

47. Mr. KITI (Kenya), supported by Mr. DE PRAT GAY (Argentina), suggested that the Joint Inspection Unit should be requested to submit its report to the General Assembly at its thirtieth session. In that way the Unit would have sufficient time in which to prepare the thorough report which was required.

48. Mr. GRODSKY (Union of Soviet Socialist Republics) said that his delegation was prepared to agree that the word "twenty-ninth" in the first paragraph should be replaced by the word "thirtieth".

49. Mr. RHODES (Chairman, Advisory Committee on Administrative and Budgetary Questions) reminded members that at the previous meeting the Committee had taken a decision on the Advisory Committee's report (A/9008/Add.2). Was he to take it that the proposal under discussion subsumed the recommendation made in the last sentence of paragraph 5 of that report?

50. Mr. SAULS (United States of America), observing that his delegation had received the draft paragraphs only that morning, suggested that, in accordance with the provisions of rule 122 of the rules of procedure of the General Assembly, a decision in the matter should be deferred until a later meeting.

51. Mr. ELKHATIM (Sudan), observing that the Committee was already behind schedule in its work, proposed that a decision on the draft paragraphs should be taken immediately.

52. The CHAIRMAN referred to rule 121 of the rules of procedure and invited the Committee to vote on the motion to adjourn the debate on the item under discussion.

The motion was adopted by 48 votes to none, with 20 abstentions.

The meeting rose at 1.15 p.m.

1594th meeting

Wednesday, 7 November 1973, at 10.55 a.m.

Chairman: Mr. C. S. M. MSELLE (United Republic of Tanzania).

A/C.5/SR.1594

AGENDA ITEM 79

Proposed programme budget for the biennium 1974-1975 and medium-term plan for the period 1974-1977 (*continued*) (for the previous documentation, see 1589th meeting; A/C.5/L.1123)

*First reading (continued)**

SECTION 28—ADMINISTRATION, MANAGEMENT AND GENERAL SERVICES (A/9006, A/9008 AND ADD.1 AND 4, A/C.5/1508, A/C.5/1513 AND CORR.1)

1. The CHAIRMAN suggested that the Chairman of the Advisory Committee on Administrative and Budgetary Questions should introduce section 28 as a whole. Thereafter the Fifth Committee would take up the Electronic Data-processing and Information Systems Service, then the Administrative Management Service and then the section as a whole.

It was so decided.

2. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that in terms of cash, section 28 of the proposed programme budget for the biennium 1974-1975 (A/9006) accounted for almost one fifth of the total budget. The increase of the estimate over the combined appropriations for 1972 and 1973 amounted to 20.5 per cent, but the rates of increase for the various components of the section differed considerably, as

was apparent from the table in paragraph 28.1 of the Advisory Committee's first report (A/9008). The largest increases were in respect of services at Geneva, where the impact of currency revaluation had been severe. The over-all manning picture was given in table 2 of the Advisory Committee's report (*ibid.*, pp. 22 and 23). He would not deal with all the components of the table in paragraph 28.1 of that report, but would merely draw attention to the more important of the Advisory Committee's recommendations and deal with the Advisory Committee's reports on the progress made by the Administrative Management Service in conducting a survey of manpower utilization in the Secretariat (A/9008/Add.4) and on electronic data processing and information systems in the United Nations family of organizations (A/9008/Add.1).

3. Document A/9008/Add.4 should be read in conjunction with the Advisory Committee's comments in paragraphs 28.4 and 28.8 of document A/9008. The position was that the Administrative Management Service had virtually completed its initial surveys and its future programme consisted of the follow-up of previous reports, productivity studies, special studies and continuing functions. The Advisory Committee agreed with the shift of emphasis in the Service's work but believed that it underscored the need for the review of the structure and methodology of the Service. Whatever the outcome of that review, which was expected to be made in 1973, the need for support of the Administrative Management Service by top management could not be over-emphasized. Pending the review, the Advisory Committee had commented on aspects of the implementation and non-implementation of

* Resumed from the 1592nd meeting.

recommendations of the Administrative Management Service. In so far as staff for the Service was concerned, the Advisory Committee had recommended that some temporary assistance posts should be converted to established posts but had concluded that it would be premature to convert them all to established posts until the results of the review were known.

4. The Advisory Committee's comments on the question of electronic data processing were to be found in sections D and O of its comments on section 28 contained in its first report. As would be seen in section D, substantial staff increases had been proposed but the Advisory Committee had withheld judgement until it had received the Secretary-General's updated report (A/C.5/1513 and Corr.1). Its comments in the light of that report were to be found in document A/9008/Add.1. The Advisory Committee had endorsed the Secretary-General's request for the expansion of the office of the Director. As to the New York Computing Centre, reference to paragraphs 12 and 13 of that document would show that the Advisory Committee had recommended the conversion to established posts of 10 Professional posts hitherto provided for on a temporary assistance basis, together with some strengthening at the General Service level.

