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New York

SUMMARY RECORD OF THE 44th MEETING

Chairman: Mr. AL-MASRI (Syrian Arab Republic)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.20 p.m.

AGENDA ITEM 131: UNITED NATIONS COMMON SYSTEM (continued) (A/44/30; A/C.5/44/14, 16, 18 and 20)

1. Mr. AKWEI (Chairman of the International Civil Service Commission) expressed satisfaction that many delegations had shown considerable support for most of the Commission's recommendationa, It was his understanding that while, to some extent, the format of the report had been simplified and rendered more transparent, there was still room for improvement.

2. Many delegations had welcomed the resumed participation by staff representatives in the Commission's work on the comprehensive review. Harmonious and fruitful co-operation with its partners, i.e. the representatives of the executive heads and staff, were of fundamental importance to ICSC. While pi great deal of progress had been made in that regard, some aspects of the Commission's working methods continued to be a source of concern to the other two parties, especially the staff representatives. He wished to reassure the Fifth Committee that all of those matters would be considered during the review of the functioning of ICSC, which would be conducted in close co-operation with the representatives of the executive heads and staff,

3. With respect to the Commission's recommendation regarding modification to the adjustment mechanism for pensionable remuneration of the Professional and higher categories, it should be noted that it. in no way changed the income replacement principle, which was fundamental to determining pensionable remuneration and its adjustment mechanism, as decided by the General Assembly. The proposal tc amend the 1.22 factor reflected a major tax change which had taken place in the United States in 1986, and which no one could have foreseen a few years earlier, Had United States taxes remained stable, there would have been no need for that change.

4. A number of delegations had raised questions about the terms "mandatory age of separation" and "normal age of retirement", and how the new proposal on the mandatory age of separation would affect the normal age of retirement. The mandatory age of separation was the age at which staff members must leave the Organization, while the normal age of retirement referred to the time at which staff could receive full pension. Under its Statute, the Commission could make recommendations on the mandatory age of separation, The Commission's recommendation served as a complement to that of the United Nations Joint Staff Pension Board regarding the normal age of retirement, and it was designed to support one of the measures proposed by the Pension Board to restore the actuarial balance of the Fund and modernize personnel policy management in the common system. The Commission was convinced that its recommendation would have no adverse effects, especially on efforts to achieve equitable geographical distribution.

5. A number of delegations had expressed their strong concern over the practice of some Member States to supplement the pay of their nationals working for the United Nations common system. ICSC had serious reservations concerning that practice and would continue to deal with the matter. The Fifth Committee might

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consider the suggestions by some delegation6 that the Secretary-General should submit the question to Member States at the highest level. The proposal was in keeping with the Commission's decision as outlined in paragraph 90 (f) of Volume I of its report.

6. Unfortunately, the Commission had been unable to complete the part of the review dealing with the remuneration structure, even though its work had progressed considerably. The Commission would continue to study the matter, together with other remaining issues relating to the comprehensive review and would report thereon to the Fifth Committee at the forty-fifth session. The Commission believed that postponing the question of structure should not affect decisions on the recommendations made in its report.

7. While some delegations had noted that the current review wan the twelfth of its kind since the establishment of the United Nations, it should be pointed out that it was only the second since the establishment of ICSC in 1975 and it was being conducted some 13 years after the preceding one. All previous reviews had been conducted at the request of the General Assembly, They had dealt with specific aspects of salary, and had not been comprehensive reviews.

8. With respect to the competitiveness of the salary system and the observation by some delegations that recruitment and retention problems could reflect management deficiencies, he said that some of the proposals made by one of the delegation6 concernod were already being implemented. It should be recognised, however, that competitiveness was determined by an employer's position in the market. The widening of the pay gap, as calculated by the United States Government, combined with the close linkage of United Nations salaries to those of the United Statee federal civil service, had meant an almost automatic loss of competitiveness for the United Nations as the United States federal civil service had itself lost competitiveness.

9. Replying to the request by some delegation8 for convincing evidence of staff recruitment and retention difficulties, he said that it was impossible to collect data on suitable candidates who had not applied for employment because they felt that the salaries and conditions were not satisfactory. It was therefore necessary to rely on the judgement of executive heads regarding those difficulties. In all of the Commission's discussions with executive heads, they had insisted that the organizations were not receiving application6 from candidates with the professional background needed to execute the programmer mandated by their respective legislative bodies. With regard to statistics on other aspects of recruitment and retention difficulties, he said that while the organisation8 ha3 made considerable efforts in that area, there was a practical limit to the level of resources which could be allocated to such activities. Paragraphs 78 and 79 and annex I of the ICSC report could be consulted in that connection.

