

**Statement by Ambassador Sahebzada A. Khan, Deputy Permanent
Representative of Pakistan to the United Nations, New York on agenda item
134. Proposed Programme Budget for the Biennium 2014-2015, at the
main part of the Sixty-Eight Session of the Fifth Committee of the General
Assembly,
29 October, 2013, New York**

Mr. Chairman,

We thank the Secretary-General for the presentation of proposed programme budget for the biennium 2014-2015, as well as Mr. Carlos Ruiz Massieu, Chairman of ACABQ, for introducing the related report of the Advisory Committee.

2. Pakistan aligns itself with the statement made by Ambassador Peter Thomson, Permanent Representative of Fiji on behalf of the Group of 77 and China. We highly appreciate and value the guidance and leadership provided by the delegation of Fiji to the work of Group of 77 and China in this Committee.

Mr. Chairman,

3. The Committee would consider and examine the Secretary-General's budget proposals on the basis of following broad principles:

- i. That the budget document conforms to the legislative mandates established by the principal and subsidiary organs, and the provisions of the Charter;
- ii. That the proposals strictly adhere to the established budgetary procedures and methodologies, and the Financial Regulations and Rules of the UN;
- iii. That the proposed budget represents international character of the Organization, and faithfully allocates resources among the priority areas approved by the General Assembly.

Mr. Chairman,

4. In this context, we share the concern of an overwhelming majority of the Member States that the budget document for the biennium 2014-2015, does not fully comply with the established criteria in its preparation, presentation, format and allocation of financial resources.

5. The rationale explained in the report of the Secretary-General for a technical departure from rule 102.2 of the Financial Regulations and Rules of the United Nations, and the established budget methodology, needs further clarity.

6. We understand that the Advisory Committee in this regard, had a difficult undertaking while examining the Secretary-General's budget proposals. We do not, however, believe that it endorsed an error i.e. using the 2012-2013 revised rates as a resource base against which the rate of growth was calculated.

Mr. Chairman,

7. We hope that in the absence of any decision by the General Assembly to change the budget methodology, the Secretariat would revert to the use of the revised appropriations as the starting basis for the proposed resource requirements, strictly in accordance with the General Assembly resolution 47/212 A and the Financial Regulations and Rules of the UN.

8. Meanwhile, the Assembly within its prerogative, and in accordance with the provisions of its resolution 66/246, which reaffirmed the established budgetary procedures, and decided that no change shall be implemented without prior review and approval by the Assembly, can initiate a process of review, in order to permanently address the confusion and reach a common understanding on budget methodology.

9. With regard to the format and presentation, compared to previous biennium, the proposed programme budget for 2014-2015 contains a number of changes in the programme narrative of the budget fascicles, without a prior approval of the Assembly. We would like to reiterate full respect of the programme planning rules including 105.6 and full involvement of the Committee on Programme and Coordination for the review of such changes. We sincerely hope that the Secretary-General would make all necessary adjustments to ensure that programme narratives are identical to those approved by the General Assembly in its resolution 67/236.

Mr. Chairman,

10. The misinterpretations on the issue of recosting have created additional challenges for both the Members States and the Secretariat. We hope that the Committee during its consideration of the biennium budget would be able to adequately address the uncertainty, operational challenges and other detrimental effects of non-resolution of recosting issue, particularly on vacancy management and overall financial health of the Organization.

11. We continue to remain concerned at the implementation of zero nominal real growth in the resource level of the budget without any formal decision by the General Assembly. We are deeply concerned that the real increase of 0.2% in the budget level over the last biennium would adversely impact the quality of implementation of all legislative mandates, especially the development related mandates of the Organization. A no growth budget lacks flexibility, and undermines fiscal accountability and discipline.

Mr. Chairman,

12. As the large majority of the Member States have argued during this debate, clearly, there is a need for instilling clarity on the issue of budget methodology.

