

REPERTORY OF PRACTICE OF UNITED NATIONS ORGANS
SUPPLEMENT No. 7 (1985-1988)

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VOLUME II

ARTICLE 17(1)

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TEXT OF ARTICLE 17(1)

The General Assembly shall consider and approve the budget of the Organization

INTRODUCTORY NOTE

1. The structure of this study follows that of the previous studies of Article 17(1) in the *Repertory* and its *Supplements Nos. 1, 2, 3, 4, 5* and *6*. However, sections A.2, Revised budget estimates and A.3, Supplementary estimates, have been combined in a section A.2, Revised and supplementary budget estimates; sections C.2, Purposes of transfers within and between sections of the budget, and C.3, Limits placed on transfers between sections of the budget, have been regrouped in a section C.2, Transfers between sections of the budget; and, the Special Accounts established by the General Assembly for the budgets of the United Nations forces in operation during the period have been treated in one single section H, Special accounts for peace keeping and related operations of the United Nations.

I. GENERAL SURVEY

2. By its resolution 41/213 of 19 December 1986, entitled Review of the efficiency of the administrative and financial functioning of the United Nations, the General Assembly introduced major changes in the budgeting process of the Organization. The two main innovations were the presentation by the Secretary-General, in off-budget years, of an outline of the next programme budget, and the introduction in the programme budget itself of a contingency fund to accommodate additional expenditures resulting from new legislative mandates and revised estimates.¹

3. The outline of the programme budget, decided upon the year before its preparation and presentation to the Assembly, was to contain an "indication" of (a) preliminary estimate of resources to accommodate the proposed programme of activities, (b) priorities, reflecting general trends, (c) real growth, positive or negative, compared with the previous budget, and (d) size of the contingency fund, expressed as a percentage of the overall level of resources.²

4. These changes in the budget process – the most significant since the adoption in the mid-1970s of the integrated planning, programming and budgeting process –³ were motivated by a growth in the budget of the United Nations that a number of Member States considered to be the unacceptable result of an undisciplined attitude of both the majority of the membership

¹ See Resolution 41/213, Annex 1, Budget process, sections A. and C.

² *Ibid*, section A., paragraph 1 (a), (b), (c) and (d).

³ The first biennial programme budget, for the biennium 1974-1975, was adopted by the Assembly in its resolution 3195(XXVIII) of 18 December 1973. Prior to this, the Assembly had been adopting budget appropriations for each financial year. Also in 1973, the Assembly adopted the first medium-term plan of the Organization covering the period 1974-1977.

and the Secretariat.⁴ In the language of negotiated resolutions, this view became the search for “greater efficiency” in the functioning of the Organization.

5. In its resolution of 1985 establishing the Group of High Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (the Group of 18), the Assembly had expressed its conviction that improved efficiency would help the Organization attain its purposes and implement the principles of the Charter.⁵ It would, stated the Assembly upon consideration of the report of the Group, strengthen the United Nations effectiveness in dealing with political, economic and social issues.⁶ Moreover, a more efficient Organization would fulfill its objectives and implement its mandates with less personnel in its Secretariat. In resolution 41/213, the Assembly requested the Secretary-General to implement, albeit with flexibility, Recommendation 15 of the Group of 18, which called for a reduction by 15 per cent within a period of three years of the overall number of posts financed by the regular budget, and for a reduction by 25 per cent of posts at the level of Under-Secretary General and Assistant Secretary-General.⁷

6. Greater efficiency implied an earlier and more effective involvement of Member States in the budgeting process of the United Nations. In its report, the Group of 18 had severely criticized the current planning, programming and budgeting process and, in particular, the late and perfunctory participation of Member States in this process through their intergovernmental and expert bodies.⁸ The Assembly echoed this view when it stated that one of the four principles that shall govern the said process was the “*recognition of the need for Member States to participate in the budgetary preparation from its early stages and throughout the process.*” Another principle was “*Full respect for the authority and the prerogatives of the Secretary-General as the chief administrative officer of the Organization.*”⁹

7. A more tightly controlled budget through an *ex ante* outline and a built in check of additional expenditures, plus a reduction of the staff financed by this regular budget, would generate a broader support of Member States for the Organization. Such understanding was

⁴ The growth of the budget and the concerns of the major financial contributors of the Organization are documented in the previous supplements of this *Repertory* on Article 17(1). See in particular *Supplement No 6*, Article 17(1), General survey and section B.3; *Supplement No 5*, General survey and sections A, B.2, and D.2; and *Supplement No 4*, General survey and sections A and D.2 and D.4.

⁵ See GA Resolution 40/237 of 18 December 1985, fourth preambular paragraph and operative paragraph 1. The composition of the Group of 18 is given at the end of this resolution. It comprised persons from the five permanent members of the Security Council and from the following countries: Argentina, Yugoslavia, India, Singapore, Mexico, Zimbabwe, the Sudan, Cameroon, Japan, Nigeria, Brazil, Norway and Algeria.

⁶ See GA Resolution 41/213, fifth preambular paragraph.

⁷ *Ibid*, section 1, paragraph 1(b). The report of the Group of 18 is contained in: *General Assembly, Official Records, Forty-First Session, Supplement No. 49 (A/41/49)*. Recommendation 15 is on p. 11, para. 35 of this document.

⁸ See A/41/49, section VI, Planning and Budget Procedure, pp. 26 to 28, paras. 57 to 68.

⁹ See GA Resolution 41/213, section II, Planning, Programming and Budgeting Process, para. 1.

expressed in the resolution launching the review when the Assembly noted *“that all participants (in the commemoration of the fortieth anniversary of the United Nations) stressed the need to promote confidence in the United Nations and enhance the political will of Member States to render more positive support to the Organization.”*¹⁰ This “positive support” meant first of all the agreement of its major financial contributors with the budget of the United Nations. And this could be secured only through the adoption of the budget by consensus, for, in a vote, the major contributors had, given the composition of the membership, very little chance to have their views prevail.

8. Thus, in resolution 41/213, adopted without a vote, the Assembly, while reaffirming that decision-making on budgetary matters was governed by the provisions of the Charter and the Assembly’s own rules of procedures, agreed that, without prejudice to these provisions, the Committee for Programme and Coordination (CPC) *“should continue its existing practice of reaching decisions by consensus”* and that *“explanatory views, if any, shall be presented to the General Assembly.”* Further, and more importantly, the Assembly considered it *“desirable that the Fifth Committee, before submitting its recommendations on the outline of the programme budget to the General Assembly in accordance with the provisions of the Charter and the rules of procedure of the Assembly, should continue to make all possible efforts with a view to establishing the broadest possible agreement.”*¹¹

9. Solicited for his legal opinion, the Legal Counsel of the United Nations wrote the following: *“it is our opinion that these draft paragraphs (paragraphs 5, 6, 7 on the decision-making process, the CPC and the 5th Committee) read separately or together do not in any way prejudice the provisions of article 18 of the Charter of the United Nations or of the relevant rules of procedure of the General Assembly giving effect to that Article.”* The President of the General Assembly, having read this legal opinion at the 102nd plenary meeting on 19 December 1986, added that *“that coincides with the view expressed by all delegations”* and *“I concur with the foregoing and I take it that the General Assembly also agrees with it.”* This statement of the President of the Assembly was included in Annex II of resolution 41/213.¹²

10. Two years later, the Outline of the Programme Budget for the Biennium 1990-1991 was adopted without a vote,¹³ as was the resolution on the Programme Budget for the Biennium

¹⁰ See GA Resolution 40/237, sixth preambular paragraph.

¹¹ See GA Resolution 41/213, section II, paras. 5,6 and 7.

¹² Ibid, Annex II

¹³ GA Resolution 43/214 of 21 December 1988.

1988-1989, including the budget appropriations for the year 1989.¹⁴ The last time a budget of the United Nations had been adopted “unanimously” was December 1946.¹⁵

11. “Positive support” of its Member States for the Organization meant also that, once they had adopted its budget, they would ensure its financing by honoring the payment of their assessed contributions in full and in time. Resolution 41/213 included three preambular paragraphs on this fundamental point. First, the Assembly reaffirmed “*the requirement of all Member States to fulfill their financial obligations as set out in the Charter of the United Nations promptly and in full.*” Then, the Assembly recognized “*the detrimental effect of the withholding of assessed contributions on the administrative and financial functioning of the United Nations.*” Thirdly, the Assembly recognized further “*that late payments of assessed contributions adversely affect the short-term financial situation of the Organization.*”¹⁶ In parallel, and for each of the years under review, the General Assembly adopted, without a vote, a resolution entitled Financial Emergency of the United Nations.¹⁷

12. Although the financial problems of the United Nations had started early on and became acute in the early 1960s with the operation in the Congo, the term “financial emergency” had first officially appeared in 1976.¹⁸ Highlighted by statements of the Secretary-General in plenary meetings of the General Assembly,¹⁹ the sense of emergency in the financial situation of the Organization was evidenced by lack of liquidity and recurrent cash-flow problems. There were withholdings of dues, late payments of assessed contributions, mounting arrears, and the Organization did not have the right to borrow. In 1980, the Assembly had noted that the short term deficit of the United Nations had risen by 100% in the past four years, and, while calling on Member States to respect their obligations under the Charter, decided that a “partial and interim solution” to the problem was in order. This was the issuance by the United Nations of postage stamps on the theme of conservation and protection of nature and endangered species. The proceeds from the selling of these stamps were partly to be used for the conservation cause and partly to be placed in a special account.²⁰

¹⁴ GA Resolution 43/218. In 1987, part A of resolution 42/226 on the initial adoption of the programme budget for the biennium 1988-1989 had been voted upon. The vote was 146-1-3.

¹⁵ GA Resolution 68(I) of 14 December 1946, on Budgets for the United Nations for the years 1946 and 1947. The next appropriation, for the year 1948 (GA Resolution 166 (II)) was voted 37-0-10. Subsequent appropriations were also voted. In 1961, for example, the vote was 76-10-2 (See Resolution 1734 (XVI)). In 1970, it was 97-10-7 (See Resolution 2738 (XXV)).

¹⁶ See GA Resolution 41/213, last three preambular paragraphs.

¹⁷ GA resolutions 40/241, 41/204, 42/216 and 43/220.

¹⁸ See GA Resolution 31/191 of 22 December 1976, Financial Emergency of the United Nations.

¹⁹ The Assembly, in its resolution 32/104 of 14 December 1977, Financial Emergency of the United Nations, recalled the statements made by the Secretary-General on 25 September 1975 and 14 April 1976.

²⁰ See GA Resolution 35/113 of 10 December 1980, preambular paragraphs and operative paragraphs 1 to 5.

13. In the following years, resolutions of the Assembly on Financial Emergency of the United Nations followed a similar pattern. The Secretary-General presented his report on the financial situation of the United Nations,²¹ and the Assembly, keeping in mind the report of the Negotiating Committee on the Financial Emergency of the United Nations,²² considered the “partial and interim solution” that was the selling of stamps, reiterated its appeal to Member States both to respect their obligations and to work together to find a long term solution to the financial problems of the United Nations, and noted with concern the persistent short-term deficit of the Organization.

14. Taking the example of the resolution of December 1986 on the Financial Emergency of the United Nations, the Assembly noted that the project on the issue of special postage stamps on the economic and social crisis on Africa was well under way.²³ It urged all Member States to meet their financial obligations; it appealed to them to make their best efforts to pay promptly their assessed contributions; it expressed its appreciation for those Member States that were paying on time and in full; it requested the Negotiating Committee to keep the situation under review and to report when appropriate; and it requested the Secretary-General to submit detailed information on the various aspects of the situation and to continue to study various options to alleviate the financial difficulties of the Organization.²⁴

15. Regarding the short-term deficit of the Organization, the Assembly, in this resolution of 1986, noted with concern that, although marginally reduced during the year, this deficit was expected to exceed \$390 million as at 31 December 1986.²⁵ In 1985, the same deficit of \$390 million was expected.²⁶ In 1987, the figure was \$350 million.²⁷ And, in 1988, the Assembly reiterated its concern for a deficit expected to reach approximately \$320 million.²⁸ These four resolutions on the financial emergency were adopted without a vote. This was also the case for the additional resolutions entitled “Current Financial Crisis of the United Nations” that the General Assembly adopted in 1987 and 1988.²⁹ Expressing the same concerns, reaffirmations

²¹ See, for the period 1985-1988, A/C.5/40/16, A/C.5/41/24, A/C.5/42/31, and A/C.5/43/29 and Corr.1.

²² For the period 1985-1988, see A/31/37. The Negotiating Committee on the Financial Emergency of the United Nations was created by the General Assembly in its resolution 3538(XXX) of 17 December 1975. The mandate of the Committee was “to bring about a comprehensive settlement of the crucial financial situation of the United Nations (paragraphs 2 and 5 of resolution 3538).

