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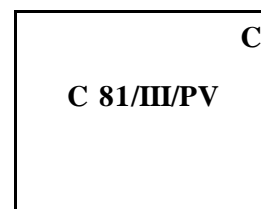
FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

conférence

ORGANISATION DES NATIONS UNIES POUR L'AUMENTATION ET L'AGRICULTURE

conferencia

ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION



Twenty-first Session
COMMISSION III

Vingt st unième session
COMMISSION III

21° período de sesiones
COMMISSION III

Rome, 7-26 November 1981

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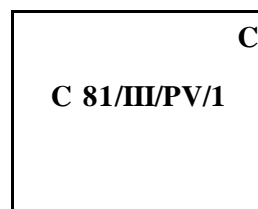
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Twenty-first Session
COMMISSION III

Vingt et unième session
COMMISSION III

21° período de sesiones
COMMISSION III

FIRST MEETING
PREMIERE SEANCE
PRIMERA SESION

(19 November 1981)

The First Meeting was opened at 10.00 hours,
S.A. Qureshi, Chairman of Commission III, presiding

La première séance est ouverte à 10 h 00,
sous la présidence de S.A. Qureshi, Président de la Commission III

Se abre la primera sesión a las 10.00 horas,
bajo la presidencia de S.A. Qureshi, Presidente de la Comisión III

PART III - CONSTITUTIONAL AND ADMINISTRATIVE MATTERS
TROISIEME PARTIE - QUESTIONS CONSTITUTIONNELLES ET ADMINISTRATIVES
PARTE III - ASUNTOS CONSTITUCIONALES Y ADMINISTRATIVOS

- A. Constitutional and Administrative Matters
A. Questions constitutionnelles et juridiques
A. Asuntos constitucionales y jurídicos
16. Statutory Report on Status of Conventions and Agreements, and Amendments thereto
16. Rapport statutaire sur l'état des conventions et accords et sur les amendements y relatifs
16. Informe reglamentario sobre el estado de las convenciones y acuerdos, y de las enmiendas a los mismos

CHAIRMAN: Distinguished delegates, ladies and gentlemen, may we start the proceedings of Commission III. Before we start the formal proceedings I must express my gratitude for my election as Chairman of Commission III. I consider it an honour to my country to be called upon in this capacity. I am also grateful to the Group of 77 and to the Asian Group, which nominated Pakistan to lead this Commission. I hope that with your cooperation the proceedings will go smoothly and come to a satisfactory conclusion. With these remarks we can now start the proceedings.

We will start with Item 16 of the Agenda, Statutory Report on Status of Conventions and Agreements, and Amendments thereto. I now call on the Legal Counsel to introduce the subject.

LEGAL COUNSEL: In accordance with Rule XXI.5 of the General Rules of the Organization, the Director-General reports to the Conference whenever a convention, agreement, or a supplementary convention or agreement, concluded under Article XIV of the Constitution comes into force or ceases to be in force, or has been amended and the amendments have come into force.

In addition, under established practice, the Director-General also informs the Conference of any developments which may occur in connection with:

- (i) agreements concluded between FAO and Member Nations under Article XV of the Constitution;
- (ii) treaties concluded outside the framework of FAO in respect of which the Director-General acts as depositary;
- (iii) the status of the Convention on the Privileges and Immunities of the Specialized Agencies in respect of FAO.

The two documents before you - C 81/10 and C 31/10-Sup.1 - contain the relevant information on the status of the treaties to which I have just referred.

It should be noted that the Statutory Report which is being submitted to the Conference, follows the same pattern as earlier reports, except that this time it also contains declarations and reservations made by parties to conventions and agreements, in respect of which the Director-General exercises depositary functions. This change was introduced in Document C 81/10 in line with a well-established United Nations practice.

It may be appropriate to refer briefly to some recent developments that are not reflected in the documents before you. First, on 11 November 1981, the Government of Mexico deposited with the Director-General a notification of acceptance of the revised text of the International Plant Protection Convention. Secondly, as regards the Plant Protection Agreement for the South East Asia and Pacific Region, the Director-General received, on 4 and 5 November 1981 respectively, from the Governments of the Republic of Korea and the Kingdom of Tonga, instruments of adherence including declarations accepting the amendments to the Agreement, approved by the FAO Council at its Seventy-Fifth Session in June 1979. Thirdly, a Conference of Plenipotentiaries, which met in Caracas, Venezuela, from 8 to 11 September 1981, adopted and opened for signature an Agreement for the Establishment of a Regional Centre on Agrarian Reform and Rural Development of Latin America and the Caribbean (CARRDLA). While the Agreement was concluded outside the framework of FAO, the* depositary functions were conferred upon the Director-General of FAO. The agreement was opened for signature in Caracas on 11 September 1981 and remains open for signature at the FAO Headquarters in Rome. Eligible States may become parties to the Agreement by signature followed by the deposit of an instrument of ratification or accession. The Agreement will enter into force upon deposit of instruments of ratification or accession by the Government of the host State (Ecuador) and by the Governments of at least five other eligible States. On 11 September 1981, 13 countries signed the Agreement, subject to ratification. No instrument of ratification or accession has been deposited as yet.

With reference to paragraphs 22-24 of the Report before you, I feel I ought to point out that the Conference, in approving the amendments to the International Plant Protection Convention by Resolution 14/79, stressed that it would be in the interest of the international community that the revised version of the Convention should enter into force "without delay". Bearing in mind that amendments enter into force only after acceptance by two-thirds of the Contracting Parties, the Conference at its last session therefore urged the parties to the Convention to accept the revised text at the earliest possible time. The present situation is that, out of 82 parties, only 22 have so far deposited an instrument of acceptance. Therefore, at least another 33 acceptances are required before the revised Convention can become effective. In view of the importance of the Convention in strengthening international action against the spread of important plant pests, especially in the context of international trade, an acceleration of acceptance seems highly desirable. The Conference may therefore wish to reiterate its appeal to States that have not yet accepted the revised version of the Convention to deposit an instrument of acceptance as soon as possible.

CHAIRMAN: The discussion is now open for comments, suggestions, interventions and any other observations that delegates might wish to make.

M. BATAULT (France): Je voudrais simplement m'associer à ce qu'a dit le Conseiller juridique et lancer un appel aux gouvernements qui n'ont pas encore ratifié ces amendements. Il s'agit de 33 gouvernements; il nous manque encore 33 ratifications; et il me paraît essentiel qu'avec ces amendements, la Convention sur la protection des végétaux puisse entrer en vigueur et fonctionner normalement. En effet tout sera bloqué aussi longtemps que ces amendements n'auront pas été ratifiés par tous les gouvernements concernés. Donc je voulais simplement prendre la parole pour lancer un appel aux délégués des gouvernements concernés afin qu'ils demandent à leurs gouvernements de ratifier, aussitôt que possible, ces amendements. Ce sont des amendements simples et qui ne me paraissent devoir prêter à aucun problème. En conséquence, il serait bon qu'ils soient ratifiés aussi rapidement que possible.

P. VANDOR (Hungary): I would just like to repeat what the delegate of France said just now. My country is among the countries who have already deposited an instrument of acceptance relating to the amendments to the International Plant Protection Convention. I would like to appeal to the representatives of other countries who have not yet done so to do it as soon as possible and to take urgent action to have this Plant Protection Convention in force as soon as possible.

J. HEIDSMA (Netherlands): I would also like to refer to the amendments to the International Plant Protection Convention. My Government has recently deposited an instrument of acceptance of these amendments. As you indicated already, the number of countries that have also deposited such instruments still falls far short of the necessary number needed to make the revised Convention effective. I would therefore like to urge Member States to deposit their instruments of acceptance without delay.

J. SAINSBURY (Australia): I would just like to add the voice of the Australian delegation to that of the previous three speakers. Australia has deposited its instrument of acceptance for the amendments to the Plant Protection Convention and we would join others in urging that other countries also deposit their acceptances as soon as possible to allow the amended Convention to enter into force.

- 17. Other Constitutional and Legal Questions
- 17. Autres questions constitutionnelles et juridiques
- 17. Otras cuestiones constitucionales y jurídicas

CHAIRMAN: I will ask Mr. Dobbert to inform this forum whether there is anything under Item 17.

LEGAL COUNSEL: It is habitual for the Conference Agenda to include an item on Other Constitutional and Legal Questions because sometimes during the Programme and Finance Committees CCLM or during the Council, certain legal items come up, which can then be considered easily under this item of the Conference Agenda.

At this time there appears to be no topic that would have to be discussed under this item. It is not quite to be excluded that one item or another may come up from Commission II and may be referred to Commission III, as has already been done on earlier occasions during the Conference session.

If I may, Mr. Chairman, I would therefore suggest that item 17 be left aside for the time being but remain open for any other topic that may come up while the Commission is still in session.

CHAIRMAN: Unless any delegate has any objection to this, we will pass it over and leave it open for the future.

- B. Administrative and Financial Matters
- B. Questions administratives et financières
- B. Asuntos administrativos y financieros

- 18. Audited Accounts
- 18. Comptes vérifiés
- 18. Cuentas comprobadas

P.J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): Under consideration are the following audited accounts and External Auditor's Reports, Regular Programme 1978-79, which is contained in document C 81/5; the United Nations Development Programme 1979 and 1980, which is contained in documents C 81/6 and C 81/6(a) plus the corrigendums related to these two documents, and also the World Food Programme Accounts 1979 and 1980, which are contained in documents C 81/7 and C 81/7(a).

These accounts and reports have been reviewed in depth by the Finance Committee at its 46th Session and by the Council at its 78th and 80th Sessions. Their comments of both sessions are to be found in CL 78/REP, paragraphs 159 and 162, and in the Conference document before you C 81/LIM/12.

In all cases, the Council has noted the comments of the External Auditor and has endorsed the steps taken by the Director-General with regard to the External Auditor's observations.

In accordance with Financial Regulation XI and 12.10, these accounts are to be approved by the Conference. A draft Resolution is contained in document C 81/LIM/12, which is now before the Conference for its consideration and adoption.

CHAIRMAN: I will now open the floor for discussion, comments, observations or suggestions.

R. A. SORENSON (United States of America): The United States delegation has studied the reports of the External Auditor contained in documents C 81/5, C 81/6 (a) and C 81/7 (a). These reports are very well executed in our opinion and permit my delegation to use this occasion to praise not only the high quality of the Audit Report but FAO's management as well. My delegation is committed to praising good management in the United Nations system wherever we find it.

Since the External Auditor's Report on the Regular Budget has already been examined in an intergovernmental body of which the United States is a member, we will not repeat our comments on that document here, but by reference we include that section of the Report in our general comments on the Report.

On the whole, the External Auditor's Report indicates that FAO's handling of funds is sound and skillful. We find the External Auditor's suggestions well-reasoned and to the point. The recommendations usually call for tightening up rather than re-vamping FAO's execution of certain types of management procedures. For example, my delegation believes that it would be a simple enough step, as recommended in C 81/6(a), to make timely notifications to the banks when there is a change of personnel

who are authorized signatories for certain accounts. We are also sure that FAO managers are hard at work to ensure that the Organization remains within flexibility margins on projects.

We will welcome the announcement in the next Report of the External Auditor that these problems no longer exist, and we join the External Auditor in welcoming FAO's progress toward better budgetary control over UNDP projects, because such control directly affects the credibility of the management of FAO, which FAO not only enjoys with UNDP managers but with the UNDP Governing Council, where significant decisions are made that affect FAO's role as an executing agency for UNDP.

We find that the External Auditor's Report on WFP likewise indicates sound management practices and a well-run programme. Probably the only instance where my delegation disagrees with the recommendation of the External Auditor occurs in sub-paragraph (i) of paragraph 41, where he suggests that there should in future be an application for a contingent supplementary budget estimate to meet unbudgeted expenditure for, among other things, a retroactive general service staff salary increase. Certainly, my delegation's reaction to this proposal will not come as a shock to FAO or WFP management or to other recommendations are well-founded and like those in the Report on FAO point to ways and means of tightening up management procedures that would benefit both programme recipients and all other government members of these Organizations who strive to increase the credibility of FAO and WFP with both our national governments and the public at large.

In conclusion, I would like to make an observation about document C 81/LIM/12, which contains a Draft Resolution for this Conference to consider with respect to the audited account. The document is an extract from the Report of the 80th Session of the council earlier this month. The proposed Resolution» my delegation feels, adequately disposes of the External Auditor's Reports by adopting the audited accounts. However, there are also management issues that the Draft Resolution does not address, the External Auditor's recommendations and the response by management to these recommendations. However, the full extract before us in the paragraph following the Draft Resolution contains language that my delegation believes could easily be adapted for these purposes. That section simply states that the Council endorses the recommendations of the External Auditor contained in his Report and noted the measures taken by the Secretariat in response to these recommendations. I believe that an additional substantive paragraph could be added to the Draft Resolution before us stating that the Conference endorses the recommendations of the External Auditor contained in his Report and notes the measures taken thus far by the Secretariat in response to these recommendations.

19. Scale of Contributions 1982-83

19. Barème des contributions 1982-83

19. Escala de cuotas para 1982-83

CHAIRMAN: I will request Mr. Skoufis, Assistant Director-General, to make a presentation to this meeting.

P. J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): The documents relevant to this item are C 81/LIM/3, Scale of Contributions 1982-83, and C 81/LIM/23, Third Report of the Resolutions Committee Commission III. Document C 81/LIM/3 is an extract from the Report of the 79th Session of the Council and contains a recommended Draft Resolution for approval by the Conference. The Resolution provides that the scale of contributions for 1982-83 should be derived directly from the current United Nations scale of assessments adapted for the differences in memberships between the United Nations organization and FAO. This UN scale, in fact, remains in force for a three-year period, that is, 1980 through 1982. Since the current FAO scale is based on the United Nations scale in force in 1980, the proposed FAO scale for 1982-83 is the same as the current one, however with adjustments to reflect the admission of five new Member Nations which occurred at this Session of the Conference.

It will be noted from document C 81/LIM/23, the Resolutions Committee has examined this Draft Resolution and found it receivable. That document also contains as appendix to the Resolution the proposed scale adjusted to take into account the admission of five new Member States on 7 November 1981. The adoption by the Conference of this proposed scale would be in accordance with past practice and specifically with the decision of the 8th Session of the Conference in 1955 that the FAO scale for future biennia be derived directly from the United Nations scale of assessments in force during the calendar year of each Conference Session.

CHAIRMAN: We now open the subject to discussion. Any delegate wishing to express himself is welcome to do so.

A.F.M. de FREITAS (Brazil): The scale of contributions adopted by FAO, as we heard Mr. Peter Skoufis explaining just now, is derived from the scale of contributions of the United Nations. The mathematical adjustments are due to the absence from FAO of some important contributors.

In the biennium that ends this year the percentage contribution of Brazil to the United Nations is 1.27 which is converted into 1.55 in its contribution to its contribution to FAO. The annual contribution of Brazil to FAO will be increased by about 30 percent in the budget to be approved by this Conference.

Mr. Chairman, with your permission, I would like to propose that the difference between the two scales of contributions should not be determined exclusively by the mathematical application of the UN scale of contributions. Other factors should be taken into consideration. I am thinking of the balance of payments of non-oil-producing developing countries and the resulting burdens which the new obligations present to them.

I am also thinking of the related problem of foreign debt and the high expenditure involved in its servicing. I would mention the recognition by FAO of the existence of the pockets of poverty which are the plight of the so-called Middle Income Countries. Lack of attention to those elements led to the distorted situation which makes a few developing countries responsible for a larger share in the scale of contributions, with some larger countries taken individually.

My delegation would like to submit all those facts to the consideration of this Commission, and to recommend the Secretariat undertake a study in which this situation is duly analysed and a solution is proposed in order to correct the distortion originating from the mechanical application to FAO of the scale of contributions of the UN. Until such a change is adopted my delegation will not be able to support the FAO scale of contributions.

In these conditions my delegation does not approve the proposed scale for the biennium 1982-83.

CHAIRMAN: Is there any other delegate wishing to express himself? If there are no more interventions I will call upon Mr. Skoufis to explain this formula in the light of the remarks made by the delegate of Brazil.

P.J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): As I pointed out in my introductory remarks, the scale of contributions is developed in New York by a committee comprised of Member nations of the United Nations Organization. In developing this scale they have taken into account the consequences of their terms of reference, several of the factors that the distinguished delegate of Brazil enumerated.

However, as pointed out, the scheme which is currently under consideration was adopted by the UN General Assembly 1980 based on statistics provided to the General Assembly by the Committee of Contributions, covering a seven-year period, 1971-77, and taking into account the capacity to pay of the Member nations at that time, and due regard to the economics of developed and developing countries developed this scale.

As we in FAO apply the scale, we must take into consideration the differences in our membership - and there are substantial differences in memberships between the United Nations and FAO. There are nine countries of the United Nations which are not included in FAO. On the other hand, there are five members in FAO that are not members of the United Nations, but there is a substantial difference in the rate of contributions in these different memberships, and in order for the scale of assessment in FAO to add up to 100 percent and collect 100 percent of this budget we have to apply this mathematical scale which brings about different figures for different countries.