10. The Commission had considered other practices which constituted further evidence of recruitment and retention difficulties, including a general decline in the use of grades P-l and P-2 for entry-level recruitment; the recruitment of new staff members at higher steps not consistent with job classification in order to

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offer them better salaries; a growing tendency to bypass the salary system by the Us8 of special service contracts; the use of reimbursable or non-reimbursible loans from Member States in order to recruit staff; the tendency to leave vacancies unfilled over long periods of time) the use of supplementary payments; and transfers and resignations in order to join other international organisations. He wished to assure the Fifth Committee that the problems were real and it would not be practical to expect mathematical proof of their existence.

11. With respect to the proposal to carry out periodic five-year reviews in order to determine whether the United States continued to have the highest-paid national civil eervioe and the question as to why euah a study had not been undertaken as part of the comprehensive review, he said that there was as yet no appropriate methodology, although the Commission planned to develop one in future. Nor was there a methodology for total compensation comparison, which would be the best way of carrying out such a review. Accordingly, it was not feasible, within the limited resouraes and time available, to carry out such a study in a one-year period. With respect to the periodicity of the studies, the benefits derived from conducting such studies more frequently than every five years would not be commensurate with the cost: and effort entailed. Waiting longer than five years aould also affect the competitiveness of the common system remuneration and produce results that were out of touch with real economic conditions. Moreover, five years was the normal cycle in many salary systems,

12. Many queiestions had been asked concerning the rationale, technical justification and budgetary aspects of the proponal for a 5 per cent across-the-board increase in salaries. Regarding the budgetary aspect, the Commission had followed the guidelines established by the Qeneral Assembly in resolution 43/226 that the overall costs should, as far as possible, be comparable to the costs of the current remuneration system, As to the request to impose further restraints for budgetary reasons, it should not be forgotten that rigid constraints had been exercised at a time of budgetrry difficulty from 1965 to mid-1988, and the current problems were to some extent a consequence of the budgetary austerity during that period. The overall cost of ICSC recommendations to the common system s regular budgets represented an increase of approximately 3 per cent over current costs. That should be compared with the several increases of 4-5 per cent in the salaries of Qeneral Service staff every five years,

13. To the objection of one delegation that the cost of a 5 per cent increase would strike hardest at the voluntary funded organisations, the statement by the Administrator of UNDP to the Commission at its August session was a pertinent reply. He had said that, given the decline in the competitive position in recent years, UNDP had to bear the cost of the proposed reforms because in terms of programme delivery the cost of not making the necessary changes would be many times greater. A similar point had been made as far back as 1984 by the previous Administrator.

14. Regarding the rationale for the proposed increase, he said that the Commission had reviewed a wide range of issues before recommending it, including the difficulties of recruitment and retention of staff; the lack of competitiveness of

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the United States civil service, the projected margin for 1990, which would be 108.3; the loss of purchasing power in United Nations Salaries since 1985; and a 15-year hiatus in the review of Unite@ Nations salaries. It was not *any* single one of those *reasons* but rather their cumulative weight which had convinced the Commission. The Administrative Committee on Co-ordination and its Chairman, the Secretary-Qeneral, had strongly pressed the cab8 for a 5 per cent salary increase as an inescapable measure.

15. As far as the date on which the increase would be implemented was concerned, the Commission had considered primarily 1 January 1990. However, two poseible implementation dates - 1 January and 1 July 1990 - had been taken into account in projecting the net remuneration margin, which would be 115 for July or 118.3 for January 1990, It should be noted, moreover, that the Secretary-Qeneral had indicated that ACC considered that the recommendations should be implemented early in 1990. The financial implications - $60 million for a 12-month period - could be adjusted pro rata for any shorter period.

16, In response to objections to the idea of an across-the-board increase, he explained that the recommendation was based on experience across a wide range of duty stations and that a selective implementation would not solve the problem.

