

Distr.
LIMITED

A/C.5/XXVI/CRP.25
18 November 1971

ORIGINAL: ENGLISH

Twenty-sixth session
FIFTH COMMITTEE
Agenda item 76

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1972

Statement dated 18 November 1961 received from
the Chairman of the Group of 77

In my capacity as Chairman of the Group of 77, I have the honour to transmit to you the views of the Group of 77 on the present budgetary policies and financial difficulties of the Organization, with the request that this letter be read out to the Administrative and Budgetary Committee and circulated subsequently as an official document of the Administrative and Budgetary Committee.

The Group of 77 has taken due note of the Secretary-General's statement of 6 October 1971, introducing his budget estimates for the financial year 1972 and shares the Secretary-General's concern at the gravity of the deteriorating financial situation which the Organization faces. The Group fully concurs in his view that urgent remedies are required to alleviate it and, in this connexion, hopes that the efforts of Ambassador Hambro, President of the General Assembly at its twenty-fifth session, to arrive at a satisfactory solution which would bring forth the necessary voluntary contributions will be successful. The Group urges that these efforts be continued and intensified.

2. The Group also concurs in the view of the Secretary-General that it is inconceivable that any Member State would wish to push the Organization to the brink and endorses his urgent appeal for reason on the part of all Member States. In this connexion, and in the light of the consensus of 1965, the Group looks forward to a positive response to this appeal, particularly from those countries which for reasons of principle have withheld payments due to the Organization. At

the same time, the Group of 77 is distressed at the indication given by the Secretary-General that, should voluntary contributions not be forthcoming at this session, he would be forced to suggest in his budget estimates for 1972 restrictive measures which would inevitably be arbitrary.

3. The Group considers that it is a mistake to confuse the problem of the deficit with the level of the budget. An artificial reduction in the levels of the budget, moreover, will not reduce the deficit. The Group is convinced that restrictive measures which would inevitably have adverse effects on the Organization's activities would not be acceptable to the generality of the membership. Indeed, it would produce a crisis of confidence which would irreparably damage the Organization itself.

4. The Group takes note with appreciation of the voluntary contributions made or pledged, as well as of offers by Member States to alleviate the present financial difficulties of the Organization.

5. The Group shares the Secretary-General's conviction that if all Members, particularly the larger contributors, would pay their assessed contributions to the budget early and in full, the present financial crisis would immediately recede.

(Signed) Javier PEREZ de CUELLAR
Permanent Representative of Peru
to the United Nations
