



Chairman: Mr. Max H. WERSHOF (Canada).

**ADMINISTRATIVE AND FINANCIAL IMPLI-  
CATIONS OF DRAFT RESOLUTION I SUB-  
MITTED BY THE THIRD COMMITTEE IN  
DOCUMENT A/8163 ON AGENDA ITEM 53\*  
(A/C.5/1326)**

1. The CHAIRMAN invited the Committee to consider the note by the Secretary-General (A/C.5/1326) on the administrative and financial implications of draft resolution I submitted by the Third Committee in its report (A/8163, para. 44).
2. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, under the terms of operative paragraph 10 of the draft resolution of the Third Committee, the Secretary-General would be called upon to print and disseminate as widely as possible the special study of racial discrimination in the political, economic, social and cultural spheres prepared by the Special Rapporteur of the Sub-Commission on Prevention of Discrimination and Protection of Minorities.
3. The Secretary-General estimated the cost of printing and wide circulation—7,800 copies—of the Special Rapporteur's study in English, Spanish, French and Russian at \$14,800. The Advisory Committee concurred in that amount and recommended that the Fifth Committee should inform the General Assembly that the adoption of the draft resolution in question would entail an additional appropriation of \$14,800 under section 11 of the budget estimates for the financial year 1971.
4. The CHAIRMAN suggested that the Committee should request the Rapporteur to report to the General Assembly directly that the adoption of the draft resolution of the Third Committee would entail additional expenditure in the amount of \$14,800, and that therefore an additional appropriation of \$14,800 should be provided under section 11 of the budget estimates for the financial year 1971.

*It was so decided.*

\* Elimination of all forms of racial discrimination:

(a) International Year for Action to Combat Racism and Racial Discrimination: report of the Secretary-General;

(b) Measures for effectively combating racial discrimination and the policies of *apartheid* and segregation in southern Africa: report of the Secretary-General;

(c) Report of the Committee on the Elimination of Racial Discrimination, submitted under article 9 of the International Convention on the Elimination of All Forms of Racial Discrimination;

(d) Status of the International Convention on the Elimination of All Forms of Racial Discrimination: report of the Secretary-General.

**ADMINISTRATIVE AND FINANCIAL IMPLI-  
CATIONS OF DRAFT RESOLUTION II SUB-  
MITTED BY THE SECOND COMMITTEE IN  
DOCUMENT A/8169 ON AGENDA ITEM 38\*\*  
(A/C.5/1377)**

5. The CHAIRMAN invited the Committee to consider the note by the Secretary-General (A/C.5/1327) on the administrative and financial implications of draft resolution II submitted by the Second Committee in its report (A/8169, para. 15).
6. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the note by the Secretary-General. Under the terms of operative paragraph 1 of the draft resolution of the Second Committee, the General Assembly would decide to convene a Special International Conference of the United Nations Industrial Development Organization at the highest possible level of governmental representation, to be held in Vienna from 1 to 8 June 1971, following the fifth session of the Industrial Development Board. The Advisory Committee noted that, in accordance with a recommendation by the Executive Director of UNIDO as contained in paragraph 5 of document A/8073,<sup>1</sup> the Special International Conference would replace the second week of the session of the Board, whose sessions normally lasted two weeks.
7. On the basis of those arrangements, the Secretary-General estimated the additional costs resulting from the convening of the Special International Conference at \$17,000, comprising \$10,000 for the translation, typing, reproduction and distribution of approximately 200 pages of pre-session documentation, \$2,000 for travel and subsistence costs in respect of one meeting in 1971 of the Advisory Committee for the Special Conference, which had been instituted in implementation of paragraph 7 of resolution 29 (IV) of the Industrial Development Board,<sup>2</sup> \$3,000 for additional conference staff and \$2,000 for general expenses. The Secretary-General indicated that he would endeavour to absorb those additional costs from within the total appropriation under section 16 of the budget for 1971.

8. In paragraph 314 of its first report (A/8008) on the budget estimates for 1971, the Advisory Committee

\*\* United Nations Industrial Development Organization:

(a) Report of the Industrial Development Board;

(b) Confirmation of the appointment of the Executive Director.

<sup>1</sup> See *Official Records of the General Assembly, Twenty-fifth Session, Annexes*, agenda item 38.

<sup>2</sup> *Ibid.*, *Twenty-fifth Session, Supplement No. 16*, annex III.

had expressed the belief that the Executive Director of UNIDO should make an effort to absorb if possible the additional cost entailed by the Special Conference—then estimated at \$31,000—within the appropriation for section 16, without having recourse to a revised estimate. In the circumstances, the Fifth Committee might wish to inform the General Assembly that adoption of the draft resolution of the Second Committee would not necessitate any additional appropriation under section 16 of the budget estimates for the year 1971.

9. The CHAIRMAN suggested that the Committee should ask the Rapporteur to report directly to the General Assembly that the adoption of the draft resolution of the Second Committee would entail additional costs in the amount of \$17,000, but that the Fifth Committee recommended that those costs should be absorbed within the appropriation made under section 16 for 1971.

