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FIFTH COMMITTEE
47th meeting
held on
Tuesday, 22 November 1977
at 10.30 a.m.
New York

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SUMMARY RECORD OF THE 47th MEETING

Chairman: Mr. TALIEH (Iran)

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

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AGENDA ITEM 109: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION

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

AGENDA ITEM 103: ADMINISTRATIVE AND BUDGETARY CO-ORDINATION OF THE UNITED NATIONS WITH THE SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY: REPORT OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS (continued) (A/32/3 (chap. VII, sect. A), A/32/315)

1. Mr. VAN VLOTEN (Netherlands) said that in its resolution 2098 (LXIII) the Economic and Social Council had requested the preparation of a compendium of introductions to the most recent programme budgets of agencies and organizations within the United Nations system and a study of the potential utility of that compendium and the annual report of ACC on expenditures in relation to programmes. Such a compendium would be useful, in that it would provide Member States with a concise overview of activities being conducted within the United Nations system and the broad financial implications of those activities, and might become an instrument for appraising both system-wide development objectives and the increasing services which the United Nations system could render in connexion with the promotion of the new international economic order and the satisfaction of basic needs. His delegation welcomed the response of ACC to the initiative of the Economic and Social Council. Preparations were under way to produce a consolidated report comprising an overview of medium-term plans and objectives, the compendium of introductions to the most recent programme budgets and a general statement on expenditures. The intention was to provide a single document on the state of the United Nations system, the direction in which its activities were heading and the resources required. His delegation believed that such a report would be extremely useful with respect to the monitoring of programmes and budgets and the preparation for the new strategy for the 1980s, and it was to be hoped that both ACABQ and CPC would give serious consideration to the matter.

2. His delegation also supported the work of the ACC Task Force on Long-term Development Objectives. The Task Force would work together with ACC in helping central intergovernmental bodies to harmonize existing development objectives and to establish a set of consistent long-range development goals. The Task Force would also help in formulating a new international development strategy in pursuance of General Assembly resolution 31/182. Working on the basis of the long-range objectives established within the framework of the Second Development Decade, the sixth and seventh special sessions of the General Assembly, major world conferences and intergovernmental bodies, the Task Force would examine the extent to which such long-range objectives could be made mutually supportive and would assess the resources required for that purpose. There was a close relationship between the work of the Task Force and the activities of the Committee for Development Planning, and his delegation welcomed the fact that arrangements had been made to ensure that the work of the Task Force would assist that Committee in its activities. The fact that the World Development Report being prepared by the World Bank would complement the work of the Task Force was also to be welcomed.

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(Mr. Van Vloten, Netherlands)

3. With respect to the United Nations system, the withdrawal of the United States from ILO was a matter of great concern to his Government. It was to be hoped that the absence of the United States from ILO would be temporary, since the management of world affairs required the full participation of the United States in all parts of the United Nations system. With respect to the report of ACABQ (A/32/315), it was to be regretted that delegations had not been given enough time to consider the useful data provided. His delegation agreed with ACABQ that efforts to streamline liaison arrangements should continue (A/32/315, para. 213), but the need to reduce costs was not the most important factor and due attention must be given to the substantive value of the liaison function.

4. Mr. AKASHI (Japan) said that his delegation was encouraged by the measures taken recently by the Economic and Social Council and CPC with respect to interagency co-ordination. With regard to administrative and budgetary co-ordination, the General Assembly could not make detailed recommendations on the budgets of specialized agencies but should concentrate on broad administrative and budgetary issues where the central guidance of the General Assembly would promote system-wide co-ordination. In that connexion, his delegation welcomed the comments of ACABQ on liaison offices (A/32/315). Liaison arrangements should be streamlined, and the specialized agencies should make maximum use of joint representation and joint observer arrangements. The same could apply to the New York liaison offices of UNCTAD, UNIDO, UNEP, UNHCR, UNRWA and the United Nations University. The five regional economic commissions had taken a most rational approach to the problem, in that they were jointly represented at Headquarters by one small office.

