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FIFTH COMMITTEE
18th meeting
held on
Thursday, 22 October 1981
at 10.30 a.m.
New York

SUMMARY RECORD OF THE 18th MEETING

Chairman: Mr. BRODODININGRAT (Indonesia)

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

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The meeting was called to order at 10.40 a.m.

ORGANIZATION OF WORK

Press Releases

1. Mr. WARNER (Department of Public Information), replying to questions raised at the 15th meeting of the Committee concerning the press releases, said that, as far as production runs were concerned, the reproduction facilities were limited and the Department was not always able to produce at once a sufficient number of copies to satisfy the needs of those other than press representatives. There was a time lag in the arrival of press releases sent to delegations because they entered the normal circuit of documents distribution, in which priority was given to official documentation.

2. As to the quality of the press releases, he emphasized that they were prepared very quickly during the meetings themselves. In the short time available to them, press officers and editors did not always succeed in presenting the many comments of delegations in their proper context, although they endeavoured to make their accounts accurate and balanced.

3. As to the brevity of the press releases, members should bear in mind that the chief aim of press releases, which were not summary records, was to inform press representatives of the decisions adopted by the Committees and indicate the main viewpoints that emerged in the discussion. The Fifth Committee dealt with highly technical issues and it was materially impossible to summarize its proceedings in a mere press release.

4. Lastly, with regard to the languages in which the press releases were issued, he said that, since the Department of Public Information had only eight French-speaking staff members, including the Chief of the Press Section, it was absolutely impossible to assign a French team every day to each of the seven Main Committees, the plenary Assembly and the other bodies which met during the session. He indicated in that connexion, that the French Press Section reported on the decisions of bodies for which no press release was issued in French, in particular the Fifth and Sixth Committees, in the *Revue de la Semaine*.

5. Mr. BUNC (Yugoslavia) said that there was an error in the press release summarizing the statement which he had made at the 15th meeting of the Committee. He had stated that delegations would not oppose a zero growth rate, not that he himself was not opposed to such a rate, which was quite a

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(Mr. Bunc, Yugoslavia)

different matter. The Press Section was not unaware that that was an extremely delicate matter and that the press releases were read by official delegations. He wished therefore to know what recourse was available to delegations when similar incidents occurred, in particular whether it was possible for a new press release to be issued superseding the original one.

6. Mr. MAROTO (Spain) said that there was very often a marked disproportion between the length and contents of statements and the summaries in the press releases. By way of example, he drew attention to two statements made by his delegation on the scale of assessments and on the budget, which had been given short shrift in the press releases in comparison with other statements, as the sound recording of the meetings in question would bear out.

7. Mr. WARNER (Department of Public Information), replying to the representative of Yugoslavia, said that, in the case to which he had referred, it was a matter of adding a point to the summary, rather than an inaccuracy, since the Press Section had had a copy of his statement. The selection of points to be included in the press releases was a constant problem, and the choices made never seemed to satisfy delegations. Moreover, the Press Section worked at such a rapid pace that there was no time to listen to sound recordings. The Press Section found itself in the difficult situation of having to satisfy both correspondents, who favoured concision, and delegations, which preferred fuller summaries. The Department of Public Information had to operate on the assumption that the press releases were intended, first and foremost, for the press.

AGENDA ITEM 100: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983
(continued) (A/36/6, vol. I and II, A/36/7, A/36/38)

General debate (continued)

8. Mr. HICKEY (Australia) said that tighter control of the budget aimed at improving efficiency through the redeployment of resources to higher priority programmes and putting a break on unnecessary bureaucratic growth would benefit all member States.

9. To his delegation, the concept of financial credibility to which the Secretary-General had referred meant that the United Nations, the financing of which depended on the goodwill of the public and the Governments of Member States, must be accountable to them. In order to obtain the financial support it needed, the United Nations must have budgetary and administrative credibility.

