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SUMMARY RECORD OF THE 39th MEETING

Chairman: Mr. TEIRLINCK (Belgium)

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

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The meeting was called to order at 10.25 a.m.

ORGANIZATION OF WORK (A/C.5/49/L.33)

1. The CHAIRMAN drew Committee members' attention to document A/C.5/49/L.33 on the status of documentation of the Fifth Committee. During the resumed forty-ninth session, the Committee would focus, in particular, on the financing of peace-keeping activities. In addition, it must take a decision under agenda item 105, on important documents submitted during the first part of the session and, under agenda item 108, on revisions proposed by the Secretary-General to a number of programmes of the medium-term plan for the period 1992-1997. He noted that agenda item 109, entitled "Improving the financial situation of the United Nations", had been omitted from the programme of work pending consideration of the question by the High-level Open-ended Working Group on the Financial Situation of the United Nations under agenda item 10. Agenda item 106 had also been omitted.

2. Questions referring to the programme budget for the biennium 1994-1995 would be considered when the relevant reports of the Advisory Committee were available. In the interest of time, some of those questions, including workload standards for conference-servicing staff (A/C.5/48/67), the abolition of 19 posts in the Office of Conference Services (A/C.5/48/73), publications policy of the United Nations (A/C.5/48/10), office accommodation in Geneva (A/C.5/48/29), construction of additional conference facilities at Addis Ababa and Bangkok (A/C.5/48/30 and A/C.5/49/9), staff assessment and the Tax Equalization Fund (A/48/932), and procedures and norms for the creation, suppression, reclassification, conversion and redeployment of posts (A/49/339 and Corr.1), could be considered with the proposed programme budget for the biennium 1996-1997.

3. Mr. BOIN (France), speaking on behalf of the European Union, referred to a letter from the Permanent Mission of France, on behalf of the European Union, addressed to the Chairman of the Fifth Committee concerning priorities in the programme of work of the resumed session. The European Union believed that the question of the publications policy of the United Nations should be considered during the current resumed session.

4. The CHAIRMAN said that the remarks made by the French representative would be taken into account.

5. Mr. STITT (United Kingdom) said that his delegation disagreed substantially with a number of the points made by the Chairman.

6. Mr. SHARP (Australia) supported the French comments.

7. Ms. PEÑA (Mexico) asked the Secretariat why the financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in Rwanda had been included under agenda item 107. In her delegation's view, the question should be accorded the same treatment as that of the financing of the International

Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991, which was a separate agenda item.

8. Mr. TAKASU (Controller) said that preparations for the International Tribunal for Rwanda were being made under the arrangement for unforeseen and extraordinary expenses pending submission of a cost estimate by the Secretary-General. The International Tribunal for Rwanda could not be included as a separate item unless the General Assembly took action to that effect on the basis of a recommendation by the General Committee.

9. Ms. PEÑA (Mexico) requested information on the precise date on which the report on the International Tribunal would be issued. She wondered whether the Secretariat should request the General Committee to include a separate agenda item on the matter.

10. The CHAIRMAN said that the Fifth Committee could decide whether or not to submit such a request.

11. Ms. BUERGO (Cuba) supported the remarks made by the representative of Mexico and said that the Fifth Committee should request the General Committee to include the International Tribunal for Rwanda under a separate item.

12. Mr. AMARI (Tunisia) said that the Controller's explanation was eminently clear. Any request for inclusion of a separate item should be submitted not by the Fifth Committee but rather by an interested State or group of States.

13. Mr. STITT (United Kingdom) agreed with the Tunisian representative that it was not the responsibility of the Fifth Committee to submit such a request. His delegation would be prepared to address the question of the financing of the International Tribunal as soon as the Secretariat submitted a budget. Which agenda item it was discussed under was of little importance. He wondered whether an informal meeting of delegations could be held in order to identify priorities in the programme of work, a procedure which had been initiated by the Chairman during the first part of the session. His delegation also believed that the publications policy and a number of other questions which the Chairman had proposed deferring until consideration of the proposed programme budget for the biennium 1996-1997 should be addressed during the current resumed session.