5. In its future work, ACABQ should conduct detailed studies firstly, of the advantages and disadvantages of full budgeting and semi-full budgeting and secondly, of the degree to which requests for additional appropriations should be permitted between regular budget reviews. Further steps should be taken to establish a uniform methodology for the formulation and presentation of budget submissions, and the fact that a common approach to inflation had been agreed upon (A/C.5/32/5) was to be welcomed. However, the support of ACC for full budgeting was a matter for concern, and the practice of semi-full budgeting should not be eliminated without further careful study. With regard to the report of ACABQ (A/32/315), his delegation noted with concern that in the period 1975-1977, the regular budgets of organizations in the United Nations system had increased by 30 per cent, whereas extrabudgetary resources had risen by only 17 per cent. Regular budgets, which were essentially devoted to administrative expenditure, should increase at a slower rate than extrabudgetary funds, which could better respond to the urgent needs of the international community.

6. His delegation also had reservations with respect to the trend to increase inputs to technical assistance programmes from the regular budget, inputs which amounted to approximately one quarter of the combined regular budgets for 1978. Although there was no generally accepted definition of technical assistance, technical assistance activities that could be identified as such should not be financed from the regular budgets of the specialized agencies. It should be

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(Mr. Akashi, Japan)

pointed out, however, that his Government had supported a reasonable level of technical assistance activities under the regular budgets and in the context of the United Nations had always voted for section 15 of the programme budget (Regular programme of technical assistance). His delegation welcomed the fact that the number of posts at ILO and WHO had decreased and that the staff financed under the regular budgets of the specialized agencies would remain almost constant in 1977-1978, but UNESCO and IMCO should exercise greater budgetary restraint in that respect.

7. Mr. DEAC (Romania) said that the autonomy of the specialized agencies made it necessary to ensure greater co-ordination within the United Nations system. Such co-ordination was all the more necessary since the United Nations was attempting to solve major problems related to such issues as the establishment of a new international economic order, the elimination of under-development and disarmament. The report of ACABQ (A/32/315) revealed the steady growth of the regular budgets of the specialized agencies; although growth was only natural, greater care must be taken to ensure that resources were used in the most economical and effective manner. The specialized agencies must make every effort to eliminate duplication and to improve their arrangements for consultation and co-operation. The priorities of the agencies' programmes of work must be reviewed systematically to ensure that the most urgent needs were being met in the best possible manner and that resources were not being spread too thinly. In that connexion, his delegation agreed with ACABQ that there was room for improvement in the presentation of the information on the regular budgets of the agencies (A/32/315, para. 8).

8. It was to be regretted that delegations had not had enough time to examine the Advisory Committee's report and that the report itself was difficult to read. In future, ACABQ should provide more information on the most important aspects of the activities of each agency and submit any proposals that might be necessary. Chapter II of the report was very useful in that respect. It would also be useful if ACABQ occasionally conducted a detailed analysis of a given agency. Finally, it was important to know what use was made of the Advisory Committee's report by the specialized agencies and whether the Committee was informed of measures taken by the specialized agencies on the basis of that report.

9. Mr. VISLYKH (Union of Soviet Socialist Republics) said that the report of ACABQ (A/32/315) demonstrated the need for greater administrative and budgetary co-ordination within the United Nations system in order to ensure the more efficient and economical use of material and human resources. As indicated by ACABQ, the regular budget of organizations in the United Nations system had increased by 30 per cent in the period 1975-1977 (A/32/315, para. 5). Such a rapid rate of growth was unacceptable, since it exceeded the rate of growth of the national income of Member States. Moreover, much of the growth in budgetary expenditure was due to inflation, and the General Assembly had decided that expenditure related to inflation should be absorbed through savings, the reassessment of priorities and adjustments within the budget. Some specialized agencies were making a serious effort to implement that decision, and ILO intended to reduce the volume of internally reproduced documents and publications by

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(Mr. Vislykh, USSR)

25 per cent and had already cut the cost of cables and long-distance telephone calls by 39 per cent and 41 per cent respectively (A/32/315, para. 41). Moreover, the preparation of budget estimates in ILO involved the submission by all departments of three sets of estimates corresponding to 85 per cent, 100 per cent and more than 100 per cent of the resources available to them in 1976-1977, thereby helping the Director-General to determine which activities could be terminated or scaled down. The use of semi-full budgeting and fixed exchange rates by UNESCO and other agencies served the same purposes. The administrative and budgetary reports submitted by the Secretariat of the United Nations were therefore unsatisfactory, in that they did not include information on the measures taken to effect savings and to identify programmes that were obsolete, of marginal usefulness or ineffective so that such programmes could be terminated and resources released to cover additional expenditures.