The mathematical scale applied to Brazil, of course, is the same mathematical scale applied to all Member nations here in FAO. We would, of course, be happy to re-examine the scale and provide further explanations, and appreciate the concern and reservations entertained by the delegate of Brazil.

20. Other Financial and Administrative Questions

20. Autres questions administratives et financières

20. Otras cuestiones financieras y administrativas

20.2 Headquarters Accommodation

20.2 Locaux du Siège

20.2 Locales de oficina en la Sede

P.J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): I have a busy morning this morning! Item 20.2, Headquarters Accommodation, is elaborated upon in document C 81 /LIM/14 which is before the Conference.

The question of Headquarters Accommodation has been under review by the Finance Committee and the Council for many years. On the recommendation of the Finance Committee the Council has repeatedly requested the Director-General to pursue vigorously and urgently with the Italian authorities the proposal for a new building complex, which is the only permanent solution that would enable the Secretariat of the Organization and the World Food Programme to be grouped in one location.

Pending this, the Council endorsed the Director-General's proposal for some interim solution, and these measures are namely: (1) the construction of office accommodation on the 8th floor, the roof of Building D, which would permit the provision here in Headquarters of approximately 60 additional offices; (2) a second interim measure was the hiring or acquisition of a building in the immediate vicinity of the Caracalla complex, which is the complex here, to be made available to the Organization; and (3) a proposal for the acquisition almost in the immediate vicinity of the Caracalla complex and the construction there of another office block with a view to reducing or completely dispensing with the space' in Building F presently rented by the Organization.

In January 1980 the Government of Italy made available to the Organization the so-called Building D in this compound. I may add that this matter had been initiated and had been under discussion since 1962. However, upon acquisition of this space we were able to release some rented premises, but the Organization still has to maintain rented office space at about six kms. from the main buildings to house about 900 staff members of FAO in the World Food Programme. We identify that building as Building F on the Cristoforo Colombo. This is costing about \$1 million a year in extra staff because of duplication of certain services, as well as the cost of transportation and communications between the two locations. More serious still is the enormous loss of time and efficiency through constant movement of staff and visitors back and forth between the two buildings. I believe members of the permanent representatives here in this room know the conditions to which I am referring.

The Director-General has been in constant communication with the Italian Government and has made repeated communications in writing to expedite action. On the interim measures proposed by the Director-General the Government has indicated its willingness to consider position (1), namely the construction of approximately 60 offices on the roof of Building D. Unfortunately, this measure would be totally inadequate. Even when this construction is completed it would not be possible to release the rented property we have in Cristoforo Colombo and re-establish the members in one location. Moreover, considering it took approximately four years after the construction of Building D got started before it was made available to the Organization - this was four or five years ago when the building was vacated by the Ministry of Post Office and Telecommunications - it took about four years to complete the project. Therefore, even if we started on the 8th floor of Building D, we estimate it would take several years before the additional accommodation would become available,

The other temporary measures, which the Council endorses fully as essential to be undertaken in parallel, have not yet been reacted upon by the Italian authorities.

As regards the new building complex that has been proposed, no concrete action has been taken by the Italian authorities as yet. We have had general verbal expressions of the general will of the Government to construct this complex, which would serve as a World Agricultural Centre. The Government's welcomed intentions were again expressed by the Honourable Spadolini, President of the Council of Ministers, in his address during his visit to FAO on the occasion of World Food Day last month. However, in a realistic assessment of the time required to put up a new building complex, including the necessary preparatory work which would possibly exceed a minimum of ten years from now, the Director-General considers the situation is grave and concrete action would have to be initiated now in order to avoid a prolonged continuation of the present situation.

There is another important aspect of this problem that I wish to bring to attention, and that is the need to undertake major repairs to a prefabricated building put up in 1965 which has already outlived its normal life span. This is Building E which houses staff of our offices in this complex here. There is no space to house the 120 members in that building when it will have to be evacuated to permit the necessary repair work. The alternative would be to rent to our member governments high-cost offices outside, with considerable loss of staff time and efficiency.

It is for these reasons and this background I have provided that the Finance Committee has this autumn recommended to the Council that the matter be brought to the attention of this Conference. The Council has endorsed the recommendations of the Finance Committee that Conference appoint a working party consisting of several Member nations selected on a regional basis which should be convened by the Director-General, to meet with the Italian authorities at the highest level and support the Director-General's representations for prompt remedial action. The Council's recommendations and the Conference resolution is accordingly submitted for the consideration of the Conference and for its adoption in document C 81/LIM/14, which is now before this assembly.

G. BULA HOYOS (Colombia): El señor Skoufis ha planteado muy bien la situación en relación con los locales de oficinas en la sede, de manera que no vamos a repetir los argumentos que ya el expuso.

Nuestra intervención está dedicada exclusivamente a hacer una propuesta formal sobre el documento LIM/14; propuesta que está contenida en dos puntos: primero, proponemos que esta Comisión adopte, apruebe el Proyecto de Resolución que aparece en ese documento LIM/14 y mediante el cual se establece un grupo de trabajo integrado por siete miembros representantes de cada una de las siete regiones de la FAO, y, segundo, que la Conferencia delegue en el Consejo la función de escoger esos siete estados miembros, que el Consejo podría escoger en su 81° período de sesiones inmediatamente después de esta Conferencia.

Hacemos esta propuesta, señor Presidente y distinguidos colegas, porque consideramos que al apoyar la Conferencia misma este Proyecto de Resolución se preserva la función política de órgano supremo de la Conferencia, lo cual estaría de acuerdo con el alto nivel que deseamos dar a este grupo para que pueda, asimismo, tener entrevistas con funcionarios de alto nivel del Gobierno italiano, y al delegar la Conferencia en el Consejo la escogencia de esos siete miembros se facilitarían ese trabajo. Así se ha hecho en el pasado porque, sin duda, el ambiente del Consejo es más reducido, más limitado que el de la Conferencia y es más fácil que se logre esa escogencia.

Consideramos que sería importante incluir en nuestro informe, o tener en mente todos nosotros que, como ya se dijo en el Consejo, los países escogidos para integrar ese grupo de trabajo sean Estados que tengan representantes residentes en Roma, para facilitar la labor de ese grupo, para evitar que se cree una estructura burocrática, porque ese no es el propósito, y también especificar en la parte correspondiente de nuestro informe que la función esencial de ese grupo de trabajo es asistir al Director General, ofrecer el apoyo político indispensable al Director General para que siga tratando con el distinguido Gobierno Italiano estos problemas.

Comprendemos muy bien las dificultades y las situaciones que en ocasiones anteriores han expresado sobre este tema los distinguidos representantes de Italia, pero podemos asegurarles que no se trata de un grupo de trabajo que va a ejercer presiones indebidas, sino que a la altura de la competencia de representantes de gobiernos, y con todo el respeto y la ponderación necesarios, asistir al Director General en este empeño.

Mme. G. ROSSI PEROTTI (Italie): Ma délégation, à l'occasion de la quatre-vingtième session du Conseil de la FAO, a déjà pris position sur cette question et sur le projet de résolution. Elle espère donc que cette précision a bien été enregistré.

CHAIRMAN: Are there any other delegates wishing to make any comments?

R.A. SORENSON (United States of America): I appreciate very much the constructive suggestions and comments of my distinguished colleague of Colombia. I am wondering, however, if we remand this to the Council to make the decision with respect to who will represent each of the regional groups, whether the implementation of this Resolution might not be unduly delayed, because, if I understand the procedures correctly, that would mean that the recommendation of the Council would eventually have to come back to the Conference which is the supreme governing body. Perhaps I am wrong - it is just a point of clarification - but from our point of view we would not want to see any decision made which would unduly delay the implementation of this Resolution.

G. BULA HOYOS (Colombia). Creo que nuestra posición es muy clara y concuerda con la del distinguido representante de los Estados Unidos. Hemos propuesto que la Conferencia, que es el órgano supremo, adopte, apruebe este Proyecto de Resolución, o sea que la decisión se va a tomar aquí; pero que la Conferencia delegue en el Consejo la función de que inmediatamente en el período siguiente a esta Conferencia se escojan esos siete miembros, y esa decisión no tendrá que volver a la Conferencia.

Hacíamos esta propuesta por facilitar esa escogencia, pero si los otros colegas no están de acuerdo con nuestra propuesta, será la Conferencia misma la que los escoja. Pero esto lo hemos hecho en el pasado, y el señor Dobbert podrá confirmar el hecho de que la Conferencia puede delegar en el Consejo sin que esto cause retraso en la decisión.

CHAIRMAN: Before giving the floor to the next speaker I would like to inform this House that consultations have been made with the relevant groups and governments, and the Committee on Headquarters accommodation is as follows: Africa, Congo; Asia to be represented by Bangladesh; Europe, Greece; Latin America is still open; Near East, Saudi Arabia; North America, United States of America; South-West Pacific, Australia.

P.J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): The list of the working party that you have read out, Mr. Chairman, pending the nomination of a Member State by the Latin America Region would be supplied in the Resolution contained on Page 2 of the English version of document C 81/LIM/14, paragraph 2. Since this has already been carried out and consultations with the regions have already taken place, with all due respect for the delegate of Colombia, I believe it would be simpler now to leave it on the basis of adopting the Resolution as put forward by the Council in the LIM document. This would obviate having to take it up again in the Council which, as you recall, is a one-day meeting following this Conference and is already fully engaged with other elections.

CHAIRMAN: Does the delegate of Colombia wish to make an observation on this remark?

G. BULA HOYOS (Colombia): Estoy perfectamente de acuerdo. Yo ignoraba que se habían adelantado ya contactos con otras regiones. Sólo quiero agregar que el grupo latinoamericano, como podrán confirmarlo algunos colegas aquí presentes, ha escogido a Colombia para ser parte de ese grupo.

P. ALVARENGA (El Salvador): En efecto, mi intervención era para apoyar la propuesta de la delegación de Colombia estimando que era más práctica la selección de los miembros de la Comisión en el Consejo. Sin embargo, tal como él lo ha aclarado, si ya se han hecho los contactos suficientes con los grupos regionales la cuestión, entonces, está decidida y, en efecto, confirmo lo que el distinguido delegado de Colombia ha afirmado en el sentido de que el grupo latinoamericano apoya la representación de Colombia para formar parte de esta Comisión.

L. STAMBUK (Yugoslavia): As we are all aware, the present FAO buildings made available by the host Government of Italy are far from being sufficient for accommodating the Headquarters staff of FAO, the World Food Council and the World Food Programme. We wish to express our belief in the goodwill of the Italian Government in finally resolving the pressing problem, although we hope in a somewhat more efficient manner. I should also like to state that the delegation of Yugoslavia fully endorses

the proposed concrete action by the Director-General concerning this matter and the corresponding resolution on it.

CHAIRMAN: Do any other delegates wish to speak on this subject?

M.E. BONDANZA (Argentina): Sí, también quiero expresar que nuestra delegación está de acuerdo en la decisión de Colombia para integrar el Grupo de Trabajo a que se refiere este Documento 14.

CHAIRMAN: I will now request Mr. Skoufis to read out the list again, so that the position is known more clearly.

P.J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): Therefore with regard to paragraph 2 of the Resolution for the Conference regarding Headquarters accommodation, the Conference decides that the working party will comprise the following member nations: Congo, Bangladesh, Greece, Saudi Arabia, United States of America, Australia and Colombia.

20.4 Abolition of Audited Interim Accounts

20.4 Suppression des comptes provisoires vérifiés

20.4 Supresión de cuentas provisionales comprobadas

P.J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): Financial Regulation 2.1 provides that the financial period of the Organization shall be two calendar years. However, the accounts of the Organization have been prepared and submitted to the External Auditor for audit on an annual basis.

In the context of a biennial programme of work and budget cycle the usefulness of audited interim accounts is limited. It has therefore been proposed that the accounts of the Organization should be presented for audit only at the end of each financial period.

With regard to the extra-budgetary activities, we have received confirmation from UNDP that the submission of unaudited interim accounts would be acceptable.

This proposal has been endorsed by the Council at its Seventy-ninth Session and by the Twelfth Session of the CFA in respect of the World Food Programme and it has also been worked out with the cooperation of the external auditors. A draft Conference Resolution outlining the necessary changes to the Financial Resolution is contained in document C 81/LIM/1 dated September 1981, which is now before the Conference for consideration and adoption.

20.5 Status of Contributions

20.5 Etat des contributions

20.5 Estado de las cuotas

P.J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): Item 20.5 concerns the status of contributions and the documents relevant to this Item are: C 81/LIM/15, C 81/LIM/21 which deal with the status of contributions of 4 November 1981.

The Appendix C 81/LIM/15 lists outstanding contributions as at that date. However, subsequent to 4 November and up to today the following additional contributions have been received. These contributions received from 4 November through 19 November are as follows: Belgium - \$1 561 658.59; Burundi - \$11 056.00; Chad - \$1 200.00; Haiti - \$36 702; Mauritania - \$8 195.09; Somalia -\$10 150.36. These contributions received from the fourth of November through today amount to \$1 628 952.04. This, of course, changes the total which you have before you in the LIM document 15, for outstanding contributions at this date now total \$30 244 224.62, of which \$27 216 900.00 is payable in 1981 and \$3 027 324.00 is arrears for 1980 and prior years. A few developed countries

account for approximately two-thirds of the amount outstanding while one developed country you will note alone accounts for approximately one-third of the outstanding balance of \$30 million. The percentage of current assessments collected to date is 80.19 percent compared with 95.65 percent on the same date during the last Conference year in 1979 and 94.41 percent in 1977. Unfortunately the current rate of receipts is one of the lowest on record for a conference year.

With regard to document C 81/LIM/21, the attention of the Conference is drawn particularly to the deep concern expressed by the Council with the unprecedentedly serious position of receipts of contributions throughout much of 1981, as compared with previous years. The rate of receipts has in fact often been lower than the proportional share of the budgetary appropriations. The principle factor giving rise to this adverse contribution position was that several major contributors had significantly shifted their patterns of payment contributions during 1981 until much later in the year and in fact the largest contributor has advised the Organization that in the future its payments would normally be made only in the fourth quarter of the year. The financial regulations of the Organization provide that contributions are due and payable in full within 30 days of the receipt of the communication of the Director-General informing member nations of their obligations in respect of annual contributions to the budget. The Director-General's communications are normally dispatched in mid-December, therefore all contributions should be received at the latest within February of each year.

The cash flow problems arising from a deterioration in the payments of assessments had required the Director-General, in order to ensure the implementation of the Organization's programme, to propose both the increase in the level of the working capital fund which this Conference will be considering under Agenda Item 20.7 and an authority to borrow, which the Eightieth Session of the Council has already approved. Therefore the Conference may wish to reflect these considerations also in its report and make an appeal for the early payment of assessments in 1982 with a special request to the larger contributors that a high priority be given to the timing of payments to the Organization.

20.8 Remuneration of the Director-General

20.8 Emoluments du Directeur general

20.8 Remuneración del Director General

P.J. SKOUFIS (Assistant Director-General, Department of Administration and Finance): The information on this item is contained in Document C 81/LIM/18. Its purpose is to submit for the consideration of the Conference a proposed resolution under General Rule XXXVI.1(c), which would bring the Director-General's salary and allowances into line with those of executive heads of other United Nations agencies. The document refers to the International Civil Service Commission's recommendations that thirty points of post adjustment, approximately five classes, be consolidated into the base salary of staff in the professional and higher categories on the basis of no loss and no gain to the organization or staff and that the resultant salary scales become effective on 1 January 1981. These recommendations of the Civil Service Commission were approved by the Council and have already been implemented with regard to the FAO staff, except for the Director-General whose remuneration, of course, is established by the Conference.

The Secretariat has been informed that action has been taken in the other United Nations agencies to give effect to the consolidation of post adjustment with regard to their respective executive heads on a no gain, no loss basis. Therefore, your attention is drawn to the operational paragraphs of the proposed resolutions numbered 1 and 2 on the second page of the document before you. This brings about the consolidation recommended by the International Civil Service Commission.

Paragraph 3 of the Resolution proposes that provision should be made whereby such routine changes in entitlements in the future be introduced for the professional and higher categories and approved by subsequent Council action would then therefore automatically apply to the emoluments of the Director-General. This would obviate the need for bringing to the Conference a matter of such an administrative routine nature.

Lastly, paragraph 4 proposes to bring the representation allowance to \$24 000 effective January 1, which would be in line with that paid to other United Nations executive heads. The last revision of the Director-General's allocation allowance occurred in 1977, four years ago.

R.A. SORENSON (United States of America): This is a question which my Government addressed at length in the Council. My Government opposed the action taken in the General Assembly to increase salary levels throughout the United Nations system. However, since the General Assembly did take action we recognize, as Mr. Skoufis pointed out, that the Resolution before us is simply an attempt to bring

the total remuneration package of the Director-General into line with what has been done elsewhere. My Government simply wishes to note, therefore, that we have opposed and we continue to oppose salary increases throughout the United Nations system, at a time when we are cutting our own. Having said this for the record, my delegation would not wish to stand in the way of a consensus.