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(Mr. Hickey, Australia)

10. Related to the need for credibility was one of the key issues of the present time, the North-South dialogue. His Government was committed to doing everything within its power to advance the North-South dialogue, as it had confirmed at the Commonwealth Conference of Heads of Government held recently in Australia. The role of the United Nations as the main vehicle for progress in the North-South dialogue and global negotiations would be affected by public perceptions of the Organization. Many countries, while still maintaining a commitment to the objectives of the United Nations, had lost confidence in its capacity to carry out effectively its fundamental mandate. That trend must be reversed by making the Organization more effective and financially responsible, and by recognizing, inter alia, that, if the fundamental imbalance between the North and the South was to be corrected, the industrialized countries would have to shoulder a greater part of the financial burden.

11. It was possible to halt the tendency towards bureaucratization, as Australia's experience showed. A series of recommendations had been adopted in his country that would help to reduce expenditure in the 1981-1982 financial year by three per cent in real terms and the number of Federal employees by two per cent in two years. Far from affecting activities adversely, the measures would enhance efficiency as more pressing requirements were given priority and marginal activities were discarded. As the Advisory Committee had emphasized in its report, an automatic relationship should not be assumed between increased delivery in dollar terms and the need for more posts. The austerity measures taken by his country had made it possible to allocate additional resources for development assistance and to increase contributions to multilateral agencies. In the light of that experience, his delegation considered that the proposed programme budget submitted by the Secretary-General was not a pessimistic document but rather an indication of a more practical approach to financial management.

12. The concept of zero real growth was not in itself sacrosanct but it did require an extremely useful discipline in financial management. On the other hand, it had a certain psychological force, especially with regard to containing the bureaucracy. As to whether the estimates before the Committee genuinely reflected no increase in real terms, a number of observations had to be made, which he hoped the Secretary-General would find helpful in preparing revised figures. In the first place, with regard to inflation, his delegation believed that the allowances for inflation should be kept within the narrowest of limits. Secondly, the budget estimates did not seem adequately to reflect the positive impact of exchange rate fluctuations, especially in the case of the United States dollar.

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(Mr. Hickey, Australia)

13. With regard to the escalation of the budget, whereby the estimates could be "inflated" to take into account the financial implications of new initiatives approved during the session, his delegation hoped that the Secretary-General, who was committed to containing expenditure, would resist all pressures in the opposite direction. For their part, Member States should ensure that their representatives in other committees and at the agency level gave due consideration to the financial implications of proposed initiatives, which was closely related to the setting of priorities.

14. With regard to the comparability of expenditure, the comparison of actual expenditure for the 1980-1981 biennium with estimates for 1982-1983 was not an accurate basis upon which to deduce real growth figures since conclusions could be drawn only from comparable figures.

15. Turning to the question of personnel, he expressed regret at the increase in expenditure on staff which was attributable, in particular, to the conversion of temporary contracts into permanent ones, the engagement of consultants and the reclassification of posts. His delegation was against the upward reclassification of posts. Staff ceilings should be imposed within the Secretariat and existing staff should be redeployed to meet contingencies.

16. Setting priorities would make it possible to reallocate resources from lower to higher priority activities and, at the same time, to reassign staff to priority tasks. In order to do that, efforts must be made to overcome institutional obstacles and administrators should be persuaded to be more flexible.

17. In light of the above considerations, his delegation fully endorsed the conclusions of the Advisory Committee which was proposing a number of downward adjustments in expenditure estimates. However, savings was not the only way to balance the budget: efforts might be made, instead, to improve the capacity of the United Nations to pay its own way. Accordingly, the Secretary-General should consider the possibility of establishing a voluntary committee of prominent representatives from Member States to meet with him periodically with a view to coming up with ideas on how to develop revenue-earning activities.

18. Finally, he noted that the explanations provided in texts accompanying statistical tables could be improved by making them simpler and clearer.

