



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY MR. SEBASTIÁN DI LUCA, PERMANENT MISSION OF ARGENTINA
TO THE UNITED NATIONS, ON AGENDA ITEM 133: PROGRAMME
BUDGET FOR THE BIENNIUM 2010-2011, SECOND PERFORMANCE
REPORT, AT THE FIFTH COMMITTEE DURING THE MAIN PART OF THE
66TH SESSION OF THE GENERAL ASSEMBLY**

(New York, 16 December 2011)

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 133: Programme budget for the biennium 2010-2011, in particular on the second performance report.

2. The Group of 77 and China would like to thank the Assistant-Secretary-General, the Controller, Ms. María Eugenia Casar, for the introduction of the relevant report under this agenda item. The Group would also like to thank Mr. Collen Kelapile, Chairperson of the Administrative and Budgetary Questions (ACABQ), for introducing the related report of the Committee.

Mr. Chairman,

3. The Group of 77 and China stresses the importance of the established budgetary procedures and methodology based on General Assembly resolutions 41/213 and 42/211. The established procedures for the formulation, implementation and approval of the programme budget must be maintained and strictly followed.

Mr. Chairman,

4. The Group of 77 and China recalls that recosting is an integral part of the budget procedures as established by General Assembly resolutions 41/213 and 42/211. The Group continues to reject any attempt to undermine the compromise achieved more than 20 years ago with regard to the budget procedures. Delegations cannot pick and choose the parts that are convenient to them or try to reinterpret the provisions of those resolutions. We recall that recosting has been applied to the budget of the United Nations annually since the adoption of resolution 41/213.

5. Our Group reiterates that recosting is the revision process whereby adjustments in the level of appropriations are made as a result of variations in operational rates of exchange, actual inflation experience, average level changes and vacancy rates previously assumed. It is essentially an attempt to provide an estimate of the level of

expenditures for the biennium. Any arbitrary modification of the recosting in order to achieve the so-called "savings" would have detrimental effects on mandate implementation on all budget sections and would undermine the priorities established by the General Assembly, including on development related activities.

6. Finally, the Group of 77 and China takes note of the information provided by the Secretary-General on the recosting methodologies used by other international organizations. We emphasize that the unique nature of the United Nations, including its diverse international field presence and size of staff, means that recosting measures have to be customized for its needs. The Group reaffirms that the current methodology applied, as endorsed by the General Assembly in its resolution 47/212 A, is sound and must remain unchanged.

I thank you, Mr. Chairman.