CHAIRMAN: Since there are no indications of any further comments we would like to conclude this item. Thank you for your cooperation. The meeting is adjourned.

The meeting rose at 11.30

La séance est levée à 11 h 30

Se levanta la sesión a las 11.30 horas

conference

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

conférence

ORGANISATION DES NATIONS UNIES POUR L'ALIMENTATION ET L'AGRICULTURE

conferencia

ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION

C

C 81/III/PV/2

Twenty-first Session
COMMISSION III

Vingt st unième session
COMMISSION III

21° período de sesiones
COMMISSION III

SECOND MEETING
DEUXIEME SEANCE
SEGUNDA SESION

(19 November 1981)

The Second Meeting was opened at 15.00 hours,
S.A. Qureshi, Chairman of Commission III, presiding

La deuxième séance est ouvert à 15 h 00
sous la présidence de S.A. Qureshi, Président de la Commission III

Se abre la segunda sesión a las 15.00 horas,
bajo la presidencia de S.A. Qureshi, Presidente de la Comisión III

PART III - CONSTITUTIONAL AND ADMINISTRATIVE MATTERS (continued)

TROISIEME PARTIE - QUESTIONS CONSTITUTIONNELLES ET ADMINISTRATIVES (suite)

PARTE III - ASUNTOS CONSTITUCIONALES Y ADMINISTRATIVOS (continuación)

A. Constitutional and Administrative Matters (continued)

A. Questions constitutionnelles et juridiques (suite)

A. Asuntos constitucionales y jurídicos (continuación)

20.3 The Regional Office for the Near East

20.3 Bureau régional pour le Proche-Orient

20.3 Oficina Regional para el Cercano Oriente

CHAIRMAN: I open the second meeting of Commission III, continuing with Item 20, Other Financial and Administrative Questions, and we will deal with 20.3, The Regional Office for the Near East. The document before us is C 81/29.

S. JUMA (Assistant Director-General, Regional Representative for the Near East) (Original language Arabic): The Fifteenth Regional Conference for the Near East requested the Director-General to include an item on the Regional Office for the Near East in the Agenda of the 21st Session of the FAO Conference. In response to this request, the Council at its 79th Session approved the inclusion of this item, and a document (C 81/29) entitled "The Regional Office for the Near East (RNEA)" was prepared.

This document includes a brief reference to the background of this item as well as the full text of Resolution 20/79 adopted by the 20th Session of the Conference, on the same subject.

The document shows that the Director-General has implemented completely all the actions called for by the said Resolution, including the closure of the Regional Office in Cairo. The Programme of Work and Budget of RNEA was replanned to ensure maximum service to the countries of the Near East Region within the limits of the net resources available. This task was carried out through collaboration between the Assistant Director-General/Regional Representative for the Near East and Headquarters technical divisions and other units. The Programme Committee noted with satisfaction that the closure of the Cairo Regional Office had been completed with efficiency and in the minimum time. The Finance Committee noted the budgetary adjustments proposed and also expressed satisfaction.

The expenses for the closure of the Regional Office were completely covered by voluntary contributions from some countries of the Region, amounting to one million dollars.

The document briefly refers to the 1982/83 Programme of Work and Budget, which is submitted in full detail to the Conference in document C 81/3. It may be noted that activities will continue in various sectors of food production, arid zone and marginal area problems, animal production and health, marine and inland fisheries, forestry, desertification, human resources development and others, with a proposed net programme increase of US\$ 410 000 as shown in paragraph 15 of the document before you. In addition, it is proposed to maintain the same number of regional professional staff to ensure efficiency of service as shown in paragraph 17 of the same document.

S. AL LOZI (Jordan) (Original language Arabic): We have read document C 81/29 which was prepared by the Secretariat on the Regional Office for the Near East. We have also listened to the brief statement presented on the subject by the Regional Representative, Dr. Juma. This statement deserves to receive the close attention and interest of the countries of the Near East and I wish to make clear the point of view of Jordan in this connexion.

It also gives me great pleasure to thank the Director-General who has implemented the Resolution on the closure of the Near East office, adopted by the previous Conference in November 1979, calmly and without undue delay. I also wish to refer to the fact that the modified Programme and Budget of the Regional Office for the year 1981 was implemented in cooperation with the Regional Representative on the one hand and the professional and financial staff at the Headquarters and on the other hand under the supervision of the Director-General and with his support. Since the position of my government was and still is to support all the activities of the Regional Office by all the countries of the Region, yet

from the practical point of view and as the interest of the Region requires that, we agree to maintain the present situation and conditions of the Office for 1982-83. The consultations which were conducted with a great number of the Arab and friendly countries within and without the Middle East Region seem to support this view. We hope that this Commission will likewise support this view and unanimously approve it,

M. SALAMEN (Syria) (Original language Arabic): It gives me great pleasure to take the floor on behalf of my country's delegation to speak on the subject of the Near East Regional Office as submitted in document C 81/29. Undoubtedly all member countries of our Organization agree with us that this subject is of considerable interest and particularly to the countries of the Region. This is why we have requested that it be added on the Agenda of our Conference. We have exhaustively considered the contents of this document and after having heard the statement of the Director of the Regional Office, Mr. Juma, we wish to put on record our great appreciation and satisfaction with the implementation of the Conference Resolution.

We likewise wish to express our gratitude and appreciation to the Director-General for his intensive efforts in implementing that Resolution. He has taken all the necessary measures considering the new situation to provide all services and requirements to all countries of the Region, without any delay this enabled the Office to pursue its activities in a satisfactory manner. All the governments concerned welcomed the steps taken by the Director-General, this in spite of the exceptional circumstances imposed on our Region which led to adoption of the above mentioned Resolution at the previous Conference. As the same conditions still prevail in the region and there are no changes in the position of the countries of the Region, the delegations concerned have studied the situation in the light of their own interests.

Therefore we wish the status quo to be maintained as proposed by the Director-General in paragraph 18 of document C 81/29 and of the Resolution 79/20. At the same time we agree with the Director-General's proposals for supporting the activities and the budget of the Regional Office. We are quite convinced that the Regional Office under the supervision of its Regional Director and the Director-General will take the necessary measures to guarantee the efficient operation of the office in the interests of all the countries of the Region.

M. DAWOOD (Egypt) (Original language Arabic): The delegation of the Arab Republic of Egypt wishes to thank the Director-General for the efforts and wisdom he has displayed in preparing this Report on the Regional Office for the Near East. We also wish to address our thanks to the Assistant-Director General, the Regional Representative, for the statement he has delivered a while ago.

Egypt, as you know, has hosted the Regional Office ever since its establishment in 1948 and I believe that Egypt has never relinquished its commitments or responsibilities towards this Regional Office throughout all of 37 years. Now the circumstances prevailing in the Region have led to the adoption of a Resolution for closing down the Office, for reasons that we will not mention here. We nevertheless wish to express the desire of our Government to continue to host this Regional Office and we wish to express the preparedness of our Government to continue its support to all the activities of the Regional Office and activities undertaken in the various areas. In addition, being aware of the prevailing conditions in the area and the changes that have taken place and are taking place daily, the delegation of my country is fully prepared to support the proposal of the Director-General as contained in paragraph 18 of document C 81/29 which provides for maintaining the status quo and present arrangements for that Office, for the next two years, 1982-83.

My Government hopes that, in the meantime, all the factors that have led to the present situation will end and that this Office will resume its activities from its historical site in an atmosphere of friendly and brotherly relations among the members of this Regional office who have participated in and benefitted from its services, in the whole Region.

A.M. SALEH (Iraq) (Original language Arabic): Mr. Chairman, you undoubtedly recall that two years ago at the last Conference the question of the continuing activities of the Regional Office in Cairo and the various obstacles that prevented the countries of the Region from dealing with that Office from its previous site was discussed. Efforts were undertaken to make sure that this Office would be more efficient or would continue at its previous efficiency; this is the reason why we adopted the agreement reached at the previous conference. A great number of the member countries fulfilled their commitments and obligations for the closing down of the Office and expressed their appreciation for all

the efforts undertaken by the Organization under the supervision of the Director-General and hope that this efficiency will continue since conditions have not changed in our Region. In spite of the fact that we are not convinced that this Regional Office should be established outside that Region, yet until the next Conference we agree that this Office should continue to operate from where it is and that the Director-General will do whatever is convenient for re-opening this Office in one of the countries of the Region in future, with the exception of Egypt.

A. KAMOUN (Tunisie) (langage originale arabe): Au cours de la vingtième session de la Conférence de l'Organisation, il y a deux ans, les pays arabes membres de la région du Proche-Orient se sont mis d'accord sur l'adoption d'une résolution spéciale concernant le bureau régional du Caire. Cette résolution, qui a été soumise à la Conférence, a été approuvée à l'unanimité. Et la Conférence a demandé au Directeur général d'entreprendre sa mise en oeuvre immédiate.

Monsieur le Directeur général a répondu à cette demande et a pris toutes les dispositions nécessaires» comme cela apparaît dans le document préparé par le Secrétariat général - document qui fait l'objet du débat de cette Commission.

Un grand nombre de délégations ont pris la parole en Commission II, lors du débat sur le programme de travail et de budget. Ils ont parlé des bureaux régionaux et la plupart des délégués étaient d'accord sur le fait que les bureaux régionaux ont un rôle vital et important à jouer dans le cadre de la politique de décentralisation adoptée par l'Organisation.

A partir de là, nous estimons que le maintien du bureau régional pour le Proche-Orient est absolument indispensable dans l'intérêt des pays que ce bureau dessert. Les délégations de ces pays auraient souhaité qu'il soit possible que le bureau reprenne ses activités à partir d'un pays de la région et non à l'extérieur de la région. Cependant, parallèlement, les circonstances, qui ont rendu nécessaire l'adoption d'une résolution de fermeture du bureau, demeurent. C'est pourquoi le maintien des dispositions actuelles, relatives à la manière dont ce bureau a conclu ses activités, est considéré comme la meilleure solution pour les deux années à venir.

DIRECTOR-GENERAL (Original language Arabic): It gives me great pleasure to express my thanks to the delegations of the Near East region who have taken the floor on the subject. Likewise I wish to thank them for all the appreciation and the credit given for the efforts we have undertaken to maintain the effectiveness and efficiency of the Regional Office, in spite of the exceptional circumstances which have affected the Near East region and led to the adoption of Resolution 20/79 at the Twentieth Session of the Conference.

On this occasion I cannot but also express my appreciation of the efforts made by my assistant, the Regional Representative for the Near East, as well as all the other staff of the Regional Office, who have contributed to a considerable degree, to our successfully accomplishing the work entrusted to us for the Region.

We are proud of the confidence you have placed in us and we shall always endeavour to do our very best to respond to your requirements and make such arrangements as would guarantee the efficiency and continuity of the services to the countries of the Region.

CHAIRMAN :We have listed other financial and administrative questions for the afternoon. I understand the discussion is concluded and there is no more delegation wishing to speak on the subject. This afternoon session stands concluded.

The meeting rose at 15.30 hours

La séance est levée à 15 h 30

Se levanta la sesión a las 15.30 horas

conference

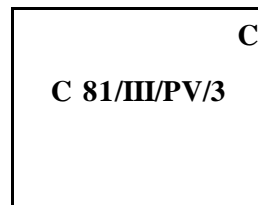
FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

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ORGANISATION DES NATIONS UNIES POUR L'ALIMENTATION ET L'AGRICULTURE

conferencia

ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION



Twenty-first Session
COMMISSION III

Vingt st unième session
COMMISSION III

21° período de sesiones
COMMISSION III

THIRD MEETING
TROISIEME SEANCE
TERCERA SESION

(20 November 1981)

The Third Meeting was opened at 10.00 hours

S.A. Qureshi, Chairman of Commission III, presiding

La troisième seance est ouverte à 10 h 00 sous la présidence de

S.A. Qureshi, Président de la Commission III

Se abre la tercera sesión a las 10.00 horas, bajo la presidencia de

S.A. Qureshi, Presidente de la Comisión III

CHAIRMAN: The meeting is called to order. Before we start the formal proceedings I have an announcement to make. As a result of the consultations with various regional groups we have been able to finalize the composition of the Drafting Committee. This Committee will be chaired by the delegate of Australia, Mr. J. Sainsbury. The members of the Drafting Committee will be from Canada, Hungary, Kenya, the People's Democratic Republic of the Yemen, Philippines, Switzerland and Uruguay.

PART III - CONSTITUTIONAL AND ADMINISTRATIVE MATTERS (continued)

TROISIEME PARTIE - QUESTIONS CONSTITUTIONNELLES ET ADMINISTRATIVES (suite)

PARTE III - ASUNTOS CONSTITUCIONALES Y ADMINISTRATIVOS (continuación)

- B. Administrative and Financial Matters (continued)
- B. Questions administratives et financières (suite)
- B. Asuntos administrativos y financieros (continuación)

- 20. Other Financial and Administrative Questions (continued)
- 20. Autres questions administratives et financières (suite)
- 20. Otras cuestiones financieras y administrativas (continuación)

- 20.1 Amendments to the Provisions of the Special Reserve Account
- 20.1 Amendements des dispositions concernant le Compte de réserve
- 20.1 Enmiendas a las disposiciones de la Cuenta Especial de Reserva

The first item on the Agenda is 20.1, Amendments to the Provisions of the Special Reserve Account. I will give the floor to Mr. West, Assistant Director-General of FAO, and request him to brief the meeting.

E.M. WEST, (Assistant Director-General, Office of Programme, Budget and Evaluation): You have the document before you, C 81/LIM/2, which is an extract from the Report from the session of the Council a few days back which considered the matter and transmitted to you the Resolution which you find in the document.

Before the meeting of the Council the matter had been considered by the Finance Committee in its spring session, and their Report is to be found in CL 79/4, paragraphs 3.66 to 3.71. It has therefore been examined by the Finance Committee, which deals with such matters in detail, and then by the Council.

Returning to C 81/LIM/2, you will see that the Council noted the situation under which the Organization was operating, and paragraph 185 gives some details of this situation. Basically the situation is the same as described in paragraph 185. There are some variations of detail which are still in process and will continue to the end of the year, but the overall situation is exactly the same. In fact, on the expenditure side it may become a little worse, whereas on the currency side it may become a little better.

The underlying situation is still the extremely paradoxical and unsatisfactory one that under the present Regulations we have a situation in which the facility in the Special Reserve Account for unbudgeted costs is extremely insufficient while at the same time currency gains are piling up in the Special Reserve Account, which cannot be used to offset unbudgeted costs. Apart from this, the size of the Special Reserve Account has become much too small in proportion to the total of the budget. So the Resolution provides for three simple changes which are changes of detail rather than of substance except in regard to the availability of funds for offsetting unbudgeted costs, the three changes in paragraph 187 of the Council Report.

In sub-paragraphs (i), (ii) and (iii) of paragraph 187 of C 81/LIM/2 you see the substance of the changes proposed in the draft Resolution. As you will note, the large majority of members in the Council fully supported these proposals. The Director-General hopes therefore that the Conference will similarly support these proposals, since they are fundamental to the efficient management of the Organization's resources in the next biennium.

R.A. SORENSON (United States of America): My delegation has carefully studied Document C 81/LIM/2 containing proposed amendments to the provisions of the Special Reserve Account. We also attentively followed the discussion in the Council of this issue. In the light of this examination, my delegation has three main objectives to the proposed changes in the Special Reserve Account.

In the view of my delegation, the Reserve involved will, either directly or indirectly, constitute an additional and extra assessment to be borne by each of the Members of the Conference. We think that it should be clearly pointed out that this extra assessment in dollars will not carry with it any programme growth or benefit. Instead, each Member State will forego the return of the share of an accumulated cash surplus. FAO will retain this cash instead of easing the burden of contributions of all of us.

It might be argued that with the growth of inflation there is need to increase this fund. However, this fund is determined as an expressed percentage of the regular budget. Those who have followed the discussion of the regular budget in Commission II are well aware that the reason why the Secretariat claims a budget growth of only 6 percent instead of over 35 percent is that most of the larger figure is provision for inflation rather than programme growth. This means that the regular budget of the Organization already takes into account the best judgment of the Secretariat with respect to what the inflation picture is likely to be over the biennium. Thus it must be recognized that the Special Reserve Account which is a percentage of the regular budget grows as the overall level of the regular budget increases. Our view is that the Special Reserve Account is to protect the Organization against exchange rate fluctuations, and it has been proven adequate for this and these other purposes in the past. We believe that with the increase in the overall total of the regular budget there will be an adequate increase in the level of the Special Reserve Account to continue to meet the purposes for which we established that account in the first place and as it has in the past.

Finally, my delegation believes that we should avoid enlarging this account in a way that would protect the Organization from being required to make the tough decision that all of us sometimes make personally and that all of our governments make when faced with unforeseen economic difficulties.

