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## 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, covering the period 1995-1999, follows that of the previous studies of Article 17 (1) in the *Repertory* and its *Supplements No. 7* and *No. 8*.

### I. General survey

2. On 24 October 1995, the fiftieth session of the General Assembly adopted the Declaration on the Occasion of the Fiftieth Anniversary of the United Nations.<sup>1</sup> Prepared by a Committee established by the Assembly in April 1992 and open to all Member States,<sup>2</sup> this Declaration had an introduction and five sections devoted respectively to peace, development, equality, justice and the United Nations Organization. In the introduction, "Member States and observers of the United Nations, representing the peoples of the world" pledged to "give to the twenty-first century a United Nations equipped, financed and structured to serve effectively the peoples in whose name it was established".<sup>3</sup>

3. In the section entitled United Nations Organization, it was stated that, in order to respond effectively to the challenges of the future, it was essential that the United Nations be reformed and modernized. The work of the General Assembly should be revitalized. The Security Council should be expanded and its working methods reviewed. The Economic and Social Council should be strengthened. The United Nations must have adequate resources and Member States must meet, in full and on time, their obligation to bear the expenses of the Organization, as apportioned by the General Assembly. Also, the secretariats of the United Nations system must improve significantly their

efficiency and effectiveness in administering and managing the resources allocated to them. For their part, Member States would pursue and take responsibility for reforming the system. In the fourth paragraph of this section, which is the last paragraph of the Declaration, Member States recognized that their common work would be the more successful if it was supported by all concerned actors of the international community, including non-governmental organizations, multilateral financial institutions, regional organizations and all actors of civil society.<sup>4</sup>

4. While the Assembly was adopting this Declaration in plenary, the Fifth Committee was considering the programme budget for the biennium 1996-1997. Formally, in conformity with the budgetary process established by resolution 41/213, this programme budget, as proposed by the Secretary-General, had a novel feature: besides the net suppression of 135 posts, savings of about \$100 million, through efficiency gains during the biennium, were presented as "a reasonable expectation".<sup>5</sup> These initiatives, although perhaps consistent with the prevailing atmosphere surrounding the Organization at the time, were not formally mandated.

5. The Fifth Committee responded with unprecedented decisions. It transformed the "reasonable expectation" into *ex ante*, across-the-board and non-specified savings of \$104 million, thereby approving a level of appropriations inferior to the approved level of expenditures.<sup>6</sup> It took a number of specific decisions on the staffing table and suppressed 100 posts, whereas the Secretary-General had proposed

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<sup>1</sup> GA resolution 50/6.

<sup>2</sup> See A/50/48/Rev.1.

<sup>3</sup> The Preparatory Committee for the Fiftieth Anniversary was informed in 1993 that the financial situation of the Organization precluded it from making funds from the regular budget available for financing fiftieth anniversary events. The Secretary-General had therefore established a Trust Fund and support was also sought from the private sector.

<sup>4</sup> See GA resolution 50/6, paras. 14 to 17.

<sup>5</sup> See GA resolution 50/214, sect. II, para. 5.

<sup>6</sup> See GA resolution 50/215 A, para. 1.

139 suppressions. It decided that the vacancy rate in 1996-1997 would be 6.4 per cent for both Professional and General Service posts, thus reducing the budget by \$50 million. It further decided that these savings, both volunteered by the Secretary-General and imposed by the Assembly, would not affect the full implementation of mandated programmes and activities and it requested the Secretary-General to seek the approval of the Assembly for all the measures he would take in special reports separated from regular budget performance reports and as early as three months after the beginning of the biennium.<sup>7</sup>

6. Two years later, the General Assembly approved a final appropriation for the programme budget 1996-1997 that was some \$66 million below the initial appropriation.<sup>8</sup> Not only had forced savings and new mandates and new activities been absorbed, but there was a surplus. This extraordinary outcome of extraordinary decisions had two main explanations. First, the United States dollar had strengthened considerably against the Swiss franc and the Austrian shilling during both 1996 and 1997. The initial estimates of the Secretary-General for expenditures that were to be incurred in these two currencies were therefore much reduced.<sup>9</sup> Second, during the implementation of this programme budget, the actual average vacancy rate had been 12.8 per cent for Professional and above posts and 7.6 per cent for General Service posts; since the budget had been established according to the rate of 6.4 per cent for all posts, the “savings” were again significant.<sup>10</sup> While the strengthening of the dollar was evidently beyond the control of the management of the United Nations, high vacancy rates were the product of a deliberate policy.<sup>11</sup> A budgetary technique — the deduction of anticipated vacancies from budgeted staff costs — had been transformed into an instrument for realizing savings.

7. The consequences of this policy for the delivery of mandated programmes and services by the Secretariat were never fully acknowledged and clarified. Unless the Secretariat was grossly overstuffed

in relation to the tasks entrusted to it, a high vacancy rate had to have a negative impact on the work of the Organization. In his first report on the programme budget 1996-1997, the Secretary-General stated that there would be some service reductions and that no programme would be terminated but delays and postponements caused by resource reductions were to be expected.<sup>12</sup> In his addendum to this report, issued five months later, the Secretary-General wrote that efficiency gains made through efficiency reviews were facilitating the full implementation of mandated programmes and activities in the context of savings measures and reductions in inputs.<sup>13</sup> This was followed by a section-by-section presentation of savings (by object of expenditure) and of changes in outputs, such as postponement of a publication, shortening or merging of reports, or a reduction in the number of meetings.<sup>14</sup> These changes were presented by programme and subprogramme of the medium-term plan, but no attempt was made to assess their effects on the objectives of the Organization, as expressed in the mandates given to the Secretariat by the various intergovernmental bodies.

8. The Advisory Committee on Administrative and Budgetary Questions (ACABQ), aware of the difficulty of implementing the decision of the Assembly to fulfil mandates with a reduced budget, had repeatedly advised the Secretary-General to involve the responsible intergovernmental bodies in the determination of the activities that would have to be cancelled, curtailed or postponed.<sup>15</sup> The practical problems caused by the calendar of meetings of the subsidiary bodies of the Economic and Social Council and the General Assembly was the reason invoked for following this advice only very partially.

9. Other reasons might however be mentioned. After years of effort aimed at developing techniques of evaluation, self-evaluation, monitoring and measuring programme performance, the link between “inputs” and “outputs”, that is between resources used and results, remained very difficult to establish. Most of the objectives of the work of the United Nations had never been unambiguously quantifiable and the relation between the programmes and the budget was still very

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<sup>7</sup> See GA resolution 50/214, sect. II, paras. 6 to 13.

<sup>8</sup> See GA resolution 52/213 A.

<sup>9</sup> See A/51/7/Add.6, para. 3 and A/C.5/52/32, paras. 3 and 4. The gain due to the strengthening of the United States dollar was, in rounded terms, \$60 million in 1996 and \$61 million in 1997.

<sup>10</sup> See A/C.5/52/32, para. 26.

<sup>11</sup> See A/C.5/50/57, paras. 17 and 18.

<sup>12</sup> *Ibid.*, summary.

<sup>13</sup> A/C.5/50/57/Add.1, para. 11.

<sup>14</sup> *Ibid.*, sect. II.

<sup>15</sup> See A/50/7/Add.16, paras. 40 and 41; A/51/7/Add.1, paras. 3 and 4; and A/51/7/Add.1, para. 6.

loose. A “negative impact on programmes” was not a well-defined notion. Since the Assembly had decided that there would be no such an impact, the Secretariat had legitimate grounds on which to leave this question aside and to shift the debate towards the potential positive effects of the efficiency measures it was taking.

10. Moreover, in the acceptance of this shift was perhaps a seeming unspoken understanding between the Fifth Committee and the Secretariat, that the involvement of other intergovernmental bodies in the budgetary debate would only further complicate already arduous negotiations. Besides, these other bodies were not anxious to be diverted from their substantive responsibilities and the Committee for Programme and Coordination (CPC) had been established to oversee the programmatic aspects of the budget. Both the Fifth Committee and the Secretariat had good reasons to leave in ambiguous shadow the consequences for the activities of the United Nations of a programme budget that “was adopted in resolution 50/214 under unique circumstances” and, as such, did not “constitute a precedent”.<sup>16</sup>

11. When this programme budget for 1996-1997 was finally put to rest,<sup>17</sup> the General Assembly was debating the proposed programme budget for the next biennium. This proved again to be an unusual process. In December 1996, a new Secretary-General had been appointed.<sup>18</sup> Seven months later, on 14 July 1997, he issued a major report entitled “Renewing the United Nations: a programme for reform”,<sup>19</sup> which was followed in September by another report.<sup>20</sup> It is necessary to give particular attention to the content of the first of these reports before outlining the novel characteristics of the consideration and adoption by the Assembly of the programme budget 1998-1999.

12. In the letter of transmittal to the President of the General Assembly of his report entitled “Renewing the United Nations: a programme for reform”, the Secretary-General wrote that he was pleased to submit what he believed to be the most extensive and far-reaching reforms in the fifty-two-year history of the Organization. His concept of reform was that the Organization needed to be significantly reconfigured in order to do better what the international community required it to do. Undertaking those changes would also realize significant administrative efficiencies, and thus produce savings in many, though not necessarily all, instances.

13. The first type of measures presented in the report were those that the Secretary-General “can and will undertake on (his) own initiative”. They concerned largely the organization and management of the Secretariat, programmes and funds. Here, wrote the Secretary-General, the report sought nothing less than to transform the leadership and management structure of the Organization, enabling it to act with greater unity of purpose, coherence of efforts, and agility in responding to the many challenges it faced. The second category of measures were those within the jurisdiction of Member States, proposing ways to enhance the strategic direction that only the General Assembly could provide to the work of the Organization. Thirdly, were several more fundamental proposals advanced for consideration by the General Assembly for possible action in the longer term.<sup>21</sup>

14. In the 95-page report, these measures and proposals were introduced, explained and distilled in 15 sets of recommendations and 29 groups of actions. There were also 8 strategies, all covered in the section on management in the section of the report entitled “Enhancing support capacities”. An annex gave examples of ongoing managerial reforms.<sup>22</sup> Since the focus of the report was on a new leadership and management structure and a culture aimed at the greater efficiency of a leaner Organization, most of the measures undertaken and proposed were of relevance to the work of the General Assembly under Article 17 (1) of the Charter. Some, however, ought to be particularly highlighted in this review.

15. First, the Secretary-General announced a changed management culture accompanied by management and

<sup>16</sup> See GA resolution 50/230, para. 4.

<sup>17</sup> The second performance report on the programme budget for the biennium 1996-1997, A/C.5/52/32, dealt exclusively with expenditures and income. The preparation of the programme performance report had been entrusted to the Office of Internal Oversight Services (OIOS) and it was to be issued after the biennium was over (see A/C.5/52/32, para. 9). See also resolution 51/221 B, paras. 16, 17 and 18.

<sup>18</sup> See resolution 51/200.

<sup>19</sup> A/51/950.

<sup>20</sup> A/52/303.

<sup>21</sup> A/51/950, letter of transmittal.

<sup>22</sup> *Ibid.*, annex.

efficiency measures, which would eliminate at least 1,000 staff posts, reduce administrative costs by one third, improve performance and effect additional savings in terms of personnel and costs over time.<sup>23</sup> The Secretary-General emphasized that in the first six months of the new leadership, a series of efficiency projects had been undertaken by managers throughout the Secretariat. They numbered around 550, of which 265 were completed by June 1997. As a result of these and other economies, the Secretary-General's proposed programme budget for the 1998-1999 biennium realized a negative rate of growth. It also included a decrease in the number of Secretariat posts by 1,000 — down 25 per cent from a high of more than 12,000 in 1984-1985.<sup>24</sup> Mentioned a third time in the report in the context of an increased managerial effectiveness and efficiency,<sup>25</sup> this elimination of posts, perhaps because it was to be part of the forthcoming programme budget, was not presented as one of the recommendations to the Member States, nor as one of the actions of the Secretary-General. It appeared to be a by-product of efficiency measures.