*It was so decided.*

### AGENDA ITEM 73

**Budget estimates for the financial year 1971**  
(*continued*) (A/7822, A/7937, A/7968, A/7987 and Add.1, A/8006, A/8008 and Add.1 to 3, A/8032, A/8033, A/8072, A/8122, A/8133, A/C.5/1296, A/C.5/1298, A/C.5/1302 and Corr.1, A/C.5/1303, A/C.5/1305, A/C.5/1307, A/C.5/1309, A/C.5/1310, A/C.5/1315, A/C.5/1317, A/C.5/1319, A/C.5/1320, A/C.5/1322 and Corr.1, A/C.5/1329, A/C.5/L.1041, A/C.5/XXV/CRP.4, A/C.5/XXV/CRP.5/Rev.1)

**Electronic data processing in the United Nations family of organizations (concluded)** (A/8008 and Add.2, A/8072, A/C.5/1305, A/C.5/XXV/CRP.4, A/C.5/XXV/CRP.6/Rev.1)

10. The CHAIRMAN drew the Committee's attention to document A/C.5/XXV/CRP.6/Rev.1 which contained the revised text of the paragraph proposed by the delegation of the Union of Soviet Socialist Republics for inclusion in the report of the Fifth Committee.

11. He said that if there were no objections, he would take it that the Committee agreed to include the text in question in its report.

*It was so decided.*<sup>3</sup>

12. Mr. STARK (Under-Secretary-General for Administration and Management), replying to a question put at the previous meeting by the representative of the Soviet Union, said that the International Computing Centre at New York, which was part of the Statistical Office, consisted of thirty-eight staff members from fourteen countries, while the Statistical Office itself was composed of ninety-six staff members from thirty-four countries. He read out a table showing

<sup>3</sup> See A/8099, para. 52.

the geographical distribution of the staff of the Statistical Office and of the International Computing Centre. He noted that the figures for the Centre included temporary staff, extra-budgetary personnel and trainees. He also said that staff recruitment in WHO was governed by article 35 of its Constitution, which provided that:

“The Director-General shall appoint the staff of the Secretariat in accordance with staff regulations established by the Health Assembly. The paramount consideration in the employment of the staff shall be to assure that the efficiency, integrity and internationally representative character of the Secretariat shall be maintained at the highest level. Due regard shall be paid also to the importance of recruiting the staff on as wide a geographical basis as possible”.

13. The CHAIRMAN suggested that the Fifth Committee should approve the recommendations of the Advisory Committee on Administrative and Budgetary Questions in paragraphs 37-40 of its report (A/8008/Add.2), which would involve submitting a revised budget estimate, as indicated in paragraph 41 of that report.

14. He said that if there were no objections, he would take it that the Committee approved the Advisory Committee's recommendations as well as the revised budget estimate in question.

*It was so decided.*

**First reading (continued) \***  
(A/C.5/L.1041)

SECTION 15. UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT  
(*continued*)\* (A/8006, A/8008)

15. Mr. TURNER (Controller) said that he understood the reasons which had led the representative of India to ask the Committee (1382nd meeting) to reject the recommendation made by the Advisory Committee on Administrative and Budgetary Questions in paragraph 307 of its report (A/8008) for a \$50,000 reduction in the budget of the International Trade Centre. He also acknowledged that that paragraph might give the impression that the reduction recommended was directly linked to the fact that, owing to the generosity of certain Member States, extra-budgetary resources were available to the International Trade Centre. However, he recalled that the Chairman of the Advisory Committee, at the 1382nd meeting, had stated clearly that there was no such link. The Advisory Committee had based its recommendation solely on the fact that in its opinion a 10 per cent increase in the regular staff of the Centre was reasonable and adequate for a one-year period. He emphasized that neither the Secretary-General of the United Nations nor the Secretary-General of UNCTAD, nor the Director-General of GATT had expressed reservations about the Advisory Committee's recommendation.

\* Resumed from the 1382nd meeting.

16. Mr. BANNIER (Chairman of the Advisory Committee for Administrative and Budgetary Questions) said that he would like to dispel the misunderstandings which had arisen at the Committee's 1381st meeting during the discussion of section 15 of the budget estimates, and particularly concerning chapter XII relating to UNCTAD's contribution to the regular budget of the International Trade Centre. If the Advisory Committee's recommendation was applied, the Centre's regular budget would still amount to \$1,336,400, or \$156,400 more than in 1970. Almost half of that increase was accounted for by an expansion in the programme. In other words, it could not be said that the Advisory Committee was recommending a reduction in the Centre's approved programmes.

17. Secondly, in stating in paragraph 307 of its report that substantial extra-budgetary resources were available to the International Trade Centre, the Advisory Committee was in no way suggesting that the Centre's budget should be reduced merely because some Governments made voluntary contributions to the Centre. The Advisory Committee was merely trying to say that the growth rate of the regular budget should be considered in the light of all the resources available to the Centre. With regard to the Centre's travel costs, for instance, time and money could be saved by arranging trips so as to include extra stops in a proposed itinerary, or to request an official visiting a particular country to study various additional questions. Similarly, with regard to the staff, officials whose salaries were charged to non-regular funds often performed the same work and were completely interchangeable, which meant that when an employee whose salary came out of voluntary contributions performed a particular task, it was not always necessary to employ another official whose salary was charged to the regular budget.

