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ADMINISTRATIVE AND BUDGETARY CO-ORDINATION OF THE UNITED NATIONS WITH THE SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

Report of the Fifth Committee

Rapporteur: Mr. M. Adel EL SAFTI (Egypt)

I. INTRODUCTION

1. At its 4th plenary meeting, on 24 September 1982, the General Assembly decided to include in its agenda the item entitled:

"Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency:

- (a) Report of the Advisory Committee on Administrative and Budgetary Ouestions:
- (b) Impact of inflation and monetary instability on the regular budget of the United Nations;
- (c) Feasibility of establishing a single administrative tribunal: report of the Secretary-General;"

and to allocate it to the Fifth Committee.

- 2. The Fifth Committee had before it the following documents:
- (a) Report of the Advisory Committee on Administrative and Budgetary Questions (A/37/547 and Corr.1);

- (b) Report of the Secretary-General in the impact of inflation and monetary instability on the regular budget of the United Nations (A/C.5/37/39);
- (c) Report of the Secretary-General on the feasibility of establishing a single administrative tribunal (A/C.5/37/23).
- 3. The Committee considered this item at its 27th, 36th, 39th, 42nd, 46th, 47th, 50th, 52nd, 55th, 57th and 58th meetings, on 5, 16, 19, 23, 29 November and from 1 to 3 and on 6 December 1982. Comments and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (see A/C.5/37/SR.27, 36, 39, 42, 46, 47, 50, 52, 55, 57 and 58).

II. CONSIDERATION OF PROPOSALS

- 4. At the 46th meeting, on 29 November, the representative of Barbados introduced a draft resolution (A/C.5/37/L.27) entitled "Feasibility of establishing a single administrative tribunal".
- 5. At the same meeting, the representative of Barbados, on behalf of Australia and Barbados, introduced a draft resolution (A/C.5/37/L.28) entitled "Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency".
- 6. At its 47th meeting, on 29 November, the Committee adopted draft resolutions A/C.5/37/L.27 and A/C.5/37/L.28 without objection (see para. 15, draft resolutions I and II).
- 7. At the 50th meeting, on 1 December, the representative of Cuba, on behalf of Burundi, Costa Rica, Cuba, the Dominican Republic, Ethiopia, Mexico, Nigeria and Panama, introduced a draft resolution (A/C.5/37/L.31) entitled "Impact of inflation and monetary instability on the budget of the United Nations", which read as follows:

"The General Assembly,

"Recalling its resolution 36/230 of 18 December 1981,

"Deeply concerned at the increased cost of the goods and services associated with the operation of the United Nations and the United Nations system as a whole as a result of the persistence of inflation and monetary instability in those developed countries in which the United Nations makes its expenditures,

"Convinced that many Member States are not responsible for the losses which the budget of the United Nations experiences as a result of the monetary phenomena referred to in the preceding paragraph,

"Stressing that, in order to cover the substantial losses caused by inflation and monetary instability, there is a need for an additional procedure that would help meet the above-mentioned budget costs in the most appropriate way.

"Having considered the study of the Secretary-General on the impact of inflation and monetary instability on the budget of the United Nations,

"Convinced of the need to analyse more thoroughly all aspects of the increased cost of the goods and services associated with the operation of the United Nations,

- "1. Takes note of the report of the Secretary-General on the impact of inflation and monetary instability on the budget of the United Nations;
- "2. Requests the Secretary-General to prepare a more penetrating, extensive and detailed study on the impact of inflation and monetary instability on the regular budget of the United Nations, taking duly into consideration the content of the preambular paragraphs of resolution 36/230 and the present resolution, together with the opinions of the Member States concerned, and to submit it to the General Assembly at its thirty-ninth session;
- "3. Also requests the Secretary-General to include in the study referred to in paragraph 2 specific proposals on additional criteria, procedures and guidelines that will allow for sufficient flexibility in the budget process to be able to determine with greater precision the cost of inflation that falls on Member States, so that such cost may be distributed more appropriately."
- 8. At the 57 meeting, on 6 December, the representative of Cuba indicated that <u>Guinea Bissau</u> and <u>Madagascar</u> had joined as sponsors of the draft resolution. He also orally revised the draft resolution by rewording the fourth preambular paragraph to read as follows:

"Stressing that, in order to cover the substantial losses caused by inflation and monetary instability, there is a need for a continuing review of procedures that could help meet the above-mentioned budget costs in the most appropriate way."

and deleting operative paragraph 3.