14. The CHAIRMAN said that the comments made by the representative of the United Kingdom would be taken into account.

15. Mr. DJACTA (Algeria) said that, while he understood the concern expressed by the Mexican representative, he agreed with the procedure suggested by the representative of Tunisia.

16. Mr. HANSON (Canada) agreed with the statements made by the representatives of the United Kingdom, Tunisia and Algeria. The question of the financing of the International Tribunal for Rwanda should be addressed as expeditiously as possible, even if, in the immediate term, it could not be considered under a separate agenda item.

17. Ms. PEÑA (Mexico) asked which State had requested inclusion of the International Tribunal for Yugoslavia as a separate agenda item.

18. The CHAIRMAN said that the Secretariat would provide that information at a later stage.

19. Mr. MADDENS (Belgium), speaking as coordinator for agenda item 132, pointed out that a number of informal meetings would be necessary in order to complete consideration of documents A/49/945 and A/49/664. He hoped that the report requested in General Assembly resolution 49/233 could be discussed during the second part of the resumed session.

20. Ms. BUERGO (Cuba) said that her delegation, too, was looking forward to receiving a reply to the question asked by the Mexican representative. Her delegation also believed that agenda item 109 should be included in the Committee's programme of work since the report of the High-level Working Group which was considering the question was to be submitted to the General Assembly through the Fifth Committee.

21. The CHAIRMAN said that the Fifth Committee could not address the question as long as it was being considered by the Working Group under agenda item 10. The General Assembly would decide whether the item should be reallocated to the Fifth Committee or eliminated from its programme of work.

22. Mr. GOUMENNY (Ukraine) said that, in accordance with General Assembly decision 49/470, item 132 (b) was to be dealt with during the resumed session and a decision taken on it. Appropriate arrangements should therefore be made to include it in the programme of work.

23. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) said that agenda item 132 (b) concerning the assessments of Belarus and Ukraine would be considered by a working group established for that purpose. In any case, the Committee would consider the matter during the second part of its resumed forty-ninth session.

24. Mr. GOUMENNY (Ukraine) welcomed the explanation provided by the Secretary, and asked whether the working group would also consider related issues regarding States such as Slovakia and the Czech Republic.

25. Mr. DJACTA (Algeria), Rapporteur, said that, in the consultations that had so far been held, the working group had reached a decision only in respect of Belarus and Ukraine.

26. Mr. STITT (United Kingdom) said that his delegation had not been aware that any such working group had been set up during the first part of the session of the forty-ninth session of the General Assembly, although he knew that such a group had existed during the forty-eighth session. He would welcome any clarification that the Bureau could provide on that matter.

27. Ms. PEÑA (Mexico) said that her delegation strongly felt that, although item 109 was being discussed in the plenary Assembly, it should not be omitted

from the agenda of the Fifth Committee without an express decision of the Committee. She therefore suggested that it should be added to the list of items to be discussed at the second part of the resumed forty-ninth session (annex II of document A/C.5/49/L.33).

28. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) said that item 109 had been omitted from the list for the time being, in order to prevent any overlap between the work of the Committee and that of the working group created by the General Assembly to examine the financial situation of the United Nations. The conclusions of the working group would in due course be considered by the Fifth Committee, and a decision could then be made as to whether item 109 should be considered further in the Committee. It could indeed be added to the list of items to be discussed at the second part of the resumed forty-ninth session.

29. The CHAIRMAN said he would take it that the Committee wished to adopt the programme of work, subject to the various suggestions which had been made during the discussion.

30. It was so decided.

AGENDA ITEM 124: FINANCING OF THE UNITED NATIONS OPERATION IN MOZAMBIQUE (continued) (A/49/649/Add.2 and A/49/849)

31. Mr. TAKASU (Controller), introducing the Secretary-General’s reports on the revised cost estimate for the United Nations Operation in Mozambique (ONUMOZ) for the period 16 November 1994 to 31 January 1995, on the financial performance of ONUMOZ for the period from 1 November 1993 to 30 April 1994, and on the disposal of ONUMOZ assets and liabilities (A/49/649 and Add.1 and 2), noted that the political mandate of ONUMOZ had been successfully completed.

