



SUMMARY RECORD OF THE 29th MEETING

Chairman: Mr. OKEYO (Kenya)

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

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The meeting was called to order at 10.20 a.m.

AGENDA ITEM 115: PROGRAMME PLANNING (continued) (A/43/6 and Corr.1, A/43/16 and Corr.1 (Part I) and Add.1 and A/43/16 (Part II) and Add.1, A/43/124 and Add.1, A/43/179, A/43/326 and Corr.1 and Add.1 and Add.1/Corr.1, A/43/329 and Add.1, A/43/626, A/43/651 and Add.1; A/C.5/43/CRP.4)

1. Ms. de RODRIGUEZ (Venezuela) was pleased to note that the draft introduction to the medium-term plan beginning 1992 (A/43/329, annex) had given rise to broad consultations among Member States but required improvement. Account should be taken of the opinions expressed on mandates and programmes in the Committee for Programme and Co-ordination (CPC) and by Member States in the Main Committees. It was also important to take account of Member States' views on priorities and of the relevant discussions and conclusions of CPC. The criteria whereby priorities were or were not considered should in the future be clearly explained by the Secretary-General.

2. Further explanation was required as to why the existing 148 programmes should be regrouped in about 40 new programmes. While rationalization of the medium-term plan was welcome, the level of the Organisation's activities should not be reduced thereby. She supported the position of CPC, as expressed in paragraph 72 of document A/43/16 (Part II), and repeated its request for a document indicating exactly how all activities would be maintained in the new structure. While noting that CPC had recommended approval of the calendar of consultations (A/43/329/Add.1), she hoped that the useful comments and suggestions of ACABQ (A/43/626) would be taken into consideration and endorsed the conclusions and recommendations of CPC expressed in Part II, paragraphs 71 and 73, of its report, and its recommendations concerning the proposed revisions to the current medium-term plan. She had duly noted the interesting proposals of ACABQ with respect to arrangements for future revisions.

3. Ms. ZHANG Xian (China) expressed the hope that the Secretary-General would, when finalizing the texts of the introduction and the proposed programme structure of the next medium-term plan, take note of the opinions of Member States and of the various departments of the United Nations and other intergovernmental bodies. Further consultations on the proposed programme structure and more information were needed to enable Member States to determine the impact of the new structure on current programmes. A simpler structure was desirable but concurred with the view of ACABQ that "streamlining should not be construed as reducing activities".

4. Social development should be the subject of a separate major programme which should also incorporate human rights and fundamental freedoms. A separate major programme could be devoted to information. The divisions between individual programmes, and the contents thereof, required further consideration. Efforts had been made to address the problems of the Department for Technical Co-operation and Development, but attention should also be given to the problems of the regional commissions; the allocation of an independent programme to each commission should not impede implementation of their current programmes.

(Ms. Zhang Xian, China)

5. The Organization still lacked an efficient method for determining priorities for the medium-term plan and the programme budget. Her delegation had proposed that the Secretary-General should present a report on the approach and methodology for identifying priorities in future programme budget outlines. Although the tasks of identifying priorities for the programme budget and the medium-term plan were distinct, they were closely related and the report recommended by CPC would be a useful tool.

6. Ms. FRIESSNIGG (Austria) said that her delegation attached great importance to programme planning and the medium-term plan, which had not yet become the principle policy directive of the United Nations. She therefore welcomed consultations on the draft introduction to the next medium-term plan. The importance of determining priorities at times when resources were scarce had been duly noted, entailing a need for yet further efforts on the part of Member States and the Secretariat. She was confident that the comments of Member States (A/43/16 (Part II), paras. 36 to 73) would be taken into account as constructive contributions to the ongoing consultative process.

7. In the interest of achieving a more streamlined plan, the Secretary-General's proposal that major programmes should be reduced in number and adhere more closely to the basic goals of the Charter deserved support. Her delegation agreed in principle with the Secretary-General's approach to the proposed new programme structure and encouraged the Secretariat to develop the medium-term plan in further consultation with Member States. Given that all mandated activities of the United Nations should be included in the new structure, it supported the Polish proposal that a programme for integrating social groups should be incorporated under major programme V.

8. Monitoring and evaluation in programme planning took on increasing significance in periods of financial constraint. The relevant recommendations of the Joint Inspection Unit (A/43/124) were very valuable, as were the specific comments of the Secretary-General (A/43/124/Add.1), particularly with respect to recommendation 1. The programme performance report constituted a very useful tool for the consistent follow-up of Member States' decisions and should be appropriately considered in future deliberations of the Committee.

