

SUMMARY RECORD OF THE 11th MEETING

Chairman: Mr. PIRSON (Belgium)

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

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The meeting was called to order at 10.35 a.m.

AGENDA ITEM 96: FINANCIAL REPORTS AND ACCOUNTS, AND REPORTS OF THE BOARD OF AUDITORS (continued) (A/34/5/Add.1 5 and 7 A/34/465, A/C.5/34/L.3 and L.5)

- (a) UNITED NATIONS DEVELOPMENT PROGRAMME
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1. Mr. MILLS (United Nations Relief and Works Agency for Palestine Refugees in the Near East) said that the administration of UNRWA had given careful consideration to the comments of the Board of Auditors (A/34/5/Add.3, chap. IV), and had taken note of the comments made by the Advisory Committee and Member States during the discussion of the Agency's accounts. As indicated in the report of the Board of Auditors, a number of points had been raised with the UNRWA administration in management letters and in many instances the appropriate action had already been taken or the points raised were under active consideration.

2. With regard to the Board's comments on internal auditing in UNRWA, the Commissioner-General agreed that an important principle was involved and intended to give urgent attention to the matter. The UNRWA internal audit unit was currently fully staffed, and that should make it possible to surmount a number of difficulties to which the Board had referred. Attention would also be given to the problems to which Member States had referred in course of the discussion.

3. With regard to the investment policy of the Area Staff Provident Fund, he said that the money managers of the Fund routinely informed the UNRWA administration of any new investments, including information on the date of maturity, all investments were checked to ensure compliance with investment policies. Some problems had arisen with one money manager, but they had been solved satisfactorily. On the subject of the Board's observations concerning delays in transferring contributions to the Provident Fund, he said that contributions were normally transferred every month, and when delays in transferring contributions had occurred, they had not resulted in loss of interest, because contributions were kept in interest-bearing accounts and any interest which accrued during the period of the delay was also transferred to the Provident Fund.

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(Mr. Mills, UNRWA)

4. The administration of UNRWA disagreed with the Board's recommendation that its method of reflecting letters of credit in its accounts should be discontinued. UNRWA believed that that method gave a fairer picture of its true financial position. It would discuss the matter with the Board in the course of future audit operations. The Board's recommendations concerning procurement, cash management and payroll procedures had already been acted on by the UNRWA administration.

5. Mr. AHMAD (United Nations Institute for Training and Research) said that the administration of UNITAR would continue to give careful attention to the constructive observations of the Board.

6. With regard to the concern expressed by the representative of Sierra Leone about the growing balance of funds in non-convertible currencies, he was pleased to report that, as a result of action by the Executive Director, substantial new opportunities had opened up for the utilization of such funds. A research project was nearing completion in Hungary and new arrangements had been agreed upon with the Government of the Soviet Union for the holding of more research and training seminars in that country.

7. As to the investment of cash balances, UNITAR would co-operate fully with the Treasurer of the United Nations, who was responsible for the financial management of the Institute, with a view to improving its investment programme. It should be borne in mind that most of the Institute's resources were contributed in the form of special-purpose grants which could not be allocated to activities other than those envisaged by the donors.

8. With regard to proceeds from publications, steps had been taken in consultation with the external auditors to strengthen accounting controls on such income.

9. Mr. KELLY (Office of the United Nations High Commissioner for Refugees) said that the High Commissioner had already taken steps to implement each of the Board's recommendations. Instructions on procurement had been drafted with the assistance of an outside consultant and would be issued in late 1979 or early 1980. With regard to loans to refugees, the system of reporting and control had been tightened in accordance with the Board's recommendations. The loans in question had, for the most part, been granted to refugees in the late 1950s and early 1960s. Many of the recipients were elderly and were finding it difficult to repay the loans, and others had died. The administration of UNHCR considered that the rate of conversion into grants or write-offs was reasonable.

10. The \$12.35 million mentioned in paragraph 10 of the Board's report (A/35/5/Add.5, chap. IV) as the amount provided for by UNHCR for one humanitarian aid programme was, in fact, an initial cost estimate only. The actual cost of the programme in question had been \$5.36 million, and the Governments involved had submitted the appropriate financial statements in May. Efforts would be made to improve the financial reporting system in pursuance of the Board's suggestions.

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(Mr. Kelly, UNHCR)

11. With regard to the control of equipment and machinery in negotiating agreements on new projects, UNHCR discussed clauses relating to ownership and control of equipment and machinery with its organizational partners.

12. Mr. GREGORY (United Nations Fund for Population Activities) said that the administration of the Fund fully accepted all the observations of the Board and had already implemented or was implementing all its recommendations; he assured the representative of Sierra Leone that particular attention had been given to those relating to procurement and investment control.

