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STATEMENT

**by Mr. Alexander V. Konuzin, First Deputy Permanent Representative of the Russian Federation to the United Nations, in the Fifth Committee of the 60th session of the United Nations General Assembly on Agenda item 124
“Proposed programme budget for the biennium 2006-2007”**

27 October 2005

Mr. Chairman,

First of all, we would like to thank Mr. K. Annan, UN Secretary General, for the substantive statement in which he presented the proposed regular budget of the Organization for the next biennium. We also commend the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for their assessment of the proposed budget and the Chairman of the Committee for Programme and Coordination (CPC) for the presentation of the relevant report.

The proposed budget of the Organization for 2006-2007 should be considered in close connection with the outcomes of the High-Level Plenary Meeting of the UN General Assembly held in September this year in New York.

During that meeting a whole number of new tasks were assigned to the United Nations, and their implementation can entail serious financial implications.

Based on provisional budget estimates, before re-costing subject to inflation and currency rates fluctuations, the UN regular budget for the next biennium will reach the amount of US\$ 3.6 billion. It might seem that the amount in excess of the revised budget level of the current financial period is relatively insignificant – US\$276.6 thousand. However, taking into account the future re-costing of the proposed budget, and the available estimates in this regard, its level is likely to reach US\$3.8 billion, i.e. the absolute growth of the expenditures of the Organization will amount to over 5.4 per cent.

Of course, there are objective reasons behind significant increase in the UN expenditures over the recent years. New special political missions, safety and security-related measures, introduction of information technology, as well as the approval by the General Assembly of new priorities in programmatic activities, entail altogether additional resource requirements. However, the scale of the resources requested by itself emphasizes the urgent need to find opportunities to increase efficiency of the Secretariat, strengthen budget discipline, take cost-saving measures, and identify and abandon obsolete and ineffective programmes.

Mr. Chairman,

Let me also make some practical points on certain aspects of the proposed budget.

We would like to note that from year to year we stressed the need to reduce spending on such budget items as “consultants”, “contractual services” and “travel of staff”, however, the issue has not yet been effectively resolved.

We support the ACABQ recommendations to reduce the level of spending on consultants and travel of staff, as well as the additional posts in the Secretariat. At the same time, during consultations we will seek the possibilities for further reductions.

In our view, the request for increased funding for “staff training” does not appear very convincing. We have repeatedly drawn attention to the importance of creating a mechanism to assess the effectiveness of skill-building of Secretariat’s staff, yet so far, the criteria of such an assessment have remained vague which precludes an objective judgment as to the results of the implementation of this programme.

We are convinced that the “maintenance base” concept used in the UN budgeting needs a serious adjustment – the need to maintain the same level of appropriations from one financial period to another should be justified, while the priority nature and efficiency of corresponding programmes should be reconfirmed, and a thorough analysis of the actual resource requirements should take place. The existing methodology of planning individual budget items does not preclude the possibility of “conservation” of elements of non-recurring expenses, adjustments in terms of inflation and currency rates fluctuations that may distort the comparator base of the real-term expenses of the current and the proposed budgets.

We consider the ACABQ recommendations related to staffing and management in the Organization to be quite useful. In particular, we agree that cumbersome staffing procedures affect the level of financing of posts, and, even worse, the effectiveness of programme implementation. In the meantime, the spending on consultants and temporary assistance is increasing while the demand for them can hardly lend itself to analysis or control.

Of no less importance are the proposals by the ACABQ to strengthen the system of personal responsibility of staff members of the Secretariat and, primarily, the managers. We consider as justified the introduction of such instruments of human resource management as demotion and re-assignment to be applied to poorly performing staff members of the Secretariat.

It is not quite clear why the proposed budget avoids mentioning the introduction of the mandatory staff mobility system scheduled for the year 2007

that might result in additional budget spending if the Secretariat proposals were approved by the General Assembly. Does the Secretariat have any ideas as to an approximate amount of additional expenses that it would entail? We would highly appreciate relevant information in this regard.

During the forthcoming negotiations on the proposed budget Russia will dwell on the need to further improve the format of the result-based budget that should guarantee the preparation of honest and reliable plans and budgets so that their objectives, tasks, expected accomplishments and achievement indicators be real, specific, verifiable and measurable.

The work must be continued to improve prioritization and enhance efficiency of use of limited financial and human resources of the Organization, as well as to improve programme evaluation, ensure strict budget discipline and increase responsibility of Secretariat's managers for the decisions taken and accurate implementation of tasks assigned to them by the Member States.

At the same time we believe that no cost-saving measures should result in poorer quality of services provided by the Secretariat to the Member States, and affect compliance with the UN fundamental principles, such as, for example, multilingualism and the central role of the intergovernmental bodies in setting priorities for the Organization.

We also believe, that in view of the need to curb the growth in expenditures of the Organization and the fact that the main objective of its reform is to ensure a cost-effective implementation of global tasks assigned to the UN by the Member States, the new resource requirements related to the implementation of the decisions taken during the World Summit-2005 should, as much as possible, be financed through a rational re-allocation of available resources.

Thank you Mr. Chairman.