32. He recalled that the General Assembly had authorized the Secretary-General to enter into commitments of up to $25 million, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, for the liquidation of ONUMOZ during the period 16 November 1994 to 31 January 1995, and had requested revised cost estimates related to the liquidation of the Operation on the basis of the most up-to-date detailed performance report. The concurrence of the Advisory Committee for that amount had been obtained on 23 November 1994.

33. Referring to document A/49/649/Add.1, he drew attention to the unutilized balance of about $4.4 million, which reflected a net saving. Unutilized resources totalling $18.2 million had been partly offset by additional requirements under costs for military personnel, supplies and services, public information programmes and air and surface freight.

34. He regretted that it had not been possible to produce, within the usual three-month period, a performance report for the period from 1 May to 15 November 1994. That report, along with several others, would be provided in June or July 1995.

35. The largest cost overrun for the mandate period related to an additional requirement of $18 million in respect of contingent-owned equipment. The original assessment of the requirement had been very approximate, due to the lack of an in survey report at the time of the preparation of the cost estimate. Progress payments totalling $13.1 million had so far been made to Member States.

36. The revised cost estimate for the period 16 November 1994 to 31 January 1995 given in document A/49/649 was $49.6 million net. Since the estimate had been made, it had become apparent that the amounts for rental of premises and air operations could be further reduced, resulting in a saving of $4.3 million. As the Secretary-General had reported to the Security Council, a small number of United Nations officials were still needed in Mozambique for one or two months after 31 January to provide logistic support for the completion of the liquidation process. The amount required for that purpose was $2.5 million net. Detailed information on the estimated workload requirements would be provided during the Committee's informal consultations. The final figure for the cost estimate, as contained in annex 1 of the Advisory Committee's report, was $47.8 million.

37. He drew attention to paragraph 2 of document A/49/649/Add.2, which described the priorities to be applied in disposing of equipment. There was, however, one departure from those priorities. Mine-clearance equipment would be donated to the Government of Mozambique.

38. Of a total inventory value of approximately $31.5 million, the greater part ($27.3 million) would be transferred to other peace-keeping missions or shipped to Brindisi, Italy, for storage and future use. The remainder ($4.2 million) would be sold to United Nations Development Programme projects, sold commercially in Mozambique, or donated to the Government of Mozambique.

39. The question of accounting for the residual value of assets to be transferred to other United Nations missions was quite cumbersome. In the case of ONUMOZ, the Fifth Committee had decided, contrary to previous practice, that receiving missions should be charged for the residual value of the transferred assets. Although that procedure would eventually result in a credit to ONUMOZ, it would be necessary, when the receiving mission could not be identified immediately, to keep the Mozambique account open until the final destination of the equipment was known. That issue would be addressed in a more general report on the disposition of assets to be issued at a later stage.

40. As at 21 February 1995, total outstanding assessments of over $62.8 million were due from Member States. Amounts due to troop-contributing countries for November and December 1994 totalled $6.3 million. Regarding contingent-owned equipment, progress payments of $13.1 million had been made in November 1994, out of $23.3 million outstanding at that time.

41. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on the financing of the United Nations Operation in Mozambique (A/49/849), drew attention to paragraph 4, in which the Advisory Committee indicated that it had been unable to provide a report to the General Assembly by 15 January 1995, as

requested. The delay had enabled the Advisory Committee to submit a report based on much more accurate information, leading to recommendations which were much more realistic. A further revision of the estimates for the period from 16 November 1994 to 31 January 1995 had been carried out.

42. In its report the Advisory Committee referred to a number of the factors which had affected its examination of the estimates, such as the performance reports both for the period 1 November 1993 to 30 April 1994 and for the period 1 May 1994 to 16 November 1994, and the need for the most up-to-date information covering the period from 16 November 1994 to the time when the Advisory Committee had taken up the estimates. Those problems were not unique to ONUMOZ; similar observations had appeared in other reports of the Advisory Committee. He recalled that the question of the timing and content of performance reports would be taken up again in the context of the implementation of General Assembly resolution 49/223 on the financing of peace-keeping operations.