9. Mr. DENEIKO (Union of Soviet Socialist Republics) said that the role and authority of the United Nations depended largely on the efficiency of its programme planning, especially in the current period of the Organization's resurgence. In its report (A/43/16 (Part II)), CPC rightly stressed the importance of the medium-term plan in that connection.

10. The draft introduction to the next medium-term plan (A/43/329, annex) generally reflected the directions to be taken by the United Nations in the 1990s and paid due attention to important issues. He supported the conclusions and recommendations in the CPC report and endorsed the views in the report of ACABQ (A/43/626), especially with respect to the need for additional information on the reasons for the proposed change in the number of programmes, the factors taken into account by the Secretary-General in drafting his comments on priorities, and the duration of the medium-term plan.

(Mr. Daneiko, USSR)

11. With regard to the note by the Secretariat on the proposed programme structure (A/C.5/43/CRP.4), the idea of merging or consolidating programmes was interesting, for the important point was not the number of programmes but their relevance to the mandate entrusted to the United Nations by the international community. However, a final conclusion could not be reached on the structure of the medium-term plan until further information was received from the Secretariat and the views of the other Main Committees were known.

12. He agreed with ACABQ that the procedure for consultations on the plan recommended by the Secretary-General (A/43/329/Add.1) was too complicated. The proposed revisions to the current plan (A/43/6) prompted the conclusion that the current format required radical improvement. As CPC had noted, the accumulation of large numbers of addenda and corrections to the plan made it difficult to apply. There was little point in issuing such voluminous documents as proposed revisions, especially as the changes were basically editorial. Improvement of the procedure for drafting the plan and submitting proposals for its revision might well help to enhance the Organization's effectiveness and save resources.

13. The report of the Secretary-General on programme performance for the biennium 1986-1987 (A/43/326) revealed an increasing tendency to transfer uncompleted activities to the following budget period. The current budget, for example, contained activities transferred from as early as 1982-1983. The very existence of such transfers cast doubt on the need for the activities themselves. It was quite evident that the activities must be carefully studied, with a view to eliminating ineffective and obsolete programmes and redeploying resources to priority activities.

14. Ms. PELLICER (Mexico) said that her delegation had devoted particular attention to the proposed changes in programme structure. Paragraphs 5, 6 and 7 of document A/C.5/43/CRP.4 raised the issue as to whether the legislative activities of major intergovernmental bodies might be limited by the existence of agreed plans. While planning was an essential element for the work of the Organization, programmes could not constitute the principal policy directive of the United Nations; directives should emanate from the resolutions, decisions and declarations of Member States. If it became the only basis for action, the medium-term plan would limit the capacity of Member States to decide whether the international situation gave rise to a need for change, further development or the introduction of new objectives. The plan should therefore be sufficiently flexible to accommodate any changes in legislation that might emanate from intergovernmental organs. A balance could be struck between the search for greater efficiency through planning and maintenance of the required flexibility. She also hoped that the impression, created in document A/C.5/43/CRP.4, that the plan was supposed to adapt itself to the requirements of the Secretariat, was incorrect; what was required was the exact opposite.

15. She was gratified that Mexico's proposals were included among the programmes in annex I to document A/C.5/43/CRP.4. While endorsing the reference to decolonization, she felt that the self-determination of peoples also required

(Ms. Pellicer, Mexico)

specific mention. She welcomed the change in the title of major programme II but wondered why one of the two individual programmes under that heading should have such a general title as "international law". More information was required on that and other individual programmes.

16. With regard to major programmes IV and V, it would be mistaken to split international co-operation for development into economic and social issues, especially since it was often stated in the Economic and Social Council that there should be closer linkage between economic and social programmes. She also regretted the omission of the topic of debt, which was not adequately covered by programme 16 (Development finance and resource flows); if it could not constitute an individual programme, it should be mentioned specifically in the title of programme 16. Agriculture and industry, although addressed by the specialized agencies, should continue to be the subject of specific United Nations programmes. Programme 20, meanwhile, should refer expressly to science and technology for development. In programme 23, it was inappropriate to cover development planning under the same heading as public administration, finance and management. The topic of energy should be separated from that of natural resources and retained in a separate programme.

17. She fully agreed with the concept, implicit in paragraph 6 (c), document A/C.5/43/CRP.4, last sentence, namely, that it was Member States rather than the Secretariat which amended the objectives and strategies of the plan. It also called for further information on the elements of individual programmes, their links to the draft budget and ways of ensuring the necessary flexibility. It looked forward to receiving the comments of other Main Committees on the proposed structure of the medium-term plan and reserved its right to address the Committee once again when those views were made available.

