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at 3 p.m.
New York

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• SUMMARY RECORD OF THE 18th MEETING

Chairman: Mr. TALIEH (Iran)

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

CONTENTS

AGENDA ITEM 106: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS: REPORT OF THE COMMITTEE ON CONTRIBUTIONS (continued)

AGENDA ITEM 100: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1978-1979 (continued)

First reading (continued)

Section 4 - Policy-making organs (economic and social activities) (continued)

Section 5A - Department of Economic and Social Affairs (continued)

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The meeting was called to order at 3 p.m.

AGENDA ITEM 106: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS: REPORT OF THE COMMITTEE ON CONTRIBUTIONS (continued) (A/32/11 and Corr.1 and Add.1 and 2)

1. Mr. GOSS (Australia) commended the Committee on Contributions for its efforts to perform its difficult task; that Committee's report (A/32/11 and Corr.1 and Add.1 and 2) was interesting and set out fairly clearly the basis of the Committee's thinking. The Australian delegation continued to believe that capacity to pay was the only fair criterion for setting assessments. Hardly surprisingly, the Committee on Contributions had been unable to find any other criterion apart from national income which provided a statistical basis for judging capacity to pay. Nevertheless, it had been a sensible decision to consider special factors which Member States might put forward in order to mitigate their assessments. However, when the Committee on Contributions arrived at a figure different from the figure established by the statistics and the low per capita income formula, it should so inform the Fifth Committee, indicating the extent of and reasons for the variation. That would be the best defence against capricious action. It should also be noted that the recommendation of the Committee on Contributions had given relief to the majority of Members of the United Nations, and that seemed to be just.

2. His delegation accepted the recommendations of the Committee on Contributions for the period 1978-1979 because they represented a fair enough solution. Nevertheless, unless it had misinterpreted paragraphs 99 and 102 of the report (A/32/11), it gathered from those paragraphs that, apart from the reductions for low per capita income and those deriving from the extension of the base period to seven years, a third reduction had been made for a group of countries whose only financial difficulty consisted in having a rapidly rising national income and large international reserves. It did not seem that the concept of "economic difficulty" applied to that situation. While his delegation was not suggesting a change for the period under consideration, it was opposed to a similar practice being adopted for future assessments; it was particularly concerned because the report did not make it clear that a reduction had been made for the countries in question. An indication should be given of the amount of the mitigation; alternatively, in the future the Fifth Committee should be told the amount of any reduction. Otherwise suspicion might arise that membership in the Committee on Contributions resulted in a country obtaining a lower assessment.

3. It was stated in paragraph 6⁴ of the report of the Committee on Contributions (A/32/11) that some members doubted whether the continued lowering of the assessment of major industrialized countries was consistent with the terms of reference of the Committee. His delegation believed that, since they were based on capacity to pay, the assessments of all countries, including major industrialized ones, should flow from the statistical data. The Committee on Contributions should realize that the economic situation of countries changed and that their assessments should also change. His delegation did not think that the solution of extending the base period to seven years should be used again: although that procedure had mitigated the assessments of countries which in recent

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(Mr. Goss, Australia)

years had faced large increases in their assessment, in practice it weakened the concept of capacity to pay. The figures used to calculate assessments were already two or three years old; then the preceding two years were added in order to obtain a three-year average. If the base period was lengthened to seven years, the result would be that account was taken of the situation 11 years prior to the year in which the assessment was to be paid. As a result, countries with a rapidly rising income paid less. On the other hand, countries with a falling income or a stagnant economy, which might have difficulty in paying, continued to pay more. In future, the base period should be no longer than three years.

4. If some countries believed that a better result would be achieved if they provided data for the preceding seven years, they should be allowed to do so, with appropriate statistical adjustments being made to ensure that the seven-year figures were comparable to the other countries' three-year figures. That arrangement would be undesirable, since it would complicate the system, but it would be acceptable failing a better one.