17. Regarding the recommendation on floor net remuneration *in* the United Nations common system, he confirmed that the floor would be equal to the salaries received by United *States* civil servants in Washington, D.C. The new floor, based on the consolidation of 12 multiplier points in net base salary plus a 5 per cent across-the-board *increase,* would ensure that, While the General Assembly had not specifically requested the floor level proposed by the Commission, it had requested the Commission to simplify the poet adjustment system. The proposed floor would eliminate many existing ad hoc measures which caused unnecessary complexity in the system. The Commission had considered it appropriate to follow the practice of the comparator and not to recommend a pay level that was more or less than that. Although it might have been more logical to propose the base salary of the base city of the United Nations remuneration system, i.e. New York, that would have resulted in a larger expenditure.

18, The net remuneration margin was intended to compensate for three factors, namely, short careers, limited opportunity to rise to the hignest level and extra expenses resulting from expatriation. The expatriate allowance paid to United Statos employees was not taken into account in calculating the margin since the comparison was made with the home civil service in Washington, D.C., where no such allowance applied. As for the bonuses and performance awards paid to United States civil servants, only that part of those payments considered by the comparator as base salary was included in the calculations. Since those bonuses served to maintain the competitiveness of the comparator civil service, some members of the Commission had considered that they should be taken into account in margin calculations.

19. The Commission had decided to review the margin methodology in 1969 rather than 1991 because it was so closely linked with the remuneration questions mandated

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for study in the current year. In essence, the changes proposed were a refinement of the current methodology in order better to compare two similar but not identical eyeteme *and* to ensure accurate measurement of the remuneration received by United States civil servants, which had been changing over the past few years in a way which could not be captured by the current methodology. Moreover, the refined methodology mad8 for closer adherence to the Noblemaire principle.

20. In reepoaee to one delegation which considered that the margin range should have been amended at the same time that the margin methodology was reviewed, he noted that a reduction would have exacerbated recruitment and retention problems as well as those of loss of purchasing power. Not all elements of the methodology had a direct relationship on the margin range or vice versa. The former was a technical mechanism and the latter was a policy matter, and the two could be changed independently of each other.

21. Regarding the ICSC proponal that the margin should fluctuate freely within the range , and the suggestion that that would require ICSC to make on a continuous basis a political decision of where to place the margin, he denied that that would be the outcome, and explained that the essence of the propoaal was that post adjustment levels at the baeo of the system would be determined largely by the movement of the New York poet adjustment index as indicated by CPI and survey results. No intervention was envisaged unless the limite of the range (110-120) were about to be breached.

22. The Commieeion had been criticized for the complex and incomprehensible remuneration system currently in effect. The one factor which would continue to keep the system as complex as it was would be to require the margin to be maintained at the desirable midpoint of 115 at all times. To comply with that requirement, the margin for each successive margin period, starting with October 1989, would have to be maintained at 115 irrespective of the movement of technical factors governing the margin, which could only be *done* by arbitrarily manipulating the index for New York and consequently those for other duty stations. The procedure created unnecessary complexity and hence staff resentment, He urged the Fifth Committee not to press the matter and give ICSC an opportunity to operate the proposed system, which would be fair to the staff as well as to Member States. The Commission would report on it regularly to the General Assembly.

23. He was pleased to note the general support for the proposals to rationalise the post adjustment system. Some reservations had been expressed about the use of the same out-of-area index for New York and Washington, D.C., as was used for all other duty stations. On the grounds that there was no technical reason to treat those two duty stations differently from other duty stations, ICSC had accepted the recommendation of the Advisory Committee on Post Adjustment Questions and the Working Group on the comprehensive review, which removed an anomaly that had been the source of distortion in the system and therefore of considerable resentment on the part of the staff concerned.

24. Regarding the effects of scarcity of goods in underdeveloped economies on the

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purchasing power of salaries of the common system, it had been noted that in some countries the level of remuneration was too low because scarcity of goods meant that no valid comparisons could be made. That was one of the reasons for recommending a floor limit equal to current base salaries plus approximately 17 points of post adjustment,

25. In reeponse to the comment about taking into account the cost of domestic service in New York, he explained that there was no compensation for domestic service costs and that the data were collected for New York for the sole purpose of comparing similar costs at other duty stations, Remuneration at New York was established on the basis of the Noblemaire principle and updated in accordance with the Consumer Price Index of the United States Bureau of Labor Statistics.

