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FIFTH COMMITTEE  
12th meeting  
held on  
Monday, 17 October 1983  
at 10.30 a.m.  
New York

SUMMARY RECORD OF THE 12th MEETING

Chairman: Mr. KUYAMA (Japan)

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General debate

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Distr. GENERAL  
A/C.5/38/SR.12  
20 October 1983

ORIGINAL: ENGLISH

The meeting was called to order at 10.40 a.m.

AGENDA ITEM 115: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS: REPORT OF THE COMMITTEE ON CONTRIBUTIONS (A/38/11 and Add.1 and Add.1/Corr.2)

1. Mr. HASARWEH (Jordan) said that General Assembly resolutions 34/6 B and 36/231 A set forth the basic objectives to be pursued by the Committee on Contributions in its work, in particular the requirement that special consideration should be given to the situation of the developing countries. Of the various approaches explored by the Committee in its report, alternative IV came the closest to meeting the concerns expressed by the General Assembly in the relevant resolutions.
2. In recent years, many developing countries had made considerable economic strides, and, as a result, their national incomes had risen markedly. If national income was taken as the criterion for measuring capacity to pay, many developing countries would have to bear an additional financial burden, even though their increased income did not reflect lasting improvements in their economic situations. It was essential therefore to develop economic and social indicators so as to ensure greater equity and fairness in the assessments of developing countries. Both the poorer developing countries and the so-called "middle income" developing countries faced the same problems inasmuch as they relied on the export of primary commodities, had inadequate infrastructures and had to meet substantial requirements in the health and education fields. His delegation endorsed the views set out in paragraphs 21-23 of the Committee's report and hoped that ways could be found to alleviate the burden on the developing countries so that they could attain an acceptable level of development. It likewise agreed with the suggestion in paragraph 48 that if a country's average income in the last three years should fall below the average of the three preceding years, there should be no increase in its rate of assessment.
3. With regard to measures to avoid excessive variations between two successive scales, his delegation favoured a system of percentage limits and percentage point limits.
4. He expressed the hope that the Committee would make progress in developing social and economic indicators and in refining the existing procedures, taking into account the views expressed on the subject in the Fifth Committee.
5. Mr. RALLIS (Greece), speaking on behalf of the 10 States members of the European Community, said that the commitment of the Ten to the United Nations was clear. Their combined assessments accounted for 27.91 per cent of the regular budget. The decision taken on the item by the General Assembly would affect more than just the apportionment of the expenses of the United Nations itself, since most of the specialized agencies used the United Nations scale as a basis for their own.

(Mr. Rallis, Greece)

6. The statistics provided in the addendum to the Committee's report showed that assessed contributions had increased by 30 per cent between 1979 and 1982. It was perhaps no coincidence, therefore, that over the same period, voluntary contributions had risen by only 4.8 per cent. The bulk of the increase in assessed contributions had been paid by the OECD countries, while the contributions of developing countries had increased slightly and those of the Eastern European countries had fallen in absolute terms. That trend was not likely to be reversed in the near future, and the Ten found it difficult to accept that the current scale for 1983-1985 fairly reflected the capacity to pay of Member States.

7. He noted with surprise the omission from the addendum to the report of details on the voluntary contributions paid by the European Community above and beyond those made by its members on a national basis, which had amounted to nearly \$100 million in 1982 alone.

8. No one would suggest that the determination of a fair scale of assessments was a simple matter. The Ten noted the shortcomings of the method used to calculate the current scale but, like many other delegations, they saw problems with each of the new alternatives put forward by the Committee on Contributions.

9. While alternative I might roughly reflect the current capacity to pay of the three groups of States proposed, there would be significant legal, political and practical problems in implementing it. While alternative II was relatively simple, it was not closely related to the basic principle of real capacity to pay, which must remain the fundamental criterion on which the scale of assessments should be based.

10. As far as alternative III was concerned, there were the problems of the non-availability and non-comparability of relevant statistics for the measurement of national wealth.

11. With regard to alternative IV, the Committee on Contributions had correctly pointed out that the selection of relevant economic and social indicators and the collection of comparable data could prove to be very difficult. In its further study of that variant, the Committee should also be mindful of the need to avoid double counting.

12. In its report, the Committee on Contributions had also shown that the effects of inflation and changes in exchange rates could be very important for the determination of the scale of assessments. Annex III showed which countries benefited from the current situation. The Ten welcomed the intention of the Committee to pursue its study of that very important issue and looked forward to receiving its concrete proposals at the next session.

13. The base period should be such as to reflect accurately the capacity to pay of Member States and, once established, should not be subject, for reasons of short-term advantage, to frequent changes. He noted that the climate of opinion on that question in the Fifth Committee changed from year to year.

