

United Nations
**GENERAL
ASSEMBLY**
THIRTY-EIGHTH SESSION
*Official Records**



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FIFTH COMMITTEE
22nd meeting
held on
Monday, 31 October 1983
at 10.30 a.m.
New York

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SUMMARY RECORD OF THE 22nd MEETING

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A-201 (NEWRA)

Chairman: Mr. KUYAMA (Japan)

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

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Distr. GENERAL
A/C.5/38/SR.22
14 November 1983
ENGLISH
ORIGINAL: FRENCH

The meeting was called to order at 10.45 a.m.

AGENDA ITEMS 109 and 110: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985 AND PROGRAMME PLANNING (continued) (A/38/3, 6, 7 and 38)

First reading (continued)

Section 5A. Office of the Director-General for Development and International Economic Co-operation (continued)

1. The CHAIRMAN, referring to the decisions adopted at the 21st meeting on Section 5A of the programme budget, invited delegations which wished to do so to explain their votes.
2. Mr. PEDERSEN (Canada) recalled that the Secretary-General had said that he would bring to the attention of the General Assembly any major problems that might be caused by the recommendations of the Advisory Committee, as he had in fact done with regard to the proposals relating to the Department for Disarmament Affairs. His delegation therefore regretted the way in which the question of expenditure on consultants by the Office of the Director-General for Development and International Economic Co-operation had been dealt with at the 21st meeting and had been shocked by the statement that had been made by the representative of the Director-General. There seemed to be no valid reason for rejecting the recommendation of the Advisory Committee, whose Chairman, in replying to various delegations, had explained that the recommendation of ACABQ gave the Secretary-General the necessary flexibility to carry out the programme in question.
3. Mr. RALLIS (Greece), speaking on behalf of the 10 States members of the European Economic Community (EEC), said that the vote of those countries should not be taken as a sign that they had general reservations with regard to the budget. On the contrary, the 10 delegations noted with satisfaction that the proposals relating to the Office of the Director-General for Development and International Economic Co-operation reflected a genuine effort to keep spending down, which was evidenced in the negative real growth rate (-7.5 per cent) and the transfer of a P-5 post to section 6.
4. The 10 EEC countries were nevertheless disturbed by the constant increase in appropriations for consultants. In view of the limited staff of the Office of the Director-General, they recognized that it was sometimes necessary to call upon outside assistance. However, as a general rule, such requirements needed to be identified more precisely. As the Chairman of the Advisory Committee had stated, ACABQ had recommended a reduction in the estimates for consultants on the understanding that the Secretariat could submit revised estimates at the thirty-ninth session. Where the question of consultants was concerned, the Advisory Committee enjoyed the confidence of the 10 EEC countries, which hoped for an end to the current tendency in the Fifth Committee to question the Advisory Committee's advice.

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5. Mr. KELLER (United States of America) said that his delegation regretted that it had had to vote against the proposal of Pakistan since it strongly supported the activities of the Office of Director-General. However, he had not found the arguments advanced against the Advisory Committee's recommendation convincing. In four months (from June to October 1983), more had been spent on consultants than during the previous 18 months. It was not unusual for programme managers to step up spending before the end of a budget period, but his delegation hoped that the expenditures in question were, in fact, related to real needs. It would be most regrettable, moreover, if, when programme managers differed with the Advisory Committee, they attempted to call into question the validity of that Committee's recommendations.

6. His delegation was grateful to the representative of the Office of the Director-General for having provided very specific responses to the questions asked by delegations but was not entirely convinced that the nature of the work carried out by the Office required the hiring of consultants. In so far as much of the work of the Office related to co-ordination within the Secretariat, it could be done more effectively by staff members.

7. Mr. GOGUIRIAN (Lebanon) said that, in the light of the explanations provided by the representative of the Office of Director-General, his delegation had voted in favour of maintaining the amount of \$172,200 requested by the Secretary-General for consultants.

8. However, since the Advisory Committee's recommendations were based on a concern to limit expenditure, the Committee should have been able to avoid a protracted debate and to endorse the views of ACABQ. The necessary resources could have been obtained from the Working Capital Fund or by transferring resources from one section of the budget to another. Moreover, the question of estimates for consultants arose in each section, and it was most regrettable that a proposal to limit expenditure for that purpose had not been adopted. Consequently, his delegation had abstained in the vote on the total appropriation for section 5A.