18. Finally, he emphasized the difficulties of distributing expenditure so as to produce optimum results. The purpose of the Advisory Committee's recommendation was to ensure that Member States' contributions to the regular budget were put to the best possible use and were not used for projects of secondary importance.

19. It was for those reasons that the Advisory Committee had stated in paragraph 304 of its report that it was convinced that the essential work of the Centre could proceed with a smaller establishment than that requested for 1971. The Advisory Committee was in no way seeking to reduce the Centre's activities; in any event, it was not the only body to recommend or accept a \$50,000 reduction in the Centre's regular budget—the Committee on Budget, Finance and Administration of GATT had also made a recommendation to that effect.

20. Mr. BOUZARBIA (Algeria) said that his delegation had followed with interest the statement made by the Secretary-General of UNCTAD to the Fifth Committee (1380th meeting, which had emphasized the importance of the work carried out by UNCTAD during the past year and the magnitude of the task still

to be done. His delegation was pleased at the prospect that the International Trade Centre would undertake an extended programme of technical assistance, but was concerned at the poor results achieved in certain areas and the delays in organizing an intergovernmental group on the transfer of technology, including know-how and patents, or the improvement of the generalized system of preferences. In that connexion, he recalled that the resolution relating to the establishment of an intergovernmental group on the transfer of technology had been approved unanimously at the tenth session of the Trade and Development Board in September 1970, with only one State from the group of developed countries with market economies expressing reservations.

21. His delegation was astonished at the low percentage increase in the UNCTAD budget for 1971 in real terms, especially in view of its increased work programme for the year, and it urged that the priorities which had been set by the Trade and Development Board at its tenth session should not be sacrificed. His delegation wished to re-emphasize the importance and urgency for developing countries of the rational utilization of the technical assistance supplied by the International Trade Centre; in its view, the needs of those countries should be met by a normal increase in the UNCTAD budget.

22. His delegation endorsed the remark made by the French delegation at the 1382nd meeting to the effect that the financial activities of the International Trade Centre should be controlled by a financial organ whose terms of reference and composition would be determined according to the balance of its membership from the point of view both of contributions, the distribution of functions and related questions.

23. He expressed the hope that the General Assembly would take into account the priority questions mentioned in the report of the Secretary-General of UNCTAD, in particular, the establishment of the intergovernmental group for the transfer of technology. Delay in implementing the transfer of technology could only hold back the development of the developing countries; one instance was the technical and economic aspects of the peaceful uses of the sea-bed and the ocean floor beyond the limits of national jurisdiction, which was likely to become another one of those on the long list of areas of knowledge which were scarcely accessible to the developing countries, or even beyond their reach.

24. Mr. VAN VLOTEN (Netherlands) said that if the proposal made by the representative of India at the 1382nd meeting were put to the vote, he would be compelled to vote against it as, in his opinion, it had no really valid basis. The reduction in the budget for the International Trade Centre recommended by the Advisory Committee seemed perfectly reasonable and well motivated. It had been agreed by the Secretary-General of the United Nations, the Secretary-General of UNCTAD and the Director-General of GATT and should in no way affect the further development of the activities of the Centre,

to which the Government of the Netherlands attached great importance. Furthermore, the countries which the representative of India had rightly praised were not the only ones to give support to the International Trade Centre.

25. Mr. CLELAND (Ghana) said that his delegation wished to associate itself with the delegations of Ceylon, Sweden, Chile, Guyana and India which had expressed regret at the cuts in the UNCTAD estimates. While his delegation, too, was against the rising trend in administrative costs and in favour of a more efficient utilization of existing staff, it supported the expansion of activities and approved the attendant rising cost in organizations whose raison d'être was the promotion of development. Certain great Powers were opposed to the growth in activities and the increase in administrative costs of UNCTAD on the grounds that the Secretary-General of the United Nations had given an undertaking to maintain in 1971 the level of staff approved for 1970. His delegation understood that to mean that the Secretary-General did not intend to rule out any increase in the expenses of the various organs of the United Nations, but rather to avoid such increases in unproductive organs.

26. UNCTAD had been created in response to the growing frustration of the developing countries following the steady drop in the prices of certain primary products on which their foreign earnings depended. The little that remained of foreign aid was also largely absorbed in the amortization and servicing of external loans. The need was therefore felt for an organization that would promote the export of the primary products of developing countries and thereby assist the economic growth of the third world. All countries must help to reduce the tensions created by that frustration and UNCTAD must not be deprived of the resources it needed to carry out its difficult task. For an organization with such heavy responsibilities, there was only a 0.2 per cent increase in established posts. Like the delegation of Guyana, his delegation was disappointed by the attitude of the Advisory Committee, which sometimes seemed too ready to recommend additional cuts. UNCTAD's needs had been determined after careful study by the Administrative Management Service. His delegation recognized that the recommendations of that Service were not final, but, like the delegation of Guyana, it felt that when the Advisory Committee did not agree with the conclusions of the Administrative Management Service, it should explain the reasons for its disagreement.

