



SUMMARY RECORD OF THE 54th MEETING

Chairman: Mr. ABRASZEWSKI (Poland)

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

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The meeting was called to order at 11 a.m.

AGENDA ITEM 103: PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983 (continued)

Use of consultants and experts in the United Nations (A/37/358 and Corr.1 and 2 and Add.1, A/37/684; A/C.5/37/27)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee (A/37/684), said that two reports were discussed in that document: the report of the Secretary-General (A/C.5/37/27) and the report of the Joint Inspection Unit (A/37/358) on the question under consideration.
2. The Advisory Committee had found the Secretary-General's report (A/C.5/37/27) to be distinctly better than past reports: the presentation was clearer and the data were more interesting. It recommended that the Secretary-General should submit its next report to the General Assembly at the thirty-ninth session.
3. The report of the Joint Inspection Unit (A/37/358) contained some highly relevant observations, the first of which was that the principles established by the General Assembly to determine requirements with respect to the use of experts and consultants and the necessary resources for that purpose had not been fully applied. The Advisory Committee had indeed noted some instances of departure from those principles. The Secretary-General had furnished explanations in that connection and the Advisory Committee had recognized that such departure was sometimes inevitable. That having been said, the Committee considered that instances of departure should be exceptional.
4. The Unit's second observation, in paragraph 81 of its report, was that Administrative Instruction ST/AI/232, which defined the terms "consultant" and "expert", lacked clarity. A new Secretary-General's bulletin correcting the imperfections was due to be issued shortly, as was stated in paragraph 5 of the Advisory Committee's report.
5. The third observation of the Unit related to the absence of productivity norms for some categories of staff. The Advisory Committee endorsed to some extent the reservations of the Secretary-General regarding the feasibility of establishing productivity norms for those categories. Accordingly, in paragraph 6 of its report, it called on the Secretary-General to explore the feasibility of establishing such norms wherever possible.
6. Recommendation 4 of the Unit called for a mechanism which would provide a more effective determination of consultancy requirements; the Advisory Committee pointed out in paragraph 7 of its report that that recommendation was being implemented.

(Mr. Mselle)

7. Concerning the use of former staff members as experts or consultants, a question which had preoccupied the Fifth Committee over a long period, he observed that the Unit had recommended a limit on the fees received by former staff members (recommendation 6). It was the Advisory Committee's view that the making of hasty recommendations should be avoided. The Secretary-General stated in his report that former staff members hired as consultants in 1980 and 1981 had numbered 110, or 6.8 per cent of all the consultants employed, and that the number of former staff members who had reached retirement age had been 75, or 4.7 per cent of all the consultants engaged.

8. He believed that the number of former staff members employed as consultants was not large enough to justify immediate action. Moreover, there was no convincing proof that there had been abuse. That was why the Advisory Committee had refrained from making recommendations on how the Unit's recommendation 6 should be applied and was merely proposing that the situation should continue to be monitored. To that end, the Committee suggested that the Secretary-General should include detailed information on the employment of former staff members in his reports on the use of experts and consultants in the United Nations. If the Committee found evidence of abuse, it would not fail to make the necessary recommendations.

9. Mr. FORAN (Controller) recounted attempts made over the years by the various parties concerned to establish a satisfactory procedure for the use of experts and consultants in the United Nations, and said he wished to clarify the Secretariat's position on certain points.

10. As indicated in paragraphs 12 and 21 of document A/37/358/Add.1, the Secretary-General believed that recommendation 6 made by the Joint Inspection Unit, in document A/37/358, which would limit the remuneration paid to a consultant who was also a former staff member, was unfair. The position taken by the Advisory Committee in paragraph 9 of its report (A/37/684), on the other hand, seemed likely to prevent abuse and the Secretariat was ready to provide the General Assembly and ACABQ with all the reports they required.

11. Concerning recommendation 4 of JIU, he said that the chiefs of all Secretariat units had been issued in July 1982 with detailed instructions on how to determine their requirements for consultant services during the preparation of the programme budget, and the Secretariat ought to be able to provide detailed justification for any request for consultant services made within the proposed programme budget for the biennium 1984-1985. The Secretariat would indicate, as required, the implications of its proposals for programme elements.

