



SUMMARY RECORD OF THE 42nd MEETING

Chairman: Mr. ABRASZEWSKI (Poland)

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

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Distr. GENERAL*
A/C.5/37/SR.42

30 November 1982

ENGLISH

ORIGINAL: FRENCH

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

AGENDA ITEM 106: ADMINISTRATIVE AND BUDGETARY CO-ORDINATION OF THE UNITED NATIONS WITH THE SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY
(continued) (A/37/547 and Corr.1; A/C.5/37/23 and A/C.5/37/39)

1. Mr. FONTAINE ORTIZ (Cuba) said he regretted that the Secretary-General's report on the impact of inflation and monetary instability on the Organization's regular budget (A/C.5/37/39) was not as detailed as the General Assembly had requested in its resolution 36/230.
2. It did nevertheless reveal the existence of a close relationship between the steady increase in the Organization's budget and inflation in the developed countries where the United Nations bodies had their headquarters. The arguments of those who claimed that the developing countries were chiefly responsible for the constant increase in the Organization's expenditure through their votes in favour of resolutions with financial implications were thus shown to be groundless. If the Organization's budget had been multiplied twofold or even threefold in the past few years, could the funds allocated to projects and programmes for the developing countries be said to have increased in the same proportion? It was clear that the increase in the Organization's budget was due to the effects of the economic crisis in the developed countries where the United Nations bodies had their headquarters and in particular the negative effects of inflation and monetary instability.
3. The developing countries, which were in no way responsible for inflation and monetary instability, suffered their impact because of their economic relations with the developed countries where those imbalances originated. It was therefore unjust, from both the legal and the moral point of view, to ask them to bear the additional burden represented by the increase in the United Nations budget, particularly since they had to cope with the very heavy expenditure involved in maintaining diplomatic missions in countries where the cost of living was constantly rising.
4. Mrs. KNEŽEVIĆ (Yugoslavia) said it was essential to strengthen co-operation between the Advisory Committee and the Committee for Programme and Co-ordination in accordance with General Assembly resolution 36/228, which had reaffirmed the need for close co-ordination between those two bodies and had asked the Advisory Committee to make the necessary arrangements.
5. By its very nature, administrative and budgetary co-ordination within the United Nations system presupposed the most precise programme planning possible on the basis of the medium-term plan, the establishment of an order of priority among programmes, and the implementation of guidelines for programme and project evaluation. The results obtained in that area were still far from satisfactory, particularly as far as programme co-ordination, the allocation of regular and extrabudgetary resources and personnel management were concerned. Improved co-ordination within the United Nations system would to a large extent help to avoid the duplication of programmes and thus to make savings and to improve the quality of the work of the entities concerned.

(Mrs. Knežević, Yugoslavia)

6. It would be desirable for the Committee for Programme and Co-ordination to examine the programme aspects of the budget and to formulate the relevant recommendations before the Advisory Committee took up the administrative and financial aspects. If the Committee for Programme and Co-ordination proposed changes in the programme budget, the Advisory Committee should include its recommendations on the implications of those changes in its report to the General Assembly.

7. Her delegation regarded the rationalization of the use of the Organization's funds not as an end in itself but as a mechanism for solving the problems facing the international community.

AGENDA ITEM 103: PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983 (continued)
International Computing Centre - 1983 budget estimates (A/C.5/37/40)

8. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General's report (A/C.5/37/40) summarized the 1983 requirements of the International Computing Centre, Geneva, for review and approval by the General Assembly in accordance with resolution 31/208 (sect. III). Those estimates, amounting to \$5,580,200, were based on an exchange rate of SwF 1.85 to the United States dollar.

9. Because of the current strength of the dollar, it was possible that that rate was different from the prevailing rate. The representatives of the Secretary-General had informed the Advisory Committee that the first performance report on the programme budget for the biennium 1982-1983 would take into account the prevailing rate and the Secretary-General would reduce the amount to be provided by the United Nations, which was currently estimated at \$1,613,000, towards the costs of the Centre for 1983.

10. The appropriations under section 28G of the regular budget for the biennium 1982-1983 for use of the Centre's facilities amounted to a little over \$3 million. No additional appropriation was therefore necessary. Accordingly, the Advisory Committee recommended that the General Assembly should approve the 1983 budget estimates for the Centre.

11. Mr. KELLER (United States of America) noted with satisfaction that no additional appropriation was requested to finance the Centre for 1983. However, his delegation wished to restate its position of principle that increases in programmes should be financed through the redeployment of existing resources. Consequently, if the budget estimates for the International Computing Centre had been put to the vote, his delegation would have voted against them.

