United Nations GENERAL ASSEMBLY FORTY-FIRST SESSION



Official Records*

SUMMARY RECORD OF THE 24th MEETING

Chairman: Mr. FONTAINE-ORTIZ (Cuba)

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

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The meeting was called to order at 10.05 a.m.

AGENDA ITEM 118: UNITED NATIONS COMMON SYSTEM: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (continued)

AGENDA ITEM 119: UNITED NATIONS PENSION SYSTEM: REPORT OF THE UNITED NATIONS JOINT STAFF PENSION BOARD (continued) (A/41/7/Add.2, 9, 30 and 790; A/C.5/41/1, 13, 22, 28 and 36)

1. <u>Mr. GREGG</u> (Australia) said that, like the Advisory Committee, his delegation favoured speedy resolution of the outstanding issues between the International Civil Service Commission and the Joint Staff Pension Board. He assumed that the Advisory Committee had in mind a decision at the current session.

2. He was pleased to note that ICSC had responded in a constructive manner to General Assembly resolution 40/245. Its proposal would reduce pensionable remuneration to something approaching an acceptable level. His delegation would go along with the proposal even though it had some reservations about its acceptability in the longer term. There was no justification for any margin for United Nations pensions over that of the comparator country.

3. The response of the Pension Board on the other hand had been disappointing even though the scale of pensionable remuneration it proposed was not much higher than that proposed by ICSC. While acknowledging that there were some uncertainties which related to the introduction of a new pension scheme by the comparator, the review of salary comparability, tax rates and staff assessment, his delegation believed that the Board's concerns could be taken care of in a decision by the General Assembly and did not justify deferring a decision until the following year. His delegation had noted with interest the comments made by the Chairman of the Pension Board at the 22nd meeting and his acknowledgement that the ICSC proposal would be a major economy measure. To oppose such an economy measure in the present financial climate would appear to border on the irresponsible.

4. Everyone realized that the Board had an important role to play in ensuring that United Nations staff received appropriate benefits upon retirement, but it must also ensure that the Fund was operated in the most cost-effective manner. The Board had not been sufficiently conscious of the financial implications of its policies for Member States largely because its composition was unbalanced. The time had come to give control of the Board to Member States. He therefore urged the Board to alter radically the present structure for it was vital for the future stability of the United Nations pension system for Member States to have confidence in the Board's impartiality.

5. <u>Mr. OMURA</u> (Japan) said that pension benefits might be considered one of the most important factors in attracting capable staff members; hence the establishment of a stable and adequate pension system was essential to effective personnel management.

6. The new formula suggested by ICSC for use in determining pensionable remuneration - the concept of income replacement - had met with general approval.

(Mr. Omura, Japan)

In the application of the new principle, however, the ratio of income replacement should not be the sole basis on which the adequacy of pension levels was judged. It was also necessiry to compare the actual pension levels of those serving at the base city of the common system with those of civil servants in the comparator country. The views of ICSC and the Pension Board regarding how the income replacement principle should be applied differed on two important points: the level of net remuneration to be used to determine pensionable remuneration and the appropriate relationship between the net remuneration margin range and the pensionable remuneration margin range. The Commission had decided to use 96 per cent of net remuneration as the basis for its calculations to ensure that the cost-of-living differential between New York and Washington was not reflected in pensionable remuneration, whereas the Board argued that the use of anything other than 100 per cent of net remuneration in New York would not be compatible with the concept of income replacement at the base city. On the other hand there was no disagreement between the two bodies on the interim procedure to be used to adjust pensionable remuneration between comprehensive reviews. Under that procedure, the scales of pensionable remuneration and net remuneration at the base city would be adjusted at the same time. The result of excluding the cost-ofliving factor from the margin calculation, as proposed by ICSC, would be to raise the net remuneration margin, thereby delaying the attainment of the desirable mid-point of the margin range and, in turn, in the next adjustment of net remuneration. Pensionable remuneration would be due for adjustment earlier because the margin of pensionable remuneration would reach the mid-point sooner owing to the discounting of the cost-of-living factor from pensionable remuneration. The Pension Board had described the undesirable effects of that procedure in annex II to its report (A/4)/9, para. 5). In order to apply the interim adjustment procedure, his delegation felt it would be more reasonable to calculate pensionable remuneration on the basis of the current level of net remuneration, in other words, 100 per cent.