A. PIRES (Cap-Vert): Ma délégation souhaite intervenir sur deux points qu'elle juge très importants.

Tout d'abord, je voudrais parler du Compte de réserve spécial. Ma délégation a étudié avec beaucoup d'attention le projet de résolution qui nous est soumis et qui apporte des modifications aux dispositions du Compte de réserve spécial. Comme à l'accoutumée, cette résolution est loin d'être une création ex nihilo, mais résulte des recommandations du dernier Conseil qui ont par ailleurs reçu l'aval du Comité financier et du Comité sur les questions juridiques constitutionnelles.

Nous avons donc tous disposé de beaucoup de temps et des informations nécessaires à notre prise de décision. Aussi, je suis convaincu que la Conférence parviendra rapidement à voter unanimement en faveur de cette résolution. Les faits et les arguments sont suffisamment parlants en eux-mêmes pour nous épargner d'inutiles discussions.

Dans sa forme actuelle, le Compte de réserve spécial ne sert pas les objectifs pour lesquels il a été créé. Il doit donc être amendé, et amendé d'urgence.

Je n'ai, pour ma part, aucune virgule à ajouter ou à retrancher aux amendements proposés par la résolution. Ces amendements sont justifiés et très raisonnables; et ils permettent surtout de sauvegarder l'intégrité du programme que nous avons appuyé. Nous ne tolérons pas en effet de rester impuissants devant les conséquences de l'inflation, alors que nous pouvons parfaitement les endiguer par ces moyens.

Si vous le permettez, j'aimerais en même temps intervenir sur le fonds de roulement, c'est à dire sur le document C 81/LIM/23. Nous pensons qu'à ce stade très avancé du débat il n'y a pas grand chose à ajouter à ce qui a été dit, sinon que mon gouvernement approuve totalement la proposition d'augmenter le fonds de roulement de 5 à 13,25 millions de dollars. Nous pensons que cette augmentation, comme beaucoup l'ont souligné, n'est qu'un réajustement proportionnel à l'augmentation des contributions qui sont dues à l'inflation.

Par ailleurs, cette mesure, tout comme celle concernant le Fonds de réserve spécial dont je viens de parler, ainsi que celle donnant au Directeur général l'autorité d'emprunter, répondent à un souci urgent et très justifié: celui de donner plus de flexibilité au Secrétariat dans sa gestion financière à un moment où la conjoncture interdit toute rigidité.

J'invite donc tous mes collègues ici présents à appuyer la proposition du Secrétariat.

G. LIEBER (original language German) (Germany, Federal Republic of): The proposed amendments of the rules for the Special Reserve Account on which we have to take a decision should in the opinion of my delegation be viewed in the broader context of the package of measures, destined to protect the FAO Programme of Work and Budget 1982-83 against negative influences caused by monetary developments, inflationary cost increases and unforeseeable developments as for instance staff cost rises. The two other components of this package are the already approved - by the 80th Session of the Council -authorization for the Director-General to borrow money on the credit market and the Working Capital Fund of the Organization.

My delegation recognizes that in view of the given situation we are all confronted with the need for adequate security measures to safeguard FAO's Programme of Work and Budget. This goes without saying. We are, however, of the opinion that the proposed funding of this security package goes beyond the necessary level and that, consequently, considerable sums are blocked that could be used more effectively for development purposes.

We have consequently expressed this view in the past during the discussions on the Programme of Work and Budget and maintain it. We are, therefore, not in a position to support the resolution on the Special Reserve Account before us. We have expressed this view last at the 80th Session of the Council which preceded the Conference.

Under items 20.6 and 20.7 this Commission will also deal with the Working Capital Fund. In this context I would already now like to state that we, setting aside considerable reservations, will not oppose a consensus on the proposed increase of the level of this Fund. By this we would like to honour the attitude of the Secretariat that, as a consequence of the discussion during the 48th Session of the Finance Committee in September, agreed to a lower level of the WCF, as originally proposed. Unfortunately, the Secretariat did not show a similar attitude towards the Special Reserve Account.

S. DE MARE (Sweden): I am making this statement on behalf of the Nordic countries, Denmark, Finland, Norway and Sweden. Our delegations are in principle favourable to an increase of the means at the disposal of the FAO to cope with the effects of unbudgeted extra costs. This view has also been expressed by the Swedish delegation at the Seventy-Ninth Council meeting when the proposal to modify the Special Reserve Account was discussed. A drastic curtailment of agreed programmes due to the effects of inflation rates that cannot be anticipated and expected should in our view be avoided as far as possible. The Organization should on the other hand also be able to accumulate some price increases by making proper savings in its administrative and relief programmes. It is in this respect also necessary to forecast realistic costs increases for the coming biennia when preparing the budgets of FAO. The Nordic delegations would thus agree to an increase in the Special Reserve Account from 2.5 percent to 5 percent of the effective working budget, as proposed in document C 81/LIM/2 and the Draft Resolution. This implies a significant increase of the Reserve Account that will give sufficient protection in the future against unbudgeted costs. These sharp currency fluctuations that have occurred during many years and will certainly continue to do so in the future are causing difficult situations in the Organization.

It is thus very important to try to establish as realistic a lire rate as possible for the dollar when the budget is decided by the Conference. For these reasons, we also find it necessary to keep a certain limitation on the use of the account to cover unbudgeted costs due to inflation. According to the Nordic delegations, 20 percent of the increased Reserve Account must be kept exclusively to cover exchange rate fluctuations. This special currency reserve would amount to around \$3.7 million for the next biennium when calculated on the budget level of \$368 million.

The Nordic delegations consider such a particular reserve within the Special Reserve Account to be of great value despite its rather limited size, especially if all other measures are taken to mitigate as far as possible the exchange rate fluctuations.

One such measure which we feel could be further implemented by the Organization is the change from dollars to Special Drawing Rights (SDR's) as the basis for the FAO budget. As the SDR's are calculated on the weighted value of all the currencies among the members such a change would imply a high degree of stability within the present system. We would very much appreciate the Secretariat's comment on this question, and the meaningfulness of having it further elaborated by the competent bodies of FAO, at least the Finance Committee and the Council.

Finally, coming back to the more specific questions of the Special Reserve Accounts, the Nordic delegations could, but not without a certain hesitation, agree to approve withdrawals with respect to unbudgeted costs from the Council to the Programme and Finance Committees. The main reason for our hesitation at the present time is the cost it would entail.

J. PIRIZ JORGE (Uruguay): Muchas gracias señor Presidente, todos hemos exigido a la Secretaría la máxima eficiencia en su gestión con el fin de obtener los máximos resultados de los recursos disponibles que lamentablemente son, en términos reales, año tras año, más reducidos. Bien señor Presidente, si todos estamos de acuerdo en exigir mayor eficiencia y, en general, estamos de acuerdo en que la Organización ha cumplido satisfactoriamente dicha exigencia, no podemos, nosotros mismos, impedir a la Organización el ajustar los medios de que dispone para alcanzar los resultados que se le exigen. Más aún, señor Presidente, no podemos caer en la incoherencia de mantener una reglamentación de la Cuenta Especial de Reserva que resulta un factor de ineficacia. Nos parece una medida de pésima administración financiera el que, mientras por un lado, se recortan programas reduciendo su efectividad y se retiran sumas del Fondo de Operaciones para cubrir costos no presupuestados de más de 18 millones de dólares, por otro lado se acumulan fondos ociosos, como ingresos varios, por montos superiores.

Es indudable, señor Presidente, que en 1977, al adoptarse la Resolución 27/77, se subvaloraron tanto la evolución de la inflación como la fluctuación de cambios.

Creemos pues, que es necesario ajustar dicha Resolución y, en este sentido, apoyamos la propuesta de elevar la Cuenta Especial de Reserva al 5 por ciento del Presupuesto de Operaciones Efectivo. Podría preguntarse, señor Presidente, por qué un 5 por ciento y no un 4 o un 8. En ello no existen normas generales y debe considerarse, en cada situación, cuál es la reserva necesaria para este fin. El porcentaje propuesto nos parece razonable y si la Secretaría a la que hemos otorgado, en esta misma Conferencia, nuestro apoyo y confianza ha aceptado esta propuesta, debemos pensar que ha estudiado el problema a conciencia y que, por lo tanto, debemos otorgarle el mismo apoyo y la misma confianza cuando nos pide instrumentos para cumplir mejor con sus fines.

Además, señor Presidente, consideramos que una vez aprobado un Programa, el mismo debe ser ejecutado completamente, de modo que alcance sus mejores resultados. Es indudable que la acción en un momento en que nos enfrentamos a necesidades crecientes con recursos reales, cada vez más limitados, debe orientarse, más que nunca, hacia la obtención de los máximos resultados con el mínimo gasto. Pero por qué recortar programas mientras se dispone de fondos ociosos. Consideramos que los resultados de la Organización deben medirse en porcentajes de aumento de la producción o en disminución en los indicadores de la malnutrición, y no en intereses bancarios de depósitos.

Por ello señor Presidente, no encontramos tampoco ninguna justificación en la limitación al 4 por ciento del porcentaje de la reserva que puede ser utilizado para cubrir costos extraordinarios no presupuestados. Consideramos que dicho límite es arbitrario y debe ser limitado. El mismo, sólo se justificaría si nos encontráramos frente a una administración financiera que no contara con nuestra confianza y, al estar a lo que se ha expresado en los distintos órganos de este período de sesiones, éste no es el caso.

Por último, señor Presidente, es indudable que el establecimiento de mecanismos de supervisión y control es un principio de buena administración. Sin embargo, estos mecanismos no deben de ser tales que le den al uso de las reservas una rigidez tal que le quiten su efectividad. Los principios que guíen su funcionamiento deben de ser la seguridad y la agilidad. Consideramos que esto se logra facultando a los Comités de Programas y de Finanzas para utilizar las retiradas de las cuentas de reserva tal como se propone en la Resolución. De esta forma, señor Presidente, consideramos que se logre un razonable nivel de seguridad ya que éstos son los órganos de consejo formados por representantes de los Países Miembros elegidos, además, por sus capacidades personales. Por otra parte, su funcionamiento es más flexible y ágil y, por tanto, adecuado a este fin.

Por todo lo expuesto, señor Presidente, nuestra delegación apoya la Resolución tal como se nos presenta.

A. AZEEZ (Maldives): Thank you for giving us the floor to speak on this important subject of amendments to the provisions of the Special Reserve Account. We have carefully considered the matter and find the current provisions, both on the level of the Special Reserve Account and the limitations of its use, unrealistic and unnecessarily restrictive, especially so in these days of unpredictable currency fluctuations and inflationary trends.

We should ensure that adequate cash resources are available to the Organization to implement the draft Programme of Work and Budget. Therefore we strongly support the amendments which prescribe the level of the Special Reserve Accounts be increased to five percent of the working budget, and that the limitation on the use of the account to cover unbudgeted extra costs be removed.

We also endorse that the provision for approval of withdrawal in respect of unbudgeted costs be entrusted to the Programme and Finance Committees.

R. ROUPHAEL (langue originale arabe) (Liban): Nous avons étudié le document C 81/LIM/2 avec beaucoup de soin. Et nous avons écouté avec beaucoup d'intérêt l'introduction qu'en a faite M. West.

Je souhaite très sincèrement que les amendements proposés soient acceptés unanimement, car il est de notre devoir à tous d'accepter cette proposition.

D'autre part, la situation à laquelle nous sommes confrontés aujourd'hui est celle d'un accroissement des activités face à un taux d'intérêt qui ne cesse de croître. Donc, il y a inflation et en même temps fluctuation des taux de change, et ces deux éléments ont augmenté les dépenses extra-budgétaires de la FAO.

Le compte de réserve spécial n'a rien de nouveau. Il a été créé il y a environ trois ans; il devait être de 5 millions de dollars, ressources renouvelables, et équivaloir à 2,5 pour cent du budget pour la période biennale. Mais, à ce moment là, personne ne s'attendait à ce phénomène d'accélération de l'inflation qui s'ajoutait aux fluctuations des taux de change. C'est pourquoi nous devons passer à 5 pour cent pour ce compte de réserve spécial car, étant donné la situation actuelle, le compte n'est pas suffisant et ne permet plus de financer les dépenses extra-budgétaires. En outre, il ne permet pas de nous protéger contre l'inflation ni contre la fluctuation des taux de change. Ceci d'autant plus que ces dépenses sont arrivées à 18,5 millions de dollars, ce qui a conduit le Directeur général à réduire les activités prévues au budget.

Nous ne devons pas mettre la FAO dans une situation critique, ni mettre des obstacles à la mise en oeuvre du budget. Ce compte ne devrait pas être gelé mais être porteur d'intérêts. Il doit avoir la possibilité de transférer et d'utiliser les fonds qui y sont déposés. En outre, je dois dire que nous ne devons pas donner au Directeur général une autorité particulière, considérant que l'autorité, pour l'approbation des programmes, relève de la Conférence.

Ces programmes ayant été approuvés, s'ils dépassent nos moyens, il nous appartient de trouver la solution aux problèmes de telle sorte que nos programmes restent dans le cadre de nos possibilités financières.

Pour toutes les raisons que j'ai exposées, ma délégation sera d'accord avec le projet de résolution. Nous espérons qu'elle sera unanimement appuyée, notamment pour que le Comité du Programme et le Comité Financier, dont la tâche sera de faire ce travail, puissent le réaliser avec le maximum d'efficacité.

D.R. SHARMA (Nepal): My delegation is glad that Council at its 78th Session instructed the Director-General to review the current validity of the application and effectiveness of the Special Reserve Account with a view to submitting proposals to us at this Session and on the basis of that document the Director-General submitted it to the CCLM and Finance Committee and the Council at its 79th Session recommended that resolution to us. We believe this is an issue on which the Conference should rapidly reach a decision. The facts speak for themselves.

How can we continue to face a situation in this biennium in which currency gains pile up but cannot be used on unbudgeted costs to more than 2 percent of the effective working budget? Alternatively, how can we see the situation going in the reverse direction during the next two years, which could well be the case?

The Special Reserve Account was established four years ago at a level of \$5 million with approval for subsequent replenishment in the working budget for the following biennium. At the same time, the Conference exercised its judgement on this level. At that time it was perhaps understandable that the Conference did not anticipate the great change in interest rates and the currency adjustments and inflation which came about during the current biennium.

It is an unprecedented but not necessarily a one-time occurrence that inflation rates have been running at 20 percent per annum for the last two years and may continue to do so for the next two years.

It is extraordinary but worrying that the dollar has gained 50 percent against the lira since the last Conference, mostly over these past few months. All this could change equally rapidly. It is quite clear that an amount which gives a margin for only 2.5 percent is now quite unrealistic. We are therefore glad that the large majority of the Council members agreed that the Special Reserve Account should be increased to at least 5 percent of the effective working budget. We think an even higher percentage could easily be justified and that 5 percent is the minimum level. My delegation agrees, of course, that the present limitation of 2 percent to finance unbudgeted extra costs of approved programmes due to unfortunate inflationary trends should be removed. We could not understand or support the view which we understand was expressed by a minority in the Finance Committee and Council that while the total should be increased to 5 percent, the use of the Special Reserve Account to cover unbudgeted extra costs should still be limited to 4 percent. This seems to be entirely arbitrary. Let us remember that we are not issuing a blank check to the Director-General or to anyone else, which I think the delegation of Lebanon has rightly expressed. We are not giving authority to the Director-General to add to the total appropriation resources for programmes which should be implemented in full.

If, however these approved programmes are affected by unbudgeted extra costs this would be protected within the entire limit of the resources of the Special Reserve Account.

We also fully agree that the approval of such results should be delegated by the Council to the Programme and Finance Committees. We have seen the rapidity of inflationary developments. The changes are so rapid and unpredictable that no one, least of all this Conference, can foresee at the time of the approval of the Programme of Work and Budget all the changes which might occur over the next two years. The Programme and Finance Committees are bodies of the Council itself, they have the ability to discharge their mandate and we should delegate this further responsibility to the Committees. Accordingly we fully agree with the draft resolution submitted to us by the Council and propose that the Conference adopt it.

M.E. DANHOUSI (Benin): L'intervention de la délégation du Bénin se situe une fois encore dans le cadre de son choix de lutter au coude à coude avec les organisations qui oeuvrent par tous les moyens en vue de l'établissement de la paix dans le monde.

Depuis le début de cette conférence, tout le monde s'accorde à reconnaître que la situation de l'alimentation et de l'agriculture est préoccupante. Chacun apprécie les efforts déployés par la FAO pour aider le monde entier à éviter une famine qui serait fatale pour les uns et pour les autres. Mais, dans la pratique, on se réfugie derrière de prétendus problèmes financiers pour réfuter en bloc la mise en oeuvre de mesures immédiates en vue de combattre la faim et la misère dans le monde.

Le problème que nous abordons ce matin porte sur l'amendement des dispositions concernant le compte de réserve spéciale. Cet amendement a été dicté par l'analyse de la situation faite par le Conseil et le résultat du retard des grands donateurs à verser leur contribution, mettant ainsi en difficulté la Direction générale de la FAO.

