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SUMMARY RECORD OF THE 35th MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Jamahiriya)

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 115: PERSONNEL QUESTIONS (continued) (A/46/370 and 377, A/C.5/46/2, A/C.5/46/4 and Add.1, A/C.5/46/7, A/C.5/46/9, A/C.5/46/13, A/C.5/46/16 and A/C.5/46/21)

1. Ms. GOICOCHEA (Cuba) said that the questions relating to the human element of the Secretariat were of great importance because it was such an essential part of the Organization. The decisions adopted must respond to the concerns both of Member States and of the staff, especially with regard to the administration of justice in the Secretariat and career development.

2. In recent times the staff had demonstrated its willingness to tackle the most diverse and complex functions in the various peace-keeping operations, and her delegation paid a tribute to the efficiency, dedication and self-denial of the staff members who had participated and were participating in such operations.

3. One very important criterion governing personnel recruitment was equitable geographical distribution. It was satisfactory to note from the report of the Secretary-General on the composition of the Secretariat (A/46/370) that there had been a slight decline in the number of unrepresented Member States, but at the same time there was a worrying increase in the number of underrepresented States even though 170 appointments had been made to posts subject to geographical distribution. Greater efforts must be made to correct that anomaly, especially with regard to the developing countries; seven of the nine unrepresented countries were developing countries, as were 19 of the 24 underrepresented countries, i.e. 77 and 79 per cent respectively.

4. A further source of concern was the representation of the developing countries at the higher levels. There was every indication that during the period covered by the report recommendation 47 of the Group of High-level Governmental Experts had not been taken duly into account, for fewer than half of the 22 appointments to posts at the higher levels subject to geographical distribution had gone to developing countries. Her delegation would welcome a conference room paper from the Secretariat indicating the total number of higher-level posts and the number held by nationals of developing countries.

5. In paragraph 2 of resolution 45/239 C the General Assembly had urged the Secretary-General to continue his efforts to increase the number of women in posts subject to geographical distribution, particularly at the higher levels, in order to achieve an overall participation rate of 30 per cent by the end of 1990 and, to the extent possible, of 35 per cent by 1995. If the current annual rate of increase in the percentage of women in the Secretariat was maintained, the 1995 target would not be achieved. According to the Secretary-General's report, at the end of June 1991 there had been a total of 32 women occupying posts at the D-1 and higher levels, and during the period covered by the report 57 staff members had been recruited, of whom

(Ms. Goicochea, Cuba)

43.9 per cent were from developing countries. It would be useful if the Secretariat could indicate how many of the women recruited to posts at the higher levels were nationals of developing countries, for that information would show how the requirements of the General Assembly were being carried out.

6. Her delegation was ready in principle to take a positive view of option J contained in the report of the Secretary-General on alternative options for desirable ranges for the geographical distribution of staff in the Professional category and above (A/C.5/46/2).

7. With regard to respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organisations, her delegation was particularly troubled by the restriction of the movement of Cuban nationals who were staff members of the Secretariat to within a radius of 25 miles from Columbus Circle, for that constituted a violation of the privileges of such staff members under the international agreements in force. It also concurred with the view of the delegation of Senegal concerning the need for reciprocal respect between Member States and international civil servants, who should not abuse their privileges in their behaviour in the country in which they served.

8. Her delegation supported those delegations which had pointed to the need for the Secretary-General to increase his efforts to establish a comprehensive promotion and career-development system which would help inter alia to improve the morale of staff members.

9. Mr. BELYAEV (Belarus) said that when the Secretariat made an effort to implement the resolutions and decisions of the General Assembly concerning personnel, positive results were achieved. On the other hand, when for whatever reason the rules which should govern the appointment and promotion of staff members were not observed, as had happened in the past year, the only result was delay in the administrative and budgetary reform of the United Nations. That must remain a source of concern to Member States.

10. His country found itself at about the mid-point of its desirable range. Approximately half of the Belarusian staff members occupying posts subject to geographical distribution currently held permanent contracts. That bore witness to their efficiency and competence and confirmed that the two principles set out in Article 101, paragraph 3, of the Charter, i.e. the necessity of securing the highest standards of efficiency, competence and integrity, and the need for due regard to equitable geographical representation of all the Member States were not in contradiction with each other. His delegation was in favour of full observance of both principles in the recruitment of the staff of the Secretariat, so that there should cease to be, in the nearest possible future, any unrepresented or underrepresented States.