43. The Advisory Committee's observations on the performance report were contained in paragraphs 8 to 13. He stressed the continued need to improve the format and content of performance reports, not only for ONUMOZ but for other peace-keeping operations as well. The wide variations in items of expenditure in the performance report also indicated a need to improve techniques for estimating and reporting expenditures.

44. Contingent-owned equipment, dealt with in paragraph 11, was a long-standing problem. The Controller had indicated that the estimated value of such equipment had not been fully known to the Secretariat when the estimates had been prepared; in view of the wide variation from the original estimate of $3 million, the Advisory Committee had hoped that an additional explanation would have been included in the report of the Secretary-General, and had made a further comment in that regard in paragraph 18.

45. The revised cost estimates for ONUMOZ were considered in paragraphs 14 to 19, along with the factors contributing to the Advisory Committee's recommendation of an appropriation of $40 million gross for the final stage of the Operation. As indicated in paragraph 19, the Secretary-General could always present to the General Assembly the case for any additional amount not recommended for appropriation and assessment by the Advisory Committee. The assessment on Member States would take into account the $4.5 million in unencumbered resources for the period 1 November 1993 to 30 April 1994.

46. The situation with regard to the disposition of assets of ONUMOZ and other missions had become more complicated and involved in recent years. In the past, the Advisory Committee had adopted the position that Member States should not be assessed twice, and then reimbursed some six or seven years later. In taking a decision on the matter the Fifth Committee should be guided by its past practice. He referred in that connection to the provisions of General Assembly resolutions 48/240 B, paragraph 10, and 48/243, paragraph 16, which called for all mission assets to be transferred to other peace-keeping missions whenever it was possible and cost-effective to do so. In his report on the financing of the Mission for the Verification of Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala

(MINUGUA) (A/C.5/49/29), the Secretary-General had proposed the transfer to MINUGUA of assets from ONUSAL valued at $2,655,500 and had recommended that that amount be charged to MINUGUA. The Advisory Committee had drawn the contradiction to the attention of the Fifth Committee, and proposed two options: if the General Assembly accepted that the approximately $2,655,500 in transferred equipment could be charged to the MINUGUA budget, then the additional appropriation required would be $12,725,100; otherwise, the additional appropriation would be $10,069,600. In its decision on MINUGUA, the General Assembly had not assessed the additional $2 million in equipment; yet in the case of ONUMOZ it was implied in General Assembly resolution 48/240 B that the cost of such assets should be borne by the receiving mission. The members of the Committee should be aware of the contradictory decisions that had been taken on the matter, and advised the Fifth Committee to await the Secretary-General's comprehensive report to be submitted in accordance with General Assembly resolution 49/223 on the administration and financing of peace-keeping operations. Paragraph 26 of the Advisory Committee's report also referred to the "unnecessarily cumbersome" procedures proposed for accounting for the residual value of transferred assets.

47. In paragraphs 27 to 29 the Advisory Committee presented its observations on the assets valued at $2.1 million to be transferred to the mine-clearance programme in Mozambique. The observations stemmed from conflicting replies received from the Secretariat, making it unclear whether the $2.1 million represented equipment purchased for that programme from the $11.1 million appropriated under the ONUMOZ budget for that purpose. The Advisory Committee was in no way opposed to such a transfer, as the mine-clearance programme was very important, but it was for the General Assembly to decide whether all or part of the equipment was to be left in Mozambique as proposed by the Secretary-General. In its report contained in document A/49/664, the Advisory Committee had recommended that the General Assembly should approve the granting to host Governments of assets remaining after the liquidation of peace-keeping operations.

48. Mr. BOIN (France), speaking on behalf of the European Union, said that although ONUMOZ had been an unqualified political success, the Operation had been beset by a number of administrative and budgetary problems, particularly with respect to the submission of performance reports. The conditions governing the liquidation of peace-keeping operations were of critical importance, owing to the large amounts of money involved and the impact they could have on the image of the United Nations. It was therefore regrettable that the final performance report for the United Nations Transitional Authority in Cambodia (UNTAC) had not been available in time to allow the Committee to benefit from the experience gained in the liquidation of that operation.