16. Second, the report indicated that the reduction of administrative costs, also called “non-programme costs”, by one third, that is from 38 per cent of the regular budget to 25 per cent over the next two bienniums, would generate savings that would be turned into a “dividend for development” and placed in a development account. The Secretary-General envisaged that this account could grow to at least \$200 million for the biennium beginning 1 January 2002, and that any unspent funds from the 1996-1997 regular budget would be utilized as a down payment in order to establish the account. The agreement of the General Assembly was sought for the establishment of this development account.<sup>26</sup>

17. Third, to address the persistent financial problems of the Organization and to ensure “financial solvency”, the Secretary-General proposed the establishment of a revolving credit fund of up to \$1 billion, financed from voluntary contributions or other means Member States

might wish to suggest, pending a lasting solution to the Organization's financial situation.<sup>27</sup> This fund would be available to the Secretary-General to finance, on a recourse basis, newly arising overdue assessment payments of Member States. ... Reimbursement to the Fund would be made when Member States paid their arrears. Member States that had had their arrears financed through the Fund would bear the cost of such financing through adjustment of amounts owed to them by the Organization for prior year surpluses not yet reimbursed. The report recognized that the means to finance the Organization was through assessed contributions and that the only way for this to work was for all Member States to pay their contributions in full and on time without preconditions. But this had not happened and was not happening. Hence, the proposal to establish the fund as a practical measure to complement the ongoing search for a more fundamental solution of the Organization's financial situation. The Secretary-General challenged Member States to put forward ideas to induce delinquent Member States to pay and restore the financial solvency of this Organization.<sup>28</sup>

18. Fourth, the Secretary-General undertook a number of changes in the structures of the Secretariat and recommended some modifications in the intergovernmental machinery. A new position of Deputy Secretary-General and a new Office of Development Financing were to be established and a Strategic Planning Unit was to be created. At the country level there would be consolidation of the United Nations presence under “one flag”. And, the third priority area for actions and recommendations, after these innovations for a new leadership and management structure and assuring financial solvency, was integration of 12 Secretariat entities and units into five, and proposed consolidation of five intergovernmental bodies into two.<sup>29</sup>

19. Fifth and lastly, the Secretary-General proposed to enter into a dialogue with Member States with the aim of shifting the United Nations programme budget from a system of input accounting to results-based accountability. “Results-based budgeting” would place greater emphasis on results. It would shift the focus of planning, programming, budgeting, reporting and oversight from how things are done to what is accomplished. It would mean identifying the actual

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<sup>23</sup> Ibid., “Highlights”.

<sup>24</sup> Ibid., paras. 31 and 32. The comparison with the number of posts in 1984-1985 is misleading. For this question see *Repertory, Supplement No. 7*, vol. II, under Article 17 (1), *Supplement No. 8*, vol. II, under Article 17 (1) and GA resolution 44/200.

<sup>25</sup> A/51/950, para. 280.

<sup>26</sup> Ibid., paras. 57 and 58.

<sup>27</sup> Ibid., “Highlights”.

<sup>28</sup> Ibid., paras. 220 and 221.

<sup>29</sup> Ibid., “Highlights”, and part two, paras. 117-145.

costs of producing results and allocating costs accordingly.

20. It would be the basis for shifting from micromanagement in the budget process to what could become a new era of cooperation, transparency and accountability for achieving the outcomes that Member States determine. The Secretariat would be held responsible for, and judged by, the extent to which the specified results were reached. At the same time the Secretary-General would exercise greater responsibility for determining the precise mix of inputs by which to achieve these results most effectively. Results-based budgeting would be a shift from micromanagement (by Member States and more specifically the Fifth Committee of the General Assembly) to macro-accountability.<sup>30</sup>

21. This last point — the explicit charge that the General Assembly was micromanaging the Organization through the manner it exercised its responsibilities with the programme budget — was part of a theme evoked several times in the report. In his letter of transmittal to the President of the General Assembly, the Secretary-General had linked the enhancement of the strategic direction that only the General Assembly could provide with giving him the necessary tools to accomplish mandated objectives most effectively.<sup>31</sup> The new leadership and management structure was designed to strengthen the capacity of the Secretary-General to provide the leadership and ensure the accountability that the Organization required.<sup>32</sup> And, rather pointedly, regarding the budgetary process: “Member States appropriately desire maximum transparency in the use of resources. At the same time, programme managers frequently have to cope with very detailed and sometimes inflexible specification of inputs, including levels and types of personnel, determined by the General Assembly in its attempt to exercise greater policy guidance. In the process, the real issues of how best to achieve the mandated results receive relatively little attention.”<sup>33</sup> The efforts to redress this situation were presented by the Secretary-General as restoring the balance that was envisioned when the Organization

was established, that is restoring the Charter-based division of functions.<sup>34</sup>

22. The General Assembly considered this report in plenary and, as requested by the Secretary-General, under a new item of its agenda, entitled “United Nations reform: measures and proposals”.<sup>35</sup> Resolution 52/12 A, on renewing the United Nations: a programme for reform, was adopted on 12 November 1997 without reference to a Main Committee and without a vote, and resolution 52/12 B was adopted in the same manner on 19 December.<sup>36</sup>

23. Resolution 52/12 A, negotiated in informal negotiations, was short. In the four preambular paragraphs, the Assembly affirmed its determination to strengthen the role, capacity, effectiveness and efficiency of the United Nations and thus improve its performance, referred to the purposes and principles of the Charter, welcomed the report of the Secretary-General, indicated that it had considered the actions described in the report,<sup>37</sup> and referred to its rules of procedure and to the Financial Regulations and Rules of the United Nations. In paragraph 1, the Assembly commended the efforts and initiatives of the Secretary-General aimed at reforming the United Nations, and, in five of the six remaining operative paragraphs, it qualified this praise with a series of prescriptive limitations: the Assembly called upon the Secretary-General, while implementing the actions described in his report, to take full account of the views of Member States and groups of Member States, including those transmitted in their communications; it stressed that these actions would be implemented with full respect

<sup>34</sup> *Ibid.*, paras. 47 and 48.

<sup>35</sup> Before this report the word “reform” evoked in the United Nations the decisions taken by the General Assembly in resolution 41/213 and their follow-up in subsequent resolutions on the review of the efficiency of the administrative and financial functioning of the United Nations that were adopted every year by the Assembly until its forty-eighth session. They covered a large range of budgetary, financial and administrative issues, as did resolution 41/213. After the forty-eighth session, the item remained on the agenda of the Assembly, but, at least up to 1999 and the end of the fifty-third session, no resolution on the same subject was considered by the Assembly.

<sup>36</sup> GA resolutions 52/12 A and B.

<sup>37</sup> As noted earlier in this general survey, the report A/51/950 contained “actions”, presented as falling within the responsibility of the Secretary-General, and “recommendations” to the General Assembly.

<sup>30</sup> *Ibid.*, paras. 45, 46, 240 and 241.

<sup>31</sup> *Ibid.*, letter of transmittal.

<sup>32</sup> *Ibid.*, “Highlights”.

<sup>33</sup> *Ibid.*, para. 46.

for relevant mandates, decisions and resolutions, including in particular the medium-term plan for the period 1998-2001; it noted that the additional report of the Secretary-General<sup>38</sup> would be considered in the context of the examination of the proposed programme budget for the biennium 1998-1999; it affirmed that programmatic implications of relevant actions would be considered in conjunction with related recommendations; and it requested for its fifty-third session a report on the implementation of these same actions described in “Renewing the United Nations: a programme for reform”. In the last operative paragraph of resolution 52/12 A, the General Assembly decided to continue its consideration of this report.

24. In resolution 52/12 B the Assembly decided to establish the post of Deputy Secretary-General; it decided to designate the Emergency Relief Coordinator as the United Nations Humanitarian Assistance Coordinator and to establish a humanitarian affairs segment of the Economic and Social Council; it accepted a greater integration of intergovernmental oversight of the main United Nations funds;<sup>39</sup> it endorsed the recommendation that the Security Council, in establishing a peacekeeping operation, should prescribe a time frame for the conclusion of the status-of-forces agreement between the United Nations and the host Government for the operation in question and that, pending the conclusion of such an agreement, a model status-of-forces agreement should apply provisionally; and it decided to establish, in the programme budget for the biennium 1998-1999, a development account to be funded from possible reductions in administration and other overhead costs, without affecting full implementation of mandated programmes and activities.<sup>40</sup> Apart from these concrete decisions, the Assembly also decided to launch or encourage a number of reviews<sup>41</sup> and it took note of the Secretary-General’s proposals for a revolving credit fund for retaining unspent balances, and for results-based budgeting.<sup>42</sup> It also took note of the draft code of

conduct for United Nations staff submitted by the Secretary-General and agreed to expedite its consideration.<sup>43</sup> Finally, the Assembly asked for further elaboration by the end of March 1998 of the proposals by the Secretary-General regarding subjects ranging from a new concept of trusteeship to the convening of a Millennium Assembly and a Millennium Forum.<sup>44</sup>

25. In its resolutions 52/12 A and B, the General Assembly did not make any allusion to the drastic reduction of posts announced/proposed by the Secretary-General. Member States left this matter to the Fifth Committee. The second report of the Secretary-General on the reforms he advocated described the changes that would be required to the proposed programme budget already submitted to the General Assembly in order to implement the proposed reforms.<sup>45</sup> It was considered by the Fifth Committee under the agenda item on the programme budget. The level of resources was exactly the same as in the initially proposed budget and was below the revised 1996-1997 appropriation.<sup>46</sup> The staffing table showed a reduction of 1,317 posts from the number of posts approved in the programme budget for the biennium 1996-1997, i.e. 8,695 posts as compared with 10,012. The breakdown of these numbers by Professional and above and General Service posts was not indicated in the summary table, but detailed information on estimates and post requirements were provided for each section of the programme budget.<sup>47</sup>

26. On 22 December 1997, the General Assembly adopted, together with resolutions on the programme budget<sup>48</sup> which were classical in format and content, a resolution on questions relating to the proposed programme budget for the biennium 1998-1999, which was exceptional not only in its length but also in some of its characteristics.<sup>49</sup>

27. By deciding on a staffing table larger than the one proposed by the Secretary-General, the General Assembly repeated the scenario of the previous budget. There was a reversal of the traditional distribution of roles: the Assembly, which had consistently curbed the demands of the Secretary-General for new posts, was

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<sup>38</sup> A/52/303.

<sup>39</sup> United Nations Development Fund (UNDP), United Nations Population Fund (UNFPA) and United Nations Children’s Fund (UNICEF).

<sup>40</sup> GA resolution 52/12 B, paras. 1, 7, 12, 16, 18 and 24.

<sup>41</sup> Ibid., paras. 8-10 and 22. The Assembly would examine its own methods of work under the item entitled “Revitalization of the work of the General Assembly” (paras. 3 and 4).

<sup>42</sup> Ibid., paras. 20, 21 and 25.

<sup>43</sup> Ibid., para. 23.

<sup>44</sup> Ibid., para. 26.

<sup>45</sup> A/52/303, para. 1.

<sup>46</sup> Ibid., para. 4.

<sup>47</sup> Ibid., paras. 5 and 6, and sect. II.

<sup>48</sup> GA resolutions 52/221 A-C.

<sup>49</sup> GA resolution 52/220.

now moderating the enthusiasm of the Chief Administrative Officer of the Organization for a reduction of posts.<sup>50</sup> This staffing table, with a distribution of the posts by category and level for 1998 and 1999, was, in another innovation, annexed to the resolution and presented as a specific decision.<sup>51</sup> Whenever a post becomes vacant, insisted the Assembly, a proper programmatic/workload justification would be needed for its retention, abolition or redeployment. It was a matter of concern that, in this reform initiative, full justification for reductions of posts had not been provided. This should be done, as in the case of the creation of new posts. The reform measures and the reduction of posts must not entail involuntary separation of staff.<sup>52</sup> Also of concern to the Assembly was the trend towards increase in high-level posts and reductions in lower-level posts.<sup>53</sup> The Assembly also reaffirmed its support for maintaining the international character of the Organization and the principles enshrined in Article 101 of the Charter.<sup>54</sup> Finally, on this central issue of the management of the staffing table of the Organization, the Assembly requested the Secretary-General to submit at its fifty-third session a report on developments in the post structure of the Secretariat over the past 10 years, and on the forward-looking human resources management policy that he intended to develop, for both the short and medium term.<sup>55</sup>

28. Another notable characteristic of resolution 52/220, also indicative of a strong involvement of the Fifth Committee in the structure and orientation, as well as details, of the programme budget, was that this resolution went beyond the recommendations of both the Committee for Programme and Coordination (CPC) and ACABQ. Regarding the recommendations of CPC on the narratives of the programme budget, additions and modifications by the Fifth Committee were not new. And they had been significant for the proposed programme budget for 1996-1997. But such changes on the narratives of programmes and subprogrammes of the proposed programme budget for the biennium 1998-1999 took up more than three pages of resolution

52/220.<sup>56</sup> Moreover, changes were also made directly by the Fifth Committee in the programme narratives contained in the report of the Secretary-General on the consequences of his reform on the programme budget.<sup>57</sup>

29. The recommendations of ACABQ had always been scrupulously followed by the Fifth Committee since the beginning of the United Nations and, moreover, very rarely exceeded. A notable exception was the proposed programme budget for 1996-1997, for which the Assembly, as mentioned above, had taken several important decisions of its own, such as those regarding the vacancy rate and non-identified savings. In resolution 52/220, the Assembly repeated this practice, albeit for a number of small rather than momentous decisions and observations on a variety of budgetary, administrative and managerial issues relating mostly, but not exclusively, to the staffing table of the Organization.<sup>58</sup>

30. In this resolution 52/220 as in its other resolutions on the proposed programme budget for the biennium 1998-1999, the General Assembly did not refer specifically to the reforms undertaken and proposed by the Secretary-General.<sup>59</sup> It commended him for his efforts and initiatives and stressed that the reform proposals approved in its resolutions 52/12 A and B would be implemented with full respect for the relevant mandates, decisions and resolutions of the General Assembly, in particular the medium-term plan for the period 1998-2001.<sup>60</sup> It also endorsed the creation of the development account by accepting a new section 34 of the programme budget for this account.<sup>61</sup> It did not mention the revolving credit fund or results-based budgeting.