Les modifications proposées permettront de faire face efficacement aux effets néfastes de l'inflation. Elles ont aidé la FAO à réaliser dans ses grandes lignes le programme de travail que nous avons tous approuvé. L'expérience passée et les pronostics sur l'avenir, toujours plus assombrés par l'inflation, nous amènent à penser que l'augmentation du montant actuel du compte de réserve spéciale jusqu'au niveau proposé, le 5 pour cent du budget opérationnel pour chaque exercice, est un niveau minimum.

Il faudrait par ailleurs sans aucun doute lever la restriction présente selon laquelle le montant, destiné à financer les dépenses supplémentaires non inscrites au budget et résultant de l'inflation, ne saurait dépasser 2 pour cent du budget opérationnel effectif. A cet égard, il est étonnant de constater que certaines délégations veulent imposer une nouvelle limitation, tout aussi arbitraire et injustifiée que la première, et fixant ce niveau à 4 pour cent.

Priorité à l'agriculture, non à la course aux armements. Les peuples veulent de la nourriture, non les bombes.

Pour terminer, Monsieur le Président, nous appuyons sans réserve la déclaration du délégué du Cap-Vert.

S. M. CAMARA (Guinée): Nous ne prenons pas la parole pour faire un commentaire qui risquerait de répéter ce qui a déjà été exprimé, étant donné que la délégation du Cap-Vert vient de développer, comme par télépathie, nos idées. Il nous reste à appuyer pleinement les deux points qui viennent d'être commentés par notre collègue du Cap-Vert. Notre délégation soutient le projet de résolution qui nous est ainsi soumis.

W. RUDDER (Trinidad and Tobago): My delegation makes a brief intervention at this particular point to indicate that we have followed quite closely the general discussion in the Plenary, the more detailed discussion in Commission I on the budget and the Programme of Work and the earlier discussions in this Commission which dealt with the financial management and accountability of the FAO Secretariat. In all these discussions it appeared to us that - and we share the apparent consensus - the FAO Secretariat had exhibited a high degree of efficiency and prudence in its management of the financial affairs of the Organization. Having regard to this and given particularly the uncertainty and the unpredictability of the day, we feel that while it is necessary to maintain vigilance over the operations of the Secretariat, particularly in respect of its financial administration - and we note that there are ample mechanisms for this - we ought not to unduly fetter the Organization in its day-to-day performance. Moreover, we feel that the Secretariat should continue to enjoy our trust.

Given all the circumstance, the delegation of Trinidad and Tobago unhesitatingly supports both the amendments and provisions of the Special Reserve Accounts and the increase in the level of the Working Capital Fund.

M. N. DIMITRIU (Roumanie): Prenant la parole pour la première fois, j'aimerais tout d'abord vous féliciter, Monsieur le Président, pour votre élection à la présidence de cette importante commission. Mes félicitations s'adressent aussi à tous les membres de son bureau.

Dans le contexte de la position constante de la Roumanie visant à l'appui du programme de travail et de budget de la FAO pour le biennium 1982/83, notre délégation a analysé attentivement le document se référant au point 20 de l'ordre du jour, notamment le point 20.1, Modification des dispositions relatives au compte de réserve spécial, 20.6, Reconduction du fonds de roulement et 20.7, Relèvement du niveau du fonds de roulement. Ma délégation exprime son accord sur les propositions du Directeur général contenues dans le document analysé. La délégation de la Roumanie appuie le projet de résolution.

M. C. LAMBERT (Canada): Nous avons à l'ordre du jour deux décisions financières importantes qui auront des répercussions non moins importantes sur la gestion. Nous ne saurions oublier non plus que le Conseil a approuvé, au début du mois de novembre, une résolution autorisant le Directeur général à emprunter. Ces trois mesures doivent être considérées comme formant un ensemble. La présentation qui nous est faite de ces trois solutions porte à croire que leur financement est facile, j'allais dire presque automatique et sans conséquence.

Ma délégation doit réaffirmer ici qu'elle est en désaccord avec cette interprétation. Les solutions proposées sont essentiellement justifiées par un taux d'inflation élevé et par les retards apportés dans les paiements des contributions. Sur ce dernier point, ma délégation a noté avec beaucoup de préoccupations les explications qui nous ont été données hier, d'après lesquelles le taux des rentrées est le plus bas que l'on ait connu depuis des années. En effet, quelque 40 % des membres accusent un retard partiel ou total dans le versement de leur contribution. Ces chiffres deviennent encore plus inquiétants si l'on considère que les contributions, pour le nouveau budget, seront augmentées de quelque 30 %.

Pour pallier cette situation, c'est-à-dire un rythme de rentrée des contributions qu'on prévoit encore plus lent, on nous propose de les augmenter indirectement. Est-ce bien logique ? En effet, il faut bien avouer, Monsieur le Président, que les recettes occasionnelles que les Etats Membres ne toucheront pas, les intérêts sur les emprunts, les sommes gelées dans un fonds de roulement, sont autant de formes de paiement à un budget accru pour des programmes qui eux ne le sont pas.

On nous dit, au paragraphe 190 de la résolution sur le compte de réserve spécial, que le maintien de la tendance actuelle rend improbables des contributions supplémentaires. Là encore, nous devons différer d'opinion. Nous savons tous malheureusement qu'il n'y a pas en économie de tendance permanente. Il faudra donc éventuellement envisager des contributions supplémentaires, ce qui contredit les arguments avancés qui sont à notre avis circonstanciels et ne tiennent pas compte du fait que ces résolutions sont adoptées pour un temps beaucoup plus long.

Il est un autre aspect qui nous préoccupe gravement: le train des mesures proposées aura aussi comme effet de pénaliser ceux qui paient leur contribution à temps. Et je dis ici avec fierté que le Canada est l'un des pays qui s'acquitte de sa contribution dès le mois de janvier de chaque année. A ces pays donc, on imposera des frais supplémentaires dûs aux retards des autres. Est-ce bien là une façon d'encourager les paiements hâtifs ? Il me semble au contraire que ces mesures atteindront l'objectif opposé à celui recherché.

Nous avons aussi entendu plusieurs orateurs ce matin nous dire que si les programmes avaient été approuvés tout devait être mis en oeuvre pour les réaliser. Je voudrais rappeler ici que les programmes et les budgets sont liés dans un même vote. Privilégier les uns aux dépens des autres est trahir l'intention du vote. L'ensemble des mesures proposées privilégie maintenant les programmes sans tenir compte du budget. Cette attitude nous préoccupe surtout dans la perspective d'une saine gestion.

Pour ces raisons, et celles que la délégation canadienne avait données à la 79^{ème} session du Conseil en juin dernier, ma délégation ne peut appuyer la résolution sur le compte de réserve spécial telle qu'elle est présentement formulée.

P.A. MORALES CARBALLO (Cuba): Quiero agradecer, en primer lugar, la introducción que nos ha hecho el señor West, que, aunque de manera muy sintética, nos ha llevado a la mente de todos nosotros que este problema que se discutió hace ya algunos meses tiene plena vigencia.

Nuestra delegación quiere referirse, como hemos dicho, al Proyecto de Resolución sobre la Cuenta Especial de Reservas.

Al respecto comparte plenamente los aspectos indicados en el párrafo 185 del informe del 79^º período de sesiones del Consejo, así como también los puntos detallados en su párrafo 187.

Por esas razones nuestra delegación apoya el Proyecto de Resolución que se nos propone sobre la Cuenta Especial de Reserva.

Como la mayoría de los miembros del Consejo en aquella ocasión, y ahora aquí en la Conferencia, consideramos esta propuesta como un medio flexible, rápido y práctico para garantizar la ejecución del programa ordinario contra la inflación y la falta de estabilidad monetaria.

Indudablemente que la acción que nos mueve a tomar esta decisión está basada en la experiencia de la Organización y la necesidad de darle un mínimo de seguridades a unas situaciones imposible de prever, y de acuerdo a la realidad económica y financiera actual.

Como han dicho otros oradores, esta propuesta ha recibido la aprobación del Comité de Finanzas y del Comité de Asuntos Constitucionales y Jurídicos. Por todo ello, señor Presidente, nuestra delegación apoya el Proyecto de Resolución que se nos presenta en el documento que estamos discutiendo.

M. NGA-MA MAPELA (Zaïre): Par suite des difficultés de circulation dans la ville, je n'ai pu arriver à temps, et je m'en excuse, pour écouter la présentation que M. West a faite sur la question dont nous discutons.

Cela dit, ma délégation voudrait très brièvement joindre sa voix à celle de toutes les délégations qui ont parlé avant elle, notamment les délégations du Cap-Vert, du Bénin, de la Guinée, du Liban, des Maldives, de Cuba, et tant d'autres, pour appuyer la proposition du Conseil tendant à relever le niveau du compte de réserve spécial.

En bref, nous donnons notre plein appui au projet de résolution contenu dans le document C 81/LIM/2.

L. STAMBUK (Yugoslavia): As we all know this matter was discussed at length on the Finance Committee, on CCLM and in the Council. We are well aware that in the last few bienniums FAO did not have sufficient safeguards to implement its Programme of Work and Budget, that is safeguards against the effects of unbudgeted cost increases, negative effects of inflation and of unpredicted fluctuation of currency exchange rates.

We believe that the only possible decision is that the Conference which adopts the Programme of Work and Budget must adopt such mechanisms which provide a reasonable assurance for the implementation of this Programme of Work and Budget. We do not accept the reasoning that this proposal renders undue safeguards to FAO as the Special Reserve Account can only be used under strictly defined conditions.

Before we reveal our position concerning the modifications suggested by the Nordic countries we would very much appreciate hearing the opinion of the Secretariat.

At the end I would like to stress the Yugoslavia delegation reiterates its position indicated in the Council session and fully endorses the proposed resolution.

J.C. SAINSBURY (Australia): Australia has given careful consideration to the changes proposed to the Special Reserve Account at Council and in the Finance Committee. While the Australian delegation understands some of the concerns expressed by several delegates this morning we, however, find ourselves in agreement with the Director-General that the current arrangements applying to the operation of the Special Reserve Account have proved inadequate in dealing with unbudgeted costs. We recognize that unbudgeted costs, particularly inflation costs, can have a damaging effect on the implementation and effectiveness of work programmes of United Nations agencies, particularly as there are limitations on the extent to which such increases can be absorbed through economies in the regular programmes of those organizations. We had noted particularly that in recent years this has been especially a problem for FAO which has to deal with substantial inflation rates in Italy and often quite significant movements in the exchange rate of the lira. For 1980-81 we note that unbudgeted inflation costs has been estimated to reach 18.5 million as against 5.575 million, which is the maximum amount which can be drawn down from a special reserve account under existing arrangements.

Against this background we have no objection to the proposal that the level of the Special Reserve Account be increased from 2.5 percent to 5 percent of the effective working budget. While we have some reservations in respect to the proposal to transfer approval for withdrawals from the Council we can, however, go along with the proposal that approvals for withdrawals be entrusted to the Programme and Finance Committees.

H. CARANDANG (Philippines): My delegation can go along with the proposed amendment to the Special Reserve Account to render it more effective and responsive to the needs of the Organization.

It has been pointed out that the Special Reserve Account has been established to take care of currency fluctuations. At the time the Special Reserve Account was established we have to admit that the currency fluctuation was within narrower bands. Thus at the time the delegates to the Conference believed that a 2 percent Special Reserve Account was sufficient. But now times have changed, as everybody knows, the exchange rate from lira to the dollar has moved from about 800 lira to about 1,180 at present, which is a movement in the whereabouts of 48 percent. I do not know whether that is still so. The conditions therefore have changed very much. The 2 percent has been judged insufficient to cover such a wide band of fluctuations between foreign currency inflation.

Then it has also been pointed out that inflation has been budgeted for in the Programme of Work and Budget, therefore only 5.6 percent is regarded as real programme increase. Well, I think the provision here states that it is for unbudgeted cost. Therefore if there are no unbudgeted costs there will be no transfers from this Special Reserve Account. I believe we can trust our representatives in the Programmes and Finance Committees to see to it that if there are no unbudgeted costs there will be no transfers from the Special Reserve Account. I think we have sufficient trust in our representatives to this Committee. I therefore believe that the present arrangements have become inadequate and that the changes proposed are required for the efficient management of the Organization and we can therefore go along with it.

Y. KUROKOCHI (Japan): My delegation would like to make a very brief observation on the proposed modification to the Special Reserve Account. The draft resolution proposed by the Council that is now before us introduces several changes to the current provisions. However, my delegation considers that the account is generally being operated adequately under the present system with the excellent management by the Director-General and his staff and supervision by the Council. Therefore, my delegation is not yet fully convinced of the reasons for amendments.

The Council in its 79th Session considered the proposed amendments and various views were expressed, as quoted in paragraphs 189 to 191 of the Report of the Council meeting. My delegation is of the view that efforts should never be spared to reach consensus among the Member States before deciding upon such an important issue as the one at present.

Having said this, I wish to state the position of my Government on the proposal. Firstly, we are reluctant to give full support to the proposal to raise the limitation to the withdrawal up to 5 percent of the total effective working budget. The increase from the present ceiling of 2.5 percent should, if any, be as small as possible.

Secondly, it is our understanding that despite some difficulties in the last biennium the Special Reserve Account has also functioned as a buffer for inflation and fluctuation in exchange rates and therefore the proposal to take off that limitation would be too drastic a modification and is not acceptable to my delegation.

Thirdly, and finally, since the question with regard to the operation of this account could be controversial, the right to approve the withdrawal should be reserved for the Council and should not be delegated to the Programme and Finance Committees.

RAMADHAR (India): On the item under discussion, my delegation notes that this is not for the first time that we are discussing this item. This matter has been discussed threadbare in the Programme and Finance Committees and also in the Seventy-ninth Session of the FAO Council. Our main concern should be to see how we can maintain the integrity of the programmes approved by the Conference. Experience has shown that in several recent biennia, the full programme has not been achieved owing to the programme cuts which have to be made in order to meet unbudgeted costs.

At present we have an anomalous situation. On the one hand we have \$32 million in the Special Reserve Account and Miscellaneous Income; on the other hand we need \$18.5 million to meet the unbudgeted costs. In this situation how can we continue to cling to the old restrictive provisions which might have been relevant at some point of time but have become obsolete and do not take the new realities of the new situation into consideration? Against this background my delegation reiterates its strong support of the proposal as well as the Resolution in document C 81/LIM/2.

P. KANGAO (Angola): La délégation a examiné avec une attention toute particulière le projet de résolution qui nous est soumis, étant donné son importance cruciale pour notre Organisation.

Cette question a déjà largement été discutée lors de la soixante-dix-neuvième session du Conseil et, après analyse et approbation du dernier Conseil, elle a notamment reçu l'appui du Comité financier et du Comité sur les questions constitutionnelles et juridiques, qui nous ont d'ailleurs fourni les éléments nécessaires à une réflexion objective et exhaustive. A cet égard, la leçon, tirée d'expériences nombreuses et répétées, est claire. Dans sa forme présente, le Compte de réserve spécial ne sert pas les objectifs pour lesquels il a été créé. Ma délégation ne pourrait s'empêcher, pour sa part, de considérer que s'opposer à la réforme de ce compte spécial ou même tenter d'atténuer certaines modifications proposées serait une attitude qui consisterait à tabler sournoisement sur les effets négatifs d'une forte inflation pour retirer à l'un ce que l'on donne à l'autre.

Parlant des points 26 et 27 sur la reconstitution du Fonds de roulement et du relèvement du niveau du Fonds de roulement, ma délégation approuve totalement la proposition d'augmenter le Fonds de roulement de 5 millions à 13 millions, et celle donnant aussi au Directeur général l'autorité d'emprunter.

Pour terminer, ma délégation approuve la proposition du Secrétariat.

M. GHAZZI (Original language Arabic) (Syria): My delegation has noted that a large majority of the delegations have expressed their support for the amendments to the provisions of the Special Reserve Account. We consider that these amendments will help us to face up to the effects of the financial inflation prevailing in the world today and help us to avoid any cutbacks in the adopted programmes. It should help to ensure the proper administration of the Organization's budget and provide the necessary flexibility in the implementation of programmes.

The experience of the past few years and the gloomy outlook as regards inflation lead us to believe that the proposed increase in the Special Reserve Account of 5 percent is the minimum required that we must adopt. Therefore my delegation supports the draft Resolution submitted on these amendments.

A.W. Bin ABDUL JALIL (Malaysia): I do not want to go into detail on the reasons necessitating the proposed modification to the Special Reserve Account, as these have been discussed and supported fully in previous Council sessions. The prevailing inflationary rates and other financial changes necessitate modification to the Special Reserve account. We therefore want to associate ourselves with other delegates in reiterating our support to the proposed amendments as contained in the draft Resolution.