27. He wondered what were the reasons that had led the Advisory Committee to recommend a reduction of one post in the Division for Invisibles and one in the Division for Trade with Socialist Countries. The Division for Invisibles collated data and prepared studies on shipping, insurance and tourism and serviced the Committee on Shipping. The Division for Trade with Socialist Countries collected information and promoted studies aimed at advancing trade between socialist countries and the rest of the world. Many developing countries would like to increase their trade contacts with the socialist countries, not only to improve mutual understanding but also to remedy

situations where, for historical reasons, their trade was limited to certain geographical areas. His delegation would like to know whether those Divisions had attained their objectives, with the result that they could bear a reduction in staff, or whether their activities duplicated those of others.

28. His delegation also rejected the specious argument that the proposed increase in staffing resources for the International Trade Centre might encourage the Centre to engage in work of lower priority. Relating as it did to an organization with the difficult task of promoting the trade interests of over ninety developing countries, the Advisory Committee's statement was quite astonishing.

29. The Secretary-General of UNCTAD had referred in his statement at the 1380th meeting to the renegotiation being conducted in respect of tin. In that connexion, it was noteworthy that Ghana produced at least one third of the global output of cocoa and that the sale of it accounted for at least 60 per cent of the country's foreign earnings. Unfortunately the fluctuations in the world price of cocoa did not permit any long-term planning and had an injurious effect on both consumers and producers since the fluctuations did not encourage farmers to remain in the occupation. It was therefore necessary to continue to negotiate for a decent price and to ensure that UNCTAD was not prevented from dealing with such priority questions by a further reduction in its funds which, in terms of UNCTAD's responsibilities, were already inadequate.

30. Mr. LAWRENCE (United States of America) said that he was unable to support the Indian proposal. The Advisory Committee had in fact studied the budget of the International Trade Centre in depth during its visit to Geneva and had come to the conclusion that the \$50,000 reduction it recommended would not be detrimental to the work of the Centre. Nothing that had been said in the Fifth Committee's discussion gave grounds for questioning the validity of that conclusion. In addition, as had been pointed out by the Under-Secretary-General for Administration and Management, neither the Secretary-General of the United Nations nor the Secretary-General of UNCTAD nor the Director-General of GATT had taken issue with the Advisory Committee's recommendation. His delegation would therefore be compelled to vote against the Indian proposal if it were put to the vote.

31. In reply to a comment made by the representative of Chile at the 1382nd meeting on the position taken by the United States Government concerning the transfer of technology when that question was being considered by the Trade and Development Board, he wished to state that his Government had never attempted to deny the importance of the question and had never indicated any lessening of its interest in the economic development of developing countries.

32. Mr. MARTINEZ (Venezuela) agreed with the position taken by the representative of Chile regarding the creation of an intergovernmental group on the

transfer of technology and thought that the cut proposed under section 15 would be detrimental to UNCTAD's work.

33. Mr. HANSEN (Denmark) agreed with the representative of Sweden (1382nd meeting) that the availability of contributions could not justify the \$50,000 reduction recommended by the Advisory Committee. His doubts had, however, been partially dispelled by the statements made by the Controller and by the Chairman of the Advisory Committee. In view of the latter's explanation, he trusted that the linking of voluntary contributions and the proposed reduction in paragraph 307 of the Advisory Committee's report was an unfortunate formulation and did not reflect a direct causal relationship. He hoped that the Advisory Committee's report on the budget estimates for the following year would clear up any misconceptions in that respect.

34. Denmark's contributions to the Centre were proof of the interest which it had in its work. His delegation attached considerable importance to the assurances given by the Chairman of the Advisory Committee and by the Controller to the effect that the proposed reductions would not affect the work programme of the Centre. It would accordingly abstain if the Indian proposal was put to the vote.

35. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) wished to make it clear that the reduction in UNCTAD secretariat posts referred to in paragraph 282 of the report of the Advisory Committee had not been proposed by the Committee, as the representative of Ghana seemed to believe but by the Secretary-General himself on the recommendation of the Administrative Management Service. With regard to the staff requested for the International Trade Centre, the Advisory Committee was convinced that it should be possible to effect a reduction without detriment to the Centre's work, by eliminating the duplication which arose because the Centre's staff was financed from various sources.

36. Mr. GUPTA (India) said that by automatically endorsing all of the Advisory Committee's recommendations the Fifth Committee would not be fulfilling its task and would make a useless ritual out of the annual consideration of the budget estimates. However, in the present matter his doubts had been partly dispelled by the explanations given by the Controller and by the Chairman of the Advisory Committee. His delegation therefore withdrew its proposal, but reserved the right during the second reading of section 15 to revert to the question of the reductions in the UNCTAD estimates recommended by the Advisory Committee and to submit a formal proposal.

37. The CHAIRMAN invited the Committee to vote separately on the appropriations recommended by the Advisory Committee (A/8008, para. 308) for chapter I (Sessions of the Conference), chapter III (Salaries and wages), and chapter V (Travel of staff) of section 15, in accordance with the request of the delegation of the Union of Soviet Socialist Republics.

*An appropriation of \$1,057,000 for chapter I was approved in first reading by 71 votes to none, with 7 abstentions.*

*An appropriation of \$4,070,000 for chapter III was approved in first reading by 71 votes to 7, with 2 abstentions.*

*An appropriation of \$200,000 for chapter V was approved in first reading by 75 votes to none, with 7 abstentions.*

38. Mr. YOGASUNDRAM (Ceylon) requested that the appropriation recommended by the Advisory Committee (*ibid.*) for chapter XII (International Trade Centre) be put to the vote separately.

