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FIFTH COMMITTEE

14th meeting

held on

Monday, 19 October 1981

at 10.30 a.m.

New York

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SUMMARY RECORD OF THE 14th MEETING

Chairman: Mr. GODFREY (New Zealand)

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

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The meeting was called to order at 10.45 a.m.

AGENDA ITEM 100: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983 (continued)

Administrative and financial implications of the draft resolution submitted in document A/36/L.3/Rev. 1 concerning agenda item 22 (A/C.5/36/18 and Add. 1)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) reminded the Committee that the International Conference on Kampuchea had decided to establish an Ad Hoc Committee entrusted with the tasks outlined in paragraph 2 of document A/C.5/36/18. In order to fulfill their mandate, the members of the Ad Hoc Committee would undertake missions. The Secretary-General estimated that the missions would give rise to expenditures in the amount of \$68,000 for the travel and subsistence of Committee members and the Secretariat staff who would accompany them. Moreover, the conference-servicing requirements for the sessions of the Ad Hoc Committee, estimated on a full-cost basis, would amount to \$344,000. That amount would be included in the consolidated statement of conference-servicing requirements to be submitted to the General Assembly towards the end of the session.

2. At present, the Secretary-General was requesting an additional appropriation of \$68,000 under section 1 to cover the costs of missions of the Ad Hoc Committee. The Advisory Committee recommended approval of that request.

3. Should draft resolution A/36/L.3/Rev. 1 be adopted by the General Assembly, the International Conference on Kampuchea would be reconvened, but the site of the next session of the Conference had not yet been selected. In that regard, the observations of the Committee on Conferences in paragraphs 2 and 3 of document A/C.5/36/18/Add.1 failed to shed light on the question of the Conference site. Consequently, the Secretary-General had estimated the conference-servicing requirements for each of the three cities where the Conference might be reconvened, namely: New York, \$448,000; Geneva, \$352,600; and Vienna, \$396,100. The Secretary-General indicated, in paragraph 15 of his statement, that the conference-servicing requirements would be reflected in the consolidated statement to be submitted towards the end of the session. It was hoped that the Secretariat would know the Conference site at that time.

4. As to the Secretariat costs if the Conference was reconvened at Geneva or Vienna (\$24,900 or \$28,600), the Secretary-General stated that they would be reported in the first budget performance report for the biennium 1982-1983. The Advisory Committee therefore considered that there was no need to appropriate at the thirty-sixth session additional funds to cover those costs.

5. Mr. GREN (Union of Soviet Socialist Republics), supported by Mr. GUBESI (Hungary), Mr. RAKAU (German Democratic Republic) and Mr. HAKIM (Afghanistan), said that his delegation regarded draft resolution A/36/L.3/Rev.1 as an attempt at flagrant interference in the internal affairs of a sovereign State, the People's Republic of Kampuchea, and as a further obstacle to the normalization of relations

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(M. Gren, USSR)

between the countries of Indo-China and the ASEAN countries, since its purpose of perpetuating the International Conference on Kampuchea and establishing an Ad Hoc Committee ran counter to efforts by all the peoples of South-East Asia to bring peace and stability to the region.

6. It must be quite clear that any decision on Kampuchea that was taken against the wishes of the Kampuchean people and in the absence of its representatives would be null and void. Moreover, those who had taken the initiative for such a conference did not conceal their purpose of overthrowing the legitimate representatives of the Kampuchean people and installing a regime that would leave the way open to hegemonistic and imperialist designs in South-East Asia. The so-called International Conference on Kampuchea, held in New York in July, had been designed to undermine peace and detente and to increase international tension. The Conference had been used solely for the purpose of launching slanderous attacks on the Kampuchean people, the Socialist Republic of Viet Nam and the USSR.

7. Co-operation among all the peoples of South-East Asia was the only way of settling problems on a regional basis, in a spirit of good-neighbourliness and peaceful coexistence, and free of any outside interference. Apart from the fact that the proposed Conference would impede normalization of the situation in South-East Asia, it might also infringe principles set forth in the United Nations Charter. His delegation was therefore opposed to charging to the regular budget of the United Nations the expenses incurred in organizing and holding such a conference. It would accordingly vote against the administrative and financial implications of draft resolution A/36/L.3/Rev.1.

