

STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY AMBASSADOR DAUDI N. MWAKAWAGO, PERMANENT REPRESENTATIVE OF THE UNITED REPUBLIC OF TANZANIA TO THE UNITED NATIONS, CHAIRMAN OF THE GROUP OF 77, IN THE GENERAL ASSEMBLY ON THE ADOPTION OF THE PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

New York, 22 December 1997

Mr. President,

I have the honour to speak on behalf of the G-77 and China on the occasion of the adoption of the programme budget for the biennium 1998-1999.

The resolution which we are about to adopt, concludes a cycle of intense negotiations carried out under very special circumstances. As we are aware, during the current biennium the organisation had to meet the target savings on the one hand, and it had to deal with the process of reform proposed by the Secretary-General, on the other.

In meeting the savings targets, the organisation was confronted with the need to significantly reduce expenditures, especially on posts, which impaired the capacity of the organisation to fully implement all mandated programmes and activities. These negative impacts have been identified in the reports of the Secretary-General as well as in the reports of the CPC and the ACABQ. The G-77 and China trusts that the budget for the biennium 1998-1999 which we are about to approve, will be able to rectify the shortfalls and difficulties experienced by the organisation during the current biennium in its delivery of programmes and activities as expected by the Member States.

The reform proposals of the Secretary-General, which were welcomed by the G-77 and China, brought additional dimensions in the deliberations of the budget for 1998-1999. While the proposed programme budget for 1998-1999 was under consideration in the Fifth Committee, the reform proposals were being examined by the plenary of the General Assembly. This complex process and its budgetary ramifications brought additional challenges for the Fifth Committee in the budget debate, which per se is already a very demanding task facing the committee every two years.

Mr. President,

The overall level of resources contained in draft resolution before us was determined after a thorough scrutiny of the needs and requirements of the organisation for the biennium 1998-1999. The G-77 and China agreed to the level of resources of \$2.532 million on the understanding that this will allow the UN to implement in full all of its mandated programmes and activities. This has always been the major determinant of the Group's position regarding the overall level of resources.

The G-77 and China has agreed with the budget presented on a net basis on the understanding that it introduces changes only in its presentation and does not infringe on the established budget rules and procedures. The entities whose budgets are covered by this new format presentation will be ensured by the Secretary-General of allotment of all funds approved in their gross budgets in order to allow them to implement all of their mandated programmes and activities. Moreover, the staffing tables of the involved entities, namely JIU, the ICSC, and the Vienna Conference and Security Service, are now contained in the annex of the draft before us. We expect that in accordance with the present draft, that all aspects of net budgeting will be kept under review, including its impact on the functioning of the entities concerned and that the Secretary-General will report on this subject at the fifth-third session of the General Assembly.

Mr. President,

The G-77 and China has joined consensus on the Secretary-General's proposal for abolition of a significant number of posts on the understanding that such abolition will not adversely affect the capacity of the organisation to fully implement mandated programmes and activities. We wish to emphasize, as stated in the draft resolution, that abolition of posts must not entail any involuntary separation of staff. The G-77 and China would like to underscore the need to fill promptly the newly approved posts and trusts that the vacancy rate will be maintained as determined by the Member States.

Mr. President,

We would like to conclude by stating that the G-77 and China remains attached to the current budgetary process which should be fully respected. In this connection, the Group stresses that any changes in this process must be subject to the prior consideration and approval of the General Assembly. We would like to underscore the fact that it is the exclusive prerogative of the General Assembly to determine and decide on the budgetary process.

Mr. President,

Having gone through a very grueling marathon that has led to the consensus which is shortly to be adopted, it is the hope of the Group of 77 and China that Member States will make sure that financial resources are remitted to the organisation. Short of that the whole exercise would have been futile.

I wish you happy holidays.

Thank you, Mr. President.