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SUMMARY RECORD OF THE 23rd MEETING

<u>Chairman</u>: Mr. TEIRLINCK (Belgium)

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

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## The meeting was called to order at 10.20 a.m.

AGENDA ITEM 113: HUMAN RESOURCES MANAGEMENT ( $\underline{continued}$ ) (A/49/176 and Add.1, A/49/219 and Add.1, A/49/406, A/49/445, A/49/527 and A/49/587; A/C.5/49/5, A/C.5/49/6 and Corr.1 and Add.1, A/C.5/49/13, A/C.5/49/14, A/C.5/49/32, A/C.5/49/37 and Add.1 and A/C.5/49/45)

- 1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that he would indicate the way in which the Advisory Committee intended to review the revised estimates in document A/C.5/49/5, which set out a new strategy for the management of the human resources of the Organization. Additional resources had been requested to provide the Office of Human Resources Management with a true planning capacity and improve coordination of all aspects of human resources management policy (paras. 125-127) and to implement the Performance Appraisal System (paras. 128 and 129). A net additional appropriation of \$879,900 would be required under section 25C (para. 133).
- 2. The Advisory Committee suggested that the Fifth Committee should first consider the substantive questions raised by the proposed strategy and that the Secretary-General should then estimate the financial implications of any decisions which the Fifth Committee wished to recommend to the General Assembly for adoption. The Advisory Committee would then consider the amounts proposed in order to make its recommendations to the Fifth Committee, in accordance with the provisions governing the use of the Contingency Fund (General Assembly resolution 42/211). For that reason, ACABQ had not yet expressed an opinion on what the Secretary-General proposed in chapter III of his report.
- 3. Mr. DIMOV (Bulgaria) said that the strategy for the management of human resources was an important element of the ongoing reform process. Closer linkage between human resources planning and the medium-term plan, the programme budget and the mandates of the legislative bodies was also desirable. The decentralization of certain aspects of human resources management and greater delegation of authority to programme managers were consistent with measures designed to strengthen the system of accountability. Lastly, the introduction of a management culture which stressed transparency and good staff/management relations should be decisive. His delegation hoped that the new policy would receive the support of the entire staff and of all Member States.
- 4. Statistics on posts subject to geographical distribution, contained in the report of the Secretary-General on the composition of the Secretariat (A/49/527), were not as discouraging as they had been in 1992: the number of underrepresented or overrepresented States had decreased and the number of States within range had increased. However, the progress achieved was insufficient. As others had already pointed out, the Secretariat could recruit qualified staff from any country, for the principle of diversification should be applied to all posts and not only to those subject to geographical distribution.

- 5. The report of the Secretary-General on improvement of the status of women in the Secretariat (A/49/587) indicated that scant progress had been achieved. More vigorous and more determined efforts should be made with a view to meeting the targets set regarding the proportion of women at various levels of the Secretariat hierarchy. The 10-point programme of the Joint Inspection Unit (JIU) and the measures outlined in the report of the Secretary-General should be extremely useful in that regard.
- 6. Bulgaria welcomed the adoption by the Sixth Committee of the draft Convention on the Safety of United Nations and Associated Personnel, which should help to decrease the risks to which many staff members participating in dangerous missions were exposed.
- 7. Mr. BIRENBAUM (United States of America) welcomed enthusiastically the proposals by the Secretary-General concerning a series of fundamental reforms in the management of the Organization; those relating to human resources management were very promising. The new management of the Department of Administration and Management had rightly taken a holistic and integrated approach in elaborating the overall strategy contained in document A/C.5/49/5. It had not only set goals and proposed specific action, but had even provided performance indicators for each component as a means of gauging the progress achieved.
- 8. That strategy was adapted to the new culture which should permeate the Organization. The staff member's primary concern should no longer be to respect the rules, and they should not imprison him. It was necessary to hire the best candidates, provide them with the means to act, hold them accountable for their performance, provide them with incentives and reward or sanction them on the basis of clear standards. It was an ambitious strategy, but one whose success would determine the very effectiveness of the Organization in the coming decades.
- 9. A key element of the new strategy was the planning capacity with which the Office of Human Resources Management must be provided in order to deal proactively with issues of resources and requirements rather than reacting on a day-to-day basis. Beyond that, the employees' relationship with the Organization must be completely reformed. Efforts should focus, in particular, on recruitment and gender balance, training, accountability, the new Performance Appraisal System and career pathing. The introduction of a new management culture would hinge largely on the implementation of the new Performance Appraisal System: performance appraisal must come to be viewed as the indispensable counterpart of empowerment and as a basis for rewarding and sanctioning staff at all levels of the hierarchy without exception.
- 10. The improvement of the status of women in the Secretariat was an essential aspect of the reforms contemplated. In that connection, it was regrettable that none of the goals set for the fiftieth anniversary of the Organization would be achieved. At the end of 1993, the percentage targets set for the participation of women had been met only at the P-3 level and below. The recommendations of the Joint Inspection Unit could help to accelerate the process, but nothing would replace the resolve which the leadership of the Organization and Member