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(Mr. Rallis, Greece)

14. As to the problem of excessive variations in assessments between successive scales, the Ten considered that annex V to the report did not contain an exhaustive list of possible solutions. They looked forward to the results of the Committee's further study of that important issue.

15. Any modification of the low per capita income allowance formula should aim at reducing the burden on the low, rather than middle, per capita income countries.

16. The Ten trusted that the Committee would provide the General Assembly at its next session with proposals which would form a sound and stable basis for the apportionment of the expenses of the United Nations.

17. Mr. KASIRYE (Uganda) said that the difficult task that had been assigned to the Committee on Contributions had been made even more difficult by the seemingly contradictory guidelines contained in General Assembly resolutions 34/6 B, 36/231 A and 37/125 B. Considering that the Committee on Contributions had yet to come up with any solutions despite years of study and the experience of its members, it would be unwise to expect the Fifth Committee to do so after discussing the matter for only a few days.

18. His delegation did not believe that it would be in the interest of the Organization to institutionalize the division of its members into three groups for assessment or any other purposes. Merely dividing the world into three groups would not solve the basic problem of how to measure the capacity of Member States to pay, since that problem would still have to be faced when determining the portion of the group's share of the budget which each member would be required to pay. It was interesting to note that the percentage share of the budget proposed by the Committee for each group bore a close resemblance to the current scale of assessments. For those reasons, alternative I would not enjoy the support of his delegation.

19. While appreciating the fact that some specialized agencies employed criteria other than national income to assess their members, it would be unrealistic, if not impossible, to quantify the benefits derived by Member States from their nationals serving in the Secretariat. The sovereignty factor, which would put all countries on a par irrespective of their capacity to pay, would be quite unfair. His delegation was, therefore, totally opposed to alternative II.

20. Sufficient progress had regrettably not been made in the area of national wealth statistics to warrant their use as a major indicator of relative capacity to pay. There was a need to attach more importance and urgency to that study than the Committee on Contributions had allowed.

21. Although far from perfect, the current methodology had served adequately for years. Before abandoning it for novel alternatives, the General Assembly should satisfy itself that the new alternative would withstand the test of time equally well. His delegation therefore urged the Committee on Contributions not to waste any more time on alternatives I and II, and to concentrate instead on studying the most suitable manner of integrating economic and social indicators into the current methodology.

22. Mr. GOGUIKIAN (Lebanon) said that all four of the alternatives studied by the Committee on Contributions for assessing the real capacity to pay of Member States had drawbacks as well as advantages. While the first three alternatives were innovative, they could not unfortunately be adopted at the present stage because of a number of political and practical difficulties which went beyond the scope of the Fifth Committee. The method based on national income should, therefore, be retained and its known shortcomings gradually eliminated by pursuing the study of the various variants discussed by the Committee on Contributions, taking into account the views expressed by delegations in the Fifth Committee. The Committee's task was exceedingly complex, given the disturbing instability of economic, social and financial conditions which had prevailed for more than a decade. It was to be hoped, however, that by focusing its attention more effectively on alternative IV, the Committee would be able to identify areas of agreement which would enable it to improve the current method for calculating the scale of assessments.

23. Mr. TOMMO MONTHE (United Republic of Cameroon) said that each of the alternatives which the Committee on Contributions had studied for measuring the capacity to pay of Member States presented difficulties, some of which were insurmountable. As to alternative I, there were substantive legal problems involved in dividing the membership of the Organization into groups. The division into the three groups considered by the Committee on Contributions was convenient but not workable, and the line of demarcation between the groups was not sufficiently clear-cut. Alternative I should not, therefore, be pursued.

24. With regard to alternative II, he pointed out that, at previous sessions, the Fifth Committee had adopted a number of resolutions designed to improve the formula for calculating the desirable ranges which governed the number of nationals of each Member State employed in the Secretariat. If alternative II was adopted, he did not see how those resolutions could be implemented, particularly since one of the most recent resolutions provided that the weight given to the "membership" factor should be increased at the expense of the "contribution" factor. It should be borne in mind in that connection that the United Nations was not a multinational corporation but rather a political organization.

25. Despite the difficulties faced in compiling indicators of national wealth (alternative III) and in determining the weight to be assigned to the various economic and social indicators (alternative IV), those two alternatives provided the best avenues for future study. He trusted that a pragmatic approach would yield a scale of assessments which more closely approximated the objectives sought by the General Assembly.

