

Questions, a progress report on the state of implementation of resolution 41/213;

12. *Concurs* with the relevant observations and recommendations made by the Advisory Committee on Administrative and Budgetary Questions in its report;²⁶

13. *Approves* the guidelines for the contingency fund as annexed to the present resolution;

14. *Requests* the Secretary-General to submit to the General Assembly at its forty-third session, through the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions, proposals for provisional procedures for the use and operation of the contingency fund based on the above-mentioned guidelines;

15. *Decides* to review the procedures for the use and operation of the contingency fund in the light of experience gained, no later than at its forty-seventh session;

16. *Also decides* to consider at its forty-third session the question of a comprehensive solution to the problem of all additional expenditures, including those deriving from inflation and currency fluctuations, on the basis of the reports to be submitted by the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions;

17. *Reaffirms* the relevant provisions of resolution 41/213 concerning the role and mandate of the Committee for Programme and Co-ordination;

18. *Decides* that the date for submission of the outline of the programme budget shall be 15 August of the off-budget year.

99th plenary meeting
21 December 1987

ANNEX

Contingency fund

A. CRITERIA FOR USE OF THE CONTINGENCY FUND

The contingency fund should be used for the following:

- (a) Additional resources that may be required as a result of the consideration of statements of programme budget implications;
- (b) Revised estimates in respect of:
 - (i) Amounts required over and above the estimates in the proposed programme budget for activities which had been included in the proposed programme budget but which were not acted upon at first reading pending the submission of additional information;
 - (ii) Additional requirements for construction related only to changes in the scope of the projects which are so urgent that the matter cannot wait to be considered in the context of the budget outline; additional requirements related to cost increases should be handled under provisions for dealing with inflation and currency fluctuations; similarly, additional requirements related to the effects of natural disasters or unforeseen obstacles should be handled on an *ad hoc* basis and should not be covered by the contingency fund;
 - (iii) Additional requirements resulting from legislative mandates, such as those resulting from the decisions of the Economic and Social Council.

B. PERIOD COVERED AND PATTERN OF USE OF THE CONTINGENCY FUND

1. The fund covers additional expenditures relating to the biennium which are based on decisions taken in the year preceding the biennium and during the biennium.
2. While prudent use of the fund requires that it should not be exhausted before the end of the period of use, no pre-determined propor-

tion for a given year should be set, pending review of the question, in the light of experience with the actual operation of the fund.

C. OPERATION OF THE CONTINGENCY FUND

1. In the off-budget year, the General Assembly would decide on the size of the fund in accordance with the provisions of annex I to its resolution 41/213.

2. Starting with the budget year (i.e., the year before the commencement of the biennium) and continuing throughout the biennium, the General Assembly would decide on the actual amounts to be utilized from the fund on the basis of statements of programme budget implications and proposals for revised estimates.

3. Each statement of programme budget implications and each proposal for revised estimates should contain a precise indication of how the alternatives mentioned in paragraph 9 of annex I to General Assembly resolution 41/213 would be applied in case it is not possible to finance all or part of the additional requirements from the fund. It would be understood that each draft resolution accompanied by a statement of programme budget implications would be adopted subject to the provisions of that statement.

4. The statements of programme budget implications and proposals for revised estimates, formulated as indicated in paragraph 3 above, would be considered by the Assembly as in the past. The resolutions could be adopted by the Assembly subject to the understanding described in paragraph 3 above.

5. A deadline should be set for the consideration of statements of programme budget implications and proposals for revised estimates. After that date, the Secretary-General would prepare and submit a consolidated statement of all programme budget implications and revised estimates considered at that session of the General Assembly. The amounts in that statement would correspond to those previously recommended by the Fifth Committee upon its consideration of individual statements and proposals for revised estimates (see paras. 3 and 4 above). Should the consolidated amount be within the available balance in the contingency fund, the Assembly would proceed to appropriate the required amounts under the relevant sections of the programme budget.

6. Should the consolidated amount exceed the balance available in the fund for that year, the Secretary-General would, in his consolidated statement, make proposals for revising the amount so that it would not exceed the available balance. In so doing, the Secretary-General would be guided by the indications of alternatives included in each statement of programme budget implications and in each proposal for revised estimates. The respective legislative bodies should take action on such alternatives at the time they adopt the decision or resolution in question (see para. 3 above). The Secretary-General would also take into account any indications of relative urgency that each legislative body might wish to make regarding its resolutions and decisions. Upon consideration of the consolidated statement, the General Assembly would proceed to appropriate the funds necessary under the relevant sections of the programme budget.

