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Chairman: Mr. Najib BOUZIRI (Tunisia).

AGENDA ITEM 76

Budget estimates for the financial years 1965 and 1966 (continued) (A/5799 and Corr.1; A/5805, A/5807 and Corr.1; A/5940 and Corr.1; A/5969, A/5995, A/5996, A/6005, A/6007 and Corr.1; A/6050; A/C.5/1009 and Corr.1; A/C.5/1011, 1014, 1025 and Corr.1; A/C.5/1027, 1035-1038, 1040; A/C.5/L.833, L.836, L.843/Rev.1)

Budget estimates for the financial year 1966 (continued) (A/5799 and Corr.1; A/5805, A/5807 and Corr.1; A/5940 and Corr.1; A/5996, A/6005, A/6007 and Corr.1; A/6050; A/C.5/1009 and Corr.1; A/C.5/1025 and Corr.1; A/C.5/1027, 1035-1038, 1040; A/C.5/L.833, L.836, L.843/Rev.1)

Draft resolution submitted by France (continued)
(A/C.5/L.843/Rev.1)

1. Mr. SEYDOUX (France) said that in the revised text of its draft resolution (A/C.5/L.843/Rev.1), his delegation had taken full account of the comments and remarks made both in the course of the discussion and during the informal consultations it had held with a number of delegations. His delegation wished to extend particular thanks to the delegations of the United Arab Republic, India, Yugoslavia, Nigeria, and the Scandinavian countries for their assistance in that respect.

2. With regard to the relative importance of the two aspects of the Ad Hoc Committee's mandate, his delegation had never meant to give priority to the first part of that mandate—the preparation of an analysis of the Organization's finances—but it continued to think that such an analysis was essential for a comprehensive view of the Organization's financial structure and for an appreciation of the relative

magnitude of expenditures on different types of activities. His delegation had no objection to the analysis being prepared by the competent Secretariat services and communicated both to the Ad Hoc Committee and to all Member States; but it should not be so communicated until all the experts had been appointed to the committee. The statement of the Organization's finances would be essentially a working document for the use of the Ad Hoc Committee, and it would be cast in its final form only when completed by such information as that Committee might request and by any observations it thought fit to make. Any other interpretation would make the Committee's role in regard to that part of its mandate meaningless.

3. Unlike some delegations, his delegation was not convinced that the documents published by the Secretariat on the Organization's accounts made the preparation of a comprehensive analysis unnecessary. It need only be remembered that from December 1964 onwards, the Secretariat had stopped issuing monthly statements on the contribution position of Member States. But the preparation of an analysis should not lead to interminable auditing; it was of the utmost importance that the Ad Hoc Committee should get to work as soon as possible. That first phase of the Committee's work should be completed relatively soon, for example by 31 March 1966, to give it time to accomplish the second part of its mandate, which concerned the future and constituted the most important element of its work.

4. The Belgian representative had pointed out (1098th meeting) that the Ad Hoc Committee's mission had not only a financial but also an economic aspect. In order to cope with the various aspects of its work, the high level experts which each Member State would appoint to represent it on the Committee could, if need be, bring other government experts of their choice to assist them. That should not give rise to any extra expense for the United Nations, since the cost of all the experts would be borne by their respective Governments.

5. The Ad Hoc Committee should not approach its work as a matter of accounting; rather, it should synthesize all the data placed before it, taking into account any supplementary information it might request from the Secretariat in order to obtain as comprehensive and clear a view as possible of the Organization's financial situation.

6. As regards the accounts relating to peace-keeping operations, he stressed that in its recommendations the Ad Hoc Committee should not pass judgement on the political advisability or the legal validity of those operations. It should simply sum up the situation and prepare a financial analysis. It was in order to clear

up any ambiguity on that point that it was specified, in operative paragraph 6 (b) of the new text, that the Ad Hoc Committee's recommendations under the second part of its mandate were to be formulated "without prejudice to the terms of reference of the Special Committee on Peace-keeping Operations". But it was not possible, in preparing the balance sheet, to ignore that element of the Organization's accounts to which the present deficit was mainly attributable.

7. Turning to the second part of the Ad Hoc Committee's mandate, he stated that his delegation would be in favour of co-operation between that Committee and whatever body the General Assembly saw fit to entrust with the task of re-examining the economic and social activities of the United Nations and the specialized agencies, in conformity with a draft resolution (A/C.2/L.814) before the Second Committee.