G. OLIVEIRA (Guinée-Bissau): La délégation de la Guinée, ayant étudié attentivement les amendements proposés par le projet de résolution concernant le Compte de réserve spécial, pense qu'on doit les appuyer tels qu'ils sont présentés dans le document. Les modifications recommandées ne sont que des mesures pour sauvegarder l'intégrité du programme que nous avons approuvé. Toutes les justifications, présentées par les délégués qui m'ont précédé, appuyant cette résolution, sont bien claires. Nous appuyons fermement la proposition de la délégation du Cap-Vert et approuvons le projet de résolution.

P. WANG CHUK (Bhutan): The delegation of Bhutan associates itself with the views expressed by earlier speakers supporting the Director-General's proposal to establish the level of the Special Reserve Account at 5 percent of the effective working budget level. Obviously this proposal will simultaneously require that we remove the present 2 percent on the use of the Account to cover unbudgeted costs of the Organization.

We believe, as other delegations have expressed, that this proposal will give us more flexibility in handling problems that may be caused by inflationary trends and currency fluctuations.

Bhutan also fully supports the proposal that approval in respect of unbudgeted costs be entrusted to the Programme and Finance Committees. This proposal by the Director-General ensures that the Member States will have a say on how such expenditure is handled.

May I also say that the Bhutan joins those delegations which spoke earlier to give the Director-General authority to borrow an increased level of the working capital fund. There is no need to repeat the solid arguments offered by the Finance Committee on the validity of this proposal.

B.M. NAJEM (Langue originale arabe) (Maroc): La délégation du Maroc donne son appui à la proposition et aux amendements proposés par le projet de résolution pour ce qui est du compte de réserve spécial. Cela permettra à l'Organisation de surmonter les difficultés inhérentes aux fluctuations monétaires, à la pression inflationniste, et dues également au paiement tardif de certaines contributions par quelques pays.

Nous sommes également d'accord pour faire passer le plafond de 2,5 pour cent à 5 pour cent du budget opérationnel. Nous devons à notre avis fournir à l'Organisation la capacité de réaliser son programme dans les meilleures circonstances possibles, considérant notamment que ces autorisations tombent parfaitement dans le cadre des dispositions juridiques et légales de l'Organisation.

A. LOUCA (Cyprus): We have studied the document under discussion and we are satisfied with the reasons given in the document why the proposed changes to the Special Reserve Account should be brought about. Although we understand some of the reservations expressed by some delegations, we find these changes reasonable and necessary to introduce flexibility in order to maintain the integrity of the programme and increase the efficiency of the Organization. Therefore my delegation supports the proposed amendments and the Resolution as it has been placed in front of us.

F. BREWSTER (Barbados): This matter of the amendments to the provisions of the Special Reserve Account was discussed and accepted in the Finance Committee and at the Seventy-ninth Council Session. My delegation considers that the amendments proposed would help the Organization to manage its financial responsibilities with sufficient flexibility to keep its work flowing.

My delegation is agreed that the Secretariat has demonstrated that it is adopting measures which are maximising its efficiency even in difficult circumstances. It is therefore reasonable to support the Resolution as presented. This measure, together with those proposed in Item 20.6, Replenishment of the Working Capital Fund, and Item 20.7, Increase in the Level of the Working Capital Fund, are designed as a package to deal with inflation and an expected short-fall of contributions.

The delegate of Benin has dealt with the latter point, which is to a large extent the heart of the matter. My delegation therefore fully supports the Resolution before us.

A. ÖZTÜRK (Turkey): On behalf of my delegation I wish to give our support to the proposal regarding the amendments to the provisions of the Special Reserve Account. This seems to us to be a very useful and practical measure.

S. AL-LOZI (Original language Arabic) (Jordan): I intended to speak at length on this subject. However, my colleagues who have preceded me have exhaustively covered all the points I wished to deal with. Therefore I can only join other delegations in expressing my delegation's support for the changes to be introduced as set out in the document before us.

H.L. CLAVERIE RODRIGUEZ (Venezuela): Muchas gracias señor Presidente, nuestra delegación ha analizado en todo su contexto las enmiendas propuestas por el Director General a la Cuenta de Reservas desde que las mismas fueron presentadas al Consejo de la FAO, y después de ser analizadas en profundidad por el Comité de Finanzas y el del Programa comprendemos, a cabalidad, las preocupaciones de orden administrativo que aluden algunos críticos a las mismas, pero en general opinamos que privan, dado lo que la experiencia de los últimos tiempos enseña, los criterios suscitados por el señor Director General.

En ese sentido, señor Presidente, nuestra delegación apoya el Proyecto de Resolución incluido en el Documento C 81/LIM/2 sobre la Cuenta Especial de Reserva, el cual autoriza al Director General a ampliar el 5 por ciento del nivel de dicha cuenta. Muchas gracias señor Presidente.

A.A. PASHA (Bangladesh): As regards the level of the Special Reserve Account, my delegation fully endorses the views expressed by many other delegations who support the increase in the level of the Special Reserve Account. As the increase proposed detailed discussion with the Finance and Programme Committees, this 5 percent increase in the level of the Special Reserve Account is proposed purely for the efficient functioning of the Organization. My delegation strongly supports the Draft Resolution before us as presented.

A general deterioration in the pattern of payments has been noted. Moreover, the Director-General was recently informed by some of the contributors regarding the modification of remittance of the contributions. The donor countries want to defer payments progressively within each calendar year. If this is the case in the present economic situation as regards the level of the Working Capital Fund, my delegation feels for a smooth functioning of the Organization that the increase proposed is absolutely reasonable. Previously, the level of the Working Capital Fund was fixed at 6.5 million. As the Working Capital Fund is the first source of finance for budgetary expenditure, and in view of the deteriorating pattern of contributions, the Working Capital Fund may be enhanced as proposed from \$6.5 million to \$13.25.

C.M. LINYAMA (Zambia): Mr. Chairman, you remember that this subject was discussed in the last Council meeting, and many Members supported it. It will be noted from paragraph 1.89 of C 81/LIM/2, many delegates have urged that the Director-General should consider an approach that might ensure unanimity on this subject, and at the same time most of the delegates and most of the Members have considered that the Account should actually be increased from 2.5 to 5 percent over the overall budget.

Without actually wasting a lot of time, I would like to support what has been said by the delegates of Benin, Guinea, Cuba and Zaire, and my delegation supports that the Draft Resolution before us should be adopted and at the same time the Reserve Account should be increased from 2.5 to 5 percent of the overall budget.

F.M. GUEYE (Sénégal) : Je serai bref pour ne pas répéter ce que les délégués qui m'ont précédé ont déjà exprimé. Je voudrais simplement donner mon appui au projet de résolution qui nous a été présenté par le Secrétariat; et je me joins également à ce qu'ont dit les délégués précédents.

P. ROSENNEGER (Austria) (original language German): The amendment of the Special Reserve Account which is proposed was already discussed at great length at the Council meeting, and this discussion led to the Draft Resolution. Our delegation also feels that in the light of the insecurity of future currency developments and fluctuations or inflation rates, and therefore also delays in contributions by Members, that because of all these facts the Special Reserve Account should be rendered more flexible in accordance with the proposal made by the Secretariat so that the work of the FAO, bearing in mind unforeseen circumstances, can take place without any fiction.

Even though Austria certainly belongs to the very prompt payers of contributions, and as the delegate of Canada quite rightly said, we therefore indirectly are being punished by this proposal. In spite of this, we would like to support the proposed Draft Resolution in all its points as laid down in document C 81/LIM/2, because we feel that the FAO should have the possibility of operating without any difficulties. We believe that this is very important, and furthermore, we would like to say that the Secretariat of FAO enjoys our full trust.

O.A. JUMA (Tanzania): The Tanzanian delegation would like to add its support to the views already expressed by many speakers that the current provisions of the Special Reserve Account are inadequate to cope with inflation and other unbudgeted accounts. In this respect, we also share the concern of the Council that many programmes approved by the previous Conferences could not be fully implemented owing to the impact of programme cuts which had to be made to meet unbudgeted costs. This is very serious, because cutting of the Programme has damaging effects not only to the regular programmes but also to the field projects, some of which are ongoing.

We do not want to repeat points which have already been made by other delegates, but we fully support the views expressed by Cape Verde and Benin. The Tanzanian delegation therefore would like to support the proposed amendment and flexible arrangement for the Special Reserve Account including an increase in the level of the Account to 5 percent of the effective working budget, hence our support for the Draft Resolution.

Sra. M. IVANKOVICH DE AROSEMENA (Panamá): En esta oportunidad deseamos referirnos a las enmiendas a la disposición de la Cuenta Especial de Reserva. El documento nos detalla la situación que ya fue estudiada por el Comité de Finanzas y por el Consejo.

Mi delegación considera, y así lo manifestamos anteriormente, que las enmiendas sugeridas están encaminadas a hacer más efectiva la utilización de la Cuenta Especial de Reserva de forma que responda a las necesidades de la Organización y proteja el Programa de Labores contra los efectos de los gastos adicionales no presupuestados producidos por fluctuaciones monetarias adversas y tendencias inflacionarias imprevistas.

Mi delegación considera también que el aumento del nivel de la Cuenta Especial de Reserva al 5 por ciento es una garantía para el eficaz cumplimiento del Programa.

Estamos de acuerdo con que se eleve el nivel de la Cuenta Especial de Reserva y se elimine la limitación del uso de la Cuenta para sufragar gastos adicionales no presupuestados.

En conclusión, mi delegación está plenamente de acuerdo con el Proyecto de Resolución adjunto por considerarlo un mecanismo de garantía para la Organización.

M. CARRASCO-SAULNIER (France): Ma délégation a déjà eu l'occasion d'exprimer son opinion sur les propositions relatives au Compte de réserve spécial, lors des dernières sessions du Conseil. Je ne ferai donc que rappeler que nous avons déjà accepté le relèvement du niveau du compte, encore que nous aurions préféré que soit maintenu un plafond pour les prélèvements destinés à couvrir les dépenses supplémentaires non inscrites au budget. Cela dit, ma délégation est prête à se rallier à l'attitude de la majorité.

Puisque j'ai la parole et que le problème du retard apporté par certains pays à verser leurs contributions budgétaires a été soulevé ce matin par quelques délégations, je voudrais annoncer - et je pense que cette bonne nouvelle fera plaisir à Monsieur Skoufis - que la France est, depuis plus d'un mois, en règle avec ses obligations financières à l'égard de la FAO. En effet, la somme de 4 370 466 dollars qui restait due par mon pays pour l'année 1981 a été ordonnancée à Paris le 13 octobre. Cette somme doit se trouver, depuis quelque temps déjà, sur le compte de la FAO à la Chase Manhattan Bank à New York. Il conviendrait donc que les services compétents de la FAO s'en assurent.

K. TANDUCHEV (Bulgarie): Prenant pour la première fois la parole dans cette Commission je voudrais m'associer aux délégations déjà intervenues pour vous féliciter de votre nomination à la présidence de la Commission III.

Je ferai une très brève intervention. Constatant que les amendements proposés au Compte de réserve spécial ont pour but de faciliter la gestion de l'organisation et d'assurer l'accomplissement continu du programme de travail de la FAO, notre délégation appuie pleinement le projet de résolution traitant du Compte de réserve spécial dans le document C 81/LIM/2.

H. CARRION MC DONOUGH (Nicaragua): Mis felicitaciones al Presidente de esta Comisión y al señor West por su introducción al tema que nos ocupa.

Señor Presidente, deseo ser breve porque considero que muchas delegaciones han expresado ya opiniones, que la delegación de Nicaragua comparte plenamente. Me refiero a que mi delegación apoya la propuesta de Resolución sobre la Cuenta Especial de Reserva que ahora tenemos ante nosotros. El tema ha sido suficientemente discutido en el Comité de Finanzas del Programa y del CACJ y ha sido considerado por el Consejo.

Las propuestas de enmiendas a la Cuenta Especial de Reserva contenida en el documento C 81/LIM/2 y en su párrafo 187 refleja simplemente la necesidad de adecuar dicha Cuenta a una realidad económica y material.

Igualmente, mi delegación está de acuerdo con el Proyecto de Resolución sobre el reembolso del Fondo de Operaciones y sobre el aumento del Fondo de Operaciones contenido en el documento C 81/LIM/16 y 17.

T.E.C. PALMER (Siera Leone): If the FAO is expected to achieve maximum results it should be provided with adequate financial means to cover unbudgeted costs. Given the world currency fluctuations, it is my delegation's view that the most realistic way to provide support to the Organization is to approve an increase in the level of the Special Reserve Account to no less than 5 percent of the working budget.

In view of this, I wish to join my colleagues from Senegal, Tanzania and Zambia in supporting the draft resolution submitted to this Commission.

M. G. SILOU (Congo): Est-il besoin de rappeler que l'inflation ne cesse d'aggraver la situation monétaire mondiale? Il serait tout de même hasardeux que nous placions notre organisation dans une situation critique susceptible d'entraver son bon fonctionnement.

Notre délégation a examiné avec attention le document C 81/LIM/2 qui nous est soumis. Si nous tenons compte des fluctuations monétaires, le plafond actuel du fonds de réserve ne suffit plus pour couvrir les dépenses non inscrites au budget.

Nous nous rallions par conséquent à l'idée que le niveau du compte de réserve soit relevé à 5% pour rendre efficace l'application du programme. Nous estimons que c'est là un minimum nécessaire.

Nous avons confié au Directeur général une mission, celle qui consiste à réaliser dans l'espace et dans le temps le programme de travail qui a eu notre accord. Notre dernière attitude, raisonnable, est de mettre à sa disposition les moyens financiers nécessaires lui permettant de faire face aux situations critiques qui peuvent apparaître ici et là.

R. F. MEIRA FERREIRA (Portugal): My delegation would like to make a brief statement and say it is, in principle, in accordance with the spirit of the draft resolution regarding the amendments to the provisions of the Special Reserve Account, C 81/LIM/21.

Currency fluctuations and inflations are facts which cannot be denied; but the problem which we just face is also due to non-payment in time of the contributions of several Member Nations. We feel this situation is not sufficiently reflected in the draft resolution under consideration. Understanding the reservations of some delegations, we would like to make an appeal to the fellow members of this Organization that we should all give careful attention to the problem of payments of contributions and to avoid some of us being penalised by the position of others - as stated by the distinguished representative of Canada - although this is sometimes understandable due to momentaneous difficulties.

G: F. DLAMINI (Swaziland): My delegation has studied carefully the implications of the draft resolution as tabled in the document C 81/LIM/2, and I would like to state that the views of my delegation were well expressed by the delegations, from Benin and Cape Verde. Since brevity is the soul of wit, all that is left for my delegation is to support the draft resolution as it stands.

M. S. HALADOU (Niger): Nous restons surpris que nous nous attardions à spéculer sur une règle classique de gestion financière. Nous acceptons de geler les fonds et approuvons parallèlement une entente tacite dans le versement des contributions.

Les modalités de prélèvement dans le compte de réserve spécial sont bien précisées et ne modifient en aucun cas l'exécution du programme de l'Organisation.

Sans plus nous attarder, nous ne pouvons qu'appuyer sans réserve la déclaration de notre collègue du Cap-Vert.

Mrs. SAODAH SJAHRUDDIN (Indonesia): My delegation has studied the document C 81/LIM/2 carefully, and we feel that the proposed amendment will make the FAO more effective and solve the financial problems which will be faced by the Organization in the future. Therefore we have nothing to say but to reiterate our support, which was expressed during the last Council Meeting, on the proposals regarding the amendment to the provisions of the Special Reserve Account.

Hence we support the draft resolution for approval by the Conference.

SEÑORA. M. RUIZ ZAPATA (Mexico): Seré muy breve. Simplemente deseo reiterar que México, como lo ha manifestado en anteriores ocasiones, apoya el Proyecto de Resolución relativo a las enmiendas a la disposición de la Cuenta Especial de Reserva.

T. SIMIKI (Tonga): The delegation from Tonga joins those who spoke earlier who support the Director-General's proposals on both the Special Reserve Account and the Capital Working Fund. The Special Reserve Account, as you all recall, was set up almost four years ago with \$5 million. At that time we wrote in a provision for subsequent replenishment at the level of 2.5 percent of the total effective working budget for the following biennium.

Experience of the past four years shows that this level is far from adequate. We simply did not anticipate the wide fluctuations of currency re-adjustments that occurred, especially during the present biennium. Double-digit inflation is a fact of life. The fact that the large majority of the Council members agree that the Special Reserve Account should be increased to at least 5 per cent of the effective budget is a simple recognition of the facts of economic life today.

We fully agree, therefore, with this upward adjustment and agree that approval for such withdrawals should be delegated to the Programme and Finance Committees by the Council.

During the Session we will be discussing a related item, namely the increase in the Working Capital Fund. The delegation of Tonga supports the views of the Finance Committee to increase the Capital Working Fund.

M. T. GLASSER (Suisse): Après tous les orateurs qui m'ont précédé, je n'ai pas de nouveaux éléments à apporter à ce débat. Je me limiterai donc à une remarque générale très brève. J'aimerais tout d'abord reprendre un élément de l'intervention du Canada, également mentionné par l'Autriche et le Portugal, d'après lequel les pays Membres qui respectent les règles et paient leur contribution à temps sont pratiquement pénalisés puisqu'ils doivent par la suite participer aux frais entraînés par les pays qui paient leurs contributions avec retard. Cet état de chose n'est pas satisfaisant et mériterait un examen plus approfondi.