AGENDA ITEM 109: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985 (continued)

AGENDA ITEM 110: PROGRAMME PLANNING (continued)

(a) REPORT OF THE COMMITTEE FOR PROGRAMME AND CO-ORDINATION (continued)

(b) REPORTS OF THE SECRETARY-GENERAL

General debate (A/38/6, 7, 38 and 133 and Corr.1; A/C.5/38/6 and Corr.1, A/C.5/38/7 and 11; A/C.5/38/SR.7)

26. Mr. HANSEN (Assistant Secretary-General for Programme Planning and Co-ordination) introduced the reports contained in documents A/38/133 and A/C.5/38/11. The former represented a synthesis of information provided by 17 organizational entities, setting out in detail the current status of their evaluation capacities, i.e. their ability to carry out the minimum functions which an evaluation unit should perform, as listed in paragraph 66. The organizational entities concerned had been found to be at one of three broad stages of development, described in paragraphs 7, 8 and 9. The categorization into three levels was meant merely to facilitate examination of the capabilities required for evaluation and the readiness of each organizational entity to take on further functions if resources were provided.

27. The review conducted in response to General Assembly resolution 36/228 B showed some progress in defining responsibilities for evaluation in a number of organizational entities. In compliance with the instructions for preparing medium-term plans and programme budgets, evaluation plans and means-of-evaluation statements had been prepared by most such entities, and in some cases satisfactory feedback mechanisms were being developed. The prospects for evaluation were not encouraging, however, one reason being the shortage of adequate resources for the foreseeable future.

28. A further section of the report (paras. 56-76) provided a framework for the logical development of evaluation activities, attempting to match staff resources to the tasks involved. Those tasks had been presented in tabular form (table 1) to give a practical notion of what could reasonably be expected of one or more Professionals over a period of one year and beyond. The table might also be of guidance to programme managers who were beginning to establish an evaluation capacity. It was meant to be viewed not as a rigid system, but as a flexible framework. The extent to which the evaluation capacity of a unit might need strengthening depended largely on three factors: the commitment to evaluation at the intergovernmental, policy-making level; the nature and scope of the work of the entity concerned; and the resources available, including the extent to which a given entity could draw upon the services of central units. The difference between central functions and those of regional and sectoral units had been stressed by the Committee for Programme and Co-ordination in its report (A/38/38 (Part I), paras. 189 and 190). Organizations would shortly be able to draw on work done centrally on the problem of evaluating activities in the research and analysis area.

(Mr. Hansen)

29. Given current resources and the activities proposed for the forthcoming budget period, at least 9 of the 17 organizational entities were adequately staffed. New activities, involving additional resources, were proposed for five entities. The estimates of the resources needed had not been hurriedly arrived at, but had been based on over 18 months of experience by those directly concerned. Some entities already had the resources to improve their evaluation capacity to the desired level, and others had done so, in whole or in part, through redeployment.

30. In accordance with General Assembly resolution 36/228, the report had been presented to CPC for consideration at its twenty-third session, and CPC had decided to draw to the attention of ACABQ its views on the strengthening of evaluation capacity; the Economic and Social Council had endorsed that decision. The statement of programme, financial and administrative implications prepared for the Advisory Committee's consideration was contained in document A/C.5/38/11. Members should note, in paragraph 29 of that document, that no additional resources were requested pending a review by the Secretary-General, in 1984, of the possibility of providing resources through redeployments.

31. The timetable for the review of evaluation programmes requested in General Assembly resolution 37/234 was given in section IV of document A/38/133. The principal criterion in choosing programmes for evaluation was whether they had been evaluated by CPC in the recent past. Allowance had also been made for the usual two-year lead time for such studies. The timetable had been overtaken, however, by CPC's decision to evaluate the UNIDO technical co-operation activities in manufactures and the work of the Department of Technical Co-operation for Development in 1984, and drug control programmes in 1985. The remaining topics selected for review between 1986 and 1992 would be reconsidered by CPC at its twenty-fourth session.

32. Mr. FORAN (Controller) introduced the two reports of the Secretary-General contained in documents A/C.5/38/6 and 7. A number of delegations had said, when resolution 37/234 was adopted, that it was the responsibility of the Secretary-General to decide on the most appropriate means of complying with the Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation, and the Methods of Evaluation. It was on that basis that the Secretary-General had proceeded, taking the steps described in document A/C.5/38/6 after careful consideration of the views expressed in the Fifth Committee, ACABQ and CPC. Moreover, the Under-Secretary-General for Administration and Management had been at pains during the discussions leading to the adoption of resolution 37/234 to stress the dual nature of the Secretary-General's approach: namely, to introduce changes, but to do so in a measured and cautious manner, since the request addressed to him in that resolution appeared to lay greater stress on action than on caution.