19. Mr. SHARMA (Nepal) said that he understood the rationale, as explained by the Secretary-General, behind the application of the concept of zero growth in the proposed programme budget. The existing economic and financial situation

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(Mr. Sharma, Nepal)

had limited the capacity of many Member States to augment their contributions to the United Nations budget and, after many years of steady budgetary growth, the time had come to redeploy the Organization's resources in a more cost-effective method. The Organization must seek to eliminate obsolete, marginally useful and ineffective programmes without affecting the implementation of economic and social programmes. His delegation was encouraged by the assurances which the Secretary General had given on that score.

20. The role of the United Nations system in the economic sector had increased as the international situation had become more precarious. A concerted global approach was needed in order to solve the economic problems. The North-South dialogue, which was designed to narrow the gap between the rich and the poor by restructuring the world economy, was one of such an approach. However, there was a growing tendency among donor nations towards giving aid selectively and bilaterally rather than channeling assistance through multilateral organizations. His delegation was convinced that the common goal of more just and equitable international economic relations could be attained only if the United Nations system played its role effectively.

21. His delegation did not understand how anything could be undertaken in the economic and social sectors without the necessary resources. It was a well-recognized fact that the developing countries were facing severe constraints in implementing their socio-economic programmes and that they were relying on support on the global, regional and subregional level in order to achieve concrete results. In that connexion, he recalled that the International Development Strategy for the Third United Nations Development Decade, which the General Assembly had adopted at its thirty-fifth session, called for a strengthening of the role of the United Nations system. There could be no going back on that commitment. Moreover, the United Nations Conference on the Least Developed Countries, which had taken place in September 1981, in Paris, had adopted a Substantial New Programme of Action for the 1980s. It was perhaps the first time that the international community had demonstrated its readiness to take steps to alleviate the economic difficulties of the least developed countries. His delegation hoped that the Organization's new budgetary policy would not jeopardize realization of the goals laid down in the final declaration of the Paris Conference. In that context, it was reassuring to hear that the Secretary-General had stated repeatedly that programmes in support of economic and social development in the developing countries would not be affected.

22. The fact that certain Member States had not yet paid their contributions to the Organization had weakened the effectiveness of the Organization in dealing with such vital questions as the maintenance of peace and security and in promoting the economic and social development of those countries which deserved United Nations assistance the most.

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(Mr. Sharma, Nepal)

23. As one of the least developed among the developing countries, Nepal wished to draw the attention of the Committee to General Assembly resolution 35/80 concerning the role of qualified national personnel in the social and economic development of developing countries. That resolution, inter alia, called upon the developed countries effectively to assist the developing countries in their efforts to increase national capacities and facilities for training qualified national personnel. What steps had been taken to implement the resolution? There were still not enough nationals of developing countries at the higher levels in the Secretariat and the proportion and level of responsibility of women in the Secretariat was likewise inadequate. In that connexion, he recalled the declaration and recommendations that had been adopted at the conclusion of the World Conference of International Women's Year which had taken place in Mexico City, in 1975, and expressed regret at the fact that the latter concern had not been more fully reflected in the proposed programme budget.

24. Lastly, he reaffirmed the faith that his country had in the United Nations system and recalled the statement made by His Majesty King Birendra, on behalf of the member states of ESCAP and ECWA, at the United Nations Conference on the Least Developed Countries, emphasizing the need for the international community as a whole to help the least developed countries to support the Substantial New Programme of Action for the 1980s.

25. Mr. SHAHEED (Syrian Arab Republic) said that zero budget growth was unacceptable since it passed onto the countries of the third world the impact of the difficulties being experienced by the western economic system. In effect it might lead to a cutback in existing programmes, particularly those, in the economic and social sectors, which were principally of benefit to the developing countries. Cutting back on those programmes - which represented only 20 per cent of the budget of the Organization - would widen the gap between the rich and the poor and would make it impossible to establish a more equitable economic and social order. Furthermore, the desire to achieve zero growth might prevent the General Assembly from adopting measures and projects designed to benefit the developing countries.