13. Mr. WILSON (Chairman, Audit Operations Committee), replying to questions asked by the representatives of the Federal Republic of Germany and Australia, said that the Board would continue to monitor the implementation of its recommendations in its contacts with the administrations concerned during the forthcoming year and would report back to the Fifth Committee at the thirty-fifth session. On the subject of computer controls, on which many delegations had commented, the Board was heartened by the significant steps taken by the administrations to bring such controls up to an acceptable level.

14. With regard to the use of experts and consultants by UNICEF, to which the representative of Poland had referred, the Board was satisfied with the steps that had been taken, but intended to study the question further in the over-all context of the United Nations and to report on it in greater detail in its report on the United Nations for the biennium 1978-1979.

15. The Board would take into account the comments made by the representative of Sweden concerning the presentation of the Board's report on the accounts of UNDP. It would be very difficult to make the Board's report available for the annual session of the UNDP Governing Council in June, since accounts were submitted only in April, the audit was carried out in May, and the report was drafted in June and then had to be translated and reproduced in all the official languages.

16. The representative of Zaire had asked a number of questions concerning the operations of the Board. In accordance with article XII of the Financial Regulations and Rules, audits were conducted in conformity with generally accepted common auditing standards. In that connexion, he drew attention to the Board's report on the United Nations for the biennium 1976-1977 (A/33/5, vol. I and II), which contained more complete details on the systems approach to auditing adopted by the Board.

17. The question of internal auditing in UNDP and UNRWA had been emphasized by the Chairman of the Board in his opening statement. It was to be hoped that firm action would be taken by those two organizations in response to the Board's recommendations. He had taken note of the comments of the Director of the UNDP Division of Finance and the representative of UNRWA on that subject. As to the

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(Mr. Wilson)

difference of opinion between the Board and the administration of UNRWA concerning the Agency's accounting methods, the Board preferred financial statements to reflect actual certified bank balances rather than figures artificially adjusted on the last day of the year; it hoped to be able to persuade the UNRWA administration to accept its view.

18. Mr. GARRIDO (Philippines) asked which agency the Chairman of the Board of Auditors had had in mind when he had referred at the 3rd meeting to the monitoring of cash balances in order to avoid the accumulation of uninvested funds. He also asked whether, in view of the fact that some agencies submitted their accounts late, as in the case of UNDP, the Board's procedures might not need to be changed.

19. Mr. WILSON (Chairman, Audit Operations Committee) said that the observation in question by the Chairman of the Board of Auditors had related to the United Nations as a whole. The Board had made an interim report on the United Nations to the Advisory Committee, and that Committee had commented on the cash balances matter in its own report to the General Assembly (A/34/486). The Board would report on the action taken in response to its comments in its report on the biennium 1978-1979.

20. The deadline for the submission of accounts to the Board was 30 April. The problem with the UNDP accounts was the timing of the Governing Council session. In order to remedy the situation, either the financial year or the time of the Governing Council session would have to be changed. Both alternatives would create considerable difficulties.

21. Mr. KOBINA SEKYI (Ghana) asked whether there were any plans to make greater use of joint auditing, and how the decision to undertake a joint audit was made.

22. Mr. WILSON (Chairman, Audit Operations Committee) said that the Board had endorsed the principle of joint auditing, and every year some audits were carried out by mixed teams. It was not possible, however, for every audit to be carried out by a mixed team: the geographical site of the agency or body to be audited was a major consideration. Each year when the Audit Operations Committee met to plan the activities of the Board, every effort was made to identify opportunities for joint auditing. There were, however, no firm guidelines as to the percentage of audits which should be conducted by mixed teams.

23. Mr. KOBINA SEKYI (Ghana) said that the Committee had not received a reply to the question asked at the preceding session concerning the decision to transfer UNRWA headquarters. He asked whether the transfer of UNRWA headquarters had hampered the over-all management of the Agency.

24. Mr. MILES (United Nations Relief and Works Agency for Palestine Refugees in the Near East) said that the frequent transfers of the Agency's headquarters during the preceding four years had caused difficulties and had doubtless affected the effectiveness of its administration.

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25. Mr. WILSON (Chairman, Audit Operations Committee) said that the moves of the Agency's headquarters had undoubtedly contributed in no small measure to some of the problems to which the Board had drawn attention, particularly with regard to the late submission of accounts. Owing to such difficulties, the Board had had to report on two financial years in a single report. It was to be hoped that with a more permanent headquarters, the administration of UNRWA would be able to take action in response to the Board's recommendations and to ensure more stable management generally.

26. The CHAIRMAN said that he had agreed to a suggestion made by the Soviet delegation to replace the words "Takes note of" in paragraph 2 of the draft resolution proposed by him (A/C.5/34/L.5) by the word "Approves".