31. Thus, the General Assembly was, in these resolutions as in resolution 52/12, silent about the division of responsibilities and roles between itself and the Secretary-General. To the contention that, through its consideration of programme budgets, it was micromanaging the United Nations, the Assembly had

<sup>50</sup> Ibid., sect. III, paras. 13, 16, 26, 83 and 87.

<sup>51</sup> Ibid., sect. I, para. 16, and annex I.

<sup>52</sup> Ibid., sect. I, paras. 12, 13 and 14.

<sup>53</sup> Ibid., sect. I, para. 17. See also *Supplement No. 7*, vol. II, Article 17 (1), sect. II.A.1, in particular footnote 55.

<sup>54</sup> GA resolution 52/220, sect. I, para. 5.

<sup>55</sup> Ibid., sect. I, para. 19.

<sup>56</sup> Ibid., annex II.

<sup>57</sup> Ibid., annex III.

<sup>58</sup> Ibid., sect. III.

<sup>59</sup> In addition to resolutions 52/220 and 52/221, the Assembly adopted resolution 52/222 on special subjects relating to the proposed programme budget for the biennium 1998-1999.

<sup>60</sup> GA resolution 52/220, sect. I, paras. 2, 6, 8, 9 and 11.

<sup>61</sup> Ibid., sect. III, paras. 105 and 106.

responded with an unprecedentedly high level of involvement, not only in the number, level and distribution of posts but also in the various aspects of the organization and functioning of the Secretariat. On his part, the Secretary-General had displayed a willingness to go beyond specific mandates in the demonstration of his desire to create a leaner and more efficient United Nations. Every part of the Organization was considered in need of revitalization and rejuvenation. Member States had been told to consider refocusing the work of the General Assembly on issues of highest priority and reducing the length of the Assembly sessions.<sup>62</sup> The Fifth Committee, for its part, retorted that it wanted to exert to the full its responsibility to consider and approve the budget of the Organization and that the framework for this task was still provided by the provisions of resolution 41/213.<sup>63</sup>

32. During the period under review, apart from what has been described above in the administrative and budgetary domains, the main follow-up of the initiative of the Secretary-General for renewing the United Nations was the convening of a Millennium Assembly. In his report of July 1997, the Secretary-General had presented several fundamental proposals for consideration by the General Assembly for possible action in the longer term. Among these proposals was the designation of the session of the General Assembly to be held in the year 2000 as a “Millennium Assembly” to focus on preparing the United Nations to meet the major challenges and needs of the world community in the twenty-first century, accompanied by a companion “People’s Assembly”.<sup>64</sup> The General Assembly recognized that reform of the United Nations would be an ongoing process, and invited the Secretary-General to elaborate further his proposals and to present them to the General Assembly, by the end of March 1998, on, inter alia, a Millennium Assembly and a Millennium Forum.<sup>65</sup> Subsequently, in December 1998 and June 1999, the Assembly decided to designate the fifty-fifth session of the General Assembly “The Millennium Assembly of the United Nations” and that the Millennium Summit would begin

on 6 September 2000.<sup>66</sup> Then, by resolution 54/282, the Assembly referred the annexed draft United Nations Millennium Declaration to the Millennium Summit.<sup>67</sup> Since this transmission was done during the fifty-fourth session of the General Assembly, the relevant provisions of the draft Millennium Declaration are briefly analysed in this general survey of the study covering the period 1995-1999.<sup>68</sup>

33. The last section of the draft United Nations Millennium Declaration, section VIII entitled “Strengthening the United Nations”, was placed under the pledge of Member States to spare no effort to make the United Nations a more effective instrument for pursuing all of these priorities: the fight for development for all the peoples of the world; the fight against poverty, ignorance and disease; the fight against injustice; the fight against violence, terror and crime; and the fight against the degradation and destruction of our common home.<sup>69</sup> Among the 11 points that followed this pledge, three were directly relevant to a review of Article 17 (3). First was the resolve “to reaffirm the central position of the General Assembly as the chief deliberative, policymaking and representative organ of the United Nations, and to enable it to play that role effectively”. Second, Member States resolved “to ensure that the Organization is provided on a timely and predictable basis with the resources it needs to carry out its mandates”. And third, Member States resolved “to urge the Secretariat to make the best use of those resources, in accordance with clear rules and procedures agreed by the General Assembly, in the interests of all Member States, by adopting the best management practices and technologies available and by concentrating on those tasks that reflect the agreed priorities of Member States”.<sup>70</sup> This last point echoed resolutions 52/12 A and B on the reform by its emphasis on the responsibility of the General Assembly and on the interests of the Member States — all Member States that have to be served by the Secretariat. Noticeable also was the reference to “best management practices and technologies available” and the lack of mention of Article 101 of the Charter.

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<sup>62</sup> See A/51/950, “Highlights”.

<sup>63</sup> Resolution 41/213 was reaffirmed in the first preambular paragraph of resolution 52/220, and the budgetary process as approved in resolution 41/213 was also reaffirmed in sect. II, para. 3.

<sup>64</sup> A/51/950, “Highlights”. See also paras. 82 to 90 and 91.

<sup>65</sup> GA resolution 52/12 B, paras. 26 to 28.

<sup>66</sup> GA resolutions 53/202 and 53/239, para. 2.

<sup>67</sup> GA resolution 54/282, second preambular paragraph.

<sup>68</sup> The draft Declaration became the United Nations Millennium Declaration when adopted as GA resolution 55/2.

<sup>69</sup> GA resolution 54/282, annex, para. 29.

<sup>70</sup> *Ibid.*, annex, para. 30, first, sixth and seventh points.

34. The last point to be mentioned in this general survey of the period 1995-1999 is the evolution of the financing of peacekeeping and related activities of the United Nations. The explosion in the number of peacekeeping operations undertaken by the United Nations was one of the major changes reported in *Supplement No. 8* (1989-1994) of this *Repertory*. This new trend continued in the second half of the 1990s. On 31 January 1992, the Security Council, meeting for the first time in the history of the United Nations at the level of heads of State or Government, had asked the Secretary-General to prepare an analysis and recommendations on ways of strengthening and making more efficient within the framework and provisions of the Charter the capacity of the United Nations for preventive diplomacy, for peacemaking and for peacekeeping.<sup>71</sup> In response to this request, five months later the Secretary-General issued *An Agenda for Peace*,<sup>72</sup> and, two and a half years later, on the occasion of the fiftieth anniversary of the United Nations, the *Supplement to an Agenda for Peace*.<sup>73</sup>

35. In section IX on financing of *An Agenda for Peace*, the Secretary-General had this to say: "A chasm has developed between the tasks entrusted to this Organization and the financial means provided to it. The truth of the matter is that our vision cannot really extend to the prospect opening before us as long as our financing remains myopic. There are two main areas of concern: the ability of the Organization to function over the long term; and immediate requirements to respond to a crisis."<sup>74</sup> To reduce such a chasm, the Secretary-General recalled the proposals made by his predecessor, including charging interest on assessed contributions not paid on time, suspending certain financial regulations, increasing the Working Capital Fund, authorizing the Secretary-General to borrow commercially and establishing a temporary peacekeeping reserve fund and a United Nations peace endowment fund.<sup>75</sup> The Secretary-General also recalled ideas that had been advanced in the past few years, notably a levy on both arms sales and international air travel.<sup>76</sup>

36. The *Supplement to an Agenda for Peace* contained a section on financial resources in which the

Secretary-General emphasized again that the failure of Member States to pay their assessed contributions for activities they themselves had voted into being made it impossible to carry out those activities to the standard expected. It also called into question the credibility of those that had willed the ends but not the means — and who then criticized the United Nations for its failures. Moreover, the financial crisis was particularly debilitating with regard to peacekeeping. The shortage of funds, in particular for reconnaissance and planning, for the start-up of operations and for the recruitment and training of personnel imposed severe constraints on the Organization's ability to deploy, with the desired speed, newly approved operations. Peacekeeping was also afflicted by Member States' difficulties in providing troops, police and equipment on the scale required by the current volume of peacekeeping activity. The Secretary-General then referred to the proposals he had already made in *An Agenda for Peace*.<sup>77</sup>

37. The General Assembly welcomed the timely presentation of the forward-looking report of the Secretary-General entitled "An Agenda for Peace" in response to the Summit meeting of the Security Council, as a set of recommendations that deserved close examination by the international community and adopted, in plenary, three comprehensive resolutions on the substantive aspects of the issues treated by the Secretary-General.<sup>78</sup> On financial matters, however, the Assembly, upon the recommendation of its Fifth Committee, took action on only one proposal of the Secretary-General, the establishment of a Peacekeeping Reserve Fund.<sup>79</sup> No further initiative was taken by the Assembly during the period under review to address the perennial problem of the financing of peacekeeping and related operations, even though the number of these operations remained at a historically very high level<sup>80</sup> and the overall financial situation of the United

<sup>71</sup> A/50/60, paras. 97, 98 and 99.

<sup>72</sup> GA resolutions 47/120 A, seventh preambular paragraph, 47/120 B and 51/242.

<sup>73</sup> See GA resolution 47/217. The creation of the Peacekeeping Reserve Fund was reported in *Repertory, Supplement No. 8*, vol. II, under Article 17 (1), sect. II.G.

<sup>74</sup> There were between 15 and 20 peacekeeping operations during the years 1995 to 1999. In 1994, there were 17 such operations. Overall, however, peacekeeping operations involved notably less expenditure in the second part than in the first part of the 1990s. They were, on average, smaller and of shorter duration. Details are provided below in sect. G.

<sup>71</sup> See S/23500.

<sup>72</sup> A/47/277-S/24111.

<sup>73</sup> A/50/60-S/1995/1.

<sup>74</sup> A/47/277, para. 69.

<sup>75</sup> *Ibid.*, para. 70.

<sup>76</sup> *Ibid.*, para. 71.

Nations did not improve markedly in this second part of the 1990s. The Organization was, in the words of ACABQ, suffering from a chronic cash shortage.<sup>81</sup>

38 At the fifty-third session of the General Assembly, the Declaration on the Occasion of the Fiftieth Anniversary of United Nations Peacekeeping was adopted.<sup>82</sup> Devoted essentially to peacekeepers, this two-paragraph statement ignored administrative and financial issues. The same was true of the draft United Nations Millennium Declaration.<sup>83</sup> If their financing remained precarious, peacekeeping operations were, however, increasingly well supported in terms of personnel. A support account for peacekeeping

operations had been created during the forty-fifth session.<sup>84</sup> At each of its sessions, the Assembly adopted one, and latterly two, resolutions on the support account authorizing the financing of a number of posts for “backstopping” activities pertaining to peacekeeping operations.<sup>85</sup> For the period from 1 July 1995 to 30 June 1996, 61 temporary posts were approved for these activities and 469 such posts were approved for the period from 1 July 1999 to 30 June 2000.<sup>86</sup> Considering the drastic reduction in the number of posts financed by the regular budget of the Organization that occurred during the 1990s, this was a remarkable development. It illustrated the shift of emphasis from economic and social development to peace and security that marked the post-cold-war United Nations.