26, Regarding the effects of revaluation or increased purchasing power which could sometimes occur, it should be noted that the post adjustment was used to adjust remuneration for both inflation and currency fluctuations. When the dollar rose in value over the local currency of a given duty station, fewer dollars were paid to obtain the same smount of local currency and the reverse occurred when the dollar was devalued to ensure that there was no drop in pay in local currency terms.

27. As far as the capacity to reduce compensation was concerned, he explained that ICSC took appropriate and immediate steps to reduce remuneration when so warranted, within the framework of the poet adjustment system which had been in effect since its incaption in 1957.

28. As to whether the Commission's decisions might affect the accuracy and rationale of the poet adjustment system, it should be noted that the basic thrust of the proposals was to rationalise the system through simplification and that accuracy would be maintained if not improved by their implementation.

29, He was pleased by the overall response to the package on mobility and hardship. As to the euggeetion that the new system should be implemented on a trial basis, he said that ICSC intended to monitor it closely, making reasonable adjustments where necessary.

30. In order to establish hardship conditions, a working group comprising representatives of the organizations, the staff and the ICSC secretariat made an evaluation on the basis of the following factors: security, health, climate, educational facilities, isolation incidence, housing, entertainment etc. Each duty station was reviewed at least once every three years. The list of hardship duty stations could be provided to any delegation interested. The hardship classification of the headquarters of the regional commissions and data on the actual benefits resulting from the application of the mobility and hardship matrix would be provided in working papers.

31. In response to the request by some delegations for information on the impact of the Commission's recommendations concerning the salary increase, the floor measure and the mobility and hardship allowances, he said that the relevant calculations would be provided in a detailed document during the informal consultations.

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(Mr. Akwei)

32. With regard to motivation and productivity, and to the wish of some delegations that the proposals had been preceded by better performance appraisal systems, the modalities for performance appraisal lay with the individual agencies.

33. The proposals on allowances had been the subject of a very detailed review but had elicited minimal comment. As to the observation about end-of-service grants for staff on fixed-term contracts, the Commission had not considered that matter to be of a priority nature but, if the Qeneral Assembly so wished, the Commission would be pleased to study it further.

34. The view had been expressed that the Commission had not fully responded to the mandate from the Qeneral Assembly with respect to allowances. ICSC believed that it had respouded to its mandate and that, if the matter was referred for further study without specific guidance, there might be unjustifiable delays. One delegation had expressed the view that the dependency allowance of the United Nation8 was inconsistent with the Noblemaire principle, since the comparator had no equivalent scheme. The Noblemaire principle did not say that the United Nations should do exactly what the United States did; it stated that a comparison of the conditions of service should be made. For example, the education grant was not exactly that of the comparator, but the Commission and the Qeneral Assembly had on various occasions confirmed its validity. A total compensation comparison was therefore essential in order to avoid a one-on-one comparison of every entitlement of each service.

35. In conclusion, it was essential that the recommendations should be considered as a package and implemented at an early date,

AGENDA ITEM 132: UNITED NATIONS PENSION SYSTEM (continued) (A/44/9 and A/44/682; A/C.5/44/6 and A/C.5/44/18)

36. Mr. ZADOR (Chairman, United Nations Joint Staff Pension Board) said that most of the statements on the report of the Joint Staff Pension Board had focused on the measures to restore the actuarial balance of the Fund over the long term and that, in general, there had been very broad support for the package of measures recommended by the Board.

37. He wished in the first place to clarify an apparent misunderstanding about the basis for the actuarial valuation of the Fund and the basis on which conclusions had been reached by the Board as to. the measures it was proposing to the General Assembly. The valuation was based on the conditions of service in effect on the valuation date and on actuarial assumptions as to the future evolution of the assets of the Fund and of its liabilities under current conditions of service. In order to respond to the Assembly srequest, the Board had examined all possible measures to restore the actuarial balance of the Fund, including changes in conditions of service, among which was a change in the age of retirement under the Fund's regulations. The inclusion of that change in the package of measures had the support of all parties represented on the Board, including the representatives of the participants and of the executive heads.

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(Mr. Zador)

38. It was important to clarify the relationship between the mandatory age of separation under the staff regulations of the various organizations *and* the age *of* retirement under the Pension Fund regulationa.

