



Seventeenth session
Agenda item 62

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1963

Integrated programme and budget policy

Report of the Fifth CommitteeRapporteur: Mr. N.A. QUAO (Ghana)

1. At the 949th meeting on 15 November 1962, the Fifth Committee considered a draft resolution (A/C.5/L.743)^{1/} on the subject of an integrated programme and budget policy submitted jointly by Argentina, Australia, Iraq, the Netherlands, Nigeria and the United Kingdom of Great Britain and Northern Ireland.
2. Introducing the joint draft resolution, the Netherlands representative explained that it had been inspired by some wise suggestions for the improvement of procedures in the sphere of economic and social activities which the Advisory Committee on Administrative and Budgetary Questions had put forward in recent reports (A/5207, para. 47; A/5243, paras. 10 and 11). Increasing demands for action on the part of the United Nations were not only to be expected, particularly during the Development Decade, but were welcome as an index of confidence in a growing and dynamic organization. Nevertheless, the Member States were viewing with concern the size of the contributions which they were called upon to make, and if they were to accept the resultant burden, they must be assured that their contributions would be used in the most effective and economical manner.
3. For many years the Economic and Social Council had been striving for improved procedures that might bring about a greater concentration of efforts,

^{1/} The text of document A/C.5/L.743 was identical with that of the draft resolution contained in paragraph 5 of the present report.

a better co-ordination and, in general, a rationalization of the manifold activities undertaken by the United Nations family of organizations. Similarly, the Fifth Committee had devoted itself at every session to the many parts of that problem which came within its competence. The sponsors of the joint draft resolution had thought it wise to adopt a step-by-step approach as the surest means of laying a solid basis for a progressive review and modification of present procedures. To that end, the Council, as the principal source of economic and social programmes, was invited to establish an order of priority among those programmes. Council resolutions 909 I (XXXIV) and 920 (XXXIV), to which reference was made in the preamble of the joint draft resolution (A/C.5/L.743), showed that the Council was anxious to work out an effective and orderly system of priorities. The authors of the present proposal merely aimed at taking the whole matter a step further, for it should not be difficult for the Council to apply a procedure similar to that already in use in a number of functional commissions and regional economic commissions. The Social Commission, for example, divided its work programmes into three categories: continuing functions and projects of high priority; ad hoc projects of high priority; and projects to be deferred or undertaken only as resources permitted. Within each category, activities were listed numerically in order of importance. Some similar, though not necessarily identical, procedure was envisaged in operative paragraphs (a) and (b) of the joint draft resolution, while operative paragraph (c) provided for the contingency that, as activities expanded, the priorities might need to be reviewed. The remaining operative provisions were intended first, to ensure that in taking substantive decisions the Council had full regard to their financial implications, and secondly, to assist the members of the Council by providing that relevant comments of the Advisory Committee on Administrative and Budgetary Questions on administrative and financial aspects should be communicated to them. The proposed text, though not an exhaustive one, was thought to reflect the consensus of the Committee and represent an acceptable first step towards establishing a procedure for concording the decisions of the Economic and Social Council and the Second and Third Committees, on the one hand, and those of the Fifth Committee and the Advisory Committee, on the other, and for presenting to the General Assembly a coherent and mutually complementary picture of the programme and budgetary problems.

