



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY
AMBASSADOR CONROD HUNTE, DEPUTY PERMANENT REPRESENTATIVE
OF ANTIGUA AND BARBUDA TO THE UNITED NATIONS, ON AGENDA ITEM
118: PROGRAMME BUDGET FOR THE BIENNIUM 2008-2009 - FIRST
PERFORMANCE REPORT, AT THE FIFTH COMMITTEE DURING THE MAIN
PART OF THE 63RD SESSION OF THE GENERAL ASSEMBLY (New York, 19
December 2008)**

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 118, in particular on the first performance report on the programme budget for the biennium 2008-2009.
2. The Group of 77 and China wishes to thank the Controller, Mr. Jun Yamazaki, for introducing the report of the Secretary-General on this agenda item (A/63/573) and Ms. Susan McLurg, Chairman of the Advisory Committee on Administrative and Budgetary Questions, for her presentation of the Advisory Committee's report.
3. The Group of 77 and China attaches great importance to the effective and smooth functioning of the Organization and values the consideration of the first performance report. The first performance report gives us an insight into the impact of the resources provided to the Secretary-General to enable him to discharge the numerous mandates that Member States have collectively entrusted to the Organization. The Group consequently believes that Member States would have benefited from receiving the first performance report and the related report of the Advisory Committee in a timely manner.

Mr. Chairman,

4. The Group of 77 and China notes that the performance report has identified several adjustments in the level of appropriations required for the 2008-2009 biennium due to variations in costing parameters assumed in the calculation of the initial appropriation, unforeseen and extraordinary items, and additional mandates that are best dealt with in the context of the performance report under the arrangements endorsed by the General Assembly at its thirty-second session.
5. The Group notes that the revised requirements for the biennium have increased by 180.8 million and now amount to 4,388.4 million. We also note that some programme budget implications resulting from decisions taken in other Main Committees will be revised to reflect the costing parameters approved by the General Assembly, and which will affect the level of the revised appropriations. The Group of 77 and China notes that the bulk of increases are related to the implementation of the maintenance of peace and security. As the Group has stated many times before, like all proposals approved by the General Assembly and the Security Council come with a price tag. We therefore caution against the misconception that peace and security issues can be financed at the expense of other important activities and mandates of the Organization.
6. We also note the increase in resource requirements for special political missions, due to the fact that the provisions for SPMs for the biennium 2008-2009 have almost been depleted by the end of the first year of the biennium. This will of course increase the level of the initial appropriations even more. We note also that provisions for special political missions, peace and security and human

rights remain the only areas of the regular budget that have experienced actual growth. The Group of 77 and China attaches great importance to the implementation of the Development Agenda and is concerned by the lack of commensurate growth in this important area. That is why we are committed to approve a resolution in this session in order to provide adequate resources to implement the development mandates of the General Assembly.

Mr. Chairman,

7. Turning to the experiment of the limited budgetary discretion for the Secretary-General to enter into commitments for up to 20 million dollars in each biennium for posts and non-post requirements to meet the evolving needs of the Organization, the Group would like to stress that the implementation of the above-mentioned experiment should be consistent with the principles and guidelines set forth in section III of General Assembly resolution 60/283. We note the comments in paragraph 36 of the report of the Secretary General in which he expressed that such authority was used to address the continued funding of a dedicated project team to "maintain the momentum and ensure the progress on major foundation tasks relating to the Enterprise Resource Planning system", as well as for operational preparedness and business continuity in a protracted crisis of human influenza pandemic. Due to the lack of time to discuss this further in this formal meeting, the Group intends to pursue this issue in the informal meeting.

8. The Group expresses its great concern that the performance report has once again not responded to paragraph 4 of resolution 54/15, in which the General Assembly had decided that savings achieved as a result of efficiency measures should be transferred to the funding mechanism of the Development Account with the prior approval of the General Assembly. The Group of 77 and China notes that the performance report does not contain any information on such savings. At the same time, we are puzzled that the Secretariat often manages to identify "savings" when it seems suited for its purposes. Nonetheless, it should be clear by now that the funding mechanism is not functioning as envisaged in 1997 and that concrete action to regularize the funding of the Development Account is required from the Assembly.

9. We also take note of paragraphs 44 to 47 in which the Secretary-General makes proposals regarding the restructuring of the Office of Human Resources Management. The Group fully endorses the recommendations of the ACABQ that performance reports should report on changes in planning parameters and should not deal, in principle, with substantive issues such as Secretariat restructuring. The first performance report should therefore be limited to the parameters approved by the General Assembly.

10. Regarding recosting methodology, the Group of 77 and China would like to stress that it should be implemented only by including the recommendations of the ICSC. Recosting is essentially an attempt to predict the resource needs for the following year and does not represent actual expenditures or savings. Any attempt to manipulate recosting for short-term results will ultimately not affect actual requirements. The Group therefore views that it is not intellectually sound to start negotiations of the 2010-2011 budget with conveniently distorted figures, and expresses its concern that this will only create unnecessary problems when we commence actual negotiations on the regular budget next year.

11. The Group takes note of the recommendation of the ACABQ in paragraph 11 of its report regarding recosting methodologies used by other international organizations. The unique nature of the United Nations, including its diverse international field presence and size of staff, means that recosting measures have to be customized for its needs. The Group therefore stresses that we should abide by the information given in Annex IV of the report of the ACABQ.

12. On the construction of additional office facilities at ECA and the related utilization of the commitment authority in the amount of \$1,936.400, the Group of 77 and China concurs with the recommendation of the ACABQ in paragraph 15 of its report.

13. Finally, Mr. Chairman, turning to the programme budget implications, the Group believes that they should be treated in accordance with the provisions of General Assembly resolutions 41/213 and 42/211 guiding the operation of the contingency fund. The Group further notes that the programme budget implications and revised estimates subject to the Contingency Fund are within the level of the Fund.

I thank you.