39, According *to* the *Pension* Fund regulations, the *normal* retirement age was the age at which a participant was entitled to a full retirement benefit, currently *age* 60. According to the staff rules of the various organisations, the mandatory age of separation was the age beyond which staff members did not have the right to continue in service. Except in the case of FAO, where it was age 62, the mandatory retirement age in the other member organisations of the Fund was the same as the normal retirement age under the Fund's regulations, namely, age 60. Staff members could, however, be retained in service beyond that age under the discretionary authority of the *executive* heads of the organizations.

40. While the mandatory age of separation could be greater than the normal retirement age, as it was in FAO, it could not be less, because it would be indefensible to force staff to leave service by reason of age *before* they could qualify for an unreduced retirement benefit.

41, Taking into account *the need* of each organisation to retain flexibility in its staffing decisions, the effect of changes in the retirement *age on* current recruitment and career-development plans and the potential legal complications resulting from increasing the retirement *age* for existing staff, the Board had decided *to recommend* changing the retirement age *to* 62 for *new* staff members only. ICSC, in turn, had recommended changing the mandatory age of separation to 62, also for new staff member6 only. Under those arrangements, changes would be gradual, thus avoiding any possible impact on current staffing objectives.

42. It ahould be pointed out that the proposed changes would not affect United Nations recruitment plans nor would they impede effort8 to rejuvenate the Secretariat by recruiting future staff at younger ages.

43. In regard to the question whether UNRWA staff could in future become participants in the Pension Fund, it must be borne in mind that the staff of that agency were covered by a system of salaries, allowances and conditions of service which were related to those enjoyed by civil servants employed in comparable positions with the Governments of the countries in the Middle East where UNRWA operated. They were not subject to the United Nations common system of salaries, allowances and conditions of service which, in accordance with the Fund's regulations, wan a condition for participation in the Fund. To bring their conditions of service *into* line with the common system would involve departing from arrangements that had been in place for the 40 years of the agency's existence *and* would have widespread political, administrative and financial implications not only for UNRWA but also for the host and donor countries.

44. In conclusion, he expressed the hope that, with the support of the Fifth Committee, the recommendations of the Board would be adopted by the General Assembly.

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45. Mr. FORAN (Assistant Secretary-General, Representative of the Secretary-General for the investments of the United Nations Joint Staff Pension Fund), responding to comments and suggestions made during ths discussion, said that, as he had informed the Fifth Committee when he had introduced the report of the Secretary-General, the Pension Fund intended to continue the position instituted a few years earlier and to continue to limit exposure to equities, while building up the fixed-income side of the portfolio with a view to ensuring the preservation of the principal of the Fund and miaimizing the effects of a possibie downturn in the stock markets. That defensive strategy, which had been well received by most speakers, along with the policy of diversification of investments, would provide the best means of ensuring the preservation of the principal of the Fund. However, the Fund might be forfeiting the potential profits of a more aggressive approach, which would also have carried with it a higher level of risk. Such a strategy was in the best interest of all concerned: Member States, the organixations which made up the Fund and, above all, the participants in and beneficiaries of the Fund.

46. One delegation was of the opinion that it had not been a good year for the Fund's investments. That had been due in part to the defensive strategy which had been adopted and in part to the fact that during the year there had been a rise, unexpected to many, in the value of the United States dollar. If that had not occurred, the return of the Fund's investments, measured in dollars, would have been significantly higher; measured in European currency units (ECU), it had been 19.2 per cent.

47. While diversification offered the best protection for the preservation of the Fund's principal, and, in the long run, perhaps provided the best returns, on a year-to-year basis there were bound to be fluctuations in the total return, particularly when measuring in one currency.

48. With regard to investments in developing countries, the Fund was continuing to seek new possibilities, whether bonds issued by Governments and financial institutions or direct or indirect investments in various countries. The Fund had made direct investments in Jordan, Kenya, Malaysia, Mexico, the Philippines, Singapore and Thailand amounting to approximately $110 million and indirect investments in Brazil, India, Indonesia and the Republic of Korea amounting to $115 million, giving an overall total in June 1989 of $225 million. Investments in regional development institutions amounted to $346 million and in international development institutions to $563 million.