9. At the same meeting, the representative of <u>Canada</u>, also on behalf of <u>France</u> and the Netherlands, introduced a proposal (A/C.5/37/L.34), which read as follows:

"Delete operative paragraphs two and three and replace with the following:

"Requests the Secretary-General to identify and to suggest possible solutions to operational or budgetary problems caused or worsened by inflation and to report to the General Assembly at its thirty-ninth session."

10. At the same meeting, the representative of <u>Italy</u>, also on behalf of the <u>United Kingdom of Great Britain and Northern Ireland</u>, introduced a proposal (A/C.5/37/L.35), which read as follows:

"Delete first, second, third and fourth preambular paragraphs and replace with the following:

"Noting that inflation is a worldwide phenomenon with which all Governments and international organizations must deal,

"Convinced that the United Nations should plan, forecast and manage its expenditures to better deal with inflation."

- 11. At the same meeting, the Committee voted on the proposals contained in documents A/C.5/37/L.34 and A/C.5/37/L.35 as follows:
- (a) By 51 votes to 30, with 21 abstentions, the Committee decided that the proposal contained in A/C.5/37/L.34 was not to be considered as an amendment to draft resolution A/C.5/37/L.31;
- (b) By 54 votes to 29, with 21 abstentions, the Committee decided that the proposals contained in A/C.5/37/L.35 were not to be considered amendments to draft resolution A/C.5/37/L.31.
- 12. Also at the same meeting, the representative of Egypt proposed that separate votes be held on the second and third preambular paragraphs and on operative paragraph 2 of the draft resolution. The motion for division having been objected to, it was submitted to a vote in accordance with rule 129 of the rules of procedure of the General Assembly.
- 13. The Committee rejected the motion for division by a recorded vote of 48 to 42, with 17 abstentions. The voting was as follows:
 - In favour: Australia, Austria, Belgium, Botswana, Brazil, Burma, Canada, Denmark, Egypt, Finland, France, Germany, Federal Republic of, Ghana, India, Indonesia, Ireland, Israel, Italy, Japan, Kenya, Lesotho, Malawi, Mali, Morocco, Nepal, Netherlands, New Zealand, Norway, Oman, Pakistan, Philippines, Portugal, Qatar, Singapore, Somalia, Spain, Sweden, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Zaire.
 - Against: Afghanistan, Algeria, Angola, Argentina, Bahrain, Benin, Bhutan, Bulgaria, Burundi, Byelorussian Soviet Socialist Republic, Congo, Costa Rica, Cuba, Cyprus, Czechoslovakia, Democratic Yemen, Dominican Republic, Ethiopia, German Democratic Republic, Guinea-Bissau, Guyana, Hungary, Iran (Islamic Republic of), Iraq, Jordan, Kuwait, Lao People's Democratic Republic, Libyan Arab Jamahiriya, Madagascar, Mexico, Mongolia, Mozambique, Nicaragua, Niger, Nigeria, Panama, Peru, Poland, Romania, Rwanda, Togo, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, Venezuela, Viet Nam, Yugoslavia.
 - Abstaining: Bahamas, Barbados, Cape Verde, Central African Republic, Chile, China, Ecuador, Jamaica, Malaysia, Senegal, Sierra Leone, Sudan, Suriname, Trinidad and Tobago, Tunisia, United Republic of Cameroon, United Republic of Tanzania.

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14. The Committee then adopted draft resolution A/C.5/37/L.31, as orally revised, by 64 votes to 22, with 21 abstentions (see para. 15, draft resolution III). Statements in explanation of vote after the vote were made by the representatives of Bahamas, Brazil, Canada, Denmark (on behalf of the States members of the European Community), Egypt, Ghana, the Libyan Arab Jamahiriya, New Zealand, Pakistan, Singapore, Sierra Leone, Trinidad and Tobago, Tunisia, the Union of Soviet Socialist Republics and the United States of America.

