

**STATEMENT BY THE REPRESENTATIVE OF INDONESIA ON BEHALF OF THE GROUP OF 77 AND CHINA ON AGENDA ITEM 112: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS, OUTLINE OF THE PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2000-2001 BEFORE THE FIFTH COMMITTEE OF THE 53RD SESSION OF UNITED NATIONS GENERAL ASSEMBLY**  
**NEW YORK, 7 DECEMBER 1998**

---

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China.
2. The Group of 77 and China would like to express its deep appreciation to the Chairman of the 38th Session of the Committee for Programme and Coordination (CPC), H.E. Ambassador Bagher Asadi of the Islamic Republic of Iran for introducing the relevant part of the report of the CPC (A/53/16) concerning the outline of the proposed programme budget for the biennium 2000-2001, on 12 October 1998.
3. The Group of 77 and China thanks the Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for the introducing the report of the Advisory Committee as contained in document A/53/718. We would also like to thank the Controller of the United Nations for the introducing the report of the Secretary-General on the budget outline of the proposed programme budget for the biennium 2000-2001 as contained in document A/53/220\*.
4. The Group of 77 and China attaches great importance to this issue. In this regard, we welcome the timely issuance of the outline of the proposed programme budget for the biennium 2000-2001 in accordance with General Assembly resolution 42/211 of 21 December 1987. However, we deeply regret that the Fifth Committee could not start consideration of this very important issue earlier, because of late issuance of relevant documents.

Mr. Chairman,

5. Group of 77 and China reiterates its view that the resources should be commensurate with the mandates, for their full implementation. In this context, the Group emphasizes that the budget outline is a preliminary indicative estimate of resources. Furthermore, we would like to underscore that the General Assembly's request in paragraph 22 of resolution 52/220 that the budget estimates for the biennium 2000-2001 should enable the Secretariat to implement fully all mandated programmes and activities. While formulating the programme budget for the next biennium, the Secretariat must respect fully the priorities established by the General Assembly in the medium-term plan.
6. The Group of 77 and China notes that, in the outline, there are proposals to increase or decrease resources in different parts of the budget. In this regard, we would like to have a detailed justification, in writing, for the proposed increases or decreases in the outline. The response should include all legislative mandates for which corresponding increases or decreases have been proposed. The Group, in particular, would like to have justification for the highest increase in part IX which is about 5 per cent of the proposed budget outline for the biennium 2000-2001, which is not a priority in the medium-term plan as contained in General Assembly resolution 51/219.
7. The Group of 77 and China has carefully considered the issue of special political missions. The Group notes that the Secretary-General has presented different alternatives to deal with this issue that are not accordance with paragraph 11 of resolution 41/213. This could be with the aim of avoiding the political

problems that arose in recent years during the consideration of the proposals to establish or to renew the special political missions. The Group is of the view that the recommendation of ACABQ could be considered in this regard.

8. With reference to the Development Account, the Group of 77 and China is of the view that since it is a section of the regular budget, it should be treated in accordance with the existing rules and regulations and resolutions of the General Assembly. The proposals on utilization of US\$ 13 million dollars should be included in the budget fascicles for consideration by the Committee for Programme and Coordination (CPC), ACABQ and the Fifth Committee, in accordance with the established procedures.

Mr. Chairman,

9. The Group of 77 and China notes with concern the observation of the ACABQ in paragraph 7 of its report A/53/718 regarding reduction of US\$ 20 million dollars as compensating economies. In this context, we share the Advisory Committee's conclusion that the figure of US\$ 20 million was arrived at in a "fairly arbitrary manner". Therefore, it should be restored in the budget outline. Furthermore, the Group would like to endorse the recommendation of the Advisory Committee in paragraph 11 of its report A/53/718 on the level of estimated resources for the programme budget for the biennium 2000-2001.

10. The Group of 77 and China has noted that a number of departments have expressed their view that further economy measures would affect efficient and effective implementation of their respective programme of work. This should be taken into account to ensure that all sections of the budget are provided with adequate resources for their smooth and efficient functioning.

11. On the issue of results-based budgeting, the Group of 77 and China would like to underscore that the Ministers for Foreign Affairs of the Group of 77 and China noted that this proposal would lead to a radical departure from current programme planning and budgetary practices and procedures which have been repeatedly reaffirmed by the General Assembly. They stressed the need for thorough consideration, by the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee, of the more detailed report that the Secretary-General was requested to submit on this proposal. Therefore, no action should be taken by the Secretariat to implement results-based budgeting until the General Assembly decides on the appropriate action on this matter.

12. As regards net budgeting, the Group of 77 and China is of the view that this issue should be further examined thoroughly.

Mr. Chairman,

13. The Group of 77 and China reiterates that the priorities for the programme budget for the biennium 2000-2001 should reflect the priorities set in the medium-term plan for the period 1998-2001 as approved by the General Assembly in its resolution 51/219 of 18 December 1996, in particular resources should be increased for development activities.

14. The Group of 77 and China would like to state that the provisions of resolution 41/213 should be fully respected and implemented. This, inter alia, explicitly provides for the procedure for meeting additional expenditure after approval of the budget. In this regard, the Group considers that the contingency fund should be utilized in accordance with resolutions 41/213 and 42/211 and that conditionalities in the decision-making process should be avoided in order not to have budgetary implications.

Mr. Chairman,

15. The Group of 77 and China would like to emphasize once again that there should be no ceiling or floor on

the programme budget. The level of budget should be adequate to implement all the mandates approved by legislative bodies.

Thank you.