4. It was suggested by one delegation that, however meritorious the aims of the joint sponsors, the Committee would be well advised to maintain an attitude of caution. The draft resolution had clearly been prompted by the concern expressed at times by many delegations over the inconsistency between action taken by decision-making bodies, on the one hand, and the policies of the Fifth Committee, on the other. It was intended to remedy a situation in which certain of those decisions had been, in the opinion of some delegations, altogether inappropriate. But in order to prescribe an efficacious remedy, the Committee needed to define the situation with precision: United Nations bodies were empowered to reach decisions, within their fields of competence, which fettered the Fifth Committee's consideration of the resultant financial implications. Although the Committee was responsible for watching over the Organization's finances, it could neither initiate action in other bodies nor modify the substance of their decisions; instead, it was constantly being faced with a fait accompli which nullified its authority in administrative and budgetary matters. The draft resolution invited the Economic and Social Council to exercise restraint in regard to "expenditure" resolutions; it failed, however, to provide for the contingency that the Council might disregard its admonition. Possibly therefore some more effective measure might be in place; for example, the imposition of an expenditure ceiling on economic and social activities. Otherwise, the Council's reaction might be to question the Fifth Committee's competence and, while it would rest with the General Assembly to resolve any such conflict of competence, an embarrassing situation would meanwhile arise. Some representatives had wondered whether the Committee could not be consulted earlier on any item involving financial implications. In earlier years, it had been hoped to solve the problem by holding joint meetings of the Fifth Committee and the substantive bodies concerned; until the end of 1951 the Fifth Committee had in fact held joint meetings each year with the Joint Second and Third Committee, and a revival of that procedure might serve a logical and practical purpose. The Fifth Committee might wish to consider whether in confining itself to an appeal to the good sense of the policy-making bodies, it would succeed in keeping their projects within reasonable budgetary limits. The Council was being asked to do something which appeared quite simple, namely, to devise a framework and to establish within that framework an order of

priorities. An analogy had been drawn from the practice of the Social Commission, but the task of that subsidiary body, whose work lay in a single, limited field, was far simpler than that requested of the Council, which would have to establish an order of priority among projects covering a multitude of fields. Even on the supposition that the Council could establish an order of priority among activities in the economic, social and human rights fields, it was open to question whether the Fifth Committee had the authority to recommend that funds should be allocated to some projects on that list in preference to others. Consequently, if the Committee was dubious of exercising authority in that way, it should ponder the advisability of asking the Council to carry out what might prove to be a useless task.

5. At the 949th meeting, the Committee unanimously adopted the six-Power draft resolution (A/C.5/L.743).

Recommendation of the Fifth Committee

6. The Fifth Committee therefore recommends to the General Assembly the adoption of the following draft resolution:

INTEGRATED PROGRAMME AND BUDGET POLICY

The General Assembly,

Recognizing that the objectives of the United Nations Development Decade require the maximum concentration of efforts and resources in selected areas where there are the greatest needs and opportunities for United Nations action,

Noting Economic and Social Council resolution 920 (XXXIV) of 3 August 1962 establishing a special committee on co-ordination whose functions include keeping under review activities in the economic, social and human rights fields and submitting to the Council recommendations about priority areas and projects relating to the objectives of the United Nations Development Decade,

Noting further Economic and Social Council resolution 909 I (XXXIV) of 2 August 1962 which requests the Secretary-General to review the studies and reports which are included in the work programme of the United Nations,

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with a view to making recommendations to the thirty-sixth session of the Council as to which, in the interests of concentration of effort and priority use of the limited resources, might be eliminated, postponed or consolidated,

Having considered the observations on programme development processes of the Advisory Committee on Administrative and Budgetary Questions in its comments on the initial 1963 budget estimates^{2/} and on the revised estimates for 1963 resulting from decisions of the Economic and Social Council,^{3/}

Requests the Economic and Social Council:

(a) To devise a framework within which the Council can indicate the priorities to be accorded to United Nations programmes and projects in the economic, social and human rights fields - bearing in mind the objectives of the United Nations Development Decade;

(b) To establish within this framework an order of priorities for activities to be included in the work programme;

(c) To review regularly the priorities in the light of any more recent or more urgent needs and the resources likely to be available to meet them;

(d) To give due, timely and adequate consideration, as the work of the Council proceeds, to the financial implications of its actions in the light of information provided to it by the Secretary-General;

(e) To consider in connexion with (a), (b), (c) and (d) any comments of the Advisory Committee on Administrative and Budgetary Questions concerning the administrative and financial aspects of activities in the economic, social and human rights fields.

2/ Official Records of the General Assembly, Seventeenth Session, Supplement No. 7 (A/5207), para. 47.

3/ A/5243, paras. 10 and 11.