27. Mr. SERBANESCU (Romania) proposed that, in order to reflect the interest which the Committee had shown in the item, a new paragraph should be added after paragraph 2, which would read as follows:

'Requests the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions to continue to give increased attention to the areas on which they made comments and observations.'

Paragraph 3 would in consequence be renumbered and the word "also" should be added before the word "requests".

28. The CHAIRMAN said that the amendments proposed by the Romanian representative were acceptable to him. A final decision on the draft resolution would be taken at a later meeting.

AGENDA ITEM 98: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981 (continued) (A/34/6, vols. I and II and Add.1, A/34/7, A/C.5/34/12 and 13)

29. Mr. McMAHON (Ireland), speaking on behalf of the member States of the European Economic Community (EEC), said that, under the proposed new scale of assessments recommended by the Committee on Contributions, the nine members of EEC would pay over 26 per cent of the regular budget. The European Community was, therefore, particularly concerned that the Secretary-General's proposed programme budget for the biennium 1980-1981 should be economical and restrained.

30. The real growth rate of 0.8 per cent in the proposed programme budget was in general agreement with the Secretary-General's commitment to a policy of maximum budgetary restraint. While revised estimates might be submitted before the end of the session as a result of policy decisions and recommendations adopted at various conferences held earlier in the year, the member States of EEC trusted that, in putting forward proposals for carrying out those decisions, the Secretary-General would stand by his public commitment to a policy of financial stringency.

31. The Governments of the members of EEC attached particular importance to the

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(Mr. McMahon, Ireland)

identification of activities that were completed, obsolete, of marginal usefulness or ineffective. They took note of the Secretary-General's report on that subject (A/C.5/34/4) and urged him to intensify his efforts towards that end. At a time when many Governments were applying a policy of financial stringency and curtailing public spending, it was important that the budgetary policy of the United Nations should reflect the same concern for economy. While generally satisfied with the Secretary-General's budget proposals for 1980-1981, the Governments of the EEC countries would carefully study any revised estimates which might be submitted to the Assembly at the current session. It was of the utmost importance that the Secretary-General should be seen to continue to apply a policy of financial stringency to all such revised estimates and to accommodate, as far as possible, all new activities through the redeployment of existing resources.

32. Mr. MAJOLI (Italy) said that, as a firm supporter of the United Nations, his country was convinced that the essential goals of world peace, social justice and economic development could be pursued only through the collective responsibility and interdependence of all States. It was also acutely aware of the vast and pressing needs of the developing countries and, for that reason, in addition to being seventh among the largest contributors to the budget, it also made substantial voluntary contributions to most of the programmes of the United Nations and its specialized agencies. In that spirit, his Government had recently held a special session devoted to the dire problem of world hunger and had proposed the establishment of a large fund to alleviate it, in addition to a doubling of its aid to developing countries. Other measures to assist the developing countries had been described by the Foreign Minister of Italy in his address to the plenary (A/34/PV.10).

33. His Government was accordingly more than ever concerned that there should be strict administrative and budgetary discipline in the Organization, so that the available money was spent carefully and usefully. In that connexion, it acknowledged the serious endeavour made by the Secretary-General and the Under-Secretary-General for Administration, Finance and Management to impose a measure of restraint and to produce figures showing the total resources at their disposal.

34. The proposed programme budget for the biennium 1980-1981 showed an initial estimate of \$1,214,203,000, or an increase of 11.3 per cent. However, according to the Secretary-General only 0.8 per cent of that represented real growth, the remainder being a result of revaluation at 1979 prices and estimated further inflation over the following two years. His delegation questioned the adoption of the revaluation of the 1970-1979 resource base at revised 1979 rates as the point of departure. It was true that section I of General Assembly resolution 33/116 C had referred to the maintenance base and real growth, but that did not mean that the appropriations approved for the current 1970-1979 budget were untouchable. The results shown in document A/C.5/34/4 were rather limited in scope and not very encouraging. Further efforts might be necessary to cut out some of the dead wood.

35. With regard to the principle of "full budgeting" and the effects of inflation,

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(Mr. Majoli, Italy)

