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at 3.55 p.m.  
New York

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SUMMARY RECORD OF THE 70th 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 3.55 p.m.

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

Administrative and financial implications of the draft resolution submitted by the Sixth Committee in document A/C.6/36/L.10 concerning agenda item 122 (A/C.5/36/98)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that under draft resolution A/C.6/36/L.10 the General Assembly would decide that the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization should continue its work and would request the Secretary-General to render all assistance to the Special Committee, including the provision of summary records. Paragraph 3 of the draft resolution provided that the Special Committee would convene its next session from 22 February to 19 March 1982. However, owing to the heavy programme of meetings during that period it would not be possible to accommodate the Special Committee in New York on those dates. The Secretary-General therefore suggested that the Special Committee should meet either in New York from 8 February to 5 March 1982 or in Geneva from 22 February to 19 March 1982. Although the Committee on Conferences did not make a definite recommendation regarding the venue of that session of the Special Committee, it noted in document A/C.6/36/L.14/Add.1 on the administrative implications of the draft resolution that holding the session in New York from 8 February to 5 March 1982 would be in compliance with the general principle that United Nations bodies should meet at their established headquarters. The Secretary-General's estimate of the conference-servicing costs for that session of the Special Committee was provided in paragraph 5 of document A/C.5/36/98 on the administrative and financial implications of draft resolution A/C.6/36/L.10. Furthermore, it was pointed out in paragraph 6 of that document that, if the session was held in Geneva, the travel and subsistence required for Secretariat staff would be an additional \$27,100. Until a decision was taken on the venue of the session, it would not be possible to indicate the exact amounts for conference servicing to be appropriated. In any case the resources required would not exceed \$1,218,100. If the session was held in Geneva, the additional \$27,100 would be reflected in the performance report for the biennium 1982-1983.

2. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that the estimated conference-servicing costs set out in paragraph 5 of document A/C.5/36/98 were unjustifiably high and were not based on a realistic appraisal of the needs of the Special Committee, members of which had informed him that there was no need for any pre-session documentation because such documentation had already been prepared. His delegation had no objection to the estimate for meeting servicing but, with regard to in-session documentation, members of the Special Committee had informed him that only three or four short documents would have to be prepared during the session; since those documents could not total 60,000 words, the two estimates under that heading were entirely unjustified. The 40,000 words estimated for post-session documentation would amount to a report of about 100 pages; yet the Special Committee, like all other committees, was subject to the rule that reports should not exceed 32 pages, which meant that, there again, the proposed appropriations were unjustifiably large. Lastly, with regard to summary records, the members of

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(Mr. Palamarchuk, USSR)

the Special Committee expected to hold only about six plenary meetings, with most of the work of the session being done in the working group, so that the cost estimates based on the assumption of 40 meetings was totally unrealistic. The Secretariat should therefore review its estimate of conference-servicing costs in the light of the Special Committee's experience during the past two years, so that the expenditures proposed would realistically reflect the needs of its 1982 session.

3. Mr. BEGIN (Director, Budget Division) said he had taken note of the observations made by the representative of the Soviet Union. The Budget Division had submitted the statement of administrative and financial implications of draft resolution A/C.6/36/L.10 on the basis of estimated conference-servicing costs before, during and after the session of the Special Committee, the purpose being simply to apprise the Fifth Committee of the possible costs arising from the session. The Secretariat was not requesting any additional appropriations at the present stage and would do everything possible to ensure the most economical use of available resources and personnel in the servicing of meetings scheduled for 1982, including the forthcoming session of the Special Committee, in order to avoid having to request additional appropriations. The Budget Division would shortly be submitting the consolidated statement of conference-servicing requirements for 1982; in drawing up that document, the Division would take account of the Soviet representative's observations and would strive to make all possible savings.

4. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said he hoped that the estimate of conference-servicing costs in the consolidated statement would be considerably lower than that given in document A/C.5/36/98.

5. The CHAIRMAN suggested, on the basis of the recommendations of the Advisory Committee, that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.6/36/L.10, conference-servicing costs would arise which were estimated on a full-cost basis at a maximum of \$1,218,100. The actual additional appropriations that might be required in that respect would be considered in the context of the consolidated statement of conference-servicing requirements for 1982. Furthermore, if Geneva was chosen as the venue for the 1982 session of the Special Committee, that would give rise to travel and subsistence costs estimated at \$27,100 in respect of substantive Secretariat staff. Any such costs would be reflected in the first performance report on the programme budget for 1982-1983.

6. It was so decided.

7. Mr. PAPENDORP (United States of America) said that, while his delegation had voted in favour of draft resolution A/C.6/36/L.10 in the Sixth Committee, it would have abstained in the Fifth Committee if the Advisory Committee's recommendations had been put to the vote.