5. The International Computing Centre at Geneva continued to trouble the Advisory Committee. The main causes of the problems, which were set out in paragraphs 14 to 17 of document A/9008/Add.1, were that more work had been retained in New York than had originally been envisaged and that many specialized agencies still did not participate in the financing of the Centre. Consequently, the assumptions on which the Centre had been founded and the equipment installed had been invalidated. Unit costs therefore tended to be high and the position might be worsened if the suggestion to relocate the Centre was adopted. The Advisory Committee intended to review the matter carefully in Geneva in 1974. In 1973 it had not had the benefit of discussions with the Director of the Geneva Centre, so that its views were to some extent based on second-hand accounts. The solution to the problem was a corporate effort by all members of the United Nations system. For that reason the Advisory Committee had asked the Secretary-General to discuss the question, as a matter of urgency, with his colleagues in ACC. It was to be hoped that the Under-Secretary-General for Administration and Management would be able to provide some indication of the outcome of those discussions.

6. Going back to document A/9008 and section E of the paragraphs concerning section 28 of the proposed programme budget, he said that the Advisory Committee's recommendations were to be found in paragraphs 28.18 to 28.29. He drew attention in particular to the recommendation in paragraph 28.20. The report of the Administrative Management Service on the Office of Financial Services was still awaited. Its report on the Office of Personnel Services was also still awaited. The surveys had been completed but had not yet been processed. In the meantime the Advisory Committee had made detailed recommendations under section 7 of the budget and, as would be seen from paragraph 28.31, it had drawn attention to the fact that there had been only limited progress in implementing the recommendations made by the Administrative Management

Service in its report on personnel problems in the United Nations.¹

7. Turning to sections G and K, he said that the estimates for the administrative and financial services and the General Services Division at Geneva showed an increase of 48 to 49 per cent over the combined appropriations for 1972 and 1973. The increase was largely due to currency revaluations and wage and price increases, but a sizable number of new posts had been requested. Most of the new posts were attributable to the coming into operation of the new wing of the Palais des Nations at Geneva. The Advisory Committee had brought the costs together in paragraph 28.66 of its report, which showed total extra costs arising from the operation of the new wing.

8. In section J the Advisory Committee had dealt with the Office of General Services at Headquarters. In contrast to Geneva, the increases for that Office were comparatively small. Ten new posts had been requested and approved by the Advisory Committee, but the Advisory Committee had suggested that some economies should be possible in utilities and other common services.

9. The question of staff training was dealt with in section I and he drew attention in particular to the recommendations made in paragraphs 28.51 and 28.54.

10. In conclusion, he said that the over-all effect of the Advisory Committee's recommendations were summarized in paragraphs 28.88 to 28.91. They amounted to a recommended reduction of \$1,759,000 for the biennium. That would still leave an increase of approximately 18 per cent over the combined appropriations for 1972 and 1973.

Electronic data processing and information systems in the United Nations family of organizations (A/9008/Add.1; A/C.5/1513 and Corr.1)

11. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that his delegation agreed that the use of electronic data processing techniques in the United Nations system was a progressive step which permitted considerable savings in manpower and enabled the Organization to use methods and processes which could not be used in the absence of computerization. On the whole, the use of electronic data processing techniques must have an impact on the costs of the United Nations. It was therefore a source of regret to his delegation that there was no specific information in the Secretary-General's report on that subject (A/C.5/1513 and Corr.1) about savings accruing to the United Nations through the application of such techniques. His delegation could only conclude that the Secretariat services concerned had not paid sufficient attention to the economic aspects of electronic data processing. It was to be hoped that in future reports the Secretary-General would provide sufficient information about the benefits accruing to the United Nations through the use of electronic data processing techniques, including a breakdown of how the benefits were distributed between the various departments of the Secretariat. He should also make recommendations on how the application of the

¹ Document A/8454 of 5 October 1971. A summary of that report was circulated in document A/8826 of 27 September 1972.

techniques could be improved. Senior Secretariat officials should pay more attention than they had in the past to the expansion of United Nations activities in electronic data processing. Member States had decided to establish the International Computing Centre at Geneva because they had believed that it would be economically beneficial. Unfortunately, the results of the Geneva Centre had not borne out their hopes. According to paragraph 14 of the Advisory Committee's report (A/9008/Add.1), unit costs at the Geneva Centre were about three times higher than those at the New York Centre. That proved that the Secretariat's original evaluations had been incorrect, and as a result of the inaccuracy an additional financial burden had been placed on Member States. Accordingly, his delegation agreed with the Advisory Committee that urgent corrective action was required. The efficiency of the Geneva Centre could be improved by widening the circle of organizations participating in its work or by limiting staff and reducing the number of computers rented.

