

SUMMARY RECORD OF THE 57th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order 11.30 a.m.

TRIBUTE TO THE MEMORY OF MR. KONSTANTIN USTINOVICH CHERNENKO, PRESIDENT OF THE PRESIDIUM OF THE SUPREME SOVIET OF THE UNION OF SOVIET SOCIALIST REPUBLICS AND GENERAL SECRETARY OF THE CENTRAL COMMITTEE OF THE COMMUNIST PARTY OF THE SOVIET UNION, AND TO THE MEMORY OF MR. TOM ADAMS, PRIME MINISTER OF BARBADOS

1. On the proposal of the Chairman, the members of the Committee observed a minute of silence in tribute to the memory of Mr. Konstantin Ustinovich Chernenko, President of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics and General Secretary of the Central Committee of the Communist Party of the Soviet Union, and to the memory of Mr. Tom Adams, Prime Minister of Barbados.

AGENDA ITEM 109: PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985 (continued)

Programme budget implications of draft resolution A/39/L.46 concerning agenda item 80 (c) (A/C.5/39/101)

2. <u>Mr. MSELLE</u> (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the United Nations Conference on Conditions for Registration of Ships, held at Geneva in accordance with General Assembly resolution 39/213, had decided to ask the General Assembly to authorize a resumed session of the Conference for two weeks in July 1985. At its 106th plenary meeting, the General Assembly had decided to reopen agenda item 80 (c) relating to the Conference, and now had before it draft resolution A/39/L.46, which would authorize the resumed session.

3. Should the Conference be resumed, conference-servicing costs of \$224,800, calculated on a full-cost basis, would arise. No additional appropriations would be required for the time being. Any additional requirements would be indicated in the second performance report on the programme budget for the biennium 1984-1985. In fact, in the Advisory Committee's view, the entire amount should be absorbed, and there would be no need for additional appropriations.

4. <u>Mr. KHALEVINSKY</u> (Union of Soviet Socialist Republics) asked whether the secretariat of UNCTAD had considered allocating resources made available by the cancellation of other meetings to the resumed session of the Conference. It was his delegation's understanding that the UNCTAD secretariat had indicated such a possibility. In particular, his delegation wished to know what amount of resources could be so reallocated.

5. <u>Mr. NYGARD</u> (United States of America) said that the calendar of conferences and meetings had already been finalized. He understood that the second session of the <u>Ad Hoc</u> Intergovernmental Group to Consider Means of Combating All Aspects of Maritime Fraud, including Piracy was being postponed until October in order to accommodate the resumed session of the Conference on Conditions for Registration of Ships. His delegation wished to know the extent to which the resumed Conference, or the rescheduling of other meetings to be held in July, would result in incremental costs.

6. <u>Mr. FORAN</u> (Controller) said that he was unaware of any suggestion by the UNCTAD secretariat that the costs of the resumed Conference could be met by reallocating resources, although the Chairman of the Advisory Committee had indicated that that would be desirable. However, the UNCTAD secretariat was prepared to recommend to the Trade and Development Board changes in the UNCTAD calendar so that the costs could be absorbed. The 10 days required to accommodate the resumed Conference could be found if the proposed meeting of the Working Group on International Shipping Legislation was cancelled and if the second session of the <u>Ad Hoc</u> Intergovernmental Group to Consider Means of Combating All Aspects of Maritime Fraud, including Piracy, was postponed.

7. <u>Mr. ORSATELLI</u> (France) said that his delegation wished to receive an assurance that no additional costs would arise, either immediately or subsequently, if the Conference met. If no such assurance was possible, perhaps the Conference could be reconvened at a time when it would be possible to absorb the costs.

8. <u>Mr. CASTROVIEJO</u> (Spain) said that his delegation, while supporting the reconvening of the Conference, wished to be sure that no additional expenditure would arise. If necessary the Conference could be rescheduled to ensure that it would be held within existing budgetary appropriations.

9. <u>Mr. PIRSON</u> (Belgium) said that his delegation also supported the reconvening of the Conference, but felt that the costs must be absorbed within existing appropriations. If that was not certain, the Conference should be rescheduled. It might be appropriate for the Committee on Conferences to consider the matter if there was any doubt.

10. <u>Mr. BAMBA</u> (Ivory Coast) said that a number of programmes had already been developed under the Conference, and that it was important to maintain momentum. It was clear that no additional allocations would be required for the time being. The Fifth Committee should decide the matter in the light of the decisions already taken by the Conference.

11. <u>Mr. FORAN</u> (Controller) said that it would be possible to absorb the costs if the Trade and Development Board decided to reschedule meetings, as it had the authority to do, but that he could give the Fifth Committee no assurance concerning any decision the Board might take. Should the Fifth Committee refer the matter to the Committee on Conferences, the latter body was likely to refer it to the Trade and Development Board.