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<sup>81</sup> A/54/7, para. 6. During the period under review the item on the financial situation of the United Nations was maintained on the agenda of the Fifth Committee, but there were no written reports from the Secretary-General, nor a resolution of the Assembly. The item was orally introduced by an official of the Secretariat.

<sup>82</sup> GA resolution 53/2, annex.

<sup>83</sup> See GA resolution 54/282. The only allusion to the issue of resources is contained in para. 9 of the Millennium Declaration, resolution 55/2.

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<sup>84</sup> GA resolution 45/258. See *Repertory, Supplement No. 8*, vol. II, under Article 17 (1), general survey and sect. II.G.

<sup>85</sup> For the period, see GA resolutions 50/221 A and B, 51/239 A and B, 52/248, 53/12 A and B and 54/243 A and B.

<sup>86</sup> See GA resolutions 50/221 A and 54/243 B.

## II. Analytical summary of practice

### A. The scope of the budget

#### 1. What the budget comprises

39. The “budget” of the United Nations continued to comprise the medium-term plan, the outline of the programme budget, the programme budget itself, and the special accounts of peacekeeping and related operations.

40. The six-year plan for the period 1992-1997 was followed by the four-year plan for 1998-2001. The former was mentioned in the same section A.1 of the *Supplement No. 8* of this *Repertory*. It had been adopted in December 1990 and revised in 1992. Further revisions in 1994 did not achieve consensus.<sup>87</sup> This plan had 45 programmes. In December 1996, the Assembly adopted the proposed medium-term plan for the period 1998-2001.<sup>88</sup> This was the seventh plan since the introduction of a planning, programming and budgeting cycle in the United Nations at the beginning of the 1970s

and was much streamlined: programmes numbered 25, as only one programme had been suppressed (the elimination of apartheid), but the others had been regrouped.<sup>89</sup> These 25 programmes corresponded to departments and major units of the Secretariat. Subprogrammes were also aligned on identifiable administrative units. The introduction to the plan, which was an integral part of the planning document, had been replaced by a perspective, also presented by the Secretary-General and subsequently, at the request of CPC, by a note summarizing mandates. Instead of either, the Assembly adopted a very short introduction and decided “to include reference in the approved version of the plan to the legislative mandates relevant to the work to be carried out”.<sup>90</sup> Other aspects of resolution 51/219 and of the debates before its adoption are set out below in section B.2.<sup>91</sup>

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<sup>87</sup> See GA decision 50/452.

<sup>88</sup> GA resolution 51/219. The proposed medium-term plan was contained in A/51/6 (Perspective), A/51/6 (Note) and A/51/6 (Progs. 1-25).

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<sup>89</sup> See A/51/6 (Progs. 1-25).

<sup>90</sup> GA resolution 51/219, annex, and sect. I, para. 3.

<sup>91</sup> Revisions to the medium-term plan 1998-2001 were adopted by the General Assembly in resolution 53/207.

41. In December 1996, the General Assembly adopted the programme budget outline for the biennium 1998-1999 and, in December 1998, the programme budget outline for the biennium 2000-2001.<sup>92</sup> As adopted, in their format and content these two outlines were very similar to their predecessors. The Assembly reaffirmed what the outline should contain;<sup>93</sup> also reaffirmed the purposes of the outline;<sup>94</sup> took note of the reports of CPC and ACABQ; invited the Secretary-General to prepare his proposed programme budget for the biennium on the basis of a total preliminary estimate of \$x million; decided that the contingency fund should be set at 0.75 per cent (the same rate since the first outline) of the preliminary estimate; decided what the priorities for the biennium would be; and made a few ad hoc requests to the Secretary-General.

42. Strong similarities in the format and content of the outcome, however, masked an important difference in the process leading to this outcome. Past outlines, as adopted by the General Assembly, reflected the proposals of the Secretary-General amended by ACABQ. Late in 1996, the programme budget outline proposed by the Secretary-General for the biennium 1998-1999 was, in fact, rejected by ACABQ. It contained attempts to change existing methodology and practice in a number of areas. This had not been fully explained and made it difficult for the Advisory Committee to arrive at definite recommendations without further policy proposals from the Secretary-General and guidance from the Assembly. Moreover, some of the projections appear[ed] arbitrary since they lack[ed] adequate justification.<sup>95</sup> The areas of contention amounted to a very comprehensive list: the preliminary estimate of resources; the treatment of special missions; the treatment of jointly financed activities; the reduction of posts and the vacancy rates;<sup>96</sup> the assumptions on resources that would be saved through gains in productivity; the concept of non-recurrent expenditure; the level of the contingency fund; and the impact on resources of activities that were

curtailed, deferred or postponed during the biennium 1996-1997.<sup>97</sup>

43. Having made critical observations and requested the Secretary-General for further information and clarifications on the rationale for its positions on a number of issues, the Advisory Committee recommended that the General Assembly take note of the Secretary-General's proposed budget outline for the biennium 1998-1999. And it added the following point: "Based on the additional information and reports requested, a more realistic projection of resources should emerge during the consideration of the proposed programme budget for the biennium 1998-1999, taking into account the decisions that the General Assembly will have reached by then on the various issues concerning the programme budget for the biennium 1996-1997."

44. The General Assembly did not follow the recommendation of ACABQ. It invited the Secretary-General to prepare his proposed programme budget for the biennium 1998-1999 on the basis of a total preliminary estimate of US\$ 2,512 million at initial 1996-1997 rates.<sup>98</sup> The Secretary-General had proposed an estimate of \$2,429 million, at the same rates. The Assembly restated the contingency fund at 0.75 per cent of the preliminary estimate,<sup>99</sup> instead of the 0.25 per cent proposed by the Secretary-General. The Assembly also endorsed some of the requests made by ACABQ to the Secretary-General and enunciated the list of priorities that should be followed during the 1998-1999 biennium.<sup>100</sup> In adopting previous outlines, the Assembly had referred to the priorities of the medium-term plan or to the reports of CPC.

45. The Advisory Committee had less difficulty with the proposed programme budget outline for the biennium 2000-2001 and it was adopted by the Assembly with its recommendations. One recommendation was that the savings anticipated by the Secretary-General, i.e. \$19.8 million not be included in the estimate. Another recommendation was that a provision of \$86.2 million for special political missions be included in this preliminary estimate<sup>101</sup> As had been the case for the previous outline, the Assembly had decided on an indicative figure superior to that proposed by the Secretary-

<sup>92</sup> GA resolutions 51/220 and 53/206.

<sup>93</sup> As stipulated in resolution 41/213, annex I, para. 1.

<sup>94</sup> Also as envisaged in resolution 41/213, the outline should provide a greater level of predictability of resources required for the following biennium, promote a greater involvement of Member States in the budgetary process and thereby facilitate the broadest possible agreement on the programme budget.

<sup>95</sup> A/51/720, para. 2.

<sup>96</sup> *Ibid.*, para. 8.

<sup>97</sup> *Ibid.*, paras. 3 to 16.

<sup>98</sup> GA resolution 51/220, para. 4.

<sup>99</sup> *Ibid.*, para. 5.

<sup>100</sup> *Ibid.*, para. 8.

<sup>101</sup> GA resolution 53/206, paras. 7 and 10.

General, namely \$2,468.5 million. The Assembly thought it appropriate to reaffirm that the budget proposals of the Secretary-General should reflect resource levels commensurate with mandates for their full, efficient and effective implementation.<sup>102</sup> It should also be mentioned that the Assembly again listed priorities for the biennium 2000-2001. These were exactly the same as for the biennium 1998-1999.<sup>103</sup>

46. The third component of the budget of the United Nations during the period under review was the programme budget itself, i.e. the programme budgets for the bienniums 1994-1995 (second year only), 1996-1997 and 1998-1999.<sup>104</sup> These programme budgets did not differ from those of the previous period, with the exception of some changes in the structure of parts and sections. To the 12 parts of the 1994-1995 budget, a thirteenth short-lived part, International Seabed Authority, was added for the biennium 1996-1997. And, for the biennium 1998-1999, this thirteenth part was the Development Account, with only one section which had the same title. The Development Account had been proposed by the Secretary-General and accepted by the General Assembly in its resolution 52/12 B.<sup>105</sup> Also for the biennium 1998-1999, a new section was added to part I, Overall policymaking, direction and coordination. This new section 1B, General Assembly affairs and conference services, was a combination of the resources needed for servicing the General Assembly, which had traditionally been in part I, and for Conference Services, which had consistently been associated with administration and management, lately in one single part and section. While the "old" part I represented less than 2 per cent of the total budget, the new part I, consisting of section 1A, Overall policymaking, direction and coordination, and section 1B, General Assembly affairs and conference services, accounted for close to 20 per cent of the appropriations for 1998-1999 and became the second highest of the programme budget, after section 27, Administration services.<sup>106</sup>

47. A number of changes also occurred in part IV, International cooperation for development.<sup>107</sup> Three

new sections, corresponding to three new departments created from the former Department for Economic and Social Affairs, were added to the programme budget for 1994-1995. These three new sections remained in 1996-1997 but were suppressed in the programme budget for 1998-1999, as the old Department for Economic and Social Affairs was restored and reappeared as a section entitled Economic and social affairs. A new section, Africa: critical economic situation, recovery and development, was added in the programme budget 1996-1997. It continued in 1998-1999 as section 8, with the slightly different title, Africa: New Agenda for Development.

48. Part VI, Human rights and humanitarian affairs, retained the same four sections (Human rights, Office of the United Nations High Commissioner for Refugees, United Nations Relief and Works Agency for Palestine Refugees in the Near East, and Department of Humanitarian Affairs (renamed Humanitarian assistance in the programme budget for the biennium 1998-1999)) during the period under study. In part II, Political affairs, two new sections were added to the Political affairs section and the Peacekeeping operations and special missions section. A section on Outer space affairs was created for the biennium 1996-1997 and became Peaceful uses of outer space for 1998-1999 and a section on Disarmament was added for 1998-1999. Finally, part XI, Capital expenditures, a new section entitled Technological innovations was introduced into the programme budget for 1994-1995 and suppressed in the programme budget for 1998-1999. After this brief interlude, this part had, as in the past, only one section, entitled Construction, alteration, improvement and major maintenance.<sup>108</sup>

49. The last component of the United Nations budget, consisting of the financing of peacekeeping and related operations, remained, during this period as before, separated from the planning, programming and budgeting cycle and continued to be the subject of separate debates and resolutions in the Fifth Committee. They are treated in section G below.

## 2. Revised and supplementary budget estimates

50. The processes established in the recent past, particularly through resolution 41/213, for the handling of revised and supplementary budget estimates continued unchanged for the period under review. The

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<sup>102</sup> Ibid., para. 5.

<sup>103</sup> Ibid., para. 13.

<sup>104</sup> See GA resolutions 48/23, 50/215, and 52/251.

<sup>105</sup> GA resolution 52/12 B, para. 24.

<sup>106</sup> See GA resolution 52/221.

<sup>107</sup> Parts IV, V and VI of the programme budget were created in the programme budget for the biennium 1992-1993 from the breaking into three parts of the former part IV.

<sup>108</sup> The title "Capital expenditures" was introduced into the programme budget for the biennium 1976-1977.

contingency fund was set, as before, at 0.75 per cent of the preliminary estimate of the resources needed for a biennium, this estimate being decided by the Assembly in the outline preceding a programme budget.<sup>109</sup> This meant a fund set at \$19-20 million and, as before, this sum proved to be more than sufficient to accommodate the additional resources stemming from decisions of intergovernmental bodies accompanied by statements of programme budget implications.<sup>110</sup> Also as before, the Working Capital Fund was set at \$100 million and the conditions and modalities of its use remained the same.<sup>111</sup> Resolutions on unforeseen and extraordinary expenses had basically the same provisions as in the past.<sup>112</sup> In December 1999, however, the Assembly decided that for the biennium 2000-2001 the Secretary-General would be able, without the prior approval of ACABQ, to enter into commitments related to the maintenance of peace and security provided that the amounts did not exceed \$8 million a year.<sup>113</sup> The previous limit was \$5 million. Also, a similar provision for inter-organizational security measures, with a maximum of \$500,000, was granted for the bienniums 1998-1999 and 2000-2001, whereas it was omitted for the biennium 1996-1997.<sup>114</sup>

51. The limits of these methods to accommodate and control requirements additional to the provisions of programme budgets remained, however, unchanged and the Assembly continued to look for an improbable comprehensive solution to all aspects of additional expenditures. The latest expression of this quest was in December 1996, in paragraph 10 of resolution 51/220 on the proposed programme budget outline for the biennium 1998-1999, in which the Assembly requested the Secretary-General to prepare a comprehensive policy paper which would examine all issues related to the question of all additional expenditures referred to in paragraphs 10 and 11 of annex I to resolution

41/213, including those relating to the maintenance of peace and security, inflation and currency fluctuation, and to submit that report to the Assembly, through the Advisory Committee on Administrative and Budgetary Questions, no later than 31 May 1997, with a view to finding a comprehensive solution to such questions.<sup>115</sup> No such solution was found and by the end of the 1990s this type of issue tended to be superseded by questions of reform and renewal of the United Nations.