12. The CHAIRMAN suggested that, on the basis of the comments of the Advisory Committee, the Committee should recommend to the General Assembly that it should approve the budget estimates for the International Computing Centre for 1983, as set out in document A/C.5/37/40.

13. It was so decided.

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Revised estimates under Section 28 G. Electronic Data Processing and Information Systems Division - Interorganization secretariat services for information systems (United Nations share) (A/C.5/37/41)

14/15. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that, in the past, the question of terminating the operational functions of the Inter-Organization Board for Information Systems and disbanding its secretariat had been raised. Since Member States had expressed through the Economic and Social Council and the Committee for Programme and Co-ordination the importance which they attached to the co-ordination of information systems, it had been decided to continue to provide interorganization secretariat services for information systems. In that respect, the Economic and Social Council had adopted, at its resumed second regular session of 1982, draft resolution E/1982/L.55, in which it had, inter alia, invited the Administrative Committee on Co-ordination to take appropriate action to ensure the continuation of current activities supporting the co-ordination of information systems and to strengthen and reorient them so as to achieve the objectives set out in the resolution.

16. Accordingly, the Administrative Committee on Co-ordination had decided to submit to the General Assembly for approval budget estimates for interorganization secretariat services for information systems for 1983 at the same real level as the budget approved for 1982.

17. Details of the United Nations share were to be found in paragraph 3 of the Secretary-General's report (A/C.5/37/41). The Secretary-General stated that the budget approved for 1982 would not be fully utilized, so that the United Nations share might be reduced by \$143,500. The net additional requirement requested was \$151,700.

18. The Advisory Committee believed that the Secretary-General should be able to finance the United Nations share from existing resources and that it was therefore unnecessary to appropriate additional funds at the current juncture. Accordingly, it recommended that the General Assembly should approve the estimated expenses for interorganization secretariat services for information systems for 1983, which totalled \$686,600.

19. Mr. SAGRERA (Spain) pointed out an error in the numbering in the Spanish text of document A/C.5/37/41: paragraph 5 should be paragraph 3.

20. The CHAIRMAN suggested that, on the basis of the recommendations of the Advisory Committee, the Fifth Committee should recommend to the General Assembly that it should approve the proposal of the Administrative Committee on Co-ordination to provide for the continuation of interorganization secretariat services in the field of information systems at the same real level as embodied in the budget of the IOB secretariat for 1980-1981 and should decide that no additional appropriation was required at the current stage with regard to the United Nations share of the related costs.

21. It was so decided.

AGENDA ITEM 107: JOINT INSPECTION UNIT: REPORTS OF THE JOINT INSPECTION UNIT
(continued)

Communications in the United Nations system (A/37/372 and Add.1 and 2).

22. Mrs. CONWAY (Ireland), referring to the report of the Joint Inspection Unit (A/37/372), welcomed the emphasis in paragraph 87 on the fact that communication should not be regarded as an end in itself but as a means of making the organizations of the United Nations system more effective, more responsive and better adapted to the formidable tasks before them.
23. She noted that paragraph 67 of the report said that the design life-time of the satellite currently used for communications between Geneva, Jerusalem and Naqura was due to expire in 1982, and asked what steps that the Secretariat proposed to take to ensure the maintenance of those communications.
24. In conclusion, she said that her delegation supported the Advisory Committee's recommendation that the General Assembly should accept the Joint Inspection Unit's recommendations and authorize the appropriations needed to put them into effect.
25. Mr. BOURBONNIERE (Office of General Services), replying to the Irish representative's question, referred to paragraph 10 (f) of document A/37/372/Add.1 and said that negotiations were in progress on the matter. The Secretariat hoped to complete the consultations before the end of the year so that the new arrangements could enter into force at the start of the new year.
26. Mr. WILLIAMS (Panama) asked whether the Joint Inspection Unit thought it was really more economical for the United Nations to rent satellite communications channels than to buy them.
27. Mr. FORDE (Joint Inspection Unit) replied that the Inspectors had compared the respective advantages of renting and purchasing communications channels, and that renting had seemed to them to be a reasonable solution.
28. Mr. BOURBONNIERE (Office of General Services) added that purchase of a satellite would require the astronomical sum of \$175 million, in addition to \$1,750,000 a year for maintenance. By comparison, the arrangements proposed by JIU entailed an expenditure of \$200,000 a year.
29. The CHAIRMAN suggested that the Fifth Committee should recommend to the General Assembly that it take note, with appreciation of the report of JIU (A/37/372), the comments thereon of the Secretary-General (A/37/372/Add.1) and ACC (A/37/372/Add.2), and the oral report of the Advisory Committee.
30. It was so decided.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued) (A/37/236, A/37/613)