9. Mr. EL-SAFY (Egypt) said that the vote on the Advisory Committee's recommendation had created problems for his delegation, because the arguments advanced by the Advisory Committee and by the representative of the Director-General for Development and International Economic Co-operation were equally convincing. However, his delegation had voted in favour of restoring the amount originally requested for consultants under section 5A, in the belief that, if the Director-General did not need those resources, he would not have requested them. However, should the amount approved exceed actual needs, the unused balance should be returned to Member States.

10. Mr. DIETZ (Austria) said that he had not been fully convinced by the explanations provided by the representative of the Office of the Director-General why the reports issued by the Office could not be prepared by its own staff members or other units of the Secretariat, instead of by consultants. However, it was common knowledge that the deliberations of the Economic and Social Council and of the Second Committee were sometimes paralysed because those organs did not have at their disposal the information which would facilitate the search for practical solutions. His delegation therefore had decided to provide the Director-General

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(Mr. Dietz, Austria)

for Development and International Economic Co-operation with the resources he had requested. It was to be hoped that, with the appropriation approved, it would be possible to provide Member States with high-quality, action-oriented documentation in a timely manner.

AGENDA ITEMS 108 AND 109: PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983 AND PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985 (continued)

Office of the United Nations Disaster Relief Co-ordinator: grants for emergency disaster assistance (A/38/476)

11. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report (A/38/476) said that the Controller had sought the Advisory Committee's assent to the commitment of funds in 1983 up to a total of \$240,000, pursuant to General Assembly resolution 36/241, to finance grants for emergency disaster assistance. The Controller informed him that the Economic and Social Council had adopted a resolution (1983/47) that would increase to \$600,000 annually, or \$1.2 million for the biennium, the sum available under the regular budget for that purpose. The amount appropriated for 1982-1983 was \$720,000, and in its resolution 37/144 the General Assembly had raised the normal maximum for each country from \$30,000 to \$50,000 per disaster, with the additional \$20,000 to come from voluntary sources.

12. In August that year, when the ACABQ was not in session, he had received a letter from the Controller seeking authority from ACABQ to commit additional funds. The Controller had informed him that the Economic and Social Council had adopted a resolution recommending that the maximum expenditure on disaster assistance should be \$600,000 or \$1.2 million under the regular budget as against the current maximum of \$720,000. Pending consideration of that resolution at the thirty-eighth session, the Controller had requested authority to commit additional funds for 1983. He (Mr. Mselle) had concluded that, since the Controller's request raised a number of points of principle, the Advisory Committee had to examine it at its fall session. When the Committee considered the request it had concluded that since the General Assembly was already in session and in view of the fact that the resolution on unforeseen and extraordinary expenses for 1982-1983 could not be invoked when the General Assembly was in session, the matter had to be submitted to the General Assembly.

13. Paragraphs 1-6 of document A/38/476 contained background information on the request; paragraphs 7-9 gave information on past decisions of the General Assembly on the question of disaster relief co-ordination and emergency disaster relief grants. Paragraphs 10-11 explained various courses of action which the General Assembly could take on the request by the Controller as far as 1983 was concerned and on the resolution of the Economic and Social Council. Annex I A and B reproduced the letters from the Controller, and Annex II contained the statement of the Controller providing detailed information on the subject.

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(Mr. Mselle)

14. Although the possible course of action explained in paragraph 1 of the Advisory Committee's report might appear somewhat complicated, the Committee had merely pointed out a number of alternatives for the General Assembly to follow. The Committee was saying in paragraph 10 (a), (b) and (c) that if any of the actions indicated was taken for 1983 alone, either no further action would be required on the request, or the amount of \$240,000 requested by the Controller would be appropriated or obtained by redeployment of funds from either section 22 or other sections of the budget for 1982-1983.

15. Although the Administration had made no specific requests for the biennium 1984-1985, the Advisory Committee had also thought it wise to put forward a number of proposals relating to that biennium so as to avoid having to come back to the matter, especially since a decision needed to be taken on Economic and Social Council resolution 1983/47 in any event, those proposals were explained in paragraph 11 of its report.

