



General Assembly

Sixtieth session

Official Records

Distr.: General
3 November 2005

Original: English

Fifth Committee

Summary record of the 13th meeting

Held at Headquarters, New York, on Wednesday, 26 October 2005, at 10 a.m.

Chairman: Mr. Ashe (Antigua and Barbuda)
*Acting Chairman of the Advisory Committee on
Administrative and Budgetary Questions:* Mr. Saha

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The meeting was called to order at 10.10 a.m.

Agenda item 124: Proposed programme budget for the biennium 2006-2007 (A/60/6 (Introduction), A/60/6 (Sect. 1-27), A/60/6 (Sect. 28 A-G), A/60/6 (Sect. 29-35), A/60/6 (Income Sect. 1-3)) (*continued*)

General discussion (*continued*)

1. **Mr. Sun Xudong** (China) said that his delegation welcomed the submission of the proposed programme budget, for the first time in conjunction with a biennial programme plan. Since the final level of resources proposed for the biennium 2006-2007 would probably be in excess of \$4 billion, it was more important than ever for all the resource appropriations to be accompanied by justifications. The Organization should operate within existing resources in accordance with the principle of matching resources to actual requirements and try to rein in resource growth and improve its management and use of resources. Rational allocation of the Organization's limited resources was vital. To that end, administrative costs must be drastically reduced and full use made of information technology. However, more resources should be allocated to development.

2. The valuable recommendations of the Advisory Committee (A/60/7) should be given priority attention. In particular, its recommendations on management would help to correct serious administrative and managerial deficiencies. Budget and programme managers should improve their cooperation with each other and prepare practical "expected accomplishments" and "indicators of achievements". They should also terminate obsolete and ineffective outputs in order to effectively implement the priority programmes determined by Member States.

3. **Mr. Debabeche** (Algeria) said that in view of the economic hazards to which the programmes would inevitably be exposed, his delegation fully supported the establishment of a reserve fund to cover additional expenditures. However, such a move must not be allowed to conceal the fact that, at a time when the United Nations was engaged in a reform process, fixed attitudes persisted with regard to both resources and programme implementation. Questions inevitably arose as to the criteria which had governed the narrative parts of the various sections, which seemed inconsistent with the priorities of the revised strategic

framework requested by the Assembly in resolution 58/269.

4. The fact that the Committee was always reluctant to have the proposed programme budget submitted at the same time as the report of the Committee for Programme and Coordination (CPC) revealed a wish to reduce the consideration of the proposals to a mere formality. There could be no other explanation for the stagnation of the resources allocated to the Development Account or the lack of support for the New Partnership for Africa's Development (NEPAD), especially in view of the emphasis given to African development in the World Summit Outcome. The Secretary-General's report showed clearly that the current regulations did not constitute a brake on rationalization. The majority of the more than 3,000 outcomes deleted from the draft document by the Secretariat related to development activities. Furthermore, Algeria endorsed the Advisory Committee's questions about the failure to allocate to other purposes the resources saved by such deletions and the failure to make any distinction between the outputs of discretionary activities and outputs related to mandated activities. That situation was evidence of inadequate participation by the bodies responsible for the activities in the planning of their programmes. In that same connection, the very small increase of 0.2 per cent in the budget proposal for regional cooperation for development was surprising. The swift establishment of the new programme 27 on safety and security would be welcome and warranted a special effort on the part of Member States.

5. The "open book" policy of the international community with regard to peacekeeping missions and the Tribunals for Rwanda and the Former Yugoslavia was most welcome. It was unacceptable that those undertakings should suffer because of arrears of contributions and that Member States were not reimbursed in good time for their contributions of troops and equipment.

6. With regard to the regular budget, Algeria had always stressed the need for assessed contributions to be paid on time, in full and without conditions. While countries experiencing serious problems of liquidity deserved sympathy, the exorbitant amounts still withheld by a few big contributors was worrying. Equally worrying was the growth in extrabudgetary funding of activities, which would eventually jeopardize the Organization's decision-making process.

Algeria was particularly concerned about the delays in implementation of the capital master plan and welcomed the decision of the United States to maintain its offer of a loan of \$1.2 billion for the project.

7. **Mr. Mirmohammad** (Islamic Republic of Iran) said that the United Nations should be given adequate resources to implement its mandated programmes and activities effectively without resorting to extrabudgetary funding. The World Summit in September had pledged to provide the Organization with adequate resources, having regard to the agreed priorities and the need for budget discipline. Reallocation of resources must not adversely affect the implementation of development activities and shift attention away from the achievement of the Millennium Development Goals, the outcomes of the major international conferences, and the Monterrey Consensus. The programmes of work of departments concerned with development and of the regional commissions should be implemented effectively and high vacancy rates, especially in the regional commissions, should be avoided.

8. He welcomed the introduction of the results-based logical framework to enhance managerial responsibility for programme implementation and hoped that the monitoring of programme implementation by the Office of Internal Oversight Services (OIOS) would be effective.

9. The original intention behind the Development Account must be respected and savings from efficiency gains transferred to the Account to finance development projects. He noted with concern that most of the more than 3,000 outputs proposed for termination related to development activities. It was important for the review of outputs undertaken in that connection to be based on the views of the relevant intergovernmental bodies. The proposal of ACABQ for a shorter lead time in the budget preparation cycle might affect the participation of the relevant intergovernmental bodies and appeared to contradict the Advisory Committee's call for broader participation in the planning process.

10. The results of the proposed significant increase in investment in information and communication technologies (ICT) should be clearly reflected in the relevant areas, even though a number of problems remained to be solved in the management of ICT.

