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## I - OVERALL ISSUES

### Paragraphs 4 and 5 – Budget for 2004-2005

#### *Question 1*

What would you recommend should be the overall growth of the budget for 2004-2005?

- (a) zero-nominal (i.e. \$544 million as for the last three biennia – a decrease in purchasing power)
- (b) zero-real (i.e. \$544 million + recosting + anticipated cost increases – neither an increase nor a decrease in purchasing power)
- (c) real growth? By how many percentage points? (i.e. \$544 million + growth + recosting + anticipated cost increase – an increase in purchasing power)

#### *Question 2*

Do you consider it necessary to improve the structure and presentation of the budget? If yes, how could that be accomplished?

#### **Response of Canada**

In accordance with our long-standing policy, Canada continues to believe that the budget for 2004-2005 should aim for zero-nominal growth as it has in previous biennia.

It should be noted, however, that budget questions cannot be answered in isolation, but need to be related to the ongoing process of reform at UNESCO, and how any additional funds received by the Organization would be spent should this become an option. In other words, would additional funds be used for existing programme activities, to expand into other areas, for administrative purposes or for infrastructure improvements?

With respect to the structure and presentation of the budget, it is recommended that clear linkages be established between the presentation of the budget and the presentation of programme objectives and results. The budget and the programme should be treated as integral parts of the work of the Organization, not two separate exercises.