Administrative and financial implications of the draft resolution submitted by the Third Committee in document A/C.3/36/L.77 concerning agenda item 12 (A/36/7/Add.17; A/C.5/36/76)

8. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that under draft resolution A/C.3/36/L.77 the General Assembly

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(Mr. Mselle)

would adopt the international drug control strategy and basic five-year programme of action annexed to resolution 1 (XXIX) of the Commission forwarded by Economic and Social Council 1981/113. The drug control strategy and the basic five-year plan of action would commence in 1982 with the implementation of 22 projects, of which 11 would be financed through the regular budget of the United Nations. Those 11 projects were described in paragraph 3 of the statement submitted by the Secretary-General in document A/C.5/36/76 on the administrative and financial implications of draft resolution A/C.3/36/L.77. The conclusions of the Advisory Committee on the Secretary-General's statement were contained in document A/36/7/Add.17. The financial implications of implementing the 22 projects would entail expenditures of \$16,812,400 in 1982-1983, the bulk of which would be provided by the United Nations Fund for Drug Abuse Control. Paragraph 7 of the Advisory Committee's report indicated that the Secretary-General was requesting \$309,300 for the implementation of the 11 projects in 1982 only. In paragraphs 7 to 11 of its report, the Advisory Committee indicated its reasons for recommending that the amount of \$309,300 should be reduced and that the additional appropriation for 1982 should be set at \$275,000 under section 20 (International drug control) of the proposed programme budget for 1982-1983. An additional appropriation of \$13,000 would also be required under section 31 (Staff assessment), offset by an increase of the same amount in the estimates of income under income section 1.

9. Mr. PAPANDORP (United States of America) said that his delegation had been surprised at the conclusions in the statement of financial implications (A/C.5/36/76). It had not expected the Secretary-General to assert that expenditure of \$309,000 under section 20 of the programme budget would be needed during the first year of the coming biennium to implement the new international strategy on drug abuse control.

10. When introducing draft resolution A/C.3/36/L.77 in the Third Committee, the United States delegation had intended that the required work would be funded from resources available to the organs concerned with implementation of the strategy. The bulk of the cost - some \$16 million - was in fact to be met by the United Nations Fund for Drug Abuse Control, while the Division of Narcotic Drugs was required to meet only a very small portion of that total - \$768,000 for the entire biennium. The Division appeared able to absorb \$459,000 of that amount quite easily, but the Secretariat now contended that the remaining \$309,000 must be met through a supplementary appropriation by the General Assembly. His delegation welcomed the Advisory Committee's recommendation that the amount should be reduced from \$309,000 to \$275,000. That was a trifling sum in relation to the total budget of the Division of Narcotic Drugs - \$6.3 million - and it was unimaginable to his delegation that the Division could not absorb it. More than \$1 million of the Division's total budget was set aside for the United Nations Narcotics Laboratory, but for more than a year the Laboratory had fallen into virtual disuse, which had surely released resources that could be applied to the international drug control strategy. In addition, small amounts, sufficient to provide the total needed, could be pruned from other sections of the Division's budget.

11. As could be seen from resolution 1 (XXIX) of the Commission on Narcotic Drugs, the Commission had approved the strategy in the belief and with the clear intention

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(Mr. Papendorp, United States)

at it should be carried out with available funds, and not funded through new appropriations. Paragraph 3 of that resolution stated that the strategy should be carried out "to the extent possible" in 1982; that allowed latitude to continue the programme in 1983 according to the availability of resources, which it was suggested should be provided by the United Nations Fund for Drug Abuse Control. The Commission had further specified that the priorities it had established should be applied to the determination of funding requirements. That clearly allowed for the possibility that funds might not be available to implement the entire programme, in which case lowest-priority projects should be eliminated to bring the cost of the strategy within the funds already provided to the Secretary-General by the General Assembly.

12. His delegation did, of course, want work on implementation of the strategy to go forward and hoped that contributions to the United Nations Fund for Drug Abuse Control would be sufficient to permit it to meet its own \$16 million share of the cost of the programme and the cost of the additional work that would be required of the Division of Narcotic Drugs.

13. His delegation had never imagined, much less intended, that the Secretary-General would so egregiously fail to exercise fiscal discipline in an instance where he had not only the general policy of the General Assembly to guide him but also the specific instrument at his disposal. Nor had the Commission intended that he should overlook its exhortation to prudence and thrift and seek additional funds for the programme from extrabudgetary donors.

14. His delegation therefore formally proposed that draft resolution A/C.3/36/L.77 should have no additional financial implications.

15. Mr. AMNEUS (Sweden) said that, in his delegation's view, a natural consequence of the adoption of the drug control strategy and programme of action was that some additional funds would have to be appropriated for its implementation. The regular budgetary resources of the Division of Narcotic Drugs were limited, and the staff of the Division was already carrying a heavy workload. The ratio between regular budget and extrabudgetary resources was already heavily weighted towards extrabudgetary resources. A large part of the additional requirements for the implementation of the drug control strategy and programme of action was already being absorbed. He drew attention in that connexion to paragraph 4 of the Secretary-General's report (A/C.5/36/76) and to paragraph 2 of draft resolution A/C.3/36/L.77.

16. For the foregoing reasons, his delegation strongly supported the Advisory Committee's recommendations.

17. Mr. CULLEN (Argentina) said that some of the points raised by the United States representative were pertinent, and some of the activities envisaged were already being carried out by the Division of Narcotic Drugs. He drew attention to paragraphs 7 and 8 of the Advisory Committee's report (A/36/7/Add.17), in which certain economies were proposed. His delegation attached great importance to the international drug abuse control strategy and to approval of the necessary allocations for its implementation. It therefore strongly supported the appropriation recommended by ACABQ.

