



SUMMARY RECORD OF THE 24th MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Republic)

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

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The meeting was called to order at 11.05 a.m.

AGENDA ITEM 92: PROGRAMMED BUDGET FOR THE BIENNIUM 1976-1977 (continued)

Review of action taken on the recommendations of the Administrative Management Service (A/31/8/Add.5; A/C.5/31/6, A/C.5/31/29) (continued)

1. The CHAIRMAN, referring to the point raised by the representative of Belgium (A/C.5/31/SR.21, para. 57), suggested that agenda item 96 be divided into two parts. The first part would concern reports of the Advisory Committee which had already been considered and upon which a decision could soon be taken. The second part would involve three reports by the Secretary-General (A/31/75, A/31/75/Add.1, A/31/75/Add.2) and would also cover the question of the future of AMS.
2. It was so decided.
3. Mr. IYER (India) said that AMS was of great importance to the efficiency of the Secretariat, because in any large organization a continuous process of management review should be conducted by an independent body. With regard to the implementation of the recommendations of AMS, for the reasons provided in paragraphs 65 and 66 of the Secretary-General's report (A/C.5/31/6) and paragraph 3 of the Advisory Committee's report (A/31/8/Add.5), he could not agree that an "acceptable degree of success" (A/C.5/31/6, para. 64) had been achieved. The Advisory Committee had pointed to lack of action on the recommendations of AMS, as well as reservations on the part of the offices involved (A/31/8/Add.5, para. 6), while the Secretary-General had pointed to inertia and lack of co-operation (A/C.5/31/6, para. 65), as well as the absence of a management climate and lack of motivation in the Secretariat (A/C.5/31/6, para. 67). A serious review of management structures and working methods was urgently required, and everything must be done to strengthen AMS and ensure that its recommendations would be implemented. AMS must have the necessary independence and, in that connexion, he endorsed the relevant observations of ACABQ (A/31/8/Add.5, para. 16). The existing system was ineffective, since AMS could make recommendations only at the request of departments and since departments were not required to implement those recommendations. Accordingly, AMS should be authorized to identify and study management and personnel problems on a continuous basis, and its recommendations should be transmitted for approval to the Secretary-General, through the Under-Secretary-General. Department heads should have the right to present their points of view, but the final decision should rest with the Secretary-General; in that connexion, he endorsed the position of ACABQ (A/31/8/Add.5, para. 15). AMS should be authorized to monitor the implementation of recommendations approved by the Secretary-General, to evaluate results and to report its findings to the Secretary-General. The Secretary-General should submit an annual report to ACABQ on studies conducted by AMS, the recommendations made and the implementation of those recommendations. ACABQ should, in turn, report to the Fifth Committee, and should also take account of AMS recommendations when considering budget proposals.

4. Mr. KIVANC (Turkey) said that the United Nations needed a special unit, composed of highly qualified specialists responsible to the Secretary-General, in order to deal with management improvement on a continuous basis. Such a unit was important to the planning and budgeting process. The role of AMS should therefore be evaluated properly, since the different tasks entrusted to it in the past showed that the Service had not been utilized in a co-ordinated manner. Part II and the annex of the Secretary-General's report (A/C.5/31/6) showed that the implementation of AMS recommendations had not been adequately monitored. Although he did not want to challenge the Secretary-General's view that "an acceptable degree of success" had been achieved, most of the benefits derived from the recommendations of AMS were intangible and could not be expressed in monetary terms. While he was pleased to learn that AMS had acquired detailed information on all Secretariat units and that department heads often consulted AMS, further steps were necessary to create a satisfactory management climate.

5. He had no objection at that stage to the proposed merger of AMS and the Internal Audit Service, but wanted to hear the comments of ACABQ. The Secretary-General should play a leading role in supporting the proposed new unit and in accepting its recommendations, should ensure that the unit's terms of reference were broadened and clearly defined, should guarantee the independent status of the unit, should make it clear that the new unit would act on his behalf and be responsible to him, and should take all necessary steps to ensure a suitable management climate.