7. A decision on the margin between pension benefits in the common system and those of the comparator civil service was a policy question. ICSC had decided to use the net remuneration margin range of 110-120 with a mid-point of 115 vis-à-vis that of the comparator country, which the General Assembly had approved at its fortieth session. However, ICSC and the Board differed on how the margin figures should be applied to pensions. ICSC recommended that the level of pensionable remuneration should be kept within the margin range of 110 to 120 with a desirable mid-point of 115 vis-à-vis the gross salary of the United States federal civil service (the 18 per cent margin scale), whereas the Board felt that it should be determined by "grossing-up" net remuneration which was kept at the margin range of 110 to 120 (the 21 per cent margin scale), arguing (A/41/9, paras. 31 and 36) that the scale of pensionable remuneration should yield an income replacement level comparable to that offered by the comparator country and that the scale recommended by the Commission would yield a lower margin range for net pension benefits than for net remuneration. His delegation had concluded that there were few differences between the income replacement percentages calculated on the basis of the 21 per cent and the 18 per cent margin scales. In order to arrive at a reasonable solution it was necessary to examine levels of pension benefits, net and gross, between the two civil services. According to the ICSC report, as of 1 April 1987, the United Nations gross pension benefits, using the ICSC scale of pensionable

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(Mr. Omura, Japan)

remuneration, were on the average 18 per cent higher than the gross benefits of United States officials. However, the Board argued that if pension benefits were compared on a net basis, the ICSC scale of pensionable remuneration produced a net pension benefits margin that was lower than the net remuneration margin of 110-120.

8. It was his understanding that in order to ensure higher salaries for the United Nations common system the Assembly had approved in 1985 a net remuneration margin of 110-120 based on the fact that posts in international civil services were less stable and secure, that prospects of promotion to the highest posts were limited and that expatriates incurred higher expenses. It was very difficult to judge whether those three factors could legitimately be used in determining the margin for after-service entitlements. It was fully justifiable to give the expatriate factor less weight in determining net pension benefits than in determining net remuneration. Accordingly, his delegation regarded as reasonable in principle the approach taken by ICSC, which resulted in the net pension benefits margin lower than the net remuneration margin.

9. His delegation also noted that the income replacement percentages of the United Nations <u>vis-à-vis</u> the United States civil service favoured senior staff members and were disadvantageous to junior staff members. A more acceptable scale of pensionable remuneration would be achieved either by adjusting the ICSC scale upward or by adjusting the Pension Board scale downward.

10. His delegation noted the ICSC recommendation regarding the amount of pensionable remuneration for Assistant Secretaries-General and Under-Secretaries-General. While considering the figure to be adequate it would like to see some difference in the amounts for the two levels.

11. In conclusion, his delegation believed that the differences between the 18 per cent and the 21 per cent margin scales were relatively small and he urged the Committee to find a solution acceptable to all parties at the current session.

AGENDA ITEM 110: PROGRAMME BUDGET FOR THE BIENNIUM 1986-1987 (continued)

Revised estimates resulting from the recommendations of the Board of Trustees of the United Nations Institute for Disarmament Research contained in document A/41/666 (A/41/7/Add.3, A/C.5/41/10)

12. <u>Mr. MSELLE</u> (Chairman of the Advicory Committee on Administrative and Budgetary Questions) said that, in accordance with the provisions of the statute of the United Nations Institute for Disarmament Research (UNIDIR), its Board of Trustees was requesting a subvention from the regular budget in the amount of \$98,500. If the Board had followed the procedure outlined in the statute and requested a full subvention, the sum would have been \$164,600. However, in view of the grave financial crisis, the Board had decided to request the smaller amount, which was the minimum required to permit UNIDIR to continue its operations in 1987.

13. The Advisory Committee recommended that the General Assembly be informed that, if it approved the request of the Board of Trustees of UNIDIR an additional appropriation of \$98,500 would be required under section 2B of the programme budget.

14. At the request of the representative of the United States of America, a recorded vote was taken on the Advisory Committee's recommendation.

- In favour: Afghanistan, Algeria, Angola, Argentina, Australia, Benin, Bolivia, Brazil, Bulgaria, Burkina Faso, Burma, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Chile, China, Cuba, Czechoslovakia, Democratic Yemen, Denmark, Egypt, Finland, France, Gabon, German Democratic Republic, Greece, Guinea, Hungary, Indonesia, Jamaica, Jordan, Kenya, Liberia, Malaysia, Mauritania, Mongolia, Morocco, Mozambique, Niger, Norway, Oman, Pakistan, Philippines, Poland, Romania, Genegal, Singapore, Spain, Sudan, Swaziland, Sweden, Thailand, Togo, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Venezuela, Yugoslavia, Zaire, Zambia.
- Against: Belgium, Germany, Federal Republic of, Italy, Japan, Netherlands, Portugal, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: None.