it was the total appropriations requested that obliged Member States -- at least those whose currencies had not appreciated against the United States dollar -- to include higher estimates in their own national budgets which, in practice, pushed up inflation. It also had to be kept in mind that, in addition to the estimated \$1,214 billion which the Secretary-General proposed to spend under the regular budget financed from assessed contributions, he might also have at his disposal \$1,370 billion in voluntary contributions, so that the total collected from Member States and their taxpayers would amount to a good deal more than \$2 billion. In any event, the initial estimates for any biennium were only a point of departure; revised and supplementary estimates became necessary as a consequence of decisions taken by substantive bodies, which sometimes did not seem to worry too much about the financial implications, and also of pressure from all sides for more staff, experts and consultants, more travel, larger premises, more office equipment and so forth. He hoped that the Secretary-General would continue to resist such pressures, to rearrange priorities, and to redeploy existing resources with the firmness required by the financial hardships being experienced by most Member States. He noted that the proposed programme budget did not include the financial implications of some important decisions taken during 1979 by, for instance, the Economic and Social Council, the fifth session of the United Nations Conference on Trade and Development and the United Nations Conference on Science and Technology for Development. In the light of all those factors, he wondered whether the figure of 0.8 per cent rate might not finally prove a delusion. In that connexion, he noted that the rate of real growth proposed by the Secretary-General for the current biennium over that of 1976-1977 was 2.2 per cent, whereas, as the Advisory Committee had discovered, the figure had already reached 5.1 per cent.

36. The trend noted in paragraph 30 of the Advisory Committee's report (A/34/7) towards more expenditure on common services was not likely to please any Member State. Staff costs amounted to 75 per cent of expenditure and, according to annex V to the foreword to the proposed programme budget, the Secretary-General was requesting 245 new posts, bringing the total number of established posts proposed for 1980-1981 to 11,109. A larger staff did not necessarily imply a higher level of productivity, and the promotion of staff through upgrading or reclassification of posts sometimes resulted in an increase only in expenditure, not in effectiveness. As the Advisory Committee had noted, 53 posts were being proposed at the Under-Secretary-General or Assistant Secretary-General level, nearly double the number of posts at that level in 1971. His delegation supported the cuts proposed by the Advisory Committee, but noted from its report (A/34/7) that of the total recommended cuts of \$32.3 million only 11 were definitive proposals, the other 21 being provisional deletions, pending further reports by the Secretary-General.

37. His country's assessment, on the basis of the proposals made by the Committee on Contributions, would increase to 3.45 per cent. It was therefore insisting on the strictest economy in the implementation of all programmes and maximum efforts to

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(Mr. Majoli, Italy)

increase income, including income from the investment of funds administered by the Secretary-General. The machinery for the control of management and financial transactions, rather than being expanded, might have to be streamlined to avoid duplication of effort, and any reorganization of offices or introduction of technological innovations should be scrutinized to make sure that it did not lead merely to an unnecessary increase of expenditure to accommodate individuals or to acquire costly status symbols for any department. While there was room for improvement in such matters, however, he recognized that the dedication and competence of the majority of the staff could not be disputed.

38. Referring to what the Secretary-General in his statement (A/C.5/34/12) had called the voting patterns on revised appropriations, he expressed the hope that a continued improvement and restrained attitude towards spending would enable delegations to take a more positive position at the end of the current session. It was in the interest of all Member States to recognize their interdependence and to adopt collectively a reasonable and well-balanced attitude inspired by the conviction that the Organization had to be financially healthy in order to operate efficiently.

39. Mr. NISHIDA (Japan) said that he recognized that the rate of growth shown in the proposed programme budget for the biennium 1980-1981 was lower than in recent years, and expressed appreciation of the Secretary-General's efforts at restraint. It had to be pointed out, however, that the size of the budget and the rate of growth in recent years, especially in the biennium 1978-1979, had been very considerable. In fact, the regular budget of the United Nations had tripled in the previous 10 years and the proposed budget for the coming biennium was twice as large as that of five years previously. Furthermore, actual expenditure would be even greater when supplementary budget estimates were adopted. Paragraphs 33-35 of the foreword to the proposed programme budget (A/34/6, vol. I) indicated several areas where revised estimates might have to be submitted, and the Advisory Committee had indicated in paragraph 14 of its report (A/34/7) that real growth would be somewhat higher than the Secretary-General had indicated, principally because of the understatement of real growth in conference servicing. His delegation accordingly continued to be concerned about the escalation of the regular budget. His own country's assessed contribution had increased 10 times in the previous 10 years and, as the third largest contributor, its assessment would be in the range of \$90-\$100 million in the following biennium.

40. The precarious and deteriorating financial situation of the United Nations was of serious concern to his delegation, since it could jeopardize the Organization's very existence unless positive countermeasures were taken, in the form not only of a reaffirmation of the principle of the collective financial responsibility of all Member States but also of conscientious efforts by the Secretariat as a whole. His delegation had repeatedly called for the identification of activities which were obsolete, of marginal usefulness or ineffective, and for the first time the Secretariat had produced a document on that subject (A/C.5/34/4). His delegation

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(Mr. Nishida, Japan)

was appreciative of a number of positive elements in that document, but considered it as merely a first step in the right direction. He trusted that, pursuant to paragraph 9 of General Assembly resolution 31/93, the Secretary-General would, in future budget submissions, make such identifications for wider areas of programmes and sections of the budget, so that it would be possible to allocate scarce resources to programmes with the highest priority. He hastened to add, however, that such recommendations would be difficult to implement without full co-operation from Member States.