6. Mr. KRUMIN (Union of Soviet Socialist Republics) said that AMS had done much valuable work, but the Fifth Committee could not evaluate the results of that work or take a decision on the question because of the lack of information in the Secretary-General's report (A/C.5/31/6). In general, the reports submitted by the Secretariat did not correspond to the needs of the General Assembly.

7. A comparison of the recommendations made by AMS and the results achieved showed that the services provided by AMS were far from being fully utilized. Furthermore, only two AMS projects had been aimed at raising productivity, and those had concerned areas of secondary importance. The large departments, for example the Department of Conference Services, had not been affected. In general, AMS should pay much more attention to raising productivity.

8. The Secretariat often delayed the implementation of AMS recommendations or completely ignored them. Recommendations also tended to be implemented in form rather than in substance (A/31/8/Add.5, para. 3). Recommendations involving the allocation of additional resources were accepted, whereas recommendations which pointed to the presence of unused resources were ignored. Such a situation was unacceptable, and measures should be taken to ensure the implementation of all recommendations made by AMS, since there was no objective reason why those recommendations should not be implemented. Member States had a right to expect that resources be used in the most economical and effective manner, and the Secretariat had a duty to ensure that such was the case. He supported the recommendations of ACABQ contained in paragraphs 16 and 18 of its report (A/31/8/Add.5). Discussion of the proposed merger of AMS and the Internal Audit

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Service should be postponed, since the financial and administrative consequences of the proposal were not clear.

9. Mr. STUART (United Kingdom) said that, in view of the decision to discuss the future of AMS under agenda item 96, an evaluation of AMS under agenda item 92 could be only provisional. With respect to the proposed merger of AMS and the Internal Audit Service, any decision should be postponed until the over-all review of administrative and budgetary co-ordination had been completed and until ACABQ had examined the merger in the context of the programme budget proposals for 1978-1979. Against that background, he agreed provisionally with the comments and recommendations of ACABQ (A/31/8/Add.5). It was important for the Secretary-General to strengthen the hand of both AMS and the Under-Secretary-General for Administration and Management. While the Under-Secretary-General should seek to convince departments rather than dictate to them, the final decision concerning AMS recommendations must lie with the Under-Secretary-General.

10. Mr. DAVIDSON (Under-Secretary-General for Administration and Management) said that he would respond to points made during the debate before addressing the central issue of how to enhance the role of AMS.

11. With respect to comparisons between expenditure on AMS and expenditure on JIU, it should be remembered that, whereas AMS was financed entirely by the regular budget, JIU expenses were defrayed by all the organizations in the United Nations system. Thus, in 1974, the total amount expended on AMS had been \$644,000 and that on JIU had been \$586,000. The biennial budget requirements of AMS as presented in the 1976-1977 programme budget had been approximately the same as those of JIU for the same period.

12. As had been suggested in the debate, outside expertise was inevitably required from time to time to supplement in specialized areas the expertise available within AMS. It was precisely because contracting outside consultants was costly that the Organization had decided to have an in-house team of management consultants and had established AMS. He would like to point out that, whereas an amount of \$61,000 had been spent on outside management consultants in 1973, the figure for 1974-1975 had been only \$17,000. The amount spent in 1976 so far totalled only \$3,610.

13. It was true that the report in document A/C.5/31/6 indicated in many paragraphs the Secretary-General's awareness that AMS was not realizing its full potential. The report represented an honest attempt on the part of the Secretariat to assess objectively and fairly the accomplishments and short-comings of AMS in the period under review.

14. The suggestion that AMS would do better to concentrate on a smaller number of major studies left unanswered the question how it would then respond to the many requests made by Secretariat departments and offices for assistance in examining and solving certain management problems.

