SUMMARY RECORD OF THE 3rd MEETING

Chairman: Mr. PIRSON (Belgium)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3 p.m.

AGENDA ITEM 96: FINANCIAL REPORTS AND ACCOUNTS, AND REPORTS OF THE BOARD OF AUDITORS

(a) UNITED NATIONS DEVELOPMENT PROGRAMME

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(f) UNITED NATIONS FUND FOR POPULATION ACTIVITIES

1. Mr. Osei (Chairman of the Board of Auditors) said that in June, following the completion of its reports on the accounts of UNDP, UNFPA, UNICEF, the voluntary funds administered by the United Nations High Commissioner for Refugees, UNRWA and UNITAR, the Board had held its annual meeting with the Advisory Committee on Administrative and Budgetary Questions. The Board had, among other things, reported to the Advisory Committee its observations on the Administration's implementation of the recommendations contained in its report on the United Nations for the biennium 1976-1977 (A/33/5, vols. I and II). It hoped to report formally to the Fifth Committee at its next session its over-all conclusions in connexion with its annual report. A number of other issues which the Board had raised were dealt with in the Advisory Committee's report to the General Assembly (A/34/486).

2. The audits had been carried out by the staff of the three members of the Board under the general direction of the Audit Operations Committee. Wherever practical, the audits had been conducted on an integrated basis and in accordance with the principles of systems-based auditing. The Board's findings had been reported in accordance with well-established practices and over 50 management letters outlining the results of the audits and containing detailed recommendations had been issued to the responsible managers in the various organizations audited. More than half of those letters related to audits of offices away from Headquarters, which demonstrated the extent to which the Board had extended its activities to the field. The more significant matters relating to the organizations on which the Board was required to report in 1979 were dealt with in the reports before the Committee.

3. The Audit Operations Committee had engaged in a continuous dialogue with the Administration on all the audit issues raised the preceding year, and had met recently with senior representatives of the organizations to follow up on all the matters raised in the Board's reports.

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4. He wished to highlight some of the more important of those issues and in that connexion, it should be noted that the matters commented on in the Board's report to the Advisory Committee had first been raised in the financial management and control study of 1977.

5. First, with regard to computer controls, the Board had reviewed the computer operations at New York with particular emphasis on controls over the design, maintenance, processing and protection of computer systems at the New York Computing Services (NYCS). The Board had also reviewed and reported on the controls affecting four of the major users of NYCS, and its concerns were outlined in its reports on UNDP and UNICEF (A/34/5/Add.1, chap. IV, para. 12, and A/34/5/Add.2, chap. IV, para. 14). Obviously, computer controls were significantly below an acceptable level for the size and complexity of the United Nations operation. The Administration and users, while acknowledging the need for improved controls, did not have the resources to remedy the situation. The Board believed that the situation was serious enough to draw the Committee's attention to it, although it was heartened by actions already taken by the Administration as a result of the audit.

6. Secondly, with regard to cash management, the Board was of the view that co-ordinated and effective cash management would not be fully realized until there were clearly defined and documented responsibilities, policies and procedures, together with improved cash forecasting and analysis of investment opportunities. A number of the Board's reports called for closer monitoring of account balances in order to prevent the accumulation of uninvested funds, prompt deposit of cash contributions, and more timely collection of accounts receivable. The administrations of the various organizations had already taken action in response to the Board's recommendations to improve existing cash management practices and procedures.

7. Thirdly, a number of the Board's reports contained observations on the procurement practices of various organizations. In particular, the Board had recommended such needed improvements as updating the documentation on procurement procedures, upgrading the process for vendor evaluation and selection, and improving internal controls and other accounting practices.

8. Fourthly, with regard to internal auditing, it was essential that the organizations of the system should have at their disposal an internal audit service with sufficient scope, adequate resources and an appropriate reporting relationship so as to ensure the economical, effective and efficient management of resources. The Board had commented on the situation in UNDP, UNFPA and UNRWA in the reports before the Committee and would report on the United Nations internal audit activities in its report for the biennium 1978-1979.

9. In the report on the United Nations presented at the preceding session, the Board had stressed the need to strengthen the mandate of the Controller and the pivotal role he should play through the exercise of functional direction over all financial activities. The Board had also called for the establishment of a group to deal exclusively with the over-all systems of financial management and control.