41. It was all too clear that inflation, as well as currency fluctuations, had a great impact on the budget. In his delegation's view, the impact of inflation on all sections and objects of expenditure had to be closely assessed and greater efforts made to absorb it through economies, redeployment of resources and other methods of rationalization. The automatic addition of an inflation factor calculated in terms of growth of real resources was unknown in the budgetary practices of his country.

42. With reference to scrutiny of the maintenance base, he noted that there was usually a failure to take into account the productivity increase which could result from greater efficiency. More thought might be given to mandatory percentage decreases in the maintenance base to be applied to various objects of expenditure that would induce the Secretariat to scrutinize the base with greater care.

43. On the subject of institutional inflation, to which the Secretary-General had made reference in his annual report (A/34/1), his delegation was disturbed by the proliferation of new Secretariat entities and the enlargement of existing staffs, which frequently resulted in overlapping. The trend towards creating parallel units almost every time a major conference was held had to be stopped, and, in that connexion, the Secretary-General might wish to consider establishing a review mechanism in the Secretariat which would determine whether a new activity mandated by a legislative body could not be undertaken by existing staff. However, as the Secretary-General himself had noted in his report, any effort in that direction would be futile without the active co-operation and understanding of Member States.

44. On the question of transferring posts financed from extrabudgetary resources to the regular budget, his delegation had taken the view that such transfers should, in principle, be kept to a minimum. It had noticed that among the 245 extra posts requested by the Secretary-General for 1980-1981, 14 originated from the transfer to the regular budget of posts currently financed from extrabudgetary resources. His delegation intended to give further consideration to that and other related questions in the context of the Secretary-General's report on services provided by the United Nations to activities financed from extrabudgetary resources.

45. Mr. SCHMIDT (Federal Republic of Germany) said that his delegation readily recognized the determined effort made by the Secretary-General and his staff to keep proposed gross expenditure for the coming biennium at a level of \$1.214 billion,

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(Mr. Schmidt, Federal Republic of Germany)

to hold down the growth rate to 0.3 per cent in real terms, and to abide by the commitment to pursue a determined policy of budgetary restraint. The new approach of financial stringency was predicated upon a renewed attempt to redeploy resources, but not merely by substituting one programme element for another. The Secretary-General was not, of course, barred from proposing the redeployment of funds between major programmes and sections of the regular budget or from suggesting to the legislative bodies the termination or reformulation of activities. He did not underestimate the technical or political difficulties confronting the Secretary-General and therefore appreciated his appeal for support from Member States. Member States in turn, needed the help of the Organization and, in that respect, the Committee on Programme and Co-ordination had an extensive and arduous task ahead. The time would come when Member States would ask whether all the resources devoted to the planning and programming exercise would yield more than theoretical benefits for the medium-term plan. It was with keen interest, therefore, that his delegation awaited the results of the introduction of the programme monitoring system.

46. While it fully supported the Secretary-General's efforts to achieve budgetary restraint and the most effective utilization of resources, his delegation endorsed the statement made earlier on behalf of the members of the European Economic Community. It would oppose any expansion of the budget as a result of resolutions having unwarranted financial implications and, where necessary, would express that attitude by a negative vote. It held the view that additional expenditure in the form of revised estimates should be covered by a shift of resources from programmes of lesser urgency, except in certain well-justified cases. For those reasons, his delegation intended to examine all the estimates, section by section, and to advocate reductions where appropriate, notwithstanding its satisfaction at the general line of budgetary policy embodied in the proposed programme budget for the biennium 1980-1981. As far as possible, it would be guided by the comments and recommendations of the Advisory Committee.

47. With regard to the over-all reductions recommended by that Committee, his delegation had observed that, as far as programme growth was concerned, they did not amount to more than \$6.5 million, in other words, one half of 1 per cent of the total volume of the proposed programme budget. The effect of those cuts on the rate of real growth, as calculated by the Secretary-General, would probably be in the neighbourhood of one twentieth of 1 per cent. The moderation in the original budget submission seemed, therefore, to have been duly matched by moderation in the Advisory Committee.

48. With regard to the presentation of the programme budget and the methodology employed in its preparation, his Government shared the Advisory Committee's view that there was as yet no need to re-examine the basic concepts, which followed a rational and consistent pattern and helped Member States to examine, compare and judge the programme of work submitted by the Secretary-General in financial terms.