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(Mr. Davidson)

15. A certain amount of concern had understandably been expressed about the role of AMS since the beginning of 1973, when it had begun to assume management consultant functions within the Secretariat by providing advisory services. In particular, delegations had expressed their preoccupation over the fact that the recommendations of AMS were not receiving the attention they deserved. That preoccupation, as he had already indicated, was reflected throughout the Secretary-General's report.
16. The central issue was how to make the work of AMS more effective and how to ensure that Secretariat departments and offices paid greater heed to AMS recommendations. First of all, it was important to ensure that the AMS team was composed of well-qualified experts, competent to pronounce authoritatively on needed management changes so that departments and offices would view AMS with the proper degree of trust. At the same time, it had to be borne in mind that, although AMS recommendations were made in complete objectivity, and in most cases were sound and deserved to be implemented, even its judgement was not infallible and in some instances valid differences of opinion arose between AMS and the department concerned. The problem therefore, was how to reconcile those differences when each side could make a good case for its views. Since it was agreed that the full potential of AMS was not being realized, the question arose as to whether AMS should be converted from an advisory service into a type of inspection service, and whether it should be endowed with greater authority. The recommendations made by AMS were in many cases not acceptable to the departments and offices concerned, even after negotiation.
17. One suggestion to ensure that those recommendations, at least the important ones, received the attention they deserved was that the authority of AMS should be enhanced, not only by recruiting staff of the highest calibre but also by guaranteeing its independence and ensuring that it was not obliged to temper its recommendations. Departments might be required, within one month of receiving recommendations from AMS, to indicate in writing those which they were prepared to implement and those which they could not accept. Reports should be made at six-monthly intervals indicating the progress being made in implementation of the recommendations that had been accepted, either to AMS or to his own office. Any important recommendations which were not accepted should be the subject of continuing discussions and negotiations between AMS and the department concerned in an effort to narrow the differences of opinion. Where the points of view of the department and AMS could not be reconciled on important recommendations which, in the judgement of AMS, were essential to the successful implementation of overall management improvement policies, such recommendations would be arbitrated by a designated authority. At the present time, the only authority acting in the name of the Secretary-General which had any responsibility in that area was his own office. Having many other duties to attend to, he did not believe that he himself could adequately take on the task of examining each of the recommendations of AMS and entering into difficult negotiations with the department heads concerned. Accordingly, there appeared to be a need either to strengthen his office for that purpose or to assign the responsibility to the executive office of the Secretary-General. Another solution might be to establish the post of Inspector-General, whose principal function would be to oversee the implementation of AMS recommendations.

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(Mr. Davidson)

18. Another possibility which deserved consideration was a system of reporting results to an authority outside the Secretariat. Thus, AMS might report annually to ACABQ. The report might be divided into two parts: the first part recording how much progress had been made in putting accepted recommendations into effect; and the second part listing rejected recommendations and detailing the points of view of AMS and the department. It would be for ACABQ to report to the Fifth Committee as it saw fit on the unresolved problems.

19. Clearly, the role of AMS could be strengthened in a variety of ways. He assured the Committee that the Secretary-General would act on the suggestion that a written circular be sent to all departments and offices in the Secretariat starting his firm and unqualified support for the work and recommendations of AMS and his insistence that the most careful attention be given to AMS recommendations at the highest level of each department or office.

20. He expressed regret that there had been a misunderstanding as to the purpose of document A/C.5/31/29, a misunderstanding which had been reinforced by the unfortunate drafting of the first two lines of paragraph 4. At the thirtieth session of the General Assembly, it had been suggested that there might be advantages, in terms of efficiency and economy, in merging AMS and the Internal Audit Service. Both units were in a sense management audit services; they both had occasion to dispatch teams to the field; they examined the work of the same offices, in one case with emphasis on financial questions and in the other with emphasis on management problems. As was inevitable, there was some overlapping of the areas with which they were concerned, and each unit quite frequently found itself giving advice in the other's area of competence. Following the suggestion made at the thirtieth session, he had undertaken to examine the matter and to report at the current session. Moreover, CPC at its sixtieth session had also agreed to bring the matter to the attention of the General Assembly at its thirty-first session. Document A/C.5/31/29 was being submitted against that background. However, the matter of the possible amalgamation of the two units was not being presented to the Assembly for a decision at the current session. Rather, the Secretary-General was announcing his intention to proceed during 1977 with the preparation of proposals for the reorganization of the two services. The actual proposal for the merger of those functions would be made at the thirty-second session in the context of the programme budget estimates for the biennium 1978-1979.

