



SUMMARY RECORD OF THE 58th MEETING

Chairman: Mr. AMNEUS (Sweden)

later: Mr. MURRAY (Trinidad and Tobago)

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

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The meeting was called to order at 3.10 p.m.

AGENDA ITEM 114: PROGRAMME BUDGET FOR THE BIENNIUM 1986-1987

Use of experts, consultants and participants in ad hoc expert groups (A/41/291 and Corr.1, A/42/838; A/C.5/40/40, A/C.5/41/16, A/C.5/42/25)

1. Mr. NOTTIDGE (Office of Human Resources Management), introducing the reports of the Secretary-General (A/41/291 and Corr.1, A/C.5/40/40, A/C.5/41/16 and A/C.5/42/25), provided information concerning former staff members who had been re-engaged in 1984, 1985 and 1986. He recalled that General Assembly resolution 37/237 limited to \$12,000 the amount which a former staff member receiving pension benefits from the Pension Fund could receive in any calendar year. Paragraph 13 of the latest report (A/C.5/42/25) suggested that the measure introduced by that resolution might have served its purpose of limiting the use of such former staff to reasonable dimensions and that, in future, reports might be submitted only to the Advisory Committee and be more limited in scope.
2. The Secretariat had noted the Advisory Committee's recommendation (A/42/838, para. 14) that the Secretary-General should submit information biennially in the context of his biennial report on the use of consultants.
3. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) drew attention to paragraphs 11 and 12 of the Advisory Committee's report, noting that the Committee did not agree with the proposal that the Secretary-General should limit his reporting to the Advisory Committee. As noted in paragraph 13, while recognizing that exceptions to the principle set forth in resolution 37/237 might have to be made for language staff, the Advisory Committee believed that any departure from the principle should be drawn to the attention of the Assembly and should be fully explained.
4. The Committee therefore recommended (para. 14) that the Secretary-General should report on all staff members who were re-engaged in whatever capacity and who, while in receipt of a United Nations pension benefit, earned more than \$12,000 in a given year and that that information should be submitted biennially in the biennial report on the use of consultants. As noted in paragraph 15, additional details on former staff members re-engaged by the Organization should continue to be provided to the Advisory Committee and there should be a separate listing of all former staff re-engaged for language functions.
5. Mr. ABRASZEWSKI (Poland) said that his delegation fully supported the recommendations of the Advisory Committee. Noting that the report of the Secretary-General was much narrower in scope than its title would seem to indicate, he suggested that the Committee should take a closer look at the entire question of the use of experts and consultants the following year, when it would have before it a report on the implementation of General Assembly resolution 41/213.

6. Mr. FONTAINE-ORTIZ (Cuba) said that he fully agreed with the recommendations of the Advisory Committee. It would appear that recommendation 35 of the Group of 18, to the effect that the practice of hiring retired staff members should be abolished, had not been fully implemented even in respect of non-language staff. He agreed that the Committee should simply endorse the Advisory Committee's recommendations and reconsider the entire issue at the next session in the light of the report which the Secretary-General would submit at that session.

7. The CHAIRMAN suggested that the Committee should adopt the following draft decision:

"The General Assembly,

"Takes note of the reports of the Secretary-General (A/41/291 and Corr.1, A/C.5/40/40, A/C.5/41/16 and A/C.5/42/25),

"Concurs with the conclusions and recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/42/838),

"Decides to revert to the subject at its forty-third session in the light of the report of the Secretary-General on the use of consultants and participants in ad hoc expert groups."

8. The draft decision was adopted.

Report of the Joint Inspection Unit: Follow-up report on organization and methods for official travel (A/41/121 and Add.1)

Standards of accommodation for air travel (A/C.5/41/19; A/C.5/42/9; and A/42/790)

9. Mr. Murray (Trinidad and Tobago) took the Chair.

10. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee (A/42/790) relating to the follow-up report of the Joint Inspection Unit (JIU) on organization and methods for official travel (A/41/121) and to the Secretary-General's report on standards of accommodation for air travel (A/C.5/42/9), said that part I of its report contained the Advisory Committee's views on the JIU follow-up report, as well as a brief summary of the Secretary-General's position on various points raised by JIU. The Advisory Committee was encouraged to note the steps being taken by the Secretariat, in co-operation with other secretariats of the United Nations system, to reduce official travel costs, including agreements between the Organization and various air carriers. With regard to the statement in paragraph 9 to the effect that the Organization had signed incentive and bonus mileage agreements with two "top carriers", the Advisory Committee had since been informed that an agreement had also been signed with the third "top carrier". It was the belief of the Advisory Committee that the Organization should re-examine its position vis-à-vis those airlines which did not co-operate with the United Nations.