12. A decision to increase the number of staff engaged in computing operations would be premature; first, the problem of improving the efficiency and making full use of the Geneva Centre must be studied and solved. His delegation was therefore unable to support the staff increases recommended by the Advisory Committee.

13. The CHAIRMAN proposed that the Committee should recommend to the General Assembly that it should approve the observations and recommendations of the Advisory Committee contained in document A/9008/Add.1. Unless there was any objection, he would take it that the Committee agreed to that course of action.

It was so decided.

14. The CHAIRMAN said that the financial implications of the decision were estimated at \$125,000 under section 28 and \$26,000 under section 34, offset by \$26,000 under income section 1 (A/9008/Add.1, para. 19). Those amounts would be taken into consideration in the total amounts for those sections, which the Committee would consider at a later date.

Progress made by the Administrative Management Service in conducting a survey of manpower utilization in the Secretariat (A/9008/Add.4, A/C.5/1508)

15. Mr. TALIEH (Iran) said his interest in the recommendations of the Administrative Management Service had been intensified by the continuing escalation of personnel costs, which now accounted for 77.2 per cent of the United Nations budget. Now that the Administrative Management Service had completed its survey of 30 major units in the Secretariat, he hoped that it would be able to carry out a survey of the Executive Office of the Secretary-General as soon as possible.

16. He expressed concern over the large number of surveys still under consideration by the Secretary-General according to the annex to the report of the Secretary-General (A/C.5/1508). He requested clarification from the representative of the Secretary-General in connexion with the observation made by the Advisory Committee in paragraph 7 of its report (A/9008/Add.4), that the usefulness of

the surveys of the Administrative Management Service was often lost or seriously diminished because of delays involved in the consideration and implementation of the Service's recommendations.

17. The Administrative Management Service had, during the three and a half years of its existence, shed considerable light on the staffing pattern of the Secretariat and the uneven distribution of workloads, thus stimulating a long overdue redeployment of staff. He was impressed by its well-prepared programme for the future, under which it would provide professional assistance in management improvement efforts throughout the Secretariat.

18. The Advisory Committee had, however, in paragraph 11 of its report, as well as in paragraph 28.7 of its first report (A/9008) on the proposed programme budget, stressed that the work of the Administrative Management Service would be seriously compromised unless it enjoyed the full and effective support of top management throughout the United Nations. He wondered why the Administrative Management Service, an internal management tool set up in compliance with the request made to the Secretary-General by the Fifth Committee, did not enjoy the effective support of the top management in the Secretariat. He requested clarification from the Chairman of the Advisory Committee and the Under-Secretary-General for Administration and Management on how the Administrative Management Service could provide professional assistance in efforts to improve management. The Committee should support the Administrative Management Service because it had proved its usefulness as an internal management unit, similar to units established on a continuing basis in some of the specialized agencies.

19. Mr. DE PRAT GAY (Argentina) expressed support for the Administrative Management Service, whose work was vital to the orderly functioning of the United Nations Secretariat. He was pleased that, according to paragraph 28.4 of the first report of the Advisory Committee, the amount requested by the Secretary-General for the Service in 1974-1975 had not been increased as the increase under staff emoluments had been offset by lower requirements for consultants and overtime and night differential.

20. Commenting on the future work programme of the Administrative Management Service, he referred to paragraph 28.8 of the Advisory Committee's first report, in which it had concluded that there was still considerable uncertainty as to the nature and volume of the future work of the Service. Once it had completed its survey of the Secretariat, the Administrative Management Service should, he felt, continue its surveys and provide information directly to the Secretary-General with a view to ensuring the maximum utilization of available staff resources, and also carry out periodic reviews. He fully supported the Secretary-General's statement in paragraph 28.10 of his proposed programme budget (A/9006) that, once the manpower survey of the Secretariat had been completed, monitoring of the implementation of the relevant recommendations and assistance to the units concerned would be pursued on a high-priority basis. Priority should also be given to increasing the productivity of the Secretariat, and the Administrative Management Service should carry out studies on management improvement. He supported the future work programme of the Service.