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18. Miss ZONICLE (Bahamas) said that her delegation supported the Advisory Committee's recommendation for an additional appropriation, which would make the international drug abuse control strategy more comprehensive and balanced.
19. Mr. PAL (India) said that his delegation, which had co-sponsored draft resolution A/C.3/36/L.77, could not sponsor the proposal just made by the United States representative, since there had been a difference of opinion between the two delegations as to whether the phrase "within available resources" meant within the resources already proposed by the Secretary-General or within the resources to be allocated at the current session.
20. After carrying out a thorough analysis, the Advisory Committee had made certain reductions and submitted a recommendation with respect to the amount of resources to be made available to the Secretary-General. He suggested that the Committee should vote first on the United States proposal and then, if the proposal was rejected, on the recommendation of ACABQ.
21. Mr. PAPENDORP (United States of America) said that, since the Fifth Committee was being asked by certain delegations to recommend an appropriation which the Third Committee neither required nor desired, he would request that the decision on his proposal should be taken by recorded vote.
22. Mr. RUEDAS (Assistant Secretary-General for Financial Services) pointed out that, in the Third Committee, the sponsors of draft resolution A/C.3/36/L.77 had deleted paragraph 5 including the phrase "within available resources".
23. Replying to a question from Mr. PAPENDORP (United States of America), Mr. RUEDAS (Assistant Secretary-General for Financial Services) explained that document A/C.5/36/76 dealt with two separate issues: firstly, the programme of action, which had some financial implications, and, secondly, the task force referred to in paragraph 7, which made it clear that the Secretary-General would exert every effort to provide the necessary support from available resources.
24. Mr. PAPENDORP (United States of America) said that the cost estimate given in the statement of financial implications submitted to the Third Committee (A/C.3/36/L.88) had been \$306,000 and he had understood that, if paragraph 5 was deleted, the estimate would be lower. The Secretary-General's subsequent estimate, however, had been increased to \$309,300.
25. Mr. PAL (India) and Mr. FALL OULD MAALOUM (Mauritania), said that they would vote against the United States proposal. The Third Committee had taken its decision in the light of the statement of financial implications before it, and they could not agree that the Fifth Committee should reverse that decision.
26. Mr. WILLIAMS (Panama) said that his delegation would vote against the United States proposal, since the financial implications of the draft resolution had been clear and had been endorsed by the Advisory Committee.
27. Mr. HICKEY (Australia) said that his delegation would support the United States proposal on the understanding that funds would be available from existing resources.

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28. Mr. SUEDI (United Republic of Tanzania) said that his delegation had difficulty in understanding the United States proposal. It was clear that the Third Committee, when adopting the draft resolution, had had before it a statement of financial implications and it had accepted those implications. The Advisory Committee had subsequently considered the matter, as required. If the Fifth Committee adopted the United States proposal, it would be overturning a recommendation of the Third Committee, and his delegation was not in a position to agree to that.

29. Mr. ZINIEL (Ghana) said that he would have liked to see the statement of financial implications which had been submitted to the Third Committee. He would also have liked to support the Advisory Committee's recommendation, but was not convinced of its correctness in the light of the information provided. His delegation had initially been inclined to support the United States proposal, and in the circumstances it felt obliged at least to abstain.

30. A recorded vote was taken on the United States proposal.

In favour: Australia, Brazil, Bulgaria, Byelorussian Soviet Socialist Republic, Chile, Czechoslovakia, France, Germany, Federal Republic of, Guatemala, Hungary, Italy, Japan, Mongolia, Netherlands, Poland, Portugal, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Algeria, Argentina, Bahamas, Bahrain, Bangladesh, Barbados, Benin, Bolivia, Burundi, China, Congo, Costa Rica, Cuba, Democratic Yemen, Denmark, Ecuador, Egypt, Finland, Guyana, India, Indonesia, Iran, Iraq, Kuwait, Liberia, Libyan Arab Jamahiriya, Malawi, Malaysia, Mali, Mauritania, Norway, Oman, Pakistan, Panama, Philippines, Qatar, Sierra Leone, Suriname, Sweden, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Turkey, Uganda, United Arab Emirates, United Republic of Tanzania, Venezuela.

Abstaining: Austria, Belgium, Central African Republic, Ethiopia, Fiji, Gabon, Ghana, Greece, Guinea, Ireland, Ivory Coast, Kenya, Lebanon, Niger, Nigeria, Peru, Romania, Singapore, Spain, Sri Lanka, Tunisia, United Republic of Cameroon, Upper Volta, Yugoslavia, Zaire, Zambia.

31. The United States proposal was rejected by 48 votes to 20, with 26 abstentions.

32. Mr. RUGWIZANGOGA (Rwanda) said that for procedural reasons his delegation had not participated in the vote on the United States proposal.

33. Mr. MARTORELL (Peru) said that the Third Committee has taken a decision on the draft resolution on the understanding that it would have no financial implications. However, for the reasons advanced by earlier speakers, his delegation had abstained from voting on the United States proposal.