5. Mr. VAN VLOTEN (Netherlands) noted that paragraph 102 of the report of the Committee on Contributions (A/32/11) seemed to imply that artificial and arbitrary adjustments had been made, apart from the results obtained by the extension of the base period. His delegation had some doubts about the manner in which the assessments had been calculated, which paragraph 102 did nothing to dispel. It was the responsibility of the Committee on Contributions to prevent or eliminate unwarranted arbitrary elements. Another question was how the terms of reference of that Committee could be further refined in order to enhance the effectiveness of the fundamental principle of capacity to pay. The Netherlands Government was not convinced that the percentage assigned to it was right. It had already expressed doubts previously about the continuing upward trend in its assessment; in the previous year, the Netherlands assessment had been increased from 1.24 to 1.38 per cent and it was currently proposed that it should be increased to 1.42 per cent.

6. The practice of converting national income statistics into United States dollars produced anomalies, because of fluctuations in exchange rates and differences in national inflationary trends. Conversion into a common unit comprising a basket of currencies and introducing purchasing power comparability might achieve some of the refinements required. It was encouraging that in paragraph 33 of its report the Committee on Contributions announced its intention to examine that question. It was also important to use a feasible standard base period ensuring a reasonable amount of stability without ignoring economic realities. Further measures to increase the accuracy and comparability of statistical information were also needed.

7. His delegation welcomed the addendum to the report of the Committee on Contributions, listing voluntary contributions for 1975 and 1976. The large Netherlands share in voluntary funds was evidence of the fact that his Government's concern about the scale of assessments stemmed from a position of principle and was not derived from a lack of preparedness to pay.

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8. Mr. SCHMIDT (Federal Republic of Germany) noted that the current report of the Committee on Contributions provided more detailed information, since it was not limited to the new scale and the principles on which the scale was based. To a certain extent, the report also set out the arguments in favour of various solutions and the divergent views which had finally led to a compromise. Nevertheless, a number of questions remained unanswered. It was not known, for example, which countries benefited most and which benefited least from the mitigation deriving from the low per capita income formula or from the use of a seven-year base period. Nor did the report show which countries had to bear the additional burden, and there was no way of knowing whether the resulting distribution of advantages and disadvantages still corresponded to the over-all objective of sharing the burden according to capacity to pay. Consequently, the deliberations of the Committee on Contributions and their results were transitional, prompted by the difficulties and differences of opinion which had existed the previous year. It was to be hoped that in the future the Committee on Contributions would continue its efforts to adapt the scale of assessments to the ever-changing circumstances. For instance, there was no justification for continuing in future scales the special reductions currently being granted. It was interesting to note that the same countries which the preceding year had opposed an increase in their contributions to the United Nations had accepted a similar increase in organs such as the International Monetary Fund.

9. It was not in the best interest of the Organization for each country or group of countries to attempt to reduce their contribution as much as possible. In response to the argument that the developing countries should pay an ever decreasing share, it should be pointed out that one fifth of the Member States contributed more than 90 per cent of the regular expenses of the Organization, in which equality between Member States was one of the highest credos. His delegation therefore noted with concern that some members of the Committee on Contributions had suggested as a general rule that no assessment of countries should be lowered as long as those countries were considered to belong to the industrialized world. That opinion was based on political considerations outside the terms of reference of the Committee on Contributions and were dangerous for the work of the Committee and the functions of the United Nations. For that reason, when they reviewed the low per capita income formula, the members of the Committee on Contributions should carefully weigh the changes to be made. His delegation would have great difficulty; for example, in agreeing to an indexation of the formula.

10. In a spirit of compromise, his delegation was prepared to accept an extension of the base period to seven years. That would entail a reduction in the burden of those countries whose relative share had constantly increased in recent years. The Federal Republic of Germany was one such country. If that method of alleviating steep variations in assessments was deemed best, the seven-year period should be retained in future or reduced only gradually so as to remove the temptation for Member States to change base periods to suit their convenience. That method was much more acceptable, since it avoided absolute or percentage limitations on changes in the rates of assessments such as those proposed the preceding year, which would have negated the relief extended to countries paying the minimum contribution, which had been reduced by half.