49. As to investments in Africa, in September 1989 a mission had visited Ghana, Côte d'Ivoire, Zimbabwe and Kenya. In Ghana, where it was planned to establish a stock market, the mission had studied the possibility of the Fund making direct investments once the stock market was in operation. At the African Development Bank, it had analysed the possibility of the Fund investing in short-term stocks issued by the Bank. In Côte d'Ivoire, Zimbabwe and Kenya, various opportunities of direct investments by the Fund had been considered.

50. Lastly, he said that he would transmit to the Investments Committee the various comments and suggestions which had been made by the members of the Fifth Committee.

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AGENDA ITEM 130: PERSONNEL QUESTIONS (continued) (A/44/604, A/C.5/44/2, A/C.5/44/9, A/C.5/44/11, AK.5144117 and A/C.5/44/21)

51. Mr. BELYAEV (Byelorussian Soviet Socialist Republic) said that his country was one of the few Eastern European States whose representation in the United Nations Secretariat had improved during the current year. That modest advance had been due to a series of favourable factors, in particular the readiness of the Office of Human Resources Management (OHRM) to resolve problems relating to geographical distribution. Moreover, for the first time, competitive examinations had been held in the Byelorussian SSR for posts at the P-2 level. As a result, a junior professional who had passed the examination had already joined the Secretariat and two others had received offers of appointment. With those appointments, the representation of the Byelorussian SSR would be within the desirable range. His delegation supported competitive examinations as one of the main means of resolving the problems of unrepresented or underrepresented countries, although it acknowledged that initially his delegation had had certain misgivings about the introduction of such examinations and had even been opposed to them.

52. The report of the Secretary-General on the composition of the Secretariat (A/44/604) showed that, despite the overall reduction in the staff and the harmoaization of the structure of the Secretariat, there had also been significant improvements in the representation of other States. The representation of some developing countries in high-level posts had improved; in other cases there had been no change. That also, however, could be interpreted as a positive factor in view of the current circumstances and the period of reform through which the Organization was passing. At the same time, the report indicated that the problem of equitable geographical representation of all Member States was still unresolved and that the Secretariat was perhaps the only organ of the United Nations system in which an anomalous situation persisted, since not all Member States were represented within their desirable range.

53. He was particularly concerned at the ratio between permanent and fixed-term contracts. In his view, both types of contract had approximately the same number of advantages and disadvantages: however, according to the report, it was clear that for some reason the balance continued to be tilted towards permanent contracts. He deplored that state of affairs which constituted a serious obstacle to the true implementation of the provisions of the Charter with regard to the personnel policies of the United Nations and would impede the enhancement of the efficiency, competence and authority of the international civil service.

54. In the present context of priorities and decision-making with regard to personnel policies, however, an attempt was being made to show that the inheritance of posts was a priority problem. That was merely an attempt to divert attention from the problems of principle in that regard. Those who advanced that false argument considered that it was unfair that Secretariat officials holding fixed-term contracts should be replaced by specialists from the same country and endeavoured to have that practice declared illegal. His delegation was prepared to eliminate the problem, provided that at the same time the practice of inheriting posts was considered also in the context of permanent contracts.

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(Mr. Belyaev, Byelorussian SSR)

55. *There* were other problems in the solution of which his delegation was prepared to collaborate. Oar of those was ♦≈♏ ● quitablo representation of women in posts subject to geographical distribution. His country *had* sufficient professional women who would be *prepared* to work in the United Nations Secretariat, and who had been successful in interviews organised by the United Nations in New York, but so far none of them had been *appointed.* When the United Nations considered a woman candidate for a Professional post, *the* question arose of her departure abroad and it war not always resolved fairly for all Member States. In reality, only nationals of headquarter8 duty stations were able to occupy posts of some importance, The procedures *and practices* for the recruitment of women in the Secretariat were not universal and met the interests of only a small number of States, To remedy the situation, Member States and the Secretariat should make enormous joint efforts, taking inco account, in the first place, the interests of the women candidates.

