



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY AMBASSADOR STAFFORD NEIL, PERMANENT REPRESENTATIVE OF JAMAICA TO THE UNITED NATIONS AND CHAIRMAN OF THE GROUP OF 77, ON AGENDA ITEM 124: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2006-2007, AT THE FIFTH COMMITTEE OF THE 60TH SESSION OF THE GENERAL ASSEMBLY (New York, 25 October 2005)

Mr. Chairman,

I have the honour to speak on behalf of the G-77 and China on agenda item 124.

The Group wishes to thank the Secretary-General for his presentation of the proposed programme budget for the biennium 2006-2007. We appreciate his commitment to improve the financial management of the Organization. We also wish to thank Mr. Rajat Saha for introducing the report of the ACABQ (A/60/7) and Mr. Yoo Dae-jong, Vice Chairman of the Committee for Programme and Coordination, for introducing the report of the Committee (A/60/16).

Yesterday the United Nations marked the 60th anniversary of its founding. This milestone deserves special recognition. The Group of 77 and China takes this opportunity to reaffirm its commitment to the goals and aspirations of the Organization in keeping with the provisions of its Charter. Recent criticisms of the management of the Organization and an orchestrated media campaign have raised questions over performance of the Organization and its credibility. The reports on the Oil-For-Food programme have created a perception of systemic irregularities and sought to impugn ethical conduct of members of staff and the management of the Organization.

It should be recalled that the Oil-For-Food programme was a special operation that was not subject to the normal oversight and review controls of the General Assembly. It operated under the control and oversight of the Security Council. The reported conclusions of the investigation should therefore not be used to negatively characterize performance of the staff of the Organization as a whole and should not become the basis on which directions and priorities are set for the Organization.

The consideration of the budget is undoubtedly of highest priority for the Organization at this time. The regular budget provides the core resources for the Organization to carry out its functions and to enable the implementation of the respective mandates and policies set by Member States.

The Group wishes to underline the role of the General Assembly and its relevant intergovernmental and expert bodies within their respective mandates in planning, programming, budgeting, monitoring and evaluation. Furthermore, we reaffirm the role of the General Assembly in carrying out a thorough analysis and approval of posts and financial resources, human resources policies and allocation as well as reallocation of resources, to all sections of the programme budget with a view to ensuring full and efficient implementation of all mandated programmes and activities and for the implementation of relevant policies.

We welcome the presentation of the proposed programme budget in a results-based (RBB) format. We wish to emphasize that RBB is a management tool to enhance transparency and responsibility in implementing programmes and mandates and is not an end in itself. We encourage further improvements in this process, including a better reflection of the linkages between the inputs and the outputs. Adherence to the legislative mandates, the provisions of the Charter, and consideration of the international character of the Organization are integral factors in the budget process.

The level of resources proposed for the biennium amounts to approximately \$3.6 billion before recosting. This does not reflect any real growth in the budget as the increase is less than 0.1 percent in real terms. The Group of 77 and China reaffirms its position that resources approved by the General Assembly should be commensurate with all the mandated programmes and activities in order to ensure their full implementation. There cannot be any arbitrary decision to lower the level of resources or to impose an artificial ceiling which could have an adverse impact on effective programme delivery. The General Assembly has not accepted the principle of "zero-nominal growth", which some Member States support, and the Group expects the Secretary-General to present proposals that meet the mandates of the General Assembly.

The Group will consider the proposals presented with the objective of ensuring that the Organization is provided with resources commensurate with approved mandates. It is of some concern that the estimated extra budgetary resources will comprise over 60 percent of the requirements of the Organization, and that over 80 percent of the regular budget is allocated to staff and administrative expenditures and not directly related to the implementation of

mandates, thus requiring such mandates to be met by extra budgetary resources. In this regard, the General Assembly will need to exercise more oversight in order to ensure appropriate balance in the implementation of all mandates and programmes, notwithstanding the nature of their sources of funding. Recommendations to eliminate programmes based on the inability to have attracted extra budgetary resources must be carefully assessed.

Member States have set certain development priorities for the Organization derived from the UN Summits and Conferences held since the 1990s which identified a number of issues of vital importance to the economic and social development of developing countries as well as the protection and conservation of the environment. Notable among these priorities are programmes and initiatives aimed at international and regional cooperation in the areas of hunger and poverty eradication, trade and development, environment, support for NEPAD, social and health issues such as HIV/AIDS, malaria and tuberculosis. These have resulted in several mandates to the Organization which the Group expects to be adequately reflected in the budget. The High-level Plenary Meeting of the 60th session has also reaffirmed the validity and relevance of these priorities.

The Secretary-General, within the framework of Regulation 5.6 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, has proposed the discontinuation of a number of outputs. We note that most of the 3,019 outputs proposed to be discontinued are in the economic, social and environment areas to which the developing countries attach great importance. The Group of 77 and China believes that the agenda of the United Nations should continue to reflect the concerns and priorities of Member States as set out in various legislative mandates. Discontinuation of outputs should be undertaken after thorough, careful and non-selective analysis which measures the contribution of such outputs to achieving the Organization's objectives. Our Group will therefore closely consider the proposed discontinuation of outputs and make our determinations based on assessments of the objective conditions and circumstances. Efforts by the Organization to address fundamental challenges must be continued.

Based on paragraph 40 of resolution 58/270, our Group was expecting to receive a full report on improving the implementation of regulation 5.6 and rule 105.6 of the Regulations and Rules Governing Programme Planning, and not in the present form of an annex to the introduction of the budget document.

