



STATEMENT BY AMBASSADOR MOHAMED BENNOUNA, PERMANENT REPRESENTATIVE OF THE KINGDOM OF MOROCCO TO THE UNITED NATIONS, ON BEHALF OF THE GROUP OF 77 AND CHINA, ON AGENDA ITEM 121: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2004-2005, BEFORE THE FIFTH COMMITTEE OF THE 58TH SESSION OF THE GENERAL ASSEMBLY (New York, 28 October 2003)

Mr. Chairman,

1. It is my honour to address the Fifth Committee, in my capacity as Chairman of the Group of 77 and China on agenda item 121: Proposed Programme Budget for the Biennium 2004-2005, which undoubtedly constitutes one of the items that requires careful and thorough consideration, as well as additional effort from all delegations in order to reach the expected consensus that will permit the Organization to obtain the necessary resources for the implementation of the mandated programmes and activities..
2. Since this is the first time I address the Fifth Committee under your chairmanship, allow me Mr. Ambassador, to express to you my warmest congratulations for your election, and to the other Members of the bureau as well.
3. I would like to assure you, Mr. Chairman that the Group of 77 and China will spare no effort in contributing constructively to the work of the Committee so that the forthcoming deliberations and negotiations concerning this item will, under your guidance, reach the positive outcome we all expect.
4. I avail myself of this opportunity to welcome the Secretary-General, Mr. Kofi Annan, to the Fifth Committee and thank him for the introduction of the Proposed Programme Budget for the next two years, contained in document A/58/6. Our thanks go also to the Chairman of the Advisory Committee on Administrative and Budgetary Questions and the Chairman of the Committee for Programme and Coordination, for the presentation of the reports of their respective committees.

Mr. Chairman,

5. The Group welcomes the timely submission of the Proposed Programme Budget for the biennium 2004-2005, and commends the Secretary-General for the efforts made towards the implementation of a results-based approach in the presentation of the budget.
6. The Group also wishes to express its appreciation for the pertinent observations, conclusions and recommendations contained in the reports of the ACABQ and CPC, that our Group will further examine and accordingly take their inputs into account in the negotiations ahead.
7. Our Group wants to state its believe that Results-Based Budgeting system should contribute to ensuring the effective and efficient implementation of all mandated programmes and activities, and that it should be implemented in accordance with the relevant General Assembly resolutions.
8. We also believe that Results-Based Budgeting (R.B.B) is not an end in itself, and that it should be implemented in a gradual and incremental manner, bearing in mind the intergovernmental, multilateral and international character of the United Nations. The Group further believes that the formulation and application of the logical framework of Results-Based Budgeting, in particular indicators of achievement, should also take into account the unique character of the United Nations.
9. Furthermore, our Group is aware that RBB is a new management tool and, although some progress has been achieved in its implementation, further improvements are needed, as pointed out by the ACABQ. While acknowledging the continuing efforts by the Secretary-General to further integrate RBB and results-based management into the work of the Organization, the Group urges all programme managers to spare no effort in addressing the identified shortcomings.
10. The Group notes that the programme budget proposal has been significantly shortened and presented in a more strategic format. We wish to recall that the General Assembly was receptive to the proposal for a shorter format, on the understanding that the budget proposal should continue to fully justify resource requirements and better reflect the priorities set out in the Medium-Term Plan, the Millennium Declaration, and the outcomes of major international

conferences.

11. We want to caution that it is imperative to ensure that Member States continue to receive adequate information that fully justifies resource requirements, in the main part of the budget document, including the impact thereof on the implementation of programmes, in order to enable Member States to take well-informed decisions.

Mr. Chairman,

12. The introduction of the Proposed Programme Budget constitutes a proper occasion for the Group of 77 and China to reaffirm that the effective functioning of the United Nations requires Member States to provide adequate resources to the Secretary-General, in conformity with Article 17 of the Charter, to enable full implementation of mandated programmes and activities, and to also provide essential services needed for the proper functioning of intergovernmental machinery.

13. We would like to reiterate that the resources approved by the General Assembly must be commensurate with all mandated programmes and activities. We note that the Secretary-General's proposal for 2004-2005 largely reflects a significant reallocation of resources between several programmes.