56, Mr. ANNAN (Assistant Secretary-General for Human Resources Management) said that the debate *had* shown that the question of equitable geographical representation remained of the utmost importance to all Member States. In that connection, the main objective of OHRM war to ensure that, in recruiting staff possessing the highest standards of efficiency, competence and integrity, all Member States were adequately represented in the Secretariat and that the Secretariat had the best staff from all Member States. All the efforts of OHRM were, *and* would continue to be, directed *towards* accomplishing that goal,

57. Recruitment was the main tool to correct imbalances in the geographical distribution of the staff, OHRM appreciated the support by delegations of national competitive examinations as an objective recruitment method, When the process *Of* recruiting successful candidates from the 1988 and 1989 examinations had been completed, the level Of representation Of the participating Member States would have been significantly improved. Eight countries had *confirmed* their willingnoes to participate in *the* national examination grocers in 1990 and he hoped that others which had been invited, in particular the unrepresented and underrepresented Gulf States, would respond positively. As a result of the national examinations, eight more countries should be within the desirable rang8 by 30 June 1990. At the same time, OHRM would continue its efforts to develop special measures to select staff from unrepresented or underrepresented countries as a *priority* for appointments *to* posts at the P-3 level and above. It war important to receive the full co-operation of all Member States in meeting that goal. Moreover, OHRM would have to be extremely selective in the appointment of nationals of Member States which were already above the mid-point *of* their range,

56. As for the concern expressed by some delegations regarding the recruitment *of* four nationals from over-represented Member States, he wished to point out that three of them were *from* the Economic and Social Commission for Western Asia (ESCWA) region and had been recruited pursuant to measures mandated by the General Assembly to address special regional circumstances. *In* any event, the percentage of nationals from over-represented Member States appointed had been the lowest ever. *However,* as part of the efforts of OHRM to recruit more women, it would he necessary to approach the issue with flexibility to enable the Secretary-General to meet the 30 per cent target by the end of 1990.

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(Mr. Annan)

59, Some delegations had stressed the need for rotation in the upper echelons of the Secretariat. The Secretary-General always sought to take that concern into consideration while maintaining the necessary geographical and regional balance.

60. During the debate, reference had also been made to the question of vacancy management and staff redeployment, as part of the Secretary-General's measures in response to the recommendation of the Group of 18. By ensuring that vacancies were open to all staff members, regardless of duty station, a more even distribution of vacancies between duty stations had been achieved, as well as more effective programme delivery, a reduction of vacancy rates in the regional commissions from 30 per cent to 15 per cent in two years, and increased mobility, Eighty of the 300 staff members eelected'had changed duty station. Career development had also improved, as in 80 per cent of the cases the staff members had been promoted after six months satisfactory performance in their new functions. Those measures had also had an impact on the situation of women in the Secretariat since so far 34 per cent of those promoted through vacancy management had been women.

61. Recruitment activities were closely related to the retrenchment exercise which wae still under way. It was not possible at the present stage to provide exact data on the impact of that exercise on the overall geographical distribution and, specifically, on the representation of women. Every effort would, however, be made to minimize the impact. In order to achieve staff reductions through attrition, the number of appointments made over the past three years had been very small. Recruitment plans were, however, being developed for the resumption of normal rates of recruitment, bearing in mind that there would be a reduced number of posts available,

62. With regard to the status of women in the Secretariat, OHRM expected the 30 per cent goal to be reached by 1990 and surpassed in the years following. By the end of September 1909, the proportion had reached 27.2 per cent. That meant that the Organisation needed to recruit 140 women in the next 13 months, without indulging in reverse discrimination and during a period of restricted recruitment. Everything possible was being done to take advantage of every vacancy that arose in order to reach that target. Accordingly, it must be recognized that during the coming year most of the vacancies would have to be filled by women. The Secretary-General, he himself and OHRM were prepared to accept the challenge and, if Member States supported the idea, they should stop recommending mainly male candidates and propose competent women for recruitment. If all worked together, it would be possible to achieve the target.

63. He appreciated the support expressed by several delegations for training activities and, in response to a question regarding the budgetary appropriation for training as a percentage of the total regular budget, he said that the $9 million allotted to language and occupational training for 1990-1991 represented 0.46 per cent of the total budget proposed, The occupational training component accounted for 0.11 per cent of the total budget, a proportion which had not varied to any significant extent since 1984.

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(Mr. Annan)

64. OHRM would study aarefully the specific suggestions made by some delegations on questions suah as promotion, performance appraisal, staff rotation and vacancy management.