12. The Secretariat was now coming to grips with the question of the use of experts and consultants throughout the Secretariat. The introduction of new methods in 1982 had admittedly delayed the appearance of the Secretary-General's report, but the quality of the report had improved greatly, as the Advisory Committee itself acknowledged, and future reports should be ready for the opening of the regular session of the General Assembly.

(Mr. Foran)

12a. The data contained in the annexes to document A/C.5/37/27 would, of course, be taken into account during the forthcoming preparation of the proposed programme budget.

13. The bulletin announced by the Secretary-General in paragraph 11 of his report had been published on 19 November 1982 as document ST/SGB/177, and the three related administrative instructions were currently being printed.

14. Mr. YAKOVENKO (Union of Soviet Socialist Republics) said that the report of the Joint Inspection Unit (JIU) appearing in document A/37/358 showed that the practice of using consultants and experts in the United Nations was not monitored closely enough by the Secretariat, with the result that unjustified expenditure was burdening the budget of the Organization.

15. Over a period of seven years the costs of employing consultants and experts in the Organization had risen considerably, and the services rendered had not always been related to priority objectives or specific instructions.

16. His delegation could not endorse a situation in which appropriations for consultants and experts were used simply to increase the number of staff in certain departments. There had also been occasions when the honoraria paid or the length of the contracts granted had exceeded the prescribed standards. It would have been useful to have specific data on the irregularities so as to be able to assess the action taken by the administration in such cases.

17. There was a well-known practice of employing retired Secretariat staff members as consultants, receiving honoraria greater than their salaries before retirement. In that connection, his delegation endorsed recommendation 6 of the Joint Inspection Unit. His delegation felt that in order to prevent such abuses the Secretariat should take particular care to improve the procedures governing the use of consultants and the determination of the honoraria to be paid to them.

Revised estimates resulting from decisions of the Economic and Social Council at its resumed second regular session, 1982 (continued) (A/C.5/37/3/Add.1)

18. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), presenting orally the report of the Advisory Committee, observed that conference service requirements amounting to \$724,100 on a full-cost basis for 1983 in connection with Economic and Social Council resolution 1982/68, 1982/69 and 1982/70 would be considered in the context of the consolidated statement for conference servicing costs for 1983. Additional non-conference costs for Economic and Social Council resolution 1982/67 would be absorbed. However, pursuant to ECOSOC resolution E/1982/68, the Secretary-General was requesting an additional appropriation of \$130,000 under budget section 9 for the travel and subsistence of 16 expert advisers who would be attending the special session of the Commission on Transnational Corporations in 1983, the purpose of which was to complete the formulation of a draft code of conduct on transnational corporations. Provision had already been made for those expert advisers to attend the Commission's regular

(Mr. Mselle)

session. The Advisory Committee recommended that the amount to be appropriated under section 9 should be reduced to \$100,000. If, for some reason, that amount proved insufficient, it would always be possible to cover the balance of the costs from appropriations under section 9 for consultancy services.

20. Mr. PAPENDORP (United States of America) pointed out that the Committee had already approved an additional appropriation of more than \$500,000 pursuant to the decisions taken by the Economic and Social Council in 1982. His delegation was most displeased. The fact that the Secretariat was requesting an additional appropriation of \$130,000 - \$100,000 if the recommendation of ACABQ was taken into account - to which an as yet unspecified sum for conference services must be added, clearly proved that it was not following the recommendation made to it to meet expenses as far as possible through the redeployment of existing resources.

21. When his delegation joined the consensus in the Commission on Transnational Corporations meeting in Manila, it had been under the impression that no additional appropriations would be requested as a result of the decision. Indeed, it had reaffirmed its position within the Economic and Social Council when the matter had been discussed. It was regrettable that the Secretariat had paid no heed to that fact. Accordingly, his delegation asked for the recommendation for an additional appropriation of \$100,000 under section 9 to be put to the vote.

22. Mr. GRODSKY (Union of Soviet Socialist Republics) said that his delegation, while supporting the Economic and Social Council's decision regarding arrangements for completing the preparation of a draft code of conduct for transnational corporations - a matter of high priority, in his delegation's view - regretted the fact that the Secretariat was once again looking to finance that activity through additional appropriations, especially when the report of JIU on the use of consultants and experts showed that large sums were often used for purposes contrary to the objectives established by the General Assembly. The money spent in that respect often financed services which ought to have been rendered by the permanent staff of the Organization.

