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FOURTH SPECIAL SESSION

**FIFTH COMMITTEE, 984th
MEETING**
(Opening meeting)

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Chairman: Mr. Jan Paul BANNIER
(Netherlands).

OPENING STATEMENT BY THE CHAIRMAN

1. The CHAIRMAN said that he again had the pleasure of occupying the Chair in pursuance of the decision taken the previous day, at the 1203rd plenary meeting of the General Assembly, that the Chairmen of the six Main Committees at the seventeenth regular session should serve in the same capacity at the fourth special session.

ELECTION OF THE VICE-CHAIRMAN AND RAPPORTEUR

2. Mr. QUIJANO (Argentina) proposed that, following the example set by the General Assembly which had decided to re-elect for its fourth special session the officers elected at its seventeenth regular session, the Fifth Committee should re-elect Mr. Harry L. Morris (Liberia) Vice-Chairman and Mr. Nathan Quao (Ghana) Rapporteur of the Committee.

It was so decided.

WELCOME TO THE REPRESENTATIVE OF KUWAIT

3. The CHAIRMAN welcomed the representative of Kuwait.

4. Mr. AL-GHOUSSEIN (Kuwait) thanked the Chairman and assured the Committee that the good wishes extended to his country upon its admission to the United Nations would encourage it in its development efforts.

AGENDA ITEM 7

Consideration of the financial situation of the Organization in the light of the report of the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations (A/5187, A/5274, A/5407 and Corr.1, A/5416, A/5421, A/C.5/974, A/AC.113/1-27)

5. The SECRETARY-GENERAL expressed the earnest hope that the Fifth Committee's deliberations

would lead to constructive and fruitful results. Despite the various measures that had been taken, the unhappy fact was that the Organization continued in a state of serious financial difficulty, the details of which were set forth in his report (A/C.5/974). However, the Secretariat had not been inactive since the end of the General Assembly's seventeenth regular session. First, it had been actively engaged in collecting contributions in arrears, and although the situation was still far from satisfactory, it was encouraging to note that during the past four months about forty Governments had paid arrears totalling some \$16 million. Second, the Secretariat had continued and would continue to promote the sale of United Nations bonds up to the authorized limit of \$200 million. It was still some \$50 million short of that target, but he was hopeful that if the Assembly accepted his recommendation for an extension of the subscription period to 31 December 1963, further progress would be made. Third, with a view to minimizing the financial burden on Member States, he had followed a policy of strict austerity so far as the regular budget estimates for the financial year 1964 were concerned. Lastly, as would be evident from the report on the United Nations Operation in the Congo—cost estimates for 1963 (A/5416), no effort had been or would be spared to reduce the costs of the Congo operation as rapidly as possible. Although it was not possible to predict the future course of events in the Congo, it could safely be estimated that ONUC expenditures would drop from their present level of \$10 million a month to approximately \$5.5 million a month over the latter part of 1963. Nor was it unreasonable to anticipate complete military disengagement by the end of the year.

6. The major accomplishment in the past few months had been the thorough examination of the administrative and budgetary procedures of the United Nations, with particular reference to the financing of peace-

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keeping operations, which had been undertaken by the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations, under the chairmanship of Mr. Adebo. It was a matter of regret, of course, that in spite of sincere efforts at compromise the Working Group had been unable to reach agreed recommendations. Nevertheless, its deliberations had reflected a wide consensus of opinion on certain guiding principles, and its report (A/5407 and Corr.1) would constitute a useful point of departure for the consideration of longer-term methods.

7. He hoped that the search for a more permanent solution to the Organization's financial problems would not be relaxed, although it was perhaps debatable whether the moment was ripe for any real break-through. In any event, it was imperative that the General Assembly should take the necessary steps at the present special session to ensure that the Organization would have the necessary cash resources to defray the costs of its continuing operations in the Middle East and the Congo, either by apportioning those costs among Member States or by such other methods as the Assembly might devise. If that could be accomplished, and if the other measures currently under way were resolutely pursued, there was good reason to hope that the Organization would be on its way to financial solvency.

8. The Organization's financial problem had been one of his major and continuing preoccupations since he had taken office. That problem was in every sense a vital one, perhaps the most vital one before the United Nations. As he had said at the 961st meeting of the Fifth Committee on 3 December 1962, a financially bankrupt United Nations would be an ineffective United Nations if, indeed, it could survive on such a basis. The financial issue was thus one which transcended political controversy. It was with that overriding consideration in mind, he trusted, that Member States, all of which had had occasion to find the United Nations useful, would deal with the problem before them.

9. The CHAIRMAN thanked the Secretary-General for his statement and assured him that the Fifth Committee would study his suggestions with the greatest care.

10. Mr. ADEBO (Nigeria), speaking as Chairman of the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations, introduced the report of the Working Group (A/5407 and Corr.1). The task assigned to the Working Group by General Assembly resolution 1854 B (XVII) had been a thorny one: to find a solution to one of the gravest problems that had ever confronted the Organization. The first part of that task, under paragraphs 1, 2 and 3 of the resolution, had been to study, in consultation as appropriate with the Advisory Committee on Administrative and Budgetary Questions and the Committee on Contributions, special methods for financing peace-keeping operations of the United Nations involving heavy expenditures, such

as those for the Congo and the Middle East, including a possible scale of assessments; and in so doing, the Working Group had taken as its starting point the very useful report by the Working Group of Fifteen on the Examination of the Administrative and Budgetary Procedures of the United Nations,^{1/} which had set out to define the various aspects of the problem and the positions of various Governments on each of them. On that problem, the Working Group of twenty-one members had drawn up a number of practical proposals, which appeared in its report. The second part of its task, under paragraph 4 of the resolution, had been to study the situation arising from the arrears of some Member States in their payment of contributions for financing peace-keeping operations and to recommend, within the letter and spirit of the Charter of the United Nations, arrangements designed to bring up to date such payments, having in mind the relative economic positions of such Member States. There, too, the Working Group had tried to suggest practical proposals in its report, and he hoped that they would contribute to a solution of the problem.

11. The very fact that the Working Group's membership had reflected the full gamut of political opinion among the States Members of the United Nations had prevented it from adopting a unanimous report. It had had to be content with indicating the general lines on which a satisfactory agreement might possibly be worked out in the Fifth Committee and the General Assembly. He paid a tribute to the members of the Working Group, to the Group's Vice-Chairman and Rapporteur, and to the Secretariat for the efforts they had made so that the Group's report might be ready by the appointed date of 31 March 1963. He hoped that the spirit of compromise which had prevailed in the Working Group would continue to make itself felt in the Fifth Committee, and that the latter would succeed in attaining the objectives which the Secretary-General had just described. In conclusion, he welcomed the delegation of Kuwait, which would undoubtedly make a valuable contribution to the proceedings.

ORGANIZATION OF THE COMMITTEE'S WORK

12. The CHAIRMAN suggested that the Committee's first few meetings should be devoted to general statements dealing, so far as possible, with the problem and with the report of the Working Group considered as a whole. The second phase of the proceedings would then be devoted to consideration of practical proposals, and he appealed to delegations wishing to advance such proposals to submit them as soon as possible. He hoped that the Fifth Committee would be able to finish its work and submit its report to the General Assembly within two weeks.

The Chairman's suggestions were approved.

The meeting rose at 4 p.m.

^{1/} Official Records of the General Assembly, Sixteenth Session, Annexes, agenda item 62, document A/4971.