

GENERAL  
ASSEMBLYDistr.  
GENERALA/2324  
18 December 1952

ORIGINAL: ENGLISH

Seventh session  
Agenda item 26 (a)CO-ORDINATION BETWEEN THE UNITED NATIONS AND THE SPECIALIZED  
AGENCIES: ADMINISTRATIVE AND BUDGETARY CO-ORDINATIONReport of the Fifth CommitteeRapporteur: Mr. K. G. BRENNAN (Australia)

1. In accordance with the allocation of agenda items approved by the General Assembly at its 382nd plenary meeting, the Fifth Committee, at its 370th meeting, considered item 26 (a) of the agenda dealing with administrative and budgetary co-ordination between the United Nations and the specialized agencies.
2. The Committee had before it the following documents: Information Annex II to the Secretary-General's budget estimates for 1953;<sup>1/</sup> a report of the Secretary-General on common services and co-ordination of services at various centres (A/C.5/504); the twenty-fifth report of the Advisory Committee to the seventh session of the General Assembly (A/2287); and a joint draft resolution sponsored by Canada and Denmark concerning the audit procedures and arrangements of the United Nations and the specialized agencies (A/C.5/L.208 and Corr.1).
3. The Chairman of the Advisory Committee, in introducing his Committee's report, called special attention to the observations and suggestions made with respect to such matters as the continuing arrears of contributions and the different methods adopted to meet the situation; the need for legislative control of technical assistance programmes and expenditures; and the difficulties in developing a consolidated budget for the United Nations and the specialized agencies. He referred to a decision of the Plenipotentiary Conference of the International Telecommunication Union not to accept a proposal by the Secretary-General to widen

1/ A/2125/Add.1, Official Records of the General Assembly, seventh session, Supplement No. 5 A.

the definition of government telegrams to include telegrams originating with the specialized agencies and suggested that it was probable that the necessary modification in present arrangements for the carriage of specialized agencies' traffic on the United Nations telecommunication network would in due course be the subject of a proposal by the Secretary-General.

4. Several representatives recognized the complexity of the problem of co-ordination between the United Nations and the specialized agencies and appreciated the progress already achieved in that regard. There was general agreement that the observations and recommendations of the Advisory Committee in its report (A/2287) would help considerably towards further progress and would facilitate the scrutiny by the competent committees of agencies both of the regular expenses as well as of the administrative costs of technical assistance programmes. It was strongly emphasized that, in the pursuit of real and effective co-ordination, the responsibility of governmental representatives on the legislative organs of the various agencies was inescapable. It was therefore up to individual governments, as they dealt with similar and related problems in the various agencies, to ensure consistent and uniform representation. It was further recognized that an essential preliminary to that end was the effective co-ordination on the national plane of the views of the different ministries or departments within each Member State.

5. Attention was drawn to the fact that, with few exceptions, the specialized agencies had not succeeded in stabilizing their budgets. It was also pointed out that, in a number of instances, agencies had failed to give effect to specific and repeated recommendations both of the Advisory Committee and of the General Assembly itself. This situation was noted with regret as evidencing a lack of proper co-ordination on the national governmental plane.

6. References were made by several representatives to the problem of arrears of contributions. There was general agreement with the Advisory Committee's statement in paragraph 39 of its report that the practice of over-budgeting to cover anticipated short-fall of contributions was undesirable inasmuch as it placed an additional burden on those governments which paid promptly and in full. The hope was expressed that further study of this problem would result in a uniform approach to its solution.

7. The Committee noted with satisfaction the progress made in the development of common services and in the co-ordination of services at various centres, but it was considered that there was scope for improvement and that it would be reasonable to expect a consolidation of various services of the organization represented at Bangkok, even if it were not yet feasible to house those organizations under the same roof. With respect to the general question of co-ordination, it was requested that, in line with the Advisory Committee's recommendations, the co-ordination of information services should be studied with particular attention. The view was expressed that the offer which the Secretary-General had made to the Geneva agencies to operate a joint purchasing service for a trial period of twelve months without any charge to those agencies was commended for the useful experience which would be gained. A study of the manner in which use by agencies in Geneva of the United Nations Library could be further developed was thought to be useful, especially through an improvement in the lending procedure so that the Library would remain intact. Attention was also drawn to the subscription service of the International Labour Office and of the United Nations Educational, Scientific and Cultural Organization for the sale of publications and it was felt that such a system should be encouraged in other organizations. Particular attention was drawn also to the recommendation of the Advisory Committee in paragraph 77 of its report (A/2287) that further efforts should be made to accommodate the World Meteorological Organization within the premises of the Palais des Nations.