²³ After the conservation of nature, the Assembly had decided in 1984 that the next issuance of special stamps by the United Nations should be on the critical economic and social situation in Africa (Resolution 39/239, A, of 18 December 1984).

²⁴ GA Resolution 41/204 of 11 December 1986, part A, operative paragraphs 2 to 9, and part B for the issue of special postage stamps.

²⁵ Ibid, fifth preambular paragraph.

²⁶ GA Resolution 40/241 of 18 December 1985, fifth preambular paragraph.

²⁷ GA Resolution 42/216 of 21 December 1987, fifth preambular paragraph.

²⁸ GA Resolution 43/220 of 21 December 1988, fourth preambular paragraph.

²⁹ GA resolutions 42/212 of 21 December 1987 and 43/215 of 21 December 1988.

and appeals as the resolutions on financial emergency, these resolutions requested the Secretary-General to monitor closely the financial situation of the Organization and to keep the President of the Assembly and the chairmen of the regional groups informed. In resolution 42/212 the possibility of resuming the forty-second session of the Assembly to address the financial situation of the United Nations was kept open.

16. Against this background of reform of the budgeting process and continuing financial difficulties, the financing of the United Nations Disengagement Observer Force (UNDOF) and of the United Nations Interim Force in Lebanon (UNIFIL) were still subjects of controversy.³⁰ In 1987, however, the forty-second session of the General Assembly opened without vote a special account for the United Nations Iran-Iraq Military Observer Group (UNIMOG). And that same forty-second session, also without vote, opened in February and March 1989, special accounts for the financing of the United Nations Angola Verification Mission (UNAVEM) and of the United Nations Transition Assistance Group established in Namibia (UNTAG).³¹

II. ANALYTICAL SUMMARY OF PRACTICE

A. The scope of the budget

1. What the budget comprises

17. During the period 1985-1988, the General Assembly had before it the Programme Budgets for the periods 1984-1985, 1986-1987 and 1988-1989, the Medium Term Plan for the period 1984-1989, extended to 1991, the Programme Budget Outline for the Biennium 1990-1991, and the Special Accounts for the financing of five operations involving United Nations troops.

18. The programme budgets considered by the General Assembly in 1985-1988 were, in their scope and presentation, following broadly the pattern established in 1973 when the Assembly adopted the first United Nations budget with a biennial cycle and a programme of activities integrated with resources requirements.³² This was the Programme Budget for the

³⁰ For UNDOF, see resolutions 40/59 A-B, 41/44 A-B, 42/70 A-B and 43/228; for UNIFIL, see resolutions 40/246 A-B, 41/179 A-B, 42/223 and 43/229. All these resolutions were voted upon.

³¹ UNIMOG: resolutions 42/233 and 43/230; UNAVEM: resolution 43/231; UNTAG: resolution 43/232.

³² See GA resolution 3199(XXVIII) of 18 December 1973, Formulation, review and approval of programmes and budgets. In the last preambular paragraph of this resolution the Assembly noted that "*the budget format initiated for 1974-1975 was designed primarily to permit the analytical and integrated appraisal of the cost, content, significance and priority of each programme.*"

Biennium 1974-1975.³³ In 1972, the Assembly had approved, “on an experimental basis”, and as “a useful basis for proceeding towards the introduction of a system of programme budgeting in the United Nations”, the new form of presentation and the biennial cycle of the United Nations budget, as proposed by the Secretary-General and modified by the ACABQ.³⁴ As had been the case since 1961, the Assembly adopted the budget of the Organization through three distinct resolutions: A. Budget appropriations for the biennium x (previously the financial year x); B. Income estimates for the biennium x (previously the financial year x); and C. Financial Appropriations for the year x (first year of the biennium instead of financial year for which the annual budget was established).³⁵ But, in a marked departure from the past, the new programme budget was organized in its parts and sections by activities and organizational units, instead of being presented by a mix of objects of expenditure and a few special programmes. It was now possible for the legislator to have both a summarized and detailed view of the distribution of the requested resources by programmed activity.

19. Programme budgets for the biennia 1984-1985, 1986-1987 and 1988-1989³⁶ were presented in ten parts and thirty-two sections, as they were for the biennia 1980-1981 and 1982-1983, and, with some variations, for the previous biennia. The ten parts were: I. *Overall policy making, direction and coordination*; II. *Political and Security Council affairs: peace-keeping activities*; III. *Political affairs, trusteeship and decolonization*; IV. *Economic, social and humanitarian activities*; V. *International justice and law*; VI. *Public information*; VII. *Common support services*; VIII. *Special expenses*; IX. *Staff assessment*; and X. *Capital expenditures*. The two parts of the income estimates were I. *Income from staff assessment* and II. *Other income*. Part VI, *Economic, social and humanitarian activities*, had twenty sections and represented about 29 % of the total budget appropriations. Together with Part VII, *Common support services*, accounting itself for approximately 37%, these two parts represented two-third of the United Nations budget. By contrast, Part II, *Political and Security Council affairs*, accounted for less than 6% of the budget, and Part V, *International justice and law*, for less than 2%.

³³ See GA resolution 3195(XXVIII) of 18 December 1973. Part A, Budget Appropriations for the biennium 1974-1975, of this first programme budget, is divided into eleven parts and thirty-four sections. Part B, Income Estimates, has two parts and three sections.

³⁴ See GA resolution 3043 (XXVII) of 19 December 1972, Form of presentation of the United Nations budget and duration of the budget cycle, operative paragraphs 1 and 2.

³⁵ Prior to the Budget for the Financial year 1961 (see resolution 1584 A-C of 20 December 1960), budgets of the United Nations were adopted through the part A of a resolution covering, in different paragraphs, appropriations, income and financing by contributions. Parts B and C of the same resolution, considered and voted upon separately, were on unforeseen and extraordinary expenses and on the working capital fund.

³⁶ See GA resolution 40/239 A-B of 18 December 1985 on the Programme budget for the biennium 1984-1985; GA resolutions 40/253 A-C of 18 December 1985 and 41/211 A-C of 11 December 1986 on the Programme budget for the biennium 1986-1987; and, GA resolutions 42/226 A-C of 21 December 1987 and 43/218 A-C of 21 December 1988 on the Programme budget for the biennium 1988-1989.

20. The apparent stability in the number of sections in the programme budget – there were thirty-two during this period – masked a number of variations. For the biennium 1984-1985, a section 5 C, *Regional Commissions Liaison Office*,³⁷ and a section 2B, *Disarmament Affairs Activities*, were created. In the next programme budget, a new section 33, and actually also a new part XI, were added to accommodate a grant to the United Nations Research Institute for Training and Research (UNITAR). These additional section and part were deleted in the Programme Budget for the Biennium 1988-1989, but 5B, *Centre for Science and Technology for Development*, became section 17 and a new section 6B, *Global Social Development Issues*, was added. It might be noted that section 23, *Human Rights*, appearing during this period in Part IV, *Economic, Social and Humanitarian Activities*, had been a separate part in itself until the Programme Budget for the Biennium 1980-1981.³⁸ Conversely, *Public Information* became a part in this same programme budget after having previously been a section in the part on *Common Services*.

21. Together with programme budgets, the General Assembly continued to adopt resolutions entitled *Questions Relating to the Programme Budget*.³⁹ These resolutions covered a large variety of subjects, from the annual appropriation for the International Trade Centre, to the salaries and allowances of the Secretary-General, the Director General and the Administrator of the UNDP, and conferences services at the Vienna International Centre. Each of these resolutions covered between eight and thirteen issues.

22. Comprising also the “budget” of the United Nations were the questions of unforeseen and extraordinary expenditures and of the working capital fund. As it had done since 1946, the Assembly, when adopting the budget of the Organization, also adopted a resolution on Unforeseen and Extraordinary Expenses and a resolution on the Working Capital Fund. The two resolutions on the Working Capital Fund for the biennia 1986-1987 and 1988-1989⁴⁰ established this Fund at the level of \$ US 100 million, as had been the case for the two

³⁷ The avatars of section 5 of the programme budget illustrate part of the history of the treatment of economic and social issues by the United Nations. In addition to the old *Department of Economic and Social Affairs*, a section 5B, *United Nations Centre on Transnational Corporations*, was created in the biennium 1976-1977. A section 5 F, *Director General for Development and International Economic Cooperation*, was added in the biennium 1978-1979, following the creation of this post by the General Assembly in its resolution 32/197 of 20 December 1977. The *Centre for Science and technology for Development* became section 5 B with the biennium 1982-1983. Apart from the creation in 1988-1989 of a section on *Global Social Development Issues*, this addition was the last in this domain of economic and social cooperation and development.

³⁸ This “demotion” of *human rights* from a part to a section of the programme budget did not change negatively or positively the share of this domain of activities in the use of the budgeted resources of the United Nations. Such share remained below 1% from 1974-1975 (and before) through the end of the period under study.

³⁹ See GA resolutions 40/252 of 18 December 1985, 41/209 of 11 December 1986, 42/225 of 21 December 1987, and 43/217 of 21 December 1988.

⁴⁰ See GA resolution 40/255 of 18 December 1985, Working Capital Fund for the biennium 1986-1987; and GA resolution 42/228 of 21 December 1987, Working Capital Fund for the biennium 1988-1989.

preceding biennia.⁴¹ The conditions under which Member States should make advances to the Working Capital Fund and the circumstances under which the Secretary-General was authorized to use this Fund remained the same as in the past. In particular, and apart from the traditionally most important reason for use of the Working Capital Fund, which is the delay in the receipt of contributions due by Member States, the Secretary-General draws on the Fund to finance unforeseen and extraordinary expenses. As these represent supplementary estimates, the two resolutions on Unforeseen and Extraordinary Expenses adopted by the Assembly during the period 1985-1988 are considered below in section A.2.

23. The scope of the programme budgets considered by the General Assembly during the period 1985-1988 was delineated and structured by the Medium-Term Plan for the Period 1984-1989.⁴² This plan, adopted by the Assembly in December 1982, was the fourth in the recent history of planning in the United Nations,⁴³ but the first with a six-year period⁴⁴ and, more importantly, the first to be an integral part of a coherent and integrated system of planning, programming and budgeting. In the same resolution in which it adopted this plan for the period 1984-1989, the Assembly also adopted the Regulations Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation.⁴⁵ Regulation 3.4 states that *“The medium-term plan shall serve as a framework for the formulation of the biennial programme budgets within the period covered by the plan.”*

⁴¹ In its resolution 36/242 of 18 December 1981, the General Assembly established the Working Capital Fund at a level of \$ US 100 million for the biennium 1982-1983. Previously, the level of the Fund had been at \$ US 40 million since the financial year 1963 (GA resolution 1863 A-B (XVII) Of 20 December 1962, Working Capital Fund for the financial year 1963). Before 1963, the Fund had been at \$ US 20 million from its establishment in 1947 (GA resolution 68(I) of 14 December 1946) until 1951, then at between \$US 20 and \$ US 23,5 million from 1952 to 1959, and at \$ US 25 million for the financial years 1960, 1961 and 1962.

⁴² Adopted by the General Assembly in resolution 37/234 of 21 December 1982, Programme planning.

⁴³ The first plan of the United Nations was the Medium-term plan for the period 1976-1979, adopted by the Assembly in resolution 3392(XXX) of 20 November 1975. It was followed by the Medium-term plan for the period 1978-1981 (adopted in GA resolution 31/93 of 14 December 1976) and the Medium-term plan for the period 1980-1983 (adopted in GA resolution 33/118 of 19 December 1978).

⁴⁴ In its resolution 34/224 of 20 December 1979, the Assembly took a number of decisions on the nature, objectives and modalities of planning in the United Nations. The six-year duration is stipulated in operative paragraph 2(m) of this resolution. For the various provisions of this resolution, the Assembly acted upon detailed recommendations contained in the report of the Committee for Programme and Coordination on the work of its nineteenth session (A/34/38). In turn, the CPC benefited from proposals from the Secretary-General (A/AC.51/97) and from the Joint Inspection Unit (A/34/84). Regarding the financial indications that the medium-term plan should include, the Assembly referred to the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the medium-term plan for the period 1980-1983 (A/33/345, paragraphs 7-11).

⁴⁵ See the Annex to resolution 37/234.