(Mr. Belyaev, Belarus)

11. The main personnel problem was perhaps the persistent imbalance in the ratio of permanent to fixed-term contracts. The considerable preponderance of permanent appointments was an obstacle to the maintenance of the quality of the personnel by means of timely replacement of any staff members who, for various reasons, including their personal ability, were not capable of carrying out new programmes and tasks. The optimum ratio ought to be the reverse of the present one. Only an increase in the proportion of staff members holding fixed-term contracts could deliver the flexibility in human resources required by the changes in the priorities of United Nations programmes.

12. His delegation supported the proposal that at the current session the Committee should adopt a resolution establishing a one-to-one ratio of permanent to fixed-term appointments as a target to be attained as quickly as possible. There should also be an agreement that staff members holding permanent appointments must obtain, after a certain period of time, a certificate from an intergovernmental organ concerning their qualifications, skills and capacity to carry out new tasks.

13. His delegation supported the Secretary-General's proposals concerning secondment from government service (A/C.5/46/9), but regretted the inaccuracy and the premature conclusions reached in paragraph 7 of that report with respect to continuation of the practice of replacement. As long as 70 per cent of the posts subject to geographical distribution continued to be held by staff members with permanent contracts and their posts therefore belonged in practice to the countries of which they were nationals, there was no reason to discriminate against countries whose nationals worked on the basis of fixed-term contracts. The problem of the hereditary character of posts could be solved if the Secretariat, with the agreement of the Member States concerned, guaranteed the rotation of those posts so as to maintain the quantitative and qualitative representation of those States.

14. The problem of the representation of women in the Secretariat was far from having been adequately solved. The main obstacle was that the practices and procedures for the appointment of women to posts subject to geographical distribution corresponded to the interests of the small number of Member States in which the United Nations had headquarters and of the neighbouring States. In order to provide similar opportunities to women of other States it was necessary for the Member States and the Office of Human Resources Management to take additional action acceptable to all parties.

15. Belarus had qualified personnel, but none of its candidates had so far been appointed, either because of a lack of appropriate vacancies or because they had been offered posts in the field which for various special reasons had been vacant for some time.

16. The national competitive examinations had enabled Belarus to improve its representation in posts subject to geographical distribution in the P-2

(Mr. Belyaev, Belarus)

category. His delegation therefore supported the idea of enlarging the scope of those competitive examinations in order to fill vacancies at higher levels.

17. In connection with the alternative options for desirable ranges for the geographical distribution of staff in the Professional category and above contained in the Secretary-General's report (A/C.5/46/2), he said it would be premature to apply any of the alternatives in view of the quickened tempo of administrative and budgetary reform in the United Nations and the marked increase in the size of the Organization's staff during the current year. Any decision in that respect should be adopted by consensus.

AGENDA ITEM 114: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued) (A/46/11 and Add.1 and Add.2/Rev.1)

18. Ms. DOWSETT (New Zealand), speaking on behalf of the delegations of Australia and Canada and her own, said that before judging whether or not the proposed scale of assessments was acceptable it was necessary to ask how well the Committee on Contributions had implemented the mandate given to it by the General Assembly in resolution 45/256 A.

19. The Committee had applied the same debt adjustment approach used in the current scale, as operative paragraph 2 (a) of the resolution requested. The delegations of Australia, Canada and New Zealand continued to regard that element of the methodology as inequitable and unjustified, but accepted that, as a temporary measure, the Assembly had endorsed its application for one more scale.

20. Under paragraph 2 (b), the Committee was requested to apply a low per capita income allowance formula adjusted in accordance with the evolution of average world per capita income until 1989. The Committee had decided to use the figure of \$2,600, which was closest to average world per capita income, and the delegations of Australia, Canada and New Zealand were prepared to accept that decision in relation to the proposed scale, although they had serious reservations about the validity of that element of the methodology. Only genuinely poor countries should benefit from the formula. It was evident from annex II of the report of the Committee on Contributions (A/46/11) that the limit was being used to reduce the assessments of middle income countries, contrary to the intentions of those who had introduced that element of the methodology in 1948. Countries with per capita income over \$2,000 were not generally regarded as falling within the low per capita income group as defined by the World Bank and the International Monetary Fund. The delegations of Australia, Canada and New Zealand were therefore opposed to automatic adjustments of the limit when future scales were prepared. If the costs of membership were to be shared equitably among all Member States, some of the distortions produced by that and other elements of the methodology must be reduced.