18. Mr. SCHASTNY (Byelorussian Soviet Socialist Republic) pointed out that chapter 21, programme 1, subprogramme 5, in the proposed revisions to the medium-term plan for the period 1984-1989 (A/43/6) did not appear to incorporate the provisions of resolution 32/2 adopted by the Commission on the Status of Women. The Economic and Social Council had taken note of the resolution at its first regular session of 1988; no programme budget implications had been reported. The proposed revisions to the medium-term plan should therefore be revised accordingly.

19. Mr. HOH (United States of America) said it was sad that the repeated calls of Member States for improvements in evaluation within the United Nations, amply recounted in the Joint Inspection Unit's report (A/43/124), had not produced more tangible results. The range of Secretariat activities covered by the current evaluation system was incomplete, because administration and conference servicing were not addressed. The timing of reports did not make for easy feedback of the results into the planning and budgeting process. Programme priorities continued to conflict. Programme performance reports did not provide information in a form usable by Member States or senior Secretariat managers. The data which were produced were subjected to little analysis.

(Mr. Hoh, United States)

20. His delegation supported better self-evaluation within the Secretariat, but self-evaluation did not normally generate reports to Member States. The technique had barely begun to make headway in the Secretariat, and was hampered by an inability to enforce standards and by a shortage of staff. No systematic training in evaluation techniques was offered. Since the system underpinned Member States' confidence in the ability of the United Nations to carry out intergovernmental mandates, it should be substantially improved.

21. The Secretariat appeared to see the solution to the lack of linkage between priority setting and resource requirements as lying in the acquisition of an integrated management information system. He agreed in principle with the need for a more modern information system in the Secretariat, but believed improvements in performance reporting need not await its full implementation.

22. Referring to paragraphs 168 to 177 of the JIU report, he would welcome a report on why programme support activities had not yet been integrated into programme performance reviews; the current status and role of the management advisory service; action to implement the long-term management improvement programme; the status of the Staff Incentive Programme; and the basis for the Secretary-General's view that an annual review of management improvements in selected fields must await the establishment of an integrated information system. A start could surely be made using the current management and information resources of the Secretariat.

23. The Committee should reaffirm the desire of Member States for the concepts of evaluation to be put into effect. Although enlightened programme managers saw the benefits of evaluation, the technique would get no more than lip service in most cases unless Member States insisted on solid reports and Secretariat officials were encouraged to provide them. He therefore supported the recommendations of JIU (A/43/124, paras. 1 to 9).

24. In improving the format of the programme performance report, there was no need to end the current practice of output-counting. Rather, additional analytical information should be provided so that Member States could tell what the numbers meant. His delegation would agree to the institution of such a change on a trial basis for selective programmes.

25. Sufficient resources had long been available within approved staffing tables to help the United Nations catch up with the specialized agencies in the establishment and use of evaluation systems. He was pleased by the announcement that recommendations 2 (a) and (b) had already been carried out, but noted that the staff of the Central Evaluation Unit was still below the number recommended by JIU. As for recommendations 2 (d) and (e), some kind of plan for programme review and evaluation training was called for. It need not be elaborate, but should establish project milestones and time-frames for at least three areas: the completion of initial evaluation training; the provision of central information services; and the integration of the evaluation function into the programme planning and budgeting cycle.

(Mr. Hoh, United States)

26. The Secretariat should, as recommended, provide an annual in-depth review of management improvements in a selected area of administrative support or conference services. In addition, the current biennial report on evaluation should be replaced by annual reports on progress in the establishment and use of evaluation systems.

27. His delegation endorsed the JIU call for higher priority to be assigned to the completion of an integrated management information system, but cautioned that funding considerations would affect progress on any computerization effort. The redeployment of non-post resources to items which might reduce the need for manpower should be explored as a means for funding an integrated management information system.

28. The informative addendum to the programme performance report for 1986-1987 (A/43/376 and Add.1) was, unfortunately, not internally consistent, which made comparisons difficult and raised questions about the procedures used for data computation. A better system was clearly needed. Nevertheless, output-counting provided useful insights. The absolute number of outputs delivered in 1986-1987 exceeded the number for the previous biennium although fewer staff had been available. The staff were to be commended for not allowing the high vacancy rate to affect programmes adversely.

29. Member States must stress their need for reliable reporting on programme performance. The concept of an integrated cycle of intergovernmental decision-taking must become a reality. The last part of the cycle must be made to function well and feed back into the first. Action should be taken promptly so that the new management systems and practices which developed did not perpetuate the old, persistent problems, but overcame them once and for all.