21. He suggested that the Administrative Management Service could monitor and follow up the implementation of recommendations made by the Joint Inspection Unit and approved by the Fifth Committee. The Committee had agreed in the past that the Joint Inspection Unit was not the proper body to follow up implementation of its recommendations because it did not have enough time or resources. It was, however, important to ensure that the recommendations were implemented and the Administrative Management Service would seem to be the most appropriate body to perform that task.

22. He agreed with the Advisory Committee's observation in paragraph 10 of document A/9008/Add.4, that there should be a change of approach in the future programme of the Service and that a review should be undertaken of its methodology. He hoped that the Secretary-General's report on the methodology would be available soon.

23. Mr. AL-KHAYAT (Iraq) expressed his conviction that an organization as large as the United Nations needed an internal management unit like the Administrative Management Service. The need became even greater when account was taken of the unprecedentedly high personnel costs for the biennium 1974-1975. The success of the Administrative Management Service depended primarily on approval of its reports by the Secretary-General and actual implementation of the approved recommendations. The Secretary-General should therefore take all appropriate measures to ensure that the heads of all the major organizational units took action to implement all the recommendations of the Administrative Management Service without delay. A complex organization such as the United Nations might not be very sensitive to efforts to improve management since it was difficult to quantify staff outputs, but he felt that outputs could be improved through proper utilization and deployment of staff. Although the Administrative Management Service had experienced some difficulties and had received only limited support from top management throughout the United Nations, it had proved its usefulness in stimulating deployment of staff and improving manpower utilization. He hoped that the Secretary-General would give unreserved support to the Administrative Management Service in order to maximize the value of its services, which the United Nations so badly needed.

24. Mr. AL-SHARAFI (Yemen) expressed grave concern that many of the recommendations of the Administrative Management Service had not been implemented, although they had been approved by the Secretary-General. The Secretary-General had established the Administrative Management Service in 1969 for the purpose of examining and evaluating the utilization of manpower in the Secretariat and, where necessary, recommending improvements. The Advisory Committee had observed that the usefulness of the surveys made by the Administrative Management Service was often lost or seriously diminished because of delays in implementation of recommendations. In paragraph 5 of its report (A/9008/Add.4) it had cited, as an example, the non-implementation of a recommendation that certain specialized conference servicing staff should be given other tasks when they were not engaged in the work for which they had originally been recruited. He stressed that the Administrative Management Service should have the support of the top management of the United Nations.

There was a need for a continuing review of the utilization of manpower throughout the United Nations system. In that connexion, co-ordination in the future between the Administrative Management Service and the International Civil Service Commission would be extremely useful and effective. Meanwhile, full co-operation between the Administrative Management Service and other organs of the Secretariat was essential if the Service's work was to be useful in improving the utilization of manpower and enhancing the efficiency of the Secretariat.

25. Mr. JIMENEZ (Philippines) said that the report contained in document A/C.5/1508 was one of the most significant reports so far released by the Secretary-General because it summarized the findings of the follow-up reviews of the manpower survey. The Administrative Management Service had had a considerable impact on the reorganization of the Secretariat, with 87 per cent of its 294 recommendations implemented or partially implemented. Some recommendations had not been implemented because of opposition or lack of interest on the part of certain units, and he urged the Secretary-General to give special attention to the units which had chosen, for reasons of their own, not to implement the recommendations of the Administrative Management Service. In some cases political considerations presented a stumbling-block to implementation and other factors not stated in the report might account for delay or inaction.

26. With regard to the Department of Economic and Social Affairs, he recalled that, in voting for an appropriation under section 7 in first reading, he had reserved the right to reconsider the reorganization of the Department after the Administrative Management Service had made its recommendations on staff resources for 1974-1975. Those recommendations would be taken into consideration during the second reading of section 7.

27. He believed the Administrative Management Service should be continued as an important means of improving management within the Secretariat. As the Secretariat expanded, there was an urgent need for somebody to seek solutions to problem areas identified by investigating bodies such as the Joint Inspection Unit, the Internal Audit Service and the Board of Auditors. The Administrative Management Service was also expected to continue monitoring further progress in the implementation of recommendations in units where follow-up reviews were being carried out. It was also expected to complete productivity studies in selected areas of the Secretariat. He hoped that the Service would be strengthened and revitalized so that it could resolve the management and manpower problems of the United Nations.

28. Expressing concern over delays in various units of the Secretariat in implementing recommendations made by the Administrative Management Service and approved by the Secretary-General, he proposed that the Secretary-General should submit a report on that question at the twenty-ninth session. Accordingly, he proposed the following paragraph for inclusion in the report of the Fifth Committee to the General Assembly:

"The Fifth Committee takes note of the report of the Secretary-General (A/C.5/1508) on the progress made by

the Administrative Management Service in conducting a survey of manpower utilization in the Secretariat and requests the Secretary-General to ensure implementation of those recommendations approved by him and to report to the General Assembly at its twenty-ninth session on the progress made by the Service in its follow-up review."