Cela dit, Monsieur le Président, je reviens à la proposition qui est devant nous. Dans cette période économiquement incertaine et instable que nous vivons, le Secrétariat a certainement bien fait de nous proposer des mesures de sécurité pour assurer une saine gestion financière de l'Organisation. Mais, avec les trois éléments proposés, on risque de dépasser le but et de bloquer plus de fonds qu'il ne serait nécessaire.

Les fonds limités dont dispose la FAO devraient être utilisés au maximum au profit des buts prioritaires de l'Organisation. Or, avec la proposition qui nous est maintenant soumise, j'ai l'impression qu'on s'offre une assurance un peu de luxe au détriment d'actions de programme plus prioritaires.

Y. GAGO (Costa Rica): Mi delegación quiere asociarse a las numerosas delegaciones que han apoyado el Proyecto de Resolución sobre la Cuenta Especial de Reserva.

No repetiremos los argumentos expuestos por numerosos delegados, y de esta forma quiero reiterar nuestro apoyo al Proyecto de Resolución contenido en el documento C 81/LIM/2 sobre la Cuenta Especial de Reserva.

IANG YUN (China) (Original language Chinese): In considering the present item Mr West has given us a very good explanation of the present proposal. In our view the Special Reserve Account could go a long way to resolving the problems brought about by inflation and the necessity to meet the unbudgeted costs. This is also a way to ensure that we would be in a position to effectively carry out the programme approved by the Conference.

Consequently, our delegation goes along with other delegations in supporting the proposals put forward in Document C 81/LIM/2 as well as the Draft Resolution contained in this document. It is very necessary to increase the level of the Special Reserve Account.

In our view this is also another measure to meet the cost of our activities in this Organization and in the short term it could also solve our financial difficulties.

C. SUVIPAKIT (Thailand): The Thai delegation associates itself with the previous speakers to increase the level of the Special Reserve Account from 2 percent to 5 percent for the carrying out of the effective Programme, so as to meet the expansion of food and agriculture production in the coming years. Thailand supports this proposal and we also support the increase of the Working Capital Fund.

C. FERROGGIARO (Chile): Deseo ser muy breve y sólo manifestar que mi delegación apoya el Proyecto de Resolución referido a la Cuenta Especial de Reserva, aumentándose estos fondos al 5 por ciento y otorgando al señor Director General la flexibilidad necesaria para su empleo, a fin de que pueda desarrollar los diferentes proyectos del Programa de Labores.

Refiriéndome a los aportes de los países que han mencionado delegaciones precedentes, deseo manifestar al señor Presidente, sin que esto se tome como una petulancia, que mi país ha anticipado parte del aporte en efectivo que le corresponde para el año 1982, por cuanto está consciente de las necesidades de la Organización.

J.W. HUTCHINSON (United Kingdom): My delegation would just like to repeat the reservations it expressed at the 79th Session of the Council. We consider that any increase in the Special Reserve Account should be kept to an absolute minimum. We also wish the Council to retain the right to approve the use of the Special Reserve Account. We consider that this responsibility should not be devolved to its subsidiary committees. The General Rules of the Organization provide for the Council to hold sessions as often as it considers necessary so, there should be no difficulty in arranging a special session quickly if an emergency arose.

J.F. MWENECHANYA (Malawi): Many delegates have given many good reasons for supporting this very important draft resolution. I do not propose to repeat any of the arguments so far given. All I would like to do is to ask you, Mr. Chairman, to put the Malawi delegation on record as being in support of the proposed draft resolution as it stands.

M.A. AZAMI (Afghanistan): In order to be brief and not repeat what other delegates have stated, I would like to mention that my delegation, too, fully supports the proposed amendments and the draft resolution before us.

S. GRASSOS (Original language Arabic)(Yemen, People's Democratic Republic of): After studying document C 81/LIM/2 with due attention, we would like to express our support what is in this document. We would like to provide the Organization with the means to respond to the difficulties it encounters. We can but support everything in this document, and that has been said by many other speakers.

H.S. BAR-SHAI (Israel): I would like to suggest to add to the draft resolution a clause to the effect that steps be taken to insure the value of surpluses which may occasionally accumulate for longer periods, for example a month or more, in the Special Reserve Account, for instance, such an amount can be invested in a certain basket of hard currency decided upon with the International Monetary Fund, so as to ensure as much as possible the real value of such surpluses. Of course this has to be based as much as possible on a forecast of incomes and expenses and in relation to the foreign exchange regulations of the host Government, but I am sure the Secretariat is in a much better position than I am to do this.

M.M.T. DIARRA (Mali): Permettez-moi, Monsieur le Président, de vous adresser nos félicitations pour votre élection à la présidence de cette commission.

La délégation malienne a examiné avec attention le document C 81/LIM/2 relatif au compte de réserve spécial.

Ma délégation, considérant que les propositions d'amendements sont susceptibles de faciliter l'exécution par la direction de la FAO des différents programmes, joint sa voix à celle de la majorité pour appuyer entièrement le projet de résolution qui nous est soumis.

Mme G. ROSSI PEROTTI (Italy): My delegation would like to put on record our support of the draft resolutions concerning the Special Reserve Account and the Working Capital Fund contained in the document C 81/LIM/23.

A.M. FROMOYAN (Liberia): With regard to the amendment and particularly the request for an increase in the level of the Special Reserve Account, and in view of the situation with regard to inflation rates, my delegation reiterates without further detailed justification its support of the draft resolution before us.

A. EXARCHOS (Greece): I should like to express the support of our delegation for the draft resolution concerning the Special Reserve Account. The proposals before the Conference are the result of long and serious examination by the Finance Committee and the Council. With more special reserve to the Special Reserve Account, we think that the resolution provides a flexible and practical framework to protect the Programme against inflation and monetary instability, and gives the Director-General a wider possibility to cope with the exceptional situation.

P.M. AMUKOA (Kenya): I would like to join those who have supported the draft resolution on the Working Capital Fund and adjustment of the Special Reserve Account. We have done this before for reasons we gave at the time, and which have been given this time.

M.I. MAHDI (Original language Arabic) (Saudi Arabia): This question has been discussed in the Finance Committee and in the Council and we would like to reiterate our support for the two draft resolutions as per the recommendations of the Finance Committee during its 48th Session, which recommendations were adopted unanimously by the Council.

K.S. BINGANA (Botswana): My delegation fully supports the amendments to the provisions to the Special Reserve Account and the draft resolution thereon.

We fully support the replenishment of the Working Capital Fund and the increase in its level as proposed by the Secretariat.

M.F. DE MENEZES (Sao Tome-et-Principe): Comme celle-ci est la première fois que nous prenons la parole au sein de cette commission, permettez-nous Monsieur le Président, de vous féliciter ainsi que les autres membres du Secrétariat pour votre élection à la présidence de ses travaux.

Pour ce qui a trait au document que nous analysons actuellement, nous serons brefs et nous apportons notre appui aux propositions faites par les délégations du Cap-Vert, de l'Angola, de la Guinée-Bissau.

E. M. WEST (Assistant Director-General, Office of Programme, Budget and Evaluation): I think that out pressed their opposition or their reservations in one form or another. There are only a very few points I would like to deal with. First, on the subject of payment of contributions, of course we wholeheartedly agree with those who have urged other Member Governments to pay up promptly and I am very glad to hear the news from France. We have not yet found the cheque but we are trying hard. Perhaps it is somewhere in the Chase Manhattan Bank, but it is not with us. However, I accept the assurance, and that will help matters.

That leads me to the point that it is only a very few countries who actually account for the large amount of contributions still outstanding; and two who today have spoken against this proposal are in fact responsible for 46 percent of the outstanding contributions. If they paid up, then we would not have a problem with the contributions this year, of any significance. One of them, sitting over there, accounts for the greater part of that. I think I should point out to the delegate concerned that his Government owes us more than ten million dollars, and yet he is opposing these proposals.

The suggestion was made that we are asking for an excessive, even luxury, insurance. I would still say respectfully that what we are asking for is very modest and I think this has been endorsed by the great majority today.

The United Kingdom said that it would be easy to hold a special session of the Council. Well, I can only answer him that a two weeks session of the Council would now cost one million dollars; a one-week session would cost anything from a quarter of a million to half a million, dependent on the documentation to be provided. Since the Conference elects a Council, which in turn elects a Finance Committee, I cannot myself recommend to the Director-General that it is worth spending half a million dollars to try and save a million, or two million or three million, or whatever it is. I do not think that is a very rational way of managing the Organization's finances.

I would also point out on the question of management, by the way, that if you look back to table Q on page 52, the Programme of Work and Budget, you will see how the Organization has been obliged to make, and has in fact always made, savings when necessary and the resolution before you still provides for the Secretariat to make all possible savings before using the Special Reserve Account.

Finally, an interesting suggestion was made about the use of SDRs or other means of trying to safeguard us against currency fluctuations. This was gone into at great length three or four years ago on behalf of the whole of the United Nations and a study was submitted to the General Assembly and it was felt then that the system would not be helpful in fact and that the best solution to the problem was for each organization to establish such reserve funds and as suited its circumstances. Now this could be looked at again in the future and we shall look at this together with other organizations in the United Nations system.

C. LAMBERT (Canada): J'essaierai d'être bref. Mais ce n'est pas la première fois que nous entendons le Secrétariat nous rappeler - les pointant, à défaut du doigt, tout au moins du coude - que certaines délégations n'ont pas payé leurs contributions. Il nous parle de 46 pour cent. Ce sont effectivement des sommes importantes.

J'aimerais aussi, pour équilibrer cette déclaration, rappeler qu'il y a encore 54 pour cent qui ne sont pas payés. Le Canada a toujours soutenu le droit de toutes les délégations à avoir une voix égale dans les assemblées internationales. Nous nous sommes encore battus pour ce principe au Conseil de juin. Avec ce droit viennent, cependant, des responsabilités égales. Les contributions sont proportionnelles aux capacités de chaque Etat Membre à payer. Nous avons hier, dans cette même Commission, accepté l'échelle des contributions pour le prochain biennium. A l'exception d'une seule délégation, toutes les délégations ont accepté cette échelle. Cela répond donc à leur capacité à payer. Et j'aimerais donc, dans le cadre des appels lancés, soit par le Secrétariat soit par les membres, que l'appel soit lancé également à toutes les délégations pour que le paiement soit effectué. Nous avons besoin autant des 54 pour cent que des 46 pour cent.

20.6 Replenishment of the Working Capital Fund

20.6 Reconstitution du Fonds de roulement

20.6 Reposición del Fondo de Operaciones

20.7 Increase in the Level of the Working Capital Fund

20.7 Relèvement du niveau du Fonds de roulement

20.7 Aumento del nivel del Fondo de Operaciones

E. M. WEST (Assistant Director-General, Office of Programme, Budget and Evaluation): The basic reference for this is in the Finance Committee Report, CL 80/4 of the 3-5 November and the corresponding section of the Council report, of which I do not have the immediate reference, but I think you have it before you in a LIM document.

At the risk of being contradicted, this is a routine item. We obtained authority from the Council to make drawings up to 5.49 million dollars and these will have to be replaced at the end of the year. Thus the resolution is put before you and is in line with similar resolutions in the past.

Whilst I have the floor I will go on to the introduction of the next item, which is the increase of the level of the Working Capital Fund. The item I have just mentioned is for the Working Capital Fund at the end of this year. The increase in the level is proposed for the next biennium. This is explained in paragraphs 353-360 of the same Finance Committee Report and the corresponding section of the Council Report that follows. I do not think I need go into the reasons but the fact is that the present level of the Working Capital Fund is a very, very small proportion of the effective working budget. It is much smaller than is the case in other Organizations. We are not suggesting a fixed

percentage in this case but an amount which will correspond to roughly 3 percent only of the effective working level and will not be affected by any change in the next biennium or after, unless further changed in the future. The need for it is exclusively, almost exclusively, the problem we are going to face with delays in payments of contributions. I do not think we need discuss this further because you have had a discussion about this already. As regards the point just made by the delegate of Canada, of course, I agree with it. It is incumbent upon those responsible for 54 percent of the total of the other outstanding contributions to pay just as much as it is for the others. There is no doubt about that. The point I was making was purely a statistical one.

With that I think I need not add to the time spent on this item. If necessary I will come back later.

R.A. SORENSON (United States of America): My delegation joins with other delegations to the 80th Council in thoroughly reviewing the draft resolution that we are considering with respect to the level of the Working Capital Fund and also with respect to its replenishment. While agreeing to the replenishment of the Working Capital Fund with respect to its enlargement the position of my Government remains as expressed in the Council. In our view the enlargement of the Working Capital Fund is the equivalent to an additional assessment on the Member states since a certain portion of each nation's share of FAO's cash surplus that could otherwise have been credited towards that country's assessment will now be captured and retained, sterilized if you will, in the larger Capital Working Fund. The real effect, therefore, is to levy an additional assessment on every Member state. Several members of this Commission have already expressed themselves of being in favour of enlarging the Working Capital Fund at the same time as they stated their positions on the Special Reserve Account. We hope that they understand that the additional 6,750,000 being requested will have to be found by their national treasuries, in addition to approximately \$11 million for the Special Reserve Account and this will be based upon the United Nations scale of assessment and it will have nothing to do with effectively enlarging the Programme.

It is for these reasons that my Government cannot support the draft resolution under consideration.

D.R. SHARMA (Nepal): My delegation wishes to support the proposal to increase the Working Capital Fund from 6.5 million to \$13.25 million. It would, of course, have been preferable if we had not been obliged to consider this matter but we have no alternative in view of the problems of contributions which have arisen this year and which will probably arise in the future. It is quite clear that it is necessary to increase the Working Capital Fund, even with an enlarged Special Reserve Account, and even if the Director-General is given authority to borrow.

The basic purpose of enlarging the Special Reserve Account is to allow room for the wide range that experience shows can occur in the accumulation of unbudgeted costs or in the effects of currency fluctuation. You should never overlook the possibility of a shortfall in contributions, which is a totally different matter. The main resource for coverage of unbudgeted contributions has always been the Working Capital Fund. It is now obviously much too small in relation to the budget level which has grown so much as the result of inflation. Unlike the Special Reserve Account the level of the Working Capital Fund is a fixed amount of \$6.5 million and not the percentage of the budget level. This does not make sense whilst contributions which are also calculated in a percentage of the total budget are rising again mainly as a result of inflation. We are not advocating that the Working Capital Fund should be calculated as a percentage, but we do think that it ought to be nearer the level which exists in other organizations. We understand that this ranges from 2.23 percent to 14 percent in the largest organizations. From this point of view, therefore, we think that the Director-General's proposal to increasing the Working Capital Fund by an amount which will make it equivalent to 3.6 percent of the budget, as presented to us in C 81/3, is very reasonable. The new total of 13.25 million dollars will not, of course, cover outstanding contributions at the level experienced in the middle of 1981 but it is more realistic in relation to the kind of normal shortfall that can be expected.

It is regrettable, however, that we may be faced with an abnormal situation in which at least one major contributor intends to pay its contribution up to a year late. That is why we need to give the Director-General authority to borrow, as well as enlarging the Working Capital Fund. My delegation therefore strongly supports the proposal.

L. STAMBUK (Yugoslavia): I would like to say a few words on the Working Capital Fund first. Let us all be reminded that the level of the Working Capital Fund was fixed at the same level for a number of years. We are of the opinion that the Working Capital Fund should reach a level which would enable FAO to fulfill its commitments in an efficient manner, especially if we have in mind the statement of some delegations that they will render the contribution in the last quarter of each year.

I would like to agree with the statement of the delegate of Nepal and to state that the Yugoslav delegation strongly supports the proposal.

P.A. MORALES CARBALLO (Cuba): Nuestra delegación quiere expresar su apoyo al proyecto de resolución sobre el aumento de la cuantía de Fondo de Operaciones.

Creemos que esta es una propuesta muy objetiva, sobre todo si se toma en cuenta la demora que viene presentándose en la recaudación de las cuotas, en niveles ya preocupantes. Es decir, que ante esta situación es necesario asegurarle al Director General de la FAO los mecanismos financieros necesarios que sirvan para afrontar esas situaciones negativas y garantizar la ejecución del Programa Ordinario.^{1/}

A. Constitutional and Administrative Matters (continued)

A. Questions constitutionnelles et juridiques (suite)

A. Asuntos constitucionales y jurídicos (continuación)

17. Other Constitutional and Legal Questions (continued)

17. Autres questions constitutionnelles et juridiques (suite)

17. Otras cuestiones constitucionales y jurídicas (continuación)

CHAIRMAN: We still have an item listed on the agenda, Item 17, Other Constitutional and Legal Matters. Under this item nothing has been referred to the Committee so far and we have thus concluded our proceedings.

The Meeting rose at 12.15 hours.

La séance est levée à 12 h 15.