12. <u>Mr. PIRSON</u> (Belgium) said that the Fifth Committee might state that it supported the reconvening of the Conference on the understanding that the redeployment of resources necessary to avoid any additional financial implications would take place.

13. <u>Mr. EL-SAFTY</u> (Egypt) said that the draft resolution reflected the views of the Group of 77. The Trade and Development Board was a sovereign body, and it would be inappropriate for the Fifth Committee to word its decision in the way proposed by the representative of Belgium. The assurances already provided were sufficient for the Committee to support the reconvening of the Conference.

14. <u>Mr. MSELLE</u> (Chairman of the Advisory Committee on Administrative and Budgetary Questions) explained that, whenever the Secretariat prepared a statement of financial implications, it included what was in effect an escape clause stating that no additional appropriations were being requested at the present time and that any additional requirements would be reported to the General Assembly in the context of the performance report on the budget. In fact, it was only rarely that any additional requirements were requested in the performance report. The strength of the dollar had helped to hold down expenditures in Geneva and it was unlikely that the budget for the biennium 1984-1985 would be unable to cover all the costs of the resumed session. In view of the information just given by the Controller, he was convinced that any additional costs would be absorbed even if no other meetings were rescheduled to permit the holding of the resumed session in July.

15. <u>Mr. PIRSON</u> (Belgium) said that, in the light of the assurances just given by the Chairman of the Advisory Committee, his delegation would not pursue the matter further and would assume that draft resolution A/39/L.46 would not have any financial implications.

16. <u>Mr. MSELLE</u> (Chairman of the Advisory Committee on Administrative and Budgetary Questions) pointed out that the draft resolution would have financial implications. It would not, however, require any additional appropriations.

17. <u>Mr. PIRSON</u> (Belgium) said that his delegation hoped that the draft resolution would not even have financial implications. If the resumed session was held during a slack period or if other meetings were postponed to make way for it, conference-servicing staff would already be available and no additional staff would be required either to service meetings or to process documentation.

18. The CHAIRMAN suggested that, on the basis of the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt the draft resolution contained in document A/39/L.46, conference-servicing requirements would arise which were estimated on a full-cost basis at \$224,800. No additional appropriations would be required.

19. It was so decided.

AGENDA ITEM 115: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS: REPORT OF THE COMMITTEE ON CONTRIBUTIONS (continued) (A/39/11 and Corr.1 and A/39/844; A/C.5/39/L.18, L.26 and L.34; A/C.5/39/CRP.5-9)

20. The CHAIRMAN,* introducing draft resolution A/C.5/39/L.34, recalled that, during the earlier part of the thirty-ninth session, in 1984, the Committee had considered item 115 over a period of approximately two and a half months. Since 29 January 1985, it had devoted nearly as much time again to the search for an acceptable solution to the problem of the scale of assessments. The draft resolution in document A/C.5/39/L.34 was the outcome of its collective efforts.

^{*} This statement has been given full coverage in the summary record in accordance with the decision taken by the Committee during the meeting.

(The Chairman)

21. The first preambular paragraph of the draft resolution recalled earlier General Assembly resolutions dealing with the scale of assessments. The second preambular paragraph referred to the views expressed on the report of the Committee on Contributions, as well as to the report and recommendations of the Committee. The third preambular paragraph reconfirmed that the capacity to pay of Member States was the fundamental criterion for determining the scale of assessments. The fourth preambular paragraph drew attention to the serious economic and financial situation in the world and highlighted the serious economic problems adversely affecting developing countries. The fifth preambular paragraph commended the efforts of the Committee on Contributions.

22. In his view, the first operative paragraph represented the heart of the draft resolution. Its six subparagraphs comprised a package designed to facilitate the work of the Committee on Contributions at its meeting to be held in June 1985. Subparagraphs (a) and (b) confirmed recommendations of the Committee on Contributions regarding, respectively, the length of the statistical base period and the increase in the upper limit of the low per capita income allowance formula to \$2,200.

23. The question of the redistribution of the burden of relief had proved to be one of the more contentious issues dealt with during consideration of the item. Some delegations had been of the view that the developing countries should not share in the redistribution of the burden of relief. Other delegations had felt that such a decision would be in conflict with the generally accepted principle that apportionment of the scale of assessments should be based on the capacity to pay. In the course of consultations, it had been pointed out that even though, on the basis of national income statistics, a developing country's per capita income might exceed the upper limit of the low per capita income allowance formula, such a country must allocate substantial resources to areas such as education and infrastructure improvements in its quest for further development.