*At the request of the representative of Ceylon, the vote was taken by roll-call.*

*Liberia, having been drawn by lot by the Chairman, was called upon to vote first.*

*In favour:* Libya, Malaysia, Mali, Mexico, Morocco, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, People's Republic of the Congo, Philippines, Poland, Senegal, Sierra Leone, South Africa, Spain, Sudan, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Yemen, Algeria, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Canada, Central African Republic, China, Colombia, Congo (Democratic Republic of), Cuba, Czechoslovakia, France, Gabon, Greece, Guatemala, Guinea, Hungary, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Japan, Jordan, Kuwait, Lebanon.

*Against:* Yugoslavia, Zambia.

*Abstaining:* Liberia, Norway, Romania, Sweden, Trinidad and Tobago, Uganda, Upper Volta, Venezuela, Ceylon, Chad, Chile, Dahomey, Denmark, Ethiopia, Finland, Ghana, Guyana, India, Indonesia, Kenya.

*An appropriation in the amount of \$650,800 under chapter XII was approved in first reading by 61 votes to 2, with 20 abstentions.*

39. The CHAIRMAN invited the Committee to vote on the recommendation of the Advisory Committee concerning section 15 as a whole.

*The recommendation of the Advisory Committee (A/8008, para. 308) for an appropriation in the amount of \$10,431,800 under section 15 was approved in first reading by 81 votes to none, with 4 abstentions.*

40. Mr. GUPTA (India) said that his delegation had abstained in the vote on chapters III and XII and on section 15 as a whole because it attached the greatest

importance to UNCTAD's activities and was opposed to any reduction in its budget.

41. Mr. STOBY (Guyana) said that he had abstained in the vote on chapters III and XII as well as on section 15 as a whole because he disapproved of the Advisory Committee's attitude to the Administrative Management Service's recommendations. He felt that the reduction recommended in chapter XII was unwarranted, and he agreed with the Indian representative that the Fifth Committee could not justify its existence if it was satisfied merely to endorse each year the reductions recommended by the Advisory Committee. Moreover, if those reductions were warranted it should be concluded that the budget estimates had been improperly drawn up or deliberately inflated. The Advisory Committee's recommendations ought to be considered on their merits, and it was wrong to think, as did certain delegations, that any criticism of the recommendations cast a reflection on the Advisory Committee.

42. Mr. PAJARI (Finland) said that in abstaining in the vote on chapter XII, together with the other Scandinavian delegations, his delegation had wished to express its reservations about the argument presented by the Advisory Committee in paragraph 307 of its report in support of a reduction in the estimates for the International Trade Centre. However, he had noted the explanations given by the Chairman of the Advisory Committee to the Swedish representative, and he hoped that the reduction would be applied in such a way that it would not prejudice the Centre's work.

43. Mr. ROBERTS (Canada) said that he had supported the Advisory Committee's recommendations because he was convinced that the reduction would not affect the work of UNCTAD and the International Trade Centre.

44. Mr. KHALIL (United Arab Republic) said that he had voted in favour of the chapters put to the vote separately and section 15 as a whole although he was not completely satisfied with the reductions recommended by the Advisory Committee. In particular, he was not entirely convinced by the reasons given in the Advisory Committee's report to justify the reduction recommended in chapter XII.

45. Mr. CLELAND (Ghana) said that he had abstained in the vote on chapter XII because he believed that the International Trade Centre played a very important role and that its budget should not be reduced.

46. Mr. FAROOQ (Pakistan) said that he had voted in favour of section 15 as a whole because the Chairman of the Advisory Committee had assured the Committee that the recommended reduction in the estimate would not be detrimental to the work of the Centre.

47. Mr. TODOROV (Bulgaria) said that he had abstained in the vote on chapter I because he saw no reason for appropriating funds for preparations for the third session of the United Nations Conference on Trade and Development if the session was not going

to be held before 1972. He had voted against the appropriation for chapter III because the increase in the number of Professional and higher-level posts provided for under that chapter ran counter to the Secretary-General's pledge to maintain in 1971 the level of staff approved for 1970. He had voted in favour of section 15 as a whole because he felt that UNCTAD's work was most useful.

48. Mr. DAO (Mali) said that he had voted in favour of the appropriation for section 15 as a whole although he felt that the Advisory Committee should not reduce UNCTAD's budget.

49. Mr. REFSHAL (Norway) said that his delegation had abstained in the vote on chapter XII, as had the other Scandinavian delegations, because it took a very keen interest in the International Trade Centre, which it regarded as a practical and relatively inexpensive means of helping the developing countries to help themselves. He pointed out that the contributions of his country and the other Nordic countries to the Centre were intended as additions to the budget appropriations and not as contributions to relieve the burden on the Centre's budget. His delegation would also have abstained, together with the Danish delegation, if the Indian proposal had been put to the vote, since the Committee on Budget, Finance and Administration of GATT had approved the Advisory Committee's recommendation, and so as not to hinder the operation of the budget machinery. However, it would have been strongly tempted to vote in favour of that proposal, whose intentions it approved, and it reserved its position on the question for the future.