29. Mr. CLELAND (Ghana) said that the Administrative Management Service had surveyed 30 major units of the Secretariat and made recommendations to improve the utilization of staff and to enhance the efficiency of the Secretariat. Yet the recommendations for six units—namely the Department of Political and Security Council Affairs, the Division of Human Rights, the Office of Financial Services, the Office of Personnel Services, the Office of the Under-Secretary-General for Political and General Assembly Affairs and special missions—were still under consideration by the Secretary-General. It was his understanding that the Administrative Management Service made recommendations after reaching agreement on them with the units concerned. He therefore saw no reason why there should be any delay in implementation. He requested clarification from the Under-Secretary-General for Administration and Management as to why implementation had been delayed, and whether political considerations should be allowed to interfere with the introduction of improved management techniques. He also asked when the review of the Executive Office of the Secretary-General would be undertaken.

30. One aim of the Administrative Management Service was to enhance efficiency and increase productivity within the Secretariat. He wondered how efficiency could be promoted when the Service was not empowered to assess the competence of individual staff members or to recommend that they should be removed from their posts.

31. Referring to the question of the Office of Financial Services, he asked what the reasons were for the 18-month delay in appointing a new head of the Office. He wondered if the delay was caused by a lack of qualified personnel, or by political or geographical considerations.

32. Mr. ANI (Nigeria) expressed grave concern over the statement in the Advisory Committee's report concerning non-implementation of recommendations made by the Administrative Management Service. A similar complaint had been made about the attitudes of heads of departments in the case of implementation of Joint Inspection Unit recommendations. If the two bodies responsible for monitoring manpower utilization in the Secretariat were disregarded by the Secretariat, the Fifth Committee was not acting responsibly if it continued to approve the creation of new posts in the Secretariat every year. The Committee should express, possibly in a draft resolution, strong disapproval of the apparent indifference of certain units of the Secretariat to the recommendations of the Joint Inspection Unit and the Administrative Management Service.

33. Mr. STOTTEMYER (United States of America) expressed support for the Administrative Management Service as a means of improving manpower utilization in the United Nations. He also supported the observations of the Advisory Committee in its report (A/9008/Add.4). He expressed concern that some of the recommendations made

by the Administrative Management Service had not been acted on as expeditiously as could be desired. The proposed future work programme of the Soviet mentioned in paragraph 9 of the Advisory Committee's report was satisfactory, and he hoped that the review of the structure and methodology of the Service referred to in paragraph 10 of the same report would be made available as soon as possible. He also hoped that the updated version of the publication entitled *Organization of the Secretariat* would be issued in the near future. He agreed with the Advisory Committee's observation contained in paragraph 11 of its report.

34. Mr. CHERPOOT (India) asked if work had been started on the publication entitled *Organization of the Secretariat*, and if so, when it would be published.

35. Mr. DAVIDSON (Under-Secretary-General for Administration and Management) said that, as the Fifth Committee had recommended at the twenty-seventh session,² the Secretary-General had included in his report (A/C.5/1508) a section on the implementation of recommendations made by the Administrative Management Service in the departments where on-site follow-up reviews had been undertaken.

36. With respect to the manpower utilization survey, he said that the Administrative Management Service had completed reviews of 30 major organizational units of the Secretariat. There remained only the review of the Executive Office of the Secretary-General and the review of the Service itself. The survey of the Executive Office of the Secretary-General was currently being carried out and should be completed by the end of the year. The review of the Administrative Management Service itself was Mr. Davidson's own responsibility; it was also in progress and would be completed by the end of the year.

37. Replying to the questions of the representatives of the United States of America and India about the status of the document on the organization of the Secretariat, he said that it was in an advanced stage of preparation, and it was expected that a substantial portion of it would be released by the end of 1973 in loose-leaf form. Not all the chapters of the document would be ready by then, but the complete document should be ready shortly thereafter. It was hoped that the loose-leaf format of the revised document would make it possible to keep it fully up to date.

38. With the completion of the remaining two surveys, of the Executive Office of the Secretary-General and of the Administrative Management Service, the review of manpower utilization in the Secretariat would be concluded.