33. The report entitled "Methods, procedures and timetable followed in the preparation of the proposed programme budget for the biennium 1984-1985" (A/C.5/37/7) had been requested by the Economic and Social Council at its most recent session. The related conclusions and recommendations of CPC were contained in paragraph 397 of its report (A/38/38 (Part II)), and the views of the Advisory Committee had been presented orally by its Chairman.

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(Mr. Foran)

34. Strong views had been expressed on the late issue of budget documentation. He acknowledged the need to improve the budgeting process so as to prevent any recurrence of such difficulties, and the Secretary-General had given assurances that he would take steps to make sure no such problems arose in 1985. The main features of the budget methodology had remained fundamentally unchanged since their description in an addendum to the proposed programme budget for the biennium 1980-1981. The report now before the Committee therefore focused on new approaches and specific difficulties encountered.

35. The revaluation of the resource base, the determination of an overall real growth rate and the analysis of extrabudgetary resources were complex operations, even when computerized. It was thus necessary to proceed stepwise in determining the real growth of the proposed programme budget and in revaluing the resource base. Because the volume of data to be handled was so large, renewed efforts were needed to update computer programmes and improve data processing arrangements. As its Chairman had stated, the Advisory Committee welcomed the Administration's intention of re-examining United Nations computer operations as they related to budget preparation.

36. The Fifth Committee and the Secretariat had become increasingly aware that the regular budget needed to be considered in the context of total resources available to the Organization. Determined efforts had been made to update the quality and accuracy of information on extrabudgetary resources. That, however, had been a difficult undertaking, and further efforts to improve the information were contemplated.

37. The establishment of the Programme Planning and Budgeting Board, and co-operation between the Office for Programme Planning and Co-ordination and the Office of Financial Services in the joint review of budget submissions and preparation of notes for the Board, had resulted in significant improvements in both the budget review and the final programme budget document. The use of the new procedures for the first time had caused some delay, but he was confident that such delays could be overcome in the future.

38. There had also been difficulties in carrying out proper consultations with programme managers before proposals were finalized. Budget requests rested on very detailed programmatic justification, usually at the programme element level. Changes in initial submissions made as part of the central budget review process often had a substantial impact on a number of financial tabulations, and made multiple revisions of the programme content of proposals necessary. The mere exchange of information between Headquarters and other offices within a restricted time-frame was a difficult undertaking. When programme managers were asked to submit additional information in support of their requests, and the Office of Financial Services and the Office for Programme Planning and Co-ordination had to analyse that information, a real problem arose, and the Secretariat had not yet devised an entirely satisfactory solution.

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(Mr. Foran)

39. A nine-month timetable for the preparation of the 1984-1985 budget, such as was set out in paragraph 17 of the report, was very tight. Delays at any stage, in particular in the submission of departmental proposals, were bound to affect the issue of the budget document. As paragraph 20 indicated, departments were under severe time constraints in the preparation of the budget submissions.

40. Although the report distinguished between shortcomings which were being corrected and those of a more subjective and complex nature, the Secretariat would continue to seek solutions to all of them. Since the issue of the budget documentation, a review of possible improvements to each and every stage of the budget preparation process had begun, and would extend to 1984. He trusted that the outcome would meet the expectations of the Secretary-General and Member States.

41. Mr. FISCHER (Austria) said that the Committee had three criteria by which to evaluate the proposed programme budget for the biennium 1984-1985: resource level, programmatic content, and the impact and results achieved. Given the ambitious goals set out in the Charter and the great demands made on the Organization by Member States, the Secretary-General could justifiably have asked for more resources, but had refrained from doing so, evidently in an effort to strike a balance between those favouring a more expansive course of action and those advocating further economies. The proposals should be accepted for what they were: a realistic compromise between the aspirations of the majority of Member States and the position of those important contributors who held the purse-strings of the Organization.

42. It was hardly possible to examine in detail how far the proposed outputs derived from the objectives and strategies of the medium-term plan, or whether they could be expected to contribute to the attainment of those objectives. He was, however, confident that the budget proposals faithfully reflected the mandate of the Organization. He also welcomed the emphasis on economic, social, humanitarian and disarmament affairs. As for the impact and result achieved, the approximately \$800 million requested annually for the outputs listed in the budget document merited close scrutiny. As the Secretary-General himself had stated, the Organization was not functioning as it was intended to. It would require the concerted efforts of Member States and Secretariat alike to get the machinery into forward motion again. But the effectiveness of the Organization depended first and foremost on the commitment of its Members to use it as a forum for harmonizing their interests and settling their conflicts.

