 41/213, steps were being taken to reduce the number of staff. His delegation looked forward with interest to the results of the vacancy management and staff redeployment schemes. It concurred with the Advisory Committee's recommendations on introducing increased office automation and adequate training facilities for staff to make up for the retrenchment. It also welcomed the priority accorded to the economic recovery of Africa and the advancement of women, but hoped that that did not mean that other priority areas had been lost sight of, such as the problems facing the least developed countries and those of the geographically disadvantaged countries.

55. Mr. DIABY (Senegal) enumerated the principles which, in his delegation's view, were fundamental to making the Organization's administrative and financial machinery more dynamic: the primary role of the General Assembly, the obligation of all Member States to fulfil their financial commitments to the Organization, and absolute respect for the Charter. In adopting resolution 41/213, Member States had given proof of their deep attachment to the United Nations as an irreplaceable tool of international co-operation. It was heartening to note that, in the proposed

(Mr. Diaby, Senegal)

programme budget for the biennium 1988-1989, the Secretary-General had applied the principles of that resolution and proposed a reduction of 1.8 per cent, reflecting its policy of austerity and reform. His delegation supported the Secretary-General's budget proposals in so far as they corresponded to the new administrative and financial procedures decided upon by the Organization. Nevertheless, it considered that such austerity must not be allowed to impede efforts to achieve the Organization's noble objectives of development and peace. In order to end the Organization's permanent situation of financial instability, Member States must fulfil unconditionally their obligations under the Charter. Senegal would continue to do so, as it had in the past.

56. Mr. AMORIN (Uruguay) said that the review of the efficiency of the administrative and financial functioning of the United Nations and the Organization's current financial crisis had given rise to contradictions, since the crisis had made it necessary to take steps that were contrary to the very principles of efficiency and sound management on which the reform process outlined in General Assembly resolution 41/213 was based. Those transitional measures must not be allowed to set a precedent and should not be taken into account in future budget proposals and medium-term plans. In order to eliminate those contradictions and face the problems of administrative efficiency in a rational manner, the financial crisis must first be solved, and that could be done only if Member States honoured their obligations under article 19 of the Charter, with respect to both the regular budget and the financing of peace-keeping forces. The Organization's financial crisis was due to the withholding of assessed contributions for political reasons. Those reasons could not be an excuse for a State's defaulting on its international obligations.

57. It must not be forgotten that the aim of the reform process based on Assembly resolution 41/213 was to improve the functioning of the Organization so that it could fulfil its purposes effectively and meet the needs of Member States. The reform process, particularly in the economic and social fields, could not be separated from earlier processes designed to strengthen the Organization's structure, such as the reforms that had been instituted in implementation of Assembly resolution 32/197.

58. The expansion of the functions of the Committee for Programme and Co-ordination (CPC) provided for in Assembly resolution 41/213 would require an increase in the Committee's membership in accordance with the principle of equitable geographical distribution. The role of CPC in setting priorities would also need to be expanded, since it was in that body that the consultation process, subsequently completed with the participation of the Fifth Committee, was begun.

59. His delegation concurred in the point that had been made by others that the budget for the biennium 1988-1989 was transitional, and that its reduction as compared with the budget for the preceding biennium did not create a precedent because it was the result of the emergency measures that had been applied. Obviously new needs would arise which would necessitate an expansion of the Organization's activities. Effective management and good administration did not necessarily mean a zero-growth budget. His delegation shared the doubts expressed

(Mr. Amorin, Uruguay)

by a number of others regarding the operation of the contingency fund and considered that any decision on that matter should be taken in the light of the experience gained in the current year with regard to priority setting.