21. Mr. BOUAYAD-AGHA (Algeria) suggested that stiff measures should be adopted to compel reluctant department heads, averse to change, to implement the recommendations of AMS. Any requests they made for additional staff should be blocked, and their names should appear on a black list.

Administrative and financial implications of the draft resolution in document A/31/L.11 concerning agenda item 52 (A/C.5/31/42)

22. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) drew attention to paragraph 15 of the statement of

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administrative and financial implications (A/C.5/31/42), in which the Secretary-General estimated that adoption of the draft resolution in document A/31/L.11 would entail expenditure amounting to \$156,100 for 1977. An amount of \$35,200 was required for dispatching missions to Governments of Member States and to the headquarters of specialized agencies, in accordance with paragraph 3 (a) of the draft resolution, and an amount of \$82,300 was required in connexion with the holding of a World Conference for Action against Apartheid. The latter estimate had been arrived at in the expectation that the Conference would be held in New York. However, as was indicated by the Secretary-General, it was now understood that the Conference would be held away from New York, and accordingly the Advisory Committee was of the opinion that the provisions of General Assembly resolution 2609 (XXIV) should be fully complied with. The representative of the Secretary-General had informed the Advisory Committee that, for the time being, the conference servicing requirements were estimated at approximately \$25,000, an amount which should be deleted from the present estimates. The conference servicing requirements would be considered later in the session in the context of a consolidated statement, to be submitted by the Secretary-General, reflecting all substantive decisions concerning the calendar of conferences taken at the current session. That procedure would enable the Secretary-General to estimate far more accurately the costs which could be absorbed from within existing resources and the net additional appropriations that would be required to service meetings in 1977. If that course of action was acceptable, and bearing in mind the contents of paragraph 5 of the statement by the Secretary-General, where it was indicated that the programme budget for 1976-1977 included a provision of \$99,100 for the Special Committee's activities in 1977, the net additional requirement would be \$32,000.

23. Accordingly, the Advisory Committee was recommending to the Fifth Committee that it inform the General Assembly that, should it adopt the draft resolution, an additional appropriation of \$32,000 would be required under section 3 A of the programme budget and that conference servicing requirements provisionally estimated by the Secretary-General at approximately \$25,000 would be considered by the Assembly in the context of its consideration of the total requirements of the revised calendar of conferences for 1977.

24. The CHAIRMAN proposed to the Committee that it request the Rapporteur to report directly to the General Assembly that, should it adopt the draft resolution in document A/31/L.11, an additional appropriation of \$32,000 would be required under section 3 A of the programme budget for the biennium 1976-1977, and that conference servicing requirements provisionally estimated by the Secretary-General at \$25,000 would be considered by the Assembly in the context of its consideration of the total requirements of the revised calendar of conferences for 1977.

25. It was so decided.

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26. Mr. LADOR (Israel) said that his delegation had made its position clear on draft resolution A/31/L.11 when the programme of work of the Special Committee had been discussed by the General Assembly. In the past, the Special Committee had undertaken assignments and work programmes outside the terms of reference originally assigned to it, including activities connected with the Middle East problem; his delegation was therefore unable to endorse any recommendations concerning the Special Committee's work programmes, especially those with financial implications. If the statement of administrative and financial implications (A/C.5/31/42) had been put to a vote, his delegation would have voted against it.