23. His delegation could not support the recommendation of ACABQ, for it believed that the necessary funds should be found among the millions of dollars that the Secretariat already had available for hiring consultants and experts.

24. The CHAIRMAN suggested that the Fifth Committee, on the basis of the recommendations of the Advisory Committee on Administrative and Budgetary Questions, should recommend the General Assembly to approve an additional appropriation of \$100,000 under section 9 of the programme budget for the biennium 1982-1983. The conference servicing costs resulting from decisions taken by the Economic and Social Council at its resumed second regular session in 1982, which were estimated on a full-cost basis at \$724,100, would be considered in the context of the consolidated statement of conference servicing costs that the Secretary-General would submit to the General Assembly towards the end of the current session.

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25. The recommendation of the Advisory Committee for an additional appropriation of \$100,000 under section 9 for the biennium 1982-1983 was approved by 73 votes to 10, with 9 abstentions.

International Conference on Population (A/C.5/37/59)

26. Mr. GRODSKY (Union of Soviet Socialist Republics) said that, for many years, the Organization's activities in the field of population had been financed by the United Nations Fund for Population Activities (UNFPA) which itself was financed by voluntary contributions. His delegation objected to the appropriation of \$800,000 from the regular budget to finance population activities and believed that such activities should continue to be financed through voluntary contributions.

27. The CHAIRMAN proposed that the Fifth Committee should take note of the report of the Secretary-General contained in document A/C.5/37/59.

28. It was so decided.

AGENDA ITEM 110: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS: REPORT OF THE COMMITTEE ON CONTRIBUTIONS (continued) (A/37/11 and Add.1 and Add.1/Corr.1)

29. Mr. ALI (Chairman of the Committee on Contributions) said that pursuant to the decision adopted by the General Assembly (A/37/617, para. 11), the Committee on Contributions had held a special session from 22 to 24 November 1982 in order to re-examine the scale of assessments in light of the recommendations of the Fifth Committee. In so doing, the Committee had sought to apply the guidelines of the General Assembly, in particular paragraph 4 of General Assembly resolution 36/231 A. Finally, thanks to the untiring efforts of the representative of Morocco, the Committee had succeeded in obtaining 58 points of relief, voluntarily given by certain Member States. The apportionment of those points had been decided by a majority vote. He regretted the fact that there had not been a consensus on the new scale of assessments any more than there had been on the earlier one.

30. The Committee had heard the representative of the Dominican Republic and had concluded that it could not reduce that country's assessment.

31. The Committee had decided to apply to the Republic of Korea the same downward adjustment as had been applied to Nigeria.

32. The Committee on Contributions had decided, in order to implement the provisions of paragraph 3 of General Assembly resolution 36/231 A, to meet for four weeks instead of three in May 1983.

33. Mr. LAHLOU (Morocco) said that during the course of his consultations certain delegations had expressed the wish to have a little more time to study the issue. Accordingly, he requested that, out of consideration for those delegations, no decision should be taken until the following meeting. Since consultations were still proceeding he asked that the debate should be kept open in order that other aspects of the issue might be considered. In that connection he suggested that one of the officers of the Fifth Committee should take the responsibility for co-ordinating the consultations.

34. Mr. PINIES (Spain) said that the addendum to the report of the Committee on Contributions, though brief, was none the less very enlightening. His delegation did not approve of the proposed scale of assessments nor did it approve of the procedure used to arrive at that scale of assessments. He was astonished that matters had reached a point where some countries had had to give points generously so that others might benefit. Under the circumstances, the Committee on Contributions might as well be dissolved so that the scale of assessments could be negotiated in the Fifth Committee. That was contrary to all the regulations.

35. His delegation would, of course, vote against the proposed scale of assessments. Moreover, it requested that a recorded vote be taken and it reserved the right to speak again on the matter.

36. Mr. KABONGO TUNSALA (Zaire) said that the assessment of South Africa had been raised to 0.41 per cent which represented an increase of five points. He recalled, in that connection, that the Controller had pointed out that any increase in South Africa's assessment would simply increase the Organization's deficit. He wondered whether the Committee had taken that into account.

37. His delegation was prepared to support the report of the Committee on Contributions although it hoped that when reviewing the scale of assessments in 1985, the Committee would duly apply all the provisions of General Assembly resolution 36/231 A.