60. Mr. AMNEUS (Sweden) resumed the Chair.

61. Mr. FIGUEIRA (Brazil) said that the Committee for Programme and Co-ordination (CPC), which had formerly focused most of its attention on programmatic questions, would in future have to display still more openness and flexibility in order to meet the expectations of Member States and perform its responsibilities as a subsidiary body of the General Assembly for specific budgetary matters. The traditional practice of CPC of reaching decisions by consensus should be continued, in order to avoid stalemate and the consequent transmittal of questions to the General Assembly without the necessary conclusions and recommendations. Dissenting views should be presented to the General Assembly, a practice which had been recommended in General Assembly resolution 41/213 but which CPC had not observed at its last session.

62. CPC was probably one of the few committees which would have to extend the length of its sessions. The time had come, in the light of the provisions of the annex to General Assembly resolution 32/197, for CPC to review its terms of reference. He urged CPC, in carrying out such a review, to make recommendations for a flexible pattern of meetings covering both semesters of the year. That would enable it to participate fully in any modification of programmes and activities, under the terms of paragraph 9 of annex I to resolution 41/213.

63. Secondly, a comprehensive review should be made of the regulations governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, approved in resolution 37/234, to make them an effective and practical instrument for planning, programming, and budgeting. The Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations, while recognizing, in paragraphs 61 and 63 of its report (A/41/49), the shortcomings of the current process for setting priorities, proposed in its recommendation 68 that "the existing rules and regulations pertaining to the setting of priorities should be strictly applied by the intergovernmental bodies concerned and by the Secretariat". That was a contradiction which had to be removed in order to facilitate agreement among Member States on the content and level of the programme budget. In that connection, he welcomed the more assertive position taken by CPC in paragraph 74 of its report (A/42/16 (Part II)), with which his delegation fully agreed.

64. His delegation thought it desirable that submission of the outline of the programme budget, as provided for in General Assembly resolution 41/213, should take place well in advance of the regular sessions of CPC and the Advisory Committee. It was to be hoped that the outline would be submitted by 15 April at the latest, as proposed. His delegation had no objection to the date of 31 October for final approval of the recommendations of CPC by the General Assembly, although that deadline might not be met in 1988 owing to the Fifth Committee's lack of

(Mr. Figueira, Brazil)

experience in dealing with such an outline. It therefore concurred with the recommendation by CPC in paragraphs 312 to 314 of its report (A/42/16 (Part I)). With respect to the indication of priorities in the outline, Member States needed to receive a list of alternatives to allow them to select the priorities to be observed in any given biennium.

65. The proposals on the current and forthcoming medium-term plans had to be seen in the light of the differing views expressed in documents A/42/512 and A/42/532. His delegation agreed with paragraph 4 of the latter document that there would appear to be no need to amend the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation so as to reflect the essence of paragraph 3 (c) of section II of General Assembly resolution 41/213, relating to the consultations in a systematic way with sectoral, technical, regional and central bodies in the United Nations. Consequently, there would be no need to change the procedures adopted in resolution 37/234 with regard to consultation with intergovernmental bodies. Such consultations would not have to be postponed as a consequence of the approval of General Assembly resolution 41/213. However, as the process of consultations had been interrupted, there was no alternative but to agree with the conditions recommended by CPC in paragraphs 100 and 102 of its report (A/42/16 (Part II)), should the General Assembly decide to approve the proposal for an extension of the current medium-term plan to cover 1990 and 1991 as well.

66. His delegation thought it important that the recommendation for the next medium-term plan to cover a four-year period instead of six years should be considered carefully in the light of the situation in other organizations and specialized agencies, so as to seek the necessary harmonization of programmes. It also wished to know how many specialized agencies had medium-term plans, how long they lasted and which years they covered. Such information would be useful for adopting a well-founded decision on the matter.

67. Mr. SINGH (Fiji) said that the current financial crisis of the United Nations meant that any consideration of the four items currently before the Committee could only be academic, since there was no certainty what level of resources would be available.