8. In any event, his delegation wished to emphasize that the Ad Hoc Committee would have a broad task; its mandate would extend to all organs of the United Nations and to all aspects of their activities in so far as they had a bearing on budgetary problems. That was why the representatives of Argentina, Czechoslovakia and Brazil had expressed the view that the Committee's mandate should be as flexible and as far-reaching as possible.

9. In reply to the observations of the Indian representative (1095th meeting), he emphasized that the French draft resolution in no way implied any interference with the structure and essential autonomy of the international organizations. The very title of the draft resolution showed clearly that the Ad Hoc Committee would be responsible for considering solely the financial aspect of their activities, excluding their institutional aspect, with a view to preparing, in close collaboration with the Secretary-General, an impartial account of the past and present financial situation. With that the Committee would have completed the first part of its mandate. Setting about the second part, it would study and propose to the General Assembly recommendations concerning the introduction of more practical and efficient financial procedures. Once it had submitted its report, it would have fulfilled its mission and would cease to exist, unless the Assembly decided otherwise.

10. A second aspect of the problem was the alleged curtailment of the economic and social activities of the United Nations and the specialized agencies which, according to some representatives, was inherent in the French draft. As he had already stated (1083rd meeting). The French Government had no doubt as to the usefulness of allocating funds for the development of the under-privileged countries and France's financial contribution in that field represented a large part of its national resources.

11. His delegation had in the past, in commenting on the development of the activities of the United Nations and the specialized agencies, dealt with three distinct points. It felt first that the Ad Hoc Committee could do useful work by considering the utilization of their resources by the international organizations.

12. Secondly, some organizations seemed to have a tendency, when faced with immense needs, to propose

vast programmes without establishing priorities, which were all the more necessary as the execution of programmes obviously depended on staff and financial resources which were not guaranteed in advance. The reports of the Advisory Committee on Administrative and Budgetary Questions showed that, while a considerable percentage of the annual contributions could not be collected, that was not necessarily the result of outright refusal to pay on the part of Member States, whose budgets were heavily burdened by the outstanding assessments. The heads of certain international organizations should reflect on the repercussions which the very rapid inflation of budgets had on the national finances of Member States, above all those very States they were seeking to assist. Not only the needs of the international community must therefore be taken into account, but also the resources it could muster.

13. Thirdly, Member States, through the Ad Hoc Committee, and the heads of international agencies should agree on a balanced financial solution calculated to facilitate a continued development of the economic and social activities which were of particular concern to the developing countries. There was of course no question of imposing a budgetary ceiling on the international organizations or of prescribing a particular rate of growth, which would in any case be technically very difficult to determine. The new text of the draft resolution should allay any misgivings on that score. But the Fifth Committee must be realistic, and instead of taking as a basis two criteria only—the inevitable expansion of activities and the needs of development—it must also take into consideration a third: the burdens placed on Member States. That third criterion should not disturb the developing countries, for a comparative examination of their needs and of the available resources of the developed countries was precisely what was needed to strike a balance which, far from harming the development of international action for the benefit of the countries of the third world, would promote it. As matters stood, on the other hand, some States might decide to limit their voluntary contributions in order to offset new and unduly heavy burdens which might be imposed on them by way of obligatory assessments.

14. His delegation wished to deal with two additional questions of great importance. Firstly, while the representative of Nigeria had stated that he could not agree to a text which might be interpreted as showing a lack of confidence in the Secretary-General, the Deputy Controller of the United Nations, Mr. McCaw, had informed the Fifth Committee (1097th meeting) that the Secretary-General approved of the move and was ready to assist the Ad Hoc Committee.

15. Secondly, many delegations had wondered about the possible effect of the French draft resolution on voluntary contributions designed to solve the Organization's financial difficulties. France's position on the matter had been stated in the Special Political Committee at its 464th meeting on 23 November 1965, and he would now merely say that the French Government hoped to find, in the decision taken on the proposal before the Fifth Committee and in the manner in which it was applied, an assurance that the United

Nations was determined to introduce a spirit of order and economy and to return to normal methods of management. In that event, France would not refuse to help to put the Organization's finances once and for all on a sound footing.

16. He hoped that delegations would support the new version of the draft resolution, thus opening the way for closer and more fruitful collaboration among all Member States, the United Nations and its related agencies.