42/212. Current financial crisis of the United Nations

The General Assembly,

Recalling the purposes and principles of the Charter of the United Nations and, in particular, Article 17,

Recalling also its resolution 41/213 of 19 December 1986,

Deeply concerned about the current financial crisis, caused by the non-fulfilment by some Member States of their obligations under the Charter, which threatens the financial solvency, stability and work of the Organization,

Reaffirming the need for a durable, reliable and lasting financial foundation for the Organization, in accordance with the Charter,

Taking note of the report of the Secretary-General on the current financial crisis of the United Nations²⁷ and the related report of the Advisory Committee on Administrative and Budgetary Questions,²⁸

²⁷ A/42/841.

²⁸ A/42/861.

²⁶ A/42/640, paras. 4-14.

Taking note also of the views expressed by Member States in the Fifth Committee on the current financial crisis of the United Nations,

1. *Reaffirms* the obligation of all Member States, under the Charter of the United Nations, to finance the expenses of the Organization as apportioned by the General Assembly, and calls upon them to pay all their assessed contributions in full and in a timely manner;

2. *Concurs* with the recommendations made by the Advisory Committee on Administrative and Budgetary Questions in its report on the current financial crisis of the United Nations;²⁸

3. *Requests* the President of the General Assembly, in consultation with the Secretary-General and the chairmen of the regional groups, to keep under consideration the

possibility of resuming the forty-second session of the Assembly, at an appropriate moment in 1988, to address the financial situation of the Organization;

4. *Requests* the Secretary-General to communicate to all Member States the latest information on the magnitude of the current financial crisis facing the Organization and, taking into account the views of Member States on the financial situation of the Organization, to prepare a summary of those views together with an updated report on the financial situation of the Organization, for the consideration of the General Assembly.

99th plenary meeting
21 December 1987

42/213. Programme budget for the biennium 1986-1987

A

FINAL BUDGET APPROPRIATIONS FOR THE BIENNIUM 1986-1987

The General Assembly,

Having considered the report of the Secretary-General²⁹ and the related report of the Advisory Committee on Administrative and Budgetary Questions,³⁰

Taking into account the views and recommendations of the Advisory Committee in paragraphs 4, 9, 12 and 13 of its report and the views expressed in the Fifth Committee,

1. *Decides* to accept the recommendation made by the Advisory Committee on Administrative and Budgetary Questions in paragraph 13 of its report³⁰ that the provisions of regulations 4.3, 4.4 and 5.2 (d) of the Financial Regulations of the United Nations should be suspended in respect of regular budget surpluses arising at the end of the biennium 1986-1987;

2. *Resolves* that for the biennium 1986-1987:

(a) The amount of \$US 1,711,801,200 appropriated by its resolution 41/211 A of 11 December 1986 shall be maintained with transfers of credits between sections as follows:

Section	Amount appropriated by resolution 41/211 A	Increase or (decrease)	Final appropriation
	(US dollars)		
PART I. Overall policy-making, direction and co-ordination			
1. Overall policy-making, direction and co-ordination	46 148 900	—	46 148 900
TOTAL, PART I	46 148 900	—	46 148 900
PART II. Political and Security Council affairs; peace-keeping activities			
2A. Political and Security Council affairs; peace-keeping activities	84 370 000	—	84 370 000
2B. Disarmament affairs activities	10 255 400	—	10 255 400
TOTAL, PART II	94 625 400	—	94 625 400
PART III. Political affairs, trusteeship and decolonization			
3. Political affairs, trusteeship and decolonization	30 677 700	—	30 677 700
TOTAL, PART III	30 677 700	—	30 677 700
PART IV. Economic, social and humanitarian activities			
4. Policy-making organs (economic and social activities)	2 666 400	—	2 666 400

²⁹ A/C.5/42/40 and Add.1, Add.2 (Parts I and II), Add.3 and 4, Add.5 (Parts I-III), Add.6-16 and Add.18-36.

³⁰ A/42/863.