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(Mr. Schmidt, Federal Republic of Germany)

11. His delegation was prepared to agree to the scale proposed by the Committee on Contributions, provided that there was general acceptance of that compromise solution among the States Members of the United Nations.

12. Mr. VARGAS SABORIO (Costa Rica) said that the task of the Committee on Contributions had been particularly difficult in 1977 owing to the new guidelines laid down by the General Assembly at its thirty-first session. The Committee had, nevertheless, made the best possible recommendations, although they were of a temporary nature. His delegation appreciated the Committee's fresh efforts to give in-depth consideration to the possibility of combining national income with other social and economic indicators. While that was theoretically possible, it was extremely difficult to quantify the level of economic and social development of a country in a single measurement that was valid and acceptable to all. The Committee should continue to study the possibility of developing new indicators to facilitate the calculation of capacity to pay, such as net per capita welfare or average net wealth. His delegation urged Member States to provide all the information and social and economic data necessary to assist the Committee on Contributions in its work. Such co-operation would benefit in particular the least developed countries, which were most affected by fluctuations in the world economy.

13. His delegation welcomed the adoption of a seven-year base period, which would make it possible to take more fully into account the fact that capacity to pay could be subject to major fluctuations. The new longer base period has resulted in considerable relief for the developing countries, especially the most seriously affected, and it was to be hoped that it would continue to be used for the next three-year period.

14. The results presented in the report of the Committee on Contributions, although satisfactory, might have been better. At a time when the disparities between developed and developing countries continued to grow, it was not surprising that a scale of assessments based on the average national income for 1969-1975 should favour the lower-income countries. The application of the \$1,800 - 70 per cent reduction formula had been another way of mitigating the economic changes and inflationary pressures that had affected all countries but more particularly the low per capita income countries. The fair application of that formula and the additional reductions granted to a number of countries experiencing special problems was an acceptable procedure which should be generalized.

15. It was gratifying that 70 Member States, most of them low-income developing countries, had benefited from the new formulas and criteria, and it was fair that the burden of those countries had been shifted to developed and wealthier countries.

16. It would be regrettable if for political reasons the report of the Committee on Contributions did not receive the approval it deserved. His delegation therefore appealed to all delegations to support it. The delegations representing the largest contributors, which might not perhaps be able to support the report, should bear in mind the broad benefits and the fairness of the proposed scale of assessments. His delegation reserved the right to speak again, if necessary.

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17. Mr. MOLTENI (Argentina) said that, during the Committee's consideration of the scale of assessments, numerous suggestions and proposals had been put forward reflecting differing views with regard to the profound changes occurring in the world economy during the period on which the proposed assessments for 1977-1979 had been based.

18. At its very first session, the General Assembly had recognized that capacity to pay, on which the apportionment of the Organization's expenses was to be based, was difficult to determine and that, at first glance, national income, which was influenced by such factors as per capita income and foreign exchange earnings, was the best yardstick. In its report (A/32/11), the Committee on Contributions stated that it recognized that national income in itself did not fully reflect economic realities and had studied the possibility of combining that criterion with other economic and social indicators which would reflect a country's general level of development. The Committee had concluded, however, that such an approach was not feasible and that the results would not differ from those obtained by using the criterion of per capita national income. His delegation shared that view. It nevertheless believed that the systematic body of statistics on national wealth mentioned by the Committee in paragraph 21 of its report should be developed, so that in future capacity to pay could be determined on the basis of the combined criteria of national wealth and annual income.

19. With regard to the extension of the base period for the calculation of the scale of assessments for the years 1978-1979, his delegation believed that, once such an approach was taken, it should be continued until the reasons which had prompted its adoption no longer existed.

20. In paragraph 44 of its report, the Committee on Contributions indicated that it had experienced difficulties in applying the directive of the General Assembly with regard to developing countries, owing to the absence of a single and universally accepted definition of what countries should be so classified. However, his delegation believed that the experience of the United Nations in economic questions and the decisions taken by the Organization made it possible to determine clearly which countries belonged to that group on the basis of an evaluation of the problems besetting them and the needs of their populations which they had to meet. His delegation reiterated its view that the total share of the budget to be borne by the developing countries must not be increased as long as the gap between them and the developed countries persisted. In that connexion, it endorsed the Committee's recommendation that the low per capita income formula should be modified in order to take into account the special situation of developing countries.