Mr. Chairman,

I wish to refer to the Development Account which has remained at its initial level of US\$13 million since its establishment in 1998. Mr. Chairman, no recosting has been applied to this Account and no increases have been made despite savings achieved by the Organization. It is imperative that at this session the Committee examine all possible sources of savings in the implementation of the different programmes and request the Secretariat to present an analysis of innovative ways by which this programme can be adequately funded.

We welcome the initiatives undertaken with respect to information and communication technology (ICT) and we encourage greater focus on programmes for duty stations such as Nairobi and the regional commissions as compared to the current concentration on headquarters in New York and the UN offices in Geneva and Vienna.

Our Group is not convinced that the funding allocated for training is adequate to carry out the functions of the Organization. Given the reform efforts underway in the Organization and taking into account the corresponding requirements for efficient and effective programme delivery and enhanced capacity-building, it is difficult to understand how US\$ 25 million will be sufficient to meet the evolving training needs of the staff. Another consideration is that resources for training should be allocated fairly among programmes and duty stations to ensure that the Organization derives full benefit from these efforts.

Mr. Chairman,

The Group wishes to reaffirm the importance of the roles played by the Organs of the United Nations in accordance with Charter mandates. We expect the Secretariat to provide equal quality service to all organs. We have to register our concern at the tendency to give supremacy to the work of the Security Council. We further believe that the support mechanisms for the Security Council should be streamlined. At the same time we reiterate our concern at the disproportionate impact of cuts in conference servicing on the work of the Main Committees of the General Assembly, intergovernmental bodies and regional groups. The partial restoration of services, which were approved in 2003, has not had the desired impact and serious consideration should be given to full restoration of these vital services.

Mr. Chairman,

Turning to resources for the four duty stations of the United Nations and the regional commissions, our Group would like to underline the importance of ensuring equity among duty stations, and offices in developing and developed countries. We therefore welcome the Secretary-General's efforts to improve on the financial arrangements of the United Nations Office in Nairobi.

The regional commissions represent the first tier of interface between the United Nations and the billions of people around the world and they assume great responsibilities with regard to supporting the developmental agenda of the Organization. It is our collective responsibility to provide the regional commissions with adequate resources for the implementation of core mandates without undue dependence on extra budgetary resources.

We acknowledge that the proposed programme budget was prepared prior to the conclusion of the High-level Plenary Meeting of the 60th session of the General Assembly and therefore it does not reflect any additional requirements that may arise from issues that emerged from that meeting. The Group expects that any additional budgetary requirements will be presented in a revised estimate supported by well thought-out and detailed proposals and introduced in keeping with established procedures.

Mr. Chairman,

The Group of 77 and China welcomes the report of the CPC and appreciates the important work of this intergovernmental body. Our Group would like to express its concern that not all budget sections were submitted to the CPC for consideration, namely sections 9, 23, 24 and 27. We would like to reaffirm the role and mandate of the CPC in accordance with the regulations and rules governing programme planning, the programme aspects of the budget, the monitoring of implementation and the methods of evaluation (PPBME), as well as relevant General Assembly and ECOSOC resolutions. In this regard, we are further concerned that not all the introductory parts of the budget sections contain information on revised or new mandates and also that the narratives of the overall orientation were not identical in some of the sections and subprogrammes in accordance with General Assembly resolution 58/269. We expect the Secretariat to fully abide by regulation 4.5 and rule 104.4 of the PPBME.

Our Group acknowledges that this is the first proposed programme budget being introduced in accordance with the experimental planning and budget cycle as provided for in General Assembly resolution 58/269. The Group has concerns regarding certain shortcomings of this experiment which have become evident and we will consider them thoroughly when the Assembly reviews the experiment at its 62nd session. We are also concerned by the interpretation of the Secretariat of General Assembly resolution 58/269 which places the entire experiment in jeopardy. In this regard, we wish to emphasize the need for the Secretariat to act in an impartial manner and not complicate progress in the implementation of the experiment. We also expect the Secretariat to respect the intergovernmental nature of the planning and budgetary processes.

In respect of proposed management reform we have noted the time-line that the Secretary-General has indicated. The Group of 77 and China will present its views to the General Assembly at the appropriate time.

Mr. Chairman,

The Group takes note of the report of the ACABQ and wishes to point out serious concerns regarding its report. First of all, a number of observations in the report clearly went beyond the mandate of the Advisory Committee. The report also contains many instances where national positions previously rejected by the General Assembly are reflected in the document. The Group would like to recall the provisions of rules 155 to 157 of the rules of procedure of the General Assembly that members of the ACABQ are elected on the basis of personal qualifications and experience and they serve in the Committee as independent experts and not as representatives of their governments. In this regard, we should also like to point out that it is inappropriate for any member of the ACABQ to participate in negotiations of intergovernmental bodies as this undermines the perception of neutrality and independence of the Committee.

The Group emphasizes the importance of the role and mandate of ACABQ as an independent, impartial, and technical expert body to advise the General Assembly on administrative and budgetary questions.

The evolution of the work of the General Assembly and other UN bodies was not accompanied by any reform of the ACABQ or any consideration for the conditions of service of its members. The Group believes it is now time to review such issues in line with the ongoing reform process in the Organization. The Group will therefore be presenting proposals aimed at enhancing the effectiveness and ensuring the independence of the ACABQ.

Mr. Chairman,

In conclusion, the Group looks forward to transparent and constructive consultations with our partners on the proposed programme budget. The Group is committed to providing the Organization with a resolution on its budget for the biennium 2006-2007 that provides adequate resources to the Organization, free from any conditionalities to support the policy framework determined by the intergovernmental organs of the Organization.

Thank you.

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