Proposed statutes of the regional institutes for population studies at Accra and Yaoundé

31. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that, at the thirty-sixth session, ACABQ had considered the proposed statutes of the regional institutes for population studies at Accra and Yaoundé and had suggested that the initial proposals should be re-examined. It had also recommended that the Office of Legal Affairs, the Office of Financial Services and the Office of Personnel Services should study the statutes in the light of their respective mandates. That had been done, and the statutes were being resubmitted to the General Assembly through the Economic and Social Council.

32. The ACABQ report (A/37/613) endeavoured to highlight some aspects of the statutes which could pose problems in the future. The problems did not, however, justify deferment of the adoption of the statutes, and ACABQ therefore recommended that the General Assembly should approve them and concur in the observations made in the Committee's report (A/37/613).

33. Mr. NDOM MOUNGUEN (United Republic of Cameroon) said that there was an error in the French text of annex II of document A/37/236: article 4, paragraph 1 (b), should refer to the United Republic of Cameroon and not the Republic of Ghana.

34. Mr. YAKOVENKO (Union of Soviet Socialist Republics) said that his delegation endorsed the recommendations of the Advisory Committee in document A/37/613. He drew the Committee's attention to paragraphs 5 and 6 of that report, and emphasized that the work of the institutes should be financed exclusively from voluntary contributions.

35. Mr. KELLER (United States of America) and Mr. ZINIEL (Ghana) endorsed the recommendations of the Advisory Committee, particularly those contained in paragraphs 4, 5 and 6 of document A/37/613.

36. Mr. KABONGO TUNSALA (Zaire), referring to paragraph 4 of document A/37/613, wondered whether the fact that officials recruited for the institutes could not be posted elsewhere might give them the impression that they were disadvantaged by comparison with other officials in the Organization.

37. With regard to paragraph 5 of the same document, according to which the institutes were to be financed from voluntary contributions, he wondered whether those provisions could not be reviewed. The United Nations budget deficit demonstrated that there was little to be expected from that method of financing.

38. Mr. RUEDAS (Under-Secretary-General for Administration and Management) said that the institutes would not be the only examples of organs offering appointments without the prospect of service elsewhere in the United Nations system. That was the normal practice in institutes financed from voluntary contributions. He cited several examples, stating that there were enough precedents for there to be no cause for alarm.

39. The CHAIRMAN suggested that the Committee should recommend to the General Assembly that it approve the proposed statutes of the regional institutes for population studies at Accra and Yaoundé as contained in document A/37/236, and that it endorse the observations and understandings reflected in the report of the Advisory Committee with respect to those statutes (A/37/613).

40. It was so decided.

AGENDA ITEM 104: PROGRAMME PLANNING (continued) (A/37/3 [Part II], chap. VI, sect. C, A/37/6, A/37/7, A/37/38, A/37/154 and Corr.1 and 2, A/37/206 and Add.1 and Add.1/Corr.1, A/37/207, A/37/460; E/1982/INF/12, decision 1982/173; A/C.5/37/25, A/C.5/37/53)

41. Mr. DITZ (Austria) said that planning exercises should establish a link between the day-to-day work of the Secretariat and the ambitious but often rather vaguely defined objectives set out in resolutions and decisions of the various bodies of the United Nations. Planning and programming constituted a very complex and difficult undertaking. In making his remarks, he proposed to follow the structure of the medium-term plan itself and to refer to the draft rules submitted by the Secretary-General (A/37/206/Add.1).

42. With regard to the introduction to the medium-term plan, he cited draft regulation 3.7, from which he inferred that the introduction should, at least in theory, contain a thorough analysis of the main concerns of the Organization and explain the manner in which it intended to proceed. The draft before the Committee did not meet that requirement for, as stated by the Committee for Programme and Co-ordination in paragraph 57 of its report (A/37/38) it was vague and declaratory, instead of being analytical and forward-looking. In addition, the introduction contained no proposals on priorities, nor had any been submitted to the Economic and Social Council at its summer session. By contrast, in his report on the work of the Organization, the Secretary-General made a candid and realistic appraisal of the present political environment and the Organization's capabilities.