43. Over the years, the gap between the aspirations of the majority of small- and medium-sized nations which largely determined the Organization's programme of work but defrayed only a fraction of the cost and the views of those that held the purse-strings had steadily widened, to the point where the proposed programme budget for the biennium 1982-1983 had not been supported by the 10 top contributors. A repetition of that dispute must be avoided if the financial viability of the Organization was not to be further endangered. Determined efforts must be made to negotiate a budget acceptable to all Member States. At the same time, economy should not be an end in itself. While it was natural to submit the

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(Mr. Fischer, Austria)

proposed programme budget to rigorous cost-benefit analysis, it should not be forgotten that the annual cost of the United Nations was only 0.1 per cent of annual expenditure on armaments. It could hardly be argued that the United Nations budget as such was too heavy a burden for most Governments.

44. In order to be meaningful, the review of the United Nations administrative structure and management initiated by the Secretary-General would have to include the tasks that over the years had become the responsibility of the Secretariat. The dynamic character of United Nations work clearly called for efforts in new directions and for a revision of decisions whose original importance had been reduced by later developments. It was the Secretary-General's prerogative to draw attention to tasks that had become obsolete and to the need for new action. Priority-setting was a step in the right direction. Only if Members could agree on priorities and on weeding out obsolete activities would the Organization acquire the scope and orientation it needed to meet the challenges of an increasingly complex and interdependent world. It was also within the Secretary-General's competence to propose the policy for the Organization to follow and to decide on the organizational pattern best suited to that purpose. While in certain circumstances he could clearly take no action without consulting the membership, dynamic leadership was of crucial importance to the effectiveness of the Organization.

45. His country followed the development of the Vienna-based units with particular interest. It was pleased at the proposal to establish a nucleus of interpretation staff at the Vienna International Centre, but disappointed that the Advisory Committee did not agree with the proposal to improve the communications link between New York and the Vienna units. It hoped the Advisory Committee would revise its position once it had the additional information it had requested.

46. Mr. KOBAYASHI (Japan) said that the proposed programme budget and programme planning were the most important items before the Fifth Committee at the current session.

47. His delegation welcomed the personal interest taken by the Secretary-General in administrative and budgetary matters, and his efforts to establish an efficient administration. The relationship between the Secretary-General, as chief administrative officer of the United Nations, and the Fifth Committee was fundamental to the attainment of the common goal of a strong and efficient Organization.

48. The General Assembly reviewed the programme budgets proposed by the Secretary-General and decided on regulations concerning the budget, planning and staff. The Assembly could modify the Secretary-General's proposals, although it respected them where possible. Once the Assembly had taken a decision, the Secretary-General and the Secretariat were expected to implement it. The strengthening of the Organization was the joint responsibility of Member States and the Secretary-General, in view of which Japan welcomed the latter's intention to initiate an administrative reform with the aim of increasing efficiency. The

(Mr. Kobayashi, Japan)

moratorium on organizational changes and the formulation of further programme, budget, and personnel regulations during the current session should enable the Secretary-General to achieve that aim.

49. Nevertheless, in view of the biennial budgetary cycle, administrative review and reform should have been initiated earlier in the process of formulating the proposed programme budget. Once approved by the Assembly, the budget constituted the Secretary-General's commitment to the work programme to be followed until the end of 1985. It was to be hoped that once the high-level advisory group on administrative reform had issued its findings, the Secretary-General would immediately implement those which related to matters within his authority. On the other hand, any findings relating to significant internal realignments or departures from the approved programme of work should be submitted to the Assembly for approval at the thirty-ninth session. There was, moreover, no reason to defer work on the correlative amendments to the Financial Regulations and the rules governing programme planning procedures on account of the administrative reform.

50. The proposed programme budget for the biennium 1984-1985 was the first to have been based on the medium-term plan for 1984-1989 and on the methods contained in the programme planning regulations. The budget estimates of some \$1.6 billion reflected a real growth rate of 0.7 per cent, and an increase of 9 per cent over the 1982-1983 appropriations. The Secretary-General had followed a policy of maximum restraint, in view of the financial difficulties besetting the international community. His Government believed that the United Nations budget could not be unaffected by the fiscal retrenchment being practised by Member States, and that it should reflect the efforts made by Governments to pursue higher productivity. Abstract debates on what might constitute a desirable growth rate would not be productive. What was needed was a more effective programme approach.

51. Yet in certain cases a ceiling approach might be useful for making the programme approach more effective, especially in those areas in which there was a consensus that growth should be contained. For example, administrative and common services had consistently increased their percentage share of resources over the years, and it might well be time to introduce a ceiling on expenditure in that area. A ceiling approach would also be useful in containing increases in personnel costs and travel expenditure.