27. Mr. GRODSKY (Union of Soviet Socialist Republics) said that his delegation attached the utmost importance to the struggle against apartheid in all its forms and manifestations and believed that the activities envisaged in draft resolution A/31/L.11 were of paramount significance, fitted in with the goals set by the United Nations, and fully deserved to be financed. In that connexion, it regretted that the United Nations Secretariat had not followed the Financial Rules and Regulations and the recommendations of the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies and absorbed the cost of the planned activities by making adjustments within the regular budget.

28. Mr. WANG Lien-sheng (China) said that his delegation intended to vote in favour of draft resolution A/31/L.11. However, it objected to the expenses related to the Special Committee's proposed representation at the Conference in Rome, referred to in paragraph 8 of the statement of administrative and financial implications (A/C.5/31/42). Its position regarding the Afro-Asian Peoples Solidarity Organization and the World Peace Council had been stated in the relevant forum.

AGENDA ITEM 100: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS: REPORT OF THE COMMITTEE ON CONTRIBUTIONS (A/31/11; A/C.5/31/L.7, L.8, L.10) (continued)

29. Mr. KIKHIA (Libyan Arab Republic) said that the question of the scale of assessments touched upon other issues such as the role of small States, the participation of developing countries in the administration and decision-making of the Organization and the extent to which such countries could influence or be affected by it. That question was also related to the implementation of the fundamental principles of the Charter. Article 2 of the Charter provided for the sovereign equality of all Members and stipulated that they should fulfil in good faith their obligations under the Charter. One of the important obligations was that each Member was liable for the expenses of the Organization in accordance with a scale of assessments determined by the General Assembly in accordance with Article 17, paragraph 2, of the Charter. In addition, the apportionment of the expenses of the United Nations must take due account of the political, social and economic realities of the contemporary world, as well as the ethical and legal principles upon which the international community was based.

(Mr. Kikhia, Libyan Arab Republic)

30. The report of the Committee on Contributions (A/31/11) was not totally satisfactory and was thus difficult to accept. Any short-comings in that report, however, were not the result of any lack of effort and devotion on the part of the Committee on Contributions. The task of that Committee was very complex and technical, and was further hampered by the unavailability of complete data and the lack of definite standards for measuring the real wealth and income of States. As a result, the Committee on Contributions had been compelled to depend frequently on unreliable sources and inaccurate data, with the result that some of its conclusions were arbitrary. Another complicating factor was the lack of agreement on clear definitions of such concepts as national income, per capita income and national wealth; even the terms "developing" and "developed" were not unambiguous. The task of the Committee on Contributions was further complicated by the rapid changes which occurred in the modern world.

31. In the past the majority of developing countries had not devoted adequate attention to the very technical question of the scale of assessments or, indeed, to Fifth Committee matters in general. That neglect had been due to the lack of adequate numbers of specialists and experts in the developing countries skilled in the relevant disciplines and the fact that the majority of the countries of the third world were assessed at the minimum level and consequently felt that the question was of no great concern to them. The developing countries, however, were becoming increasingly convinced that, in order for their participation in the work of the Organization to be effective, they must devote greater attention to the work of the Fifth Committee.

32. The Committee on Contributions had indicated that the basis upon which it had apportioned the expenses of the United Nations for 1977-1979 was the same as that used previously, namely, capacity to pay, based on the assumption that the estimates of comparative national income were the most just indicators of capacity to pay. Various other factors had also been taken into account, in accordance with standards laid down in various decisions since 1946. His delegation supported the view expressed by the representatives of Iraq and Jordan that capacity to pay did not always correspond to the actual revenues of a State, especially in those developing States which needed increased revenues to develop their economies and raise the standard of living of their peoples. Such countries required many years to absorb such revenues and transform them into national productive capital which would raise their real capacity to pay and thereby justify raising their contributions to the budget of the United Nations. That consideration was especially important if it was recalled that the gap between developing and developed countries was widening. National income did not take into account the effect of price inflation and of the erosion of currency values on the purchasing power of raw material exports. Furthermore, it did not adequately reflect such factors as peace, technological problems, level of infrastructure development and standards of agriculture, education and trade. National income could not, moreover, provide a clear picture of the long-term development needs of countries dependent on a single, non-renewable source of income such as oil. In many cases, therefore, a rise in per capita income was only a temporary indication of increased capacity to pay and should not be used as an indicator.