34. The CHAIRMAN suggested on the basis of the recommendations of the Advisory

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(The Chairman)

Committee, that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.3/36/L.77, as orally revised, an additional appropriation of \$275,000 would be required under section 20 for the biennium 1982-1983. In addition, an appropriation of \$13,000 would be required under section 31 (Staff assessment), to be offset by an increase of the same amount under income section 1 (Income from staff assessment).

35. Mr. PAPENDORP (United States of America) requested a vote on the Advisory Committee's recommendations and said that, for the reasons he had already stated, his delegation would vote against them. He drew attention to paragraph 3 of resolution 1 (XXIX) of the Commission on Narcotic Drugs concerning the international drug control strategy, which clearly indicated that projects undertaken in connexion with the strategy should be financed from available resources.

36. Mr. BUNC (Yugoslavia) said that the Advisory Committee's recommendations regarding the financial implications of the draft resolution were sound and he would vote in favour of them.

37. The recommendations of the Advisory Committee were approved by 78 votes to 13, with 10 abstentions.

38. Mr. BRODODININGRAT (Indonesia) said that his delegation had been obliged to oppose the United States proposal and vote in favour of the Advisory Committee's recommendations because of the importance it attached to drug abuse control. However, he regretted the circumstances in which the Fifth Committee had had to consider the matter and urged that, whenever changes had been made in the text of a draft resolution by another Main Committee, they should be drawn to the attention of the Fifth Committee at the beginning of its discussion of financial implications so as to avoid confusion.

39. Mr. BANGURA (Sierra Leone) said that his delegation had voted against the United States proposal because it was clear from the evidence placed before the Fifth Committee that the draft resolution had financial implications. Although it supported the Advisory Committee's recommendations, it had abstained in the vote because the draft resolution adopted by the Third Committee had not been accurately presented to the Fifth Committee.

40. Mr. PEREZ (Chile) said that his delegation had voted in favour of the United States proposal and against the Advisory Committee's recommendations, since it had joined in the consensus on the draft resolution in the Third Committee on the understanding that there would be no financial implications.

41. Mr. DUQUE (Secretary of the Committee) said the Secretary-General's statement of administrative and financial implications (A/C.5/36/76) clearly indicated that the draft resolution adopted by the Third Committee had been orally amended. It was not the practice of the General Assembly to reissue draft resolutions when they were orally revised in a Committee immediately prior to adoption. The Assistant Secretary-General for Financial Services had also specifically stated earlier in

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(Mr. Duque)

the discussion that paragraph 5 had been deleted from draft resolution A/C.3/36/L.77 as adopted by the Third Committee.

42. Mr. PAPENDORP (United States of America) said that the problem referred to by earlier speakers had also arisen on previous occasions. The Fifth Committee had asked the Secretariat to ensure that any oral revisions to draft resolutions were reflected in the statements of administrative and financial implications submitted to it by the Secretary-General in accordance with rule 153 of the rules of procedure. That had not been done in the case of draft resolution A/C.3/36/L.77, and he urged that it should be done regularly in future.

AGENDA ITEM 106: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS: REPORT OF THE COMMITTEE ON CONTRIBUTIONS (continued) (A/36/11 and Add.1 and Add.1/Corr.1; A/C.5/36/L.30, A/C.5/36/L.33)

43. Mr. BROTDININGRAT (Indonesia), speaking in his capacity as Chairman of the Contact Group on the report of the Committee on Contributions, said that over the past five weeks the Contact Group had held several meetings and numerous informal consultations between the representatives of the various groups of countries. The Contact Group had been provided with all the statistical data it had requested to assist it in its work, and in that connexion he expressed sincere appreciation to the Office of Financial Services for its assistance.

44. On the basis of suggestions he had put forward in his capacity as Chairman of the Contact Group, a draft resolution had been prepared in the hope that it might serve as a basis for a compromise solution. Agreement had been reached on all eight preambular paragraphs of the draft resolution and on three of its four operative paragraphs. However, a group of countries had found it difficult to accept the operative paragraph 4, and further efforts to resolve the remaining differences had been in vain. Thus, the Contact Group had failed to present the Fifth Committee with a consensus draft. Nevertheless, it had succeeded in ameliorating the atmosphere which had surrounded the debate on the issue of the scale of assessments, and it was to be hoped that the improved atmosphere would be conducive to agreement in the future.

45. Mr. BOUZARBIA (Algeria), introducing draft resolution A/C.5/36/L.33 on behalf of the members of the Group of 77, said that it had not been possible to reach a consensus on a text fully satisfactory to those on both sides of the debate which had taken place in the Committee on Contributions.

46. The third preambular paragraph would stipulate "real capacity to pay" as the fundamental criterion on which the scales of assessment should be based; that term was preferable to "relative capacity to pay". The world economic situation as a whole was a factor to be weighed by all Member States; the fourth preambular paragraph would take particularly into account the critical economic and financial situation of developing countries. The eighth preambular paragraph had been included at the request of the majority of the members of the Fifth Committee.

47. Paragraphs 2 and 3 listed long-term measures to be taken by the Committee on Contributions. The proposals in paragraph 3 relating to a new statistical base

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(Mr. Bouzarbia, Algeria)

period, a revised upper limit of the low per capita allowance formula and a limit for increases between two successive scales were new. The measures proposed in paragraph 4 were of a short-term character and would cover the period until a new set of criteria had been elaborated and adopted by the General Assembly. Paragraph 4 (c) had not been completely satisfactory to the Group of 77 but had been accepted in a spirit of compromise; a number of members of the Group had noted that their rates of assessment had shown successive increases and had considered that a more just and equitable basis should be found.