17. Mr. Mohamed RIAD (United Arab Republic), Mr. HOVEYDA (Iran), Mr. PARDO (Malta), Mr. ILIC (Yugoslavia), Mr. PHRYDAS (Greece), Mr. VINCI (Italy), Mr. JABR (Lebanon), Mr. BEN AISSA (Tunisia), Mr. CISS (Senegal) and Mr. POLIT ORTIZ (Ecuador) expressed full support for the revised draft resolution (A/C.5/L.843/Rev.1) and paid a tribute to the French delegation for its understanding and co-operative attitude during the consultations preceding the submission of the new text, which deserved unanimous support. Apart from the fact that it reconciled a number of opposing points of view and took into account the various suggestions made, the new text dispelled the doubts and apprehensions that the first version had aroused in the minds of some delegations. There was no doubt that the French move would be of great help in solving the Organization's financial problems and would make it possible to improve and expand its activities, particularly in the field of assistance to the developing countries.

18. Mr. TREMBLAY (Canada), after thanking the French delegation for taking into account the suggestions and comments made by several representatives, said that his delegation would vote for the revised text, which should gain the support of the great majority of members. The text reflected, inter alia, the suggestions made at the 1078th meeting by the Canadian delegation, which had expressed the hope that the proposed committee would be given very flexible terms of reference and would be able to draw on the experience and knowledge not only of the Secretariat but also of the Advisory Committee on Administrative and Budgetary Questions. It did not follow, however, that the Ad Hoc Committee should be authorized to recommend new ways of solving the United Nations financial problems. While any analysis of the financial situation must necessarily show the cost of peace-keeping operations, the Ad Hoc Committee should confine itself in its comments to the technical observations arising out of the actual data it analysed. The political problems of peace-keeping operations had been discussed by the Special Committee on Peace-keeping Operations and were now being considered by the Special Political Committee. It was neither for the Fifth Committee nor for the Ad Hoc Committee to deal with them. Any other interpretation would surely depart from the intentions of the French delegation.

19. The consensus reached by the General Assembly on 1 September 1965 (1331st plenary meeting)^{1/} had defined the means of whereby the Organization's immediate financial problems might be solved. Canada

hoped that the adoption of the draft resolution would lead Member States to respond to the Secretary-General's appeal for voluntary contributions. The Canadian delegation was ready to co-operate fully in applying the draft resolution.

20. Mr. GOLDBERG (United States of America) expressed his delegation's appreciation of the spirit of understanding and co-operation shown by the French delegation. In view of the changes that had been made in the original text, and in the light of the French representative's explanations, his delegation would vote for the revised draft resolution, on the understanding: first, that the Ad Hoc Committee would consist of government financial experts of great competence whose task would be to examine the finances and the budgetary policies and procedures of the United Nations, the specialized agencies and the International Atomic Energy Agency; secondly, that the Ad Hoc Committee would be bound to respect the resolutions and decisions of the organizations in question—it might recommend for the future the modification of existing financial policies and procedures, but it would not have the right to make recommendations which would affect obligations which would affect obligations already undertaken by the organizations; thirdly, that the Ad Hoc Committee would operate to the greatest extent possible by consensus; and fourthly, that the report it would submit to the General Assembly at its twenty-first session would be accompanied by the comments and observations of the Advisory Committee on Administrative and Budgetary Questions.

21. His delegation had noted with particular attention the statement just made by the French representative that the Ad Hoc Committee would not make any recommendations which would bring into question the political advisability or the legal validity of financial operations undertaken in the past and that its terms of reference did not authorize it to make such recommendations. The United States Government, like many others, considered it important not to impair the credit of the United Nations with regard to its financial commitments, as, for example, with regard to the bonds it had issued and their repayment.

22. His delegation was encouraged by the extensive consultations held with the French delegation, and he, personally, as well as his Government, was highly gratified at the co-operative attitude of the French representative. His delegation welcomed the initiative taken by France to ensure more efficient use of the United Nations resources.

23. In conclusion, he associated himself with those delegations which had congratulated France on the launching of its satellite.