AGENDA ITEM 147: FINANCING OF THE UNITED NATIONS IRAN-IRAQ MILITARY OBSERVER GROUP
(continued) (A/43/696 and 768)

30. Mr. TÖRNUDD (Finland), speaking also on behalf of the delegations of Denmark, Iceland, Norway and Sweden, said that the reports on the item invited a closer look at the financing and management of peace-keeping operations in general. The Nordic countries had, over the years, held to a number of principles relevant to those operations; it was in the light of those principles that they would consider the requests and recommendations made by the Secretary-General and the Advisory Committee in their reports (A/43/696 and A/43/758).

31. First, the financing of United Nations peace-keeping operations must be based on the principle of collective responsibility. The costs of the operations should be considered expenses of the Organization, to be borne by Member States in accordance with Article 17, paragraph 2, of the Charter.

32. Secondly, the financial basis of the operations had to be sound and secure. Assessments decided upon by the General Assembly had to be paid by all Member States in full and on time. Troop-contributing countries had to be guaranteed that the United Nations would honour its obligations to them.

(Mr. Törnudd, Finland)

33. Thirdly, the responsibility for United Nations peace-keeping operations was vested in the Secretary-General, and they were under the authority of the Security Council. The Secretary-General had a strong and independent role to play in managing them. His prerogatives for planning and implementation in the most efficient way must be emphasized.

34. Fourthly, both the financing and management of peace-keeping operations had to be well planned. The Secretary-General's requests for resources must be carefully justified; so must the views of the Advisory Committee. More emphasis must be put on the monitoring and follow-up of peace-keeping operations.

35. Turning specifically to the financing of the United Nations Iran-Iraq Military Observer Group (UNIIMOG), he said that the Nordic delegations were concerned over the slow collection of contributions. At the end of the three-month period for which \$35 million had been apportioned by the General Assembly, less than half of that sum had been received from Member States, and the Secretary-General had no information regarding the amounts outstanding. The financing of UNIIMOG was looking alarmingly similar to that of other current operations, in that there seemed to be no guarantee of a sound and secure financial basis. He called for up-to-date information on the current state of contributions and foreseeable cash-flow problems arising from a shortage of resources. He would also like further clarification about the initial phases of the UNIIMOG operation: to what extent, for example, had regular budget financing been used because of a lack of start-up money?

36. ACABQ was recommending reductions in the appropriations requested by the Secretary-General, both for the possible 12-month period beginning on 9 February 1989 and, more specifically, for the first six-month period beginning on 9 August 1988. It had not broken down the cuts it proposed, making general references instead to a need to achieve economies with prudent management and strict control. The Nordic delegations hoped that, in future, both the Secretary-General's requests and the recommendations of the Advisory Committee would be kept clear and well grounded, in order to ensure that UNIIMOG, or any other peace-keeping operation, was administered with maximum efficiency and economy. The number and complexity of peace-keeping operations had increased substantially over the past year. There was thus a need to strengthen the operative leadership at Headquarters in charge of peace-keeping operations - a point not clearly enough reflected in the arguments supporting the Secretary-General's proposals, nor touched on in the context of the recommendation by ACABQ to trim one Professional post at Headquarters. The Nordic delegations had some difficulty in understanding the rationale behind that recommendation.

37. The Nordic delegations welcomed the initiatives taken by ACABQ to provide for more efficient planning of the financing and management of peace-keeping operations. The Secretary-General's report did not adequately address how economies could be achieved through co-ordination between UNIIMOG and other United Nations peace-keeping operations. The subject required careful study in order to determine whether, and how, greater economies and efficiency could be achieved.

(Mr. Törnudd, Finland)

38. The Nordic countries looked forward to the Secretary-General's report and ACABQ's recommendations on the establishment of a working capital fund for peace-keeping operations: such a fund could help to provide a financially secure and sound basis for peace-keeping operations. If such an operation was to be successful, it had to be launched at the earliest possible opportunity. Securing the necessary finances immediately was, consequently, a problem. There must be a means of providing the necessary funds, but the present budgetary system did not provide one.

39. An essential part of ACABQ's recommendations dealt with the application of voluntary contributions to the financing of peace-keeping operations. The Nordic countries welcomed voluntary contributions to a certain extent, as a means of alleviating sometimes large overall costs, but they firmly believed that peace-keeping operations must be paid for by assessed contributions. Voluntary contributions must therefore be treated as additional income which might reduce the overall costs of a specific operation. Whatever new procedures for the use of voluntary contributions were introduced, Member States must be given a clear picture of how they would operate. They must be told, for example, what consequences the use of voluntary contributions might have on the Secretary-General's prerogative to conduct operations with maximum efficiency in co-operation with the parties involved; how the flexibility of the cash-flow situation might be affected; how such contributions might affect reimbursements to troop-contributing countries. The ACABQ report gave no clear answers to those questions.