8. Mrs. NGYUEN NGOC DUNG (Viet Nam) noted that, for the most part, draft resolution A/36/L.3/Rev.1 reiterated the Declaration and the resolutions adopted at the close of the International Conference on Kampuchea, held in New York in July 1981. Without going into the substance of the question, which was not within the competence of the Fifth Committee, her delegation wished to draw attention to the irregular nature of the Conference. On 1 June 1981, the Secretary-General had consulted Member States as to the desirability of such a conference. Twenty-seven countries had expressed opposition to the idea and had refused to endorse it. In addition, 14 countries had opted for observer status, while many others had taken a long time to decide to participate in the Conference because of doubts as to its legality and its effectiveness. In view of its unilateral character, the Conference, held in the absence of nearly half the States Members of the United Nations, including the Socialist Republic of Viet Nam, had not even complied with the mandate given to it in resolution 35/6, since it should have been attended by all the parties concerned.

9. The Declaration and resolution adopted at the close of the Conference reflected only the views of a small group of countries which were trying to use United Nations resources to intervene in the internal affairs of the People's Republic of Kampuchea. The establishment of an Ad Hoc Committee and the convening of a second international conference on Kampuchea constituted gross interference in matters entirely within the sovereign competence of Kampuchea. Such initiatives,

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(Mrs. Ngyuen Ngoc Dung, Viet Nam)

which were based not on the reality of the situation but on fictions and were contrary to the wishes of the country concerned, actually constituted preparations for the return to power of Pol Pot and those responsible for acts of genocide. They were an unacceptable violation of the United Nations Charter.

10. On 16 October 1981, the Ministry of Foreign Affairs of the People's Republic of Kampuchea had strongly condemned that manoeuvre by reactionary imperialist circles opposed to the revolutionary cause of the Kampuchean people and had declared that it considered illegal any resolution on Kampuchea that might be adopted at the present session of the General Assembly over the protest of the Government of the People's Republic of Kampuchea. Viet Nam supported that declaration by the People's Republic of Kampuchea, and accordingly rejected draft resolution A/36/L.3/Rev.1 and the resulting financial implications.

11. At a time when the United Nations was undergoing a serious financial emergency, it behooved the Fifth Committee to choose prudently among the drafts submitted for its consideration and to eliminate any that were unrealistic or were harmful to the security of peoples. The Committee was now being asked to take a decision on document A/C.5/36/L.3, which concerned the financing of activities relating to the search for a comprehensive political settlement of the Kampuchean question. Yet the Government of the country concerned and many Members of the United Nations were flatly opposed to the idea that any States other than Kampuchea should take decisions on its internal affairs.

12. In that connexion, the Committee should take into account the negative results achieved by the International Conference on Kampuchea, at a cost of \$1,845,800. The adoption of draft resolution A/36/L.3/Rev.1 would have financial implications amounting to \$860,400, the purpose of the expenditures being intervention in the internal affairs of a Member State in violation of the fundamental principles of the United Nations Charter. Viet Nam would therefore vote against the administrative and financial implications of the draft resolution and would refuse to contribute to the financing of the resulting expenditure.

13. Mr. SHARMA (Nepal) noted that his country was a member of the Ad Hoc Committee of the International Conference on Kampuchea. Nepal, which had always desired that United Nations action should help to strengthen the independence of Member States, considered that to seek a comprehensive political settlement of the Kampuchean problem was in keeping with the principle of the settlement of international disputes by negotiation. It would therefore agree to the financial implications of draft resolution A/36/L.3/Rev.1.

14. Mr. MORET (Cuba) said that in 1980 his country had voted against the resolution on the situation in Kampuchea because of its belief that the convening of a conference which would not be attended by the sole legitimate representative of Kampuchea would be contrary to the principles of the United Nations. The establishment of an Ad Hoc Committee, which would entail considerable expenditure, and the convening of a further international conference was a propaganda exercise

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(Mr. Moret, Cuba)

and constituted interference in the internal affairs of Kampuchea. Such initiatives were not calculated to restore peace in South-East Asia. Cuba would therefore vote against the use of United Nations resources for that purpose and would not contribute to the financing of the expenditure arising from draft resolution A/36/L.3/Rev.1.

15. Mr. WANG CHENG WEI (China) said that his delegation supported draft resolution A/36/L.3/Rev.1, the adoption of which it considered necessary for the maintenance of peace and security in South-East Asia. China would therefore vote in favour of the administrative and financial implications of the draft resolution.