39. Referring to paragraphs 6 to 8 of the Secretary-General's report, concerning the status of the survey of the Department of Economic and Social Affairs, he said that the relevant documents were now under study by the Under-Secretary-General for Economic and Social Affairs, and Mr. Davidson himself on behalf of the Secretary-General. He assured the Committee that the recommendations of the Administrative Management Service would be

² Official Records of the General Assembly, Twenty-seventh Session, Annexes, agenda item 73, document A/8985, para. 58.

put before it later during the current session so that the Committee could take account of its recommendations in the second reading of section 7.

40. Part II of the Secretary-General's report, which dealt with the implementation of recommendations made by the Administrative Management Service consisted of three sections. Section A dealt with the background, and provided an essentially different type of information on implementation from the two previous annual reports, which had been based on written reports by the organizational units themselves, and were thus *ex parte*. In the present case the report was based on on-site follow-up reviews by staff of the Administrative Management Service. Section B dealt with the methodology of the follow-up reviews, and section C with findings in follow-up reviews of individual units, and included summary tables. In determining the status of implementation, the on-site reviews had made it possible to classify the recommendations in four main categories, as explained in paragraph 16 of the Secretary-General's report. That paragraph might do something to dispel the misgivings expressed by some representatives concerning the extent to which recommendations made by the Administrative Management Service had been heeded by the various departments. Perhaps some percentage figures might throw further light on the status of implementation of the recommendations. The Administrative Management Service had found that the Secretary-General had approved, and the departments concerned had implemented, the following percentage of the recommendations: Economic Commission for Africa: 93 per cent; Department of Conference Services: 92 per cent; Office of Public Information: 73 per cent; Department of Political Affairs, Trusteeship and Decolonization: 90 per cent; Office of the United Nations High Commissioner for Refugees: 92 per cent; Economic Commission for Europe: 98 per cent; and United Nations Economic and Social Office in Beirut: 83 per cent. He believed those figures demonstrated that, according to reports by the Administrative Management Service itself after on-site review, serious consideration was given by department heads to the importance of implementing the Service's recommendations as far as was possible.

41. He wished to correct one apparent misunderstanding: the representative of Ghana had said he understood that the recommendations included in the report of the Administrative Management Service had in all cases been agreed to by the heads of departments. That was not the case. In preparing its reports, the Administrative Management Service consulted the departments concerned, submitted draft recommendations and findings to the heads of departments and took account of their observations. However, it was not correct that in all cases the recommendations in the report had been agreed to by the department heads. That was one reason for delays in submitting the reports.

42. Some figures in the summary tables in section C, and also in the report of the Service, were given as fractions, since the recommendations were made up of several parts in different stages of implementation. Where recommendations had not been implemented, an explanation was given in the text of section C.

43. Paragraph 12 of the Secretary-General's report explained the system used for the follow-up review. The text

proposed by the representative of the Philippines could help to ensure further follow-up action on recommendations made by the Service which had not yet been implemented by the various departments.

44. Some representatives had referred with concern to what they described as an apparent lack of support from top management for the reports of the Administrative Management Service. There had also been references to a "crisis of confidence" between the Service and the Secretariat. He hoped he could dispel some of the Fifth Committee's misgivings. As far as the Secretary-General and Mr. Davidson himself were concerned, the work of the Administrative Management Service was highly appreciated. The studies it undertook were reviewed with the greatest care. In no case would the Secretary-General overlook recommendations made by the Service, or deal with them other than very seriously.

45. Nevertheless, in some cases the department heads disagreed with certain recommendations and in those cases the problem could not always be solved as speedily as might be wished. That did not mean that department heads were failing to carry out the Service's recommendations, or that they disregarded the recommendations or did not value them. The Administrative Management Service was concerned to take an objective view of the organization and structure of units and their manpower requirements; but it was not infallible, and its judgement was not necessarily the final judgement on any organizational issue. The views of the officials responsible for the work of the department concerned must be reconciled with the views of the Service. That was why, with respect to the reports for which the Secretary-General gave his general approval, there was a less than total implementation of every single recommendation.

46. Concern had also been expressed over the delay with regard to certain reports which had been before the Secretary-General for some time. The annex to the Secretary-General's report gave a list of the reports he was still considering. The last two, on the Office of the Under-Secretary-General for Political and General Assembly Affairs, and on special missions, had been under consideration for a relatively short period of some weeks, having been completed during 1973. The other four reports had been with the Secretary-General for a year or more, and he had not yet been able to complete his examination of them. The six reports contained a total of 233 recommendations, broken down as follows: Office of Personnel Services: 99; Office of Financial Services: 27; Department of Political and Security Council Affairs: 55; Division of Human Rights: 27; special missions: 12. The recommendations had to be reviewed by the officials and departments concerned, and the differences between the departments and the Administrative Management Service had to be reconciled. The Secretary-General made the final decision whether to insist on implementation of the recommendations or accept the reasoning of the department concerned if it objected to a given recommendation. Two of the reports referred to above concerned Mr. Davidson's own department. He was making his best efforts to examine the two reports and study each recommendation in detail in order to determine if it was feasible in whole or in part. He hoped when he had concluded his examination, he would be able to give the Fifth Committee a report that would satisfy it that full

consideration was given to the recommendations of the Administrative Management Service in his department. He had no doubt that most of the recommendations would be approved.