24. The Medium-Term Plan for the Period 1984-1989,⁴⁶ as adopted by the General Assembly, was a document of considerable length (610 pages) providing a detailed description of the mandates, objectives and activities of the Organization.⁴⁷ Its Introduction, constituting in itself “*a key integral element in the planning process*”,⁴⁸ provided the views of the Secretary-General on the world situation and on the role, objectives and methods of action of the Organization to enhance cooperation, reduce the risks of conflict, and promote development and respect for human rights.⁴⁹ In this Introduction, as instructed through the Regulations, the Secretary-General gave his proposals on priorities. These, and the extent of their role in the process of consideration and approval of the programme budgets by the Assembly, are examined in B.2 below, as are the financial indications also contained in this Introduction to the medium-term plan.

25. The Medium-Term Plan for the Period 1984-1989 included 31 Major Programmes, 148 Programmes and 457 Sub-Programmes. Compared to the previous plan, there were eight new major programmes: two on substantive issues, Energy and Marine Affairs, and six on Common Services, which were programmed for the first time. These were Financial Services, Personnel Management Services, General services, Other Management Technical Support Services, Conference and Library Services, and Programme, Planning and Coordination. Apart from the programmes attached to these new major programmes, most programmes were carried over from the previous plans, because they corresponded to units of responsibility within the Secretariat, generally at the Division level.

26. Programmes and sub-programmes of this plan were reproduced in the programme budgets, within a structure of parts and sections following broadly the structure of major programmes. Sub-programmes were, in the programme budgets, broken into programme elements and, to each of these, were attached a number of outputs. The result of such close correspondence between the medium-term plan and the programme budgets was that “*In*

⁴⁶ This plan actually covered a period of eight years, as it was extended to 1991 by the Assembly in its resolution 43/219 of 24 December 1988.

⁴⁷ For the text of the adopted medium-term plan for the period 1984-1989, see *General Assembly, Official Records, Thirty-seventh session, Supplement No. 6 (A/37/6)* and addenda.

⁴⁸ Annex to resolution 37/234, Regulation 3.7.

⁴⁹ The first pages of the Introduction include the following statements: “*The present decade (the 1980s) has presented the United Nations with grave problems and unparalleled opportunities at a time marked by a pervasive sense of uncertainty. International tension has been growing, as have the difficulties of taking timely action through the United Nations(...) Many of the negotiations which seek the bases for concerted action appear to have stagnated, and even moved backwards (...)The consideration of the medium-term plan(...) provides us with timely reminder that we do not act for ourselves alone, and that our deeds and omissions have consequences that may extend in the years to come (...)Indeed, the potential risks of chaos and destruction have become immeasurably greater, especially in view of the development and unprecedented massing of ever more sophisticated means of destruction (...) The question as we face the years 1984-1989 remains whether the community of nations will allow the forces of chaos to operate unhindered or choose the difficult but vitally necessary path towards building a civilized and peaceful order (...)*

*these budgets no request will be made for substantive activities that are not part of the plan as approved by the General Assembly unless there is a subsequent legislative authorization for such a request. Conversely, approval of the plan by the General Assembly provides the legislative basis for the submission of budgetary requests for implementing the activities in the strategy statements of the approved plan.”*⁵⁰

27. The programme budget Outline was, as pointed out above in the General survey, the major innovation introduced during this period in the budgetary process of the United Nations. Mentioned in the report of the Group of 18,⁵¹ the submission by the Secretary-General, off-budget years, of an outline of the programme budget for the next biennium, was decided by the General Assembly in its resolution 41/213 of 19 December 1986, Review of the Efficiency of the Administrative and Financial Functioning of the United Nations.⁵² Questions of precise timing were left open in this resolution and the Secretary-General was requested to submit to the Assembly at its forty-second session a proposal on the date for submission of the Outline and also on the date for final approval of the Outline by the Assembly.⁵³ At this forty-second session, the Assembly decided that the date for submission of the Outline of the programme budget shall be 15 August of the off-budget year.⁵⁴

28. On 16 August 1988, the Secretary-General submitted to the General Assembly, through the CPC and the ACABQ, his Proposed Programme Budget Outline for the Biennium 1990-1991.⁵⁵ As requested in resolution 41/213, the Secretary-General made four proposals. First, the preliminary estimate of the resources required for the biennium 1990-1991 was set, at 1988 rates, at S 1,763.7 million. Secondly, this estimate represented a reduction of 9.6%, in real terms, from the initially approved Programme Budget for the Biennium 1988-1989. This

⁵⁰ Medium-term plan for the period 1984-1989, A/37/6, p. 18, para. 85.

⁵¹ Upon examination of the planning and budget mechanisms in the United Nations, the Group of 18 had concluded that *“A procedure must be developed which makes it possible for Member States to exercise – at the very beginning of the planning and budget process, as well as throughout the whole process – the necessary intergovernmental leadership, particularly regarding the setting of priorities within the resources likely to be available.”* (Report of the Group of High Level Governmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations, A/41/49, para. 68, p. 28) The members of the Group, however, could not agree on measures to remedy this situation and the report presented three options. The first, proposed an outline and a contingency fund and a strengthened role for the CPC, renamed Committee for Programme Budget and Coordination. The second also proposed an outline and a contingency fund, but with a clear separation of the respective roles of the CPC and the ACABQ. According to the third option, the budgeting process and the programme planning process should be merged and entrusted to a single intergovernmental expert body. This body would work by consensus and determine an overall limit to the future budget and set relative priorities within this limit. (See A/41/49, para. 69, pp. 28 to 35).

⁵² GA resolution 41/213, Annex I, Budget Process, paras. 1 to 4.

⁵³ GA resolution 41/213, part II, Planning, programming and budgeting process, operative paragraph 10.

⁵⁴ GA resolution 42/211 of 21 December 1987, operative paragraph 18.

⁵⁵ Document A/43/524, 16 August 1988, presented under the item Review of the Efficiency of the Administrative and Financial Functioning of the United Nations.

reduction, the first ever in the history of the regular budgets of the United Nations, was essentially the result of a cut in the number of posts financed by the regular budget. Compared to the approved posts for the biennium 1988-1989, the staffing table of the Organization was to be reduced by 1438 posts, 14 being at the Under Secretary-General and Assistant Secretary-General level, 467 at the Professional level and 957 at the General Service level.⁵⁶ The total number of posts financed by the regular budget would thus be scaled down from 11 248 to 9 810. Thirdly, regarding priorities “reflecting general trends of a broad sectoral nature”,⁵⁷ the Secretary-General stated that the different proposed real growth rates for the parts of the outlined programme budget reflected such priorities. These different growth rates – actually all negative – themselves reflected largely the varying degrees of post retrenchment among the various activities of the United Nations.⁵⁸ Fourthly, the Secretary-General proposed that the size of the contingency fund, designed to accommodate additional expenditures, excluding those arising from the impact of extraordinary expenses as well as fluctuations in rates of exchange and inflation, be set at 0.75% of the budget.⁵⁹

29. Upon consideration of this report of the Secretary-General and of the reports of the ACABQ and of the CPC,⁶⁰ the General Assembly decided “*that the Secretary-General should prepare his programme budget for the biennium 1990-1991 on the basis of the total preliminary estimate of 1,767,060,000 United States dollars at 1988 rates (equivalent to 1,982,523,700 dollars at 1990-1991 rates) as shown in paragraph 16 of the report of the Advisory Committee*

⁵⁶ Such proposed reduction in the number of posts was about 1,1 % below the 15% recommended by the Group of 18. The reduction of high-level posts – 14 out of 58 – was however in conformity with the cut by 25% recommended by the same Group. While accepting the recommendations of the Group of 18 regarding this very significant reduction of the staffing table of the Organization, the General Assembly had stated that “*the percentages referred to in recommendation 15 (on the reduction of posts) which were arrived at in a pragmatic manner should be regarded as targets in the formulation of the Secretary-General’s plans to be submitted to the General Assembly (...) Further the Secretary-General is requested to implement this recommendation with flexibility in order to avoid, inter-alia, negative impact on programmes and on the structure and composition of the Secretariat (...)* : resolution 41/213, part I, operative paragraph 1 (b).

⁵⁷ In resolution 41/213, Annex 1, paragraph 1 (b), the Assembly had indicated that the outline of the programme budget should contain “*priorities, reflecting general trends of a broad sectoral nature*”.

⁵⁸ The *de facto* order of priority among the main parts of the outlines programme budget for the biennium 1990-1991 was the following: Part X Capital Expenditure (growth rate of 0.0); Part I, Overall policy-making, direction and coordination (-4.4); Part III, Political affairs, trusteeship and decolonization (-5.3); Part V, International Justice and Law (-5.5); Part II, Political and Security Council affairs, peace-keeping activities (-7.9); Part VI, Public information (-8.6); Part VII, Common support services (-9.4); and Part IV, Economic, social and humanitarian activities (-9.6). See A/43/524, Table 1, p. 10.

⁵⁹ See A/43/524, para. 28, p. 9.

⁶⁰ Report of the ACABQ on the Proposed programme budget outline for the biennium 1990-1991, A/43/929, of 9 December 1988; Report of the CPC on the work of its twenty-eight session, A/43/16, issued in printed form on 13 January 1989; the CPC, however, had considered the proposed outline in the second part of its twenty-eight session, from 6 to 19 September 1988.

on Administrative and Budgetary Questions.”⁶¹ This figure of 1,767 million at 1988 rates, higher by some 3,5 million to the estimate presented by the Secretary-General, was the result of the use of a higher vacancy rate (5% instead of 3%, *i.e.* a reduction of \$16 million), of a net addition of 50 posts (plus 5,3 million), and of the additional activities approved by the Assembly in 1988 (plus 14,2 million).⁶² The Assembly also decided to accept a contingency fund at 0.75 % of the preliminary estimate at 1990-1991 rates, *i.e.* 15 million dollars, that “*shall be appropriated as needed.*”⁶³ On the question of priorities, the Assembly requested a new report of the Secretary-General “*on all aspects of priority setting in future outlines*” to be presented at its forty-fourth session through the CPC.⁶⁴ The Assembly, in the same resolution, noted that the outline was “*in a developmental period (and that) its methodology requires further improvements and that the whole exercise should be applied with flexibility.*”⁶⁵ Also, the Assembly emphasized “*that sound programme budgeting, including a greater level of predictability of resources required, is not fully achievable until the current financial crisis is fully brought to an end by the full and prompt payment of assessment by Member States.*”⁶⁶

30. The Special Accounts replenished or opened during the period 1985-1988 for the financing of various missions and operations of the United Nations completed the scope of the budget(s) examined by the General Assembly. It will be recalled that the financing of peace-keeping and related operations of the United Nations ceased to be part of the regular budget of the Organization when, after several years of controversies related to the operations in the Middle East and, even more, in the Congo, the General Assembly, at its fourth special session in June 1963, adopted a resolution entitled General Principles to Serve as Guidelines for the Sharing of the Costs of Future Peace- Keeping Operations Involving Heavy Expenditures.⁶⁷ The Special Accounts were therefore not part of the new outline of the programme budget. Only the established posts at Headquarters were included in the estimate for Part II of the Programme Budget for 1990-1991 – Political and Security Council Affairs, Peace-Keeping Activities – and extraordinary expenses related to the maintenance of peace and security were outside the coverage of the Contingency Fund.⁶⁸

⁶¹ GA resolution 43/214 of 21 December 1988, proposed programme budget outline for the biennium 1990-1991 and use and operation of the contingency fund; operative paragraph 5.

⁶² See A/43/929, paras. 8, 11, 13, and 16.

⁶³ GA resolution 43/214, operative paragraph 6.

⁶⁴ *Ibid.*, operative paragraph 11.

⁶⁵ *Ibid.*, operative paragraph 3.

⁶⁶ *Ibid.*, operative paragraph 2.

⁶⁷ See GA resolution 1874 (S-IV) of 27 June 1963. The Assembly had before it the report of the Working Group on the Examination of the Administrative and Budgetary Procedures of the United Nations, established by resolution 1620 of 21 April 1961 and re-established by resolution 1854 B (XVII) of 19 December 1962.

⁶⁸ See A/43/524, Proposed programme budget outline for the biennium 1990-1991, Table 3, p. 12, and GA resolution 41/213, Annex 1, operative paragraph 11.

31. For the financing of the United Nations Interim Force in Lebanon (UNIFIL), an operation launched in 1978 by the Security Council and for the financing of which a special session of the General Assembly had been convened,⁶⁹ the Assembly adopted each year a similar resolution appropriating funds to the Special Account established in 1978 and setting the arrangements for the financing and the management of these funds.⁷⁰ Over the four-year period, the Assembly appropriated \$535,7 million to the Special Account for UNIFIL.⁷¹

32. The United Nations Disengagement Observer Force (UNDOF) was created by resolution 350 of 31 May 1974 of the Security Council⁷² and the General Assembly decided first on its financing in its resolution 3211 (XXIX) of 29 November 1974. From 1974 to 1979, the Special Account for UNDOF was also the Special Account for the United Nations Emergency Force (UNEF II).⁷³ As for UNIFIL, the General Assembly adopted every year between 1985 and 1989 a resolution to replenish this Special Account of UNDOF.⁷⁴ A total of \$71 million was appropriated.