21. Argentina's annual contributions to international organizations amounted to more than \$20 million and its assessment had been increased at a time when the Argentine people were making considerable sacrifices in order to stabilize the country's economy. Nevertheless, it accepted the proposed scale not so much because it agreed with the statistical criteria but because it was convinced that the concerted action of all States Members of the United Nations was the sole effective means of ensuring the attainment of its purposes and principles.

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22. Mr. FOKINE (Union of Soviet Socialist Republics) said that, in the view of his delegation, the Committee on Contributions had complied with the guidelines laid down by the General Assembly for taking into account the special needs of the developing countries, reducing assessments when natural disasters and other extraordinary circumstances occurred and granting additional relief to low per capita income countries.

23. As a result of such measures, the assessments of 117 developing countries accounted for 11.73 per cent of the Organization's budget, while the assessments of the remaining 27 Member States accounted for 88.27 per cent. In addition, the assessment of 66 Member States had been reduced to 0.01 per cent. However, as indicated in paragraph 63 of the report (A/32/11), the Committee's ability to extend relief to a number of other Member States had been reduced as a result of such measures.

24. Three important conclusions could be drawn from the Committee's report. First, national income continued to be the only reliable indicator with respect to all countries for determining the capacity to pay. Second, it was impossible from the practical point of view to use constant instead of current prices in calculating national income. Third, the methodology employed in calculating the scale of assessments for the period 1978-1979 was scientifically justified and objectively reflected the economic situation of Member States. Consequently, his delegation was prepared to endorse the report and the draft resolution set out in it.

AGENDA ITEM 100: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1978-1979 (continued)
(A/32/6, A/32/8, A/32/38)

25. Mr. HANSEN (Chairman of the Committee for Programme and Co-ordination) made a statement.*

26. Mr. PIRSON (Belgium), supported by Mr. MAJOLI (Italy), Mr. OKEYO (Kenya) and Mr. LANDAU (Austria), proposed that the full text of the statement by the Chairman of the Committee for Programme and Co-ordination should be issued. With respect to the procedure for examining the recommendations of CPC, he hoped that the Fifth Committee would be informed of the financial implications of those recommendations, otherwise it would be difficult for the Committee to proceed with its consideration of the programme budget or to take decisions on items in connexion with which CPC had submitted specific recommendations. The Chairman of the Fifth Committee, the Chairman of CPC, the Chairman of ACABQ and senior representatives of the Secretariat should meet to decide how the recommendations of CPC should be submitted.

27. Mr. MAJOLI (Italy) said that in paragraph 4 of its report (A/32/38) CPC had stated that it had decided to consider the programme for social development and

* The full text of the statement made by the Chairman of the Committee for Programme and Co-ordination will be issued as document A/C.5/32/23.

(Mr. Majoli, Italy)

humanitarian affairs in depth at its eighteenth session, but in paragraph 23 of the report CPC had recommended that certain programme elements, related precisely to social development and humanitarian affairs, should be terminated. He wished to know whether the latter recommendation would be reconsidered by CPC when it considered the programme for social development and humanitarian affairs in depth.

28. Mr. LANDAU (Austria) said that his delegation welcomed the fact that close co-operation had been established between CPC and the Advisory Committee.

29. Mr. IYER (India) said that traditionally, in taking decisions on the programme budget, the Fifth Committee had based its discussions on the budget estimates submitted by the Secretary-General and on the related recommendations of the Advisory Committee. Currently, however, account must also be taken of the recommendations of CPC on the various programmes; the Secretariat must therefore calculate the budgetary implications of those recommendations and communicate its findings to the Fifth Committee, and the Advisory Committee must also submit its comments on those findings to the Fifth Committee. All that might give rise to considerable delays in the Fifth Committee's consideration of various sections of the budget, particularly section 5A, with respect to which CPC had made a number of specific recommendations. However, the Fifth Committee must have all the information necessary to ensure that approved appropriations were consistent with the levels of programme execution recommended by CPC.