III. RECOMMENDATIONS OF THE FIFTH COMMITTEE

15. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolutions:

DRAFT RESOLUTION I

Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency

The General Assembly,

<u>Concerned</u> at the need for effective administrative and budgetary co-ordination within the framework of the United Nations system,

Recalling its decision of 15 December 1975 to consider in depth the item entitled "Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency" normally in off-budget years, $\underline{1}/$

Recalling also its resolutions 33/142 A of 20 December 1978, 35/114 of 10 December 1980 and 36/229 of 18 December 1981,

Recalling further its resolution 37/13 of 16 November 1982,

- 1. Notes with appreciation the report of the Advisory Committee on Administrative and Budgetary Questions on the administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency; 2/
- 2. Refers to the organizations concerned the above-mentioned report as well as the comments and observations made in the course of its consideration in the Fifth Committee;

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^{1/} Official Records of the General Assembly, Thirtieth Session, Supplement No. 34 (A/10034), p. 46, item 98.

^{2/} A/37/547 and Corr.1.

- 3. Requests the Secretary-General to refer to the executive heads of the organizations of the United Nations system, through the Administrative Committee on Co-ordination, matters arising out of the report of the Advisory Committee and of the related debate in the Fifth Committee that call for their attention and necessary action;
- 4. Transmits the report of the Advisory Committee to the Board of Auditors, the Panel of External Auditors, the Committee for Programme and Co-ordination, the International Civil Service Commission and the Joint Inspection Unit for their information;
- 5. Requests the Secretary-General to consult with the executive heads of United Nations organizations on experience gained in identifying programmes that are obsolete, ineffective or of marginal usefulness that might result in the release of resources for financing new programmes and other types of activities;
- 6. <u>Invites</u> legislative organs of the specialized agencies, of the International Atomic Energy Agency and of other organizations in the United Nations system to continue their efforts towards the achievement of more effective and economical use of the resources of the organizations;
- 7. <u>Draws the attention</u> of States Members of the United Nations or members of specialized agencies the International Atomic Energy Agency to the serious problems being encountered as a result of delays in payments of contributions;
- 8. <u>Invites</u> the legislative organs of the specialized agencies and of the International Atomic Energy Agency and of other organizations in the United Nations system to encourage Member States to make timely payments to the budgets of those organizations;
- 9. Requests the Secretary-General and the executive heads of those organizations to transmit to Member States relevant extracts of the present resolution when notifying them in connection with their contributions.

DRAFT RESOLUTION II

Feasibility of establishing a single administrative tribunal

The General Assembly,

- 1. Takes note of the report of the Secretary-General on the feasibility of establishing a single administrative tribunal; 3/
 - Requests the Secretary-General:

^{3/} A/C.5/37/23.

- (a) To continue consultations necessary for a progressive harmonization and further development of the statutes, rules and practices of the Administrative Tribunal of the International Labour Organisation and of the United Nations Administrative Tribunal, with a view to strengthening the common system and to reducing, to the extent possible, the associated administrative costs;
- (b) To report thereon to the General Assembly at a future session, upon completion of the consultations, with interim reports on the progress of the consultations being submitted to intervening sessions of the Assembly.

DRAFT RESOLUTION III

Impact of inflation and monetary instability on the budget of the United Nations

The General Assembly,

Recalling its resolution 36/230 of 18 December 1981,

Deeply concerned at the increased cost of the goods and services associated with the operation of the United Nations and the United Nations system as a whole as a result of the persistence of inflation and monetary instability in those developed countries in which the United Nations makes its expenditures,

Convinced that many Member States are not responsible for the losses that the budget of the United Nations experiences as a result of the monetary phenomena referred to in the preceding paragraph,

Stressing that, in order to cover the substantial losses caused by inflation and monetary instability, there is a need for a continuing review of procedures that could help meet the above-mentioned budget costs in the most appropriate way,

Having considered the study of the Secretary-General on the impact of inflation and monetary instability on the regular budget of the United Nations, 4/

Convinced of the need to analyse more thoroughly all aspects of the increased costs of the goods and services associated with the operation of the United Nations,

- 1. Takes note of the report of the Secretary-General on the impact of inflation and monetary instability on the regular budget of the United Nations;
- 2. Requests the Secretary-General to prepare a more penetrating, extensive and detailed study on the impact of inflation and monetary instability on the regular budget of the United Nations, taking duly into consideration the content of the preambular paragraphs of resolution 36/230 and the present resolution, together with the opinions of the Member States concerned, and to submit it to the General Assembly at its thirty-ninth session.