33. On 9 August 1988, by resolution 619 (1988), the Security Council established the United Nations Iran-Iraq Military Observer Group (UNIMEG). A week later, on 17 August 1988, the General Assembly, still in its forty-second session, adopted resolution 42/233 and established a special account for the financing of this operation. An appropriation of \$35.7 million was decided for an initial period of three to six months. On 21 December of the same year, during its forty-third session, the Assembly adopted resolution 43/230 and appropriated an additional

⁶⁹ See GA resolution S-8/2 of 21 April 1978, adopted by the Eight Special Session of the General Assembly convened at Headquarters on 20-21 April 1978.

⁷⁰ See GA resolutions 40/246 of 18 December 1985, 41/179 of 5 December 1986, 42/223 of 21 December 1987, and 43/229 of 21 December 1988, all resolutions being entitled Financing of the United Nations Interim Force in Lebanon.

⁷¹ This sum represented an annual appropriation of approximately \$134 million. The appropriation for the regular budget for 1986 was, in rounded term, \$830 million.

⁷² UNDOF was established by the Security Council in this resolution 350 following the Agreement on Disengagement between Israeli and Syrian forces negotiated in implementation of Council's resolution 338 (1973) of 22 October 1973.

⁷³ The United Nations Emergency Force (UNEFII) was established by resolution 340(1973) of the Security Council to supervise the cease-fire between Egyptian and Israeli forces and the subsequent redeployment of forces. It was terminated in July 1979. There had been a first United Nations Emergency Force (UNEFI) created by the First Emergency Special Session of the General Assembly conveyed on 1-10 November 1956 to secure and supervise the cessation of hostilities and the withdrawal of armed forces from France, the United Kingdom and Israel from the Egyptian territory. UNEFI was terminated in June 1967 at the request of Egypt.

⁷⁴ See GA resolutions 40/59 of 2 December 1985, 41/44 of 3 December 1986, 42/70 of 3 December 1987, and 43/228 of 21 December 1988; all these resolutions were entitled Financing of the United Nations Disengagement Observer Force.

amount of \$18.3 million for the six month period – 9 August 1988 to 8 February 1989 – authorized by the Security Council.⁷⁵

34. At its forty-third session, the General Assembly adopted, in 1989, two more resolutions on the financing of United Nations operations. On 16 February 1989, the Assembly adopted resolution 43/231 on the Financing of the United Nations Angola Verification Mission, an operation decided upon by the Security Council in its resolution 626 (1988) of 20 December 1988. A Special Account was opened and \$9 million were appropriated for an initial period of twelve months.⁷⁶ And, on 1 March 1989, in resolution 43/232, the Assembly opened a Special Account for the financing of the United Nations Transition Assistance Group (UNTAG) established in Namibia by resolutions 435(1978), 629(1989) and 632 (1989) of the Security Council. For this operation of great magnitude, the Assembly appropriated \$416 million for a period beginning on 1 April 1989.⁷⁷

35. These twelve resolutions of the General Assembly on peace-keeping and related operations have similar provisions, comments and questions on the financing and management of the appropriated funds. These issues are considered in section G below.

2. Revised and supplementary budget estimates

36. Since the first years of the Organization, the term “revised” estimates applied to the decisions with financial implications taken by the organs of the United Nations between the time of the preparation of the original budget estimates by the Secretary-General and the time of their consideration by the General Assembly.⁷⁸ The implications of such decisions, either for expenditure or for income, were consolidated and incorporated with the initial budget estimates into a single appropriation resolution covering the ensuing year. During the year of implementation of the approved budget, other decisions were taken by legislative organs, or imposed to the Secretary-General by circumstances, which were not or insufficiently covered by the initial appropriation. These decisions were reflected in “supplementary” estimates submitted by the Secretary-General and approved by the Assembly in its final budget appropriation for a given budget year. And, in order to give the Organization some flexibility, the Assembly, when adopting a budget, also adopted a resolution on “Unforeseen and Extraordinary Expenses”⁷⁹ giving the Secretary-General limited conditional authority to enter

⁷⁵ See GA resolutions 42/233 of 17 August 1988 and 43/230 of 21 December 1988, Financing of the Iran-Iraq Military Observer Group.

⁷⁶ See GA resolution 43/231 of 16 February 1989, Financing of the United Nations Angola Verification Mission.

⁷⁷ See GA resolution 43/232 of 1 March 1989, Financing of the United Nations Transition Assistance Group.

⁷⁸ See *Repertory, Volume 1*, Article 17(1), section A.2 and A.3

⁷⁹ The terms “unforeseen” and “extraordinary” expenses were defined in GA resolution 68(1), Budgets of the United Nations for the Financial Years 1946 and 1947, of 14 December 1946. “*The term “Unforeseen Expenses” means expenses arising from, or incidental to, the carrying out of a programme in accord with General Assembly*”

into commitments to meet these non-budgeted and non-appropriated expenses.⁸⁰ Thus, every year in December, the Assembly considered and adopted a budget of the United Nations for the following financial/calendar year (including revised estimates) and also considered and adopted a resolution on supplementary estimates for the past financial/calendar year.⁸¹

37. This treatment of revised and supplementary estimates did not change significantly when the United Nations adopted in 1973 a full programme budget with a biennial cycle.⁸² In December 1973, the Assembly adopted the Programme Budget for the Biennium 1974-1975 in a resolution in three parts: A. Budget appropriations for the biennium 1974-1975 (including the revised estimates resulting from decisions adopted after the submission by the Secretary General in the spring of his proposed programme budget); B. Income estimates for the biennium 1974-1975; and C. Financing of appropriations for the year 1974. In this part C, to half of the appropriation established in A, was added a supplementary appropriation for the year 1973.⁸³ One year later, the Assembly adopted a new resolution on the Programme Budget for the Biennium 1974-1975, again in three parts: A. Revised budget appropriations for the biennium 1974-1975, incorporating the revised and supplementary estimates attached to decisions taken since the initial appropriation of December 1973; B. Revised income estimates for the biennium 1974-1975 (same method as in A); and C. Financing of revised appropriation for the year 1975. And, as above, the total appropriation given in this part C was half of the initial appropriation, plus the additional appropriation approved by the Assembly at its current session on the basis of supplementary estimates submitted by the Secretary-General.⁸⁴ And lastly, at the end of the biennium, the Assembly adopted a third resolution on the Programme

approved policies, which expenses were not foreseen when the estimates were made.” “The term “Extraordinary Expense” means expenses for items or objects outside the scope of the budget estimates, i.e. outside the programme on which the estimates were based.”

⁸⁰ The dispositions for Unforeseen and Extraordinary Expenses were clearly established as early as 1947: *The General Assembly, Resolves that, for the financial year 1948, The Secretary-General, with the prior concurrence of the ACABQ (...) is authorized to enter into commitments to meet unforeseen and extraordinary expenses; provided that the concurrence of the ACABQ shall not be necessary for: (a) Such commitments not exceeding a total of \$2,000,000, if the Secretary-General certifies that they relate to the maintenance of peace and security or to economic rehabilitation, or (b) Such commitments not exceeding a total of \$75,000 if the President of the International Court of Justice certifies that they are necessary (...)* The Secretary-General shall report to the Advisory Committee and to the next convened General Assembly all commitments made under the provision of this resolution, together with the circumstances relating thereto, and shall submit supplementary estimates to the General Assembly in respect of such commitments. Part B of resolution 166 (III), Budget of the United Nations for the financial year 1948.

⁸¹ For instance, in 1950, the Assembly adopted resolution 471 (V), Budget appropriations for the financial year 1951, on 15 December 1950, and resolution 458 (V), Supplementary Estimates for the financial year 1950, on 15 December 1950. Also, resolution 472(V) was on Unforeseen and Extraordinary Expenses, and resolution 473(V), on the Working Capital Fund.

⁸² See GA resolution 3199 (XXVIII) of 18 December 1973, already mentioned in Footnote 32.

⁸³ GA resolution 3195 A-C(XXVIII), of 18 December 1973.

⁸⁴ GA resolution 3359 A-C (XXIX) of 18 December 1974.

Budget for the Biennium 1974-1975, in two parts: A., Final Budget Appropriations for the Biennium 1974-1975, including revised and supplementary estimates incurred in 1974; and B., Final Income Estimates for the Biennium 1973-1974.⁸⁵ The additional appropriation rendered necessary by these last supplementary estimates was then added to the budget appropriation for the year 1976, or part C. of the resolution on the Programme Budget for the Biennium 1976-1977, also adopted in December 1975.⁸⁶

38. These procedures were followed in subsequent biennia, including during the period 1985-1989, when, as noted earlier, the Assembly dealt with the Programme Budgets for 1984-1985, 1986-1987 and 1988-1989. For example, the initial appropriation for the biennium 1986-1987, set in December 1985 at, in rounded terms, \$1,663 million,⁸⁷ was revised upwards by \$48 million at the end of 1986,⁸⁸ and the final appropriation for this biennium remained at \$1,711 million as the Assembly, upon advice from the ACABQ, and given the financial situation of the Organization, decided that a surplus registered in 1987 should not be returned to Member States.⁸⁹ Such a suspension of the financial regulations was, however, exceptional: for the biennium 1984-1985, revised estimates added \$24 million to the initial appropriation and the final appropriation reflected a reduction of \$2,6 million;⁹⁰ and for the biennium 1988-1989, adjustments were plus \$19,2 million at mid-budget and minus \$16,4 million at the end of the biennium.⁹¹

39. For these three biennia, as for previous biennial programme budgets and for annual budgets between 1946 and 1973, final appropriations were consistently superior to initial appropriations, regardless of the direction and magnitude of the final adjustments, and the difference was often of great magnitude.⁹² This was attributable, not only to decisions with

⁸⁵ GA resolution 3531 A-B (XXX) of 17 December 1975.

⁸⁶ GA resolution 3539 A-C (XXX) of 17 December 1975.

⁸⁷ See GA resolution 40/253 of 18 December 1985, Part A.

⁸⁸ See GA resolution 41/211 of 11 December 1986, Part A.

⁸⁹ See GA resolution 42/213 of 21 December 1987. Financial regulations 4.3, 4.4, and 5.2(d), dealing with the reimbursement of funds to the Working Capital Fund and with the financial period during which appropriations remain available, were suspended. The Advisory Committee had concurred with the Secretary-General who had stated the following in his report on the Programme budget performance of the United Nations for the biennium 1986-1987: *"The resultant savings reported here reflects the results of managing expenditures within available funds. Savings are, therefore, more illusory than real as the Organization has no funds at its disposal to credit back to Member States. Accordingly, the present report, while presenting the projected expenditure outcome for the biennium, does not recommend any change in the overall level of appropriations and estimates of income."* See A/C.5/42/40, Introduction, para. 1.

⁹⁰ See GA resolutions 39/237 of 18 December 1984, Part A, and 40/239 of 18 December 1985, Part A.

⁹¹ See GA resolutions 43/218 of 21 December 1988, Part A, and 44/193 of 21 December 1989, Part A.

⁹² A few examples: 1948: Initial and final appropriations: \$34,8 million and \$ 39,3 million; 1952: \$48,1 and \$53,6; 1958: \$55,1 and \$61,2; 1960: \$63,1 and \$ 114,2 (this was the year of the launching of the Congo operation and of the ensuing financial crisis and controversies; in the following years, mainly because of the creation of special accounts for the Congo and other operations, final appropriations for the regular budget were often below initial

financial implications taken by legislative bodies and by the Secretary-General, but also to inflation and currency fluctuations. The question of estimates and expenditures additional to the approved budget was a long standing source of concern for the Member States.⁹³ Efforts were made to limit as much as possible the meaning and interpretation of “unforeseen and extraordinary expenses”. In 1967, the Assembly requested the ACABQ to review the definition of these expenses.⁹⁴ The Advisory Committee proposed that a distinction be made between “unforeseen related expenses” and “unforeseen new expenses”, and that the resolution accompanying a budget be called resolution on “unforeseen emergency expenses” and be subjected to more demanding conditions. In particular, the Secretary-General would have to certify that the funds required could not be financed by transfers from within appropriations. At its twenty-fourth session, the Assembly decided to provisionally keep the existing definitions and procedures.⁹⁵

40. This was still the case when the Assembly adopted in 1985 and 1987 its two resolutions on Unforeseen and Extraordinary Expenses for the biennia 1986-1987 and 1988-1989.⁹⁶ These two resolutions are identical and their provisions are basically similar to those that had existed since the beginning of the Organization.⁹⁷ The Secretary-General is authorized, with the prior concurrence of the ACABQ and subject to the Financial Regulations of the United Nations, to enter into commitments in the biennium to meet unforeseen and extraordinary expenses. And, the concurrence of the Advisory Committee is not necessary for (a) commitments not exceeding \$2 million a year, as the Secretary-General certifies that they relate to the

appropriation; in 1973, however, last year of the annual budget, the figures were \$225,9 and \$233,8). For the biennium 1974-1975: \$540,5 and \$612,6; 1980-1981: \$1,247,8 and \$ 1,341,9; and for the biennium 1986-1987, \$1,663,3 and \$1,711,8.