30. The CHAIRMAN said that, as had been suggested by the representative of Belgium, he would hold consultations with the Chairman of the Advisory Committee, the Chairman of CPC and the representatives of the Secretariat concerned to decide upon a procedure which would enable the Fifth Committee to take account of the recommendations of CPC; he would report back as quickly as possible. With respect to issuing the full text of the statement by the Chairman of CPC, the statement could be reported more fully than usual in the summary record of the meeting and copies of the statement could be made available to delegations in English only. If the Committee wanted the text of the statement to be issued as an official document of the Committee in all languages, the financial implications of such a decision would have to be considered.

31. Mr. PIRSON (Belgium) asked that the statement by the Chairman of CPC be issued as a document of the Fifth Committee in all languages.

32. Mr. MILLS (Budget Division) said that issuing the full text of the statement by the Chairman of CPC in all languages would cost between \$2,500 and \$3,000; it could be done by the Secretariat's own reproduction services.

33. Mr. DEBATIN (Assistant Secretary-General, Controller) said that the cost of reproducing the statement by the Chairman of CPC could be absorbed using available resources.

34. The CHAIRMAN said that, if he heard no objection, he would take it that the statement by the Chairman of CPC would be issued as an official document of the Committee.

35. It was so decided.

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First reading (continued)

Section 4 - Policy-making organs (economic and social activities) (continued)

36. Mr. MILLS (Budget Division) said that a correction should be made in annex III to the foreword of the proposed programme budget (A/32/6, vol. I, p. 29); in section 4B concerning special conferences, the figure in the column "Travel of staff to meetings" should be \$906,000 instead of \$23,600, and the figure in the column "Travel of staff on official business" should be \$41,800 instead of \$478,900. The estimated costs had been recorded wrongly because of a codification error, but the total remained unchanged. It should be noted that the corrected figures showed that most of the funds devoted to travel were used in connexion with the servicing of meetings.

37. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the error to which the representative of the Budget Division had just referred had been discovered by the Advisory Committee when it had considered the proposed programme budget, and that the Advisory Committee had taken it into account when preparing its first report on the proposed programme budget (A/32/8).

38. The CHAIRMAN asked the Secretariat to issue a corrigendum to document A/32/6 with the changes that had just been indicated.

39. Mr. OLAITAM (Nigeria), referring to table 4.2 of the proposed programme budget (A/32/6), requested an explanation of the difference between the estimated additional requirements for inflation in 1978 and 1979 for the Economic and Social Council and those for the Committee for Programme and Co-ordination.

40. Mr. DEBATIN (Assistant Secretary-General, Controller) said that various factors might affect the estimates; he would provide detailed information on the matter as soon as possible.

41. Mr. FOKINE (Union of Soviet Socialist Republics) said that an examination of section 4 revealed that the Secretariat continued to ignore the recommendations of the Advisory Committee concerning the reduction of the number of staff detailed to attend the sessions of individual bodies. As pointed out in paragraph 4.4 of the report of the Advisory Committee (A/32/8), it appeared that in several cases even more staff had been sent on official business. It should also be pointed out that the appropriation recommended by the Advisory Committee, although it represented a considerable reduction, was not wholly justified. Accordingly, his delegation reserved the right to revert to the question when the Committee came to consider the revised estimates for section 4B. It also hoped that the Secretariat would then explain why it had ignored the specific instructions of the General Assembly and quadrupled expenditure on travel and temporary assistance. Moreover, because the estimates included an amount to offset the impact of inflation, his delegation could not support the appropriations recommended by the Advisory Committee under section 4.

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42. The CHAIRMAN invited the Committee to vote on section 4 of the proposed programme budget.

32. An appropriation in the amount of \$1,557,500 under section 4 for the biennium 1978-1979 was approved in first reading by 84 votes to none, with 8 abstentions.