11. The Secretary-General's proposal for the establishment of a reserve fund to cover additional expenditures should be considered in the light of the provisions of resolution 41/213 on the level of the budget and the issue of recosting.

12. The request of the Committee for Programme and Coordination that, in addition to the logical framework, the programmatic narratives of the overview parts of budget sections should be identical to the overall orientation parts of the biennial programme plan was not inconsistent with the Secretariat's effort to use the overview parts to highlight major resource movements and the focus of activities for the biennium. The Secretariat should implement the recommendations of the Committee for Programme and Coordination in that regard. There appeared to be some duplication of the respective roles of that Committee and ACABQ in the consideration of budget fascicles. The Committee should confine itself to reviewing programmatic aspects, while ACABQ should look at the technical links of the budget in terms of resources and management.

13. On the question of the participation by members of ACABQ in intergovernmental negotiations and their expression of positions on behalf of Member States, it was in the Organization's best interests for the integrity and independence of ACABQ to be maintained. He looked forward to an improvement in the working relationship between the various bodies involved in the budgetary process.

14. **Mr. Ekorong à Dong** (Cameroon) said that, in the light of the World Summit Outcome, it was the Committee's duty to equip the Organization with the necessary means to maintain the hopes born in San Francisco and to implement well-targeted projects within a framework of steady budgetary growth, rationalized management and the allocation of sufficient resources to development. He welcomed the Secretary-General's proposals, which represented a positive growth rate of 5.4 per cent, since a negative growth rate would have incalculable consequences on the Organization's credibility and effectiveness in the face of such challenges as poverty, terrorism and peacekeeping.

15. While the Secretary-General had had some success in the rationalization of management, his ambitious programme of reform was itself in need of reform. The Development Account, in particular, had

not delivered the expected results. The appropriation requested by the Secretary-General for the biennium 2006-2007 would bring the total resources allocated to the Account up to \$65.3 million, which was a vast amount when measured against the results which the Account had produced.

16. The relocation of United Nations information centres, while a measure of rationalization, should nevertheless take into account the specific situation of some regions, especially in Africa. The management of the resources allocated to special political missions also warranted evaluation. Such resources should not be spent on cosmetic measures but used instead to directly address the problems set out in the mandate of each mission. His delegation would revert to that question when the relevant figures were available, but it could already endorse the comments made in paragraph 7 of the Advisory Committee's report.

17. The Committee should give particular attention to the budget proposals relating to development activities and ensure that adequate appropriations were made. Such peacekeeping issues as the security of personnel, preventive diplomacy and confidence-building measures should also be adequately funded. Furthermore, the regional commissions, especially the Economic Commission for Africa (ECA), deserved particular attention in the allocation of resources.

18. Where human rights and democracy were concerned, the Committee should take into account the innovative efforts of the developing countries to establish those notions in their cultures, with the emphasis on Africa, particularly Central Africa, where violations of human rights were common. The Centre for Human Rights and Democracy and the United Nations Standing Advisory Committee on Security Questions in Central Africa also warranted increased resources.

19. **Mr. Tachie-Menson** (Ghana) said that the Secretary-General's proposals constituted a useful basis for the finalization of the regular budget for the next biennium and eloquently reflected the best practices of the Organization, which ensured the attainment of maximum results with least resources. However, the challenges of new mandates and the worsening global economic situation placed an obvious strain on the budget.

20. Budget stringency must not work against the implementation of established programmes and

mandates and must be consistent with the demands which Member States made on the Organization. While adequate funding could be achieved in some areas by means of prioritization and reallocations, other areas would require increased resources. Adequate resources must be provided, in particular, for international cooperation for development, notably the implementation of NEPAD. It was worrying in that connection that the post of Special Adviser on Africa still remained vacant after four months.

21. His delegation attached great importance to ECA, which was beset by logistical obstacles to the execution of its mandate, despite its important responsibilities. The United Nations must urgently review the shortcomings that plagued the Commission. Another issue of the utmost importance was the Development Account, which was now at its lowest ebb. The original funding mechanism had not proved reliable and must be subjected to a critical examination. His delegation remained concerned about the increasing extrabudgetary funding of core mandates, which should be financed from untied regular budget funds, even if that meant budgetary growth.

22. He welcomed the presentation of the proposed programme budget in a results-based format and hoped that further improvements would be made to enhance transparency and ensure the full integration of that format in the United Nations system.

23. **Mr. Nguyen Dinh Hai** (Viet Nam) commended the Secretariat for the timely submission and clarity of the introduction to the proposed programme budget (A/60/6). It nevertheless endorsed the opinion contained in paragraph 7 of the Advisory Committee's report that it was still difficult to ascertain the extent to which the outputs contributed to the attainment of the objectives and expected accomplishments for each of the subprogrammes and that the resource implications of the outputs should be specified. The more logical framework of the proposals was welcome, but they must be presented in accordance with Assembly resolution 55/231 and other relevant decisions. Viet Nam also shared the opinions stated in paragraph 24 of the Advisory Committee's report that results-based budgeting was not an end in itself, and in paragraph 57, on concrete measures to enhance the accountability and performance of staff members.

24. The increasing use of extrabudgetary resources to fund activities which should be funded under the regular budget might result in such resources being used to implement donor-driven policies. Mandated activities and programmes must be financed in accordance with Article 17 of the Charter, and resource allocation must fully reflect the Organization's priorities. More resources should be allocated to economic and social development, especially in the developing countries.

25. His delegation agreed with the Advisory Committee's opinion, stated in paragraph 84 of its report, that resources for consultants should be determined on a case-by-case basis and that special attention should be paid to strict application of the regulations on the use of consultants.

The meeting rose at 11 a.m.