16. Mr. WORKU (Ethiopia) said that without the quick and effective aid of UNDRO, disaster-prone countries like Ethiopia would have been unable to cope with the serious calamities that beset them. The international community could rightly be proud of the role played by the Office of the Co-ordinator. The Ethiopian people and Government, during more than 10 years of suffering from a host of natural calamities, had benefited from and continued to benefit from UNDRO's assistance. The current year's unprecedented drought had compelled Ethiopia to request the help of UNDRO once again to co-ordinate the international assistance expected from donor countries and from governmental and intergovernmental organizations.

17. Despite UNDRO's efficiency, his delegation was confident that it would have rendered still better services if it had been provided with adequate resources. It was for that reason that the Committee should recommend to the plenary Assembly adoption of the recommendation made by ACABQ in paragraph 10 (b) of its report (A/38/476). The series of disasters occurring throughout the world, mainly in Africa and Latin America, had not abated with the exhaustion of the appropriation in the regular budget for emergency grants by the Office of the Co-ordinator. As a result, disaster-stricken countries which had appealed to UNDRO for assistance had not yet received even a token amount. His delegation therefore strongly supported any solution that would increase the resources available to the Office.

18. Mr. JEMAIEL (Tunisia) said that the Controller's request was justified for, since it had been made, many developing countries had suffered natural disasters. His delegation therefore supported the proposal in document A/38/476, para. 10 (b), and hoped that many other delegations would do likewise in order to provide the Office of the Co-ordinator with resources to continue its mission.

19. Mr. PEDERSEN (Canada) emphasized that the Controller's request for supplementary commitments amounting to \$240,000 to finance grants for emergency assistance related solely to 1983. If that request were approved, the regular budget appropriations would be increased to \$600,000 for 1983 and to \$960,000 for

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(Mr. Pedersen, Canada)

the biennium 1982-1983, it being understood that the increase would be made from within existing resources. Should it not be possible to find the necessary funding from the resources provided for under section 22, the General Assembly should authorize the Secretary-General to transfer resources from other sections. With that proviso, his delegation would not object to appropriating an additional amount of \$240,000 from existing resources for 1982-1983.

20. Since it was impossible to foresee disasters, his delegation did not think it necessary for the time being to take any decision relating to subsequent bienniums. The proposed programme budget submitted by the Secretary-General for 1984-1985 contained no request for an increase in the relevant appropriation and it had been the General Assembly's practice for years to fix an amount or ceiling for such expenditure.

21. Mrs. DEREGIBUS (Argentina) pointed out that the Controller had had to request additional appropriations because the Office of the Co-ordinator did not have the resources needed to meet requests for assistance made by Argentina, Bolivia, Ecuador and Peru, following recent disasters. Since disaster relief activities were, by definition, difficult to forecast, it was necessary to show a certain amount of flexibility in the budgetary procedures concerned. Her delegation therefore supported the Controller's request for additional appropriations under General Assembly resolution 36/241 relating to unforeseen and extraordinary expenses for the biennium 1982-1983, pending the Assembly's approval of Economic and Social Council resolution 1983/47.

22. Mr. KELLER (United States of America) noted that the amount of assistance provided for disaster relief had increased over the years and that the level of regular budget and voluntary funding had been periodically raised. UNDR0's current financial difficulties were due not to countries becoming more "disaster prone" but to the broadening of UNDR0's mandate and to the resulting increase in the grants provided. It was in that context that the present request by the Controller for additional funding should be seen.

23. The Economic and Social Council in resolution 1983/47, which recommended a specific course of action to cope with UNDR0's immediate financial crisis, clearly delineated limits to regular budget funding. Delegations had been assured that additional grants would be financed through utilization of overall savings from the various sections of the budget. The proposal submitted by the Controller to the Advisory Committee were contrary to the position adopted by the Secretariat in document E/1983/C.3/L.15. The action proposed by the Secretary-General would result in supplementary estimates, i.e. an increase in the regular budget, whereas under the Economic and Social Council's decision, what the Secretary-General should request was a redeployment of resources. If the expected savings did not materialize, Member States would be required to pay additional assessments. His delegation would appreciate an explanation from the Secretariat on the action proposed to the Advisory Committee.

24. The proper course was not the option outlined in paragraph 10 (c) of the Advisory Committee's report, which was based on the terms of Economic and Social

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(Mr. Keller, United States)

Council resolution 1983/47. Since UNDRO's appropriations were exhausted, his delegation would not object to the transfer of credits from other budget sections. It agreed with the Canadian delegation, however, that such a redeployment should relate solely to 1983 and that there was no need to consider measures for further years. Moreover, it believed the matter should be considered by the Second Committee, since ACABQ had not felt able to make a firm recommendation, inasmuch as the proposed programme budget for the biennium 1984-1985 contained a specific amount for expenditure under the regular budget.