10. It was also clear from the report of ACABQ that the development needs of Member States were not served by the expansion of the already under-utilized Secretariat. ILO had eliminated 54 posts and WHO had eliminated 363 posts. The two organizations nevertheless intended to increase their activities in respect of technical co-operation with developing countries. Accordingly, it was important not to increase the staff of the United Nations but to raise the productivity of existing staff through the more effective organization of work, improved managerial techniques and increased responsibilities. The administrative and budgetary co-ordination of the United Nations and the specialized agencies must also be improved.

11. The tendency to increase the share of the regular budget devoted to technical assistance programmes was a matter of concern to his delegation. Attention should also be drawn to the fact that the rate of reimbursement for activities carried out by the United Nations and the specialized agencies on behalf of UNDP was unacceptably low. All expenditure incurred under regular budgets in connexion with the implementation of UNDP programmes must be reimbursed in full. Much could be done in the field of administrative and budgetary co-ordination. The success of such co-ordination must be judged by the savings realized and the human and financial resources released for priority programmes.

ORGANIZATION OF WORK

12. The CHAIRMAN suggested that the Committee should postpone its consideration of agenda item 102 and the subitem of agenda item 100 entitled "Comprehensive study of the question of honoraria" until the thirty-third session.

13. It was so decided.

14. Mr. SEKYEI (Ghana) expressed regret at the decision just taken. Had he been present a few minutes earlier, he would have opposed the suggestion that consideration of the question should be deferred yet again.

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15. Mr. GARRIDO (Philippines) asked whether the additional information requested with respect to the establishment of an information services unit in the Department of Economic and Social Affairs had been submitted. If not, the Committee's consideration of the subitem of agenda item 100 entitled "Establishment of an information services unit in the Department of Economic and Social Affairs" could be postponed until the thirty-third session.

16. Mr. ANVAR (Secretary of the Committee) said that a note by the Secretary-General on the establishment of an information services unit in the Department of Economic and Social Affairs had been submitted in document A/C.5/32/47. A report on the revised estimates for EDPIIS had also been submitted (A/C.5/32/37). Both documents would be submitted to ACABQ for its consideration.

17. Mr. NAUDY (France) said that the question of the establishment of an information services unit in the Department of Economic and Social Affairs had been carried over from the thirty-first session. The Committee should not postpone consideration of that question any longer.

18. The CHAIRMAN agreed that the question of the establishment of an information services unit in the Department of Economic and Social Affairs and that of EDPIIS should be considered at the current session. However, he suggested that the subitem of agenda item 100 entitled "Services provided by the United Nations to activities financed from extrabudgetary resources" could be carried over to the thirty-third session.

19. Mr. SAFRONCHUK (Union of Soviet Socialist Republics), supported by Mr. ABRASZEWSKI (Poland), Mr. NAUDY (France) and Mr. APALOO (Togo), said that the question of the services provided by the United Nations to activities financed from extrabudgetary resources was extremely important and should be discussed at the current session, since it would affect the programme budget for the biennium 1978-1979.

20. Mr. VAN VLOTEN (Netherlands), supported by Mr. HART (Australia) and Mr. SEKYYI (Ghana), endorsed the Chairman's suggestion on the ground that it would be advisable to await the outcome of the discussion of the intergovernmental Working Group on Overhead Costs established by the Governing Council of UNDP.

21. The CHAIRMAN asked the Controller whether postponement would be harmful in any way to relations between the United Nations and UNDP.

22. Mr. DEBATIN (Assistant Secretary-General, Controller) said that he was unaware of any harm that might result.

23. Mr. GARRIDO (Philippines) noted that the Governing Council of UNDP had decided to continue the present arrangements for reimbursement of 14 per cent of programme delivery in respect of overhead costs. It therefore seemed that nothing would be lost by postponing consideration of the question to the thirty-third session.

24. Mr. PIRSON (Belgium) suggested that the Committee should hold a very brief discussion with a view to eliciting the opinions of delegations concerning paragraph 17 of the Advisory Committee's tenth report (A/32/8/Add.9).

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25. Mr. STUART (United Kingdom) said that the most important of the three problems outlined in document A/C.5/32/29 was the one relating to services in support of technical co-operation programmes. However, since that problem was being discussed by a UNDP Working Group, it was clearly impossible for the General Assembly to take a final decision at the current session. He therefore proposed that consideration of the question should be postponed, on the clear understanding that an ultimate decision on the subject rested with the governing bodies of the executive agencies and the General Assembly, and primarily with the latter organ, and that the entire question of services provided by the United Nations to activities funded from extrabudgetary resources should be given priority at the thirty-third session.