49. The Advisory Committee intended to discuss further the question of reclassification requests and the establishment and grading of extrabudgetary posts. The classification exercises so far undertaken were obviously not sufficiently well-established to be accepted everywhere. He did not see how the Fifth Committee

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(Mr. Schmidt, Federal Republic of Germany)

could form a reasonable opinion as to whether such reclassification requests were well-founded when the Advisory Committee found it so difficult to make a rational judgement on the matter. He had the impression that reclassification was all too often prompted by the consideration of opening up avenues for promotion. Where there was a genuine need for higher-grade posts in any unit, redeployment should be the first answer, and he hoped that it would be possible for the Advisory Committee to propose a less haphazard procedure for reclassifying posts in future. His delegation would likewise prefer to see a more orderly procedure for the creation of extrabudgetary posts, and a measure of intergovernmental control over them.

50. A number of Member States would undoubtedly be concerned about the Secretary-General's restraint in the establishment of the proposed programme budget and would feel that programme delivery might be curtailed or that financial austerity was ill-suited to an Organization that was supposed to assist developing countries. The Committee should not be misled by such over-simplifications, but should diligently question the benefits to the international community of so many studies, research projects, seminars, consultant jobs, expert groups and travel assignments. He was grateful to the Secretary-General for the clear language in his report on the work of the Organization (A/34/1) about the proliferation of activities, institutional inflation and escapism, and his appeal to strengthen the financial credibility of the Organization in his presentation of the budget. Better service might be done to the Organization by concentrating on improving the contents of its activities, rather than increasing its hyperactivity. The consolidation of resources found in the budget proposals was part of widespread efforts in the agencies to tighten and improve the utilization of funds.

51. Mr. LAHLOU (Morocco) said that there was obviously a close link between the evaluation of the programmes and activities of the Organization and the funds needed to implement them. Since decisions were taken on a democratic basis, the Committee should not pay too much attention to some of the positions adopted by those who contributed the larger share of the budget. Those positions were often irresponsible and designed merely to create an impression.

52. His delegation was prepared to accept a number of the recommendations of the Advisory Committee, in particular those relating to real growth. The decline in the real growth rate had been achieved by reducing the number of programmes. In application of the zero-based formula, resources had been redistributed within the various sections, but not over the budget as a whole. The preferable course would have been redistribution on the basis of optimum utilization of available resources, by directing them towards the most productive programmes.

53. As noted in paragraph 33 of the Advisory Committee's report (A/35/7), most of the proposed growth resulted from staff costs, to the detriment of other areas where funds needed to be increased. In approving the recommendation contained in paragraph 34 of that report, he nevertheless pointed out that, in his delegation's view, the temporary posts requested for the secretariats of the World Conference for the United Nations Decade for Women and the United Nations Conference on New and Renewable Sources of Energy constituted an inverted pyramid, with the greater

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(Mr. Lahlou, Morocco)

number of posts at the higher level. Moreover, the transfer of posts from extrabudgetary resources to the regular budget was not in keeping with normal practice.

54. His delegation did not believe that the reallocation of functions and posts among the regional commissions fell under the heading of reallocation of resources. They were two entirely different matters. Moving staff around adversely affected productivity, and the resulting instability was a human factor which had to be taken into account.

55. The requests for temporary staff to replace staff on extended sick leave and maternity leave were not in accord with usual administrative practice. Replacements should be found within the department concerned or, if that was impossible, transfers should be made on a temporary basis from other departments.

56. The Secretary-General had not fulfilled his promise to operate the zero-based budgeting principle in the area of travel and subsistence costs. Indeed, a 9.4 per cent increase was being requested.

57. His delegation asked what the reasons were for the illogical and abnormal situation by which \$120,400 was being requested in connexion with the Committee on Disarmament to cover travel and subsistence costs for staff members detailed from Headquarters to Geneva for a period of six months each year.

58. With regard to the proposed appropriations under section 13 of the budget, he said that all African delegations attached great importance to the Transport and Communications Decade in Africa, and urged the international community to provide the necessary funds to ensure its success. Although he appreciated that it was difficult to determine the amounts which would be available, since the evaluation was to be on the basis of extrabudgetary resources, he believed that the posts requested were a minimum and should be approved.

59. Finally, his delegation had always been of the view that the funds allocated to the Department of Public Information were wasted because the people in charge of that Department had not shouldered their responsibilities and did not measure up to the trust that had been placed in them. Nevertheless, it would support the proposed appropriations, given that two people whose integrity and competence were well known to the Committee had recently been assigned to that Department.

AGENDA ITEM 102: PATTERN OF CONFERENCES: REPORT OF THE COMMITTEE ON CONFERENCES (A/34/32)

60. Mr. OKEYO (Chairman of the Committee on Conferences), introducing the report of the Committee on Conferences (A/34/32), said that the document was well within the limits recommended by that Committee itself in 1978, despite its apparent bulk.