16. Mr. BELYAEV (Byelorussian Soviet Socialist Republic), supported by Mr. TOUGOU (Mongolia), said that, in his view, consideration of the situation in Kampuchea by the United Nations was unjustified and constituted interference in the internal affairs of Kampuchea. The question had been settled by the Kampuchean people themselves three years previously. The Byelorussian and Mongolian delegations were therefore opposed to any allocation of resources under the terms of draft resolution A/36/L.3/Rev.1.

17. The CHAIRMAN suggested that, having regard to the recommendation of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt the draft resolution contained in document A/36/L.3/Rev.1, an additional appropriation of \$68,000 would be required under section 1. Conference-servicing costs, totalling \$344,000 for the Ad Hoc Committee and ranging between \$352,600 and \$448,400 for the Conference, would be reflected in the consolidated statement of conference-servicing cost to be presented towards the end of the current session. The costs related to Secretariat staff which would arise if the Conference was reconvened in Geneva or Vienna, ranging from \$24,900 to \$28,600, would be reported in the first performance report for the biennium 1982-1983.

18. It was so decided by 65 votes to 19, with 11 abstentions.

19. Mr. PAPENDORP (United States of America), speaking in explanation of vote after the vote, said that his delegation had approved the financial implications of draft resolution A/36/L.3/Rev.1 on the understanding that the estimated expenditure would be met by the redeployment of resources already provided in the proposed programme budget for the biennium 1982-1983.

GENERAL DEBATE (continued)

20. Mr. RAKAU (German Democratic Republic) said that the German Democratic Republic would not share in expenses inconsistent with the United Nations Charter and the financial Regulations and Rules of the Organization. He doubted whether the proposed programme budget for the biennium 1982-1983 corresponded to the main tasks of the Organization or met present-day demands. There was no justification for the rapid increase in expenditure on public information and common support services while expenditures on substantive activities were being curtailed.

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(Mr. Rakau, German Democratic Republic)

21. His delegation recognized that the Secretary-General had made serious efforts to achieve a more effective use of available resources and hoped that he would continue to do so. It endorsed the opinion of the Chairman of the Advisory Committee on Administrative and Budgetary Questions that the minor cuts in various expenditure items proposed by that Committee would have no negative effects on the Organization's capacity to act. The burdens placed upon Member States would nevertheless continue to increase during the forthcoming biennium. It was a fiction to characterize the budget as a zero-growth budget: the proposals of the Secretary-General took no account of the revised estimates which would be submitted later or of the financial implications of decisions taken by main organs of the United Nations during the year.

22. Inflation in a few countries which dominated the Western economic system was mainly responsible for the increase in expenditure. The majority of Member States should not have to bear such additional expenses to the same degree as those Western host countries of the Organization in which 82.15 per cent of the Organization's budget was being spent. Logically, those countries should accept the major responsibility for covering the additional inflationary costs. His delegation also wished to stress the need for another review of fluctuations in exchange rates. Moreover, calculations for the different duty stations should be made in United States dollars and in the respective national currencies required.

23. There were good opportunities for economizing on personnel expenses. The expansion of the administrative apparatus must be stopped. Requests for additional posts for general temporary assistance, temporary assistance, consultants and expert groups seemed too far-reaching. His delegation also wished once again to record its reservations regarding the practice of converting temporary into permanent posts, particularly when such requests lacked adequate justification, as was the case in section 6 of the budget estimates.

24. On the question of post reclassifications, he emphatically supported the recommendations of the Advisory Committee in paragraphs 41 to 44 of document A/35/7/Add.8.

25. He cited examples in the proposed budget of requests for funds which his delegation could not support as they were not based on decisions of the competent organs.

26. In conclusion, he regretted that the proposed programme budget had been submitted to the members of the Committee at such a late date.

27. Mr. FERNANDEZ MAROTO (Spain) observed that, during the biennium 1982-1983, the United Nations would spend each day resources totalling over \$2 million gross, whereas the corresponding figure for the biennium 1976-1977 had been approximately \$1 million. Such a marked increase in the Organization's expenditure was due in the main to the phenomenon of inflation, which had given birth to the concept of "real" growth as opposed to "monetary" growth.