43. Turning to the question of the objectives of the medium-term plan, he referred to draft regulation 3.3, which provided that the plan should state the objectives to be attained over the period it covered, the basic element being the subprogramme, as defined by ACC in document E/5803. Yet the proposed medium-term plan did not always put forward clearly-defined and verifiable objectives. That was true, for example, of the mineral resources programme, considered in the evaluation report in document E/AC.51/1982/5. The proposed plan rather gave the impression that more or less coherent activities were divided into various subprogrammes, which were ultimately given a rather broadly defined goal. In his view, the contrary was necessary.

44. On the question of strategies, he noted that rule 103.3, as proposed, provided that strategies should briefly describe the situation and the approach to be adopted over the period of the plan to achieve the objective in mind. The strategies contained in the proposed plan consisted, for the most part, of an enumeration of the various activities of the Secretariat. They established no link

(Mr. Ditz, Austria)

between the day-to-day work of the Secretariat and the broad objectives defined in legislative mandates. When the period covered by the plan ended, the United Nations would have spent some \$5 billion without clearly knowing whether the goal was any closer. It seemed that the existing methodology, now codified in the rules proposed by the Secretary-General, had not been fully applied. What was needed was to improve the planning structure and the dialogue between Member States and the Secretariat.

45. With regard to structure, he said that an integrated planning system comprised three elements or phases: the planning phase, the programme budgeting phase and the implementation phase. The first two elements of that system had been in existence for some time at the United Nations, but the third was only just being established. Following the restructuring exercise undertaken by the Organization in implementation of General Assembly resolution 32/197, a new Evaluation Unit had begun operations in 1980, under the authority of the Assistant Secretary-General for Programme Planning and Co-ordination, in the Department of International Economic and Social Affairs. The Unit was currently staffed by three Professionals, who evaluated the whole economic and social sector and reported to the Director-General. The rest of the programme was evaluated by one or two Professionals in the Office of Financial Services, under the authority of the Under-Secretary-General for Administration and Management. It was only recently that the Committee had been informed of the establishment of the Central Monitoring Unit requested by the General Assembly in resolution 36/228. That new unit comprised three part-time Professionals and was under the authority of the Programme Planning and Budgeting Board.

46. The monitoring and evaluation function as a whole was thus entrusted to four or five full-time Professionals and three part-time Professionals, who reported to the Director-General, the Under-Secretary-General for Administration and Management and the Programme Planning and Budgeting Board. A more coherent evaluation and monitoring system was therefore needed.

47. Moreover, the two phases of planning and budgeting were not necessarily integrated, nor were they functioning flawlessly. Planning and programming functions were divided between the Assistant Secretary-General for Programme Planning and Co-ordination and the Office of Financial Services, while only the latter was responsible for budgeting. The establishment of the Programme Planning and Budgeting Board marked a welcome step towards a greater integration of those three functions.

48. However, an analysis of the functions of the Board (ST/SGB/190) showed that the only Board member with overall responsibility for planning, programming and budgeting was the Secretary-General. The mandate of all other members was limited. If the Secretary-General was unable to attend the session of the Board, the single integrating element was absent. As a result of the lack of a single responsible person and a clear line of command, decision-making might well become fragmented and cumbersome. The Board could not therefore replace the need for the integration of the whole system of programming, planning and budgeting.

(Mr. Ditz, Austria)

49. Finally, with respect to the question of dialogue between Member States and the Secretariat, he said that the exchange of views that had taken place in CPC between representatives of Member States and programme managers had not been particularly constructive. The success of United Nations programmes depended first and foremost on the co-operation which the Secretariat units could obtain from Member States and the establishment of a constructive and thorough dialogue between the parties. It would therefore be useful if future consultations with interested Member States were to begin at an early stage of the planning phase.

AGENDA ITEM 112: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (A/37/30; A/C.5/37/29)

50. Mr. SHUSTOV (Union of Soviet Socialist Republics) said that the main issue before the Committee, with respect to the report of the International Civil Service Commission (A/37/30), was without doubt the proposal to increase by 5 per cent the salaries of officials in the professional category. According to the Noblemaire principle, there should be only a small margin between the remuneration of the Professional staff of the United Nations and their counterparts in the best-paid national civil service, which currently was that of the United States. Yet, the table in paragraph 64 of the ICSC report showed that the remuneration of the Professional staff of the Organization exceeded the remuneration of United States officials by 18.2 per cent.