61. In 1979 the Committee had concentrated on the calendar of conferences and meetings of the United Nations for 1980-1981, co-operation between the Economic and Social Council and the Committee on Conferences, the management of conference

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(Mr. Okeyo)

resources, and the implementation of earlier General Assembly resolutions concerning the pattern of conferences. It had also dealt with various matters related to the approved calendar of conferences for 1979. It had approved only two intersessional departures from the approved calendar and had not been called upon to deal with any requests for additions to the programme. General Assembly resolution 32/71, section III, paragraph 1, had thus been adhered to in the strictest possible terms.

62. The reduction in the number of departures from the calendar in recent years reflected the increasing impact of the Committee on Conferences on the conduct of business and the organization of work of United Nations bodies. A growing determination on the part of the Secretariat to apply existing rules and regulations affecting conferences could also be detected. The process of submitting requests for departures from the calendar to the intense scrutiny of the Committee on Conferences had undoubtedly proven to be a deterrent and thus contributed indirectly to the decrease in such departures.

63. The Committee had also frequently been called upon to act as a mediator in situations where the demand for meetings by various bodies exceeded the available servicing capacity of the Secretariat or the Organization's physical conference facilities. The situations had developed in the course of action taken by the General Assembly at its thirty-third session, and in view of their political nature they could not be resolved by the Secretariat alone; the Committee had provided an appropriate forum in which to develop practical compromise solutions.

64. The Committee was recommending that the General Assembly should authorize it to make any further adjustments which might be required in the calendar of conferences for 1980 as a result of decisions taken at the current session. One reason for doing so was that the calendar contained in annex II of the report did not reflect the sessions of various bodies which, owing to the absence of a legislative basis for the following biennium, were not yet included in the calendar but could reasonably be expected to be added to the established conference programme. Such additions, and the fact that dates for a number of bodies already listed in the calendar remained to be determined, could create difficulties in the scheduling, management and servicing of the conference programme, which might be resolved if the Committee on Conferences were authorized to reconcile conflicting demands for conference services.

65. The problem of special United Nations conferences had been very thoroughly reviewed in the context of the calendar for the coming biennium. It also appeared to play a role in the consideration of budget section 29 within the Fifth Committee. For 1980 alone, nine special conferences, not counting the Law of the Sea Conference, were provided for in the draft calendar submitted by the Committee on Conferences. The indications were that global conferences would continue as a form of governmental intercourse for some time; nevertheless, the Committee had been aware that difficulties were encountered in ensuring adequate preparation of such conferences, and that the ability of Member States to participate fully was sometimes strained. It had therefore recommended that the General Assembly should instruct the Main Committees to review the number of special conferences of the United Nations already proposed and scheduled in their respective fields of activity before deciding upon the scheduling of new and additional special conferences.

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66. The Committee had adopted a pragmatic approach towards the question of invitations received by United Nations bodies from specialized agencies of the United Nations system. It was recommending that the General Assembly should instruct United Nations bodies receiving invitations from specialized agencies to hold sessions at their headquarters to consult the Committee on Conferences or the General Assembly, if it was in session, prior to responding to such invitations.

67. Turning to the subject of co-operation between the Committee on Conferences and the Economic and Social Council, he welcomed the letter from the President of the Economic and Social Council to the President of the General Assembly (A/34/520) and agreed with the assessment that both bodies had benefited from the co-operation, which should be continued and intensified. The Committee had fully supported the resolutions and decisions of the Economic and Social Council - in particular resolutions 1979/1, 1979/41 and 1979/69 and decision 1979/81, and had felt it appropriate to recommend to the Assembly that, given the reduction in the duration of the sessions of the Council's functional commissions and standing committees, the Secretariat should be authorized to use flexibility in setting the opening dates of those sessions so as to ensure that the bodies concerned made optimum use of the conference facilities available to them. The Committee had also agreed that other United Nations organs should be encouraged to follow the example of the Council in the control and limitation of documentation; in 1980 the Committee would take stock of the effects of General Assembly resolution 33/56 on that subject and bring them further into line with the action taken by the Economic and Social Council. However, while delegations were ready to go along with proposals by the Secretariat to rationalize traditional methods of work, their concessions needed to be matched by certain commitments on the part of the Secretariat to alleviate the critical situation in the area of documentation. In particular, the Secretariat should make a special effort to distribute the necessary documentation in all required languages to delegations in good time, in accordance with the rules of procedure.