40. The Nordic countries could accept the proposed change whereby voluntary contributions in cash might be treated as current income, but ACABQ did not indicate how such contributions should be treated in regard to other obligations of the Secretary-General, in particular his obligation to reimburse troop-contributing countries. That matter must be clarified.

41. Voluntary contributions of supplies and services were a much more complicated problem. He wondered whether the cash value of contributions of supplies and services would be offset against the assessed contribution of the donor country or the total assessable amount; what timetable would apply to such offsetting; and how the budgeted and non-budgeted expenditures of a specific operation would be treated. How would such offsetting affect the flexibility the Secretary-General needed to have in carrying out the operation? What timetable was there for possible implementation of ACABQ's recommendations, given that guidelines for the evaluation of supplies and services were still not available? In the absence of answers to those questions and of assurances that the ACABQ's recommendations, if put into effect, would not prejudice the general principles he had spelt out - especially those relating to the prerogatives of the Secretary-General and the treatment of troop-contributing countries - the Nordic countries would not be able to take a position on the recommendations.

42. The Nordic countries had a long tradition of participating in United Nations peace-keeping operations and were providing 30 per cent of the troops for all current operations. They were already preparing for what they hoped would be the

(Mr. Törnudd, Finland)

next operation: the United Nations Transition Assistance Group. In participating in peace-keeping operations, they provided not only troops but also substantial financial support. Even if they had been fully reimbursed by the United Nations (which was unfortunately not the case), they would still have paid about half the total costs of the troops they had sent. In that light, he invited the Chairman of ACABQ to explain what it had had in mind when expressing its intention of addressing the broad issues concerning reimbursements to the troop-contributing States. In the Nordic countries' view, the obvious problem was that the troop-contributing countries had not been reimbursed.

43. Ms. ZHANG Xian (China) said that China supported the ACABQ recommendation, which was in the spirit of resolution 42/233, that UNIIMOG's budget for the current six-month period should not exceed \$54 million. It also supported the proposal concerning voluntary contributions to peace-keeping operations and the recommendation that the \$11 million in cash thus far received should be recognized as income credited to the special account for UNIIMOG and an equivalent sum deducted from the amount to be assessed on Member States for the next mandate period. She hoped that the Secretary-General would submit the two reports requested by ACABQ in paragraphs 20 and 23 of the report (A/43/768).

44. In view of the increasing role of the United Nations peace-keeping operations and the possibility that in the future their cost might exceed the current regular budget, a rational arrangement for their financing was a matter of concern to all Member States. Accordingly, when establishing a peace-keeping operation the Security Council should clearly define its mandate and time-frame and the operation should generally be completed in accordance therewith. Any proposed extension should be seriously reviewed by the Council. Completed operations or ones which could not be completed should be terminated. The scope of the operations should be commensurate with their mandate, and the Council should make prompt adjustments in response to changed circumstances.

45. The Chinese delegation favoured diversification of the financing of peace-keeping operations. Voluntary contributions in particular should be encouraged from all quarters. Developed countries, countries parties to the dispute, and economically sound beneficiary States should be expected to make greater contributions. Strict economy must be exercised and all expenditures limited to a reasonable level. The budgets for peace-keeping operations must be rendered more transparent so as to facilitate supervision by Member States. ACABQ and the Board of Auditors should play their full role in that respect. The Fifth Committee should also provide guidelines for the financing of the operations, and the Secretary-General should submit a comprehensive report thereon.

46. The effectiveness of peace-keeping operations also depended on the soundness of the Organization's financial basis. Her delegation was therefore gravely concerned about the arrears of some \$370 million for the three existing peace-keeping forces. All States should pay their assessments promptly and in full, in accordance with their obligations under the Charter.

