



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MRS KAREN LINGENFELDER, COUNSELLOR AT THE PERMANENT MISSION OF SOUTH AFRICA TO THE UNITED NATIONS ON AGENDA ITEM 134: PROPOSED PROGRAMME BUDGET: BIENNIUM 2016 - 2017, AT THE MAIN PART OF THE SEVENTIETH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 12 October 2015)

Mr Chairman

I have the honor to speak on behalf of the Group of 77 and China on agenda item 134, entitled "Proposed Programme Budget for the Biennium 2016 - 2017".

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 Mr Carlos Ruiz Massieu, Chairman of the Advisory Committee, for introducing the Committee's related report.

Mr Chairman

The budget document is not merely a financial and accounting tool. It is an authoritative statement that should reflect the strategic vision of the Secretary General in delivering the mandates and priorities agreed upon by Member States. The Group takes this opportunity to reiterate its request to the Secretariat and to all Member States to strictly abide by the consistent decisions of the General Assembly that no changes to the established budget methodology, procedures and practices or to the financial regulations be implemented without prior review and approval by the General Assembly.

Considering the importance and comprehensiveness of the budget proposal, the Group strongly believes that sufficient time must be provided for informal consultations. We ask you, Mr Chair, and the rest of the bureau members, to ensure that adequate time slots in the Programme of Work are reserved for this specific agenda item.

Re-costing is a fundamental element of the budget methodology agreed to by Member States and the Group is satisfied with the amount of time devoted to this issue during previous sessions. We sincerely hope that we can put this discussion behind us and focus our discussions in providing the organization with the adequate resources for the implementation of its mandates.

Mr Chairman

The Group is deeply concerned about the Secretariat's creative interpretation of resolution 69/264 on the budget outline to implement a series of arbitrary cuts. That same resolution states two very important issues that the Secretariat seemed to have ignored. Firstly, the budget outline is a preliminary estimate of resources and secondly, the budget proposal should reflect resource levels corresponding with agreed mandates for their full, efficient, and effective implementation.

The G77 and China would like to stress that the so-called "efficiency measures" are of a totally voluntary nature and the Secretary General is in no way obliged to implement them. Furthermore, the G77 and China disagrees with the interpretation that the budget outline resolution directly called for these "further reductions" and "efficiency measures". Operative paragraph 12 in the budget

outline resolution clearly stated that these measures could be proposed wherever possible and most importantly without undermining the implementation of mandated programme activities.

Even more concerning for the Group is the fact that the Secretary General has decided to freeze a considerable amount of posts in order to attain these so-called "efficiencies" and "further reductions." The Group fails to understand how freezing posts that have been proposed by the Secretary General and approved by Member States, to provide the organization with the right tools to deliver its agreed mandate, are now being frozen by the same Secretariat that requested them in the first place.

It is important to keep in mind that many of these freezes are unjustifiably based on the expected benefits from Umoja. A massive project that, while claiming that it will reduce costs, is asking for more than \$14 million from the 2016 - 2017 budget, not to mention the significant resources already claimed from the past and present biennium. Having reviewed the seventh progress report on Umoja, the Group notes that there is still no concrete benefit realization plan, despite the repeated calls from the General Assembly.

We share the view of the Advisory Committee that specific information on the benefits expected from Umoja in each area should be presented to Member States in advance of its consideration of the budgetary impact of benefit realization in order to allow sufficient time for its deliberations and to support informed decision-making. In the absence of this information, Member States are doing nothing but making unfounded conjectures about possible scenarios, thereby limiting the capacity of United Nations departments to implement mandates.

The Secretary General's proposal enabling managers to change and adjust the posts that are frozen has raised serious concerns within the Group. The Group of 77 and China would like to stress that the staffing table from the regular budget is the sole prerogative of the General Assembly. We therefore urge the Secretary General to strictly abide by the relevant provisions of General Assembly resolutions, and existing financial rules and regulations when implementing the so-called efficiencies.

We would like to once again, remind the Secretary General of the promise made, more than a decade ago, that efficiencies and savings identified in the budget would be used to finance the Development Account. We call on the Secretary General to honour this commitment.

Mr Chairman

Recently Member States adopted the most comprehensive, universal global agenda for sustainable development. Heads of State met to agree on a new comprehensive post 2015 development agenda. The goals are ambitious but they will not be met without determined effort, the exercise of political will and the resources required to increase the likelihood of success. The critical issue is one of financial resources - a daunting challenge but one which must be properly addressed, if the new development agenda is to come to fruition.

The Group therefore believes that Member States must provide the United Nations with the adequate resources it needs so that it can perform its role as the key enabler of the new development agenda. We have serious doubts, however, on whether the current budget provides the United Nations with the appropriate means needed for such an ambitious feat.

With regard to international cooperation for development, the Group of 77 and China has high expectations that the budget of the organization should also pay special attention to the programs

of the areas with special needs in particular least developed countries, land locked developing countries and small island developing States. The Group will be seeking specific clarification on how new mandates in this area have been addressed in the budget before us.

Mr Chairman

The Group of 77 and China notes, once again, the growing imbalance between assessed and voluntary contributions in all areas, including peace and security, development, and human rights. Indeed, we are facing a situation in which the amount of voluntary funds every biennium reaches a new high, whilst assessed contributions are under heavy pressure for reduction.

This reality contradicts the deceptive argument of "doing more with less". Actually, what we have today is LESS transparency in the work of the Organization and LESS oversight and control by Member States. As the Group stated two years ago, the Organization is facing a governance crisis, whereby on the one hand, legislative bodies approve mandates and set priorities, and, on the other, 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 of resources from both the assessed contributions and voluntary assistance by donor countries; and the neglected ones, constantly under-funded and scrambling for a few crumbs of the regular budget. The Group of 77 and China firmly rejects this double standard.

Mr Chairman

The Group of 77 and China underlines the importance of providing the United Nations with the necessary resources to implement the substantive work that Member States agree to entrust the Organization with, while ensuring an effective and efficient allocation of resources.

We assure you, Mr Chairman, of our commitment to work constructively with you and our partners to find an agreement on this very important agenda item.

I thank you, Mr Chairman