48. He wished particularly to thank the representatives of Canada, China, France, Japan, Poland, Sweden, the Union of Soviet Socialist Republics and the United Kingdom for the goodwill they had shown in working to overcome the difficulties which had arisen. The Group of 77 had in turn responded to the appeal of the Chairman of the Committee on Contributions and had approved the text. He hoped that an agreed solution would be found at the thirty-seventh session of the General Assembly.

49. Mr. ABRASZEWSKI (Poland), speaking in explanation of vote before the vote, said that the position of his delegation on draft resolution A/C.5/36/L.33 was based on its belief that capacity to pay should remain the criterion on which the scales of assessment were based; there was a need to increase the equity of the scale, which should reflect current economic reality. The special problems of particular countries should be more expressly reflected in the scale. Greater consideration should also be given to the availability of foreign currency and external debt servicing requirements.

50. His delegation was not completely happy with the draft resolution but was prepared to support it, as it represented a genuine effort to correct existing anomalies. With regard to the four specific guidelines contained in paragraph 4, his delegation was not happy with the proposed statistical base period of 10 years, which failed to reflect current economic realities; his delegation would have preferred a five-year period. He supported the proposed new upper limit for the low per capita allowance formula together with the gradient change, but the formula should be kept under constant review. Paragraph 4 (a) and (b) constituted a package proposal and, on that understanding, his delegation was prepared to support it as a whole. The 10-year base period would in any case apply only until the next review, when the Committee on Contributions might return to a shorter base period.

51. He hoped that the Committee on Contributions would give proper consideration to Poland's repeated requests on the exchange rate question and, when it came to review Poland's rate of assessments, would take account of the socio-economic factors which, during the past two years, had affected Poland's capacity to pay.

52. Mr. STUART (United Kingdom), speaking on behalf of the 10 States members of the European Community, said that their delegations would vote against draft resolution A/C.5/36/L.33. They had always believed that the deliberations of the Committee on Contributions should be held on an independent and non-partisan basis, and they wished to reaffirm their support for the Committee's independence and

(Mr. Stuart, United Kingdom)

integrity. They were therefore opposed to General Assembly resolutions laying down for the Committee on Contributions criteria and parameters on which the Committee had not submitted its own advice.

53. In their statement on 7 October, the 10 had reaffirmed their strong opposition to any further lengthening of the statistical base period. That opposition was based on their view that the current seven-year base period produced statistics which were, to a considerable extent, divorced from the current economic position of Member States. The lengthening of the base period to 10 years, as proposed in paragraph 4 (a) of the draft resolution would worsen that situation and result in a further breach of the principle of relative capacity to pay. Moreover, as a matter of principle, Member States must accept stability in the ground rules if they were to avoid constant and fundamental dissension about the scale of assessments.

54. The 10 had also explained in their earlier statement their belief that a limitation of variations in assessments between successive assessment scales, achieved either by a percentage limit or by a percentage points limit, would distort the distribution of the burden of contributions to the budget of the United Nations as measured by the criterion of relative capacity to pay and would therefore be arbitrary. It was the role of the Committee on Contributions to agree on mitigations in the light of the evidence available to it and in a non-discriminatory manner and to make recommendations to the General Assembly accordingly. The 10 therefore found paragraph 4 (c) of the draft resolution unacceptable.

55. The delegations for which he spoke regretted having to vote against the draft resolution despite the efforts made on all sides to arrive at an accord. They wished to draw the attention of the General Assembly to the grave danger which would confront the United Nations if disagreement on that crucially important question persisted.

56. Mr. MERIEUX (France) said that the United Kingdom representative, speaking on behalf of the States members of the European Community, had presented the views of the French delegation perfectly. He wished nevertheless to make a further statement in order to underline the importance of the issue and the reasons for disagreeing with the point of view expressed in the draft resolution.

57. France was not opposed to a limited change in the method of calculating contribution rates, particularly if the objective was to restrain the increase in assessments of the poorest developing countries. However, it could not agree to the General Assembly's calling in question the whole set of elements on which the apportionment of the expenses of the United Nations was based. There would always be States whose assessments would increase considerably at one time or another and, if the Assembly yielded to pressures from them, changes would have to be made every two or three years. Whether a scale of assessments was fair or unfair could be judged only over a longer period. Equitable distribution of the burden was essential to ensure continuity in the financing of the United Nations. The method employed must therefore be stable and enjoy the support of all Member States.