15. The recommendation was adopted by 60 votes to 8.

16. Mr. AL-ASFOOR (Bahrain), Mr. MONIRUZZAMAN (Bangladesh), Mr. DAMIT (Brunei Darussalam), Mr. NTAKIBIRORA (Burundi), Mr. KOUNDJIA (Central African Republic), Mr. ALEMU (Ethiopia), Mr. COULIBALY (Mali), Mr. AL-SALLOUM (Saudi Arabia), Mr. BANGURA (Sierra Leone), Mr. MOHAMED (Somalia), Mr. AL-MASRI (Syrian Arab Republic), Mr. ETUKET (Uganda), Mr. JUMA (United Arab Emirates) and Mr. NGAIZA (United Republic of Tanzania) said that, had they been present during the voting, they would have voted in favour of the Advisory Committee's recommendation.

Revised estimates under section 28K (Administration and Management: Miscellaneous expenses (General insurance)) (A/41/7/Add.6, A/C.5/41/11)

17. <u>Mr. MSELLE</u> (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that an appropriation of \$924,500 had been approved under section 28K to fund requirements for general insurance in 1986, but it had been decided that requirements for 1987 would be considered in the light of a report of the Secretary-General on developments in the insurance field. The report now submitted by the Secretary-General (A/C.5/41/11) gave detailed information on those developments.

18. So far as general liability insurance was concerned, the Secretary-General was recommending that the Organization should introduce a self-insurance programme to cover general liability risks at Headquarte s as from 1 June 1987, at an estimated cost of \$355,000 for the first year. The Advisory Committee, having reviewed the alternatives, agreed with the Secretary-General's approach.

19. The Secretary-General was also proposing that a new Headquarters regulation be introduced to limit the legal liability of the United Nations to pay compensation for damages and a draft regulation was annexed to the same document. The Advisory Committee recommended approval of the proposed regulation.

(Mr. Mselle)

20. So far as property and other insurance was concerned, the Secretary-General was proposing to continue the current commercial arrangements and the Advisory Committee agreed with him.

21. The financial implications were summarized in paragraph 18 of document A/41/7/Add.6. The Advisory Committee recommended acceptance of the Secretary-General's request for an appropriation of \$1,006,200 for 1987 under section 28K of the programme budget.

22. Mr. VAN DEN HOUT (Netherlands) asked for more information about how the conclusions in the report of the Secretary-General had been reached and, in particular, about the procedures used to calculate the estimates for 1987 and whether bids from insurers had been invited.

23. Mr. MURRAY (United Kingdom) said that his delegation was concerned at the rapid growth of insurance premiums and would welcome the information requested by the representative of the Netherlands. He also wished to know what exactly was meant by the statement in document A/C.5/41/11 (para. 27), to the effect that the suggested limitation of compensation for other than economic loss would be consistent with proposed or enacted legislation in the host country to limit the amount of damages payable by it.

24. <u>Mr. MICHALSKI</u> (United States of America), referring to the draft regulation annexed to the report of the Secretary-General, asked what the current limit of compensation was for economic loss and what savings would be achieved by imposing a ceiling of \$100,000. He also wished to know what type of decision the Committee and the General Assembly might take on the draft regulation, in particular, whether the decision would be subject to negotiation with the United States Administration or not. He would also welcome clarification of the note 2 in the report of the Secretary-General referring to the procedure for approval of any draft regulation falling within the scope of the Headquarters Agreement.

25. <u>Mr. FORAN</u> (Controller), replying to the questions raised, said that the procedure used to arrive at the proposals contained in the report of the Secretary-General was the one normally followed for the procurement of services. Contact had been made with brokers in the United States and Europe and various bids had been obtained. However, there was a general reluctance in the insurance industry to participate in general liability insurance. Commercial insurance would have been preferable, but the costs were prohibitive and still rising. The concept of self-insurance had therefore been introduced, if only reluctantly. It was significant that whereas annual premiums up to and including 1984 had covered the whole of any general liability losses, since then a deductible of \$50,000 had been introduced in order to keep down the premiums, which meant that the Organization would have to pay the first \$50,000 of every claim. Accordingly, it had been felt that there was no alternative to self-insurance.