52. The initial estimates in the proposed programme budget were, on the whole, moderate in real terms, although his delegation had reservations on individual sections, including the many requests to transfer posts from the extrabudgetary category to the regular budget. Japan was also concerned over the steep rate of growth in nominal terms. The real problems, however, were the additional financial requirements resulting from revised estimates and the financial implications of resolutions adopted by the General Assembly. In the past three biennia, revised appropriations had been 3 to 4 per cent higher than initial estimates as a result of such additional requirements.

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(Mr. Kobayashi, Japan)

53. He trusted that the Secretariat would keep upward revisions of the estimates to a minimum. It was also essential to minimize the financial implications of proposals made by Member States, since they constituted the cause of additional requirements. As long as the Organization continued to follow its piecemeal approach to programme and budget formulation and approval, there would be no systematic way to rationalize activities. A method had to be devised that would make it possible, whenever a new resolution with programme and financial implications was proposed, to examine how the proposed resolution related to programmes which existed already or which would be approved later in the session, and how consistent it was with the medium-term plan.

54. Programme planning could be an extremely useful instrument for rationalizing activities and increasing their effectiveness. The recent improvements in the areas of programme analysis and presentation were welcome. Progress had been made, in particular, in the economic and social fields, although continued efforts were necessary to make similar progress in the political sphere.

55. According to table 1 in the introduction to the proposed budget (A/38/6, vol. I), priorities had not been designated in 12 sections out of a total of 34. It was obviously difficult for the Secretariat to propose priorities in certain sections, although they could have been designated in sections 3, 21, 28, 32 and others. Priority-setting at the major programme level and at the programme element level had different implications. At the former level, it was useful to identify programmes with the highest priority, such as energy and disarmament. Yet priority setting at the programme element level would yield more concrete results. Some redeployment of resources between programmes would take place in those sections in which priorities had been set and obsolete activities identified. His delegation welcomed that modest development and hoped that it signalled the start of a full-scale effort to implement General Assembly resolution 37/242.

56. His delegation attached equal importance to financial and programme analysis of the proposed programme budget. The work done by ACABQ and CPC was valuable, and the capacity of those organs to examine proposals should be strengthened. It was regrettable, in that connection, that delays in the issue of budget documentation had hampered the work of CPC. The Secretary-General should adopt the necessary remedial measures, taking into account CPC's recommendations. The proposal made by the Under-Secretary-General for Administration and Management that a dialogue should be established between CPC and Member States to improve budget documentation was welcome.

57. The Fifth Committee should take the advice of ACABQ and CPC wherever possible in considering the programme budget. His delegation fully supported the Advisory Committee's recommendations concerning the re-examination and reduction of inflation estimates and a higher turnover deduction.

58. No real economies would be achieved unless effective ways to control personnel costs were found. His delegation recognized the merit of ACABQ's recommendation that there should be a net reduction of 80 posts from the Secretary-General's

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(Mr. Kobayashi, Japan)

requests. Yet even if that recommendation were adopted, there would still be an increase of 137 posts. Since the increase was due in large part to the conversion of temporary to established posts and to the transfer of posts from the extrabudgetary category to the regular budget, it did not represent a commensurate increase in programmes. His delegation was deeply concerned over the continual expansion in the staff and the transfer of extrabudgetary posts to the regular budget.

59. The Secretary-General should find effective means of halting excessive increases in the size of the staff. A ceiling for the aggregate number of posts might be established, linked with the planning of future staff requirements and career development. The practice of giving Professional posts narrow job descriptions made it difficult to redeploy posts in response to changing needs.

60. Apart from personnel costs, the main reason for the real growth in the budget was increased expenditure on communications, word-processing equipment and travel. With regard to the first two items, his delegation welcomed any proposal that contributed to increased productivity and was justifiable on cost-benefit grounds. With respect to travel, however, the present level of expenditures was more than sufficient to cover those trips essential to the work of the Organization, and the proposed increase was excessive.

61. Turning to the subjects covered by CPC, he trusted that the Secretary-General would make a special effort at the current session to submit statements of the programme implications of draft resolutions submitted to the General Assembly. It was important to promulgate the rules governing the programme planning cycle as early as possible, since they provided the essential legal framework for ensuring the effective implementation of the programme planning regulations.

62. The importance of monitoring and evaluation could not be overemphasized. The work done by CPC in that area was extremely valuable. His delegation supported the early implementation of CPC's recommendation for strengthening the United Nations systematic evaluation systems.

63. The Secretariat and the intergovernmental bodies concerned had, for many years, endeavoured to co-ordinate programme planning with programme budgeting, and progress had been made in the last two years. Yet examination of the Secretary-General's budget proposals created the distinct impression that the system, refined though it might be, had not yet been fully utilized. Now that the system was in place, a way should be found to make appropriate use of it.