14. The Group emphasizes that resource allocation amongst the various programmes should reflect the priorities established in the Medium-Term Plan, and that there should be adequate allocation of resources for the economic and social development activities, so that the United Nations could continue to pursue the internationally agreed development goals set out in the Millennium Declaration, as well as in outcomes of other major international conferences.

15. The Group wishes to reaffirm, and welcomes the assurance by the Secretary-General, that the allocation of resources within the proposed programme budget fully reflects the priorities set out in the Medium-Term Plan for the period 2002-2005, the Millennium Declaration and the outcomes of the major international conferences, in accordance with resolution 57/300.

16. The G-77 and China would like to also highlight the importance it attaches to the meetings and conferences that will be held during the next biennium, *inter alia*, the International Meeting to Review the Barbados Programme of Action on the Sustainable Development of Small Island Developing States, to be held in Mauritius in 2004; the Special Session of the General Assembly on Population and Development; the Eleventh Session of the United Nations Conference on Trade and Development; and the Strategic Revision of the Yokohama Conference on International Disaster Reduction.

17. It is also crucial that, on his part, the Secretary-General should continue to ensure that the resources put at the disposal of the Organization are utilized for the purposes for which they are approved, and in a cost-effective, transparent and accountable way. Our Group remains ready to examine these aspects in the consideration of this budget proposal.

18. The Group further reiterates that the budgetary process, as approved by the General Assembly in its resolutions 41/213 and 42/211, and reaffirmed in subsequent resolutions, continues to be valid and should be fully adhered to. The Group wishes, in this regard, to emphasize the role of the Fifth Committee as the appropriate Main Committee of the General Assembly entrusted to consider all administrative, financial and budgetary questions, in accordance with rule 153 of the Rules of Procedures of the General Assembly.

Mr. Chairman,

19. We welcome the initial steps taken to support Africa's development and the implementation of NEPAD with the creation of the Office of a Special Advisor for Africa (OSAA) to carry out, *inter alia*, global advocacy and coordination of United Nations activities. We also wish to highlight the need to further strengthen OSAA's capacity to effectively fulfill its mandate.

20. The Group notes the statement contained in paragraph 14 of the budget introduction, whereby the Secretary-General noted the use of resources liberated as a result of the implementation of efficiency measures. The Group notes with concern that the level of resources allocated to the Development Account has not changed since its approval. In this regard, we stress that, in accordance with General Assembly resolution 52/12 B, part of the efficiency savings should be re-directed to the Development Account.

21. We note, once more, the continuation of the alarming trend of using extra-budgetary resources to fund priority areas of the Organization that should be funded from the regular budget. Our concern, as was stated before, stems

from the fact that the provision of such resources is not predictable, and that such resources are more often tied and used to implement donor-driven policies and programmes. While not discouraging provision of voluntary funding to the United Nations, there should not be too heavy reliance on the extra-budgetary resources to finance mandated programmes and activities.

Mr. Chairman,

22. The G-77 and China expresses its concern on the perennial high vacancy rate, especially at the professional category of posts, in some duty stations. This unfortunate situation has adverse effect on the effective delivery of mandated programmes and activities. The Group reiterates that the approved uniform vacancy rates are a management tool for budgetary calculations, and should not be used for any other purpose.

23. The Group further reminds that the use of consultants and independent contractors should only be a last resort when in-house expertise is not available, and that the outsourcing of consultancy services should reflect the international character of the organization.

24. As for the statements of Programme Budgetary Implications (PBIs), resulting from decisions taken by other Main Committees of the General Assembly, it is of utmost importance that all such PBI's be submitted well in advance, in accordance with the provisions of paragraph 13 of the GA decision 34/401.

25. The Group wishes to reiterate as well that the level of the contingency fund should be maintained at 0.75 per cent, over and above the level of the budget approved for the biennium.

26. May I conclude, Mr. Chairman, by stating that the Group of 77 and China will constructively participate in the budget negotiations to ensure agreement on a budget that adequately ensures the smooth implementation of the programmes and activities of our Organization.

I thank you, Mr. Chairman.