25. Mr. EL-SAFY (Egypt) stressed that developing countries had always opposed the use of the term "within existing resources". His delegation contested both its justification and its practical effects. What was more, in view of the unforeseeable nature of disasters, the amounts requested to meet them could only be hypothetical. His delegation therefore supported the solution indicated in paragraph 10 (b) of the Advisory Committee's report, namely an additional appropriation of \$240,000 under section 22.

26. With regard to the biennium 1984-1985, his delegation was prepared to accept deferment of any decision. As needs arose, it would be for the Secretary-General to submit to the Advisory Committee requests for additional appropriations under section 22. If resources could be found by redeployment from funds appropriated under section 22, the Secretary-General should so inform the Advisory Committee. If not, Member States should agree on the provision of additional resources.

27. Mr. NUÑEZ (Ecuador) said that as a country which had recently been afflicted by catastrophic floods, Ecuador was concerned that UNDRO activities were hampered by the lack of resources. Financial aspects could not be divorced from the humanitarian dimension of disaster assistance. Accordingly, his delegation supported the Controller's proposal, as well as the options suggested in paragraph 10 (b) and paragraph 11 of the Advisory Committee's report. That was the best way to solve the problems faced by Argentina, Bolivia, Peru, Ecuador and all the other disaster-stricken countries.

28. Mr. DIETZ (Austria) said that, in the light of Economic and Social Council resolution 1983/47, his delegation supported the option suggested in paragraph 10 (c) of the Advisory Committee's report. However, as the United States delegation had pointed out, that resolution had not yet been considered by the Second Committee. It might therefore be advisable to defer a decision until the Second Committee had acted on the substance of the issue.

29. Mr. FONTAINE ORTIZ (Cuba) said it was extremely important that UNDRO should have the necessary budgetary flexibility to respond promptly and effectively to requests for assistance. His delegation joined others in objecting to the idea that all requests for funds had to be considered within the strict framework of existing resources. All budget activities should be examined on a case-by-case basis especially when disaster relief was involved. His delegation therefore supported the option suggested in paragraph 10 (b) of the Advisory Committee's report and the Controller's proposal to draw on the Working Capital Fund.

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(Mr. Fontaine Ortiz, Cuba)

Independently of the substantive debate to be held in the Second Committee, the Fifth Committee could proceed to a decision on the question, even if, in second reading, it had to make adjustments as a result of the Second Committee's decisions.

30. Mr. TAKASU (Japan) noted that Economic and Social Council resolution 1983/47 had not yet been approved by the General Assembly; the Fifth Committee could not therefore take action on the basis of its implementation. If, however, the Committee had to take a decision immediately, his delegation could not subscribe to the Controller's arguments, in annex I to the Advisory Committee's report, that an advance from the Working Capital Fund would be required in the mean time. The question was whether the General Assembly could approve such an advance before it had endorsed or amended the Economic and Social Council resolution. It was not clear that the Assembly resolution on unforeseen and extraordinary expenses was applicable to disaster relief. His delegation would like to know whether there were precedents in that area.

31. Another approach would be to respect the spirit of the Economic and Social Council resolution: if savings were realized under section 22 or if a redeployment of resources was possible within the limits of the budget approved in 1981, the regular budget of UNDRO could be increased to \$600,000 for 1983. In that connection, he was interested to know whether the Secretary-General would be authorized to use the savings realized under other sections of the budget.

32. The best approach, however, would be to wait until the Second Committee had taken a decision on the report of the Economic and Social Council. If that approach was not adopted, any decision taken by the Fifth Committee should be consistent with the explanation provided in document E/1983/C.3/L.15, which stated explicitly that UNDRO's mandate would be carried out to the extent possible, if and as resources became available from redeployment, on the understanding that that procedure would not have financial implications. That meant that if the Secretary-General could not realize the necessary savings under section 22, he would be authorized, with the concurrence of the Advisory Committee, to transfer resources from other sections up to a total of \$600,000 in any one year.

