



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. MAGID YOUSIF, MINISTER PLENIPOTENTIARY, PERMANENT MISSION OF THE REPUBLIC OF THE SUDAN TO THE UNITED NATIONS, ON AGENDA ITEM 132: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2010-2011, AT THE FIFTH COMMITTEE DURING THE MAIN PART OF THE 64TH SESSION OF THE GENERAL ASSEMBLY (New York, 29 October 2009)

Mr. Chairman,

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 132, entitled "Proposed Programme Budget for the Biennium 2010-2011".

2. At the outset, the Group of 77 and China would like to thank the Secretary-General for the presentation of the proposed programme budget for the next biennium. We also wish to thank Ms. Susan McLurg, Chairperson of the ACABQ, for introducing the related report of the Advisory Committee.

Mr. Chairman,

3. The Group of 77 and China attaches great importance to the consideration of the proposed programme budget of the Organization. The budget document is not merely a financial and accounting tool to secure the core resources for the Organization. It is an authoritative statement that should reflect the strategic vision of the Secretary-General in delivering the mandates and priorities decided by Member States.

4. The Group of 77 and China is concerned that the efforts to restrain the growth of the budget, including the 2 percent cut requested to programme managers last year without the endorsement of the General Assembly, may jeopardize the effective implementation of mandates. While the Group understands the backdrop against which the budget was elaborated, the use of the financial and economic crisis as a reason to control the growth of the budget of the United Nations is a flawed argument. In this past year, trillions of dollars were spent in stimulus packages in order to salvage the banking system and international financial architecture, as well as the overall world economy. It would only make sense that the United Nations, as an Organization that contributes to assist the poorest and most vulnerable corners of the world, would receive additional resources to better cope with the global economic crisis and to implement reinforced actions needed to tackle climate change and its adverse impacts, assure peace and security and act as a real enabler in the achievement of the Millennium Development Goals.

5. However, the United Nations seem to be moving into the opposite direction. Instead of strengthening the Organization's role for an enhanced development strategy in this time of crisis, there is a clear tendency to cut funds. This is a tragic situation. The developing countries, which should be the main beneficiaries of the work of the Organization, seem destined to suffer twice, as they are also the most severely affected by the economical and financial crisis that was originated in the North.

Mr. Chairman,

6. The Group of 77 and China believes that the budget document presented today still need further

improvements in terms of reflecting adequately the priorities decided by the General Assembly. It is not merely a matter of format. The proposed programme budget for 2010-2011 is in substance unbalanced to the detriment of development related activities. This is a situation that affects in a negative way the capacity of the Organization to deliver on mandates of all three main pillars: peace and security, human rights and development. In this regard, we cannot but overemphasize the inextricable link between development and peace and security. We believe that the regular budget should provide a more ambitious role for development in the Secretariat alongside the necessary resources from assessed contributions. We shall also keep on strengthening the role of the regional commissions in implementing the development agenda.

7. The Group stresses that the efficient management of the development account has proved that it is one of the appropriate tools to cope with the evolving needs of the global development agenda. Yet, the development account only amounts to 0.38 percent of the overall regular budget, with a substantial proportional decrease vis-à-vis the previous two biennia. This falls short of the original intent of the General Assembly to establish a true dividend for development at USD 200 million. Therefore, the Group strongly supports that an appropriate funding mechanism for the account be established through the regular budget.

Mr. Chairman,

8. In view of its universal membership, the United Nations plays an indispensable role in world affairs. This is clearly reflected in the growing number of mandates approved by the intergovernmental organs. In this context, the Group of 77 and China is concerned to notice the growing imbalance between assessed and voluntary contributions. Indeed, we are facing a situation in which the amount of extra-budgetary resources has reached a level that is nearly twice as large as the regular budget. This has put the Organization in a governance crisis, whereby on the one hand, legislative bodies approve mandates and priorities, and, on the other hand, voluntary contributions are often used to bend the priorities toward specific mandates. We currently have two classes of mandates: the privileged ones, which benefit from constant flow resources from assessed contributions or voluntary assistance by donor countries; and the neglected ones, constantly under-funded and scrambling for a few crumbs of the regular budget.

9. The Group of 77 and China firmly rejects this double standard. We emphasize that all mandates approved by all intergovernmental organs, in particular those related to development activities, must receive predictable and adequate funding. The Group also demands greater transparency and accountability over extra-budgetary resources. In this regard, we echo the ACABQ recommendation that all extra-budgetary resources should be administered and managed with the same rigor as regular budget funds. In the same vein, priorities decided by the General Assembly must be taken with the same seriousness as the decisions of the Security Council. The voices of the majority of the Member States must be heard and listen to.

10. While we continue to experience this situation of imbalance, and lack of transparency and accountability, the Group will maintain a cautious approach toward requests to provide the Secretariat with more flexibility than it already enjoys.

Mr. Chairman,

11. Over the last decade, the budget of special political missions, which is integrated into the level of the regular budget, has grown dramatically from US\$ 100 million, in 2000, to an estimate of possibly US\$ 1 billion in 2010, taking into account the latest developments in one of the two main missions. As shown in the informal briefing of the Controller on 6 October 2009, the increase in

SPMs, which now represent roughly 20% of the overall level of the regular budget, has clearly distorted the real increase of the regular budget, with a concentration of more than 50% of the allocated resources in the two largest missions. The Group underlines that it will not allow priority activities funded by the regular budget to be jeopardized by the aforementioned increase in SPMs.

Mr. Chairman,

12. The Group of 77 and China understands that management and Secretariat reforms are normal business in an Organization that needs to be adequately equipped to cope with evolving challenges. The budget of the Organization should be a true reflection of the legislative mandates approved. The funding of reform initiatives cannot replace the much needed resources to finance the substantive areas of the Organization.

Mr. Chairman,

13. The Group of 77 and China reaffirms the central role of the General Assembly and its relevant intergovernmental and expert bodies within their respective mandates in planning, programming, budgeting, monitoring and evaluation. In this regard, the Group expresses its concern that the ACABQ, an expert body, made recommendations on issues related to the logical framework of the proposed budget, infringing on the prerogatives of the Committee on Programme and Coordination, a subsidiary intergovernmental organ of the General Assembly.

14. The Group reiterates also the role of the General Assembly in carrying out a thorough analysis and approval of posts, the structure of the Organization, human resources policies, as well as the allocation of financial resources to all sections of the programme budget, with a view to ensuring full and effective implementation of all mandated programmes and activities and for the implementation of relevant policies.

15. In this regard, the Group seizes the opportunity to request the Secretary-General to abide by the mandates approved by the General Assembly, as contained in Resolutions 62/236 and 63/260, in which it decided not to abolish the post of the Special Adviser for Africa and called upon the Secretary-General to urgently fill this post as a matter of priority.

16. In conclusion, the Group of 77 and China would like to emphasize the importance of open, transparent and inclusive negotiations on the programme budget. We should avoid repeating the mistakes of the past. Working out deals in small groups or linking different issues of the agenda of the Fifth Committee to the budget disrupts the negotiation process. Such practices only contribute to mistrust and polarizations among Member States. The Group assures you of its constructive approach in these negotiations, for an outcome that would strengthen the Organization and reinforce harmony among the Member States.

I thank you, Mr. Chairman.