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(Mr. Kikhia, Libyan Arab Republic)

33. It was therefore necessary to seek other indicators which would give a clearer picture of capacity to pay and which would take into account all the economic, social and historical conditions of a country, including its demographic situation, nutrition standards, health care and education facilities, labour force, consumption reserves and availability of resources. In addition, account must be taken of the time framework of development.

34. The principles which, in the view of the Committee on Contributions, justified increases or decreases in the assessments of various States were not clear to his delegation. It therefore believed that the justifications for any change in the assessments of Member States must be more clearly defined. The complete picture of the situation was available only to the Committee on Contributions and the Secretariat, and there was no reason for enveloping the deliberations of the Committee on Contributions in secrecy.

35. His delegation believed it would be a mistake to impose on States large increases such as those which the Committee on Contributions was recommending, especially as the States concerned had few means of expressing their opposition and preventing the recommended increases. Increases from one scale of assessments to another should not exceed a specified magnitude and should on no account exceed 15 per cent. Sudden enormous increases placed Governments in embarrassing positions, because they had long-term development plans which made budgetary allocations in advance on the basis of reasonable assumptions. However, no limit should be placed on the percentage by which a State's assessment could be reduced if its economy was suffering from the effects of natural disasters or significant deteriorations which justified lowering its assessment or even granting an exemption from assessment. Among the causes which, in the view of his delegation, justified reducing a State's assessment was foreign aggression of the military and economic types, as suffered by those States which were facing racist aggression in Africa and the Middle East.

36. It was in the interests of the United Nations and in accordance with the Charter that all Member States should be obliged to share in meeting the budget. That did not mean, however, that every State must participate on an equal basis. Assessments to the budget should not be compared to the membership dues of a club but to a tax system with a progressive structure. Thus, differences in the assessments of States did not compromise their sovereign equality. The legal and moral justification for such differences was to be found in the duty of the United Nations under the Charter to employ international machinery for the promotion of the economic and social advancement of all peoples. Accordingly, it was accepted that as the capacity to pay of any particular nation increased it should contribute more. In that connexion, his delegation supported the view that the permanent members of the Security Council should be assessed at a special level in view of their enjoyment of the special privilege of the veto.

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37. Increased assessments should not be imposed without consultation with the State concerned, without hearing its point of view and without presenting the causes that justified an increase. That was especially the case with the developing countries, whose technical capacities were not adequate and which needed a longer period of time to consider and analyse their assessments. Two suggestions might be followed. First, when it was contemplated that the assessment of a State would be raised by a percentage in excess of an agreed specific limit, the State should be contacted in advance so that the decision to raise its assessment would be made with its agreement. Secondly, a new scale of assessments should be discussed at two consecutive sessions of the General Assembly in order to give States an opportunity to examine the issues and present their points of view.

38. The situation of countries which depended on a single source of income, especially when it was depletable, should be examined more closely. The capacity to pay of such countries was not comparable with that of countries with diversified sources of income and lasting economic resources. That was especially true of countries, generally developing countries, which had had to begin the development effort from ground level and which had not had the human resources, accumulated material wealth and economic and social infrastructure of advanced countries. For those reasons, the criterion of national wealth was realistic and equitable and should be used as a dependable basis for measurement and assessment.

39. His delegation supported the maintenance of the rule of the upper limit in order to prevent domination of the Organization by any one State. It also supported a re-examination of the floor principle with a view to benefiting the small States, especially the developing small States. It was unacceptable for the burden of the developing countries as a whole to be increased. His delegation therefore opposed the lowering of the assessments of the developed countries in the proposed scale of assessments.