Mr. Chairman,

13. We concur with the Advisory Committee's observation that in the absence of a reliable impact assessment, the proposed resource reductions in 73 areas of activities will have negative implications on the Organization's ability to deliver its substantive mandates. As well as the proposed abolishment of 261 posts which fall disproportionately at the lowest grade level and coincide with an increase in higher level posts, would limit the ability of the United Nations to attract and develop young talent and to rejuvenate and revitalize the Organization. We also note that while the posts have been proposed for abolishment, the continuing need for the related function has not been reviewed. This leads to an impression of cost-shifting of the posts from regular budget to the extra-budgetary resources. We look forward to discussing this issue in light of the relevant provisions of the General Assembly resolutions.

14. We note that the extra-budgetary resources to the tune of \$14.1 billion have been estimated for biennium 2014-2015 for a variety of support,

substantive and operational activities. We understand that the reliance on the extra-budgetary resources is necessitated due to 80% of the regular budget spent on salaries and common staff costs. A large portion of the extra-budgetary resources in the total resource requirement for each biennium further reinforces the need for enhancing the regular budget component particularly for the implementation of core mandates of the Organization such as Human Rights. Moreover, the approval procedures, reporting requirements, and accountability mechanisms for the extra-budgetary resources often lack transparency. The voluntary contributions should be subject to same level of intergovernmental scrutiny and oversight in order to enable the General Assembly to monitor and evaluate the outputs, impact and improvement in programme delivery. We would like to emphasize the need for addressing in a systematic manner the anomalies and discrepancies in the use of extra-budgetary resources.

Mr. Chairman,

15. Addressing the development needs of its Member States is one of the cardinal areas of activities of the United Nations, and the failure to seek meaningful increase in the development budget is indeed a major impediment in tackling the underlying causes of conflict, such as poverty, underdevelopment and inequalities, which can jeopardize the Organization's larger objective of international peace and security. Strengthening of the Organization's development pillar, therefore, of paramount importance especially in the light of the forthcoming development related events and the preparations for post-2015 development agenda.

16. We would like to stress the need for a comprehensive strengthening of the development and economic machinery of the Organization especially DESA, UNCTAD, and regional commissions, and the allocation of adequate resources for the enhancement of development related programmes in the current biennium.

Mr. Chairman,

17. The longstanding concern over the level of Development Account continues to remain unattended. It may be recalled that the Secretary-General

had envisaged that the level of this account would be in the region of \$200 million. Unfortunately, this level has never been realized. There has neither been a diversion of savings and efficiency gains, nor any allocation of additional money. On the contrary, there is a decrease of 2.9% (\$844,400) in the resources allocated for Development Account for the biennium 2014-2015. We are concerned that the proposed decrease in the Development Account would impact the implementation of projects funded under this Account in the developing countries. We would follow up during the informal consultations on the lower implementation rate, practicality of the Account's framework, and its strengthening by tangible increase through additional appropriations in the biennium 2014-2015.

Mr. Chairman,

18. We also note that a total of 971 outputs would be discontinued in 2014-2015. The majority of discontinued outputs relate to economic and social affairs (350 outputs), and regional cooperation for development (161 outputs). We look forward to receiving clear information relating to discontinued outputs deemed to be obsolete or of marginal usefulness, in accordance with rule 105.6 of PPBME, their reemployments, and linkage with proposed new outputs.

Mr. Chairman,

17. We would like to reiterate the importance we attach to equitable geographic representation across the Secretariat and offices away from Headquarters including in the field. The recruitment of female candidates from developing countries also needs considerable improvement. We hope that the Secretary-General would utilize the full potential of all relevant tools including the Human Resources Scorecards, Compacts, performance evaluation of programme managers and the effective role of Central Review Bodies to achieve the gender and geographic representation targets.

17. Lastly, Mr. Chairman, we would welcome specific information with regard to the elements of the Change Management Plan incorporated in the budget document, as well as an update on how the implementation of the Change Management recommendations, and how they link up to General Assembly's resolution on accountability.

18. I assure you, Mr. Chairman of our full support and constructive engagement during the negotiations on this important agenda item, in an environment of mutual goodwill and trust.

I thank you.