58. His delegation could find no sufficiently convincing reasons to support the

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(Mr. Merieux, France)

criteria set out in paragraph 4 of the draft resolution. The application of the existing formula, on the basis of statistics of national income between 1973 and 1979, would no doubt lead to quite a substantial increase in the assessments of some developing countries, particularly the oil-producing countries. It did not seem unreasonable that countries whose incomes had increased very substantially as a result of exploitation of their natural resources should contribute on a moderately higher scale. If in some cases the increase might seem to be too great, the remedy should be found through an over-all review of the formula by the Committee on Contributions and not through arbitrary special measures in favour of certain countries, as in paragraph 4 (c) of the draft resolution. The proposal to raise the upper limit of the low per capita allowance formula to \$2,100 did not seem unreasonable, because per capita incomes themselves had risen as a result of inflation. However, the effect of inflation should be calculated only for the last three years (1978-1980) of the 10-year statistical period, as the first seven years had already been used as the basis for the previous scale. The rate of inflation to be taken into account for the last three years was certainly less than 18 per cent.

59. The proposed new statistical base period was the decisive factor in the position taken by the European Community. The General Assembly had lengthened the period from three to seven years for the purpose of calculating the scale of assessments for 1978-1979, despite the opposition of many Member States. France was firmly opposed to the proposed further increase to 10 years, for two reasons. Firstly, as indicated in the preamble of the draft resolution, everyone agreed that real capacity to pay should be the fundamental criterion, and in calculating real capacity it was hardly reasonable to take into account level of income 10 years previously. Far from solving the problem, a longer statistical period would heighten the feeling of injustice of some States whose assessments might be increased because of past economic successes, even though their economies had since suffered a recession. Secondly, any change - whether a lengthening or a shortening - of the statistical period was open to criticism because of the resulting heterogeneity in a country's national income statistics when two successive scales were compared; it would therefore be a major source of unequal treatment. The seven-year statistical period was already too long, but it must be retained so as not to distort the calculation of the capacity to pay of Member States.

60. The lack of consensus on so important a question entailed grave risks for the Organization. If the draft resolution was adopted, the Committee on Contributions would be burdened with a great responsibility, because the quality of its work would largely determine whether the Fifth Committee could reach a consensus at the thirty-seventh session. His delegation was ready to contribute to such a consensus, provided that the principle of equal treatment was safeguarded. However, it had no alternative but to vote against draft resolution A/C.5/36/L.33.

61. Mr. TAKASU (Japan) said his delegation regretted to learn that it would not be possible to reach an agreement satisfactory to all during the current session of the General Assembly. It was disappointing that the Fifth Committee should have concentrated only on matters of policy and guidelines for use by the Committee on Contributions in calculating a more equitable scale of assessments. Since the scale of assessments was an important index of the financial contributions of

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(Mr. Takasu, Japan)

Member States to the United Nations, every effort should be made to reach a decision by consensus and a vote should be deferred until there was no alternative. His delegation therefore found it difficult to go along with the approach taken by the Group of 77 of pressing for an immediate decision by the Fifth Committee in the face of the unanimous opposition of the developed industrialized countries which contributed more than 70 per cent of the United Nations budget.

62. His delegation agreed with the view that there should be an attempt to find a more equitable formula, which would be based on the comprehensive capacity of a nation to pay and thus rectify the current anomalous formula whereby only national income and population data were used to calculate the scale of assessments. It therefore welcomed the inclusion of paragraphs 1, 2 and 3 in the draft resolution and also agreed with paragraph 4 (a), which would extend the base period to 10 years as a transitional measure until a new formula was established. It could not, however, accept the concept incorporated in paragraph 4 (b), which would revise the low per capita income formula so that it would automatically reflect the rate of inflation. The proposed increases in the per capita income limit and the gradient of the relief granted were excessive when viewed in conjunction with the other relief measures for developing countries contained in paragraph 4 (a) and (d) and would mainly benefit middle-income countries. It was incorrect to state that such increases constituted only partial compensation for the effects of world inflation. His delegation also had reservations on paragraph 4 (c), which represented a departure from the long-standing concept of establishing a range of variations in scales, positive and negative, which had been articulated in General Assembly resolution 34/6 B and to which his delegation attached particular importance. That concept was clearly reaffirmed in the seventh preambular paragraph of the draft resolution.

63. His delegation had both procedural and substantive reservations on the draft resolution and would therefore vote against it, if it was put to a vote, and it would reiterate its position in future years.

64. Mr. SAGRERA (Spain) said that, while his delegation appreciated the efforts made by the Group of 77, and especially the representative of Indonesia, to achieve a consensus, it would be unable to vote in favour of draft resolution A/C.5/36/L.33. The draft resolution represented an interim solution, and it was unfortunate that the report of the Committee on Contributions did not give evidence of a more flexible approach. Although operative paragraph 4 indicated that the criteria proposed were provisional in nature, his delegation felt that they might not be fully compatible with the methodology set forth in paragraph 1. Moreover, while the seventh preambular paragraph rightly recognized the need to prevent extreme and excessive variations of individual rates of assessments between two successive scales, that concern was not reflected in paragraph 4 (c). Finally, his delegation had reservations with regard to paragraph 4 (d).

65. Mr. PEDERSEN (Canada) said that, while considerable progress had been made on the text of the draft resolution, the fact that no final agreement had been reached was not surprising in view of the nature of the subject-matter, the complexity of which was, in his delegation's view, the *raison d'être* of the Committee on Contributions.