8. Several representatives expressed their satisfaction with the fact that the Advisory Committee intended to apply the criteria enumerated in paragraph 55 of its report when reviewing the administrative budgets of the specialized agencies for 1954. In this connexion the importance of the contribution which the Advisory Committee could make, from an administrative and financial point of view, to the task of the Economic and Social Council in its assessment of the relative priorities of agency programmes was emphasized. The view was also expressed that the Advisory Committee should continue to meet jointly from time to time with the Administrative Committee on Co-ordination, since previous meetings had proved most fruitful.

9. In the light of the discussion, the Chairman proposed a draft resolution for approval by the Committee. The draft resolution was adopted by 39 votes to none, with 5 abstentions (see draft resolution A below).

10. The Committee also considered a resolution sponsored jointly by Canada and Denmark (A/C.5/L.208 and Corr.1) concerning the audit procedures of the United Nations and the specialized agencies. The representative of Canada, at the Committee's 368th meeting, had raised the question of a possible review of the audit arrangements of the United Nations and of the specialized agencies. He had stated at that meeting that the Canadian Government had agreed to stand for re-appointment for one main reason, namely that it was essential for the United Nations to have on Board member near New York and in a position to supply the necessary examiners for the audit of the New York accounts. He considered, however, that it was not in the interests of the United Nations to have one country permanently represented on the Board. The Canadian representative, therefore, in agreement with the representative of Denmark, suggested that a study should be made to determine whether or not it would be practical to devise a system under which the audit of the United Nations and of a majority, if not all, of the specialized agencies could be carried out by a qualified, independent officer who would be in a position to observe the financial transactions continuously and to relate them to the general budgetary situation.

11. Representatives agreed that a review of the present audit arrangements on the lines proposed would be timely and useful, particularly in the light of the experience of the last six years, and the Committee approved the joint draft resolution by 39 votes to none, with 5 abstentions (see draft resolution B below).

12. The Fifth Committee accordingly recommends the adoption by the General Assembly of the following resolutions:

CO-ORDINATION BETWEEN THE UNITED NATIONS AND THE SPECIALIZED AGENCIES:  
ADMINISTRATIVE AND BUDGETARY CO-ORDINATION

## A

The General Assembly

1. Takes note with satisfaction of the report of the Advisory Committee on Administrative and Budgetary Questions dealing with the administrative budgets of the specialized agencies for 1953 and of the Secretary-General's report on common services and co-ordination of services of the United Nations and the specialized agencies at various centres;
2. Invites the attention of the specialized agencies to the recommendations and suggestions made in the Advisory Committee's report, as well as to the views expressed by Members during the seventh session of the General Assembly;
3. Requests the Secretary-General, in consultation with the executive heads of the specialized agencies and with the Advisory Committee on Administrative and Budgetary Questions, to give continuing attention to the co-ordination of administrative procedures and services.

## B

The General Assembly

- Noting the increase in the activities of the United Nations and the specialized agencies and the related increase in their financial responsibilities,
1. Considers that the present system for the audit of their financial accounts may not be the most suitable and efficient that can be devised to meet these increased requirements;
  2. Invites the Secretary-General and the executive heads of the specialized agencies, in consultation with the Joint Panel of Auditors, to review in the Administrative Committee on Co-ordination the present audit procedures and arrangements, and to make appropriate recommendations on any changes or improvements they may consider desirable;
  3. Invites the governments of Member States to submit any views or

recommendations they may have on this question to the Secretary-General for his consideration and for transmittal to the specialized agencies and the Advisory Committee on Administrative and Budgetary Questions;

4. Requests the Advisory Committee on Administrative and Budgetary Questions to examine the recommendations of the Administrative Committee on Co-ordination and to report thereon to the General Assembly at its eighth session;

5. Decides to include an item in the provisional agenda of the eighth session of the General Assembly entitled "Review of audit procedures of the United Nations and the specialized agencies".

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