



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA  
BY MS. KAREN LOCK, PERMANENT MISSION OF SOUTH AFRICA  
TO THE UNITED NATIONS, ON AGENDA ITEM 116: REVIEW OF  
EFFICIENCY (PROPOSED PROGRAMME BUDGET OUTLINE FOR THE  
BIENNIUM 2008-2009)**

**New York, 13 December 2006**

Mr. Chairman,

I have the honour to speak on behalf of the Group of 77 and China on agenda item 116, in particular on the proposed programme budget outline for the biennium 2008-2009.

The Group of 77 and China wishes to thank the Controller, Mr. Warren Sach, and the Chairman of the Advisory Committee on Administrative and Budgetary Questions for their introduction of the respective reports of the Secretary-General and the Advisory Committee.

Mr. Chairman,

The Group of 77 and China welcomes the submission of the proposed programme outline for the biennium 2008-2009, which, in accordance with the provisions of Annex I of General Assembly resolution 41/213, provides Member States with a preliminary indication of the resources that may be required in the coming biennium and, once adopted, will form the basis of the budget preparations of the Secretary-General. We wish to stress that the estimates are indicative in nature and level of proposed programme budget for the biennium 2008-2009 may be higher or lower than the preliminary estimates before us today. In this context, we note that the General Assembly is considering a number of proposals and reports that may lead to increases in the preliminary estimates for the biennium 2008-2009.

The Group notes that the preliminary estimates of resources for the biennium 2008-2009 amounts to \$4,138.5 million, which, before the inclusion of the special political missions, represents a marginal increase of 0.4 per cent compared with the approved appropriations and related provisions for the current biennium. Compared to the current provisions, activities related to political affairs, security and human rights are the only areas in the proposed outline where significant growth is being foreseen with provisions for special political missions showing a significant increase compared to previous biennia.

The Group of 77 and China wishes to stress that, in accordance with resolution 41/213, the proposed budget outline should contain an indication of the priorities of the Organisation. In this context, the Group attaches great importance to the implementation of the Development Agenda, which has not seen any real growth in the regular budget provisions. The Group of 77 and China wishes to reaffirm its position that resources

approved by the General Assembly should be commensurate with all the mandated programmes and activities in order to ensure their full implementation.

Mr. Chairman,

Turning to the level of the Contingency Fund, the Group of 77 and China notes the proposal of the Secretary-General for an adjustment of 0.6 per cent in the level of the Contingency Fund. We also recall that the Assembly in 2003 and 2005 had to take extraordinary measures so as to avoid the potential exhaustion of the Contingency Fund even before the start of the related biennia. This untenable situation has to be addressed and the Group of 77 and China supports the proposal of the Secretary-General.

The Group over the past few years has continuously expressed its concern over the tendency to expect the Secretary-General to finance new activities and mandates from "within existing resources". We, as Member States, have to recognise that there is only so much that can be done through instituting savings measures and moving funds from one activity to another before the implementation of individual programmes and ultimately the overall work of the Organisation suffers.

In addition, the Secretary-General has recently informed Member States, that by calling on the Secretariat to absorb the costs of new mandates that arise during the course of a biennium, we are undermining the funding mechanism envisaged when we established the Development Account in 1997.

The Group of 77 and China emphasizes that the role of the Fifth Committee in budgetary and administrative matters should be respected. We, therefore, deem it necessary that we remind other Main Committees to desist from using the phrase "within existing resources" in their resolutions, as to do so would be in contravention of rule 153 of the rules of procedure, as well as several General Assembly resolutions that have reaffirmed the role of the Fifth Committee. We trust that this will be conveyed in writing to other Main Committees as this Committee has done in the past.

Mr. Chairman,

In conclusion, the Group of 77 and China is concerned by the comparison drawn by the ACABQ between the level of the Contingency Fund and the limited discretion granted to the Secretary-General in resolution 60/283 on an experimental basis. In this regard, the Group wishes to stress that the experiment should not be used for the purposes for which the Assembly has created the Contingency Fund. This point was clearly emphasized in resolution 60/283.

The Contingency Fund was established to "accommodate additional expenditure derived from legislative mandates not provided for in the proposed programme budget" or from revised estimates that are not subject to the provisions of paragraph 11, Section B, Annex I of resolution 41/213. The experiment on limited discretion in budgetary implementation is there to meet the evolving needs of the Organisation as foreseen by the

Secretary General, and not to be utilized to fund new mandates as agreed by the GA. Its use is subject to the provisions and caveats set out in resolution 60/283.

The G77 and China is alarmed by attempts to reinterpret the resolutions of the General Assembly, either intentionally or unintentionally. The Advisory Committee should be extremely cautious when it comes to the agreements reached by Member States so as to ensure that it does not exceed its technical mandate. The Group expects that the provisions of resolution 60/283 will be strictly adhered to by the Secretariat and it wishes to caution against any re-interpretation thereof by either the Secretariat or the Advisory Committee, which may nullify the purpose of the experiment.

I thank you, Mr. Chairman.