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In that connexion, it noted that important personnel changes had recently been announced, but that no specific reference had yet been made to the strengthening of the Controller's mandate or to the establishment of a systems group. The Board remained of the view that no significant progress could be made in improving the financial management and control systems of the United Nations unless those two key recommendations were implemented.

AGENDA ITEM 17: APPOINTMENTS TO FILL VACANCIES IN SUBSIDIARY ORGANS

(a) ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS (A/C.5/34/10)

10. The CHAIRMAN said that it was necessary for the General Assembly to appoint two members of the Advisory Committee on Administrative and Budgetary Questions to fill the unexpired portion of the terms of office of Mr. Yasushi Akashi and Mr. Guy Scalabre, both of whom had resigned. The French and Japanese Governments had nominated Mr. Michel Brochard and Mr. Sumihiro Kuyama respectively for appointment to fill those vacancies. In view of the General Assembly's recommendation that secret balloting should be dispensed with when the number of candidates was equal to the number of vacancies to be filled, he suggested that the Committee should recommend to the General Assembly that Mr. Michel Brochard and Mr. Sumihiro Kuyama should be appointed members of the Advisory Committee for a period commencing on the date of the Assembly's decision and ending on 31 December 1980.

11. It was so decided.

AGENDA ITEM 103: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS: REPORT OF THE COMMITTEE ON CONTRIBUTIONS (A/34/11 and Add.1)

12. Mr. ALL (Chairman of the Committee on Contributions) said that the Committee on Contributions, completely mindful of its continuing obligation to the General Assembly and of the importance attached by Member States to a fair and equitable scale of assessments, had striven to formulate its recommendations with objectivity and impartiality. The Committee's thirty-ninth session had proved to be exceptionally difficult, as the Committee had had to deal with such problems as precipitous increases in the national income of certain Members, uneven rates of inflation in Member States, stagnation of the economies of a number of Members, widespread balance-of-payments difficulties and a generally unsettled state of world exchange rates. It was normal that the Committee should exercise extreme caution in interpreting countless statistical data, establishing a base period and applying a wide range of formulae. However, in 1979, the Committee had also had to face new developments and special problems, and it had had to search for solutions to soften the impact of the submission of statistics for the first time by the People's Republic of China. In spite of the Committee's efforts to find an accommodation for a collective judgement acceptable to all, the recommended scale had not been adopted without reservations. The thirty-ninth session had thus been one of the most challenging in the Committee's existence and, at the same time, had afforded members an unprecedented opportunity to gain deeper insights into the complex problems involved.
13. The Committee had explored many possible means of moderating the impact of the sharp reduction in the Chinese rate of assessment on the assessments of other Member States. Certain members of the Committee had proposed that the rate of China's contribution should be reduced gradually in order to cushion the immediate effect of the submission of China's statistics. Other members had been of the opinion that most Member States, including developed countries, had benefited for some years from the rate of assessment voluntarily assumed by China. However, in response to the appeal by some members of the Committee, the Government of the People's Republic of China had agreed to shoulder a very large portion of the burden on developing countries which would otherwise have fallen on them as a result of the reduction in the Chinese assessment.

14. The desirability of maintaining the 25 per cent ceiling principle had also been questioned by some members in the face of the substantial reduction in the Chinese assessment. In the view of those members, the ceiling prevented an equitable distribution of the burden and was therefore contrary to the principle of capacity to pay. The Committee believed, however, that it was not within its competence to discuss that question, particularly in the light of the legal opinion of the Office of Legal Affairs to the effect that the mechanism provided for in General Assembly resolution 2961 B (XXVII) for the implementation of the principle concerned was no longer relevant since the objective for which it had been created had been attained.

15. The Committee had also considered the desirability of recommending the establishment of a floor for permanent members of the Security Council. Some members had expressed the view that the special responsibilities and privileges of permanent members of the Council were not compatible with low rates of assessment. Other members felt, however, that the establishment of a floor was at variance both with the principle of capacity to pay and the spirit of the Charter. The Committee had concluded that, like the modification of ceiling principle, that matter was outside its terms of reference.