26. Post reclassifications should be based on recognition of competence and skills, bearing in mind the increased role which the Organization must play. However, it must not result in any increase in staff or in the conversion of temporary posts to permanent ones.

27. His delegation felt that the appropriations of the Committee on the Exercise of the Inalienable Rights of the Palestinian People, the United Nations Centre Against Apartheid and the United Nations Council for Namibia should be increased so that those bodies could carry out the tasks which had been entrusted to them by the General Assembly.

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(Mr. Shaheed, Syrian Arab Republic)

28. General Assembly resolution 35/209, concerning the identification of activities that had been completed or were obsolete, of marginal usefulness or ineffective, must be implemented. The resources thus released should be spent on more useful programmes based on the studies of the organs concerned and bearing in mind the needs of the developing countries. Furthermore, the Organization should continue to provide its services for special meetings in Member States.

29. As the President of the thirty-fifth session of the General Assembly had pointed out, the volume of documentation was far too great. It should not be too difficult to limit the documentation since there were, in the final analysis, few beneficiaries. Above all, the Organization should try to issue the important documents in time so that they could be really useful.

30. The international community had expressed its will to establish a new world information order. The Organization must strengthen its activities in the field of information and further resources should be allocated to the Department of Public Information so that it could carry out the ever increasing number of tasks which were being assigned to it and let peoples know about the new information order.

31. Mr. BANGURA (Sierra Leone) observed that the proposed programme budget was being submitted to Member States at a time when the international economic situation was worsening and when some of the major financial contributors to the Organization were making more and more cut-backs in their multilateral co-operation and resorting to bilateral co-operation. The negotiations on various issues in North-South relations had so far failed to produce concrete results. The developing countries which suffered most from that situation were necessarily disappointed by the attitude of the developed countries, which in their refusal to meet developmental demands because of national interests. It was perfectly understandable that the Secretary-General, in order to preserve the financial viability of the Organization, had proposed a zero growth programme budget. At the same time, it would be noted that under the present scale of assessments, Member States with the highest capacity to pay were receiving substantial reductions in their assessments whereas the assessments of the developing countries were increasing.

32. Sierra Leone, which looked to the United Nations and the specialized agencies for the necessary support in enhancing the economic and social

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(Mr. Bangura, Sierra Leone)

development of its people, could not support the zero growth concept. Several delegations had forcefully argued that the Secretary-General had no legislative mandate to propose a zero growth budget. That view should be pondered very carefully by the Committee. His delegation feared that the Organization's example would be regarded as a precedent by the specialized agencies and would result in serious cut-backs in the development programmes to be undertaken by the United Nations system during the forthcoming biennium and in the gradual implementation of the International Development Strategy for the 1980s.

33. The International Development Strategy, to which all the members of the Organization had subscribed, contained specific goals and objectives aimed at accelerating the development of the developing countries. The measures to be undertaken for its implementation had been unanimously agreed at the eleventh emergency special session of the United Nations General Assembly, as a result of hard and sustained bargaining. It should not be forgotten that several action programmes, adopted as result of United Nations conferences, had also been incorporated into the Strategy. Their implementation required adequate funding. Yet, certain countries had pointed out that the present economic climate necessitated a cut-back in programmes which they considered ineffective. The level of the budget proposed, namely, \$1,536 million, corresponded to what some members allocated for the construction of a single modern university, whereas to the developing countries that amount represented their only chance of economic salvation. The developing countries were therefore justified in expecting the fulfillment of the targets agreed by the international community.

34. To a great extent the Organization depended on extrabudgetary resources for the financing of development programmes. It was unfortunate that, since the adoption of the Strategy, the developed countries had shown no inclination to increase extrabudgetary resources. The decline in multilateral commitments by the donor countries had already caused development agencies to scale down their developmental activities. His delegation would like to see an increase in the resources made available to those agencies to enable them to carry out their activities.