49. It was also regrettable that the performance report for ONUMOZ for the period immediately preceding liquidation (1 May to 15 November 1994) was not available, particularly in view of the insufficient explanations provided for the increase of $18 million for contingent-owned equipment. The European Union took the view that when a commitment authority was granted to the Secretary-General, the financial resources required should be assessed on Member States. Member States had to be able to approve appeals for contributions to finance the

liquidation phase of ONUMOZ. The European Union therefore reluctantly endorsed the Advisory Committee's recommendation to assess the amounts necessary to finance the liquidation phase, despite the shortcomings mentioned with regard to performance reports.

50. Those shortcomings were not unique to ONUMOZ, and served to underline the importance of streamlining the budgetary review process for peace-keeping operations. The European Union would follow closely the implementation of reforms intended to make that process simpler and more transparent, and to lighten the workloads of the Secretariat and the General Assembly.

51. With regard to the disposition of ONUMOZ assets, the reports should also indicate the residual value of the assets, since that was the value that was relevant when assets were sold or transferred to other operations. It would also be useful to indicate the nature and amounts of the liabilities of the operation being liquidated, whether amounts owed to troop-contributing countries or commercial debts. It would be especially useful to have a real financial balance sheet for the operation, specifying assets and liabilities, at the end of the mandate period.

52. With regard to assessments on Member States, the European Union also wished to express its concern that more than $63 million remained outstanding as at 30 January 1995. It appealed to those Member States that had not yet paid their contributions to do so; the payment of assessed contributions by all Member States was not only a Charter obligation but also a vital precondition for the closing of the accounts.

53. The successful conclusion of ONUMOZ had been a credit to the United Nations. In that context, the European Union's comments concerning the liquidation of ONUMOZ were intended solely to make existing procedures clearer and more transparent, thus enhancing the image of the Organization.

54. Mr. GOKHALE (India) said that his delegation wished to associate itself with several of the remarks made by the delegation of France on behalf of the European Union, especially those concerning the administrative and budgetary shortcomings that had arisen in connection with ONUMOZ, and the liquidation of assets.

55. In his delegation's view, it was the Secretariat's responsibility to close all the accounts and see to it that all debts due either to Member States or to commercial vendors were paid. With regard to reimbursement for contingent-owned equipment, he said that while there was no money in the ONUMOZ account for that purpose owing to the late payment or non-payment of assessments, claims for reimbursement were not being processed by the Secretariat which claimed it could not do so due to lack of personnel. That pretext was not acceptable, and the Secretariat must find a way to deploy sufficient staff to process such claims. His delegation also joined that of France in appealing to Member States which were in arrears to pay their assessments so that countries that had contributed troops and equipment for ONUMOZ could be reimbursed.

AGENDA ITEM 17: APPOINTMENTS TO FILL VACANCIES IN SUBSIDIARY ORGANS AND OTHER APPOINTMENTS (continued)

(g) APPOINTMENT OF MEMBERS AND ALTERNATE MEMBERS OF THE UNITED NATIONS STAFF PENSION COMMITTEE (continued) (A/C.5/49/22/Add.1)

56. The CHAIRMAN reminded members that, at the 11th meeting, the Committee had decided to defer a decision on the appointment of members from the Group of Asian States and the Group of Latin American and Caribbean States for the two remaining vacancies on the Staff Pension Committee. He drew attention to document A/C.5/49/22/Add.1, in which the Secretary-General communicated to the General Assembly the names of two persons nominated by their respective Governments for appointment. He took it that the Committee wished to take a decision by acclamation to recommend the appointment of Mr. Vijay Gokhale (India) for the Group of Asian States and Mr. Carlos Dante Riva (Argentina) for the Group of Latin American and Caribbean States.

57. It was so decided.

58. The Committee decided to recommend the appointment of Mr. Gokhale (India) and Mr. Riva (Argentina) as members of the United Nations Staff Pension Committee for a three-year term, beginning on 1 January 1995.

The meeting rose at 12.15 p.m.