44. Mr. PIRSON (Belgium) said that his delegation had not taken part in the vote because it had wanted to express two reservations before the vote. Firstly, it did not object to the Advisory Committee's recommendation, provided that the implications of using first-class travel as opposed to economy-class travel could be examined at a later stage; secondly, the possible effects of the problem of the General Service category in Geneva must be taken into account.

45. Mr. SERRANO AVILA (Cuba) said that his delegation had not participated and would not participate in votes on individual sections of the budget since it opposed the practice referred to as full budgeting, whereby allowance was made in the budget for the impact of inflation and currency fluctuations.

Section 5A - Department of Economic and Social Affairs (continued)

46. Mr. SCHMIDT (Federal Republic of Germany) said that, since section 5A covered one of the most important areas of United Nations activities, it should also be one to which the directives of the General Assembly (resolution 31/93, para. 9) concerning activities that were obsolete, of marginal usefulness or ineffective were most applicable. It was difficult, however, to conclude from the proposed budget submitted by the Secretary-General that appropriate scrutiny had taken place. On the contrary, the justification for expenditure was rather general in character; that made evaluation difficult.

47. The total reduction recommended by the Advisory Committee under that section was less than 1 per cent of the estimates. For that reason, the Controller's statements at the 17th meeting, when he tried to reject one by one the reductions recommended by the Advisory Committee, had been surprising. In the opinion of his delegation, those reductions were far from being excessive. Moreover, the Advisory Committee's role was to provide the necessary technical advice so that the Fifth Committee could duly evaluate the Secretary-General's proposals. It was obvious that the Secretary-General was free to oppose the Advisory Committee's recommendations. That, however, would run counter to the understanding on which the procedure for dealing with the budget had been based so far, namely, that the technical comments of the Advisory Committee were supplemented by the political criteria used by the Fifth Committee. If that balance were to be disturbed, it would be necessary to review the well-established understanding on budget procedure; that could affect the approach in the budget itself.

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(Mr. Schmidt, Federal Republic
of Germany)

48. In the light of the debate on the report of the Committee for Programme and Co-ordination (A/32/38), remarks had also been made which had given the impression that the proposals of CPC could have an effect on the budget recommendations under consideration by the Committee. His delegation had not been aware of any possible participation by CPC in the budget procedure. It hoped that there would be a clarification of that confused situation, which might lead it to adopt a different attitude towards the procedure for approving the United Nations budget.

49. Mr. AKASHI (Japan) said that his delegation had been surprised at the remarks made by the Controller at the 17th meeting, since they seemed to challenge the well-established procedure of the Fifth Committee. According to that procedure, the Committee first considered the Secretary-General's proposals and then the recommendations of the Advisory Committee on those proposals; finally, an examination was conducted with the participation of the various delegations. If the Secretary-General's representatives were to comment on the Advisory Committee's recommendations at every stage of the discussion on the budget, that could have an adverse effect on the orderly conduct of the Fifth Committee's business.

50. His delegation was in general agreement with the ACABQ recommendations, but was inclined to take exception to the one regarding the D-1 post for the head of the Policies and Projections Branch of the Centre for Natural Resources, Energy and Transport. However, in the light of the Controller's more generalized opposition to the Advisory Committee's recommendations, it had become more difficult to raise objections to them. In the view of his delegation, the orderly consideration of the budget estimates had in recent years tended to be eroded by the increasingly active lobbying by Secretariat elements who were unhappy about either the Secretary-General's submissions or the Advisory Committee's recommendations.

51. Mr. DEL ROSARIO (Philippines) expressed the hope of his delegation that the Department of Economic and Social Affairs would be able to carry out the programmes effectively with the available resources. It would be useful to broaden the responsibilities of the regional commissions in transport activities and to have more detailed information to clarify the distribution of the resources of the United Nations Environment Programme among the various regions, as had been pointed out in the CPC report (A/32/38, para. 190). There should also be reliable information on the number and cost of UNEP project staff financed from the regular budget or from extrabudgetary resources. His delegation supported the request for a D-1 post for the Policies and Projections Branch of the Centre for Natural Resources, Energy and Transport. The fact that that post had been borrowed for a number of years should not provide grounds for objection. His delegation also endorsed the request for a P-4 post for the remote-sensing facility at the Centre for Natural Resources and was not opposed to an increase of \$17,500 in the travel funds for the Statistical Office, in the light of its important functions.