(Mr. Mselle)

11. In part II of its report, which addressed the Secretary-General's report on standards of accommodation for air travel, the Advisory Committee again took note of steps being taken by the Secretary-General to reduce official travel costs. One question, discussed in paragraphs 14 to 19, related to the travel entitlement for members of the United Nations Scientific Committee on the Effects of Atomic Radiation. The Advisory Committee had attempted to simplify an extremely complicated issue. The question had been raised as a result of an observation made by the Board of Auditors, and the Advisory Committee concurred with the Board's conclusion, as quoted in paragraph 18 of document A/42/790.

12. Mr. MAJOLI (Italy) wished to know whether the additional cost incurred for travel between Washington and Bridgetown by the Manager of the United States Chamber of Commerce at Washington, D.C., should be attributed to the factors stated in paragraph 5 (d) of document A/C.5/42/9 or to the provision of General Assembly resolution 2245 (XXI) which specified that all persons who served in their individual capacities, as distinct from those serving as representatives of Governments, would be entitled to first-class travel.

13. Mr. MURRAY (United Kingdom) requested clarification from the Secretariat with respect to the implementation of recommendation 38 (2) of the Group of 18 that, as a rule, first-class travel should be limited to the Secretary-General. His delegation would also be interested to know whether that recommendation applied only to travel by Secretariat staff or whether it should also apply to members of the various committees and commissions whose travel costs were borne by the regular budget.

14. Mr. BAQUEROT (Office of General Services) said that he could provide detailed documentation on the question raised by the representative of Italy. With regard to the second part of the question raised by the representative of the United Kingdom, since the Group of 18 itself had provided no further guidance, it appeared to be for the Fifth Committee to decide how and to whom the recommendation should be applied. With respect to the first part of the question, the normal entitlement of United Nations officials was to economy-class travel or, in cases of journeys in excess of nine hours, business class. Staff members of the rank of Assistant Secretary-General or Under-Secretary-General whose journeys exceeded nine hours were entitled to first-class travel.

15. Mr. GUPTA (India) noted that, despite the recommendation of the Group of 18, there had been 43 exceptions to the rules governing standards of accommodation for air travel between July 1986 and June 1987. In view of the difficult financial situation, those exceptions were a cause of concern to his delegation, which hoped to see stricter observance of the rules in the future.

16. Mr. KAZEMBE (Zambia) wished to know exactly how the incentive and bonus mileage agreements translated into savings for the United Nations.

17. Mr. SJOGREN (Office of General Services) said that the agreements were different in each case. Basically, the Organization accumulated bonus points for travel with various airlines which could be converted into free tickets or, in certain cases, cash. The overall savings realized by the Organization since 1985 as a result of such agreements amounted to some \$700.000.
18. The CHAIRMAN said that the Committee would continue its consideration of the sub-item at a subsequent meeting following the preparation of a draft resolution on the subject.
19. Mr. Amneus (Sweden) resumed the Chair.

Programme budget performance report (A/C.5/42/40 and Add.1-36 and A/42/863)

20. Mr. MICHALSKI (United States of America) said that the format of the performance report made it a very confusing document which did not provide Member States with sufficient information to enable them to determine whether management decisions had been justified.
21. For example, a number of tables contained the category "other changes". Those changes were difficult to analyse since explanations were given for only some of them; it was difficult to deduce from the tables precisely what changes had taken place.
22. With regard to resource redeployments, he said that several sections showed substantial increases under the heading "Executive direction and management". The reason given for many of those increases were lower vacancy rates than anticipated and higher common staff costs. However, since many of the increases had also been reported in the "other changes" column, the changes were difficult to track and it was not easy to determine what the specific reasons for the increases were. The increases in ECE, ECLAC, UNDRO and the Centre for Human Rights had been significant and, in the case of UNCTAD, amounted to over 30 per cent.
23. Turning to section 28, he asked for information regarding the salary increase for language teachers (para 28.28). The Committee should be involved in such decisions. His delegation welcomed the significant decrease in overtime to security staff noted in paragraph 28.34. He asked how the net loss of \$4 million on currency exchange (para. 28.91) compared with those in previous bienniums and what steps were being contemplated to improve currency management.
24. Finally, he noted that the increase of \$4.1 million in joint translation and documentation expenses at Vienna (Section 29, para. 29.47) was much greater than the Secretary-General had anticipated. He would like to know the reason for the increase. Since the costs were billed to the United Nations by UNIDO, he would like to know what steps the Secretariat had taken to ensure that the charges presented by UNIDO were fair and justified and suggested that perhaps the Advisory Committee could investigate the matter.