## **B. The process of considering and approving the budget**

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

52. The Secretary-General continued to be responsible for the preparation and transmittal of all components of the budget of the United Nations to the General Assembly. All related documents, from the programme budget itself, or the medium term, or the budget of a peacekeeping operation, to a simple demand for the transfer of a post from one section of the budget to another, or a request for use of the provision for unforeseen or extraordinary expenses, were transmitted to the Assembly through ACABQ, which was created as and remained an expert body. The main documents pertaining to the implementation of the planning, programming and budgeting cycle were also transmitted through CPC, an intergovernmental body created at the beginning of the 1970s with the introduction of programme budgeting. None of the documents related to peacekeeping operations were submitted through CPC.

53. There was a development during this period that, while not directly related to the responsibility of the Secretary-General for the preparation and transmittal of the budget, had the potential for modifying at least the distribution of roles between the General Assembly and the Secretary-General regarding the programme budget. This was the attempt by the Secretary-General to introduce the notion of results-based budgeting in the United Nations.

54. As briefly mentioned above in the general survey, the adoption of results-based budgeting was announced/proposed by the Secretary-General in July 1997 in his

<sup>109</sup> See GA resolutions 47/213, para. 8; 49/217, para. 6; 51/220, para. 5; and 53/206, para. 15.

<sup>110</sup> For example, in sect. X of its resolution 53/214, the Assembly took note of the report of the Secretary-General entitled "Contingency fund: consolidated statement of programme budget implications and revised estimates", and noted that a balance of \$15,307,800 would remain in the contingency fund.

<sup>111</sup> See GA resolutions 50/218, 52/214 and 54/253.

<sup>112</sup> See GA resolutions 50/217, 52/223 and 54/252.

<sup>113</sup> See GA resolution 54/252, para. 1 (a).

<sup>114</sup> See GA resolutions 52/223, para. 1 (c) and 54/252, para. 1 (c).

<sup>115</sup> See GA resolution 51/220, para. 10.

report entitled “Renewing the United Nations: a programme for reform”. The emphasis was to be on “outputs”, that is on the results of the activities and services financed by the budget of the United Nations, rather than on the “inputs”, namely the mix of various objects of expenditure traditionally composing this budget. The Assembly, in its resolution 52/12 B took note of the recommendation of the Secretary-General and requested a detailed report.<sup>116</sup> Submitted on 15 October 1998, this report presented results-based budgeting as the logical achievement of the planning, programming and budgeting cycle initiated in the United Nations in the 1970s: “Existing budgetary arrangements have succeeded in moving the United Nations away from a pure input budget, but these arrangements have not yet fulfilled their potential for optimizing programme effectiveness and resource utilization” and “a shift to results-based budgeting, if approved, could be an evolutionary development built on the existing foundation of the planning, programming, budgeting, monitoring and evaluation cycle”.<sup>117</sup> Annexed to the report was a glossary of results-based budgeting terms. It defined results-based budgeting as follows: “Programme budget process in which: (a) programme formulation revolves around a set of predefined objectives and expected results; (b) expected results justify the resources requirements which are derived from and linked to output required to achieve such results; and (c) actual performance in achieving results is measured by objective performance indicators.”<sup>118</sup> The recommendation of the Secretary-General was that the General Assembly endorse the proposal that, in addition to presenting the full programme budget for the biennium 2000-2001 in the current format, the Secretary-General should also present fascicles for three budget sections utilizing the proposed format for results-based budgeting as a prototype.<sup>119</sup>

55. The Advisory Committee, in a brief report, stated that it would undertake a thorough analysis of the proposals of the Secretary-General for results-based budgeting when it considered the programme budget for 2000-2001 during its spring session of 2000-2001 and would submit its recommendations to the Assembly at its fifty-fourth session. The Committee added that prototype fascicles should be attached to the proposed

programme budget for 2000-2001 in the current format utilizing a results-based budgeting format for more complex budget areas such as political affairs, international cooperation for development, a regional commission and common support services.<sup>120</sup> In December 1998, the Assembly endorsed this course of action, but, in line with the tone of the report of ACABQ, refrained from any expression of support to the proposal of the Secretary-General. On the contrary, it stressed that any proposal to be considered by the Assembly on results-based budgeting should (a) address the needs and reflect the characteristics of the United Nations; (b) not be a budget reduction exercise; and (c) not be a staff reduction exercise.<sup>121</sup>

56. Member States, pointed out the Assembly, should continue to be fully involved, as at present, in the budgetary process, in accordance with existing United Nations regulations, rules and budgetary procedures. Until the Assembly decided otherwise, it, and ACABQ, should continue to be provided with detailed information on post and non-post requirements ... to enable them to take appropriate and informed decisions on the budget proposals. Recognizing the international, multilateral character of the Organization, the Assembly emphasized that the quantitative results expected should not be the sole basis for the justification of resource requirements. It also stressed the role of Member States in carrying out a thorough analysis of resource allocation to all sections of the programme budget.<sup>122</sup> Moreover, the Assembly asked for a comprehensive and analytical report on the subject, with a large number of specific requirements.<sup>123</sup>

57. The second report of the Secretary-General on the subject, presented at the fifty-fourth session of the General Assembly in October 1999 under the agenda item “Review of the efficiency of the administrative and financial functioning of the United Nations”, took into account the reservations expressed thus far and offered a much less ambitious version of results-based budgeting.<sup>124</sup> “Results-based” was no longer contrasted with “inputs-based” budgeting. The objective was no longer a change in the conception of the budgetary process, designed to avoid micromanagement on the part of the Assembly, but simply a refinement of this process,

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<sup>116</sup> GA resolution 52/12 B, para. 25.

<sup>117</sup> A/53/500, para. 40 (a) and (b).

<sup>118</sup> *Ibid.*, annex, last of 13 entries.

<sup>119</sup> *Ibid.*, para. 41.

<sup>120</sup> A/53/655, para. 4.

<sup>121</sup> GA resolution 53/205, para. 5.

<sup>122</sup> *Ibid.*, paras. 9, 10, 13 and 14.

<sup>123</sup> *Ibid.*, para. 8.

<sup>124</sup> A/54/456.

consisting essentially in the distinction between “outputs” and “achievements” and in the search for “performance indicators” of such achievements.

58. The recommendation of the Secretary-General to the Assembly was that it request him to continue to develop performance indicators for use in all substantive and support programmes and to include performance indicators in all sections of the proposed programme budget for the biennium 2002-2003, in addition to statements of objectives and expected accomplishments in a single coherent framework, as elaborated in the prototype fascicles.<sup>125</sup> Also, the Assembly might wish to request the Secretary-General to prepare a prototype report on accomplishments ... for consideration at its fifty-sixth session, and to take further measures to develop the mechanisms and skills that would allow the successful implementation of performance measurement as a basis for improved programme monitoring and evaluation within the existing programme budget cycle.<sup>126</sup> The programme budget for 2000-2001 was prepared and adopted with the existing procedures and the new proposals of the Secretary-General on results-based budgeting were not considered during the fifty-fourth session of the General Assembly.

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

59. Because of the increasingly heavy agenda of the Fifth Committee and the decision to standardize the annual financial periods of peacekeeping operations from 1 July to 30 of June,<sup>127</sup> it became routine practice for the General Assembly during this period to continue its regular fall session during the spring and summer of the following year. At its fifty-first session, which started in September 1996, the Assembly adopted 2 resolutions originating in the Fifth Committee in September 1997, 8 in June 1997, 4 in April 1997, and the rest, approximately 20, in November and December 1996. Among the latter, several had one part adopted in

<sup>125</sup> Prototype fascicles had been prepared on sects. 3, Political affairs, 11A, Trade and development, 15, International Drug Control, 18, Economic development in Europe, and 27, Office of Programme Planning, Budget and Accounts.

<sup>126</sup> A/54/456, paras. 85 and 86.

<sup>127</sup> This trend and this decision (resolution 49/233 B) were mentioned in *Supplement No. 8*, vol. II, under Article 17 (1), sect. II.G.

1996 and another part in June of the following year. At its fifty-fourth session, opening in September 1999, 16 of the same resolutions were adopted in June 2000 (mostly on 15 June), 6 in April 2000, and the rest, about 25, in November and December, the majority of these in two parts, one in December 1999 and the other between April and June 2000.<sup>128</sup>

## **3. Voting on the budget**

60. The practice of reaching a consensus on budgetary, financial and administrative matters, initiated in December 1988 to implement one of the agreements of resolution 41/213, continued to be observed during the last part of the 1990s. There were, however, three exceptions: the two resolutions on financing the United Nations Interim Force in Lebanon were adopted with a vote<sup>129</sup> and one resolution on a comprehensive review of the whole question of peacekeeping operations in all their aspects was also adopted with a vote.<sup>130</sup>

## **C. Administration of the budget**

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

61. It has already been mentioned above, particularly in the general survey, that the Secretary-General tried on several occasions to redress what he considered to be encroachments by the General Assembly on his powers as the Chief Administrative Officer of the Organization. The most explicit of these attempts was formulated in July 1997 in his report entitled “Renewing the United Nations: a programme for reform”. The Assembly, however, in its resolutions on this report as well as in all similar situations, reaffirmed unambiguously what it considered to be its prerogatives. These included all decisions on the staffing table and on the mandated programmes and activities of the Organization.

<sup>128</sup> As a comparison, at its forty-first session, in 1986, the Assembly adopted 13 resolutions upon recommendations of the Fifth Committee, all in December 1996. Half of these resolutions, however, were in several parts. Resolution 41/213 was considered in plenary session.

<sup>129</sup> See GA resolution 51/233: 127-2-1; and resolution 53/227: 119-2-1.

<sup>130</sup> GA resolution 51/136: 170-0-0 (see also footnote 217 below).

## **2. Transfers between sections of the budget**

62. There was no change in the very old regulation that transfers of resources between section of the budget required the ex ante concurrence of ACABQ. And, as had been the case since the second part of the 1980s, the various aspects of the ongoing reform of the Organization gave rise to extensive revised estimates and transfers of resources among sections of the programme budget.

## **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**

63. The Secretary-General, at the request of the General Assembly,<sup>131</sup> submitted in June 1998 a report entitled “Proposed revisions to the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation”.<sup>132</sup> The Assembly, in its resolution 53/207 of December 1998, approved the conclusions and recommendations of CPC on that matter and requested the Secretary-General to take the necessary action to prepare revisions to the relevant rules and to bring them to the attention of the Assembly through the Committee before promulgation.<sup>133</sup> The revisions concerned essentially the medium-term plan. To adapt the Regulations to the new and simplified format of the medium-term plan, about 25 articles were modified and 2 were deleted. Some modifications of the Regulations were also the consequence of the creation of the Office of Internal Oversight Services (IOS).

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

64. As had been particularly the case since the mid-1980s, issues of the staffing table and, to a lesser extent, of conference services played a very important role in the debates and decisions of the Fifth Committee on budgetary matters.

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<sup>131</sup> See GA resolution 51/219, para. 4.

<sup>132</sup> A/53/133.

<sup>133</sup> GA resolution 53/207, paras. 1 and 2.