24. Mr. ASTROM (Sweden) said that the French draft resolution was of fundamental importance for the present and future of the United Nations. While Member States had agreed to take collective measures for dealing with the present difficulties, they had a justified interest in being provided with a clear picture of the situation, in the form of an analysis of the Organization's finances. The French proposal met that interest by providing for the analysis to be drawn up by the Secretary-General and submitted

^{1/} See Official Records of the General Assembly, Nineteenth Session, Annexes, annex No. 21, document A/5916.

before the end of the present session to Member States and to the Ad Hoc Committee. After twenty years of expansion, moreover, the time had come to make a thorough study of the whole financial structure of the United Nations, the aim of which would be to standardize the various budgets and rationalize activities. It had also become necessary to find ways of making economies compatible with the expansion of the Organization's activities, with due regard for development needs. While such an expansion in activities was certainly a sign of health and vigour, the resulting cost to Member States must be taken into account. There was thus every reason to welcome a proposal to entrust the study of those various problems to a group of experts having a thorough knowledge of the financial management of public and private enterprises. It was understood that the group was neither to make a political evaluation of the activities submitted to it for consideration, nor to make comments or formulate conclusions of a political nature. In recognizing the technical nature of the proposed study, one should not, however, underestimate the importance of its political content. He hoped that the ultimate decision on the subject would be regarded as one of the elements that would allow the Organization to overcome the effects of the recent crisis. His delegation would gladly support the French draft resolution and hoped that it would be received in the same spirit as had guided its sponsor.

25. Mr. ADEBO (Nigeria) associated himself with those speakers who had expressed appreciation of the French delegation's spirit of co-operation.

26. In his delegation's view, the draft resolution would in no way curb the activities of the United Nations and its related agencies, but, on the contrary, would secure a better co-ordination and rationalization of its activities.

27. Mr. S. K. SINGH (India) said he was glad to see that the revised text of the French draft resolution dispelled the doubts that had been expressed and took account of the apprehensions expressed by his delegation at the 1095th meeting. It was particularly noteworthy that operative paragraph 6 (a) took into account the observations made by the Advisory Committee on Administrative and Budgetary Questions in paragraphs 117-120 of its main report (A/6007 and Corr.1). The statement that the French representative had just made had allayed the misgivings felt by his delegation at the use of the word "any" before the word "expansion" in operative paragraph 6 (b). It had feared that that word might be interpreted in a restrictive sense. His delegation would vote in favour of the draft resolution and wished to pay a tribute to the spirit of understanding and co-operation that the French delegation had shown during the consultations which had resulted in the drafting of the revised draft resolution.

28. Mr. CLAXTON (Trinidad and Tobago) commended the spirit of co-operation shown by the French delegation and thanked the other delegations that had participated in drawing up the new text of the draft resolution. He was all the more ready to vote for the draft resolution since France had indicated the possibility of co-operation between the Ad Hoc Committee and the committee that would be established if the draft resolution (A/C.2/L.814) submitted by Malta and

Trinidad and Tobago in the Second Committee was adopted.

29. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) reminded the Committee that rule 154 of the rules of the General Assembly provided that no resolution involving expenditure could be recommended by a committee for approval by the General Assembly unless it was accompanied by an estimate of expenditures prepared by the Secretary-General. The French representative had made it clear that States with nationals serving on the Ad Hoc Committee would be responsible for the remuneration, travel expenses and subsistence allowances of those experts. He had not, however, specified whether the cost of the meetings of the Ad Hoc Committee and the related staff expenses would also be met by those States. If they were, the draft resolution would have no financial implications and the Committee could proceed to a vote. If not, it would be necessary to draw up beforehand a statement of the financial implications of the draft.

30. Mr. McCRAW (Secretariat) pointed out that, if the date of 31 October 1965, mentioned in operative paragraph 4 (b), was retained, the Secretariat would not be able, without involving extra expenditure, to submit to the General Assembly at its current session the complete statement of the financial situation which it was requested to prepare. The Office of the Controller prepared a statement of the finances of the Organization only at the end of each quarter. To enable it to submit the financial statement during the current session without involving extra expenditure, it would therefore be preferable to change the date of 31 October 1965 to 30 September 1965, which coincided with the end of a quarter. It was the Secretary-General's understanding that the proposed Ad Hoc Committee should involve no expenditure for the United Nations because, if the committee met only at Headquarters, travel expenses and subsistence allowances for staff on mission would not have to be provided.

31. Mr. SEYDOUX (France) explained that his delegation simply wanted the financial statement to be drawn up as soon as possible; as it had no intention whatsoever of extending the proposed deadline and even less of increasing the expenses of the United Nations, it saw no objection to the change in date proposed by the representative of the Secretary-General.

32. The CHAIRMAN invited the Committee to note that, in operative paragraph 4 (b) of the revised draft resolution, the words "31 October 1965" should read "30 September 1965".