25. Mr. DEVREUX (Belgium) said that the title of document A/C.5/42/40 was erroneous, since it was not a question of budget performance during the biennium 1986-1987, but of the performance during 1987 of the revised estimates approved at the forty-first session of the General Assembly. In order to understand how the budget had evolved since the beginning of the biennium, delegates would need to consult several documents. The information presented in the report under consideration could have been more condensed. One of the budgetary functions of the Fifth Committee was to identify the causes of variations between budget estimates and budget performance. It was not clear from the document, for instance, whether the rate of turnover in posts was lower than provided for in the budget, while the number of employees remained within the limitations. It should be possible to present the information in a form that would better enable the Committee to perform its monitoring role.

26. Ms. NIEMANN (Canada) said that her delegation would like information on the outputs under programme element 2.7 of section 27 of document A/42/6.

27. Mr. VAN DEN HOUT (Netherlands), replying to the previous question, said that such issues were usually addressed by the Secretary-General in his report on programme implementation, and suggested that the discussion might take place under the Committee's consideration of that report.

28. The CHAIRMAN said that, since the Fifth Committee was the forum in the General Assembly for discussion of both the programmatic and the financial aspects of the budget, the question raised by the Canadian representative was appropriate; however, the necessary information might not be as fully available now as it would be at the end of the biennium.

29. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that the Canadian representative's question would be dealt with in the programme performance report to be presented to the Committee for Programme and Co-ordination at its next session. The question of the possibility and desirability of merging the programme performance and budget performance reports into one report had been discussed, but not yet resolved.

30. Mr. DUVAL (Programme Planning and Budget Division) said that he wished to reply to the questions raised by the United States representative. With respect to the provision for a net loss on currency exchange, no such provision had been included in the final performance report for the biennium 1984-1985 because the exchange rate at the time had been favourable to the dollar. Therefore, there had been no net loss but rather additional income. With respect to the request for clarification on section 29 of document A/42/6, there were two main reasons for the increase requested in the provision for joint translation and documentation services in Vienna. First, the initial request at the fortieth session of the General Assembly had been based on a projected United Nations share of 51 per cent in the volume of translation and documentation services; the actual share was 60 per cent, according to current statistics. Second, the currency exchange rates had varied between the fortieth session and the present.

(Mr. Duval)

31. With respect to section 28D, the decrease in overtime in the Office of General Services was attributable to the introduction of a new shift arrangement for security staff.

32. Concerning the authority for salary increases for language teachers, those staff members were in a special category not subject to the system applied to Professional staff, whose salaries and entitlements were set by the General Assembly. He did not have precise information on the system used to determine their level of remuneration, but believed that it was under the authority of the Secretary-General.

33. Mr. MICHALSKI (United States of America) said that he would like to have an estimate of the average increase for language teachers, and that the General Assembly should act on the issue, since it was part of the Organization's regular budget.

34. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that it would be possible to provide the type of information suggested by the representative of Belgium.

35. Mr. BAQUEROT (Office of General Services), replying to the question from the United States representative, said that, in accordance with General Assembly resolution 38/234, section 13, United Nations language teachers were a separate group of locally recruited staff to be remunerated in accordance with the best prevailing local conditions at each duty station. The emoluments of locally recruited staff were under the authority of the Secretary-General. The salary scale followed the same pattern of increases as for other categories of locally recruited staff. The most recent salary scale for language teachers in New York was the one which had become effective on 1 January 1987. Measures had been taken by the Secretary-General to defer cost-of-living increases for that category of staff.