40. There should be a high-level, extensive and intensive study of the subject of the apportionment of the expenses of the United Nations. Such a study would provide the Committee on Contributions with new criteria and indicators for apportioning expenses in a clearer and more equitable manner which took into account the new world realities. His delegation also supported the idea of enlarging the Committee on Contributions and re-examining its composition.

41. The question whether the higher assessments of some States in the new scale would have an effect on voluntary contributions to various international organizations should be studied in order to avert any possible harmful effects. It should be kept in mind in that connexion that some developing countries granted foreign aid to the extent of 20 per cent of their national incomes, while the foreign aid of developed States, with the exception of some, had not even attained the objective of 1 per cent of their GNP.

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42. The reduction of the assessment of South Africa was, in the view of his delegation, unjustified and inconsistent. The apartheid régime of South Africa must not be encouraged or helped in its war of genocide and its policy of racial discrimination. His delegation also noted that South Africa had not paid its contributions for the years 1974, 1975 and 1976, amounting to almost \$5 million.

43. Because of its ambiguity and inaccuracy, the principle of capacity to pay did not take realistically into account the circumstances of developing countries such as the Libyan Arab Republic, which was spending huge sums to extricate itself from the vicious circle of backwardness. The Libyan Arab Republic was planning and building its economy on an independent basis, free from the control of foreign vested-interest groups and monopolies.

44. His country's assessed contribution had risen by almost 300 per cent in the past few years, and there could be no justification for a further rise of 60 per cent. His Government had provided the Committee on Contributions with all available information, and that Committee should therefore have paid greater attention to the country's real situation. His country's past silence on the scale of assessments, due to its shortage of technical personnel, had given a false impression about its economic circumstances and about its willingness to accept decisions without expressing opposition.

45. The Libyan Arab Republic was a developing country, lacking modern industrial and agricultural techniques and at a low level of technological, social and educational development. The country depended for revenue on the export of a single commodity, namely petroleum, and the income from that product was spent largely on the import of technology and capital goods. Considerable amounts were still being spent on overcoming the effects of the Second World War. Accordingly, not all the revenue derived from the export of oil should be included as part of assessable national income. The value added from the production of petroleum was insignificant when compared to returns from constructive investment, and that value would fall year after year. Furthermore, while the price of the country's imports had risen rapidly, there had been no equivalent rise in the price of oil. Finally, despite the problems it faced, the Libyan Arab Republic had devoted a sizable part of its oil revenues to foreign aid.

46. His country believed in the United Nations and did not seek to escape its responsibilities. However, the Organization must be based on equality, genuine co-operation and mutual understanding.

AGENDA ITEM 101: APPOINTMENTS TO FILL VACANCIES IN THE MEMBERSHIP OF SUBSIDIARY ORGANS OF THE GENERAL ASSEMBLY (continued)

(a) ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS (continued)

47. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) paid a tribute to the retiring members of ACABQ and welcomed the newly elected members. He expressed his gratitude for his own re-election to that Committee.

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48. Mr. THOMAS (Trinidad and Tobago) paid a tribute to Mr. Correa, whom he was succeeding on the Advisory Committee, and thanked the Fifth Committee for having recommended his own appointment.
49. Mr. DAMASCENO VIEIRA (Brazil) thanked the Committee for having elected Mr. Correa to four consecutive terms on the Advisory Committee and congratulated the newly elected and re-elected members.
50. Mr. ZDROJOWY (Poland) thanked the Committee for having supported the appointment of Mr. Abraszewski to ACABQ and welcomed the appointment of the other new members.
51. Mr. DARAJA (United Republic of Tanzania) thanked the members of the Fifth Committee for having once again recommended the appointment of Mr. Mselle to the Advisory Committee.

The meeting rose at 1.25 p.m.