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(Mr. Fernandez Maroto, Spain)

28. The difficulty was therefore to determine accurately the rate of real growth, which should serve as the reference point for comparisons which would make it possible to analyse the evolution of the budgetary expenditure of the Organization. Unfortunately, it was not possible to make a clear determination and delegations had therefore to be content with data relating to monetary growth, which included the inflation factor. Thus if the gross initial expenditure estimates for 1982-1983, amounting to \$1,535,989,000 were compared with the equivalent estimates for the biennium 1980-1981, amounting to \$1,214,203,200, the percentage increase would seem to be 26.5 per cent, or almost double the figure of 14.69 per cent mentioned in paragraph 12 of the foreword to the proposed programme budget; the difference between the two percentages arose because the Secretariat had compared the expenditure estimates for 1982-1983 with the revised appropriations for 1980-1981 and not with the initial estimates. Regardless of the real growth in the proposed programme budget under consideration, the monetary growth was therefore considerable, with all the consequences that that implied for an organization which was basically financed by the contributions of Member States.

29. It was not surprising that the Secretary-General should have wished to present all aspects of the proposed programme budget, including the inflation factor, in the most favourable possible light. It was for that reason that the percentages given in paragraph 18 of the foreword might give rise to optimism. Unfortunately, such optimism was dispelled by the following figures: inflation expected for 1982-1983 translated into a growth in expenditure of approximately \$159 million, or double the equivalent amount for 1980-1981. In total, if column D of annex I to the foreword was to be believed, the growth of expenditure due to inflation represented 10.5 per cent of the total appropriations requested. There was little room for optimism in the face of such percentage figures for inflation, which clearly were not in keeping with reality.

30. That did not mean that the Spanish delegation was indifferent to the problems inherent in a precise calculation of real budget growth, which alone reflected the true development of the Organization's programmes and activities. On the contrary it believed that the United Nations, while exercising the financial prudence required currently, should be in a position to perform its numerous tasks with adequate resources, without its substantive programmes being overwhelmed by superfluous administrative expenses.

31. Paragraph 4 of annex VII to the foreword stated that the average real growth for the proposed programme budget for the biennium 1982-1983 was negative 0.2 per cent. The Spanish delegation nevertheless could not help remembering that, as the Chairman of the Advisory Committee had made clear, the real growth rate of 0.8 per cent estimated at the beginning of the biennium 1980-1981 had become a rate of 3.76 per cent by the time the General Assembly approved the revised appropriations. There seemed no reason to believe that the same situation would not arise during the current biennium. In October 1979, the Spanish delegation had stated its conviction that the real growth rate of the budget for the biennium 1980-1981 would clearly be above the rate of 0.8 per cent indicated by the Secretariat. The same point could be made currently without great risk of error.

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(Mr. Fernandez Maroto, Spain)

32. The Spanish delegation would like to have further clarification regarding the amount of \$55,054,900 specified in the table in paragraph 13 of the foreword under the heading "Recosting at 1981 rates." It would also like to see a translation error corrected in the Spanish text of the report of the Advisory Committee on Administrative and Budgetary Questions (A/36/7, para. 8). The heading of column 12 of the table contained in annex II to the foreword also required correction: that column did not represent the sum of columns 11 and 9 but of columns 1 and 11.

33. In connexion with the negative resource growth, of which a breakdown by object of expenditure was contained in paragraph 14 of the Advisory Committee's report, he noted that there had been a reduction of \$891,100 in the charge for personnel services as a whole but an increase of \$5,257,800 for established posts, which imposed a continuing obligation on the Organization. Some of the decreases, on the other hand, were for objects of expenditure where constant vigilance would be required to ensure that the appropriations were not exceeded. The total indicated for negative resource growth could not be regarded as reliable.

34. The Spanish delegation found it difficult to understand why the General Assembly must traditionally expect to be faced with requests for revised appropriations, which had the effect of modifying the initial estimates by a substantial amount. Every foreseeable expenditure relating to an activity expected to be implemented in the near future should be included in the proposed programme budget.

35. The "real" reductions recommended by the Advisory Committee in the expenditure estimates, which amounted to \$7,106,700, and the increased turnover deduction recommended by the Advisory Committee represented only 0.8 per cent of all requested appropriations. It was therefore to be hoped that the "provisional" reductions recommended, which represented 71 per cent of the total reduction proposed by the Advisory Committee, would not result in an increase when the General Assembly considered the more accurate and more up-to-date estimates of requirements.