50. Mr. GARRIDO (Philippines) said that he attached great importance to the International Trade Centre and would have voted in favour of the Indian proposal if it had been put to the vote. However, after listening to the explanations given by the Controller and the Chairman of the Advisory Committee, his delegation had voted in favour of the appropriation recommended for section 15.

51. Mr. TARASOV (Union of Soviet Socialist Republics) said that he had voted against the appropriation requested under chapter III because he believed that the creation of the new posts proposed in that chapter was contrary to the Secretary-General's undertaking to maintain in 1971 the establishment approved for 1970. He objected to the tendency to increase the number of temporary posts and to convert them automatically the following year into established posts. He had voted for section 15 as a whole because his Government supported the activities of UNCTAD.

52. Miss FORCIGNANO (Italy) said that the reason her delegation had voted for the reduction recommended in chapter XII was that it felt that the reduction in question would not affect the work of the International Trade Centre and not that it regarded the Advisory Committee's recommendations as sacrosanct.

53. Mrs. HERLITZ (Israel) said that she had voted for the appropriation requested under section 15

because her delegation attached great importance to the work of UNCTAD. It hoped that UNCTAD's budget would increase in the future and enable it to extend the field of its activities.

54. Mr. GONTHA (Indonesia) said that he had abstained in the vote on chapter XII because he shared the misgivings of the representative of Ceylon about the reduction proposed in that chapter and he had not found the Advisory Committee's arguments convincing. In his view, the activities of the International Trade Centre were extremely beneficial to the developing countries, and he thanked the Scandinavian countries for their generous contributions.

55. Mr. HENČIĆ (Yugoslavia) said that he had voted for section 15 as a whole, but had voted against the appropriation requested under chapter XII because he was not convinced that the appropriation was sufficient to ensure the expansion of the International Trade Centre's activities in 1971.

56. Mr. SANU (Nigeria) said that he had voted for the appropriation requested under chapter XII because he believed that any unilateral attempt to reject the Advisory Committee's recommendation might hamper the functioning of the budgetary machinery. He also thought that it was perhaps necessary, as the Advisory Committee had said, to stabilize the establishment of the Centre, which had more than doubled since 1968.

57. Mr. TABOR (Upper Volta) said that he had abstained in the vote on chapter XII because he was opposed to the reduction recommended in that chapter by the Advisory Committee and believed that everything possible should be done to enable UNCTAD and, in particular, the International Trade Centre, to play their full role.

#### AGENDA ITEM 79

**Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency: reports of the Advisory Committee on Administrative and Budgetary Questions (*continued*) \* (A/7938, A/8031, A/8131, A/C.5/XXV/CRP.5)**

***Report of the Secretary-General on bodies and organs established for purposes of administrative and budgetary control, investigation and co-ordination (concluded) \* (A/7938, A/8131, A/C.5/XXV/CRP.5)***

58. Mr. GONTHA (Indonesia) said that his delegation found extremely useful the detailed information provided in the Secretary-General's report (A/7938) on the terms of reference of the various bodies and organs studied, their annual expenditure and their procedures and functioning. A report of that nature was of great value to the Committee. As the representative of Pakistan had pointed out (1381st meeting), the activities of those organs were costing the Organization nearly \$7 million annually, and in his opinion the Com-

mittee would be remiss if it merely praised the report and treated it as simply a catalogue of the bodies and organs established for purposes of control, investigation and co-ordination. The magnitude of the sums spent on those activities made it obligatory not to permit the relevant information assembled in the Secretary-General's report to be disregarded. It was that thought which had inspired the sponsors of the text (A/C.5/XXV/CRP.5) proposed to the Committee for inclusion in its report and whose purpose was to ensure that the information in question would be brought to the attention of the interested parties and used by the competent organs. His delegation felt that the adoption of the proposal would be a means of bringing nearer a solution of the administrative, budgetary and financial problems of the Organization.

59. Mr. GARRIDO (Philippines) said that the proliferation of programmes causing duplication and the resulting waste of resources made it urgently necessary to improve the co-ordination of activities both within the United Nations and between the Organization and the bodies attached to it. Co-ordination between the United Nations and the other bodies was the responsibility of the General Assembly and of the Economic and Social Council, and the latter should, in view of the expansion of its activities in the economic and social fields, be given wider powers in the exercise of that function.

60. His delegation believed that the investigative organs, such as the Committee for Programme and Co-ordination, the Advisory Committee on Co-ordination, the Advisory Committee on Administrative and Budgetary Questions and the Joint Inspection Unit, had the necessary powers to discharge the tasks entrusted to them. The responsibilities of each of those organs should, however, be defined more clearly, not only in order to safeguard their independence but also in the interests of better co-ordination of decisions relating to the programmes and budgets of the various organizations. That concern was reflected in the terms of reference of each of those organs, as could be seen from the Secretary-General's report.