Se levanta la sesión a las 12.15 horas.

^{1/} Texto incluido en las actas a petición expresa.

conference

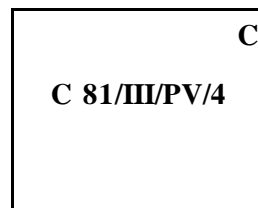
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ORGANISATION DES NATIONS UNIES POUR L'ALIMENTATION ET L'AGRICULTURE

conferencia

ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION



Twenty-first Session
COMMISSION III

Vingt st unième session
COMMISSION III

21° período de sesiones
COMMISSION III

FOURTH MEETING
QUATRIEME SEANCE
CUARTA SESION

(24 November 1981)

The Fourth Meeting was opened at 10.30 hours,
S.A. Qureshi, Chairman of Commission III, presiding

La quatrième séance est ouverte à 10 h 30,
sous la présidence de S.A. Qureshi, Président de la Commission III

Se abre la cuarta sesión a las 10.30 horas,
bajo la presidencia de S.A. Qureshi, Presidente de la Comisión III

PART III - CONSTITUTIONAL AND ADMINISTRATIVE MATTERS (continued)
TROISIEME PARTIE - QUESTIONS CONSTITUTIONNELLES ET ADMINISTRATIVES (suite)
PARTE III - ASUNTOS CONSTITUCIONALES Y ADMINISTRATIVOS (continuación)

- B. Administrative and Financial Matters (continued)
- B. Questions administratives et financières (suite)
- B. Asuntos administrativos y financieros (continuación)
- 20. Other Financial and Administrative Questions (continued)
- 20. Autres questions administratives et financières (suite)
- 20. Otras cuestiones financieras y administrativas (continuación)
- 20.7 Increase in the Level of the Working Capital Fund (continued)
- 20.7 Relèvement du niveau du Fonds de roulement (suite)
- 20.7 Aumento del nivel del Fondo de Operaciones (continuación)

CHAIRMAN: May I inform the delegates that the Delegate for Cuba wishes to support the draft resolution under item 20.7 of our Agenda relating to the Working Capital Fund. A short statement to this effect has been inserted in the Verbatim Record (C 81/III/PV/3) of our Commission.

I wish to inform delegates that the closing time for nominations to the CCLM (The Committee on Constitutional and Legal Matters) and the CFA (Committee on Food Aid Policies and Programmes) is 18.00 hours tomorrow. As of this morning, there are six nominations for seven places on the CCLM and four nominations for five seats on the CFA. At least one nomination more for each country is thus required. We will now proceed to the regular agenda for this meeting. We are going to adopt the Commission's Report for submission to the Plenary. I give the floor to the Chairman of the Drafting Committee who has been working hard, and I would request him to introduce the draft report to the delegates.

ADOPTION OF REPORT
ADOPTION DU RAPPORT
APROBACION DEL INFORME

J. C. SAINSBURY (Chairman, Drafting Committee): I have only two points to make, one is to report to yourself and to the Commission that the Drafting Committee conducted its duties in a spirit of cooperation to ensure that we accurately reflected the views and consensus reached in the Committee discussions. The Drafting Committee hopes therefore that the draft report before you will meet with the full approval of the Commission. I would just like to thank my colleagues on the Drafting Committee for their valuable assistance.

CHAIRMAN: Thank you very much I now propose to proceed, item by item, and paragraph by paragraph.

DRAFT REPORT OF COMMISSION III - PART I
PROJET DE RAPPORT DE LA COMMISSION III - PARTIE I
PROYECTO DE INFORME DE LA COMISION III - PARTE I

Paragraphs 1 to 4 approved
Les paragraphes 1 à 4 sont approuvés
Los párrafos 1 a 4 son aprobados

Paragraphs 5 and 6 approved
Les paragraphes 5 et 6 sont approuvés
Los párrafos 5 y 6 son aprobados

Paragraph 7, including draft resolution, approved
Le paragraphe 7, y compris le projet de résolution, est approuvé
El párrafo 7, incluido el proyecto de resolución, es aprobado

Paragraphs 8 and 9 approved
Les paragraphes 8 et 9 sont approuvés
Los párrafos 8 y 9 son aprobados

Paragraph 10, including draft resolution, approved

Le paragraphe 10, y compris le projet de résolution, est approuvé

El párrafo 10, incluido el proyecto de resolución, es aprobado

Paragraph 11 approved

Le paragraphe 11 est approuvé

El párrafo 11 es aprobado

Paragraph 12 approved

Le paragraphe 12 est approuvé

El párrafo 12 es aprobado

Paragraph 13, including draft resolution, approved

Le paragraphe 13, y compris le projet de résolution, est approuvé

El párrafo 13, incluido el proyecto de resolución, es aprobado

PARAGRAPHS 14 to 16

PARAGRAPHERS 14 à 16

PARRAFOS 14 a 16

A. PETERS (Secretary, Commission III): Thank you Mr. Chairman. This refers only to the English text in the Resolution. In 10.3 there are in brackets the words "ad interim" and it should read "and interim" The same remark is valid for the brackets on the top of page 8, English version, where "ad interim" should read "and interim".

Paragraphs 14 and 15 approved

Les paragraphes 14 et 15 sont approuvés

Los párrafos 14 y 15 son aprobados

Paragraph 16, including draft resolution, approved

Le paragraphe 16, y compris le projet de résolution, est approuvé

El párrafo 16, incluido el proyecto de resolución, es aprobado

PARAGRAPHS 17 to 20

PARAGRAPHERS 17 à 20

PARRAFOS 17 a 20

J.C. SAINSBURY (Chairman, Drafting Committee): I wish to make one point and I think Mr. Skoufis, wants to make a point taken up in the Drafting Committee. The first point refers to line 2 in the English text. The words "of 1981 had been less favourable than any on record." Discussions prior to the meeting with several delegates indicated there was some difficulty with the translation and, therefore, with the indulgence of my colleagues on the Drafting Committee. I would suggest a small amendment to this line, dropping the words "less favourable" and substituting the words "lower", which would then translate into Spanish, being one of the problems we had.

CHAIRMAN: Thank you very much. I would like now to give the floor to Mr. Skoufis, the Assistant Director-General of the Administration and Finance Department.

P. J. SKOUFIS (Assistant Director General, Administration and Finance Department): Thank you Mr. Chairman. During my introduction of this item, at your meeting last week, I brought up to date the status of the outstanding contributions from the LIM document that had been presented to the Conference at that time, the 19th November, 1981. At that time the Commission will recall that I listed several countries whose contributions have not been made between the period 4th and 19th November. The Conference will also recall the intervention of the distinguished delegate from France concerning the outstanding portions of the contributions from his government. Last Friday after the morning session

the Organization was informed by the Chase Manhattan Bank in New York of the receipt of the balance of the French contribution on 17th November in New York and this was in the amount of US\$4 370 466 and acknowledging the receipt of this contribution, therefore, with the permission of the Drafting Committee, the table that is now shown in the Appendix that is on page 17 of the English text has now been revised to reflect all of the contributions received. Those outstanding as of the 19th November -this chart on page 17 of the English text now reflects the contributions to the budget of the Organization outstanding at the 19th November 1981. Mr. Chairman, with your permission, I would also like to inform the Body, that yesterday the distinguished delegate from the Republic of Korea delivered a cheque in the amount of US\$236 530 to the Treasurer of the Organization in payment of the outstanding contribution of its Government. In addition, we were informed yesterday by the distinguished delegate of Japan that its Government is to pay today in Japan half of its outstanding balance as reflected in this chart in the appendix on page 17, a payment of US\$5 133 905, it is in the process of being paid in Japan today. Those last two payments will be reflected in subsequent editions of this chart.

CHAIRMAN: We are all glad that the speed is picking up. The Assistant Secretary of the Commission has an observation on the fringe versions of the Report.

D. ALHERITIERE (Secrétaire adjoint, Commission III): Les délégués auront déjà remarqué que dans la version française du texte une erreur de mise en page s'est glissée. La page 15 devrait se lire en réalité page 12, et les pages 12, 13 et 14 devraient respectivement devenir les pages 13, 14 et 15.

Paragraphs 17 to 20 approved

Les paragraphes 17 à 20 sont approuvés

Los párrafos 17 a 20 son aprobados

Paragraph 21 approved

Le paragraphe 21 est approuvé

El párrafo 21 es aprobado

Paragraph 22, including draft resolution, approved

Le paragraphe 22, y compris le projet de résolution, est approuvé

El párrafo 22, incluido el proyecto de resolución, es aprobado

Draft Report of Commission III, Part 1, was adopted

Projet de Rapport de la Commission III, première partie, est adopté

El proyecto de informe de la Comisión III, parte 1, es aprobado

DRAFT REPORT OF COMMISSION III - PART 2

PROJET DE RAPPORT DE LA COMMISSION III - PARTIE 2

PROYECTO DE INFORME DE LA COMISION III - PARTE 2

CHAIRMAN: The first item in Part 2 of the Draft Report of Commission III is the amendment to the Provisions of the Special Reserve Account, We shall proceed to deal with these items paragraph by paragraph.

Paragraphs 1 to 4 approved

Les paragraphes 1 à 4 sont approuvés

Los párrafos 1 a 4 son aprobados

Paragraph 5, including draft resolution, approved

Le paragraphe 5, y compris le projet de résolution, est approuvé

El párrafo 5, incluido el proyecto de resolución, es aprobado

CHAIRMAN: We will now move to item 20.3, paragraph 6 of the Report, Regional Office of the Near East.

PARAGRAPH 6

PARAGRAPHE 6

PARRAFO 6

H.F. NAJEB (Iraq) (Original language Arabic): I would like to propose that the text be more precise in the light of the discussions that took place in Commission III when we spoke of the Regional Office to the effect that at the end of paragraph 6 we add the following sentence, bearing in mind that I shall be reading at dictation speed: "Bearing in mind that the circumstances that lead the countries of the Region to close down the Regional Office in Cairo still persist (or are still prevailing)."

S. JUM'A (Assistant Director-General, Regional Representative for the Near East): Mr. Chairman if you will accept it, I will speak in Arabic so that my colleague from Iraq can understand me maybe more clearly. [Continued in Arabic]. (Original language Arabic) : The remark which the delegate from Iraq has raised was not mentioned by any of the speakers when this matter was discussed by the Commission. Therefore the present text of the Resolution under discussion is a very accurate conclusion or summary of the discussions that took place. Therefore any additions might distort the meaning of it. Therefore I would suggest that this paragraph should be maintained as in the document before the Commission.

M. DESSOUKI (Egypt) (Original language Arabic): When this subject was discussed by the Commission the number of speakers was limited and this sentence was not mentioned in any of the statements of the various delegations that took the floor. Therefore I wish the Report to reflect the exact discussions and would kindly request the delegate of Iraq to accept that the paragraph be maintained as it is in the Report.

H.F. NAJEB (Iraq) (Original language Arabic): I do not believe that the addition of this sentence should attract such objections. I share the views of all those who preceded me to the effect that the number of speakers was very limited. The text which I requested should be added tries to reflect the spirit of the discussions. Though the number of speakers was limited, one delegate has requested that the Regional Office be transferred to another site and another speaker supported this proposal and made a similar suggestion. There was even a request that the Regional Office should operate again from within the Region. Hence the spirit of the discussion has indeed shown that the circumstances or conditions that led to the closure of the office still prevail or otherwise we would have requested that the Regional Office be reopened. This sentence at the end of paragraph 6 is intended to express the real and exact spirit which prevails or was reflected by the discussions. That is why I would kindly request its addition.

H. HAMMAD (Jordan) (Original language Arabic): With respect to paragraph 6 on the Regional Office for the Near East, I believe that the explanation called for by the Iraqi delegation already exists in the text before us. Therefore I find no need to make any addition to it.

S. JUM'A (Assistant Director-General, Regional Representative for the Near East) (Original language Arabic): I believe that the delegate of Jordan was perfectly right when he said that the last sentence of this paragraph is to the same effect as that requested by the delegate of Iraq, because we say exactly that the Office will be reopened when the circumstances are more convenient. Therefore this simply means that the closing of the Office will be maintained until such time as the circumstances are more convenient. Hence the requested addition can serve no purpose at all, whether added or not the status quo still prevails, because actually the last sentence reads: "The hope was expressed that the Regional Office would be able to operate again within the Region when more favourable circumstances permit." And this already implies the idea of the delegate of Iraq.

H.F. NAJEB (Iraq) (Original language Arabic): I find that the discussion is taking place between myself and the Conference Secretariat, and hence I should reserve my right of reply to the Secretariat of the Conference. My impression of the sentence referred to by Dr. Jum'a, i.e. the last sentence of paragraph 6, to the effect that "the hope was expressed that the Regional Office would be able to operate again within the region, when more favourable conditions allow this." Egypt is from within the region but we were compelled to request the transfer of the Regional Office from Cairo and the closure of the Cairo office. But as the situation has not changed this sentence could be interpreted in several ways. The sentence that says "the Regional Office would be able to operate again within the region" could also mean Egypt. Egypt is a country of the region and this we do not agree to. That the office would be able to operate again within the region, this is something we agree to, provided, we say, that the conditions or circumstances which led to the closure of the Regional Office are still prevailing.

E.B.M. BARVA CHELE (Kenya): Kenya was a member of the Drafting Committee and I believe the Drafting Committee consisted of a number of delegates from all the regions, and I think perhaps that this paragraph was unanimously passed by members of the whole region without any reservations. While very much appreciating the views of my very dear colleague from Iraq I wish to put a question perhaps in the English text. It is very clear that the proposal from Iraq is actually a reverse of what is in the text because the English text reads "The hope was expressed that the Regional Office would be able to operate again within the region when more favourable circumstances permit." In my view of the English interpretation this means that the circumstances that led to the closure of the office if it was closed at all are persisting. Therefore adding another sentence as proposed by my very dear colleague makes the whole paragraph redundant. So may I perhaps request my dear colleague from Iraq not to insist with his proposal to add that sentence. In fact for those of us who are English speaking it would make the sentence redundant and it would not be to the interests of the Committee and the Conference perhaps to present a redundant item to the Conference. So may I request once more my dear colleague from Iraq not to insist.

CHAIRMAN: Is the delegate from Iraq willing to accept this explanation? Egypt has the floor.

M. DESSOUKI (Egypt) (Original language Arabic): If the distinguished delegate from Iraq is satisfied with these explanations I believe we ourselves are satisfied with it.

H.F. NAJEB (Iraq) (Original language Arabic): I must indeed apologize for having to request the floor another time. The distinguished delegate from Kenya has stated that this subject was discussed in the Drafting Committee. We know that it was discussed in the Drafting Committee and that the region was represented in the Drafting Committee, and yet this need not in any way or manner prevent my request for the introduction of a change or making a remark on the Report or otherwise why are we sitting here to adopt this Report? It could be adopted by the representatives of the region themselves. This is on the one hand. On the other hand, we heard the remark of the distinguished delegate of Kenya to the effect that the sentence would be redundant in the sense that it would contain repetition or it would drag along if we were to add the sentence I requested to be added to paragraph 6. Here I do not believe that the addition of just one line to bring more clarity to a paragraph would mean either redundancy or ambiguity. On the contrary I do not believe that this small addition would be so lengthy as to distort or spoil the paragraph. Rather, there are very many other resolutions to which a line or half a line were requested to be added and this was done and found acceptable.

M. DESSOUKI (Egypt) (Original language Arabic): The text as we have it before us does not give rise to any ambiguity. It expressed what the delegates who have taken the floor have said and what the delegate of Iraq requests is exactly already contained here within this part of the paragraph and in the light of the statements made.

CHAIRMAN: As the item has been discussed and plenty of opportunity has been given to everyone to express his views and the proposal of the delegate from Iraq has not been supported by others the discussion is closed.

Paragraph 6 approved

Le paragraphe 6 est approuvé

El párrafo 6 es aprobado

Paragraphs 7 to 9 approved

Les paragraphes 7 à 9 sont approuvés

Los párrafos 7 a 9 son aprobados

Paragraph 10, including draft resolution, approved

Le paragraphe 10, y compris le projet de résolution, est approuvé

El párrafo 10, incluido el proyecto de resolución, es aprobado

Paragraphs 11 to 13 approved

Les paragraphes 11 à 13 sont approuvés

Los párrafos 11 a 13 son aprobados

Paragraph 14, including draft resolution, approved

Le paragraphe 14, y compris le projet de résolution, est approuvé

El párrafo 14, incluido el proyecto de resolución, es aprobado

Draft Report of Commission III. Part 2, was adopted

Le projet, de rapport de la Commission III, deuxième partie, est adopté

El proyecto de informe de la Comisión III, parte 2, es aprobado

CHAIRMAN: We have now concluded our business on the adoption of the Report and we must thank the Chairman of the Drafting Committee, the members of the Drafting Committee and the delegates who took a very active and cooperative interest in the discussion and I, on my own behalf, thank you all.

The meeting rose at 11.10 hours.

La séance est levée à 11. h.10

Se levanta la sesión a las 11.10 horas.