⁹³ On 27 February 1957, the General Assembly adopted resolution 1096(XI) entitled Submission of revised budget estimates, the first paragraph of which reads as follows: “*The General Assembly, Believing it desirable to minimize the number of requests for additional appropriations submitted after the Secretary-General has circulated his annual main budget estimates(...)*” Followed four paragraphs limiting requests for additional appropriations, on an experimental basis for the financial year 1958, to matters of urgency in the interests of peace and security, or that the Secretary-General certifies he could not foresee, and to decisions of the main legislative bodies.

⁹⁴ See GA resolution 2370 (XXII) of 19 December 1967.

⁹⁵ This attempt at a reform of the practice of unforeseen and extraordinary expenses is fully described in *Repertory, Supplement No. 4*, Volume 1, Article 17(1), Part II, section A.3.

⁹⁶ See GA resolutions 40/254 of 18 December 1985 and 42/227 of 21 December 1987.

⁹⁷ The first paragraph of Part B, Unforeseen and Extraordinary Expenses, of Resolution 166(II) Budget of the United Nations for the financial year 1948, of 20 November 1947, reads as follows: “*The General Assembly, Resolves that, from the financial year 1948, The Secretary-General, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, and subject to the financial regulations of the United Nations, is authorized to enter into commitments to meet unforeseen and extraordinary expenses; provided that the concurrence of the advisory Committee shall not be necessary for: (...)*” This language is exactly the language of resolutions 40/254 and 42/227. Next, sub-paragraph (a) mentions the same \$2 million for peace and security, adding however to this justification, matters relating to “economic rehabilitation”; and sub-paragraph (b) also refers to decisions of the President of the International Court of Justice, provided they do not exceed \$75,000, and relate to meeting of the Court outside The Hague.

maintenance of peace and security; (b) commitments that the President of the International Court of Justice certifies relate to three categories of expenses (designation of *ad hoc* judges, appointment of assessors, holding of sessions of the Court away from the Hague); and (c) commitments not exceeding \$300,000 for the biennium, as the Secretary-General certifies that these expenses are required for inter-organizational security.⁹⁸ Then, the Secretary-General is requested to report each year to the Advisory Committee and to the Assembly, on the commitments he made and on the circumstances explaining them, and to submit supplementary estimates. Lastly, these resolutions stipulate that if decisions of the Security Council related to the maintenance of peace and security lead to commitments exceeding \$10 million, and if that occurs when the Assembly is not in session, a special session of the Assembly would have to be convened.⁹⁹

41. One of the main objectives of the review of the efficiency of the administrative and financial functioning of the United Nations, and therefore of resolution 41/213 of 19 December 1986, was, however, to reduce or even eliminate the practice of supplementary estimates. The Outline was to control the level and growth of the programme budget and the Contingency Fund was to control additional expenditures. Expressed as a percentage of the overall budget level, the Contingency Fund was to accommodate additional expenditures relating to the biennium and derived from legislative mandates not provided for in the proposed programme budget, or from revised estimates. If these proposed additional expenditures were to exceed resources available within the Contingency Fund, such additional expenditures could only be included in the budget through redeployment of resources from low priority areas or modifications of existing activities. Otherwise such additional activities would have to be deferred until a later biennium.¹⁰⁰

42. There was however a significant proviso, or rather a big loophole, in this system of control of additional expenditures. "Revised estimates" were to be understood restrictively: *"The revised estimates arising from the impact of extraordinary expenses, including those relating to the maintenance of peace and security, as well as the fluctuations in rates of exchange and inflation, shall not be covered by the Contingency Fund and shall continue to be treated in accordance with established procedures and under the relevant provisions of the Financial Regulations and Rules."*¹⁰¹ This meant that the Contingency Fund will essentially

⁹⁸ This provision for inter-organizational security appeared for the first time in resolution 36/241 of 18 December 1981, Unforeseen and extraordinary expenses for the biennium 1982-1983. The Assembly had adopted the same day resolution 36/235, Inter-organizational security measures.

⁹⁹ See operative paragraphs 1 (a), (b) (i), (ii), (iii), (c), 2, and 3 of both resolutions 40/254 and 42/228. The clause concerning the above \$10 million commitments was added in 1961, in the context of the Congo operation, in resolution 1615(XV) of 21 April 1961, Review of the resolution relating to unforeseen and extraordinary expenses.

¹⁰⁰ GA resolution 41/213, Annex 1, section C, paragraphs 8 and 9.

¹⁰¹ *Ibid*, paragraph 11.

cover revised estimates arising from decisions of legislative bodies, most notably the Economic and Social Council and its subsidiary bodies, taken after the submission by the Secretary-General of its proposed programme budget. When a draft resolution was before one of these bodies, requesting for example a study that was not programmed, the Secretary-General submitted a Statement of Programme Budget Implications (“PBI”).¹⁰² If the resolution was adopted and if the statement indicated that additional resources were needed, revised estimates were submitted, usually in a consolidated manner. With the new system, such additional requirements would be taken from the Contingency Fund. The sums involved, while not negligible were not huge – in part because activities of the United Nations in the economic and social sector were the most amenable to precise planning and programming – and it was therefore possible for the Secretary-General to propose and for the ACABQ and the Assembly to accept a Contingency Fund limited to 0,75% of the overall budget.¹⁰³

43. The Assembly did so in its resolution 43/214 of 21 December 1988, Proposed Programme Budget Outline for the Biennium 1990-1991 and Use and Operation of the Contingency Fund. Operative paragraph 5 of this resolution reads as follows: *“Decides also that the contingency fund of the programme budget for the biennium 1990-1991 shall be established at a level of 0.75 per cent of the preliminary estimate at 1990-1991 rates (...), i.e. 15 million dollars, shall be appropriated as needed and shall be used according to the purpose and procedures set out in annexes to its resolutions 41/213 and 42/211 and relevant regulations and rules.”* The actual operation of this Contingency Fund will be reported in subsequent supplements of this *Repertory*.

44. Also in its resolution 41/213, the Assembly, while leaving outside the newly conceived Contingency Fund extraordinary expenses and fluctuations in rates of exchange and inflation, had stated that *“A comprehensive solution to the problem of all additional expenditures, including those deriving from inflation and currency fluctuations, is also necessary. It is desirable to accommodate these expenditures within the overall level of the budget, either as a reserve or as a separate part of the Contingency Fund (...) The Secretary-General should examine all aspects related to the question and report through the ACABQ and the CPC, to the General*

¹⁰² This most important of the Financial Regulations was there from the beginning of the United Nations. Regulation 38 of the Provisional Financial Regulations reads as follows: *“No resolution involving expenditure from the United Nations funds shall be approved by a Council unless the Council has before it a report from the Secretary General on the financial implications of the proposals and an estimate of the costs involved in the specific proposal Where, in the opinion of the secretary-General, the proposed expenditure cannot be made from the existing appropriations it shall not be incurred until the General Assembly has made the necessary appropriations unless the Secretary-General certifies that the provision can be made under the conditions of the resolutions of the General Assembly relating to unforeseen and extraordinary expenses and the Working Capital Fund.”* Resolution 163(II) of 20 November 1947, last section.

¹⁰³ The report of the Secretary-General on the Proposed programme budget outline for the biennium 1990-1991 (A/43/524) and the related report of the ACABQ (A/43/929) have been mentioned above in footnotes 55 and 60.

Assembly at its forty-second session."¹⁰⁴ Such comprehensive solution remained elusive. As noted by the Advisory Committee, *"the question of how to deal with the effects of inflation and currency fluctuation is one of long standing in the United Nations system and has been studied extensively over the years.*"¹⁰⁵ (...) *The operations of the United Nations are world wide. No way has yet been found to control inflation or currency movement on a global basis or to predict these factors with absolute certainty(...)* *There is an unavoidable cost to mitigating the effects of inflation and currency fluctuation. Faced with this situation, the General Assembly may wish to consider a continuation of the current system whereby the estimate of requirements is adjusted annually on the basis of the latest forecast by the Secretary-General of inflation and exchange rates.*"¹⁰⁶ The Assembly followed this advice and, apart from the setting of the Contingency Fund, dealt with revised and supplementary estimates in the programme-budget for 1990-1991 as it had done with previous programme budgets.

45. The final appropriation for the Programme Budget 1988-1989 was, at \$1,772,3 million, unusually close to the initial appropriation of \$1,769,6 million.¹⁰⁷ This was mainly attributable to another facet of the implementation of resolution 41/213, which was the reduction in the number of posts financed by the regular budget. In 1988, the Secretary-General, implementing recommendation 15 of the Group of 18 as endorsed by the Assembly in resolution 41/213, submitted revised estimates for the biennium 1988-1989 entailing an overall post reduction of 12.1 per cent by the end of that biennium.¹⁰⁸

B. The process of considering and approving the budget

1. The responsibility for the preparation and transmittal of the budget to the General Assembly

46. The Secretary-General, as in the past, was responsible for the preparation and submission of the programme budget to the General Assembly through the ACABQ¹⁰⁹ and also,

¹⁰⁴ GA resolution 41/213, Annex 1, para. 11.

¹⁰⁵ In 1974, in resolution 3360 of 18 December 1974, The effects of currency instability on the budgets of organizations within the United Nations system, the Assembly had noted that the working Group on Currency Instability *"found no generally agreed alternatives to policies already being utilized in the United Nations and related agencies."*(para. 4). The Assembly had also taken particular note *"of the statement of the representative of the Secretary-General (...) that payment by Member States in accordance with the Financial Regulations of the United Nations and the elimination of the short-term deficit of the Organization would resolve many of the currency problems faced by the United Nations, and, in turn, obviate in large measure the need for solutions."* (Para.5).

¹⁰⁶ See A/43/929, paras. 18 to 26.

¹⁰⁷ See GA resolutions 42/226 of 21 December 1987 and 44/193 of 21 December 1989.

¹⁰⁸ See GA resolution 43/213 of 21 December 1988, Implementation of General Assembly 41/213: progress report and revised estimates for the biennium 1988-1989. The relevant reports of the Secretary-General were A/43/286, A/43/324, A/43/524 and A/C.5/43/1.

¹⁰⁹ Regulation 5 of the Provisional Financial Regulations, adopted by the Assembly on 20 November 1947 in resolution 163(II), reads as follows: *"The Secretary-General shall submit to the regular session of the General*

since the adoption in the 1970s of programme budgeting, through the Committee for Programme and Coordination (CPC).¹¹⁰ For the preparation of the programme budget, as well as the medium-term plan and its revisions, the Secretary-General was assisted by the Planning, Programming, Budgeting Board (PPBB), a body internal to the Secretariat and chaired by the Director-General for Development and International Economic Cooperation.¹¹¹

47. In addition to the programme budget and the medium-term plan, the Secretary-General became responsible, during the period under review, for the submission to the General Assembly, also through the ACABQ and through the CPC, of the Outline for the forthcoming Programme Budget.¹¹² Such document was to be submitted on 15 August of off-budget years.¹¹³ The first Outline, proposed for the Programme Budget for the Biennium 1990-1991, was submitted on 16 August 1988.¹¹⁴

2. How the budget is considered and approved by the General Assembly

48. As for the Programme Budget and the Medium-Term Plan, the Fifth Committee of the General Assembly, *i.e.* the Administrative and Budgetary Committee, examined and adopted the Outline of the Programme Budget. It did so by considering together the proposals of the Secretary-General, the recommendations of the ACABQ and the conclusions of the CPC. As has been consistently the case with the programme budget, the outline approved by the Fifth Committee incorporated the recommendations of the ACABQ. The Rapporteur of the Fifth Committee then transmitted his report, including a draft resolution, for consideration by the General Assembly in plenary meeting. In all cases during the period under review, the General Assembly did not modify the proposals it received from its Fifth Committee.

Assembly estimates for the following year. He may also submit such supplementary estimates as may be deemed necessary for the current financial year.” And Regulation 10 states that *“The estimates shall be submitted to the Advisory Committee on Administrative and Budgetary Questions at least twelve weeks before the opening of the annual session of the General Assembly. They shall be examined by the Advisory Committee, which shall prepare a report thereon. The estimates, together with the Committee’s report, shall be transmitted to all Members at least five weeks before the opening of the regular session of the General Assembly.”* These provisions, including the twelve- and five-week deadlines, were still valid in the mid 1980s.