36. Mr. MURRAY (United Kingdom) said that he agreed with the points raised by the Belgian representative concerning the technical presentation of the report. Because of the financial circumstances of the current biennium, the sums now held in suspense represented many millions of dollars. His delegation reminded the members of the Committee that the Member States which had fully paid their assessments while the Organization's budget had not been fully implemented were owed significant sums by the United Nations. It therefore attached importance to the last sentence of paragraph 13 in document A/42/863 concerning the future disposition of amounts held in suspense.

37. Mr. RWAMBUYA (Programme Planning and Budget Division), replying to the questions raised by the United State representative said that many of the cost increases in executive direction and management were not substantial. In some instances, for instance with respect to UNDR0 and UNCTAD, the increases were due to temporary reassignments of staff members.

38. Mr. MICHALSKI (United States of America) said that the increase in costs for executive direction and management under UNCTAD included a \$2.2 million growth from sources which could not be identified from the document. He wished to know whether that increase had been caused by other changes not reflected in the line item.

39. Mr. RWAMBUYA (Programme Planning and Budget Division), replying to the previous question, said that the increase was due to the transfer of a unit to the Office of the Secretary-General, and had been reported in the 1988-1989 programme budget proposals.

40. The CHAIRMAN suggested that the Committee should adopt the following draft decision:

"The General Assembly,

"Having considered the report of the Secretary-General (A/C.5/42/40 and Add.1-16 and 18-36) and the related report of the Advisory Committee (A/42/863),

"Taking into account the views and recommendations of the Advisory Committee in paragraphs 4, 9, 12 and 13 of its report,

"Taking into account also the views expressed in the Fifth Committee,

"Decides to maintain without change the overall level of appropriations and income estimates previously voted in its resolutions 41/211 A and B and approve the transfer of credits between sections of the programme budget for the biennium 1986-1987 as contained in table 1 of the Secretary-General's report (A/C.5/42/40)."

41. The draft decision was adopted.

42. Mr. VISLYKH (Union of Soviet Socialist Republics) said that his delegation wished to confirm all the reservations and objections which it had expressed when the programme budget for the biennium 1986-1987 had been approved. Accordingly, if the decision just taken had been put to a vote, his delegation would have been unable to support it. It also wished to join those delegations which had expressed doubts with regard to the practical usefulness of considering the budget performance report in its present form. The size of the document made it difficult to analyse, and its consideration in isolation from the report on programme performance made the exercise highly dubious. His delegation hoped that the Advisory Committee and the Committee for Programme and Co-ordination would give due consideration to ways of improving the form in which the budget performance report was presented to the Fifth Committee.

43. Mr. MAJOLI (Italy) said that his delegation would have abstained if the decision had been put to a vote. The final sentence of paragraph 13 of document A/42/863 did not meet with the approval of his delegation, which believed that if, in future, the situation regarding unpaid assessments should improve, the suspension of the relevant financial regulations should be lifted.

44. Mr. TAKASU (Japan) said that his delegation, which had also expressed reservations with regard to the programme budget for the biennium 1986-1987, would not have supported the decision if it had been put to a vote. He wished to confirm his delegation's understanding that the disposition of budget surpluses arising at the end of the biennium 1986-1987 would be subject to a decision by the General Assembly at a future session.

45. Mr. HARAN (Israel) said that his delegation's decision not to request a vote should in no way be interpreted as constituting approval of the programme budget for the biennium 1986-1987.

AGENDA ITEM 115: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1988-1989 (continued)

Draft resolution A/C.2/42/L.79 concerning agenda item 82 (e) (Development and international economic co-operation: environment) (continued) (A/C.5/42/56)

46. The CHAIRMAN, recalling that the Chairman of the Second Committee had invited the Fifth Committee (A/C.5/42/56) to study the question of the availability of interpretation services within the proposed programme budget of UNEP for 1988 to the Committee of Permanent Representatives to UNEP at Nairobi, said that he would ask one of the Vice-Chairmen to act as focal point for the elaboration of a decision. If he heard no objection, he would proceed accordingly, and the Committee would revert to the issue later.

47. It was so decided.

48. Mr. VAN DEN HOUT (Netherlands) expressed the hope that the decision to be elaborated would reflect the spirit of understanding which had prevailed in the Second Committee.

The meeting rose at 5.40 p.m.