16. With regard to the base period for the formulation of the scale of assessments, divergent views had been expressed. Some members had advocated a nine-year period as yielding a more accurate measure of national wealth and as an alternative means of moderating sharp variations in rates of assessment between successive scales, while others had supported a return to a three-year base period, which they considered to be most in accord with current economic realities. Others had maintained that a seven-year base period provided as much continuity as was possible between statistical base periods. Having considered all statistical data relating to the capacity to pay and in the light of the findings of its own study of the question during its 1977 review of the scale, the Committee had decided to retain a seven-year base period. Such a base period provided a sufficient balance between the requirements of avoiding sharp variations in rates of assessment, taking into account national wealth, ensuring stability and continuity in the statistical base and reflecting economic realities as fully as possible.

17. The Committee had also held an extensive discussion on the desirability of modifying the low per capita income allowance formula in order to ensure adequate...
relief to low per capita income countries. After a thorough examination of a wide range of alternatives, the Committee had reached the conclusion that neither the erosion of the United States dollar nor the number of countries which had exceeded the $1,800 limit for per capita income since 1976 called for a significant upward adjustment of the dollar limit. However, the maximum reduction had been increased from 70 to 75 per cent, in order to provide greater relief to countries with lower per capita national incomes. In addition, the Committee had decided to make the point of inflexion coincident with the point of relief in order to provide relief to those countries which would have otherwise not been eligible under the previous formula and to grant additional relief to low per capita income countries. The changes meant, for example, that countries with per capita incomes below $500, in particular, would receive a higher level of relief in dollar terms, and that 8.05 percentage points would be accorded as relief to countries below the $1,800 level of per capita income as compared to 6.86 points under the former method, thereby providing relief to 46 Member States.

18. In the recommended scale of assessments, 70 States were assessed at the floor level of 0.01 per cent, and 89 States, or approximately 50 per cent of the membership, were assessed at rates between 0.01 and 0.03 per cent.

19. By resolution 31/95 A the General Assembly had requested the Committee to set out in its report the justification for significant increases in the assessment of any Member State between two successive scales. There were a number of sharp increases in the proposed scale for 1980-1982, and those increases had been brought about by increases in national income between the two base periods. In addition, a number of countries, having exceeded the upper limit of $1,800 in per capita income, were no longer eligible for relief under the low per capita income allowance formula. Increases were also due largely to the impact of the reduction in China's assessment, the new methods of applying the low per capita income allowance formula, or the change in the gradient from 70 to 75 per cent.

20. Having studied all possible alternatives and having explored in depth the possibility of avoiding significant variations in the assessments of Member States between two successive scales, the Committee was satisfied that it had exercised all discretion, caution and diligence, and that many of the recommended rates of assessment were beginning to reflect current economic realities.

21. Mr. GOSS (Australia) said that Australia had long urged that the Committee on Contributions should be accepted as impartial in establishing contributions, and that, in order to achieve that aim, the Committee on Contributions must publish as much as possible of the statistical data on which its decisions were based, as well as details of those decisions. Where it recommended a reduction or reallocation of contributions which varied from the figure that national income data would otherwise indicate, it should explain clearly the reasons for its decision. If such changes
were not given in quantitative form, and if neither the beneficiaries, nor those
who received the allocated increases, were identified, a real suspicion about the
impartiality of the Committee on Contributions could arise when anomalies occurred.
For the first time, the Committee on Contributions had provided details regarding
the transfer which had been made from low per capita income countries, and his
delegation accepted that decision.

22. Australia's long-held views had been reinforced by its surprise at its own
proposed rate of assessment. Australia had used three different methods to work
out its proper assessment using OECD and World Bank figures, and all those methods
showed that it was over-assessed in comparison to all other high-income countries.
It did not object to an increase as such in its rate of assessment, and had indeed
expected some increase following the reduction in the Chinese assessment.
However, it fully accepted the principles and procedures outlined by the Committee
on Contributions and felt that, on available information, the Committee on
Contributions had not followed those principles in setting the Australian
contribution.

23. His Government therefore needed to know: what figures, in Australian dollars
and United States dollars, had been used by the Committee on Contributions for
calculating the Australian gross national product in each of the seven years of
the base period, and what actual exchange rate had been used for conversion to
United States dollars; what figure the Committee on Contributions had used for
world gross national product in each of the seven years of the base period; what
amount had been transferred from countries in order to take into account natural
disasters and other compelling economic factors; what amount had been transferred
from countries with rapidly rising national income statistics and high per capita
incomes; whether the 8.85 per cent of contributions from low per capita income
countries had been spread proportionately to all countries with per capita national
incomes of over $1,800 and, if not, which countries had not received their share;
to which countries had other transfers been made, and on what basis; and whether
the Committee on Contributions had checked the gross national product and national
income figures supplied to it against data available from other sources such as
the World Bank, COMECON, OECD and countries' own published national statistics.