33. Although his delegation was disappointed that the Advisory Committee had chosen not to make any specific recommendation, it wished to point out that, even if the General Assembly approved Economic and Social Council resolution 1983/47, there would be no need to revise any 1984-1985 appropriations under section 22. It was quite clear that, under that resolution, the Secretary-General's authority to increase UNDRO's regular resources could apply to 1984-1985. As was implied in paragraph 11 (c) of the Advisory Committee's report, it was important to ensure that UNDRO could not automatically have resources transferred from other sections of the budget. All things considered, his delegation believed that it would be simpler for the Fifth Committee to defer a decision until the Second Committee approved Economic and Social Council resolution 1983/47.

34. Mr. JAGUARIBE (Brazil) said that he had no objection to the option suggested in paragraph 10 (b) of the Advisory Committee's report. He would, however, like

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(Mr. Jaquaribe, Brazil)

some clarification regarding the procedure to be followed in financing emergency disaster relief during the biennium 1984-1985.

35. Mr. SANCHEZ (Bolivia) said that in 1982 and in 1983, when Bolivia, like other countries of the region, had been afflicted by natural disasters - floods in the east and unprecedented droughts in the west - UNDR0 had been outstanding in providing assistance. His delegation therefore believed that the General Assembly should adopt the option suggested in paragraph 10 (b) of the Advisory Committee's report.

36. Mr. FORAN (Controller), responding to points raised by the delegations of the United States and Japan, said that it had become apparent in July 1983 that the 1982-1983 appropriations for emergency disaster assistance would not be adequate to meet the requests made to UNDR0 during the biennium. Such being the case, two solutions had been envisaged. On the one hand, the Economic and Social Council, seeking a long-term solution, had proposed the procedure recommended in paragraph 8 of its resolution 1983/47 of 28 July 1983. On the other hand, inasmuch as the full amount of the appropriation under section 22 had been expended and the Secretary-General could not, on his own authority, transfer resources, he (the Controller), in his first letter, dated 5 August 1983, had requested the Advisory Committee to approve the transfer to section 22 of resources from other sections of the budget or to approve additional resources to meet current requests for assistance and constitute a small contingency reserve. In a second letter, dated 20 September, he had requested the Advisory Committee to approve an increase in the additional appropriations from \$100,000 to \$240,000. UNDR0 had applied strict criteria; with the \$720,000 initially available under section 22, it had assisted 31 disaster-stricken countries.

37. With regard to the Japanese delegation's question regarding unforeseen and extraordinary expenses, he referred to paragraph 7 of document A/38/476, which indicated that the General Assembly, at its twenty-sixth session, had authorized the Secretary-General to draw on the Working Capital Fund for emergency disaster relief.

38. The CHAIRMAN proposed that consideration of the item should be suspended pending further clarifications.

39. It was so decided.

AGENDA ITEMS 109 AND 110: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985 AND PROGRAMME PLANNING (continued) (A/38/3, A/38/6, A/38/7, A/38/38, A/38/126; A/C.5/38/SR.7)

General debate (continued)

40. Mr. RUEDAS (Under-Secretary-General for Administration and Management) referred to the enriching effect of a combined debate on the programme budget and programme planning. He was gratified that a remarkable degree of consensus on a

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(Mr. Ruedas)

number of basic issues had emerged and that all speakers had expressed full support for the ideals of the United Nations. The debate had also shown that the quest for efficiency, effectiveness and restraint was by no means the exclusive patrimony of any country or group of countries, that the payment of contributions to the United Nations affected the budgets of developing countries as much as it affected those of developed countries, and that those contributions were expressed in overall dollar terms which were of greater importance than the technical concepts of base, inflation and real growth. The budget, the programme, the assessments and the cash situation were four separate elements of the financial picture of the Organization which could not be considered in isolation.

41. In response to the questions of many delegations, he said that the internal instructions for the preparation of the programme budget which had been issued in 1982 defined the term "maximum restraint", as used in the Secretary-General's foreword and introduction to the proposed programme budget, as a careful and intellectually rigorous preparation of the programme, with emphasis on the determination of priorities, combined with a restrained calculation of the resources required to fulfil the objectives and realize the outputs proposed; in that endeavour, the Secretariat should observe at least the same degree of self-discipline as was exercised by Member States in developing their own budgets. That having been said, the Secretariat had not attempted to impose a predetermined financial ceiling on the budget estimates. Also, while the proposed programme budget reflected a compromise, programme delivery has not been impaired, the concern having been to rationalize the use of resources. It was in that sense that he had interpreted the many appeals for greater restraint.