26. After consultation with the representative of the Office of Legal Affairs, he could confirm that the limit of \$100,000 suggested in the draft regulation was the same as the one proposed to Congress by the United States Administration in April 1986. The figure had been selected to accord with that proposed by the

(Mr. Foran)

Administration. There were no current limitations in United States federal or New York State law on the maximum amount that could be claimed as compensation for non-economic losses. As yet, there had been no discussions with the United States Mission or authorities about the proposed regulation but they could be arranged. He understood that discussions had been held with the United States authorities on previous Headquarters regulations, but it had not been thought that the one currently proposed affected the host country.

27. Mr. DEVREUX (Belgium) asked whether the reluctance of insurers to cover general liability was general or affected only the United Nations, and the latter was the case why.

28. <u>Mr. VAN DEN HOUT</u> (Netherlands) asked whether the answers given by the Controller covered the question of property and other insurances as well as general liability and, if so, whether the estimates for 1987 were based on the lowest bids received.

29. Mr. MICHALSKI (United States of America) said that he would like to clarify the matter of consultations further. In particular, he wished to know if the limitation of liability would go into effect before there had been consultations with the United States authorities. The Controller had mentioned the United States Administration's proposal to limit its liability to \$100,000, but it was still an open question whether that limitation would override State law. The draft regulation before the Committee appeared to cover not only the L ited Nations itself but also its contractors. He wondered if that was so and whether such a provision was consistent with sovereign immunity.

30. <u>Mr. FORAN</u> (Controller), replying to the question raised by the representative of Belgium, said that there was a general reluctance on the part of the insurance industry to cover general liability as a result of the large awards for damages made by courts, but the industry was particularly reluctant to cover public organizations such as the United Nations, where the risks were perceived to be higher than average. However, the facts did not substantiate that view and that was why it had been decided to get for self-insurance.

31. So far as the question raised by the representative of the Netherlands was concerned, his previous answer applied to both general liability and property and other insurances. All policies had been awarded to the lowest bidders.

32. <u>Mr. SZASZ</u> (Director, Office of Legal Affairs), replying to the questions raised by the representative of the United States, said that the proposed limitation of liability could enter into force immediately after approval by the General Assembly or with some delay. He anticipated consultations with the United States authorities before the General Assembly was asked to act, so that it could be aware of the host country's reactions. It was hoped, nevertheless, that the regulation would be in place by mid-1987.

33. The question as to who was covered by the limitation of liability was answered by the chapeau to article 1 of the proposed draft regulation, which covered any person acting on behalf of the United Nations in the Headquarters district. The

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concept was similar to that embodied in the legislation submitted to Congress by the United States Administration.

34. <u>Mr. MUDHO</u> (Kenya) asked for comparative figures for insurance at other United Nations locations and for some indication of what the Headquarters figures might be if bids were not limited to the United States insurance market.

35. <u>Mr. MICHALSKI</u> (United States of America) expressed concern that his delegation would not be able to support a decision by the Committee that did not involve consultations with the United States authorities. He wondered if the United Nations really had a right under the Headquarters Agreement to implement a regulation such as that proposed without consultations. He suggested that it might be better not to take a decision on the matter at the current session.

36. <u>Mr. MSELLE</u> (Chairman of the Advisory Committee on Administrative and Budgetary Questions) requested clarification on the reed for consultations with the United States Government in view of the provisions of section 8 in article III of the Headquarters Agreement.

37. <u>Mr. SZASZ</u> (Director, Office of Legal Affairs) replied that it was necessary to refer to section 7 (b) of the Headquarters Agreement in order to understand section 8 of that Agreement. In the absence of any provision to the contrary elsewhere in the Agreement, the law of the United States would apply within the Headquarters district. Thus, in the event that an accident were to occur inside the district as a result of carelessness, there were no limits to the damages that might be awarded against the United Nations or a contractor for which the United Nations was responsible. Although the United Nations enjoyed immunity from suit under the Convention on the Privileges and Immunities of the United Nations, that Convention ilso provided that, in the event of a dispute which could not be resolved by negotiation, the United Nations was obliged to make provisions for an appropriate mode of settlement. That would presumably take the form of a call for arbitration, under New York's State and local law.