24. Those were elementary questions and they concerned material which his
delegation believed should be made available to all delegations as a matter of
course.

25. Mr. CHEH Chu (China) said that, in formulating the new scale of assessments,
the Committee on Contributions had rightly adhered to the principles for
apportioning the expenses of the United Nations contained in a number of General
Assembly resolutions and consistently observed by the General Assembly. It was
also commendable that, in order to put into practice the principle of giving due
regard to the needs of the developing countries, the Committee on Contributions
had re-examined the low per capita income allowance formula and raised the maximum
reduction to 75 per cent.

26. It was known to all that, after the restoration of its lawful rights in the
United Nations in 1971, China had paid contributions at a rate of 4 per cent on
a temporary basis. In 1974, it had raised its assessment rate to 5.5 per cent on its own initiative as an indication of its support to the United Nations. At that time, the annual budget estimate of the United Nations had not been very high, and the contributions paid annually by China had therefore not been excessive. However, the situation was changing; a number of States considered it inappropriate for China to set its rate of assessment in excess of its economic capabilities and believed that that rate should be determined in accordance with the relevant rules of the United Nations; and at the same time, United Nations budget estimates had increased enormously at a rate far beyond expectations, and the considerable growth in the membership of the United Nations had resulted in a decrease of the assessment rates of some large nations, whilst China's rate of assessment of 5.5 per cent had remained unchanged, so that there had been an enormous and continuous increase in the amount it had to pay. In previous years, for objective reasons, China had not provided the United Nations Statistical Office with the statistical figures related to the formulation of the scale of assessment, but in the current year it had done so, so that the Committee on Contributions had been able to decide on China's contribution in accordance with the unified rules of the United Nations, taking into account the actual state of China's economy.

27. China was a less developed country with a low per capita income. In earlier years, disturbance and sabotage by the "Gang of Four" had caused great damage to its national economy. Various kinds of national disasters had also caused enormous difficulties, and the major earthquake in Tangshan was a case in point. After the demise of the "Gang of Four", the Chinese Government had adopted a series of policies and measures in the light of the actual circumstances and was bringing about a daily improvement in the economic situation. Nevertheless, many difficulties remained to be overcome.

28. United Nations statistical data showed that China's current per capita income was only $152, so that it ranked 125th among the 152 Member States of the United Nations. According to the estimates of the United Nations Statistical Office, China's rate of assessment should be 0.95 per cent. The change in China's rate of assessment would not affect the great majority of the developing countries; nevertheless, taking into account the financial difficulties of the few developing countries which would be affected, and in order to prevent an immediate increase of their burden, China had expressed its readiness to assume a major proportion of the increase that would be devolved on those developing countries and had therefore accepted an increase of 0.67 per cent over the 0.95 per cent rate of assessment set for China by the Committee on Contributions. Thus China's rate of assessment, amounting to 1.62 per cent, was the twelfth largest.

29. Although the reduction in China's rate of assessment would cause some increase in the assessment rates of some developed countries, it should be noted that over the years, China had voluntarily assumed the rate of 5.5 per cent which had exceeded its capacity to pay by several times. As was mentioned in the report of the Committee on Contributions, some members had pointed out that most Member States, including developed countries, had benefited for some years from the rate voluntarily proposed by China; that state of affairs could no longer continue.
30. The report of the Committee on Contributions mentioned the idea of setting a minimum limit on the assessments for the permanent members of the Security Council in view of their special responsibilities and privileges. The United Nations Charter stipulated that the primary responsibility of the Security Council was the "maintenance of international peace and security" and the special responsibility of the permanent members of the Security Council therefore normally meant that they should play an active role politically in that field. It had also been pointed out in the report of the Committee on Contributions that the establishment of such a floor was in contradiction with the principle of capacity to pay and would contravene the spirit of the United Nations Charter.