36. With regard to expenditures to be made in currencies other than the United States dollar, his delegation expressed the hope that the exchange rates would be reviewed in due course so that requirements could be calculated with sufficient accuracy at the time the General Assembly approved the budget estimates.

37. With regard to the distribution of the Organization's resources by main field of activity, which the Advisory Committee had analysed in a very interesting manner in paragraphs 19 to 23 in its report, his delegation had observed that the proposed programme budget did not reflect a significant redeployment of resources. In that regard, he fully supported the recommendation contained in paragraph 475 of the report of the Committee for Programme and Co-ordination that the foreword to the proposed programme budget should, in future, include a table showing, both in terms of dollars and percentage, the distribution of resources under the four main types of activity.

38. Lastly, his delegation reserved the right to speak again during the detailed examination of the requested budget appropriations.

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39. Mr. STUART (United Kingdom), speaking on behalf of the ten Member States of the European Economic Community, recalled that those countries contributed more than a quarter of the regular budget of the United Nations. The Ten felt that the United Nations should be provided with adequate financing to enable it to perform its important functions and should make the best possible use of available resources. He welcomed the Secretary-General's statement that the proposals which he had submitted in the proposed programme budget for the biennium 1982-1983 formed part of a wider process aimed at a more cost-effective utilization of the resources of the Organization and the enhancement of work productivity in every unit of the Secretariat. That objective corresponded to the real interests of all Member States, particularly the developing countries.

40. The Ten appreciated the restraint exercised by the Secretary-General in framing his programme budget proposals and noted with approval that that had been made possible by some redeployment of resources, although a greater effort must be made in that regard.

41. They expected the Secretary-General, towards the end of the current session, to submit proposals for reducing the appropriations, taking into account that inflation and exchange rates were more favourable than those assumed in the proposed programme budget. It was of the utmost importance that the Secretary-General should continue to apply a policy of financial stringency and to accommodate all new activities, as far as possible, through the elimination of marginal, obsolete and ineffective activities and the redeployment of the existing resources thereby released.

42. Mr. FALL OULD MAALOU (Mauritania) said that developing countries, like developed countries, were concerned about the sound management of the Organization's resources. They did not wish to see those resources increased unless that was necessary in order to carry out essential activities. In any case, it was for the Member States themselves to determine the level of financing to be made available to the Organization. If the Member States felt that the resources were poorly managed, they should take prompt corrective measures. Better management of resources would enable the Organization to achieve the desired results and alleviate burdens. The General Assembly had always stressed the need for the optimum utilization of resources and, if the lack of stringency in that regard was deemed regrettable, it was necessary to find out who was responsible for that situation.

43. Personnel costs alone represented almost 80 per cent of all budgetary expenditures. In order to make more efficient use of and reduce those expenditures, it was necessary to devise a more effective personnel policy which would reduce the fat in the administrative apparatus and increase productivity without jeopardizing the activities or programmes which were essential for achieving the objectives of the Organization.

44. The desire to reduce the major objects of expenditure should not distract attention from other reductions recommended by the Advisory Committee, particularly in connexion with long-distance telephone calls. Austerity required the painstaking examination of the choice of priorities so that the distribution of resources reflected the aspirations of Member States.

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(Mr. Fall Ould Maaloun, Mauritania)

45. Lastly, his delegation wished to express particular thanks to the Swedish delegation for the precise statistical data which it had provided on the per capita contributions of each country to the United Nations budget. Those data showed that the inhabitants of some developing countries contributed more to the United Nations system than the inhabitants of some developed countries and that the traditional generosity of certain Member States towards the Organization was tending to wither.

46. Mr. YEGOROV (Ukrainian Soviet Socialist Republic) said that his delegation noted with great interest the proposed programme budget for the biennium 1982-1983, the first report of the Advisory Committee and the report of the Committee for Programme and Co-ordination. The position of his delegation with regard to the budget of the Organization was based on a sincere desire to enhance the role and importance of the United Nations as an instrument of peace and security that was essential for the development of peoples. It therefore felt that the budget of the Organization should promote the activities which were in accordance with its Charter.

47. His delegation had always been in favour of the economic and rational use of the human and financial resources placed at the disposal of the Organization by the Member States. For that reason, it could not evaluate the proposed programme budget in a uniform manner. Although concern to maintain zero growth was laudable, nevertheless some objects of expenditure showed a considerable increase. His delegation welcomed some of the initiatives taken by the Secretariat, particularly the reduction of requirements for Professional posts and the refusal to include in the regular budget posts which had hitherto been financed by extrabudgetary funds. On the other hand, those positive measures were offset by the requests for additional appropriations because of inflation, the expansion of some programmes and the maintenance of other activities at previous levels.