21. As stipulated in paragraph 2 (c) of the resolution, no increases in least developed country floor-level assessments had been proposed.

(Ms. Dowsett, New Zealand)

22. Paragraph 3 of the resolution requested the Committee on Contributions to use the criteria laid down in document A/45/11 for the mitigation process and to provide detailed information on its decisions. It was unfortunate that the Committee had interpreted the resolution in a manner inconsistent with the Assembly's intention. According to paragraph 38 of its report, the Committee was able to identify only eight countries whose machine rates warranted mitigation and 10 points had been distributed to them. It was unfortunate that a further 16 points had been distributed without any form of technical justification and counter to the Fifth Committee's instructions. The delegations of Australia, Canada and New Zealand shared the view expressed by several members of the Committee on Contributions in paragraph 40 of the report, but also recognized the difficulty of looking a gift horse in the mouth. The 16 beneficiaries of the offer of additional points were all developing countries. Perhaps, under the existing guidelines, it was not within the Committee's power to prevent the transfer of voluntarily donated points. It was therefore to be hoped that it would be possible to agree on a tighter set of guidelines for mitigation with a view to limiting ad hoc adjustments in future scales to genuine cases of economic hardship.

23. As 1991 was a scale year, it was not surprising that little progress had been made on the questions referred to in paragraph 4 of the resolution. Nevertheless chapter VIII of the report contained some interesting ideas. It was questionable whether the scale of assessments was still based on the principle of capacity to pay as too many elements of the methodology undermined that principle.

24. The different points of view expressed in the report on the question of the statistical base period had almost equal validity. It should not, however, be thought that a change in the base period would provide a solution to the perennial problems Member States had with the scale, as any change would benefit some and disadvantage others in an entirely random fashion.

25. Turning to the scheme of limits, she said it was difficult to understand why Japan's generous offer of points had led the Committee to conclude that it was premature to decide on phasing out the scheme. It was to be hoped that it would be possible to agree before the next scale was prepared that the scheme should be phased out gradually along the lines suggested in paragraph 57 of the report.

26. The delegations of Australia, Canada and New Zealand were prepared to support application of the scale proposed by the Committee on Contributions for the next three years in order to give the Fifth Committee and the Committee on Contributions time to agree on ways to eliminate some of the present distortions in the methodology. Future scales should be based only on national income, with floors and ceilings plus some relief for genuinely low per capita income countries.

27. Mr. SOTIROV (Bulgaria) said that Bulgaria's economic problems were adversely affecting its transition to a market economy. Since the second half of 1989, extremely unfavourable trends had been observed in the country's economic development which had resulted in a deterioration in the balance of payments and a lower capacity to honour its financial commitments. Nevertheless, the Government was making every effort to honour its obligations to the United Nations.

28. Capacity to pay should remain the fundamental criterion in determining the scale of assessments because, in the current circumstances, it was the only feasible scheme for arriving at the fairest possible distribution of the Organization's expenses. For that purpose, it was essential that the most objective methods should be used in estimating each State's capacity to pay. In the future, the Committee on Contributions could consider other new ideas. Although national income should be retained as the basic criterion for determining capacity to pay, consideration should be given to other methods of assessment.

29. It was particularly important for Bulgaria that the scale of assessments should reflect the real level of national income over the statistical base period and for it to do so an objective and economically sound evaluation needed to be made of the basic indices of its economy, including their fluctuations in the past, in order to identify and eliminate any differences or discrepancies between the real and the official data.

30. The national income of a number of States had been subjected to a debt adjustment, but not that of others, such as Bulgaria, whose foreign debt was considerable but which did not appear in the respective World Bank publications. None the less, his delegation supported the Committee's decision to make the debt adjustment in accordance with the World Bank criteria and data, which constituted the most comprehensive and comparable basis. The Bulgarian Government had provided all the relevant information and taken the necessary steps to have the country's foreign debt published by the World Bank. The United Nations Secretariat should continue the regular updating of its data on the foreign debt of States.