31. Mr. MAJOLI (Italy) said that two basic principles emerged from the report of the Committee on Contributions: the special responsibilities of the permanent members of the Security Council and the capacity to pay. His delegation had consistently maintained that collective responsibility must be the basic rule, according to capacity to pay. According to the democratic principle of "one man, one vote", it was accepted that in the General Assembly Member States were all equal whether they paid high percentages of the budget or just the floor assessment. Nevertheless, since the five permanent members of the Security Council had the right of veto and other privileges, it seemed logical and equitable that higher burdens should correspond to that privileged position, unless there were very special reasons concerning capacity to pay, as seemed to be the case with the People's Republic of China, because of its large population, its limited per capita income, and the natural disasters which had befallen it.

32. Italy was convinced that the percentage proposed for it did not adequately reflect the see-saw course of its economy during the seven years preceding 1978 on which the proposed new scale of assessment was based. It considered that the conditions in the southern part of the country and the large islands, where great social and economic efforts were still needed, the need for the strictest economy in public spending in order to fight inflation, and all other data concerning its capacity to pay in the current circumstances justified its belief that the proper assessment for Italy should be around 3.12 per cent.

33. The extra burden of the proposed increased assessment of 3.45 per cent would not be understood easily by some sectors of Italian public opinion, since it appeared to be mainly the consequence of reductions or of a limit applied to the assessments of some Member States which had a much larger capacity to pay than that corresponding to their proposed assessments. Moreover, any increase in Italy's assessment might lead to a very regrettable reduction in the flow of funds it was able to offer for development through voluntary contributions. That would be particularly unfortunate as proposals had just been introduced in the Italian Parliament to set up a large fund to fight hunger in the world and to double Italy's assistance to the developing countries. Italy was a firm supporter of the United Nations and very much understood the great needs of the developing countries, but its over-all possibility to contribute to the United Nations and specialized agencies through assessed and voluntary contributions was limited.
34. His delegation felt that it was important to uphold the authority of the Committee on Contributions, and trusted in its competence and impartiality. The Fifth Committee should not re-open the discussion which had already taken place in the Committee on Contributions, particularly since that would require lengthy examination of technical data which was not available to the Fifth Committee and had already been considered in the Committee on Contributions. Thus, despite its misgivings, and while reserving its final position depending on the outcome of the debate, his delegation was inclined to support the adoption of the proposed scale of assessments.

35. Mr. SCHMIDT (Federal Republic of Germany) said that the reversed order of business resulting from the unfortunate situation with regard to documents might serve as a useful reminder that the Committee's decisions on budgetary expenditure implied an agreement to finance it. He likewise noted the repercussions which the new scale of assessments would have on the composition of the Secretariat.

36. It would certainly not be easy for a great number of Member States to accept the recommendations of the Committee on Contributions and to adopt the proposed new scale of assessments for 1980-1982. The increase in the percentage rate of contributions for 40 countries was not only due to shifts in the relative income of nations, most markedly in the case of certain oil-producing States, but, in particular, to the new assessment of China, and a change in the formula for a low per capita income allowance.

37. The consequences were a steep rise in the relative share of the majority of the Western industrialized countries, including his own, and a further concentration of the financing of the regular budget by the larger contributors. Twenty countries carried 68 per cent of the responsibility for funding the budget, and the share of the 10 largest contributors had come close to 75 per cent. That was not an altogether healthy development for the Organization, especially when seen in the context of the political and other interests and aspirations of all Member States.

38. The single most decisive factor in the new scale was the large reduction in the assessment of China. Difficult though it was to digest the consequences of that reduction, the Committee on Contributions had had no choice but to accede to the Chinese wish to be assessed on the same statistical basis as the rest of the Member States.

39. Gratitude was due to the members of the Committee on Contributions for having dealt effectively with all the divisive issues, and for having done as much justice as they had to the various claims of Member States for consideration as special cases. By adhering to the basic principle of capacity to pay, with due regard to the special situation of low per capita countries, the Committee had managed to steer a persistent course and, in the long run, continuity in the application of that principle, and stability in its interpretation, would help achieve the most equitable results possible. The retention of the seven-year base period served that goal.
40. He hoped that other Member States would come to the same conclusion as his Government and approve the recommendations of the Committee on Contributions without challenging individual percentage rates or the principles for establishing the scale, as had happened three years previously.