24. After extensive consultations and long and arduous negotiations, it had eventually been agreed that some consession should be made to those developing countries which qualified to share in the redistribution of the burden of relief. However, delegations which had originally opposed the exemption of developing countries from sharing in the redistribution of the burden of relief had considered it particularly important that the language used in the resolution should not be discriminatory. After many painstaking drafting sessions, the formulation in subparagraph (c) of operative paragraph 1 had emerged to take account of the divergent concerns of interested delegations. He, personally, could think of no other way of expressing the objective of allowing concessions to be made to developing countries in that respect.

25. Subparagraph (d) sought to safeguard the interests of least developed countries. Subparagraph (e) exhorted the Committee on Contributions to pursue its deliberations referred to in paragraph 54 of its report, with a view to dealing adequately with the problem of the serious economic and financial situation in the world.

(The Chairman)

26. Subparagraph (f) dealt with the scheme to limit excessive variations in individual rates of assessment between successive scales, proposed by the Committee on Contributions in paragraph 49 of its report. However, since several delegations had been of the view that the percentage and percentage point limits for rates below 1 per cent were too high, the Committee on Contributions was being requested to modify those rates prior to the implementation of scheme III. The main problem in respect of rates below 1 per cent had related to the concern that Member States at the lower end of income brackets would be called upon to absorb increases that would still appear to be unacceptably high. It was hoped that, once that problem had been addressed, it would be possible to introduce the scheme with beneficial results.

27. He wished to emphasize that, of the six subparagraphs in paragraph 1, four were based on recommendations or proposals of the Committee on Contributions. Of the other two, one was a relatively standard provision and the other was the result of extensive and exacting negotiations among interested delegations.

28. Paragraphs 2 and 3 concerned the question of studies to be undertaken by the Committee on Contributions. The studies referred to in paragraph 2 had already been identified by the Committee, while that requested in paragraph 3 sought to break new ground. It would be noted that the Committee on Contributions was not required to undertake any of those studies at its June 1985 session.

29. Paragraph 4 once again requested the Committee on Contributions to intensify its co-operation with other international organizations engaged in the development and collection of statistics and urged Member States to co-operate by submitting national statistics on time. Paragraph 5 contained the traditional appeal to the Secretary-General to provide the Committee on Contributions with the required facilities.

30. He was well aware that not all delegations were entirely happy with all aspects of the draft resolution. If the draft resolution was viewed in its entirety rather than in a piecemeal fashion, however, he was sure that it would be clear that it contained all the elements necessary to assist the Committee on Contributions in fulfilling its mandate at its June session. He recommended the draft resolution for favourable consideration and for adoption by consensus.

31. At the most recent informal meeting on the draft resolution, the representative of Kuwait had stated his intention of submitting an amendment to one of the operative paragraphs of the draft resolution. As Chairman, he had undertaken to consult with the Kuwaiti representative and other interested delegations on an alternative solution. Following such consultations, it had been agreed that an additional preambular paragraph should be inserted in the draft resolution to obviate the need for the Kuwaiti amendment. The text of that paragraph, which would be inserted between the existing fourth and fifth preambular paragraphs, would read as follows: "Conscious of the problem of Member States whose national income is mostly generated by the export of one or a few products,".

32. <u>Mr. EL-SAFTY</u> (Egypt), speaking on behalf of members of the Group of 77, said that draft resolution A/C.5/39/L.34 was not entirely satisfactory to many delegations, including his own, and that the members of the Group of 77 would have preferred a totally different resolution. In view of the circumstances cited by the Chairman and the considerable time and effort that had gone into the preparation of the draft resolution, however, members of the Group of 77 were prepared to support the draft resolution provided that it was adopted by consensus. If any delegation requested a vote, the Group would be unable to accept the draft resolution in its present form and would submit certain amendments. He wished to know therefore whether the Chairman had received any request for a vote on the draft resolution. If that was the case, he would like to introduce the amendments drafted by the Group of 77.

33. <u>The CHAIRMAN</u> said that he had received no request for a vote on the draft resolution. If such a request was made, he would allow the Group of 77 to introduce its amendments. He hoped that that would not be necessary, however.

34. <u>Mr. EL-SAFTY</u> (Egypt) said that he, too, hoped that it would not be necessary to introduce the Group's amendments. He was only too aware of the tremendous efforts made by the different groups in the Committee, all of which, including the Group of 77, had made concessions in an effort to find a solution to the problem of the scale of assessments. At the same time, he was anxious to ensure that he was not prevented on procedural grounds from introducing amendments to the draft resolution should a vote be requested subsequently.

35. <u>The CHAIRMAN</u> announced that he had received a request to postpone a decision on the draft resolution to the Committee's next meeting.

36. <u>Mr. ADDABASHI</u> (Libyan Arab Jamahiriya) requested that the Chairman's statement introducing draft resolution A/C.5/39/L.34 be given full coverage in the summary record.

37. It was so decided.

The meeting rose at 12.30 p.m.