47. Mr. VAHER (Canada) said that the financing of UNIIMOG and of peace-keeping operations in general was one of the most important issues before the Committee. Since the cost of such operations might soon exceed the entire regular budget, rigorous standards of transparency and cost-effectiveness must be applied, and decisions on peace-keeping operations must be based on full consideration of all the relevant factors.
48. His delegation welcomed the Secretary-General's practice of revising UNIIMOG costs in the light of actual experience and indeed the reduced estimates for the current six-month period and the year beginning 8 February 1989. However, it was a pity that the costs had not been itemized in greater detail. The Secretary-General should submit a revised estimate taking account of all budgeted items as soon as possible.
49. ACABQ had recommended further reductions for the two periods in question but had not provided a breakdown of how they were to be achieved. His delegation appreciated the good intention of the appeal for "prudent management and strict control" but was not convinced that significant economies could be achieved thereby. It would welcome details on how savings were to be made in the signals unit, civilian staff, helicopters, vehicles and equipment, together with the Secretariat's reaction to the proposed reductions. It made those direct requests out of concern that any underestimate of total costs would increase the financial burden on the troop-contributing States, with any cash shortfalls passed on to them through delays in reimbursement. The ACABQ proposal might very well reduce the amount reimbursed promptly.
50. There must be close monitoring of actual costs, and the UNIIMOG budget should be reviewed at the forty-fourth session of the General Assembly in the light of experience. In that connection, his delegation endorsed the ACABQ's expectation that the Internal Audit Division and the Board of External Auditors would pay closer attention to all peace-keeping operations. It supported the requests for reviews made by ACABQ in paragraphs 10 and 22 of its report and looked forward to a report addressing the broad issues of the reimbursement of troop-contributing States. The current rates did not reflect the "real" cost of supplying troops, particularly in the case of States providing reserve forces for peace-keeping.
51. The Canadian delegation also looked forward to a report by the Secretary-General on the feasibility and modalities for the establishment of a reserve stock of equipment. It would generally support proposals for preliminary actions and contingency planning which would reduce overall costs and the delays in placing forces in the field. The report should address such specific issues as the contributions tied up in equipment which was not immediately required, the problem of equipment not entirely suited to operational requirements, and the possibility of purchase of equipment unfamiliar to the peace-keeping forces. Standardization of equipment and practices was an important aspect of cost-effective operations, and his delegation welcomed ACABQ's request that the Secretary-General should formulate guidelines for the valuation of supplies and services provided voluntarily. It requested confirmation that standardization would be a factor considered in that study.

(Mr. Vaheer, Canada)

52. His delegation could support in principle the establishment of a working capital fund for peace-keeping and related activities and it looked forward to the ACABQ's recommendations. It also recognized in principle the merit of voluntary contributions in cash and in kind but pointed out that resolution 34/9 D, providing for the establishment of a Suspense Account, was intended to ease the problems created in 1979 by arrears in respect of the United Nations Interim Force in Lebanon (UNIFIL). It was not intended to have general applicability and need not necessarily apply to the current situation. Paragraphs 31 and 32 of the ACABQ report required clarification, for paragraph 31 appeared to suggest that voluntary cash contributions should reduce the level of total assessments in future years, whereas paragraph 32 suggested that they should reduce the level in the year received. His delegation would also welcome a clarification as to whether ACABQ intended that cash advances should be applied to the total level of assessments or to the assessment of the donor State, or whether the proposal represented an option for that State.

53. He would welcome more information as to how "strict application of all existing procedures for procurement" would work when supplies and services were offered voluntarily. He would also appreciate preliminary opinions as to how the suitability of contributions in kind would be determined and inappropriate contributions discouraged, and as to whether the cash value of contributions in kind applied against the current level of assessments would have an impact on total contributions received and the timing of reimbursements to troop contributors different from the impact of cash value applied against longest outstanding arrears. A final decision on the handling of contributions in kind might well have to await completion of the Secretary-General's guidelines.

54. The possibility of voluntary contributions for unbudgeted activities, goods and services was interesting, but the use of such a mechanism would require a proper conceptual framework and strict accountability. Any decision should wait on further monitoring by ACABQ.

55. His delegation was disappointed that there was no mention in the report of the difficulties associated with failure to make prompt payment of peace-keeping contributions. The arrears on assessed contributions had added greatly to the burden borne by the troop-contributing States. The use of assessed contributions to fund peace-keeping operations was not flawed in principle. It had not worked because Member States had not honoured their Charter obligations. Despite the increased prominence of voluntary contributions, the fundamental basis of peace-keeping operations remained assessed contributions, which all Member States had an obligation to pay in full and on time.

56. Mr. TANIGUCHI (Japan) said that over the past year the United Nations had been outstandingly successful in its efforts to resolve a number of regional conflicts. The high regard of the international community for United Nations peace-keeping operations and the role of the Organization in maintaining international peace and security had been clearly evidenced by the awarding of the Nobel Peace Prize.

(Mr. Taniguchi, Japan)

57. The success of peace-keeping initiatives and the enhancement of the prestige and authority of the United Nations had resulted from a general improvement in international relations. In 1988 new peace-keeping operations had been initiated in Afghanistan and along the border between Iran and Iraq, while renewed efforts were under way to solve, through United Nations peace-keeping operations, problems relating to Angola and Namibia, Western Sahara, and Kampuchea. Growing confidence in the Organization would mean a greater role for peace-keeping activities. Accordingly, the United Nations should be provided with adequate resources to discharge its responsibilities fully. Japan, for its part, would continue its efforts to provide financial support for any peace-keeping operations undertaken by the Organization, and would also contribute technical personnel for non-military purposes.