51. The gap between the salaries of the international civil service and those of the United States civil service continued to widen: it had been 9.3 per cent in 1978, and the representative of the United States estimated that it had in fact risen not to 18.2 per cent, but to 34.6 per cent.

52. The method of comparison used by the United States was more objective and therefore fairer than the method used by ICSC, which had not taken into account such important elements as the length of annual leave or sick leave and had furthermore overlooked the fact that United States officials had greater responsibilities than their counterparts in the United Nations.

53. The members of the International Civil Service Commission, which were furthermore not unanimous in recommending a 5 per cent increase, had improperly accorded priority to the interests of the staff, to the detriment of the interests of Member States, which would have to assume an increase in financial obligations because of erroneous conclusions.

54. With regard to the arguments put forward by the Administrative Committee on Co-ordination, his delegation believed that they needlessly undermined the foundations of the Noblemaire principle, which had functioned well since the birth of the Organization and which had permitted the recruitment and retention of qualified officials from all countries of the world, including the United States.

55. Turning to the question of the expatriate benefits, he strongly deplored the fact that ICSC had not yet completed the analysis of the comparison of total

(Mr Shustov, USSR)

compensation of officials of the United Nations system with that of their United States counterparts. In that connection, he recalled that, at its thirty-sixth session, the General Assembly had decided in resolution 36/233 [sect. III, para. 1 (b)] that for the purposes of that comparison, account should be taken only of the expatriate benefits paid to officials of the United Nations system. It was therefore unacceptable for ICSC to persist, in defiance of the will of the General Assembly, in taking account of the expatriate benefits in both civil services. The General Assembly had taken that decision because, under the Noblemaire principle, officials of the United Nations system already received substantial additional allowances in relation to their United States counterparts, and it was for that reason that the two civil services were not directly comparable.

56. While it should have taken up the priority issue of the comparison of total compensation, the International Civil Service Commission had concerned itself with studying secondary questions, such as the education grant, the children's allowance and additional allowances for field staff. Any unfortunate decision taken by the Commission in that regard might impose on Member States new expenditures that were totally unjustified, and therefore unacceptable. The staff in field offices enjoyed a very high standard of living, sometimes higher than that of the members of the Government, or even its Head, of the country in which the international organizations had their headquarters. That state of affairs had led to the creation of an international élite, which hardly enhanced the prestige of the Organization in the countries in question.

57. With regard to the post adjustment system, his delegation was opposed to any new ICSC survey the sole objective of which was to justify the payment to field staff of allowances that were excessive in relation to the cost of living of the country in which they were employed. In addition, such a procedure would add to the already unacceptable backlog in its work on the question.

58. With respect to the question of salary survey methodology, he did not understand why the data necessary for such surveys were compiled by the staff of the international organizations, who could not be objective in that regard, while the question of salaries had been entrusted to the International Civil Service Commission and the Advisory Committee, which should carry out their own research. It was imperative to establish effective controls to ensure that Member States did not have to bear the burden of unjustified expenditures resulting from decisions taken on the basis of their surveys in question.

59. The General Assembly had unequivocally decided, in its resolution 34/165, that the repatriation grant would be paid only in cases of actual repatriation. Yet, as was indicated in the note by the Secretary-General in document A/C.5/37/26, the United Nations Administrative Tribunal had approved, by its Judgement No. 273, the payment of \$24,000 to a staff member who had not provided proof of his repatriation. The Administrative Tribunal, a subsidiary organ of the General Assembly, should under no circumstances go against the decisions of the latter. His delegation hoped that in the future the Secretary-General would be guided solely by the decisions of the General Assembly when dealing with any question that had financial implications.

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60. Mr. HADID (Algeria) said that the International Civil Service Commission had been wise not to take a decision, at the current stage, on the salary increase for the Professional category requested by the Administrative Committee on Co-ordination. His delegation shared the concern of other delegations about the idea that consideration should also be given to the level of remuneration paid in the private sector of the comparator country: to go in that direction would be to depart substantially from the Noblemaire principle, which was equitable.

61. His delegation believed that raising the age of retirement would not bring any lasting improvement in the situation of the Pension Fund, and was not convinced either that it would promote greater efficiency on the part of the Secretariat, which could be achieved rather by developing career prospects for staff members. The question of retirement pensions and benefits should be taken up within the framework of a personnel policy.

62. The question of locally recruited staff members had rightly received the attention of ICSC. His delegation believed that more precise criteria were required in order to examine that question rationally.

The meeting rose at 1 p.m.