

Statement to the Advisory Committee  
on Administrative and Budgetary Questions,  
United Nations General Assembly

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Mr. Chairman, Distinguished Members of this Committee:

I am pleased to have this opportunity, to present to you the United Nations University's proposed Programme and Budget for the biennium 1986-1987. The format I am using in presenting the 1986-1987 Programme and Budget is similar to former submissions with one notable exception. In this submission I have included a comprehensive budget proposal prepared by the Director of WIDER in consultation with the WIDER Board as recommended by this Committee in its report dated 12 November 1984.

The past year saw a high point in an encouraging upward trend in the level of interest in the work of the University with the decision of the Government of Finland to provide financial support for WIDER amounting to \$30 million. This is one

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indication of the considerable progress that the University has made in contributing to the search for possible solutions to some of the pressing global problems of our time. Together with what the University has accomplished in its programmes, this allows me to say with greater confidence than ever that the University has moved further in overcoming the inevitable difficulties it experienced as a newly established institution.

When I appeared here in 1983 to present the proposed Programme and Budget for 1984-1985 I had the pleasure of informing this Committee that the Council of the University had endorsed the proposals shown in the Medium-Term Perspective (MTP) document which sets the course for the University's work until the end of 1987. As you will recall, the five themes of the MTP are:

1. Peace, security, conflict resolution and global transformation;
2. global economy;
3. hunger, poverty, resources and the environment;
4. human and social development and coexistence of peoples, cultures and social systems; and
5. science and technology and their social and ethical implications.

I am pleased to inform you today that during the period covered by the present Programme and Budget proposal - 1986-1987 - it is my intention to bring the majority of the projects undertaken under the Medium-Term Perspective to a satisfactory conclusion.

This first Medium-Term Perspective of UNU has just passed its mid-point period -- and this happens to coincide with the tenth year of operations of the UNU. It seems, therefore, natural for the University to take stock, however tentatively, at this time of its accomplishments thus far, and to plan its future

course as it moves toward completion of the Medium-Term Perspective.

Looking at what we have achieved, it is possible to discern how the institutional identity of the UNU has begun to crystallize. The most important elements of it are the capability to pursue research at the cutting edge of scientific knowledge, the willingness to take risks in our intellectual explorations to ensure that new aspects of the emerging human situation in the late 20th century are not ignored, and the insistence that the University's research should include, as an integral part of the design as well as the execution of projects, the perspectives of scholars and scientists from the developing countries. One of the most distinctive contributions of the UNU, I believe, is to provide a setting for the mobilization of indigenous scholarship in all regions, a setting in which problems are defined and approaches to them fashioned from within rather than in conformity to an agenda set from outside.

Another contribution is related to the tremendous explosion of knowledge that has taken place in the one decade of the UNU's existence. A major manifestation of this is the complexity of the interlinkages among many of the pressing global problems confronting society today. This creates in many minds that have to deal with such problems a powerful longing for simple

reductionist explanations, whose foundations in reality are so insecure that they have no capacity for tolerance of other approaches. In responding to the obvious need for new integrative ideas to channel productively the force of the knowledge explosion, the UN University has begun to serve as a forum to help facilitate communication among scholars and scientists across disciplinary, cultural and ideological boundaries.

The proposed Programme and Budget for 1986-1987 now before you is based on an "assured and attainable" income of \$46.787 million and represents an increase of \$7.637 million, or 19.5 per cent over the approved budget level for 1984-1985. Of course, a substantial proportion of this increase in the University's resources is attributable to the establishment of WIDER.

Of this sum of \$46.787 million, \$2 million is immediately set aside for the Administrative Reserve and the balance of \$44.787 million is available for the University's programme for 1986-1987. Of this sum of \$44.787 million available for the 1986-1987 Programme and other expenses of the University, \$36.173 million, or 80.8 per cent, will be applied to the University Programme. All other activities of the University account for \$8.614 million or 19.2 per cent, a reduction of 2.6 per cent over the previous biennium.

The University's Programme and Budget for 1986-1987 has been prepared on the basis of a rate of exchange of ¥220/US\$1. There has been recently, however, as you all know, considerable strengthening of the Japanese.yen. While this will require careful monitoring, the University's programme and budget for 1986-1987 should not be adversely affected thanks to certain administrative steps which have already been taken, and others which we plan to take in the near future.

Regarding the incorporation of Academic and Information Services within the Global Learning Division, which was mentioned by the Committee in its 1983 report, a description of how these activities are consolidated under Dissemination, Information and Outreach and included in the Global Learning Division is given in the proposed Programme and Budget. The Council's recent decision to put more emphasis on dissemination, in the light of the increased number of publications emanating from programme activities, is further justification of this arrangement.

In view of the fact that we will come to the end of the Medium-Term period in 1987, I have increased the financial provision for Planning and Evaluation to take account of the increase in the number of external and internal evaluation

exercises that will be implemented during the biennium as many projects are concluded.

The Institutional Planning and Resource Development Division - headed by my colleague on my right, Dr. Alexander Kwabong - has continued its exploratory activities towards the possible establishment of other research and training centres of the University. With regard to the proposed Institute for Natural Resources in Africa (INRA), this has attracted considerable interest from scientists, institutions and governments in Africa and elsewhere, including support from the Organization of African Unity. Efforts to mobilize the financial resources necessary for the establishment of INRA have now reached an advanced stage. Plans, which include the initiation of preliminary research and training programmes, are moving forward towards the eventual establishment of a research and training centre in the University's host country, Japan, which will help to strengthen the University's collaboration with Japanese scholars and scientists. Programme activities leading towards the establishment of an International Institute for Biotechnology in Latin America and the Caribbean in Venezuela are also being planned.

While our Endowment Fund is by no means adequate, it cannot be considered unhealthy. Following discussions with the UN Treasurer, who advises us on all our investments, and with

others, we have decided to engage the services of a well-known New York-based group of consultants to study how best the University could protect the actuarial value of the Endowment Fund. The first phase of the study has been completed and was reviewed by the University Council at its last session. What remains to be done is to establish an investment policy for the University, in consultation with the Treasurer, and appoint an Ad Hoc Expert Committee on Investments, reporting to me, to facilitate a regular review of the investment policy, the investment performance results and other matters relating to the investment of the Endowment Fund assets.