68. The Committee had discussed at length the advantages and disadvantages of introducing a quota system for the allocation of conference resources. It had not been able to reach agreement on the desirability of imposing a quota system, but it had found that the current level of conference and meeting activity of United Nations bodies imposed strains on the capacity of the Secretariat to service meetings adequately, and on delegations' ability to cope with the meetings programme. It had been concluded that attention should be given to developing and applying a set of measures to improve the efficiency and effectiveness of the conference activities of the Organization, and that the Secretariat should pay particular attention to maintaining and improving good management of the available resources. The Committee had agreed to concentrate in future on ensuring stricter observance of rules already approved by the General Assembly and, in general, on preparing and developing a comprehensive set of measures of a regulatory rather than a mandatory character. It had reached no conclusion on whether to impose an automatic limit on the number of special conferences, in accordance with a specific formula, in the belief that the issue should be dealt with by the General Assembly.

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(Mr. Okeyo)

69. The Committee had devoted several meetings to the question of the justifiability of existing workloads for conference services personnel. It realized that standards of staffing requirements, which were agreed between ACABQ and the Secretary-General, had been developed only for staff of the Department of Conference Services. None yet existed for substantive, technical and complementary conference servicing staff. The Committee had agreed that the standards reported for DCS staff should be reviewed from time to time in the light of any additional information and technological developments which, if introduced, could help to improve efficiency. It had also felt that the Assembly should request the Secretariat to continue inquiring about workload standards for national and intergovernmental organizations and to report to the Committee thereon in 1980 and that it should request the Secretary-General to study the feasibility of establishing further workload standards, in particular for technical and complementary conference servicing staff, and submit a report thereon through ACABQ to the General Assembly at the thirty-fifth session.

70. The Committee had realized that the application of the guidelines set forth in General Assembly resolution 32/71 for reducing the wastage resulting from the cancellation of scheduled meetings had had a positive impact on the organization of work and conduct of meetings, and that with greater experience the implementation of all those guidelines could improve further. The Committee would continue to pay special attention to the matter.

71. Finally, he stated that the Committee had postponed considering a report on the result of over-programming since it was felt that such a report should take into account all experience gained throughout the year 1979. The topic would be one of the major items on the work programme for 1980.

72. The CHAIRMAN informed the Committee that he had received a letter dated 4 October from the President of the General Assembly drawing his attention to document A/34/528, which contained the text of a letter addressed to the President of the General Assembly by the President of the Economic and Social Council on measures adopted by the Council to handle the problems the Organization was encountering in terms of the volume, quality and timely submission of documentation. The Committee might wish to take those measures into account when it considered the calendar of conferences and the question of the control and limitation of documentation.

73. He further suggested that the Committee should consider chapters XXXVII and XXXVIII of the report of the Economic and Social Council (A/34/3/Add.48), dealing respectively with the control and limitation of documents and the calendar of conferences and meetings for 1980-1981, when it discussed the report of the Committee on Conferences.

74. Mr. DEBATIN (Under-Secretary-General for Administration, Finance and Management), replying to questions asked by the representative of Syria at an earlier meeting, drew that representative's attention to document A/34/408, which would be discussed in the Fifth Committee under agenda item 105, Personnel questions.

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(Mr. Debatin)

75. General Assembly resolution 33/143, section I, had provided that movement of staff from the General Service category to the Professional category should be conducted exclusively through competitive methods of selection from General Service staff with at least five years' experience and post-secondary educational qualifications. The Secretary-General had determined that a competitive examination was the most suitable method for that purpose, and arrangements had accordingly been made for an examination consisting of two written papers - one core paper to test candidates' analytical capacity, drafting ability and knowledge of the United Nations, and one to test their specialized knowledge - together with an interview for those who were successful in the written part. The date for the common core paper had been set as 24 November 1979; no dates had yet been set for the specialized papers.

76. About 50 posts were to be filled by successful candidates from the examination. Almost all of them were currently filled by staff members from the General Service category. With the exception of those General Service staff members whose names had appeared on the 1978 register of promotions from the General Service to the Professional category, all General Service staff members wishing to be promoted to the Professional category, including those currently filling Professional posts, would be required to take the examination.

77. Among the incumbents of the posts to be allocated by competitive examination, some had been performing the professional functions for a few months only, others rather longer. Some of them were receiving the special post allowance provided for in the Staff Rules and Regulations; others, for a variety of administrative and other reasons, were not, but in any case the granting of a special post allowance conferred no advantage on the recipients for the purposes of the examination.

78. Mr. LAHLOU (Morocco) asked what languages might be used for taking the competitive examination, since it seemed unjust that some staff members might be obliged to take the examination in a language other than their native language, thus finding themselves at a disadvantage. His concern about the linguistic balance within the Secretariat was in part due to a feeling that certain language services were currently short of staff.

79. The CHAIRMAN said that the matters raised by the representative of Morocco should be discussed in the context of agenda item 105: Personnel questions.

The meeting rose at 1.15 p.m.