38. The Headquarters Agreement made no reference to any procedural requirement with respect to the United Nations power to make regulations operative, within the Headquarters district, under section 8 of the Agreement. A procedure had, however, been established under General Assembly resolution 481 (V), and that procedure had been followed by the Secretary-General in presenting the draft regulation under discussion. If the General Assembly were to approve the draft regulation in the form presented in the annex to document A/C.5/41/11, the limits to any claims made in the future against the United Nations would have to be accepted by United States courts, since the Headquarters district was subject to applicable federal, State and local laws, as modified by Headquarters regulations. He believed that, under the circumstances, it would be better to defer a decision on the draft regulation for a few days in order to allow consultations to take place with the Government of the United States.

39. Mr. FORAN (Controller), in reply to questions raised by the representative of Kenya, said that the approximate costs of general liability insurance for the Economic Commission for Latin America and the Caribbean and the United Nations

(Mr. Foran)

Office at Geneva amounted to \$26,000 and \$55,000 per year respectively. He could provide figures for other duty stations at a later date if necessary. With regard to the use of offshore insurance companies, between 50 and 60 underwriters of both general liability and property insurance, in various parts of the world, had been approached in the course of 1985. However, in contrast to the position in other duty stations, it was felt that it would be of greater advantage to introduce a self-insurance programme for general liability insurance at Headquarters, while retaining commercial arrangements for property and other insurance.

40. <u>Mr. MUDHO</u> (Kenya) confirmed that he would require similar information for other duty stations, as well as the percentage such costs represented with respect to the annual budget for each duty station, including Nairobi.

41. <u>Mr. MICHALSKI</u> (United States of America) proposed, in line with the suggestion made by the Director of the Office of Legal Affairs, that action on the draft regulation should be postponed pending consultations with his Government.

42. <u>The CHAIRMAN</u> said that the Committee would defer consideration of the draft regulation contained in the annex to document A/C.5/41/11 pending consultations between the Secretariat and the Government of the United States.

43. At the request of the representative of the United States, a recorded vote was taken on the revised estimates under section 28K.

- <u>In favou</u>: Afghanistan, Algeria, Angola, Argentina, Australia, Bahrain, Bangladesh, Belgium, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burma, Cameroon, Canada, Chile, China, Congo, Costa Rica, Denmark, Ecuador, Egypt, Finland, France, Gabon, Germany, Federal Republic of, Ghana, Greece, Guinea, Guyana, Indonesia, Iraq, Ireland, Italy, Jordan, Kenya, Liberia, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Morocco, Mozambique, Netherlands, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Peru, Philippines, Portugal, Qatar, Rwanda, Senegal, Sierra Leone, Singapore, Somalia, Spain, Sri Lanka, Sudan, Swaziland, Sweden, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, Venezuela, Yugoslavia, Zimbabwe.
- Against: Bulgaria, Byelorussian Soviet Socialist Republic, German Democratic Republic, Hungary, Poland, Romania, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United States of America.

Abstaining: Honduras, Israel, Japan.

44. An additional appropriation of \$1,006,200 under section 28K for the biennium 1986-1987 was approved by 81 votes to 9, with 3 abstentions.

45. <u>Mr. MUDHO</u> (Kenya), speaking in explanation of vote, said that his delegation had voted in favour of the revised estimates despite the considerable increase in the cost of insurance. He appreciated the efforts made by the Secretary-General to secure the most economical insurance coverage but called for a continuing exploration of possibilities for a reduction of the costs to Member States, through the use of offshore companies.

46. <u>Mr. NTAKIBIRORA</u> (Burundi), <u>Mr. ALEMU</u> (Ethiopia), <u>Mr. AL-SALLOUM</u> (Saudi Arabia) and <u>Mr. NGAIZA</u> (United Republic of Tanzania) said that, had they been present during the voting, their delegations would have voted in favour of the revised estimate.

Revised estimates under section 32 (Construction, alteration, improvement and major maintenance of premises) (A/41/7/Add.4; A/C.5/41/15)

47. <u>The CHAIRMAN</u> proposed that, on the basis of recommendations of the Advisory Committee, the Fifth Committee should approve an additional appropriation of \$410,000 under section 32 of the programme budget for the biennium 1986-1987.

48. At the request of the representative of the United States, a recorded vote was taken on the revised estimates under section 32.