61. The Administrative Committee on Co-ordination and the Committee for Programme and Co-ordination had very specific functions which were defined in their terms of reference. They should continue their joint meetings for the purpose of identifying and specifying the fields in which each could pursue its efforts to prevent overlapping and duplication and to define the role of each of the intergovernmental and inter-agency organs. The fact that ACC and CPC had complementary roles must not relieve them of the duty to identify clearly their respective functions. It would also be advisable for CPC and the Joint Inspection Unit to have periodic consultations for the purpose of discussing the problems coming within their sphere of competence. Furthermore, it was important to go on evaluating the recommendations of the former Enlarged Committee for Programme and Co-ordination, particularly with regard to co-ordination at the country and regional levels.

\*Resumed from the 1381st meeting.

62. In its thirty-fifth report<sup>4</sup> to the Economic and Social Council, ACC pointed out that the expansion of international activities entailing the intervention of the specialized agencies made it necessary to improve inter-agency co-ordination machinery. Measures directed to that end would have to be taken at the intergovernmental level if that expansion of activities was maintained in the 1970s. His delegation believed that any steps which ACC might take should not be aimed solely at preventing duplication but should also relate to technical co-operation and to other substantive activities. ACC and the Office for Inter-Agency Affairs should therefore continue to maintain liaison, *inter alia*, with UNDP.

63. In that connexion, he would also like to be informed whether the specialized agencies had taken action on resolution 2190 A (XXI), in which the General Assembly recommended that they should apply methods of assessment similar to those of the United Nations, and, if so, what action had been taken. Member States should be informed of the progress made towards harmonizing the scales of contributions of the various United Nations bodies in view of the growing size of the budgets of the specialized agencies.

64. He believed that the relevant paragraph which his delegation had joined in proposing for inclusion in the Committee's report reflected the position which the Committee should take regarding the Secretary-General's report on that question (A/7938) and regarding the relevant report of the Advisory Committee (A/8131).

65. Mr. NAUDY (France) said that his delegation found the information provided by the Secretary-General in his report highly interesting and remarkably clear. That information should now be used by the competent organs for a systematic examination of the questions relating to administrative and budgetary control, investigation and co-ordination. It was to ensure that that would be done that the Brazilian and other delegations had submitted the text of the paragraph now before the Committee, which, in the view of his delegation, expressed a concern that should be taken into consideration and reflected in the Committee's report.

66. Mr. IWANAMI (Japan) said that his delegation would support the paragraph proposed by the Brazilian representative, on behalf of seven countries, for inclusion in the Fifth Committee's report; like the authors of the text, his delegation felt that the information in the Secretary-General's report was most valuable and should be put to the fullest possible use by Governments and by the organizations concerned.

67. With regard to the Secretary-General's report, his delegation had studied with particular interest the table at the end of the first part, dealing with the United Nations, and showing for each body and Unit concerned the annual expenditures for 1965-1969 and the

<sup>4</sup> Official Records of the Economic and Social Council, Forty-seventh Session, Annexes, agenda item 18, documents E/4668 and Add.1.

manpower outlay in 1969. In 1969, the expenditure of those bodies and organs had amounted to \$2,499,000, a figure which was twice that for 1965. Although his delegation regarded some increase in total expenditure as justified in view of the addition between 1965 and 1969 of three new organs to the seven which had already existed, it could not help feeling some concern about the fact that the growth rate of that expenditure exceeded by far the growth rate of the regular budget itself, which had been 46 per cent for the same period. His delegation noted that the proportion of the regular budget accounted for by the expenditure in question had grown during that period from 1.12 per cent to 1.59 per cent. Such a rapid increase could not but cause some concern, particularly since it related to organs whose function was precisely that of ensuring the most rational possible utilization of the manpower and financial resources of the Organization. His delegation earnestly hoped that those organs would find the means of carrying out their important duties as effectively and economically as possible.

68. The CHAIRMAN said that if he heard no objection, he would take it that that Committee adopted the text submitted to it in document A/C.5/XXV/CRP.5 and approved its inclusion in the Committee's report on the question.

*It was so decided.*

#### AGENDA ITEM 80

**Implementation of the recommendations of the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies (*continued*) \* (A/7968, A/7987 and Add.1, A/7999 and Add.1, A/8033, A/8128, A/8139, A/C.5/1299, A/C.5/1304 and Corr.1):**

- (a) **Report of the Secretary-General (*continued*) (A/7999 and Add.1);**
- (b) **Report of the Advisory Committee on Administrative and Budgetary Questions (*continued*) (A/8139)**

69. The CHAIRMAN invited the Committee to consider the Secretary-General's report on the implementation of the recommendations of the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies (A/7999 and Add.1) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/8139).

70. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that, at its twenty-third session, the General Assembly in its resolution 2475 A (XXIII) had requested the Secretary-General, in his capacity as chief administrative officer of the United Nations and as Chairman of the Administrative Committee on Co-ordination, to submit to it at its twenty-fifth session a detailed report indicating the extent of progress made

\* Resumed from the 1381st meeting.



by each of the agencies, including the United Nations and IAEA, in implementing the recommendations of the *Ad Hoc* Committee and, when applicable, the reasons for non-implementation.