38. Mr. GEPP (Brazil) supported the statement made by the representative of Morocco and asked the Chairman not to close the debate on that item, since consultations were still under way.

39. Mr. PEDERSEN (Canada), referring to paragraph 8 of document A/37/11/Add.1, which set forth the conditions specified by those countries which had agreed to give points, said that his delegation, for its part, would leave it entirely up to the Committee on Contributions to apportion the points given by Canada as it saw fit.

40. Mr. ROY (India) pointed out that among the countries which had agreed to give points there were several countries with low per capita incomes, including India. On the other hand, among the countries which were to benefit from relief there were several countries with high per capita incomes, including two member countries of OECD. That was unfair and contrary to the principles set forth in General Assembly resolution 36/231 A.

(Mr. Roy, India)

41. His delegation had none the less felt that the scale of assessments which had been originally proposed was unacceptable and for that reason it had agreed to associate itself with a compromise formula and had even joined the sponsors of draft decision A/C.5/37/L.23. It was in that spirit that his delegation supported the revised scale of assessments.

42. Mr. WILLIAMS (Panama) urged the Fifth Committee not to reopen the discussion on the substance so to avoid unnecessary expense.

43. Mr. AMNEUS (Sweden) said that his delegation was not in a position at that point to take a decision on the recommendations of the Committee on Contributions. Since the revised scale of assessments had not been unanimously approved by members of the Committee and since it contained new elements, it would be preferable to postpone a decision on the matter until the following week.

44. Mr. SHAHANKARI (Jordan) and Mr. BRODINIGRAT (Indonesia) supported the proposal of the representative of Morocco.

45. Mr. GRODSKY (Union of Soviet Socialist Republics), supported by Mr. ERDEMBAT (Mongolia), said he was gratified that the Committee on Contributions had reached a compromise which took into account the various opinions expressed during the debate in the Fifth Committee and that it had been able to prepare a scale of assessments that was acceptable to all delegations. The time had come to take a decision. Consequently, he supported the proposal of the representative of Morocco, on the understanding that consultations on other aspects of the question should be pursued.

46. Mr. GUBSCI (Hungary) endorsed the proposal made by the representative of Morocco. A final decision must be taken soon on the revised scale of assessments. Moreover, the new scale did not differ very significantly from the scale of assessments originally recommended by the Committee and it was in accordance with the interests of most Member States. The Fifth Committee must put an end to the Organization's financial uncertainty.

47. Mr. DITZ (Austria) noted that the new scale of assessments recommended by the Committee contained a new element, namely, the increase in South Africa's assessment, the result of which would be to increase the Organization's budgetary deficit. Representatives must be able to consult their respective Governments in order to obtain specific instructions. Accordingly, his delegation endorsed the proposal of the representative of Sweden to postpone the decision until the following week.

48. Mr. WANG Xuexian (China) said that China approved of the revised scale of assessments which was in accordance with the decisions taken by the General Assembly at the current session and took account of the views expressed during the debate in the Fifth Committee. His delegation therefore supported the proposal by the representative of Morocco.

49. Mr. OULD MAALOUM (Mauritania) endorsed the proposal by the representative of Morocco; the new scale of assessments recommended by the Committee was the only possible compromise under the present circumstances.

50. Miss CASTILLO (Dominican Republic) said that her delegation could not accept the decision of the Committee not to recommend a reduction in the assessment of the Dominican Republic. That decision did not take into account her country's real capacity to pay which must constitute the basic criterion in drawing up the scale of assessments. In fact, her country had been sorely tried in recent years by a series of natural disasters and its main export product, sugar, was currently being sold on the world market at a price which represented less than half what it cost to produce. As a result, her country was having to devote the bulk of its resources to its economic recovery. Her delegation would vote against the recommendations of the Committee and it would request that the assessment of the Dominican Republic be revised so as to be more equitable.

51. Mr. RAKOTONAIVO (Madagascar) and Mr. NICULESCU (Romania) endorsed the proposal made by the representative of Morocco.

52. Mr. BROTODINIGRAT (Indonesia) pointed out that the assessment of South Africa was, in fact, one point lower than it had been in the previous scale of assessments.

The meeting rose at 1 p.m.