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(Mr. Pedersen, Canada)

66. His delegation's principal reservations concerned operative paragraph 4. While his delegation wished to be as accommodating as possible, it opposed a lengthening of the statistical base period to 10 years, since figures for so extended a period were likely to be out of date and therefore questionable. That had been borne out by earlier reports of the Committee on Contributions. Paragraph 4 (c) represented a considerable improvement on the earlier drafts, but his delegation felt that mitigation of increases in individual rates of assessment should only be permitted in cases where a country was genuinely in economic difficulties and might not, therefore, be able to pay its assessed contribution. On the other hand, his delegation was able to support paragraph 4 (d), which would maintain the contributions of the least developed countries at the existing level.

67. Mr. GRODSKY (Union of Soviet Socialist Republics) said that his delegation had serious reservations on the substance of some of the provisions of draft resolution A/C.5/36/L.33. In particular, operative paragraph 1 was unsatisfactory, in that the established method of defining the real capacity of Member States to pay on the basis of national income expressed in current prices was both rational and fair and had proved its utility since the very inception of the United Nations. In connexion with paragraph 4 (a), he reiterated his delegation's view that abrupt changes in the statistical base period were undesirable because they would have a negative effect on the equitable application of the principle of relative capacity to pay. Nor did his delegation agree with the idea of regular increases in relief to countries with low per capita incomes. While it was understandable that developing countries were concerned at the growing burden of financing United Nations activities, paragraph 4 (b) did not provide a satisfactory solution. The correct approach was through stabilization of United Nations expenditure and effective use of existing resources. Paragraph 4 (c) was also incompatible with the principle of relative capacity to pay and would impose a serious financial burden on some States.

68. Despite those reservations of principle, which his delegation hoped would be duly taken into account by the Committee on Contributions, his delegation was prepared, in a spirit of co-operation, to support the draft resolution.

69. Mr. RICHTER (German Democratic Republic) said his delegation was prepared to vote in favour of the draft resolution, provided that the 10-year statistical base period envisaged in paragraph 4 (a) was understood to be an absolute ceiling. Any further extension could jeopardize the principle of relative capacity to pay.

70. Mr. HOLBORN (Federal Republic of Germany) said that his delegation would vote against the draft resolution for the reasons explained by the representative of the United Kingdom on behalf of the 10 States members of EEC. It also wished to associate itself with the views expressed by the representative of France.

71. Mr. BETTINI (Italy) said that his delegation's position with regard to the draft resolution had been adequately reflected in the statements made by the representatives of the United Kingdom and France. He wished to point out that, despite the very serious economic difficulties Italy was experiencing, his Government was endeavouring to increase its economic co-operation with, and assistance to, developing countries.

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72. Mr. QUINN (Australia) said his delegation regretted that it could not support the draft resolution, and also regretted that it had not been possible to achieve a consensus. The difficulty of reconciling different interests within an equitable framework had been borne out by the negotiations on the text. However, his delegation was gratified that the latest version preserved the wide discretion of the Committee on Contributions, particularly in respect of the limitation of excessive variations between successive scales. It also welcomed the fact that the Group of 77 had agreed to withdraw certain unacceptable provisions contained in the original text. Australia would not suffer financially if the draft resolution was adopted, but it had strong objections in principle, particularly with regard to paragraphs 4 (a) and (b), and was opposed to measures aimed at limiting excessive variations between scales, which might tend to distort the fundamental principle of relative capacity to pay.

73. Mr. PAPENDORP (United States of America) said his delegation regretted that it had not been possible to achieve a consensus on the draft resolution. While it saw merit in several provisions of the draft resolution, it considered that it was for the Committee on Contributions, as mandated by the General Assembly, to act as arbiter in matters relating to scale of assessments, taking into accounts the needs both of the Organization and of Member States. His delegation had already outlined its position in its statement at the Fifth Committee on 9 October, emphasizing the need for a reasonable and realistic statistical base period. His delegation would vote against the draft resolution.

74. A recorded vote was taken on draft resolution A/C.5/36/L.33.

In favour: Afghanistan, Algeria, Argentina, Bahamas, Bahrain, Bangladesh, Barbados, Benin, Brazil, Bulgaria, Burma, Burundi, Byelorussian Soviet Socialist Republic, Central African Republic, Chile, China, Congo, Costa Rica, Cuba, Czechoslovakia, Democratic Yemen, Djibouti, Egypt, Ethiopia, Gabon, German Democratic Republic, Ghana, Guinea, Guyana, Hungary, India, Indonesia, Iran, Iraq, Ivory Coast, Jordan, Kenya, Kuwait, Lebanon, Liberia, Libyan Arab Jamahiriya, Malawi, Malaysia, Mali, Mongolia, Morocco, Niger, Nigeria, Oman, Pakistan, Panama, Philippines, Poland, Qatar, Romania, Rwanda, Saudi Arabia, Sierra Leone, Singapore, Sri Lanka, Sudan, Suriname, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Upper Volta, Venezuela, Viet Nam, Yemen, Yugoslavia, Zaire.

Against: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Federal Republic of, Greece, Iceland, Ireland, Italy, Japan, Netherlands, Norway, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: None.