47. One example might serve to illustrate the difficulties. The Administrative Management Service had recommended that the question of determination of salaries and salary policies should be transferred from the Office of Financial Services to the Office of Personnel Services. Since salary costs accounted for 74 per cent of the United Nations budget, he found it difficult to accept as desirable the recommendation that the administration of the salary system should be transferred to the Office of Personnel Services. That would leave the Office of Financial Services in a weak position with respect to its over-all responsibility for control of the financial affairs of the United Nations. That example might illustrate why in some cases it was difficult for the head of a department to accept a measure recommended as desirable by the Administrative Management Service. He would also mention that the absence of any Assistant Secretary-General for Financial Services placed a greater load on the Office of the Under-Secretary-General for Administration and Management. He assured the Fifth Committee that as far as the reports affecting his department were concerned, the outstanding issues would be resolved by the end of 1973. The Secretary-General would be able to report approval of the bulk of the recommendations they contained, and they would be implemented early in 1974.

48. Implementation of the recommendations concerning the Division of Human Rights had been delayed by several factors, including the transfer to the Department of Economic and Social Affairs of the unit dealing with the status of women and the proposal that the Division should be moved to Geneva. Now that the transfer to Geneva was to take place, the Secretariat would undertake to reach final conclusions on the recommendations for that Division as soon as possible, in the light of its future location and organizational arrangements.

49. There had been problems with the recommendations concerning the Department of Political and Security Council Affairs. The recommendations had not been acceptable to the then head of the Department, Mr. Kutakov, and Mr. Shevchenko, who had succeeded him in April, had also objected to some of the proposals. The question would have to be resolved by negotiation with the head of the department. The Secretary-General did not consider it was appropriate for him to issue directives imposing a given view on the head of a department, who was responsible for its efficient administration. The Secretariat would do its best to expedite matters, and he believed that in 1974 it would be able to report that a substantial number of the recommendations had been implemented.

50. As to the failure to appoint an Assistant Secretary-General for the Office of Financial Services, he said that two suitable candidates had been found, but it had not proved possible to persuade either of them to accept the post. Every effort was being made to make a satisfactory appointment, and he hoped the Secretary-General would be successful before very long.

51. The CHAIRMAN proposed that the draft text submitted by the Philippine delegation (see para. 28 above) for inclusion in the Committee's report should be amended to read:

"The Fifth Committee recommends that the General Assembly should take note of the report of the Secretary-General (A/C.5/1508) on the progress made by the Administrative Management Service in conducting a survey of manpower utilization in the Secretariat and endorse the observations and conclusions of the Advisory Committee on Administrative and Budgetary Questions contained in its report on that subject (A/9008/Add.4). The Committee also recommends that the General Assembly should request the Secretary-General to ensure implementation of those recommendations of the Administrative Management Service approved by him and to report to the General Assembly at its twenty-ninth session on the progress made by the Service in its follow-up review."

52. Mr. STOTTLEMYER (United States of America) said he was not fully satisfied with the methodology of the Administrative Management Service concerning implementation. The attempt at quantification, resulting in the fractions in the tables in part II, section C, of the report (A/C.5/1508), did not give a meaningful picture of the situation. He suggested that for future reports the methodology should be reviewed by the Under-Secretary-General for Administration and Management so as to provide the Fifth Committee with more meaningful and useful information.

53. Mr. TALIEH (Iran) expressed his gratitude to the Under-Secretary-General for Administration and Management for his explanations. His delegation would support the Philippine proposal.

54. In reply to a question from Mr. CLELAND (Ghana), Mr. DAVIDSON (Under-Secretary-General for Administration and Management) said that at the twenty-seventh session the representative of the Philippines, concerned about lack of action on surveys by the Administrative Management Service had proposed a draft paragraph for inclusion in the Committee's report,³ asking for a progress report at the twenty-eighth session concerning delay in implementation of the Service's recommendations. There had also been a separate text proposed in 1972 concerning non-implementation of reports of the Joint Inspection Unit.

55. The CHAIRMAN asked the Committee if it was prepared to adopt the text proposed by the Philippine delegation, as amended (para. 51 above), and subject to minor editorial changes.