65. The reduction in the number of posts financed by the regular budget was unquestionably a dominant factor in the work of this Committee, and, as already pointed out in this review, the fact that such a reduction was initiated by the Secretary-General put the Assembly in the unusual position of defendant of the appropriation of a level of expenditure commensurate with the implementation of mandated programmes and activities. Related to this focus on the staffing table was the adoption of resolutions on human resources management that covered a wide range of questions including recruitment, the secondment of personnel from Governments, the employment of women, the redeployment of staff to different functions and duty stations and the balance between career and fixed-term appointments.<sup>134</sup> In this context, the Assembly reaffirmed its role in carrying out a thorough analysis and approval of posts and financial resources, as well as human resources policies, with a view to ensuring full implementation of all mandated programmes and activities and the implementation of all policies in this regard. It also reiterated that no human resources management reform should be either a budget reduction or a staff reduction exercise.<sup>135</sup>

66. Each year of the period under review the General Assembly adopted a resolution on the pattern of conferences.<sup>136</sup> Recurrent issues were the “utilization factor” of conference services by intergovernmental bodies which was often below the 80 per cent norm; the growth in the number of meetings beyond the calendar established annually by the Committee on Conferences; the efforts to limit meeting records; the attempts to curb the number of documents and to put a limit to their length; and, the equal treatment of the six official languages of the United Nations. Newer subjects were the quality of interpretation and translation at a time of staff reduction and increased recourse to contractual services for these functions; the effects of “efficiency measures” on the availability and quality of conference services; the introduction of new technologies, notably the optical disk system, for access to United Nations documents; and the dissemination of the websites of

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<sup>134</sup> See GA resolutions 51/226, 52/219 and 53/221. The first resolution with this title was resolution 49/222 A and B. Prior to this, resolutions on the same topics had been entitled “Personnel questions”.

<sup>135</sup> GA resolution 53/221, paras. 1 and 7.

<sup>136</sup> See GA resolutions 50/206 A-F, 51/211 A-E, 53/208 and 54/248.

the Organization among Member States and the general public.<sup>137</sup>

67. Apart from the long-standing issues of the staffing table and conference services, three subjects emerged and gained importance during the period under review in the deliberations of the Fifth Committee on budgetary and related matters: the work of OIOS, the practice of outsourcing and procurement reform.

68. Since its establishment in 1994, the activities of OIOS have been of marked interest to the General Assembly. In resolution 50/239, the Assembly took note with appreciation of the annual report of the Secretary-General on the activities of OIOS.<sup>138</sup> It also took note of the seven reports of this Office<sup>139</sup> and emphasized the necessary cooperation between OIOS, the Board of Auditors and the Joint Inspection Unit (JIU).<sup>140</sup> At its fifty-fourth session, the Assembly took note of 14 OIOS reports.<sup>141</sup> Four of these were on audits, three on investigations, two on specific procurement operations and the rest on the programmes and administrative practices of various offices.<sup>142</sup> The Assembly requested OIOS to include in its reports the mandates under which the offices under scrutiny were operating and reaffirmed that the discontinuation or modification of such mandates was its exclusive prerogative. Similarly, approval of amendments to the Staff Regulations and ratification of amendments to the Staff Rules were the prerogative of Member States.<sup>143</sup> Also at its fifty-fourth session, in another resolution,<sup>144</sup> the Assembly, having evaluated the functions and reporting procedures of OIOS, reaffirmed its own role as one of the principal organs of the Organization, reaffirmed resolution 41/213, reaffirmed the separate and distinct roles of internal and

external oversight mechanisms,<sup>145</sup> recognized the importance of OIOS in continuing to assist the Secretary-General in fulfilling his internal oversight responsibilities and laid down its understanding of the functioning of this Office with regard to six aspects of its activities: reporting, functions, coordination, funds and programmes, investigation and operational independence.<sup>146</sup>

69. Procurement reform had been launched in December 1994 when the Assembly had taken note with concern of the findings of the Board of Auditors on the aspects of procurement that require remedial action, and had requested the Secretary-General to submit a report ... containing proposals for the improvement of the procurement activities in the Secretariat.<sup>147</sup> ACABQ, always sober in its language, had nevertheless stated that procurement reform should be given the highest priority in the United Nations and its funds and programmes.<sup>148</sup> Judging from the content and tone of the first and last resolution on this subject adopted by the Assembly during the period under review, procurement reform had some of the characteristics of a “success story”.<sup>149</sup>

70. Initially, the judgement of the Assembly, based on reports from the Board of Auditors, ACABQ and OIOS, was severe.<sup>150</sup> Deficiencies were pointed out in various aspects of the procurement process: its cost-effectiveness needed to be improved; the representativeness of the supplier base needed broadening; 48 per cent of suppliers were from one Member State; a standard procedure for the preparation of performance evaluation reports on vendors was lacking; there was no common reporting system for procurement undertaken in the field and at Headquarters; too great a number of procurement-related arbitration claims had been instituted against the United Nations; there was insufficient use of expertise in procurement planning in eight peacekeeping missions, with resulting high financial losses; there was too often use of suppliers recommended by requisitioners, thus undermining the principle of segregation of responsibilities between requisitioning and procurement; previously engaged consultants should never be allowed

<sup>137</sup> The Assembly, in these resolutions on patterns of conferences had also to deal with much more specific questions that were nevertheless not immune to controversy. See for example, decision 38/401 and resolutions 52/211 A, 52/214, 53/208 and 54/248.

<sup>138</sup> GA resolution 50/239, paras. 1 and 2.

<sup>139</sup> A/49/891, A/49/892, A/49/914, A/49/959, A/50/719, A/50/791 and A/50/945. All these reports were transmitted by the Secretary-General to the GA under the agenda item on the review of the efficiency of the administrative and financial functioning of the United Nations.

<sup>140</sup> GA resolution 50/239, para. 3.

<sup>141</sup> GA resolution 54/257.

<sup>142</sup> *Ibid.*, paras. 1 to 6.

<sup>143</sup> *Ibid.*, paras. 3, 5 and 6.

<sup>144</sup> GA resolution 54/244.

<sup>145</sup> *Ibid.*, preambular paragraphs.

<sup>146</sup> *Ibid.*, paras. 3 to 20.

<sup>147</sup> GA resolution 49/216 C, paras. 2 and 3. For details on this resolution and on the related findings of the Board of Auditors, see *Repertory, Supplement No. 8*, vol. II, under Article 17 (1), sect. II.E.3.

<sup>148</sup> Cited in GA resolution 51/231, para. 4.

<sup>149</sup> See GA resolutions 51/231 and 54/14. See also GA resolutions 52/226 and 53/217.

<sup>150</sup> See GA resolution 51/231.

to recommend vendors for invitations to bid; the structure of the Procurement and Transportation Division of the Secretariat needed to be reviewed and vacant posts relating to procurement needed to be filled.<sup>151</sup> Given this situation the Secretary-General was presented with a number of requests, including that he take immediate action to ensure compliance with the established procedures for procurement based on competitive bidding and the widest possible geographical base for procurement; improve the availability and timeliness of information on procurement opportunities, including through electronic means; establish annual consolidated procurement plans; complete the preparation of a new procurement manual; develop an intensified training programme; and review the possibility of consolidating the procurement function at Headquarters.<sup>152</sup>

71. Two and half years later, the General Assembly recognized the recent improvement made by the Secretary-General in procurement reform; welcomed the publication of the procurement manual; requested the Secretary-General to continue his efforts to ensure wider participation of suppliers from all Member States and further improve the competitive bidding process; welcomed the increased use by the Secretary-General of modern electronic means of communication to disseminate information regarding opportunities to bid; noted the efforts of the United Nations system to establish a common supplier database; encouraged the Secretary-General to continue to improve annual procurement planning for all offices and departments; and noted with appreciation the acknowledgement by the Secretary-General of the need to increase procurement opportunities for vendors from developing countries and countries with economies in transition, and the steps taken in this regard.<sup>153</sup> With these positive remarks came a number of injunctions to continue improving the procurement system. The objective was a procurement system that would be transparent, open, impartial and cost-effective, based on competitive bidding and fully reflecting the international character of the United Nations. The Assembly was anxious to keep this issue on the agenda and requested the Secretary-General to develop a standard format for future reports on procurement reform.<sup>154</sup> Nevertheless, the cooperative tone of resolution 54/14 contrasted

with the confrontational atmosphere that often characterized the work of the Fifth Committee during this period of reform of the Organization.

72. Outsourcing, or the contracting out of United Nations services, had first been mentioned by the Secretary-General in 1995, in his proposed programme budget for 1996-1997 as one of the components of the new strategy for the management of the human resources of the Organization. ACABQ had emphasized the need for the Secretariat to establish the scope and criteria for contracting out selected technical functions.<sup>155</sup> JIU had prepared a report entitled *The challenge of outsourcing for the United Nations system*.<sup>156</sup> OIOS had also considered the issue in the context of its review of the implementation of the procurement reform.<sup>157</sup> Neither the proposed programme budget for the biennium 1996-1997, nor the proposed programme budget for the biennium 1998-1999 had included clear proposals for the outsourcing of activities currently undertaken by the United Nations itself. Then, in its resolution 52/226 of 31 March 1998, the General Assembly, having considered the above-mentioned reports, requested the Secretary-General “to submit for consideration by the General Assembly during the main part of its fifty-third session, a comprehensive report on outsourcing practices, duly taking into account the reports of JIU and OIOS”.<sup>158</sup>

73. The requested report was submitted to the Assembly at its fifty-third session, on 4 February 1999, under the agenda item “Review of the efficiency of the administrative and financial functioning of the United Nations”.<sup>159</sup> The summary included the following statement: “The present report commits the United Nations to viewing outsourcing as one of the required options, among many, that programme managers should consider in seeking to provide or upgrade the quality or cost-effectiveness of the Organization’s non-core activities and services. The report does not mandate that specific non-core activities and services be outsourced — only that outsourcing be considered in a meaningful manner as part of the Organization’s regular

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<sup>151</sup> Ibid., paras. 2, 5, 6, 8, 9, 15, 16, 17 and 20.

<sup>152</sup> Ibid., paras. 13, 28, 30, 31, 32 and 33.

<sup>153</sup> GA resolution 54/14, paras. 1, 4, 7, 8, 9, 12 and 17.

<sup>154</sup> Ibid., paras. 3 and 36.

<sup>155</sup> This background information is taken from document A/53/942. The first report of ACABQ on this question, in the context of the proposed programme budget for 1996-1997, is A/50/7.

<sup>156</sup> A/52/338.

<sup>157</sup> A/52/813, annex.

<sup>158</sup> GA resolution 52/226 B, para. 2.

<sup>159</sup> A/53/818.

management decision-making process. It also establishes the policy and guidelines to be followed in considering the use of outsourcing.”<sup>160</sup> The Secretary-General gave four basic reasons for outsourcing, namely, (a) to acquire technical skills not readily available ...; (b) to achieve cost savings; (c) to provide a source more efficiently and expeditiously; and (d) to provide an activity or a service not needed on a long-term basis. The “non-core activities and services” susceptible to outsourcing made up a rather comprehensive list: accounting; auditing; book-shop/gift shop; building maintenance; cleaning services; food/services/catering; ground/garden maintenance; interpretation; information systems/information technology; mail/pouch; medical services; printing/publishing; recruitment; security; staff counselling/outplacement; training; translation; travel service; transportation; warehousing, and other, similar tasks.<sup>161</sup> Then the Secretary-General offered some principles to be respected in the process leading to an outsourcing decision — including rigorous analysis, competitive bidding and periodic reassessment — and the guidelines designed to ensure a transparent, unbiased procedure for avoiding the disadvantages of ad hoc inconsistent approaches.<sup>162</sup>

74. ACABQ, having examined this report of the Secretary-General, made a number of observations.<sup>163</sup> Referring to the activities and services that, according to the Secretary-General, were open to outsourcing, the Advisory Committee concluded “that the identification of each of these functions has not been based on experience within the Secretariat of the United Nations. The functions are not specific as to what should or should not be contracted out. ... A decision on whether a function should be contracted out has therefore to be made on a case-by-case basis as well as a decision on whether a function can be wholly or partially contracted. The primary responsibility rests with the programme manager.”<sup>164</sup> Secondly, the Advisory Committee questioned the utility of categorizing activities and services as “core” and “non-core”. Such a classification had the potential for creating endless debates within the Secretariat and among Member States as to whether, based on its classification, an activity should or should not be contracted out. Accordingly the Committee

recommended that such classification be dispensed with.<sup>165</sup> Thirdly, to the idea contained in the report of the Secretary-General that a “facilitator” should serve as a focal point for outsourcing, ACABQ had the following to say: “The Committee cautions against establishing additional layers of decision-making in the Secretariat. ... The Committee is of the view that before a decision is made to appoint any facilitator it should be first ascertained whether the related functions could be carried out within existing contracting arrangements.” Fourthly, the Committee stated that “in order for the Organization to resort to outsourcing of functions, the cost benefit derived from outsourcing of functions should be significant and not ‘at least’ as cost-effective as when the United Nations has been doing them on its own, as indicated in paragraph 22 of the Secretary-General’s report”.<sup>166</sup> Lastly, “the Committee is of the view that there has to be transparency, through the budgetary process, with Member States to engender confidence and maintain sustained support for outsourcing activities. ... The Committee sees no reason to believe that the involvement of legislative bodies would in and of itself either lead to additional cost or to micromanagement.”<sup>167</sup>

75. At its fifty-fourth session, in April 2000, the General Assembly adopted a short resolution on the issue of outsourcing.<sup>168</sup> It requested the Secretary-General to ensure that programme managers are guided by the basic reasons for outsourcing as indicated in his report (see above) and the goals, also indicated in his report. It endorsed the guidelines on outsourcing. Further, it requested the Secretary-General to define, in a more detailed way and with justification, the criteria for decisions on which activities and services should or should not be outsourced, and to report thereon to the General Assembly at its fifty-fifth session.<sup>169</sup> It only noted the reports of ACABQ, the Secretary-General, JIU and OIOS.