48. The decision taken by the Secretariat to require Member States to meet the cost of inflation--which was brought about by the crisis in the capitalist system--ran counter to a decision taken by the General Assembly at its twenty-first session, according to which growth in the budget caused by increasing costs should be covered either by savings or by the re-evaluation of the priorities of different programmes.

49. In that regard, his delegation supported the proposal of the Cuban delegation concerning the consequences of inflation and drew the attention of the Committee to General Assembly resolution 3360 (XXIX) on the effects of currency instability, which requested the Secretary-General to take account of the views expressed by the Member States. Part of the additional charge attributable to inflation could be covered by an increase in voluntary contributions from those countries where United Nations agencies had their headquarters.

50. His delegation had already repeatedly expressed its concern at the growth of expenditure for certain work programmes. When the programme budget for the biennium 1976-1977, which at the time had been called a "record budget," had been submitted, his delegation had stated that the budget had been drawn up without any critical analysis of existing programmes by the Secretariat, although such an analysis would have made it possible to redefine priorities and eliminate obsolete or marginal

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(Mr. Yegorov, Ukrainian Soviet Socialist Republic)

programmes, with a view to redeploying the resources thereby released. The proposed programme budget submitted by the Secretariat was in fact two and a half times larger than the above-mentioned budget. Paragraph 110 of the report of CPC on the work of its twenty-first session pointed out that some programme managers had failed to identify the high and low priority programme elements, and in its recommendations CPC drew very modest conclusions, namely, that the General Assembly should recall the relevant provisions of resolution 32/206. It was not enough to recall that resolution; it was necessary to demand its strict implementation. The proposed programme budget drawn up by the Secretariat did not permit a proper evaluation of the distribution of resources and did not provide the possibility for their redistribution, if necessary.

51. It was apparent from a review of the proposed programme budget that the Secretariat had given virtually no thought to identifying obsolete or marginally useful activities, as stipulated in General Assembly resolution 35/209. As a result, CPC and the Advisory Committee had not been able to fulfill their mandates under paragraph 6 of that resolution. One of the basic ways to achieve zero growth was, in his delegation's opinion, precisely that of identifying such activities. Further, new programme activities should be financed exclusively from funds thus released.

52. As in the past, a number of chapters provided for expenditures in connexion with activities that were in violation of the United Nations Charter, namely, the reimbursement of the interest and principal on the bonds issued by the Organization to finance its operations in the Congo and the Middle East. The Ukrainian SSR found it unacceptable that all Member States should be forced to assume the responsibility for illegal activities imposed upon the Organization by a few States and, consequently, would not contribute to such expenditures.

53. With regard to section 24 of the proposed programme budget entitled "Regular programme of technical co-operation," his delegation was convinced that it was not in accordance with Article 17 of the Charter to finance technical assistance from the regular budget. It was therefore proposing that that programme should be merged with UNDP, since the funding of all technical assistance from voluntary contributions would make it possible to cut down on the bureaucratic machinery, reduce the possibility of any overlap and utilize development funds more effectively. In that connexion, the size of the voluntary contributions and the currency used for the purpose could be determined only by the donor countries, and the Ukrainian SSR would therefore make its contribution in its national currency.

54. With regard to the recruitment of personnel and promotions, a careful perusal of the proposed programme budget revealed that the Secretariat was proposing to reclassify 236 posts, a figure three times the total number of reclassifications requested in the proposed programme budget for 1980-1981. If those requests were granted, P-4, P-5, D-1 and D-2 posts would be increased at the expense of P-2/1 and P-3 posts. One might think that the reclassifications requested reflected a qualitative change in the professional qualifications and duties of the staff; however, as stated in the ACABQ report, chapter I, paragraph 35, the job descriptions submitted to the Advisory Committee in most cases had not indicated the changes in