64. Mr. FRITCHARD (United States of America) said that his delegation had been encouraged by the Secretary-General's statement to the Fifth Committee in which he had recognized the need for budgetary restraint, affirmed his commitment to good administration, and stressed the importance of his role as the chief administrative officer. The success of the Organization would largely be determined by the Secretary-General's effectiveness in that capacity.

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(Mr. Pritchard, United States)

65. The submission of the programme budget was one of the most important responsibilities entrusted to the Secretary-General by the General Assembly. The Fifth Committee's review of the proposed budget would be assisted by the prior analysis carried out by ACABQ and CPC. In principle, the recommendations of both those bodies could be endorsed.

66. The proposed programme budget was the first constructed within the framework of an approved medium-term plan. The Programme Planning and Budgeting Board had carried out a thorough review in order to allocate limited resources on the basis of established priorities. The results of its work had generally been positive. In that connection, his delegation had been encouraged by the Secretary-General's determination to prevent lobbying of delegations by Secretariat officials.

67. With regard to priority setting, the Secretary-General had instructed programme managers to exercise maximum restraint in submitting budget requests, while the Programme Planning and Budgeting Board had reconciled competing requests for resources. Greater attention to priorities was an important feature of the proposed budget. More priority designations had appeared although, in the main, high- rather than low-priority areas had been identified. Some 80 programmes contained in the 1982-1983 budget had been deleted from the proposed budget. Given the magnitude of activities financed during the current biennium, the United States would have expected a larger number. His delegation trusted that the Secretary-General would intensify his efforts to eliminate those programmes which had outlived their usefulness. In that connection, the United Nations needed an effective evaluation capacity. It was disappointing that little progress had been made in strengthening the internal evaluation machinery. Such activities should be centralized at United Nations Headquarters.

68. While some redeployment of resources had taken place, more could have been done. Redeployment seemed to have taken place only within individual budget sections, and only the regional commissions evidenced significant shifts of resources between programmes. Most transfers between budget sections involved no real change in major programmes or the level of resource allocations. It was not enough to contain growth in some areas while allocating additional resources to others. Resources should be diverted from low- to high-priority areas. A number of areas lent themselves to such redeployments. For example, given the success of United Nations efforts to encourage national independence, fewer resources were now required for decolonization activities. The departments involved were overstaffed.

69. The Secretary-General had stated that much of the real growth in the budget merely compensated for declining extrabudgetary resources. Efforts to eliminate low-priority activities had been overshadowed by proposed transfers of extrabudgetary posts to the regular budget, to which the United States delegation took very strong exception. Reductions in extrabudgetary resources should not be compensated for by growth in the regular budget. In many cases a decline in extrabudgetary resources indicated that the programme merited lower priority in the eyes of contributors. Organizations experiencing difficulties should not look to

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subsidies from the regular budget. Measures to shore up voluntary programmes through assessed budget funding were self-defeating, since higher assessments might, unfortunately, result in even lower levels of voluntary contributions.

70. In nominal terms, the proposed budget showed an increase of nearly 10 per cent. The estimates would be recalculated at the end of the session, when a reduction was anticipated. Full advantage of such potential savings to reduce assessments should be taken. The concern expressed over high assessments during debates on the scale of assessments should also be voiced when voting on additions to the proposed budget.

71. The Advisory Committee had considered, and proposed corrective measures for, flaws in recalculating the existing resource base and the provision for future inflation. Growth rates for the proposed budget had been understated. His delegation strongly endorsed ACABQ's recommendations and expected the Controller to ensure that future budgets did not contain such distortions.

72. Significant increases in staffing at all levels characterized the proposed budget. An additional 211 established posts had been requested, three times the number of established posts requested two years earlier. The transfer of extrabudgetary posts to the regular budget accounted for approximately one third of the new Professional posts. About 90 per cent of the new General Service posts and one third of the new Professional posts were allocated to common services, and his delegation strongly endorsed the Advisory Committee's reductions in those cases. It was time to call a halt to proposals for additional staff.

73. His delegation also concurred with the Advisory Committee's recommendations reducing the number of proposed upgradings of posts. Such reclassifications were warranted only after thorough review and full justification. The Secretary-General alone, after consultation with the Classification Section, should propose reclassifications. Yet there had been unfortunate cases in the past where intergovernmental bodies had legislated upgradings without demonstrating that they were necessary. Often proposals to "strengthen" a particular department merely involved promoting an Assistant Secretary-General to the Under-Secretary-General level. Far from improving the work of the Organization, such upgradings could corrupt the system.