¹¹⁰ See in particular ECOSOC resolution 2008 (LX) of 14 May 1976, Terms of reference of the Committee for Programme and Coordination, and GA resolution 31/93 of 14 December 1976, Medium-Term Plan, operative paragraph 10.

¹¹¹ The post of Director-General for Development and International Economic Cooperation was created through GA resolution 32/197 of 20 December 1977, Restructuring of the economic and social sectors of the United Nations system. The PPBB was established a few years later.

¹¹² See GA resolution 41/213 of 19 December 1986, Annex 1, paras. 1-4.

¹¹³ See GA resolution 42/211 of 21 December 1987, Implementation of General Assembly 41/213, operative paragraph 18.

¹¹⁴ See document A/43/524, Proposed programme budget outline for the biennium 1990-1991, Report of the Secretary-General.

3. Voting on the budget

49. As already noted in the *Introductory Note* to this study, only the very first budget of the United Nations had been adopted unanimously.¹¹⁵ From 1947 onwards, a number of Member States abstained or voted against the resolutions on the initial, revised or final appropriations. And, particularly from the mid-seventies, the major contributor was consistently opposing the budget of the Organization.¹¹⁶

50. This pattern continued at the beginning of the period under review. The Final Budget Appropriation for the Biennium 1984-1985 was adopted on 18 December 1985 by a vote of 125 to 12, with 10 abstentions.¹¹⁷ That same day, the resolutions on the Working Capital Fund, on Unforeseen and Extraordinary Expenses, and on the Programme Budget for the Biennium 1986-1987 were adopted with a comparable voting.¹¹⁸ In December 1986, the Revised Budget Appropriation for the Biennium 1986-1987 had a vote of 122 to 13, with 10 abstentions.¹¹⁹ However, also in December 1986, resolution 41/213, establishing a revised budget process and indicating the desirability that the Fifth Committee should continue to make “*all possible efforts with a view to establishing the broadest possible agreement*”, was adopted without a vote.¹²⁰ One year later, the Programme Budget for the Biennium 1988-1989 was again voted upon, but with only one vote against and three abstentions, none of the major contributors being among these four Member States.¹²¹ The resolutions on the Working Capital Fund and on Unforeseen and Extraordinary Expenses for the same programme budget were adopted without a vote.¹²² And, in December 1988, the resolution on the Revised Budget for the Biennium 1988-1989 and the resolution on the Outline for the Programme Budget for the Biennium 1990-1991 were adopted without a vote.¹²³

C. Administration of the budget

1. The nature of the power vested in the Secretary-General

51. The adoption by the General Assembly of the budget of the Organization “*shall constitute an authorization to the Secretary-General to incur obligations and make expenditures*

¹¹⁵ See above, in particular footnote 15.

¹¹⁶ This point is treated at some length in *Repertory, Supplement No. 6, (1979-1984), Volume 2, section B.3.*

¹¹⁷ See GA resolution 40/239 of 18 December 1985.

¹¹⁸ See GA resolutions 40/253, 40/254 and 40/255, all of 18 December 1985.

¹¹⁹ See GA resolution 41/211 of 11 December 1986.

¹²⁰ See GA resolution 41/213, section II, para. 7. As indicated above in the *Introductory Note*, “broadest possible agreement” meant “consensus” and this understatement was necessary to obtain the agreement of the Legal Office on the legality of that most important aspect of resolution 41/213. Annex II of this resolution contains the exchange between the President of the Assembly and the Legal Council of the United Nations.

¹²¹ See GA resolution 42/226 of 21 December 1987.

¹²² GA resolutions 42/227 and 42/228 of 21 December 1987.

¹²³ GA Resolutions 43/218 and 43/214 of 21 December 1988.

*for the purposes for which appropriations have been voted and up to the amounts so voted.”*¹²⁴ This formulation of the power given to the Secretary-General as chief administrator of the Organization remained unchanged through various versions and revisions of the Financial Regulations of the United Nations.¹²⁵ It is a power that applies to the regular programme budget and to the special accounts established for peace-keeping and related operations.

52. In addition, under the terms of the already mentioned resolutions on unforeseen and extraordinary expenses, the Secretary-General continued to have the power to enter into certain commitments.¹²⁶

53. Once the budget is accepted by the General Assembly, the Secretary-General is also authorized to request Member States to remit their contributions, including advances to the Working Capital Fund, according to the scale of assessments determined by the Committee on Contributions and approved by the Assembly. During the period under review, as before, the Secretary-General sent letters to Member States immediately after the adoption and revision of the programme budget and expected payment within thirty days of receipt of his communication. A similar procedure applied to the assessed contributions for the special accounts.¹²⁷

54. Apart from the question of transfers within and between sections of the budget, the Secretary-General, when authorized to incur obligations and make payments, is nevertheless subjected to certain regulations. These, which also remained basically unchanged during the period under study, were, in summary, the following: (1) establish detailed financial rules and procedures; (2) cause all payments to be made on the basis of supporting vouchers and other documents; (3) designate the officers who may receive monies, incur obligations and make payments; and (4) maintain an effective internal financial control. The effectiveness of such internal control continued to be checked by an External Audit, which is considered in section E. below.

2. Transfers between sections of the budget

55. Paragraph 2 of Part A, Budget Appropriations for the Biennium 1986-1987, of resolution 40/253, Programme Budget for the Biennium 1986-1987, reads as follows: *“The Secretary-General shall be authorized to transfer credits between sections of the budget with the*

¹²⁴ Regulation 11 of the Provisional Financial Regulations of the United Nations, Resolution 163 (II) of 20 November 1947.

¹²⁵ The word “expenditures” was replaced by the word “payments” in the text adopted in 1950 (Resolution 456(V) and in subsequent revisions of the Financial Regulations.

¹²⁶ See section A.2 above, particularly footnotes 79 and 80.

¹²⁷ The thirty days requirement was established by the Financial Regulations approved by the General Assembly in 1950; see GA resolution 456(V) of 16 November 1950, Regulation 5.4.

concurrence of the Advisory Committee on Administrative and Budgetary Questions.” This same paragraph was in the first Programme Budget (for the biennium 1974-1975) as it has been in annual appropriation resolutions since the financial year 1948. It reflects, on the positive mode, one of the major and traditional limitations of the power of the Secretary-General in the administration of the budget approved by the Assembly: *“No transfer between appropriation sections may be made without authorization by the General Assembly”* (Regulation 5.6 of the Financial Regulations and Rules of the United Nations).¹²⁸

56. Such transfers, requested by letter to the ACABQ acting on behalf of the Assembly, were, when approved, reported in the Programme Budget Performance Report issued at the end of the biennium by the Secretary-General, considered again by the Advisory Committee, and approved by the General Assembly in the context of its final resolutions on the programme budget. They were relatively infrequent and represented very small amounts of credits in total budgets. For the biennium 1986-1987, transfers of credits between sections of the budget totaled \$313,100. Additional requirements of \$36,700 under section 5C. Regional Commission Liaison Office, \$246,100 under section 16. International Trade Center, and \$30,300 under section 30. United Nations Bond Issue, were offset by a corresponding reduction in the same amount under section 28. Administration and Management. These movements were, according to the Secretary-General, minor transfers between expenditure sections required for technical reasons.¹²⁹ The total final appropriation for the Programme Budget 1986-1987 was \$1.711,8 million.¹³⁰

D. Scope and extent of the powers of the General Assembly to approve expenditures

1. Provisions of the Financial Regulations and of the rules of procedure of the General Assembly and of the Economic and Social Council

57. The Financial Regulation that provides that no council, commission or other competent body shall take a decision involving expenditures unless it has before it a report from the Secretary-General on the administrative and financial implications of the proposal, has already been mentioned above in section A.2. It remained the crucial instrument of control by the Assembly. Statements of Financial Implications had become at the beginning of the 1980, in the context of the introduction in the United Nations of a planning, programming and budgeting

¹²⁸ The same words were used in the first version of the Financial Regulations: see paragraph 4.5 of resolution 456(V). In the provisional version of these regulations, Regulation 12 read as follows: *“Transfers by the Secretary-General within the total amount appropriated under the estimates may be made to the extent permitted by the terms of the budget resolution adopted by the General Assembly.”*(Resolution 163(II)).

¹²⁹ See A/C.5/42/40, para. 1, and A/42/863, para. 5.

¹³⁰ GA resolution 42/213, Part A.

cycle, integrated Statements of Programme, Financial and Administrative Implications (PBIs).¹³¹ These PBIs became routine practice in the legislative and subsidiary bodies of the Organization in the mid-1980s. Their dissuasive effect on additional expenditures, including for the Assembly itself, was enhanced by the inclusion in the programme budget of Contingency Fund of a size determined in the off-budget year and to be used to finance new or modified activities. This fund, also already mentioned in section A.2 above, became operational for the Programme Budget 1990-1991. The Assembly had elaborated its purposes and mode of functioning in December 1987 and decided on its use for the next programme budget in December 1988.¹³²

2. Factors considered by the General Assembly in reviewing proposed expenditures

58. The cost of conferences and meetings of the principal organs and subsidiary bodies of the United Nations continued during the mid-1980s to be a major preoccupation of the General Assembly. At its fortieth session, in its annual resolution entitled Pattern of Conferences,¹³³ the Assembly formalized the principles to be followed by the Committee on Conferences and the Secretary-General in drawing up the draft calendar of conferences and meetings.¹³⁴ It requested the Secretary-General to ensure the most rational and effective use of all United Nations conference centres and facilities, and it urged United Nations bodies to plan their work well in advance in order to make full use of the conference-servicing resources allocated to them and so that any unused resources may be reassigned.¹³⁵

59. The related issue of the cost of documentation prompted the Assembly to appeal to Member States to exercise restraint in their requests for the circulation of communications as United Nations documents and to keep the length of these communications to a minimum. Subsidiary organs should keep their reports to the Assembly within a limit of thirty-two pages. The Secretary-General was requested to establish a standard format for final reports of special

¹³¹ See GA resolution 38/227 of 20 December 1983, Part A, section II. The provisions of this resolution are analyzed in *Repertory, Supplement No. 6, Article 17(1)*, section D.2.

¹³² See GA resolutions 42/211 of 21 December 1987 and 43/213 of 21 December 1988. Resolution 42/211 has an Annex, Contingency Fund.

¹³³ The four resolutions on Patterns of conferences, adopted by the Assembly during the period 1985-1988, were: 40/243 of 18 December 1985; 41/177 of 5 December 1986; 42/207 of 11 December 1987; and 43/222 of 21 December 1988. The first resolution of the Assembly on a pattern of conferences was resolution 1202 (XII) of 13 December 1957. That same day the Assembly adopted resolution 1203(XII), Control and limitation of documentation, in which it noted the "*present very considerable output of United Nations documents,*" (first paragraph).

¹³⁴ See GA resolution 40/243, section I, paragraph 10, (a) to (i). Some of these nine principles, for example the rule that United Nations bodies should meet at their established headquarters, subject to exceptions granted by the Assembly, were already long standing practice. Others, notably those regarding special conferences, had been formulated in resolution 37/14 of 16 November 1982, Pattern of conferences. This resolution has, in its part B, an Annex, Guidelines on Secretariat organization for United Nations special conferences, and, in its part C, another Annex, Organs entitled to summary or verbatim records.

¹³⁵ *Ibid*, section I, paragraph 11, and section II, paragraph 2.

conferences.¹³⁶ The limitations placed, already for a number of years, on the provision of verbatim and summary records were confirmed.¹³⁷

60. At the same time, the Assembly stressed that the provision of adequate conferences services is an essential element in the efficient functioning of the Organization and that the allocation of resources for those services should be sufficient to meet requirements. It also expressed its awareness that the diversity of languages of the United Nations is a source of general enrichment and of better understanding among States Members of the Organization. And it noted the increasing difficulties in the provision of conference services, which were reflected particularly in delays in the distribution of documents and unequal treatment of some official languages.¹³⁸

61. In December 1988, the Assembly decided to transform the Committee on Conferences into a permanent subsidiary organ, with twenty-one members, appointed by the President of the General Assembly, for a period of three years. In addition to its responsibility for establishing, in close cooperation with the Secretariat, the draft calendar of meetings and conferences, the Committee was, *inter alia*, responsible for determining the ways and means that might ensure the optimum utilization of conference facilities and services, including documentation, and for monitoring the policy of the Organization on publications with the assistance of the Publications Board of the Secretariat.¹³⁹

62. The final appropriation for section 29, Conference and Library Services, of the Programme Budget for the Biennium 1984-1985, was, in rounded terms, \$264 million, or 16% of the total budget appropriation. For the biennium 1986-1987, these figures were \$311 million and 18%.