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(Mr. Yegorov, Ukrainian Soviet Socialist Republic)

functions and responsibilities. His delegation would therefore not be able to support those requests for reclassification. Nor could it support the envisaged increase in permanent and temporary posts or the conversion of temporary posts into permanent posts. In addition, expenses for consultants and experts, particularly travel costs, had increased abnormally. His delegation was convinced that it was possible to economize on the procurement of material and equipment as well as on the maintenance of premises. A careful study of the documents before the Committee showed likewise that it would be possible to save budgetary funds by a closer scrutiny of the funding of bodies and services such as UNIDO, UNCTAD, the regional economic commissions, the Department of International Economic and Social Affairs, the Department of Technical Co-operation for Development and the Department for Information, to name a few. His delegation stressed the importance that should be attached to the work of the Advisory Committee and CPC, whose respective reports contained many recommendations and remarks that were very useful and constructive, and it firmly intended to support the carefully weighed recommendations of the Advisory Committee for reducing specific requests for appropriations made by the Secretary-General. It hoped, in conclusion, that its remarks would be well taken by those in positions of responsibility in the Secretariat and that they would contribute to giving a sounder direction to the budgetary policy of the Organization and thus improve the work of the United Nations system.

55. Mr. BRACHO (Venezuela) said that his country was not on principle either opposed to or in favour of real growth in the United Nations budget, the size of which should be determined by what was needed. The point of reference should, moreover, be the relative value of the budget and not its absolute value. As an example of its relative value, he recalled that the total resources of the United Nations system, or approximately six times the budget of the Organization, were about the equivalent of the annual sales of soft drinks in United States supermarkets. Others had, similarly, pointed out that the biennial budget of the Organization represented barely 0.25 per cent of annual arms expenditures. Regarding the allegedly disproportionate increase in the United Nations budget, it should be remembered that a sizable portion of that increase was intended to compensate for the tendency of the United States dollar to decline and for the effects of inflation. As for the financial "burden" of which certain countries complained, the use of indicators such as the per capita contribution or the percentage of a country's GNP represented by its assessment made it clear that the developing countries contributed the largest share. To that should be added the fact that the greater part of the budget was expended in the developed countries, which actually amounted to a recycling of United Nations dollars. As an illustration, Headquarters activities cost more than the regular annual budget of the city of New York.

56. The notion of zero real growth on which the proposed programme budget was based was limited, arbitrary and pointless. In that connexion, the Secretary-General had said himself in his report to the General Assembly that he was concerned over the reduction of voluntary contributions, given the objectives of the International Development Strategy and the growing interdependence of nations. To justify zero growth, it had been said that the financial credibility of the United Nations should be strengthened at a time of world economic crisis. The developing countries,

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(Mr. Bracho, Venezuela)

however, whose foreign debt amounted to \$400 billion per year, were in the throes of serious difficulties and the credibility of the United Nations would be far more seriously suspect if the Organization resorted to a policy of "freezing" the budget at a time when the developing countries in particular and the world in general needed international co-operation more than ever before. He noted in that respect that the developing countries were not complaining about the contributions they had to make, because they believed in the multiplier effect of action by the international community. If, then, the financial difficulties alluded to by certain speakers were those of the developed countries, it should be stated categorically that the policy of the United Nations could in no way be the sum of the financial policies of its Member States, because its aims transcended national policies. Nor should the budgetary practices of the United Nations be compared to those of any State, because the United Nations budget was the result of a whole complex of decisions emanating from various bodies and implemented by an international Secretariat. For that matter, he found it regrettable that the implications of zero growth for the various programmes had not been analysed in the general introduction to the proposed programme budget, and he thought that short-coming should be corrected. He also believed that administrative expenditures should be kept to the absolute minimum needed to achieve the desired level of programme implementation, and that would permit the funds so released to be used for substantive activities.

57. With regard to the activities of the Department of Public Information, whose expenditures had been the subject of criticism, he wished to emphasize the role played by information in counteracting smear campaigns against the United Nations, particularly in the developed countries. The North-South dialogue had, as an example, been described as a massive transfer of wealth from the North to the South. The information activities of the United Nations were thus indispensable if the public and sometimes the Governments themselves were to be made aware of international problems. As for the problem of documentation, the glut of documents represented a considerable waste of funds because it was physically impossible for delegations to familiarize themselves in time with them. Those responsible for that state of affairs were first of all the Secretariat, which had a way of pressing delegations to call for certain studies, but above all the delegations and Governments themselves which, to avoid taking decisions, found it easier to rely on new studies. It was incumbent upon Governments, in the final analysis, to make a study of cost-effectiveness so as to put to best use the financial resources of the United Nations.

The meeting rose at 1.10 p.m.