- In favour: Afghanistan, Algeria, Angola, Argentina, Australia, Austria, Bahrain, Bangladesh, Belgium, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Cameroon, Canada, Central African Republic, Chile, China, Congo, Costa Rica, Cuba, Democratic Yemen, Denmark, Ecuador, Finland, France, Gabon, Germany, Federal Republic of, Ghana, Greece, Guinea, Guyana, Honduras, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Israel, Italy, Japan, Jordan, Kenya, Liberia, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Morocco, Mozambique, Netherlands, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Philippines, Portugal, Qatar, Romania, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Singapore, Somalia, Spain, Sri Lanka, Sudan, Swaziland, Sweden, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, Venezuela, Yugoslavia, Zaire, Zambia, Zimbabwe.
- Against: Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, German Democratic Republic, Hungary, Poland, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United States of America.

Abstaining: None.

49. An additional appropriation of \$410,000 under section 32 for the biennium 1986-1987 was approved by 91 votes to 9.

50. <u>Mr. DANUS</u> (Chile), speaking in explanation of vote, expressed the appreciation of his Government for the efforts of the United Nations to repair the ECLAC building at a time of acute financial crisis and said he was convinced of the long-term benefit of such an investment. Nevertheless, he was curious why a number of delegations had opposed measures which were of a purely technical nature.

51. <u>Mr. NTAKIBIRORA</u> (Burundi) said that, had he been present during the voting, his delegation would have voted in favour of the revised estimates under section 32.

Health insurance coverage for locally-recruited staff (A/41/7/Add.5; A/C.5/41/17)

52. <u>Mr. MSELLE</u> (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the proposals before the Committee related to the implementation of a recommendation made by the International Civil Service Commission and approved by the General Assembly. It had been recommended that the current Medical Expense Assistance Plan (MEAP) should be replaced by a Medical Insurance Plan (MIP), contributions to which would be shared between the staff and the Organization. Details of the sharing of costs were contained in the report of the Secretary-General and summarized in the report of the Advisory Committee. The financial implications of the change were summarized in paragraphs 7 to 9 of the Advisory Committee's report. The Secretary-General was not requesting any immediate additional appropriation and the Advisory Committee concurred with that arrangement.

53. <u>Mr. MURRAY</u> (United Kingdom), speaking in explanation of vote, said that his delegation could not support the proposed change because, while it had no objection to the proposal in principle, it questioned the wisdom of increasing costs at a time of financial crisis.

54. <u>Mr. MICHALSKI</u> (United States of America) said that his delegation shared the views expressed by the representative of the United Kingdom.

55. At the request of the representative of the United States, a recorded vote was taken on the proposal relating to health insurance coverage for locally-recruited staff.

In favour: Afghanistan, Algeria, Angola, Argentina, Australia, Austria, Bahrain, Bangladesh, Belgium, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burma, Cameroon, Canada, Central African Republic, Chile, China, Congo, Costa Rica, Cuba, Democratic Yemen, Denmark, Ecuador, Egypt, Finland, France, Gabon, Ghana, Greece, Guinea, Guyana, Honduras, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Italy, Japan, Jordan, Kenya, Liberia, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Morocco, Mozambique, Netherlands, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Peru, Philippines, Portugal, Qatar, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Singapore, Somalia, Spain, Sri Lanka, Sudan, Swaziland, Sweden, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunizia, Uganda, United Arab Emirates, United Republic of Tanzania, Venezuela, Yugoslavia, Zaire.

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- Against: Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, German Democratic Republic, Hungary, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United States of America.
- Abstaining: Germany, Federal Republic of, Israel, United Kingdom of Great Britain and Northern Ireland.

56. The proposal was adopted by 88 votes to 8, with 3 abstentions.

57. <u>Mr. NTAKIBIRORA</u> (Burundi) said that, had he been present during the voting, his delegation would have voted in favour of the revised estimates under section 32.

58. <u>Mr. MUDHO</u> (Kenya), noting that, in view of the fact that the list of duty stations contained in paragraph 2 of document A/C.5/41/17 did not include Nairobi, where two important United Nations bodies were located, asked how the list had been drawn up. He hoped that an answer would be provided at the earliest opportunity.

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59. <u>The CHAIRMAN</u> said that the expanded Bureau was proposing, with a view to expediting the Committee's work, that the deadline for completion of an item should be announced when a new item was taken up; that delegations should be urged to limit their statements to 10 minutes; and that consideration of item 113 (Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency) and item 114 (Joint Inspection Unit) and of the reports on the hiring and use of consultant services and on the report of the Joint Inspection Unit concerning utilization and methods for official travel should be deferred.

60. If he heard no objection, he would take it that the Committee agreed to those proposals.

61. It was so decided.

The meeting rose at 12.30 p.m.