26. Mr. SAFRONCHUK (Union of Soviet Socialist Republics) said that his delegation could agree to the United Kingdom proposal provided that the questions raised in document A/C.5/32/29 were discussed as a whole and not in a piecemeal fashion.

27. The United Kingdom proposal was adopted.

28. The CHAIRMAN suggested that consideration of the revision of the Financial Regulations of the United Nations (under agenda item 100) should be deferred to the thirty-third session.

29. It was so decided.

30. The CHAIRMAN suggested that there should be informal consultations regarding document A/C.5/32/26 concerning the implications of the recommendations of CPC in order to ensure that that important subject was dealt with adequately. He further suggested that members should consider the possibility of postponing consideration of the JIU report on first-class travel in United Nations organizations (under agenda item 104 (a)).

31. Mr. PIRSON (Belgium) asked whether the Advisory Committee intended to issue a report on the implications of the recommendations of CPC. He opposed postponement of the consideration of the JIU report, because two delegations intended to submit a proposal concerning that report.

32. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had completed its work on the JIU report but was still discussing the Secretary-General's report on the implications of the recommendations in the report of CPC.

AGENDA ITEM 100: PROPOSED PROGRAMME BUDGET FOR THE BIENNIIUM 1978-1979 (continued)
(A/32/6, A/32/8, A/32/38; A/C.5/32/12 and 13)

Administrative and financial implications of the draft resolution submitted by the Sixth Committee in document A/C.6/32/L.2 concerning agenda item 116 (A/C.5/32/43)

33. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had been informed that the amount of \$517,500 for conference servicing requirements had been drawn up on a basis of full costs and that the difference between that figure and the one submitted the previous year (\$234,000) was accounted for by the fact that salaries for temporary assistance staff had risen and that costs for typing had been estimated at non-local rates.

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(Mr. Mselle)

The Advisory Committee expected that, when the Secretary-General submitted his paper on conference requirements for 1978, he would indicate that the entire amount of \$517,500 would be absorbed within existing resources.

34. The CHAIRMAN suggested that the Committee should request the Rapporteur to report directly to the General Assembly that, should it adopt the draft resolution in document A/C.6/32/L.2, the conference servicing costs, estimated at \$517,500, would be absorbed within the existing appropriation for the biennium 1978-1979.

35. It was so decided.

Administrative and financial implications of the draft resolution submitted by the Fourth Committee in document A/C.4/32/L.9 concerning agenda item 24 (A/C.5/32/46)

36. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) observed that no additional appropriations were being requested in connexion with the visiting mission since, as the Secretary-General indicated in paragraph 5 of document A/C.5/32/46, the requirements relating thereto could be met from within the resources requested for the Special Committee in the proposed programme budget. However, the Secretary-General had requested an amount of \$23,600 to cover the travel and subsistence requirements of the special representative and his staff. The Advisory Committee, in the belief that the number of staff dispatched could be reduced, was recommending an amount of \$19,000 for travel and subsistence.

37. Mr. SINGALAGA (Indonesia) said that his delegation, together with some other delegations, had voted against draft resolution A/C.4/32/L.9 as a matter of principle. It had stated in the Fourth Committee (A/C.4/32/SR.19) that the question of East Timor was no longer one of decolonization: following independence through the integration of East Timor with Indonesia on 17 July 1976, all matters relating to the province had become the internal affair of Indonesia. His delegation therefore regarded the administrative and financial implications described in document A/C.5/32/46 as unacceptable and would vote against them.

38. Mr. GARRIDO (Philippines) associated his delegation with the remarks made by the preceding speaker.

39. The CHAIRMAN invited the Committee to vote on the recommendation of the Advisory Committee.

40. The recommendation of the Advisory Committee was adopted by 74 votes to 7, with 5 abstentions.

41. The CHAIRMAN suggested that the Committee should request the Rapporteur to report directly to the General Assembly that, should it adopt the draft resolution

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in document A/C.4/32/L.9, an additional appropriation of \$19,000 would be required under section 3A of the proposed programme budget for the biennium 1978-1979.

42. It was so decided.

AGENDA ITEM 109: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (A/32/30)

43. Mr. QUIJANO (Chairman of the International Civil Service Commission) made a statement.*

The meeting rose at 12.55 p.m.

* The full text of the statement made by the Chairman of the International Civil Service Commission will be issued as document A/C.5/32/50 in accordance with the decision taken by the Committee during the meeting.