31. The Bulgarian delegation fully supported the decision of the Committee on Contributions to apply an upper per capita income limit of \$2,600 which was approximately equal to the average world index for the base period. The Committee on Contributions should continue to adhere to that index, though not automatically, in order to determine in a more objective way which countries were eligible for certain benefits.

32. The duration of the statistical base period had a direct bearing on the assessment of each country's capacity to pay. The current 10-year period guaranteed the stability and continuity of the data and largely eliminated the impact of drastic but short-lived fluctuations in the economies of Member States. On the other hand, a longer period might give rise to considerable disparities between the assessment of a country's capacity to pay and the real

(Mr. Sotirov, Bulgaria)

state of its economy over the years during which the scale was applicable, as was the case with the Eastern European countries. The Committee on Contributions should examine further the possibility of using shorter base periods, for instance, three or five years.

33. The scheme of limits had made it possible to eliminate as far as possible excessive variations in rates of assessment between successive scales. However, the principles and criteria used in the scheme should be studied in greater depth and made to conform more fully to Member States' capacity to pay. Countries with low per capita incomes should not be made to bear the burden of the benefits provided to countries which were far better off. Of the five options in annex VI of the report of the Committee on Contributions, the progressive application of the scheme of limits over a three-year scale period was of particular interest.

34. In preparing the new scale for the period beginning 1 January 1992, the Committee on Contributions had borne in mind the grave economic difficulties of the countries of Eastern Europe. His delegation supported that scale, with the explanations given by the Chairman of the Committee on Contributions in introducing the item, and called on the Fifth Committee to recommend by consensus to the General Assembly the approval of the proposed scale and to authorize the Committee on Contributions to further streamline the methodology in conformity with the dynamic changes in international economic conditions. His delegation also supported the proposal of the European Community that the agenda item should be considered at only two out of every three Assembly sessions.

35. Mr. KARBUCZKY (Hungary), speaking also on behalf of the delegations of Czechoslovakia and Poland, said that capacity to pay, based on reliable national income statistics, should remain the fundamental criterion for the scale of assessments. Czechoslovakia, Poland and Hungary were making every possible effort to meet their respective financial obligations.

36. In order to provide the United Nations with much needed financial stability and to enhance the will of Member States to pay, it was important to have as transparent and simple a methodology as possible. The scale should be adopted for a period of three years, although Member States should retain the right to debate particular elements of the methodology. National income was the main factor determining capacity to pay. In cases where indebtedness had significant adverse effects, it should be taken into account as appropriate.

37. The upper per capita income limit linked to average world per capita income could be useful for the equitable distribution of the financial burden and the delegations of Bulgaria, Czechoslovakia and Hungary supported increasing the limit to \$2,600. Since 82 countries, among them the least developed, were assessed at 0.01 per cent, the low per capita income allowance formula chiefly benefited middle-income countries. That called in question the need for the gradient.

(Mr. Karbuczky, Hungary)

38. The scheme of limits, with the alarming growth in the number of points it redistributed, the many distortions it caused in capacity to pay and its negative impact on other elements of the methodology (for example, it could completely eliminate the impact of all the other elements) ran counter to economic realities in a number of cases. Although, from the methodological point of view, the abolition of the scheme would be the soundest solution, he renewed the proposal made two years earlier by his delegation that the percentage and index point limits should be increased by a factor of 2, which would maintain the benefits for some Member States and ease the burden for others.

39. The 10-year statistical base period provided sufficient stability in the scale and should be retained. The scheme of limits, which added to the rigidity of the methodology, then became even more difficult to justify. The relationship between those two elements of the methodology should be kept under review.

40. Although the efforts of the delegation which had offered 50 points to make the proposed scale more acceptable merited appreciation, mitigation was only a superficial and temporary remedy for the deficiencies inherent in the methodology.

41. With regard to establishing the level of assessment of new Member States, in particular, Estonia, Latvia and Lithuania, the exchange rates stemming from an earlier economic and political situation should not determine the rates that should apply in future. Given the complicated nature of the question, a balanced and careful approach was needed. Real and actual capacity to pay should be the important factor in that situation.

42. The proposal of the Twelve that the agenda item should be considered at two out of three sessions was interesting. In the first year after the adoption of the new scale, it would not be necessary to discuss the scale or the methodology in the Fifth Committee. Those topics, together with the guidelines for the preparation of the next scale, could be considered in the second year on the basis of the work of the Committee on Contributions.

The meeting rose at 4.25 p.m.