42. The United Nations was a medium-sized organization whose staff and programme budget resources were engaged essentially in research, providing support for negotiations, implementing agreed mechanisms of technical assistance, executing operational programmes and providing common services for all of those activities. Even its operational activities were, with very few exceptions, of a pre-investment nature and staff-intensive, so that there could be no conflict of priorities between "staff costs", on the one hand, and "operational activities", on the other. Consequently, although convinced of the need for the exercise of maximum restraint in requests for additional staff resources, he did not share the view that non-staff resources should receive a greater proportion of the budget.

43. At the same time, he subscribed to the idea that the proportion of expenditure devoted to substantive activities should be increased at the expense of that for common services. However, while a ceiling on expenditures for common services, as suggested by some delegations, was appealing, two considerations must be borne in mind: first, any increase in substantive activities, and especially in substantive personnel, would require "common services" and the extent to which such services could be pared or made more productive was limited; secondly, the Secretariat had no control over the cost of energy, which was a significant part of the expenditure on common services.

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(Mr. Ruedas)

44. As to the concerns which had been expressed regarding the number of staff and staff utilization, he said that the Secretary-General, mindful of the need to study the working methods of the Secretariat in order to streamline its performance and structure, had established an advisory group on administrative reform and would report on the subject to the General Assembly at its thirty-ninth session. Other management improvement exercises had been conducted in the past and, while it was incontestable that the Organization was using its resources, the time had come to inquire whether those resources could be used more productively, whether some of the layers of supervision and control could be eliminated and whether more emphasis could be placed on action at the expense of administrative tasks. Since the staff was the greatest strength of the Organization but also the greatest source of expenditure, such an inquiry would necessarily cover a number of procedures of a personnel nature and management procedures.

45. The administrative reform initiated by the Secretary-General was also important because it related to a number of other matters being considered by the Committee under agenda items 109 and 110. For example, there was the moratorium which the Secretary-General, in his address on 7 October, had urged the Committee to declare on organizational changes and further detailed programme, budget and personnel regulations. The Secretary-General took the view that it was counter-productive to enact further regulations and rules which might petrify procedures at a time when he was seeking ways and means of simplifying operations. There was no implication that the consideration of either the programme planning rules or the related report of CPC which was to be issued at the current session should be delayed. It was only after functions and procedures had been scrutinized and, if necessary, changed, that a simplified structure could be suggested. The Fifth Committee could rest assured that increased assistance would be provided to CPC, as requested in its report (A/38/38, Part II, para. 413). However, since the Secretary-General was inquiring into the overall functions and the related organizational structure and would report thereon to the General Assembly at its thirty-ninth session, it would not be possible for him to report at the current session on specific organizational changes.

46. Replying to the questions of delegations on the involvement of intergovernmental bodies in the priority-setting exercise, he said that under the programme planning regulations the medium-term plan, including the priorities set out in it, should be the subject of an elaborate intergovernmental review. The programme budget was, of course, formulated on the basis of the plan. Although the specialized intergovernmental bodies were not required, under the programme planning regulations, to review the budget proposals before the latter were considered by CPC, to the extent possible an endeavour was made to provide the fascicle version to the specialized intergovernmental bodies which met in the first quarter of the budget year. However, the main intergovernmental review of the budget proposals was that conducted by CPC. A considerable number of the CPC recommendations dealt with the priorities proposed by the Secretary-General. The final review and approval of the programme budget, in both its programmatic and financial aspects, was, of course, a prerogative of the General Assembly and in particular of the Fifth Committee. In any event, a safety valve existed in that,

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(Mr. Ruedas)

if intergovernmental bodies in the course of their sessions in 1984 were to have different views on priorities, the matter could again be brought to the attention of the Assembly at its thirty-ninth session.

47. With respect to the scope of the priority designations, it would be noted that programme planning regulation 4.6 stated that the Secretary-General must provide the General Assembly with an identification within each programme of programme elements of high and low priority, each category representing approximately 10 per cent of the resources requested. The proposed rule 104.6 (b) interpreted the last phrase to mean "programme elements fully or partially financed from the regular budget". Accordingly, technical assistance activities did not normally fall within the scope of the priority-setting exercise. In the case of technical assistance support, the treatment varied depending on the content of the support but, in general, there was no designation of priority.