It was so decided.

Proposals concerning the draft report of the Fifth Committee (continued) (A/C.5/L.1123)

56. The CHAIRMAN invited the Committee to resume consideration of the draft paragraphs concerning the question of accommodation, submitted by the delegation

³ *Ibid.*

of the Union of Soviet Socialist Republics (A/C.5/L.1123), for inclusion in the report of the Fifth Committee. The Soviet delegation had agreed to the amendment of the proposal by the replacement of the word "twenty-ninth" by "thirtieth" before "session" in both paragraphs of the draft, in response to suggestions made at the preceding meeting. It was understood that the proposal would subsume the recommendations of the Advisory Committee

on Administrative and Budgetary Questions (A/9008/Add.2, para. 5) that the Secretary-General should report to it on the question at its spring session in 1974.

The draft paragraphs, as amended, were adopted.

The meeting rose at 1 p.m.

1595th meeting

Thursday, 8 November 1973, at 10.55 a.m.

Chairman: Mr. C. S. M. MSELLE (United Republic of Tanzania).

A/C.5/SR.1595

AGENDA ITEM 88

Report of the United Nations Joint Staff Pension Board (continued)* (A/9009 and Corr.1 and 2, A/9274, A/C.5/1524, A/C.5/1535)

1. The CHAIRMAN drew attention to the report of the United Nations Joint Staff Pension Board (A/9009 and Corr.1 and 2), the related report of the Advisory Committee on Administrative and Budgetary Questions (A/9274) and two notes by the Secretary-General on the question (A/C.5/1524 and A/C.5/1535). He reminded the Committee of the statement on the item made by the Chairman of the Board of Auditors at the Committee's 1576th meeting. In his capacity as Chairman, he himself had received a number of communications from associations of staff and ex-staff members of organizations in the United Nations system, drawing his attention to the situation of United Nations pensioners resulting from currency fluctuations, and expressing their earnest hope that steps could be taken to protect United Nations pensions against such developments, as well as against the erosion of pension values due to inflation.

2. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that he too had received many messages and petitions from staff members or their representatives, which had been drawn to the attention of the Advisory Committee.

3. He drew attention to the omission of the figure of 540 from the table in paragraph 31 in document A/9274; that figure should be inserted in the middle column, between the figures 3,000 and 530, to give the total of 4,070.

4. The Advisory Committee's report was divided into five sections. Section A dealt with the actuarial position of the Fund. There was an actuarial deficit of \$37.5 million. That was not a cash shortage, but an actuarial deficit based on projections. The actuaries had stated that the deficit was not in itself significant, and the Advisory Committee accepted their view. The Advisory Committee had pointed out in paragraph 5 of its report that, however accurately

actuarial valuations were made, they involved an element of judgement; actual experience could belie the assumptions made, and a fractional increase in the rate of interest assumed would be sufficient to liquidate the actuarial deficiency. Consequently, the actuaries did not believe that the circumstances warranted resort to the under-writing provision under the Statute of Fund, referred to in paragraph 2 of the Advisory Committee's report. The actuaries, the Advisory Committee and the Board all agreed that the position must be watched, in view of the trend since 1968. The present circumstances must preclude any significant liberalization of benefits, but not more modest improvements such as those currently proposed.

5. Section B concerned adjustments of benefits in respect of cost-of-living changes. In that section the Advisory Committee reviewed the background of the adjustments made in 1972 and approved by the Advisory Committee, the Fifth Committee and the General Assembly. Paragraphs 9 to 11 dealt with the question of selectivity. The Pension Board was opposed to a selective scheme. The Advisory Committee had attempted in those paragraphs to illustrate, with diagrams, some of the problems inherent in the question. The non-selective scheme dealt with averages, and had the effect described in paragraph 10 whereby some beneficiaries would be under-compensated, and others over-compensated, for currency changes. The paragraphs referred to, and the accompanying diagrams, showed that under a scheme of universal application there would always be discrimination between the purchasing power of beneficiaries according to where they lived. The relative positions of various beneficiaries could change, and indeed they had changed, as the diagrams showed. The Advisory Committee was not pressing for a selective scheme, but it believed that the possibility of such a scheme should be kept in mind; perhaps the experience of IMF and IBRD might be drawn on, since they had adapted their pension schemes to provide a closer link with local conditions.

6. The Board's recommendations were in three parts. The first proposal was that the adjustment of pensions to reflect cost-of-living and currency changes be made more responsive to those changes. For that purpose, a new index would be applied giving a more up-to-date reflection of movements of cost-of-living and currency values, instead of the

* Resumed from the 1576th meeting.