33. Dr. COIGNEY (World Health Organization) said that the Director-General of WHO had asked him to inform the Committee of WHO's interest in the draft resolution submitted by France and particularly in the third preambular paragraph, in which it was recalled that, under Article 17, paragraph 3, of the Charter, the General Assembly examined the administrative budgets of the specialized agencies with a view to making recommendations to them, and in which it was made clear that that examination should

not encroach on the autonomy of the specialized agencies. The World Health Assembly and the Executive Board of WHO had always given their most serious attention to the consultations in the Administrative Committee on Co-ordination and to the recommendations formulated by the Economic and Social Council, the General Assembly and the Advisory Committee on Administrative and Budgetary Questions. The World Health Organization would study the resolution that might be adopted by the General Assembly in the spirit of co-operation that it had always displayed during almost twenty years of working together. It was in that spirit that the Director-General would report to the Executive Board and to the World Health Assembly and would suggest that they should co-operate in the proposed study, with due regard to the Constitution of WHO.

34. Mr. ORR (Food and Agriculture Organization) stated on behalf of the Director-General of FAO that the position of his organization was similar to that of WHO in respect of the provisions of its agreement with the United Nations and its budgetary procedures. The Director-General of FAO would be in a position to inform the Conference of FAO, before the current session ended on 10 December 1965 of the action taken by the Fifth Committee and would be able to obtain its guidance with respect to the co-operation requested in the operative paragraphs of the draft resolution.

35. Mr. BLAMONT (International Labour Organisation) explained that, in view of the tripartite structure of the International Labour Organisation, where the representatives of employers and labour participated in all decisions, including budgetary decisions, he would for the time being have to reserve the position of the Governing Body of the International Labour Office with respect to the co-operation that the International Labour Organization was asked to provide. The Director-General of the International Labour Office would, however, be glad to draw the Governing Body's attention to the passage in the resolution in which it was stated that the budgets should be drawn up "with the greatest regard to development needs", to the liaison specifically mentioned in the draft resolution between the Ad Hoc Committee and the executive heads of the specialized agencies, and, finally, to the assurances that had been given with respect to the autonomy of the specialized agencies. The ILO would be particularly gratified at such firm and repeated assurances.

36. Mr. WEI (China) pointed out that the revised draft resolution had not yet been translated into Chinese and requested that the vote should therefore be postponed until the following meeting, in accordance with rule 120 of the rules of procedure of the General Assembly.

It was so decided.

AGENDA ITEM 79

Appointments to fill vacancies in the membership of subsidiary bodies of the General Assembly (continued):*

(d) United Nations Administrative Tribunal (A/5955; A/C.5/L.849)

37. The CHAIRMAN drew the Committee's attention to the note by the Secretary-General (A/5955) to the effect that there would be two vacancies in the United Nations Administrative Tribunal on 31 December 1965, as the terms of office of Mr. James W. Barco and The Right Honourable Lord Crook would expire on that date.

38. As the Secretary-General had indicated in another note (A/C.5/L.849), two candidates had been nominated for those vacancies. Members of the Committee were, of course, free to vote for whomsoever they wished, whether or not the persons concerned had been formally nominated. It should also be taken into account that appointments to the Administrative Tribunal were of individuals, not of States. Members of the Committee should therefore vote for two individuals by name. The Committee should also take into account article 3, paragraph 1, of the Statute of the Administrative Tribunal, which provided that no two members of the Tribunal should be nationals of the same State.

39. The procedure to be followed for those elections was laid down in rule 96 of the rules of procedure of the General Assembly.

At the invitation of the Chairman, Mr. Romare (Sweden) and Mr. de Medeiros (Togo) acted as tellers.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	89
<i>Invalid ballots:</i>	0
<i>Number of valid ballots:</i>	89
<i>Abstentions:</i>	3
<i>Number of members voting:</i>	86
<i>Required majority:</i>	44

Number of votes obtained:

The Right Honourable Lord Crook (United Kingdom of Great Britain and Northern Ireland)	83
Mr. Plimpton (United States of America)	82
One other person obtained one vote	1

The Right Honourable Lord Crook (United Kingdom of Great Britain and Northern Ireland) and Mr. Francis T. P. Plimpton (United States of America), having obtained the required majority, the Committee recommended their appointment as members of the United Nations Administrative Tribunal for a three-year term to begin on 1 January 1966.

The meeting rose at 6.10 p.m.

*Resumed from the 1096th meeting.