35. The Secretary-General stated in the foreword to the proposed programme budget (A/36/6) that reductions had been made in the resources allocated to activities of lesser importance. Although his delegation agreed with the idea of redeploying resources to priority programmes, it would like to be informed of the criteria which had been applied to determining the activities considered of lower priority. It was convinced that the determination of priorities should remain a political decision, taken by Member States. A rationalization of the Organization's resources could be achieved by reducing excessive documentation and streamlining conference procedures. His delegation endorsed the Advisory Committee's recommendations on those points. There was also a need to look into the staffing structure.

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36. Mr. BOUZARBIA (Algeria) said that, in order to situate in this true context the Committee's consideration of the proposed programme budget for the biennium 1982-1983, he intended to draw attention to some factors which were too often played down or even overlooked.

37. In 1981, the debt service of the developing countries would amount of \$100 billion, or the equivalent of 80 biennial budgets. The returning flows to the industrial countries represented a sevenfold increase in their investments in the developing countries, whose economies were further penalized by soaring interest rates and were disrupted by the volatile exchange rates of the major currencies. There was no need to dwell on the precarious living conditions of millions of human beings, whose numbers would only increase unless the deterioration in the management of the world economy was rapidly curbed.

38. Despite that tragic situation, the arms race continued, on the pretext that it was designed to preserve peace; it would cost \$500 billion in 1981. The amounts spent in a single day to produce instruments of death would be sufficient to finance the Organization until the end of the 1980s.

39. Some delegations derived satisfaction from comparing the contributions of different groups of countries, each one emphasizing the size of its group's contribution in comparison with that of another group, which was deemed insufficient. Two schools of thought were in confrontation with each other. For one, that of the major contributors, a ceiling on the financial resources of the Organization had priority over operational activities. For the other, whose champions were the vast majority of Member States, international co-operation was an indispensable supplement to the efforts of each country. In that context, he believed that account should be taken of the delay in implementing development projects in making a downward adjustment in the Organization's budget.

40. As Chairman of the Group of 77, he denounced the unilateral adoption of a negative real rate without the developing countries' being consulted; the adoption of that rate was a fait accompli and amounted to the negation of all international co-operation. To justify the austerity of his budgetary policy, the Secretary-General had explained in the foreword to the proposed programme budget (A/36/6) that it was oriented towards maintaining and strengthening the financial credibility of the Organization at a time when many Member States faced serious economic and financial difficulties; the Secretary-General had added that the Organization must take into account the efforts being made by Member States to contain their own public spending. His delegation submitted that, while the economic crisis certainly affected all countries, it had greatest impact on the developing countries, the overwhelming majority, which were also victims of the continuing deep structural crisis.

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(Mr. Bouzarbia, Algeria)

41. The Group of 77 did not share the Secretary-General's view, nor did it accept that the Organization had to contain its budget because for direct or indirect pressure from a minority of Member States. All Member States were equally anxious to avoid waste, to make the United Nations system more efficient and to check the growth in their public expenditure. The developing countries considered the United Nations as the ultimate expression of genuine international co-operation in the quest for peace and the achievement of their economic independence. That was why the Group of 77, although uncompromising where principles were concerned, would co-operate constructively with all Member States in order to ensure that General Assembly decisions were implemented.

42. The Group of 77 could not endorse the arbitrary determination of a budgetary growth rate which did not reflect the programmes required by legislative mandate. The Group of 77 would strongly oppose any attempt to divert the Committee's attention from real problems to considerations of zero growth, with the possible aim of making zero growth a permanent principle of future budgets. The Group of 77 was seeking neither confrontation nor the paralysis of the Organization; it was reaffirming its unswerving determination to continue a genuine and constructive dialogue in the mutual and well-understood interests of all parties.

43. The CHAIRMAN observed that the representative of Algeria had spoken as Chairman of the Group of 77 in presenting several of the views contained in his statement.

The meeting rose at 12 noon.