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

<sup>160</sup> Ibid., summary, second paragraph.

<sup>161</sup> Ibid., paras. 4 and 8

<sup>162</sup> Ibid., paras. 8-17 and 18-41.

<sup>163</sup> A/53/942.

<sup>164</sup> Ibid., para. 5.

<sup>165</sup> Ibid., para. 6.

<sup>166</sup> Ibid., para. 9.

<sup>167</sup> Ibid., para. 10.

<sup>168</sup> GA resolution 54/256.

<sup>169</sup> Ibid., paras. 1, 2 and 3.

#### 4. Budget ceiling

76. Since the creation by resolution 41/213 of an outline to the programme budget agreed upon one year before the biennial programme budget itself, each programme budget has been adopted at a level close to the estimate given in its outline. This de facto limit has never been acknowledged by the Assembly as representing a “budget ceiling”. Moreover, each programme budget continued to be subjected to revised estimates as the initial assumptions on inflation and currency fluctuations were adjusted in the light of the real evolution of these variables which remained outside the control of the Organization. As it happens, during the period under review, this evolution was in favour of the United Nations, so that final budget estimates were consistently lower than, or very close to initial appropriations. For other reasons, essentially the reduction of posts financed by the regular budget, there was, in nominal terms over the period, a downsizing of the regular budget of the Organization. The final appropriation for the biennium 1994-1995 was \$2,632.4 million and the final appropriation for the budget 1998-1999 was \$2,488.3 million.<sup>170</sup>

### 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

77. It should be mentioned under this rubric that this was the first period of the coexistence of the Board of Auditors with OIOS, which had been created in 1994. Prior to this, apart from the internal audit function the Board of Auditors had only to be aware of the role of JIU.<sup>171</sup> In its resolution 51/225, the General Assembly request[ed] the Board of Auditors, the Office of Internal Oversight Services and the Joint Inspection Unit to maintain and enhance, whenever possible, their cooperation, while respecting the clear distinction between internal and external oversight responsibilities.<sup>172</sup>

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<sup>170</sup> See GA resolutions 50/205 and 54/247.

<sup>171</sup> Questions related to JIU are treated in the present *Supplement of the Repertory* under the review of Article 17 (3)

<sup>172</sup> GA resolution 51/225, para. 21.

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

78. The Assembly reviewed audit reports in a similar manner as before, but some of the main points of the content of this review need to be highlighted.<sup>173</sup> The Assembly consistently commended and expressed appreciation for the work of the Board of Auditors and, with equal consistence but varying vehemence, deplored the deficiencies in the responses given by the Secretariat to its findings and recommendations.<sup>174</sup>

79. Qualified audit opinions expressed by the Board of Auditors on the financial statements of United Nations entities were a source of serious concern to the Assembly. For the period that ended 31 December 1995, qualified opinions concerned the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations International Drug Control Programme, the United Nations Environment Programme (UNEP), the United Nations Habitat and Human Settlements Foundation and the United Nations Conference on Human Settlements (Habitat II).<sup>175</sup> For the period ending 31 December 1997, these qualified audit opinions were for three of the same entities: UNDP, UNFPA and the United Nations International Drug Control Programme.<sup>176</sup>

80. The Assembly devoted its resolution 50/204 B to audits for the period ending 31 December 1994 relating to the Office of the United Nations High Commissioner for Refugees (UNHCR). It expressed serious concern about the findings in the report of the Board of Auditors on the voluntary funds administered by the High Commissioner, especially those concerning management issues, such as the continuing problems of the lack of adequate managerial control over the programmes

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<sup>173</sup> The Assembly adopted five resolutions on external audit during the period: 50/204 A-D, 51/225, 52/212 A and B, 53/204 and 54/13 A-C.

<sup>174</sup> A strong and general criticism of the Secretariat was formulated in resolution 50/204, paras. 4 and 5. See also resolution 51/225, fourth and fifth preambular paragraphs and para. 11. In para. 14 of the same resolution, however, the Assembly noted with satisfaction the improvement in internal audit functions and structures in the United Nations, including the level of professional expertise, and requested the executive heads of those funds and programmes which continued to suffer deficiencies in this regard to take appropriate corrective measures.

<sup>175</sup> GA resolution 51/225, para. 3.

<sup>176</sup> GA resolution 53/204, para. 3.

carried out by implementing partners. Of particular concern were the persistent nature of various problems and the non-implementation of the previous recommendations of the Board of Auditors. The Assembly, however, noted with appreciation that in the programme of work for 1996 ... the observations and recommendations of the Board of Auditors would be addressed in a systematic manner, in particular regarding issues related to implementing partners.<sup>177</sup> The Assembly then made a number of requests to the High Commissioner.<sup>178</sup> In its next resolution on external audit, the Assembly noted the actions taken by the Office of the High Commissioner and its initiatives for improving the selection of implementing partners.<sup>179</sup> The year after, the Assembly recognized the difficult conditions under which the Office of the High Commissioner does its work; expressed concern that the headquarters of UNHCR selected for submission of quotations vendors from a very narrow geographical base; requested the High Commissioner to complete the implementation of the recommendations of the Board of Auditors; endorsed the request of ACABQ that the High Commissioner consult with the Board of Auditors on the implications of submitting biennial instead of annual reports; reiterated its request that UNHCR comply fully with the United Nations system accounting standards; recommended that it take immediate steps to improve its contracting policy; and requested it fully to observe and implement the established procedure for procurement, including procurement of goods and services from as wide a geographical basis as possible, and the provisions of General Assembly resolution 51/231.<sup>180</sup> Finally, in resolution 54/13 B, the Assembly noted the measures taken by the High Commissioner to implement the recommendations of the Board of Auditors and accepted the audited financial statements and the report of the Board of Auditors on voluntary funds administered by the High Commissioner.<sup>181</sup>

81. The United Nations Institute for Training and Research (UNITAR) was also subjected to the attention of the General Assembly. In 1995, the Assembly regretted the delay in the submission of a report on measures taken or proposed by UNITAR in response to the

recommendations of the Board of Auditors and requested the timely submission of such a report.<sup>182</sup> In 1998, the Assembly noted the observation of the Board of Auditors that the administration expenditures from the General Fund of UNITAR had been increasing even as its total income had been decreasing over the past several years.<sup>183</sup> Regarding UNDP, the Assembly noted with grave concern the serious problems identified with the reserve field accommodation.<sup>184</sup> Also of grave concern to the Assembly were the serious problems in UNEP reported by the Board of Auditors, including the fact that 8 out of 12 projects audited had suffered cost overruns and 9 had undergone time overruns because of difficulties in identifying consultants.<sup>185</sup> As to the Centre for Human Settlements, the Assembly noted with deep concern its serious irregular financial practices and the decision by the management of the United Nations Human Settlements Foundation to divert \$900,000 from Foundation funds in order to meet the financing requirements for the preparatory activities of the United Nations Conference on Human Settlements (Habitat II).<sup>186</sup>

82. With respect to the audit reports on peacekeeping operations, the Assembly noted with concern the numerous weaknesses highlighted by the Board of Auditors in its report on the liquidation of the United Nations Transitional Authority in Cambodia, especially as far as inventories were concerned. The delays encountered in liquidating the Transitional Authority were also a source of concern. More generally, bearing in mind that a number of peacekeeping operations were to be scaled down and liquidated during the next 12 months, it had to be pointed out that there was currently no policy on the valuation and transfer of costs of assets between missions, or standard procedures for the transfer and acknowledgement of assets between missions and United Nations entities. The Secretary-General had not yet completed the feasibility study on procedures for the valuation and transfer of costs of assets redeployed from a peacekeeping operation in liquidation to other operations or United Nations bodies. The Assembly then made a number of requests, including that the Secretary-General study the most expeditious and cost-effective way of liquidating peacekeeping operations, and it appealed to Member

<sup>177</sup> GA resolution 50/204 B, paras. 1, 2 and 6.

<sup>178</sup> *Ibid.*, paras. 3, 4, 5, 7 and 8.

<sup>179</sup> GA resolution 51/225, sect. B, paras. 3 and 4.

<sup>180</sup> GA resolution 52/212 A, fifth and seventh preambular paragraphs and paras. 6, 7, 8, 10 and 11.

<sup>181</sup> GA resolution 54/13 B, paras. 1 and 2.

<sup>182</sup> GA resolution 50/204 D, paras. 1 and 2.

<sup>183</sup> GA resolution 52/212 A, sixth preambular paragraph.

<sup>184</sup> GA resolution 51/225, sect. B, para. 5.

<sup>185</sup> *Ibid.*, sect. B, para. 10.

States to pay their assessed and pledged contributions as soon as possible, in order to facilitate the completion of the liquidation process.<sup>187</sup> At its fifty-fourth session, the Assembly accepted the audited financial statements and the report of the Board on peacekeeping operations, approved all recommendations and conclusions contained in the report of ACABQ on these matters, and took note of the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the period ending 30 June 1999.<sup>188</sup>

83. Lastly, the Assembly paid attention to some observations and recommendations of the Board of Auditors on aspects of the budgetary and administrative practices of the United Nations. The recommendations of the Board concerning budgetary assumptions used in the preparation of biennial programme budgets were to be kept under review. So were the comments of the Board on the need to improve performance reporting. The Secretary-General should work towards improving the format of these reports, in particular by providing more up-to-date information relating to actual expenditure figures. The timely completion of the self-evaluation of sub-programmes was important and better coverage and monitoring of self-evaluation was to be ensured. The Assembly regretted the steady decline in net income from revenue-producing activities during the biennium 1994-1995, regretted in particular that the United Nations Postal Administration and the services to visitors had incurred net losses during the biennium 1994-1995, and requested the Secretary-General to take all necessary measures to redress the situation and to report thereon to the General Assembly.<sup>189</sup> (It might be noted that, as mentioned above in section D.2, the outsourcing of United Nations activities and services appeared on the agenda of the Organization during those same years of 1996 and 1997.) In December 1997, the Assembly requested that compliance with the relevant provisions of its resolutions on the use of consultants should be monitored by the Board of Auditors.<sup>190</sup> Two years later, the Assembly took note of the report of the Secretary-General on the hiring and use of consultants in the Secretariat; requested the Secretary-General to continue to implement the guidelines for the hiring and

use of consultants and individual contractors in the Secretariat in full conformity with the provisions of section VIII of its resolution 53/221; and requested the Board of Auditors to monitor the implementation of these guidelines.<sup>191</sup>

**\*\*4. Machinery for review of accounts and audit reports by the General Assembly**

**F. Extrabudgetary funds**

**1. General statement**

84. In December 1999, in its resolution 54/249 on questions relating to the proposed programme budget for the biennium 2000-2001, the General Assembly requested the Secretary-General, in his proposed programme budget for the biennium 2002-2003, to submit estimates of the total amount of resources, from all sources of financing, that he should have at his disposal to be able to implement fully the mandated programme and activities.<sup>192</sup> An identical request had been made by the Assembly in December 1997 for the proposed programme budget for the biennium 2000-2001.<sup>193</sup> Two years before, the Assembly had reiterated its request that the Secretary-General present in future budget documents appropriate regular budget and extrabudgetary expenditure forecasts to the end of the current biennium to permit comparison with the request contained in the proposed programme budget.<sup>194</sup>

85. Also in resolution 54/249, the Assembly expressed its concern at the decrease of extrabudgetary resources made available to the United Nations. In paragraph 18 of this resolution the Assembly noted with concern the current and projected decreasing trend in extrabudgetary resources, particularly for the United Nations funds and programmes; and in paragraph 19 it expressed concern that the decrease in extrabudgetary resources in some sections of the proposed programme budget for the biennium 2000-2001 could have an adverse impact on the effective implementation of programmes and activities, especially those programmes still heavily funded primarily through such resources. At the same time, however, the Assembly reiterated that core functions of the United Nations, as a principle, should be financed through the regular budget and

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<sup>186</sup> Ibid., sect. B, para. 1.