48. With respect to the elimination of marginally useful activities, some delegations regarded the proposed list as too slight or even insignificant. As was indicated in annex XI to the introduction to the proposed programme budget, however, there had been, in the past two years, three comprehensive reviews of obsolete, ineffective or marginally useful activities. While it was true that the proposals in annex XI concerned only the economic and social sectors, they nevertheless constituted a significant result. The decisions on termination had been taken by the Programme Planning and Budgeting Board, which, together with the Office of Financial Services and the Office for Programme Planning and Co-ordination, had required in many cases that requests for additional resources submitted by organizational units should be met in part from the resources released as a result of the termination of other activities. As such redeployment was often in terms of work-months, the level of detail was too considerable to be reported to intergovernmental bodies. It was therefore difficult to indicate the exact relationship between the terminations and the resources released. Accordingly, the Secretary-General had reported on the net result of the process, namely, the activities proposed for termination, the redeployment of posts and the disposition of other items of expenditure among programme and programme elements. That procedure appeared to be in conformity with the programme planning regulations and the proposed rules submitted in document A/38/126.

49. There were three prerequisites to monitoring and evaluation. First, there must be clear and precise citations of output in the budget. That prerequisite had been established in all the economic and social programmes and in most of the political, humanitarian and legal programmes. The task was now one of defining the services to be delivered and the performance standards in the common-services sectors, as proposed in rules 104.3 and 104.4, paragraph 2. The second prerequisite was institutional. A Central Monitoring Unit had been established in a transitional manner and was to submit a programme-performance report on the biennium 1982-1983, in accordance with the instructions which had been approved by the Programme Planning and Budgeting Board and which were about to be issued. The third prerequisite was of a legal nature. In its resolution 37/234, section II, paragraph 4, the General Assembly confirmed that it was the elements set out in the

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(Mr. Ruedas)

proposed programme budget that constituted the commitments against which programme performance was to be reported and assessed. The Secretariat thus had the intellectual, institutional and regulatory bases for monitoring its own performance, as would be seen in the programme performance report on the biennium 1982-1983, to be reviewed later.

50. Programme evaluation had for several years been conducted by the Committee for Programme and Co-ordination on the basis of elaborate and technically sophisticated reports which the Secretariat prepared on the programmes in the economic and social areas. In 1983 a further report was issued, on public information. The strengthening of the Secretariat's evaluation capacities was the subject of a separate report (A/C.5/38/11) before the Committee. As indicated therein, the Secretary-General would report to the General Assembly at its thirty-ninth session on the possibilities of providing the needed resources through redeployment. In paragraphs 195 and 196 of its report (A/38/38, Part I), CPC had set out an ambitious timetable for evaluations over the course of the following 10 years as well as for triennial reviews of programmes evaluated in previous years. It could thus be concluded that the system of programme evaluation in the United Nations was now essentially established in principle.

51. As to the programme budget document itself, its three-volume structure reflected decisions at earlier sessions concerning the information required by Member States. The technicalities of its presentation were based on recommendations by CPC and the Advisory Committee, and had had the concurrence of the Fifth Committee. An effort would nevertheless be made to present a somewhat amplified Foreword, with greater unity between the Foreword and the Introduction, as had been suggested during the general debate. He believed that the Foreword, in which the Secretary-General described the policy context of his proposals in the budget and explained its main features, had been well received.

52. The length of the proposed programme budget was something of concern to all. The Secretariat had made proposals to CPC to simplify it, following the example of the medium-term plan document. He had suggested that a more compact volume could be presented and that a separate annex could be issued at a later date containing supplementary data, mainly of a financial nature. The response of CPC was less than enthusiastic. Nevertheless, since some delegations had expressed interest in the idea of simplifying the document, the Secretariat would continue to study the matter and would hold consultations on any concrete proposals. The Advisory Committee had asked about the nature of those consultations. In his view, the spring session of ACABQ and the twenty-fourth session of CPC would be the most suitable framework in which to undertake them, the more so as the preparation of the proposed programme budget for the next biennium would start in mid-1984.

53. He then took up a number of questions of a more specific financial nature, beginning with the question of inflation, already elucidated by the Advisory Committee. The Secretariat had departed somewhat from the well-established methodology in that respect, but that had not resulted in a change in the total sums of money indicated for 1984-1985. In that connection, he confirmed that the

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\$142 million for inflation was indeed the correct figure. The situation would, however not be repeated and the assumptions established in December 1982 and contained in Annex IV to the Introduction would be updated in the light of the then current situation. Any consequential adjustment would be duly put before the General Assembly, as indicated in paragraph 23 of the Introduction.