52. Mr. STUART (United Kingdom) stated that his delegation would comment on the report of the Committee for Programme and Co-ordination when the Secretary-General's report on the financial implications of the CPC recommendations was considered.

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(Mr. Stuart, United Kingdom)

53. In the general debate, his delegation had expressed its appreciation for the efforts made by the Secretary-General to restrain the growth of the budget in his proposals for the biennium 1978-1979 and at the same time had declared its support for the criticisms made by the Chairman of the Advisory Committee. The time had come to declare his delegation's general support for the reductions in the budget recommended by the Advisory Committee, in particular those relating to section 5A. His delegation saw much to commend in the Secretary-General's budget proposals for that section, particularly the large reduction in the estimates for consultants to be achieved by fuller use of the expertise of permanent staff. It could not, however, agree with the Controller's opposition to the reductions recommended by the Advisory Committee. His delegation had confidence in the expertise of the Advisory Committee and considered that its recommendations had flowed from a painstaking examination of the evidence.

54. In the case of the proposed D-1 post for the Centre for Natural Resources, Energy and Transport, there was no supporting evidence in the programme budget and he therefore hoped that the Fifth Committee would endorse the verdict of the Advisory Committee and would disallow the post.

55. His delegation shared the concern expressed by the representatives of the Federal Republic of Germany and of Japan at the Controller's unprecedented challenge to the expertise and judgement of the Advisory Committee.

56. Mr. FOKINE (Union of Soviet Socialist Republics) said that the Secretary-General's request under section 5A was 13 per cent higher than the appropriations approved for 1976-1977 and included funds to offset the impact of inflation. The Secretariat had violated the foremost principle of budgeting by not providing supporting evidence for costs from zero and not reporting on released resources. The Secretariat had a large permanent staff and considerable funds for the recruitment of temporary staff, consultants and experts. His delegation could not approve the trend towards a continued increase in permanent staff.

57. The Soviet delegation shared the concern of the Committee for Programme and Co-ordination at the fact that the Secretariat had not adhered to the growth rates approved by the General Assembly in resolution 31/93. The proposed 6 per cent growth rate for the social development and humanitarian affairs programme and the 3.6 per cent proposed for the Centre for Social Development and Humanitarian Affairs were not in conformity with the designated average. His delegation supported the CPC recommendations, especially those in paragraph 23 of its report (A/32/38).

58. The Secretariat had not provided information on programmes that had been terminated or were shortly to terminate or on released resources; neither had any figures been supplied on programmes that could be considered obsolete, marginal or ineffective. No adequate analysis had been made of all the existing programmes. His delegation supported the request made in paragraph 2 of the CPC report to the effect that the Secretary-General should show the subprogrammes or programme components which represented approximately 10 per cent of the resources requested and the varying degrees of priority to be assigned. It was to be hoped that all that information would be made available before consideration of the proposed budget was completed.

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(Mr. Fokine, USSR)

59. The inclusion of funds to offset the impact of inflation was contrary to the directives of the General Assembly that the effects of inflation must be absorbed by economies and budgetary adjustments and by reviewing priorities. For all those reasons, his delegation would oppose the approval of the appropriations requested in section 5A of the programme budget.

60. Mr. PIRSON (Belgium) reiterated his delegation's support for the bodies set up by the Assembly to consider the budget in terms of the needs of the international community and of the United Nations Secretariat itself, particularly the Advisory Committee. It was to be hoped that, in the light of the Secretary-General's own remarks to the Fifth Committee at the opening of the current session, some of the statements made by his representative at the 17th meeting had merely been the result of a misunderstanding.

The meeting rose at 6 p.m.