74. On the subject of experts and consultants, ACABQ had stated that the \$15.7 million requested for such services represented 150 work-years of professional assistance. It seemed that there was a tendency to view permanent staff as administrators rather than experts in a substantive field. Given the high level of qualifications required for entry into the Secretariat, his delegation did not understand why there was such a great need for outside expertise. The Fifth Committee should focus on that question at the current session. More effective measures were required to control the use of experts and consultants.

75. His delegation strongly supported efforts to rationalize Secretariat departments and offices, and endorsed the Secretary-General's initiative to establish a high-level advisory group on administrative reform.

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76. Investments in modern technology, such as word-processing equipment, were welcome since substantial savings could be expected. The Organization should, however, guard against a fascination with new technologies for their own sake. They should be introduced only to the extent that they were cost-effective.

77. Despite a policy of containment, the share of expenditure devoted to common services would increase during the coming biennium. Decisions to create additional posts or to convene additional meetings were taken without full recognition of the demands placed on common services. New buildings and facilities were under construction or consideration in several duty stations. Yet his delegation questioned the cost-effectiveness of building conference facilities which would be fully used for only a few weeks in each year. Member States should decide the extent to which additional conference facilities and more office space should have priority over substantive activities.

78. The United States was seriously concerned at the inclusion in the programme budget of activities which violated principles of the Charter. The budget should not support forces which advocated the destruction of a sovereign Government which was a Member of the United Nations. Yet the Assembly continued to approve funds for programmes and meetings promoting that view. The United Nations should not provide financial support for organizations which advocated violence. The real work of the Organization lay in social and economic development, refugee relief and peace-keeping.

79. The proposed budget took into account widely divergent views on the appropriate level of growth. However, there would be inevitable requests for additional appropriations. For example, the original estimates for the biennium 1982-1983 had reflected a reduction of 0.2 per cent in real terms, whereas there had ultimately been real growth of 4.4 per cent. The Assembly seemed to operate on the principle that more was better. Too many activities and programmes were exempt from critical review. Instead of concentrating resources on more practical activities, the Organization's limited funds were spread over a wide array of programmes, some of dubious value. Intergovernmental bodies, operating in virtual isolation from one another, adopted programmes without consideration of their cumulative impact on the programme budget. Strong forces existed to create new programmes or expand existing ones. There was little interest in eliminating marginal or ineffective programmes.

80. Subsidiary bodies often made recommendations which added to the budget without the benefit of statements of programme, financial and administrative implications. When such information was provided, it was considered by the Fifth Committee, by which time it was too late. Full disclosure and discussion of programme, financial and administrative implications had to take place at all stages of the decision-making process.

81. Intergovernmental bodies should not impose constraints on the Secretary-General's responsibility to promote fiscal integrity. The symbiotic relationships which seemed to exist between certain intergovernmental bodies and



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Secretariat departments undermined the Secretary-General's authority to plan and budget. The relationship between the Committee on Information and the Department of Public Information was a classic example.

82. In the substantive committees his delegation would strengthen its commitment to full discussion of the programme, administrative and budgetary consequences of new proposals. Efforts should be made to make the United Nations a productive, relevant and efficient organization. The statements of programme implications, which were to be introduced at the current session, should help to rationalize the programme budget.

83. Turning to personnel issues, he said that his delegation would support measures which balanced the interests of staff members and Member States. Present salary and benefit levels were more than adequate, while staff members at some duty stations were being overcompensated as a result of recent shifts in currency exchange rates. A solution to the matter of health insurance contributions which did not involve additional contributions from Member States should be found. Efforts to improve staff-management relations, or to increase the staff's role in administration, should not be at the expense of Member States.

84. With regard to pensions, Member States had a responsibility to provide reasonable levels of compensation to retired staff members. However, those currently employed should also assume their fair share of the burden in financing the Pension Fund. As part of a package to restore the financial solvency of the Fund, it was time to raise the mandatory retirement age to 62.

85. The proposed budget, as modified by the recommendations of ACABQ and CPC, struck a reasonable balance. The savings resulting from currency and inflation recalculations should be passed on to Member States in full. The Fifth Committee's task would be made easier if the Main Committees, when recommending any new programmes, ensured that they were financed by offsetting programme and administrative reductions. New proposals should not add to the proposed budget, while ACABQ and CPC recommendations should not be overturned.

86. Ultimately, the integrity and efficacy of programme budgeting depended on whether the General Assembly demonstrated a sense of discipline and responsibility. Members should demonstrate their collective wisdom in reviewing any additional appropriations which might be presented at the current session. Restraint and the ability to accept the replacement of less important programmes by new ideas were imperative to achieve a sound budget. If a strong effort was not made to put the Organization's finances in order, the support of Member States, so long taken for granted, would certainly be placed in jeopardy.

The meeting rose at 1.20 p.m.