75. Draft resolution A/C.5/36/L.33 was adopted by 79 votes to 19.



76. Mr. AMNEUS (Sweden), speaking in explanation of vote, said that, while his delegation appreciated the efforts made by those participating in the consultations to arrive at a generally acceptable text, it had felt obliged to vote against the draft resolution. It believed, as a matter of principle, that the Committee on Contributions should be regarded as the body competent to advise the Fifth Committee on questions related to the scale of assessments, and that operative paragraph 4 in some ways encroached upon the prerogatives of that Committee.

77. His delegation had noted the statement made by the Chairman of the Committee on Contributions on 16 October, when he had indicated that in the period 1971-1982 the assessments of States members of the Group of 77, excluding China, had diminished by 2.08 percentage points, while membership of the Group had risen from 98 in 1970 to the current figure of 114.

78. His delegation was not convinced that the least developed countries would benefit from the changes proposed in the draft resolution. It would have preferred the introduction of a mechanism which would take greater account of the capacity to pay of that group of countries.

79. In conclusion, he said that his Government's position was that assessed contributions should be based on Member States' real capacity to pay.

80. Mr. FALL OULD MAALOU (Mauritania), Mr. NUÑEZ (Ecuador), Mr. TOMMO MONTHE (United Republic of Cameroon), Mr. VOSS RUBIO (Uruguay), Mr. MARTORELL (Peru) and Mr. LOURENÇO (Portugal) said that, if they had been present during the voting, they would have voted in favour of the draft resolution.

81. Mr. DITZ (Austria) said that his delegation had felt obliged to vote against the draft resolution for the reasons outlined by the representative of Sweden.

82. The CHAIRMAN drew attention to the draft resolution on the rates of assessment for new Member States recommended by the Committee on Contributions in paragraph 70 of its report (A/36/11), which was also reproduced in section II of the draft report of the Fifth Committee on item 106 (A/C.5/36/L.30). If there was no objection, he would take it that the Committee adopted the draft resolution and section II of the draft report.

83. It was so decided.

84. The CHAIRMAN invited comments on the rest of the draft report (A/C.5/36/L.30).

85. Mr. BOUZARBIA (Algeria) said that in paragraph 8 the French translation of the terms "national wealth" and "accumulated wealth" should be "richesse nationale" and "richesse accumulée"; the word "patrimoine" was incorrect.

86. Although his delegation had not had time to study the report in detail to ensure that its views and those of the Group of 77 were accurately reflected, it would not oppose adoption of the report.

87. Mr. KUDRYAVTSEV (Union of Soviet Socialist Republics) proposed that in the

(Mr. Kudryavtsev, USSR)

last sentence of paragraph 14 the word "real" should be replaced by "relative", and that in the third line of paragraph 15 the word "operating" should be replaced by "administrative".

88. Mr. MARTORELL (Peru), Rapporteur, said that the proposed amendment to paragraph 14 would apply only to the English text.

89. Mr. GALLEGOS (Chile) pointed out that "real" and "relative" had different meanings. It would be inconsistent to have differences of meaning between the language versions.

90. Mr. PAPENDORP (United States of America) said that, as he understood it, paragraph 14 was intended to reflect the views of many developed countries, which regarded the issue as being relative capacity to pay. That had been brought out in the explanations of vote. It was true that there were two different concepts, but both should be reflected.

91. Mrs. DORSET (Trinidad and Tobago) said that if, as suggested by the United States representative, two different views ought to be reflected in the report, they should be reflected in all six working languages. It would be illogical to have one view in English and another in Spanish. Her delegation would not oppose the adoption of the report with the word "relative" in English but would have to reserve its position.

92. The CHAIRMAN said he assumed that, if the amendment was adopted, the word "relative" would be translated into the other working languages.

93. Mr. PAPENDORP (United States of America) pointed out that the concept of real capacity to pay was included in paragraph 11 of the draft report.

94. The USSR amendment to paragraph 14 was adopted.

95. Mr. MARTORELL (Peru), Rapporteur, said that he had no objection to the USSR proposal to replace "operating costs" by "administrative costs" in the English text of paragraph 15, but in the Spanish text the existing term "gastos de funcionamiento", was the right one. The question appeared to be a linguistic one, since in Spanish "administrative costs" referred to the maintenance of the Organization but not to its operations.

96. The CHAIRMAN observed that "administrative costs" could be ambiguous in English because it might be interpreted narrowly as meaning simply expenses incurred in the Department of Administration, Finance and Management as opposed to the substantive programmes of the United Nations. He suggested that the wording of the Charter, "expenses of the Organization", should be used.

97. It was so decided.

98. Mr. ABRASZEWSKI (Poland) suggested that the words "in Poland" should be inserted after the words "in use" in the fourth line of paragraph 30.

99. It was so decided.

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100. Mr. BUNC (Yugoslavia) suggested that in the last sentence of paragraph 18 the words "One delegation" should be replaced by "Some delegations", the observation in question having been made by at least two or three countries, including Yugoslavia.

101. It was so decided.

102. Mr. DUQUE (Secretary of the Committee) drew attention to a typographical error in paragraph 15.

103. The CHAIRMAN said that, if there were no further comments, he would take it that the Committee adopted the draft report on item 106 (A/C.5/36/L.30), as orally amended, on the understanding that the Rapporteur would insert material covering the Committee's action at the current meeting, including the text of the draft resolution it had adopted.

104. It was so decided.

The meeting rose at 7.30 p.m.