54. With reference to the question of consultants and expert groups, he said that, as could be seen from Annex VI to the Introduction, there was a reduction of 5.4 per cent from the 1982-1983 figures (from \$16.6 to \$15.7 million). If inflation were taken into account, the reduction would be nearer 15 per cent in real terms, a figure that was indicative of the efforts made in response to the concerns expressed by the Member States and to the Secretary-General's own perception of the problem. At its preceding session, the Fifth Committee had had before it a report (A/C.5/37/27) on the use of experts and consultants during the biennium 1980-1981. After consideration of that document by the Committee, together with reports by the Joint Inspection Unit and the Advisory Committee, the General Assembly had adopted resolution 37/137, in which it had asked the Secretary-General to submit a report on the question at its thirty-ninth session. He could assure the Committee that the report would include the data which had been requested by one of its members.

55. Several delegations had mentioned the difficult issue of the treatment of functions funded in the past from extrabudgetary resources which were now proposed for inclusion in the regular budget. Some delegations were opposed as a matter of principle to any change in the method of funding; for others it appeared to be a means of circumventing the current financial situation; while still others were, on the contrary, in favour of strengthening the functions involved. The Secretary-General's position was set out in paragraph 10 of the Foreword and paragraph 11 of the Introduction to the proposed programme budget: he had adopted a case-by-case approach, the detailed arguments in each case being set out in the relevant section. With regard to the Advisory Committee's request for a thorough re-examination of the provisions for the population activities in the regional commissions previously funded from the United Nations Fund for Population Activities (A/38/7, chap. 1, para. 28), he said that a report, to be submitted shortly, would provide the legislative background for the Secretary-General's proposals and would analyse a variety of means by which the requirements could be met.

56. The question of reclassification of posts was an irritating problem because it was a permanent fixture of the Committee's debate, because of the amount of time devoted to it by the Secretariat, the appeals machinery, the Advisory Committee, the Fifth Committee, and finally because of its effect on staff morale. It might be that the Secretariat had fallen into a strangely rigid system, which it would have to reflect on, particularly in the context of the career development exercise which had been initiated. In the meantime, it should be noted that the number of reclassifications proposed by the Secretary-General was 55 as compared to 236 in the previous biennium. The Advisory Committee, which had recommended 209 in 1981, was endorsing only 32. An effort would be made to find some mechanism to eliminate

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the problem and not to reopen the debate, with only one possible exception to which he would draw the Committee's attention at the appropriate time.

57. He had noted the concern expressed by delegations regarding the difficult situation in the Department of Technical Co-operation for Development. A fuller discussion of the issues would take place when the relevant section of the programme budget was considered but he wished to say at that stage that the difficulties ultimately stemmed from the lower level of voluntary contributions to UNDP. Steps had already been taken to redress the situation.

58. The administrative and financial implications and the programme implications, which might with advantage be termed the "programme budget implications", had aroused considerable interest. There had, however, not been much of a change in the situation. In the past, the Secretariat had endeavoured to give a clear description of the tasks called for by the General Assembly, to describe how those tasks were related to others already performed in the Organization, and to quantify the necessary resources, indicating whether they were available under already existing appropriations. There were three innovations in the proposed new method. First, it placed greater emphasis on the relationship of the new activities to other tasks already performed in the Organization in particular in terms of posts required. Secondly, there was a definition of the link between the medium-term plan and the proposed new activities. Thirdly, CPC would be involved, but the matter had not been settled because of timing difficulties. Thus, the new procedures represented not a revolutionary but only an evolutionary change. It seemed, however, that some delegations feared that increased programme information would be used as a tool for over-anxious redeployment leading to a situation in which the lowest-priority activities would be automatically eliminated. He recalled that the Secretary-General, in his statement to the Fifth Committee (A/C.5/38/7), had said that, while appreciating the call by certain Member States for thorough examination of the possibilities of meeting the need for new activities through the curtailment, delayed implementation or termination of the least urgent activities, he would not lose sight of the main objective of the Secretariat, which was to execute the programmes mandated by the General Assembly. He was sure that the discussions in the Committee would be facilitated when the Secretariat presented it, within a week or so, with a concrete example of a statement on programme budget implications.

The meeting rose at 1 p.m.