71. The Secretary-General had taken into account, in preparing the report which he was submitting to the Committee, the comments made by the Advisory Committee<sup>5</sup> on the manner of presentation of his previous report on the question.<sup>6</sup> The Advisory Committee had nevertheless found the report submitted at the present session a difficult working document in that it limited itself in the main to arranging the organization's separate submissions in a logical order and ventured little critical assessment of the situation. The Advisory Committee appreciated, however, that the nature of the *Ad Hoc* Committee's recommendations and differences of interpretation by different organizations made it difficult to arrive at objective conclusions. The Advisory Committee had not felt that it was in a position to draw over-all conclusions.

72. The Advisory Committee had considered the Secretary-General's suggestion in paragraph 4 of his report that the General Assembly might examine the need for further reports of that kind under the present agenda item, since those of the *Ad Hoc* Committee's recommendations which still had to be implemented were likely to give rise to proposals before the Assembly and other bodies under other items. The Committee regarded that as a timely suggestion. If the General Assembly should decide to dispense with such reports, there would remain the need for some continuing critical review of the implementation of the recommendations of the *Ad Hoc* Committee, particularly in matters of inter-agency co-ordination. It was the intention of the Advisory Committee to continue to take an active interest in such areas and to report on them in its annual reports on administrative and budgetary co-ordination.

73. Mr. NAUDY (France) said that, while recognizing the value of the information in the Secretary-General's report, his delegation would have preferred it if the document had not been purely analytical but had contained conclusions of a more general nature. It shared the view of the Advisory Committee in that regard.

74. His delegation wondered whether it was really desirable to discontinue the practice of submitting to the General Assembly reports on the implementation of the *Ad Hoc* Committee's recommendations. It recognized that a report like the one before the Committee was perhaps not very useful because of its form. He thought, however, that a report which sought to make a critical review of the implementation of the recommendations, i.e. which, after indicating the progress made during the period under consideration, sought to assess its extent and significance, would be of great value for the Assembly, which needed to be kept informed of the evolution of the situation. In that con-

<sup>5</sup> See *Official Records of the General Assembly, Twenty-third Session, Annexes, agenda item 80, document A/7323.*

<sup>6</sup> *Ibid.*, addendum to agenda item 80, documents A/7124 and Add.1.

nexion, his delegation noted the Advisory Committee's intention to continue to take an active interest in the question.

75. Mr. SERBANESCU (Romania) said that it appeared from the reports by the Secretary-General and the Advisory Committee that United Nations organs had, on the whole, made an effort to speed up the process of implementing the *Ad Hoc* Committee's recommendations concerning them, thus showing that they correctly understood the aims of those recommendations. However, some recommendations on complex questions were apparently still being examined by the deliberative bodies of the various organizations. That was quite proper in view of the autonomy which those bodies enjoyed, but his delegation hoped that they would not continue their examination indefinitely and that the recommendations would not be filed away and forgotten. He suspected that they would be in all the more danger of being forgotten if the practice of reporting regularly to the General Assembly on their implementation was discontinued. He felt that the Committee should take note of that danger when considering the Secretary-General's suggestion, which questioned the need for submitting reports on the implementation of the *Ad Hoc* Committee's recommendations to the General Assembly.

76. Referring to the assurances given by the Advisory Committee, his delegation noted that body's intention to continue its consideration of the question and to report on it to the General Assembly.

77. Mr. GARRIDO (Philippines) observed that the Secretary-General's report showed that not all the *Ad Hoc* Committee's recommendations had been implemented.

78. His delegation wished to draw the Committee's attention to certain recommendations which appeared likely to contribute to the solution of some of the most serious problems and which the Committee should take into account when it considered the questions to which those recommendations referred. Thus, recommendations 33, 40, 42, 47 and 50,<sup>7</sup> which dealt with the control, streamlining and co-ordination of the meeting and conference programmes, should be considered when the agenda item on the pattern of conferences was taken up. Recommendation 45, concerning the control and limitation of documentation, should be taken into account in connexion with the agenda item relating to the same question. Recommendation 34, which requested the Advisory Committee and the Economic and Social Council to endeavour to identify vital issues for purposes of general co-ordination, was very important to the consideration of the agenda item on administrative and budgetary co-ordination between the United Nations and the organizations affiliated with it.

79. With a view to establishing programme-budgeting, as recommended in the Bertrand report (see A/7822), the various organizations should consider

<sup>7</sup> *Ibid.*, documents A/7124 and Add.1, annex I.

favourably the adoption of a uniform budget layout for purposes of budgetary co-ordination. For the time being, pending further study and final action by the legislative bodies of the various organizations, it was not possible to adopt a uniform budget presentation. However, he would like to see a time-table established for the attainment of that goal. If the organizations decided to work toward reconciling their budget layouts, then recommendation 24 of the *Ad Hoc* Committee on the standardization of financial regulations should be implemented. Pending the formulation of a uniform budget presentation, the various organizations could implement recommendation 5, which

requested each of them to provide, in a special document, a breakdown of its expenditures for the various units included in the budget, particularly those related to the economic and social fields. The specialized agencies could implement that recommendation in preparing the section on administrative and budgetary questions which CPC, at its sixth session,<sup>8</sup> had recommended them to include in their annual report.

*The meeting rose at 1 p.m.*

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<sup>8</sup> See *Official Records of the Economic and Social Council, Forty-ninth Session, Supplement No. 10*, para. 27 (c).