41. Mr. MENDEZ-AROCHA (Venezuela) said that, while his delegation was grateful to the Committee on Contributions for submitting such a well-balanced report, it found some of the results difficult to accept and believed that there was a need for a review of the basic criteria, particularly the principle set out in paragraph 5 (a) of the report (A/34/11). The recommendations as they stood meant that the reduction in China's scale of assessment would be absorbed by some developing countries, while the industrialized countries would see the level of their contributions maintained or even reduced. He wondered how the same formula could possibly be applied to both developing and developed countries simply because they shared the same per capita income. While agreeing with criteria, such as an allowance formula for low per capita income countries, and with the concept of the special status of permanent members of the Security Council, it was difficult to understand why no ratio had been established between the level of per capita income and the scale of assessments. For that and other reasons, his delegation believed that it should be useful to review the various alternatives in order accurately to reflect the great disparities between the industrialized and developing countries. It therefore reserved its final decision on the recommended scale of assessments.

42. Mr. LAHLOU (Morocco) said that the excellent and lucid report of the Committee on Contributions revealed a number of contradictions and disparities in the manner of assessing the scale of contributions. While the technical aspects were matters for that Committee, there were issues of a political nature which it was appropriate for the Fifth Committee to consider.

43. The principle of national income mentioned in paragraph 5 (a) of the report (A/34/11) was not a valid criterion. Research carried out by universities in the industrialized countries had shown that there was a difference between national income and real income. Whatever contribution was due from the developed States would be paid from their marginal expenses, whereas the developing countries would have to draw on funds which would otherwise have been allotted to meet basic needs. He believed that the developed countries were trying to exploit the situation and maintain the balance in their favour.

44. Apparently, if the contribution of a country was reduced, the burden fell not on the developed countries, but on the developing countries, thereby giving the former a privileged status that was unacceptable in the United Nations. Since the effect of higher contributions was marginal for the developed countries, they should consider making a more equitable contribution. He referred particularly to the permanent members of the Security Council whose financial burden should correspond to their political responsibilities in the Organization. He agreed, however, with the statement made by the representative of China that that country, as a developing country with a low income, could not assume a financial role commensurate with its political responsibilities.
45. New methods had to be found to ensure that the contributions of all countries, both rich and poor, were assessed in the light of the burden placed upon them.

46. Furthermore, though inflation was the responsibility of the developed countries, since it derived from their internal economic problems, the developing countries were being asked to bear the burden. For all those reasons, a review of the criteria was necessary, and he appealed to the developed countries not to expect to enjoy privileges beyond those to which they were entitled under the Charter.

47. **Mr. BUJ-FLORES** (Mexico) requested clarification from the representative of Australia in respect of his request to the Chairman of the Committee on Contributions to provide the statistics on which the scale of assessments was based. Since that request had been made in public, he wondered whether that meant that the statistics were to be made public. If that was the case, it would be a breach of the high degree of confidentiality under which the Committee on Contributions normally operated.

48. **Mr. SADDLER** (United States of America) said it was a tribute to the hard work, judgement and skill of the members of the Committee on Contributions that, in spite of the many difficulties, they had succeeded in recommending a scale of assessments for the years 1980-1982. His delegation supported those recommendations and would vote in favour of the draft resolution proposed by the Committee on Contributions.

49. **Mr. GOSS** (Australia), replying to the question raised by the representative of Mexico, said that his delegation was not requesting data for any individual country except his own. He did not believe that the provision of collective data would involve any violation of the confidentiality of the Committee on Contributions.

**ORGANIZATION OF WORK**

50. **Mr. HAUZAH** (Syrian Arab Republic) said that, although it had been decided not to take up agenda item 104 on personnel questions until much later in the session, he understood that the date of 24 November 1979 had been set for the competitive examinations for promotion from the General Service to the Professional category. In the light of that fact, he requested that the Under-Secretary-General for Administration, Finance and Management should report to the Committee at the earliest opportunity on the measures taken to ensure the smooth running of the competitive examination, and on the number of unfilled vacancies in the General Service category. No further steps should be taken in respect of the examination until the Fifth Committee had given its approval. He was particularly concerned about the case of staff members who had already proved their competence to perform in a Professional capacity.

51. The **CHAIRMAN** said that those questions and comments would be transmitted to the Under-Secretary-General for Administration, Finance and Management for his consideration and appropriate action.

The meeting rose at 5 p.m.