58. The launching of new peace-keeping activities and the growing need to strengthen the Organization's ability to maintain peace and security called for a fundamental review of administrative and budgetary management, given the tremendous additional financial burden that would be placed on Member States. Difficulties already existed in meeting the funding requirements of current operations - some \$330 million per annum. Costs were projected to rise to the order of \$1 billion to \$1.6 billion per annum, posing the question of how, and whether, Member States would meet such outlays.

59. All means of financing, including voluntary contributions in cash and in kind, as well as assessed contributions, should be explored. His delegation appreciated the Advisory Committee's excellent work on the receipt and utilisation of voluntary contributions for peace-keeping operations, and fully endorsed its recommendations for modifying existing procedures (A/43/768, paras. 26-34). While his Government was deeply convinced of the need for each Member State to recognize its responsibilities and pay its assessment, the arrangements proposed by the Advisory Committee would provide a supplementary means of raising and utilizing funds, and would ensure a fair distribution of the burden of funding. His delegation also noted with satisfaction the Advisory Committee's strenuous efforts to make all peace-keeping operations cost-effective, since any loss of control over costs would erode the willingness of Member States to finance operations or contribute troops.

60. The rapid expansion of peace-keeping operations would require coherent management and integrated administrative backstopping so as to ensure cost-effectiveness and co-ordination, while maintaining adaptability to the practical needs of individual operations. In that connection, more detailed estimates and justifications for costs, accurate financial statements based on strengthened audits and internal controls, and assessments of administrative and budgetary performance would improve transparency. It might be useful to explore improvements to the existing administrative backstopping system or the establishment of an appropriate body to develop a common approach to the recruitment of personnel and the procurement and maintenance of equipment. Accordingly, his delegation welcomed the Advisory Committee's recommendation that the Secretary-General should undertake appropriate studies (*ibid.*, para. 22).

(Mr. Taniguchi, Japan)

61. An approach must be developed that would ensure that the Organization was able to meet the diverse needs of peace-keeping operations, including non-military activities such as maintenance, telecommunications, transport and medical care, for which Member States should contribute technical and civilian personnel through an arrangement analogous to that for military personnel.

62. Given the expected magnitude of funds for peace-keeping activities, it was important to study how the problems attending the provision of working capital funds might be solved. In that connection his delegation appreciated the comments of the Advisory Committee (*ibid.*, para. 23), and looked forward to receiving the Secretary-General's study on the financing of the preliminary stage of new peace-keeping operations.

63. His Government concurred with the Advisory Committee's recommendation that \$18.5 million should be apportioned to cover UNIIMOG's expenses during the current mandate period. Although it would be more logical to use the cash contribution of \$11 million from Japan and Morocco to reduce the level of assessment for the current mandate period, his delegation accepted the Advisory Committee's proposal that it should be applied to the next mandate period, bearing in mind the amount of contributions so far collected for UNIIMOG. With respect to the use of voluntary contributions in kind to reduce the total level of assessment, it would first be necessary to formulate technical guidelines for the valuation of supplies and services, as recommended by the Advisory Committee (*ibid.*, para. 30).

64. With regard to the Secretary-General's negotiations with Member States relating to the military signals unit assigned to UNIIMOG, his delegation noted that those costs had not been included in the original estimates. In view of the implications for other Member States, he trusted that the Fifth Committee would be fully informed of the outcome of the negotiations and of the circumstances which had led to their being held.

65. No financial mechanism could work effectively unless adequate resources were supplied. His Government was deeply concerned by the huge accumulated arrears due from Member States for peace-keeping operations. In conjunction with the Organization's continuing financial crisis, the operation of UNIIMOG would be difficult, in stark contrast to the lofty determination of the Security Council that its resolution 598 (1987) should be fully implemented. His Government, while taking the necessary steps towards the appropriation of its own assessed contribution to UNIIMOG, fervently hoped that those in arrears would pay, in full, as soon as possible.

66. Mr. ABRASZEWSKI (Poland) said that Poland had been involved with peace-keeping operations since the early 1970s, beginning with the United Nations Emergency Force and the United Nations Disengagement Observer Force. Indeed, its contributions thereto had been specifically praised by the Secretary-General. It had also played an active role in UNIIMOG and in the United Nations Good Offices Mission in Afghanistan and Pakistan (UNGOMAP). His delegation stressed the need for a maximum of efficiency and economy in conducting UNIIMOG operations, referred to in General Assembly resolution 42/233, which was of particular importance in view of the

(Mr. Abraszewski, Poland)

continuing financial crisis and current attempts to restructure and improve the effectiveness of the Organization.

