



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA  
BY H.E. AMBASSADOR DIEGO MOREJÓN PAZMIÑO, PERMANENT  
REPRESENTATIVE OF ECUADOR TO THE UNITED NATIONS,  
ON AGENDA ITEM 136: PROPOSED PROGRAMME BUDGET FOR THE  
BIENNIUM 2018-2019, AT THE MAIN PART OF THE SEVENTY-SECOND SESSION  
OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY  
(New York, 11 October 2017)**

Mr. Chair,

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 136, entitled "Proposed Programme Budget for the Biennium 2018 - 2019".
2. At the outset, the Group of 77 and China thanks Mr. António Guterres, Secretary-General of the United Nations, for the presentation of his proposed programme budget for the next biennium. We also thank Mr. Carlos Ruiz Massieu, Chairman of the Advisory Committee, for introducing the Committee's related report.

Mr. Chair,

3. The programme budget serves as the resource base and an important buttress for the United Nations to perform its functions and fulfil its role. The budget document is not only a financial and accounting tool, but an authoritative statement that should reflect the strategic vision of the Secretary-General in delivering the mandates and priorities agreed upon by Member States. The Group takes this opportunity to reiterate its request to the Secretariat and to all Member States to strictly abide by the consistent decisions of the General Assembly: that no changes to the established budget methodology, procedures and practices, or to the financial regulations should be implemented without prior review and approval by the General Assembly.
4. For the G77 and China, the proposed programme budget is one of the most important agenda items under consideration during this Main Session. We believe that sufficient time must be provided for informal consultations. We ask you, Mr. Chair, and the rest of your Bureau members, to ensure that adequate time in the Programme of Work is allocated for this specific agenda item.

Mr. Chair,

5. On the proposed programme budget itself, the Group of 77 and China is deeply concerned and disappointed by the Secretariat's creative interpretation of resolution 71/274 on the budget outline, in proposing a series of arbitrary cuts. The Group reiterates its view that the budget outline is an indicative and preliminary estimate of resource requirements. It is not a pre-approved ceiling of resources. The Group fully supports the ACABQ on their recommendations on this issue, particularly in recalling that effective and efficient mandate delivery must always be the overriding factor in determining the Secretariat's resource requirements and overall staffing structure.

Mr. Chair,

6. Before touching on the proposed "efficiency savings" presented in this budget, let me be very clear that the Group favors actual efficiency savings. We all want an effective and efficient Organization. Unfortunately, after carefully considering the proposed programme budget, we are puzzled by the lack of justification on most of these supposed efficiencies, in particular the ones relating to Umoja benefits realization. The Group notes that this is not the first time that this Committee has heard about the lack of justification on so-called efficiencies achieved by the Umoja project, a promising, transformative and very expensive ERP project that looks set to continue costing Member States a significant amount of money.

7. The Group of 77 and China fully agree with the Advisory Committee's assessment that the budget proposal of the Secretary-General appears to place greater emphasis on the achievement of resource reduction targets than on the expected impact of the proposed reductions on their respective programmes. We are unconvinced that all of the proposed reductions can be attributed to efficiency measures, including the implementation of Umoja.

Mr. Chair,

8. It has been two years since Member States adopted the 2030 Agenda for Sustainable Development, our most comprehensive and universal global roadmap towards a better future. These goals are ambitious and will not be met without determined effort, the exercise of political will, and the resources required for success. The critical issue is one of financial resources – a daunting challenge but one which must be properly addressed, if the 2030 Agenda is to come to fruition.

9. The Group therefore believes that Member States must provide the United Nations with sufficient and needed resources so that it can perform its role as the key enabler of the new development agenda. We have serious doubts as to whether the current budget provides the United Nations with the appropriate means needed for such an ambitious feat.

10. Along these lines, the Group would also have liked to see a strengthening of the development pillar. Two years ago, in the context of resolution, 70/247, Member States agreed to request a proposal to financially strengthen the Secretariat entities involved with the implementation of Agenda 2030. After a full year of long and painful deliberations, Member States were finally provided a modest strengthening of a number of departments. It is therefore troubling to receive a budget proposal that contains random cuts to DESA, UNCTAD, the Regional Commissions, and the Regular Programme for Technical Cooperation.

11. Strengthening the above-mentioned entities was and remains a priority for the G77 and China, and we will use the time during the informal consultations to seek better explanations about these proposed cuts. We are mystified as to how the Secretariat could produce \$603,900 worth of "efficiencies" on the Regular Programme for Technical Cooperation, considering that functions as a demand-driven grant programme that responds to requests by Member States for capacity development support. In view of how politically sensitive these discussions were, we question the

wisdom of this approach. We are deeply disappointed to still see unjustified, apparently selective cuts such as the one that befell the RPTC, in budget proposals from the Secretariat.

Mr. Chair,

12. The Group is committed to working constructively with you and all delegations towards finding an agreement on this very important agenda item that leads to an effective and efficient United Nations. We encourage all delegations to engage in budget deliberations with a spirit of flexibility and responsibility. We should try as far as possible to preserve the informal tradition of consensus in this Committee, in order to reach an outcome in the best interests of the Organization.

I thank you.