63. In reviewing proposed expenditures, the Assembly also continued to be concerned with the number and distribution of posts in the Secretariat. On the number of posts financed by the regular budget of the United Nations, the Assembly decided, upon recommendation of the Group of 18, on a reduction of close to 13%. This reduction has already been mentioned above

¹³⁶ See GA resolution 43/222, Part C, Control and limitation of Documentation, paras. 1,2,4 and 5.

¹³⁷ See GA resolution 40/243, Part III, paragraph 2. These limitations had been formalized in resolution 37/14 already mentioned in footnote 134.

¹³⁸ See GA resolution 42/207, Part C, preambular paragraphs 1 and 4, and operative paragraphs 2 and 3.

¹³⁹ See GA resolution 43/222, Part B, Status of the Committee on Conferences, paragraphs 1, 2, and 4 (b), (d) and (h). The Committee on Conferences had been set up in 1966 as an ad-hoc body to monitor meetings of the Organization. Its mandate was renewed every year. The Group of 18, having reviewed the efficiency of the administrative and financial functioning of the United Nations, had recommended that the Committee on Conferences be strengthened and given broader responsibilities. The Group had also recommended that the number of conferences and meetings be significantly reduced and their duration shortened. In the view of the Group, such reduction could be done without affecting the substantive work of the Organization. See A/41/49, Recommendations 1 and 2, pp. 4 and 5.

in the General survey and in section A.2 of this Analytical summary of practice. In considering the implementation of such a reduction through revised estimates, proposed programme budget, report on programme budget performance, and outline for the forthcoming programme budget, the Assembly was particularly attentive to several aspects of the distribution of posts in the Secretariat.

64. First was the issue of the effects of both the post curtailment and the recruitment freeze imposed upon the Secretary-General at the beginning of the 1980s by the financial crisis, on the recruitment from countries unrepresented and underrepresented in the Secretariat.¹⁴⁰ The Secretary-General was urged, whenever making appointments to posts subject to geographical distribution, to make every effort to recruit nationals of unrepresented or underrepresented Member States and candidates successful in the national competitive examinations.¹⁴¹ In general, the Assembly looked for improvement in the composition of the Secretariat by ensuring a wide geographical distribution of staff at the Professional and higher levels in all main departments and offices.¹⁴²

65. A second issue, still in the context of recruitment freeze and reduction of budgeted posts, was the representation of developing countries in the upper-echelons of the Secretariat. The Assembly emphasized that that no post should be considered the exclusive preserve of any Member State, or group of states;¹⁴³ called upon the Secretary-General, in making appointments at the levels of Under-Secretary-General and Assistant Secretary-General, to strive to appoint only a national from a Member State other than the incumbent to be replaced in order to reinforce the principle of rotation in the upper echelons of the Secretariat;¹⁴⁴ requested the Secretary-General to ensure that equal opportunity is given to candidates of all Member States when making appointments to all posts in the upper echelons;¹⁴⁵ and, requested the Secretary-General not to extend, as a rule, the services of under-secretaries-general or assistant secretaries-general for a period exceeding ten years.¹⁴⁶

¹⁴⁰ See GA resolution 42/220 of 21 December 1987, Personnel questions, Part A, Composition of the Secretariat. In this resolution, the Assembly took note of “*negative effect of the reduction of posts on the representation of Member States in the upper echelons of the Secretariat*”. (Part A, section II, third preambular paragraph).

¹⁴¹ Ibid, Part A, section I, paragraph 2.

¹⁴² See GA resolution 43/224 of 21 December 1988, Personnel questions, Part A, paragraph 10. The four resolutions on Personnel questions adopted by the Assembly during the period reviewed contain this general preoccupation with the composition of the Secretariat. These resolutions are 40/258 of 18 December 1985; 41/206 of 11 December 1986; 42/220 of 21 December 1987; and 43/224 of 21 December 1988.

¹⁴³ See GA resolutions 41/205, part B, first preambular paragraph, 42/220, section II, second preambular paragraph, and 43/224, Part A, paragraph 5. At its 43d session, the Assembly was “*concerned about a further deterioration in equitable geographical distribution of posts in the Secretariat, particularly at the higher echelons*.” (resolution 43/224, Part A, sixth preambular paragraph).

¹⁴⁴ See GA resolutions 41/206, Part B, para. 2, and 42/220, Part A, section II, para. 2.

¹⁴⁵ See GA resolution 42/220, Part A, section II, para. 1.

¹⁴⁶ See GA resolution 43/224, Part A, para. 3.

66. Thirdly, the General Assembly gave increasing attention to the status of women in the Secretariat.¹⁴⁷ The Convention on the Elimination of All Forms of Discrimination Against Women had been adopted by the Assembly in 1979.¹⁴⁸ The Nairobi Forward-looking Strategies for the Advancement of Women, adopted in July 1985 by the World Conference to Review and Appraise the Achievements of the United Nations Decade for Women, had included recommendations relating to the recruitment, promotion and career development of women by the bodies and organizations of the United Nations system.¹⁴⁹ In this context, the General Assembly, in 1985-1988, reaffirmed the need to increase both the overall number of women in posts subject to geographical distribution and the proportion of women at the senior and policy-making levels by all bodies and organizations of the United Nations system.¹⁵⁰ It expressed its conviction that progress towards equal opportunity could only be achieved through commitment at the highest level of the organizations and demonstrated through accountable management practices.¹⁵¹ It requested the Secretary-General to take measures for achieving by 1990, “to the extent possible”, an overall participation rate for women of 30% of the total number of posts subject to geographical distribution.¹⁵² The Assembly expressed its concern at the low proportion of women in senior and policy-making posts. It also urged the Secretary-General to intensify its efforts to augment the number of women from developing countries in these posts.¹⁵³

67. In reviewing expenditures proposed by the Secretary-General, the General Assembly also considered the implementation of decisions taken by its special sessions. During the period under review, three special sessions were convened: the thirteenth session on Africa, from 27

¹⁴⁷ The four resolutions on Personnel questions adopted during the period 1985-1989 had a part entitled Improvement of the Status of Women in the Secretariat. In 1970, the General Assembly, upon recommendation of its Third Committee, had adopted resolution 2715 (XXV) of 15 December 1970, Employment of qualified women in senior and other professional positions by the secretariats of organizations of the United Nations system, and resolution 2716(XXV), of the same date, Programme of concerted international action for the advancement of women. This was followed by resolution 3352 (XXIX) of 18 December 1974, adopted upon recommendation of the Fifth Committee, entitled Employment of women by secretariats of the United Nations system. Then came resolution 33/143 of 20 December 1978, in which the Assembly, in the context of a call for a coherent personnel policy for the composition of the Secretariat, requested the Secretary-General to take specific measures to increase the number of women in posts subject to geographical distribution and to foster their career opportunities.

¹⁴⁸ See the Annex to GA resolution 34/180 of 18 December 1979. This resolution was adopted by a vote of 130, none against, and 10 abstentions. The Declaration on the Elimination of Discrimination against Women had been adopted twelve years before, on 7 November 1967, in resolution 2263(XXII) by a vote of 111-0-0.

¹⁴⁹ See United Nations publication, Sales No E.85.IV.10, chapter I, section A.

¹⁵⁰ See, for instance, GA resolution 40/258, Part B, fourth preambular paragraph.

¹⁵¹ *Ibid.*, sixth preambular paragraph.

¹⁵² This 30% desirable rate was launched by the Assembly in its resolution 40/258 of 18 December 1985. It was repeated in the subsequent resolutions on Personnel questions adopted during the period under review. The words “to the extent possible” were used in resolutions 40/258, 41/205 and 42/220, but not in resolution 43/224.

¹⁵³ See for instance GA resolution 43/224, Part C, paragraph 4.

May to 1 June 1986; the fourteenth session, on Namibia, from 17 to 20 September 1986; and the fifteenth session, on Disarmament, from 31 May to 15 June 1986.

****3 Powers of the General Assembly to approve or disapprove obligations incurred by the Organization**

4. Budget ceiling

68. It will be recalled that the Group of 18 did not reach a consensus on its recommendations for improving the efficiency of the programming and budgeting process in the United Nations.¹⁵⁴ Its report to the Assembly presented three views.¹⁵⁵ The first two were separated mainly by differences on the respective roles of the ACABQ and the CPC – meaning an emphasis either on the budget itself or on the programmes –, but they both included a recommendation for an outline of the programme budget for the next biennium, such an outline being “*based on the medium-term plan and decisions by the legislative organs of the United Nations*” and providing “*an indication of the resources that the Secretary-General expects to be available.*”¹⁵⁶ The third view, however, was radical. It had four clear and brief recommendations: (A) *The budgeting process and the programme planning process (...) should be merged. These two functions should be entrusted to a single intergovernmental expert body. This body should work on the basis of consensus;* (B) *Before the Secretary-General starts his work on the budget estimates, the overall limit of the future budget should be determined by the intergovernmental expert body on the basis of the amount of resources that Member States are prepared to make available to the Organization;* (C) *After the overall limit of the budget is set, the intergovernmental expert body should proceed with the setting of relative priorities within this limit. This body should also cooperate closely with the Secretary-General in the preparation of the budget estimates;* and (D), *It is desirable that decisions of intergovernmental bodies, including the Fifth Committee, on the overall limit of the budget and on the level of remuneration of the United Nations personnel are taken by consensus.*¹⁵⁷

69. If the General Assembly, when elaborating its resolution 41/213, had adopted this third point of view, the procedure for a true budget ceiling would have been openly and legally in place for the first time in the history of the United Nations.¹⁵⁸ This was not quite the case, as

¹⁵⁴ See above, section A.1, footnote 51.

¹⁵⁵ A/41/49, Part VI, section C. Planning and budget mechanisms, pp. 27 to 35, paras. 65 to 69.

¹⁵⁶ See these two provisions in both set of recommendations: Recommendation E, b(1), p. 30, and Recommendation D, b(1), p. 33.

¹⁵⁷ A/41/49, para. 69, pp. 34 and 35.

¹⁵⁸ Attempts at putting a ceiling on the budget of the United Nations are reported in the *Repertory*: See Volume 1, section D.4, pp. 525-526; *Supplement No. 2*, section D.4, pp. 167-168; *Supplement No. 3*, section D.4, p. 368; and *Supplement No. 4*, section D.4, p. 209. In particular, it is reported in *Supplement No. 2*, covering the period 1955-1959, that a draft resolution had been introduced by the United Kingdom for putting a limit of \$50 million to the

the language of resolution 41/213 was more prudent. An “overall limit of the future budget” was replaced by an “outline of the programme budget for the next biennium which shall contain an indication of (...) preliminary estimate of resources to accommodate the proposed programme of activities during the biennium.”¹⁵⁹ Moreover, it was the Secretary-General who was preparing and submitting such a preliminary estimate, and not “an intergovernmental expert body” operating by consensus. Yet, when it decided on the outline for the programme-budget 1990-1991, the Assembly declared that “the Secretary-General should prepare his proposed programme budget (...) on the basis of the total preliminary estimate of 1,767,060,000 United States dollars at 1988 rates (equivalent to 1,982,523,700 at 1990-1991 rates).”¹⁶⁰ These figures, elaborated by the ACABQ, were very close to the proposals made by the Secretary-General. And, the actual budget appropriations for the Programme Budget 1990-1991, approved at \$1,974,634,000, were slightly below the preliminary estimates of the outline.¹⁶¹ Adding the \$15 million of the Contingency Fund, to be appropriated as needed, outline and initial budget were the same. If not an explicit ceiling, the new budget process provided, at least at the time, a political agreement ensuring a greater level of predictability of the resources required for a biennium.

E. Extent of control by the General Assembly over budgetary expenditure

****1. The Board of Auditors**

****2. Functions of the Board of Auditors and principles governing the audit procedure of the United Nations**

3. Procedure for review of accounts and audit reports by the General Assembly

70. Each year the General Assembly continued to consider the report of the Board of Auditors and the related report of the Advisory Committee on Administrative and Budgetary Questions. It also had before it the financial reports and audited financial statements of a number of United Nations funds and programmes. The Assembly then adopted a resolution accepting financial reports, audited financial statements and audit opinions of the Board of Auditors, concurring with the observations of the Advisory Committee and requesting the heads of the concerned organizations, funds and programmes to take the remedial actions required by the comments of the Board.¹⁶² In its resolution of December 1985, the Assembly

budget appropriation for the financial year 1957. France proposed a limit of \$52 million, including estimates for unforeseen and extraordinary expenditures. Both proposals were rejected by the Fifth Committee.