67. His delegation noted that the Secretary-General had submitted revised estimates of \$58.7 million gross (\$58.1 million net) in respect of UNIIMOG operations over the six-month period 9 August 1988 to 8 February 1989, and had requested a commitment for the 12 months beginning on 9 February 1989 of \$99.7 million gross (\$98.4 million net). It was important for all budgetary requests in respect of peace-keeping operations to be rigorously scrutinized by the Advisory Committee in view of the complexity of the submissions and the time constraints under which the Fifth Committee was operating in its consideration of the item.

68. His delegation took note of the Advisory Committee's recommendations and comments, and, in particular, those in paragraphs 9, 11, 12, 13, 14, 16 and 17 of its report (A/43/768). If those recommendations were accepted, the budget for the six-month period from 9 August 1988 to 8 February 1989 should not exceed \$54 million gross (\$53.5 million net), at a monthly rate of \$7,986,000 gross (\$7,889,000 net), which would reduce the total requirement to \$95,832,000 gross (\$94,688,000 net). In the light of the observation that unknown elements made it difficult to identify costs accurately, the Committee could expect actual expenditure to be somewhat different, perhaps lower than anticipated.

69. In its resolution 42/233, the General Assembly had adopted an ad hoc arrangement for the apportionment of the amount of \$35.7 million for the initial three-month period beginning 9 August 1988. His delegation had joined in the consensus on the resolution on the understanding that the inclusion of Poland in paragraph 3 would be subject to a final decision at the forty-third session. In fact, Poland should be included among those States referred to in paragraph 2 (c), a view which his delegation would be happy to substantiate with all requisite evidence so as to settle the matter at the current session.

70. Ms. KINGSMILL (Australia) said that her Government had always been a strong supporter of peace-keeping operations and had been greatly encouraged by the Organization's success in facilitating the resolution of conflicts over the past 18 months. Australia would continue to support such operations by the timely payment of its contributions in full and the provision of observers and troops. She commended the Member States which had made voluntary contributions to UNIIMOG, particularly Japan.

71. While accepting the judgement of military planners as to an appropriate level of resources for UNIIMOG, she felt that there were administrative aspects which should be scrutinized in the Committee. The documentation before the Committee did not make it possible to determine whether there might be room for further rationalization in the allocation of staff and equipment. It would be useful to receive a more detailed analysis of resource requirements, including, for example, the proposal to purchase transport equipment on the scale proposed. Her Government strongly endorsed the view of ACABQ that economies of scale could be achieved through co-ordination between UNIIMOG and other peace-keeping forces, but had

(Ms. Kingsmill, Australia)

reservations concerning the Advisory Committee's proposal to reduce the staff of the office of the military adviser to the Secretary-General by one Professional post. It would be of interest to know how many staff were in that office, and what the work-load was.

72. The Committee was considering the investment of large amounts of funds provided by Member States, and all delegations needed to be able to satisfy their Governments that the utmost cost-effectiveness was being achieved and that the Secretariat would be conscious of the need for economy when making proposals for future peace-keeping operations.

73. She agreed with the Advisory Committee that voluntary contributions should be recognized as income credited to the UNIIMOG special account. It would be important to ensure that such funds were taken into account in calculating assessments for the next mandate period. Loyal contributors should not be required to pay more to subsidize the unwillingness of others to meet their financial obligations.

AGENDA ITEM 114: PROGRAMME BUDGET FOR THE BIENNIUM 1988-1989 (continued)

International Computing Centre: 1989 budget estimates (A/C.5/43/8 and Corr.1)

74. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the estimates for the International Computing Centre were being submitted to the Committee pursuant to the Advisory Committee's recommendations as endorsed by the General Assembly in its resolution 31/208 III. The estimates for 1989 amounted to \$US 11,775,000 or SwF 16,014,000 at an exchange rate of SwF 1.36. The Advisory Committee recommended approval of the estimates.

75. The CHAIRMAN suggested, on the basis of the Advisory Committee's recommendations, that the Fifth Committee should recommend to the plenary Assembly that it should approve the 1989 budget estimates of the Secretary-General for the International Computing Centre in the amount of \$11,775,000. If he heard no objection, he would take it that the Committee wished to approve that proposal without a vote.

76. It was so decided.

The meeting rose at 1.05 p.m.