65. The statements relating to the report of the International Civil Service Commission (A/44/30) had underlined the importance of the Organization being able to recruit and retain rtaff of the highest quality and to provide fair and equitable aonditionr of service for the rtaff, Most delegations had boon generally positive towards the ICSC recommendations, partiaularly those relating to conditions of service in the field; some delegations, however,- had indicated that they had some problems with the proposal for a 5 per cent across-the-board increase in salaries. The Secretary-General hoped that the Fifth Committee would be able to reach a positive conclusion on the *paakage* of recommendations presented by ICSC once the process of informal consultations had been completed, since that would provide a clear signal of the importanae whiah Member States attached to a fair and equitable system of emoluments for the staff of the Organisation,

66. Finally, he apologiaed to the Committee, on behalf of the staff and the administration of the Secretariat, for the statement made by Mr, Lowell Flanders, President of the Staff Committee. He had already written to Mr. Flanderr to address some of the more glaring inaccuracies and unfounded allegations in his statement.

67. The rules and practices in force provided meahanirms for staff-management consultation whiah were the proper context for resolving issues relating to personnel administration. He aould not, however, *fail* to mention one remark made by the President of the Staff Committee to the effect that the administration was resorting to outside contracting and *that* that was not only *far* more costly than using the services of the Organization's own rtaff, but also raised questions about how contracts were awarded, overcharging and kiokbackr. That was an extremely serious accusation by Mr. Flanders against his colleague8 and his constituents and he sincerely expected him either to substantiate it or to retract it.

68. Mr. GEBREMEDHIN (Ethiopia) expressed surprise that consideration of the matter was to be concluded since the Chairman had indicated that the Bureau would consult the Legal Counsel about the unfounded statements made by the representative of the Secretariat staff *and* would inform the Committee of the outcome, For his delegation, the matter would not be concluded until the Bureau had indicated what measures it intended to take in that regard,

69. He also wished to point out that annex I to the report of the Secretary-General on respect for the privileges and immunities of officials *of the* United Nations (A/C.5/44/11) indicated that Mrs. Taitu Ahmed had been detained in Ethiopia since 5 May 1988, and that the Legal Counsel had confirmed the contents *of* that report. On instructions from hie Government, he wished to state that Mrs. Ahmed had been released at the beginning of July 1989, while the report was dated 2 November, When an official of the Secretariat was detained in any country, that country was required to report the detention and permit the representative of the Secretary-General to contact the staff member concerned. Moreover, the Government

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(Mr. Gebremedhin, Ethiopia)

should give detailed explanations to the Secretary-Qeneral regarding the nature of the charges made against the staff members. If that information was delayed in reaching the Secretary-Qeneral, as in the present instance, he wondered what hope there was for the rule that access to the staff member should be provided within 24 hours of his dotention,

70. Mr. NASSER (Egypt) expressed concern over the delays in the issuance of some documents relating to item 130 (b), which had also occurred the previous year, He hoped that the Office of the Legal Counsel would provide documents sufficiently in advance of the consideration of the relevant item in the Fifth Committee. He wished it to be recorded in the record that the following year he intended to request strict compliance with the relevant rules of procedure in that regard.

71. Mrs. ABBAS (Pakistan) expressed surprise that Pakistan was mentioned in the list of staff members whose basic rights had not been observed by States Members of the United Nations (A/C.5/44/21). That acausation against a State Member of the United Nations by the staff representatives was not in keeping with the facts, The Government of Pakistan had learned of the disappearance of Mr. Abdul Fattah, a staff member of the World Food Programme. By means of a communication from the Resident Representative of UNDP in Islamabad, the competent authorities had immediately taken action to investigate the matter and had done everything possible to find Mr. Fattah. Officials in Islamabad had maintained close contact with the Resident Representative of URDP and were co-operating fully with the United Nations in its efforts to find Mr. Fattah. If the United Nations officials had encountered difficulties in that regard, his delegation would be interested to know. Pakistan's attitude was consistent with the excellent relations which his Government had traditionally maintained with the offices of the United Nations in his country and with tho importance which it attached to the protection of the rights of international civil servants,

72. Mrs. SHITAKHA (Kenya) complained that the serious objections which her delegation had expressed concerning the views of the staff representative had not been reflected in the press release of 16 November. She hoped that in future the Department of Public Informatiou would pay more attention to the statements of her delegation.

73, The CHAIRMAN, in response to the comment made by the representative of Ethiopia, said that the Bureau would indeed discuss the matter and would inform the Committee of the outcome. That did not prevent the conclusion of the debate *on* the item and the initiation of informal consultations on it.

The meeting rose at 5.15 p.m.