<sup>187</sup> GA resolution 50/204 C, preamble and paras. 1, 4 and 8.

<sup>188</sup> GA resolution 54/13 C, paras. 1 to 3.

<sup>189</sup> GA resolution 51/225, sect. A, paras. 18, 19, 20 and 23.

<sup>190</sup> GA resolution 52/212 A, para. 4.

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<sup>191</sup> GA resolution 54/13 B, paras. 7, 8 and 9.

<sup>192</sup> GA resolution 54/249, para. 29.

<sup>193</sup> GA resolution 52/220, para. 22.

<sup>194</sup> GA resolution 50/214, para. 2.

apportioned among Member States, and noted with concern the excessive reliance on extrabudgetary resources in some sections.<sup>195</sup>

**\*\*2. The principal extrabudgetary programmes**

**\*\*3. Raising funds for extrabudgetary purposes**

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

## **G. Special accounts for peacekeeping and related operations of the United Nations**

### **1. Purpose and limit of the accounts**

86. At its fiftieth session, the Assembly adopted 14 resolutions on the financing of peacekeeping and related operations: the United Nations Observer Mission in El Salvador; the United Nations Preventive Deployment Force (Macedonia); the United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium; the United Nations Mission in Bosnia and Herzegovina; the United Nations Mission of Observers in Tajikistan; the United Nations Observer Mission in Georgia; the United Nations Peacekeeping Force in Cyprus; the United Nations Protection Force, the United Nations Confidence Restoration Operation in Croatia; United Nations the Preventive Deployment Force and the United Nations Peace Forces headquarters; the United Nations Iraq-Kuwait Observation Mission; the United Nations Assistance Mission for Rwanda; the United Nations Observer Mission in Liberia; the United Nations Angola Verification Mission; the United Nations Mission in Haiti; and the United Nations Interim Force in Lebanon.<sup>196</sup>

87. At its fifty-fourth session, the Assembly adopted 19 such financing resolutions on the United Nations Mission in the Central African Republic; the United Nations Civilian Police Mission in Haiti; the United Nations Preventive Deployment Force (Macedonia); the Civilian Police Support Group; the United Nations Mission in Bosnia and Herzegovina; the United Nations Observer Mission in Georgia; the United Nations Mission of Observers in Tajikistan; the United Nations

Protection Force, the United Nations Confidence Restoration Operation in Croatia, United Nations Preventive Deployment Force and the United Nations Peace Forces headquarters; the United Nations Mission for the Referendum in Western Sahara; the United Nations Interim Force in Lebanon; the United Nations Disengagement Observer Force; the United Nations Organization Mission in the Democratic Republic of the Congo; the United Nations Transitional Administration in East Timor; the United Nations Mission in East Timor; the United Nations Interim Administration Mission in Kosovo; the United Nations Observer Mission in Sierra Leone and the United Nations Mission in Sierra Leone; the United Nations Iraq-Kuwait Observation Mission; and the United Nations Angola Verification Mission and the United Nations Observer Mission in Angola.<sup>197</sup>

88. The appropriations for these operations varied considerably. At its fiftieth session, the Assembly granted \$7.5 million for the United Nations Mission of Observers in Tajikistan (for the period from 1 July 1996 to 30 June 1997);<sup>198</sup> \$17 million for the United Nations Observer Mission in Georgia (for the same period);<sup>199</sup> \$115 million for the United Nations Protection Force, United Nations Confidence Restoration Operation in Croatia, United Nations Preventive Deployment Force and the United Nations Peace Forces Headquarters (for the period from 1 January 1995 to 30 December 1995);<sup>200</sup> \$126 million for the United Nations Interim Force in Lebanon (1 July 1996 to 30 June 1997);<sup>201</sup> and \$152 million for the United Nations Mission in Haiti (1 August 1995 to 29 February 1996).<sup>202</sup> Four years later, at its fifty-fourth session, the Assembly agreed upon appropriations varying from \$30 million for the United Nations Observer Mission in Georgia (for the period from 1 July 2000 to 30 June 2001),<sup>203</sup> to \$504 million for the United Nations Observer Mission in Sierra Leone and the United Nations Mission in Sierra Leone (for the period from 1 July 2000 to 30 June

<sup>197</sup> See GA resolutions 54/278, 54/277, 54/275, 54/273, 54/272, 54/271, 54/270, 54/269, 54/268, 54/267, 54/266, 54/260 A and B, 54/246 A, B and C, 54/245 A and B, 54/241 A and B, 54/20 A and B, 54/18 A and B, and 54/17 A and B.

<sup>198</sup> See GA resolution 50/238.

<sup>199</sup> See GA resolution 50/237.

<sup>200</sup> See GA resolution 50/235.

<sup>201</sup> See GA resolution 50/89 B.

<sup>202</sup> See GA resolution 50/90 B.

<sup>203</sup> See GA resolution 54/271.

<sup>195</sup> GA resolution 54/249, paras. 17, 18 and 19. See also A/54/16, para. 83.

<sup>196</sup> See GA resolutions 50/248, 50/243, 50/242, 50/241, 50/238, 50/237, 50/236, 50/235, 50/234, 50/211 A and B, 50/210, 50/209 A and B, 50/90 A and B, and 50/89 A and B.

2001).<sup>204</sup> The appropriation for the United Nations Interim Administration Mission in Kosovo was \$220 million (for the period from 1 July 2000 to 30 December 2000).<sup>205</sup> For the first seven months of the United Nations Mission in East Timor (1 December 1999 to 30 June 2000), the Assembly appropriated \$350 million.<sup>206</sup> It appropriated \$200 million for the launching of the United Nations Organization Mission in the Democratic Republic of the Congo.<sup>207</sup>

89. All these resolutions on the financing of peacekeeping operations had basically the same format as that developed in the 1960s and 1970s. However, an innovation of the beginning of the 1990s became generalized during this period: the status of contributions to each operation was given in every resolution. For example, on 17 September 1996, the Assembly took note of the status of contributions to the United Nations Observer Mission in El Salvador including the contributions unpaid in the amount of US\$ 7,804,394, representing 4 per cent of the total assessed contributions and noted that some 45 per cent of the Member States had paid their assessed contributions.<sup>208</sup> For the United Nations Angola Verification Mission and the United Nations Observer Mission in Angola, as at 30 April 2000, outstanding contributions amounted to \$90.6 million, representing 7 per cent of the total assessed contributions, and some 40 per cent of the Member States had paid their assessed contributions in full.<sup>209</sup> In all resolutions this information was accompanied by an exhortation to Member States to fulfil their financial obligations.

90. In addition to these resolutions on the financing of operations, the Assembly every year adopted resolutions on the financing of the two Tribunals created in the aftermath of the wars in the former Yugoslavia and the genocide in Rwanda.<sup>210</sup> Every year, a resolution was also adopted on the support account for peacekeeping operations.<sup>211</sup>

91. A new initiative was the reform of the procedure for determining reimbursement to Member States for contingent-owned equipment. Working groups on contingent-owned equipment had been established by resolution 49/233 of 23 December 1994. In April 1996, the Assembly endorsed the recommendations of the working groups, decided that the reform procedures should be in place from 1 July 1996 and requested the Secretary-General to submit a report on the first full year of implementation of the reformed procedures.<sup>212</sup> This was the beginning of a long and complicated process marked by the convening of many technical working groups and the issuance of many reports, including reports from OIOS and audit reports from the Board of Auditors.<sup>213</sup> In October 1999, the Assembly felt it necessary to reaffirm that the Fifth Committee was the appropriate Main Committee of the General Assembly entrusted with responsibilities for administrative and budgetary matters. It requested the Secretary-General, while implementing the approved reformed procedures for determining reimbursement to Member States for contingent-owned equipment, to avoid any double payment.<sup>214</sup> At the end of the period, the Assembly decided to convene, for not less than 10 working days, in accordance with annex IX to the report of the Phase V Working Group, a post-Phase V Working Group in January/February 2001, to review rates for major equipment, self-sustainment and medical support services, and to include, within the post-Phase V Working Group, appropriate expertise to conduct the vaccination cost review recommended by the Phase V Working Group in paragraph 87 (a) (iii) of its report.<sup>215</sup> The whole matter was to be kept under review at the fifty-fifth session of the General Assembly.<sup>216</sup>

92. It should also be noted that one of the three resolutions adopted during the period on the agenda item "Comprehensive review of the whole question of peacekeeping operations in all their aspects" was on the recommendation of the Fourth Committee.<sup>217</sup> By this resolution the Assembly welcomed the report of the Special Committee on Peacekeeping Operations; decided to expand the membership of the Special

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<sup>204</sup> See GA resolution 54/241 B.

<sup>205</sup> See GA resolution 54/245.

<sup>206</sup> See GA resolution 54/20 B.

<sup>207</sup> See GA resolution 54/260 A.

<sup>208</sup> GA resolution 50/246, para. 1.

<sup>209</sup> GA resolution 54/17 B, para. 1.

<sup>210</sup> See GA resolutions 50/212 A, B and C, 50/213, 51/214 A and B, 51/215 A and B, 52/217, 52/218, 53/212, 53/213 and 54/239 A and B.

<sup>211</sup> See footnote 84 above.

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<sup>212</sup> See GA resolution 50/222, paras. 1, 3 and 5.

<sup>213</sup> See, inter alia, A/50/807 and A/54/765.

<sup>214</sup> GA resolution 54/19 A, paras. 1 and 2.

<sup>215</sup> GA resolution 54/19 B, para. 5.

<sup>216</sup> *Ibid.*, para. 10.

<sup>217</sup> The two other resolutions on this item, 50/30 and 51/136, were, as before, adopted upon recommendation of the Fifth Committee. The latter was adopted by vote: 170-0-0.

Committee; and decided also that those Member States which became personnel contributors to United Nations peacekeeping operations in years to come or participated in the future in the Special Committee for three consecutive years as observers, upon request in writing to the Chairman of the Committee, would become members at the following session of the Committee.<sup>218</sup>

**\*\*2. Preparation, presentation and approval of estimates**

**3. Financial administration**

93. In addition to those mentioned above in section E, two examples of the interest of the Assembly in the proper management of United Nations operations might be recorded. In its resolution 54/18 on financing the United Nations Iraq-Kuwait Observation Mission, having considered reports of the Secretary-General and ACABQ, the Assembly noted with deep concern the mishandling of this matter by the Administration, requested the Board of Auditors to undertake a comprehensive audit of the Mission, in particular the question of payment of mission subsistence allowance, as a matter of priority, and requested the Secretary-General to submit a comprehensive report on this question within a period not exceeding three months.<sup>219</sup>

94. The administration of the United Nations Angola Verification Mission and the United Nations Observer Mission in Angola was also the subject of attention from the General Assembly. In October 1999 in resolution 54/17 A, it requested the Secretary-General to ensure that audit recommendations in respect of cases of fraud and financial abuse were implemented in a consistent manner throughout the Secretariat; called for further efforts to provide proper training and guidance to procurement officers in the field, especially in view of the expansion of United Nations peacekeeping activities; called upon the Secretary-General to provide additional information on the measures being taken by the Secretariat further to improve procurement activities in the field and to enhance control and accountability, within the context of the report on management irregularities causing financial losses to the Organization; and requested from the Secretary-General a report providing a concrete plan to correct procurement-related problems in peacekeeping operations.<sup>220</sup> In resolution 54/17 B, adopted in June 2000, the Assembly having considered the report of the Office of Internal Oversight Services on the investigation into the \$6.9 million procurement of quartering area goods in the United Nations Angola Verification Mission, took note of this report.<sup>221</sup>

<sup>218</sup> See GA resolution 51/236, paras. 1, 4 and 5.

<sup>219</sup> See GA resolution 54/18, paras. 1, 2 and 3.

<sup>220</sup> See GA resolution 54/17 A, paras. 5, 6 and 8.

<sup>221</sup> See GA resolution 54/17 B, second preambular paragraph and para. 9.