¹⁵⁹ See GA resolution 41/213, Annex 1, section A, para. 1.

¹⁶⁰ See GA resolution 43/214, para. 5.

¹⁶¹ See GA resolution 44/202 of 21 December 1989, Part A.

¹⁶² See, during this period 1985-1988, GA resolutions 40/238 of 18 December 1985, 41/216 of 5 December 1986, 42/206 of 11 December 1986, and 43/216 of 21 December 1988.

requested the Board of Auditors to submit, in the future, in a separate and concise document, a synthesis of its main observations of common interest regarding the efficiency of the financial procedures and controls.¹⁶³

4. Machinery for control and investigation of administrative and financial activities

71. This section was added to the *Repertory in Supplement No. 4* (1966-1969) to report on the creation of the Joint Inspection Unit (JIU)¹⁶⁴. In 1984, the General Assembly had invited the JIU to evaluate the results of its activities and expressed its conviction that the reports presented by the Unit should receive adequate attention.¹⁶⁵ In its report, submitted to the Assembly in 1986, the Group of 18 presented five recommendations on the JIU, including to rename the Unit “Joint Inspection and Evaluation Unit” and to increase the cooperation of the Unit with the External Auditors. Also, greater guidance on the programme of work of the Inspectors ought to be provided by the Assembly, recruitment of the Inspectors should put more emphasis on specific qualifications, and reports should be made available to all Member States.¹⁶⁶ These recommendations were not mentioned in resolution 41/213. The reference to the JIU in this resolution is that the Unit and other bodies should assist, as required, the CPC, in its study of the intergovernmental machinery.¹⁶⁷ A year later, in resolution 42/218, the Assembly gave to the Joint Inspection Unit a series of recommendations on its work and its relations with other bodies. In particular, the CPC and the ACABQ were invited, within their respective mandates, to provide the Assembly with their comments on the future work programme of the JIU.¹⁶⁸ In 1988, the Assembly welcomed the measures introduced thus far by the JIU in improving the quality, effectiveness and presentation of its reports and reiterated a number of its previous recommendations. It also suggested a consultative process for reviewing candidates to the Unit.¹⁶⁹

¹⁶³ See GA resolution 40/238, operative paragraphs 3 and 4.

¹⁶⁴ See *Repertory, Supplement No. 4*, Volume 1, section D4. The JIU was created on an experimental basis under GA resolution 2150(XXI) of 4 November 1966, extended in 1970 and 1972, and established permanently as a standing subsidiary organ by GA resolution 31/192 of 22 December 1976. By its statute, the Unit is responsible to the General Assembly and similarly to the competent legislative organs of those specialized agencies that have chosen to participate in its work.

¹⁶⁵ See GA resolution 39/142 of 18 December 1984, Joint Inspection Unit, first preambular paragraph and operative paragraph 6.

¹⁶⁶ A/41/49, para. 56, pp. 34-25, Recommendations 63 to 67.

¹⁶⁷ See GA resolution 41/213, section I, para. 1(f).

¹⁶⁸ See GA resolution 42/218 of 21 December 1987, Joint Inspection Unit, notably operative paragraph 8.

¹⁶⁹ See GA resolution 43/221 of 21 December 1988, Joint Inspection Unit, in particular operative paragraphs 2 to 14.

F. Extrabudgetary funds

1. General statement

72. In its Introduction to the Proposed Programme Budget for the biennium 1988-1989, the Secretary-General wrote the following: *“The indications of extrabudgetary resources are given for information and represent the best available estimates of the cost of programme implementation financed from such resources within amounts expected to be available during the biennium. It therefore follows that only those programmes and outputs will be delivered for which financing will become available. These extrabudgetary resources (...) for the purpose of differentiation, are divided into (a) funds expected to be available for substantive and administrative support, representing an added capacity of the Secretariat for the implementation of programmes or the performance of services, including support of operational projects for the benefit of individual Member States or groups of Member States, and (b) funds expected to be available for the execution of operational projects themselves.”*¹⁷⁰

73. In its first report on the same Proposed Programme Budget for the Biennium 1988-1989, the ACABQ noted the estimates of extrabudgetary resources provided by the Secretary-General and made the following statement: *“The Advisory Committee intends to pay specific attention in the future to the extrabudgetary side of United Nations expenditure, including the accuracy of the methodology currently used to forecast the level of extrabudgetary resources. In view of the magnitude of the resources involved, the Advisory Committee believes that it is essential to define precisely the role of extrabudgetary financing in the overall financial structure of the United Nations. It is also essential to refine approval and reporting mechanisms so as to ensure that these expenditures are subject to a greater measure of scrutiny and control.”*¹⁷¹

74. The estimated resources from voluntary contributions (extrabudgetary funds) during this biennium 1988-1989 were \$2,029,420,200, comprising \$196,824,700 for support services, \$74,115,800 for substantive activities and \$1,758,479,700 for operational projects. This forecast excluded voluntary contributions for the special accounts of peace-keeping operations. By comparison, for the same biennium, the Secretary-General proposed an amount of \$1,681,372,400 for the expenditures sections and \$336,961,600 for the income sections, or a net amount of \$1,344,410,800 to be financed from assessed contributions of Member States. Thus, by the end of the 1980s, voluntary contributions to the financing of the activities of the

¹⁷⁰ A/42/6 (Introduction), 23 April 1987, para. 34.

¹⁷¹ A/42/7, Chapter I, para. 2, p. 3.

United Nations, excluding peace-keeping operations, were superior to assessed contributions.¹⁷²

2. The principal extrabudgetary programmes

75. In addition to its established funds and programmes, such as the United Nations Development Programme (UNDP) or the World Food Programme (WFP), or the United Nations Industrial Development Organization (UNIDO) (which became a specialized agency during the period under review),¹⁷³ and in addition to its regular programmes financed mainly from extrabudgetary resources, such as the Office of the High Commissioner for Refugees, the United Nations continued to create a number of trust funds for receiving voluntary contributions earmarked for the financing of specific purposes.

76. In 1985, the General Assembly established the United Nations Voluntary Fund for Indigenous Populations.¹⁷⁴ Also in 1985, the Assembly approved the establishment, within the operations of the UNDP, of the United Nations Development Fund for Women (UNIFEM).¹⁷⁵ In 1986, it approved the move of the Trust Fund for Science and Technology for Development from the Centre on Science and Technology for Development to the UNDP. In 1985 and 1986, were launched three United Nations Regional Centers for Peace and Disarmament, in Africa, Latin America and Asia, to be financed essentially from voluntary contributions.¹⁷⁶ There was no new creation of a trust fund in 1988, but the Assembly, as in previous years, adopted a number of resolutions on existing funds, reaffirming some policy orientations for the activities concerned and calling on Member States and other organizations to contribute to their financing.¹⁷⁷

3. Raising funds for extrabudgetary purposes

77. An annual United Nations Pledging Conference for Development Activities continued to be held at Headquarters. In addition, some organizations, notably the World Food Programme,

¹⁷² Ibid, paras. 1 and 2.

¹⁷³ See this *Supplement* No. 7 of the *Repertory*, Article 17(3).

¹⁷⁴ See GA resolution 40/131 of 13 December 1985.

¹⁷⁵ See GA resolution 40/104 of 13 December 1985.

¹⁷⁶ See GA resolutions 41/60 (D) and 42/39 (J) for the United Nations Regional Centre for Peace and Disarmament in Africa; 42/39 (K) for the United Nations regional Centre for Peace, Disarmament and Development in Latin America; and 42/39(D) for the United Nations Peace and Disarmament Research Center in Asia.

¹⁷⁷ Recurrent resolutions on trust funds during the period referred to the United Nations Fund for Namibia (see for example GA resolution 40/97); the United Nations Trust Fund for South Africa (for example resolution 42/23); the United Nations Voluntary Fund for the Victims of Torture (for example resolution 41/135); and the United Nations Relief and Work Agency for Palestinian Refugees in the Near East (UNRWA) (for example resolution 43/57).

had their own pledging conferences.¹⁷⁸ In its also annual resolution on Operational Activities for Development, the Assembly, apart from giving directives to the organizations concerned, regularly urged Member States to increase their contributions.¹⁷⁹ Resolutions adopted each year during the period under review on the Office of the United Nations High Commissioner for Refugees acknowledged the generosity of donors and requested contributions to alleviate a growing humanitarian problem.¹⁸⁰

****4. Control of extrabudgetary funds**

G. Special Accounts for peace keeping and related operations of the United Nations

1. Purpose and limit of the accounts

78. As indicated above in the General survey for this period 1985-1988, three new special accounts were open by the General Assembly to finance the United Nations Iran-Iraq Military Observer Group (UNIMOB), the United Nations Angola Verification Mission (UNAVEM), and the United Nations Transition Assistance Group (UNTAG). In addition, two other special accounts were still opened to finance the United Nations Disengagement Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL).

2. Preparation, presentation and approval of estimates

79. These five operations resulted from decisions of the Security Council. They were renewed, at least once a year and sometimes every three months, also by the Council. The Secretariat prepared detailed estimates and these were submitted to the Assembly through the ACABQ. As for the regular budget, the recommendations of the Advisory Committee were generally accepted without change by the Assembly. The four resolutions that the Assembly adopted on UNIFIL were voted upon,¹⁸¹ as were the resolutions on UNDOF.¹⁸² The two

¹⁷⁸ See GA resolution 40/176 of 17 December 1985, Target for World Food Programme Pledges for the period 1987-1988. The Assembly called for a target of \$1,4 billion, of which \$405 million in cash and the rest in kind, to be achieved through a pledging conference to be held in 1986.

¹⁷⁹ See for example GA resolution 40/211 of 17 December 1985, Operational Activities for Development; The Assembly *"calls upon all States to make every effort to attain the planned funding levels for operational activities for development by the various organizations of the United Nations system, and urges the successful completion of the current negotiations for the replenishment of the International Fund for Agricultural Development (...)"* (paragraph 5). In its resolution 41/171 of 5 December 1986, on the same subject, the Assembly expressed *"its deep concern at the stagnation in real terms of overall contributions for operational activities for development (...)* and stressed *"the need for significant, continuous, predictable and real increase in contributions (...)* (paragraph 3).

¹⁸⁰ See for instance GA resolution 41/124 of 4 December 1986.

¹⁸¹ GA resolutions 40/246 A-B of 18 December 1985: Part A: 124-15-4; Part B: 122-14-5; 41/179 of 5 December 1986: Part A: 125-2-9; Part B: 116-2-9; 42/223 of 21 December 1987, 133-3-9; and 43/229: 134-1-8.

¹⁸² GA resolution 40/59 A-B of 2 December 1985: Part A: 96-2-13; Part B: 93-10-6; 41/44 A-B of 3 December 1986; Part A: 110-3-21; Part B: 115-1-22; 42/70 A-B of 3 December 1987; Part A: 94-3-5; Part B: 94-3-5; and 43/228 of 21 December 1988: 133-2-8.

resolutions on UNIMOB, the resolution on UNAVEM and the resolution on UNTAG were adopted without a vote.

80. All these resolutions had a similar content. They had a paragraph whereby the Assembly reaffirmed *“its previous decisions regarding the fact that, in order to meet the expenditures caused by such operations, a different procedure is required from that applied to meet expenditures of the regular budget of the United Nations.”*¹⁸³ Followed a paragraph on *“the fact that the economically more developed countries are in a position to make relatively larger contributions and that the economically less developed countries have a relatively limited capacity to contribute towards peace-keeping operations involving heavy expenditures.”*¹⁸⁴ Then the Assembly declared that it was *“bearing in mind the special responsibilities of the States permanent members of the Security Council in the financing of such operations, as indicated in General Assembly resolution 1874 (S-IV) of 27 June 1963 and other resolutions of the General Assembly.”*¹⁸⁵ The appropriations that were decided by the Assembly obviously varied in their amounts and in their financial periods.¹⁸⁶ Their apportionment among Member States followed a similar method that had been progressively put in place after the Congo operation at the beginning of the 1960s. They were presented in all the resolutions mentioned above as an *ad hoc* arrangement.

****3. Financial administration**

¹⁸³ See for instance GA resolution 40/59 on UNDOF, fourth preambular paragraph.

¹⁸⁴ See for instance GA resolution 41/179 on UNIFIL, fifth preambular paragraph.

¹⁸⁵ See for instance GA resolution 43/220 on UNIMEG, ninth preambular paragraph.

¹⁸⁶ Appropriations for UNDOF totaled \$71 million for the four years considered; for UNIFIL, \$536 million; for UNIMEG, \$54 million for the period August 1988-February 1989; for UNAVEM, \$9 million for an initial period of one year; and for UNTAG, \$416 million for a period starting 1 April 1987.