68. In his address to the Committee, the Secretary-General had pointed out that only 16 Member States had paid their full 1987 assessments in January. Happily, Fiji had been one of them. By the middle of October, only 69 of the 159 Member States had paid their assessed contributions to the regular budget for 1987 in full. In other words, only \$473 million had been paid of the \$756 million due for 1987. To the shortfall resulting from the difference between those two figures, there had to be added arrears for the years prior to 1987 amounting to \$189 million, of which one Member State alone owed \$140 million. Assessed contributions were almost negligible in the context of national budgets. The financial traumas of the Organization were not therefore being caused by inability to pay, but rather by a deliberate withholding of contributions, often because of a lack of political will.



(Mr. Singh, Fiji)

69. No Member State had the right to demand the inclusion or execution of programmes or to continue enjoying the benefits of membership of the Organization if it did not meet its full obligations under the Charter. No Member State should criticize the Organization if it wilfully added to the financial crisis by withholding payment of its assessed contribution.

70. His delegation welcomed the announcement by the Union of Soviet Socialist Republics that it would pay its arrears, including those in respect of peace-keeping operations. It also applauded the Government of Japan for making an additional voluntary contribution of \$20 million. But while those payments might help to mitigate short-term cash flow problems, uncertainty would continue unless Member States met their assessed contributions in full and in good time, since delays in payment were another factor that seriously affected the functioning of the United Nations. Those Member States whose fiscal year did not coincide with that of the United Nations might perhaps make advance provision in their budgets for their assessed contributions so as to eliminate delays in their payments.

71. It was well known that, even before the report of the Group of High-level Intergovernmental Experts, the Secretary-General had been forced to take emergency measures to keep the Organization solvent. His delegation believed that some of those measures could not continue if the Organization was to fulfil its mandate, on the one hand, and yet function with an efficient administrative and financial structure on the other. Deferring maintenance on premises and equipment did enable the Organization to save money but might prove to be a false economy in the longer term.

72. The same could be said about measures affecting personnel. Continuing to withhold payment of staff salaries and allowances would have deleterious repercussions on the operations of the Organization and an unregulated freeze on recruitment would seriously affect the delivery of programmes. Although his delegation had in the past criticized the high levels of remuneration, allowances and pensions in the Organization, and would do so again if circumstances so required, it currently took the view that in order to restore staff morale and ensure their efficient operation, they must be given their just and rightful reward, within the prescribed parameters. In the final analysis, it was the commitment of the staff to their duties that determined the success of the Organization's programme.

73. There were many other areas where economies could be effected, such as in the volume of documentation. The agenda of the General Assembly might also be seriously examined to see if the number of items could not be halved without any adverse effect.

74. His delegation considered that the Secretary-General had done a commendable job in reducing the proposed programme budget by 1.5 per cent in real terms compared with the revised budget for the current biennium. But it reiterated that greater economies could be achieved if rationalization measures were adopted in the areas mentioned previously. In addition, the Secretary-General's task would be

(Mr. Singh, Fiji)

much easier if he received more co-operation from Member States, inter alia, through a reduction in the number of resolutions adopted by the General Assembly.

75. The proposed programme budget for 1988-1989 had been described as transitional, perhaps for two reasons. First, because of financial uncertainty, its total could well be subject to drastic change either before it was approved or soon afterwards, once it was known exactly what resources were forthcoming. Secondly, it was not possible to forecast what structure would result when more of the recommendations of the Group of High-level Intergovernmental Experts and the provisions of General Assembly resolution 41/213 were implemented.

76. Those considerations notwithstanding, his delegation took the view that the proposed programme budget could have provided more guidance about its future direction. For example, there seemed to be no clear linkage between the budget and the reform process. His delegation hoped that the Administration would be able to provide a better and clearer picture in the near future.

77. As its name indicated, the Advisory Committee on Administrative and Budgetary Questions had a fundamental role to play because it provided useful and often incisive views on the budget. For that reason, his delegation urged Member States, when considering and approving the budget, not to ignore that Committee's recommendations, as had happened in 1985.

The meeting rose at 6.10 p.m.