States must display in that regard. In addition, much remained to be done in order to eliminate sexual harassment. The only solution lay in extremely vigorous action by senior management, including sensitivity training and the strict enforcement of disciplinary measures. A great deal could also be expected from the introduction of the network of Focal Points for Women, whose initiatives in that area would be welcome. There must be no grounds for accusing the United Nations, at the fourth World Conference on Women, of not practising what it preached.

- 11. As training was one of the essential means of transforming the culture of the Organization, it was deeply disappointing to note from the report of the Secretary-General on staff training (A/49/406) that very little had been earmarked for training, with the exception of computer and language training: \$5 million for the biennium or \$75 per staff member per year. Greater amounts must be invested in training, if necessary by transferring resources. In evaluating language courses scheduled for 1995, it would also be important to find a way to guarantee that those programmes were of direct benefit to the Organization.
- 12. His delegation wished to reiterate a number of proposals it had formulated earlier, which would surely contribute to a new management culture. Financial disclosure statements should be required of senior managers and of staff members engaged in contracting and procurement, in order to prevent conflicts of interest or irregularities. The Secretary-General should impose that rule; he already had the authority to do so. Similarly, in revising the code of conduct, he should ensure that it was applied to all officials who received any form of remuneration from the Organization. The Secretary-General should also formulate specific proposals with a view to facilitating the systematic review of management personnel in order to ensure that the higher echelons of the Organization were not weighted down with dead wood.
- 13. The question of an additional appropriation of approximately \$900,000 to finance the implementation of the human resources management strategy should not be prejudged; however, the extent to which those expenses could be financed from existing appropriations should not be overlooked either.
- 14. The internal system of justice must be reformed with a view to facilitating earlier resolution and achieving greater transparency. In his report on the question (A/C.5/49/13), the Secretary-General proposed measures which might be described as important and constructive and which also enjoyed the support of the staff: replacement of the existing bodies by professional ombudsmen mediation panels and a reconciliation board and the establishment of a disciplinary board. Inevitably, their implementation would be very complicated. His delegation looked forward to receiving information on the institutional, legal and procedural changes involved, to be provided in a report which the Secretary-General would submit to the Committee during the resumed forty-ninth session.

- 15. The United States delegation also looked forward to the recommendations of ICSC on the amendments to the Staff Rules and Regulations, particularly those related to appointments in the 300 series.
- 16. The United States believed that there was no need to change the system of desirable ranges which was applied for the representation of Member States (A/49/527, para. 13). More time was required to assess the impact of the current system, which had been in effect only since 1 January 1988 especially in view of the hiring freeze that had been in place until recently.
- 17. On the question of respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations, the United States, in concert with all Member States, deplored the increasing level of risk confronting United Nations staff, 18 of whom had been killed in tragic circumstances during the reporting period (A/C.5/49/6). They urged the Secretary-General to redouble his efforts to establish a coordinated system-wide approach to ensure the security of all field staff particularly locally recruited staff, who had more than ever become targets. The inter-agency meeting which had been convened had been a first step, but concrete measures were still needed. In that connection, the United States supported the draft Convention on the Safety of United Nations and Associated Personnel and expected Member States to take all necessary measures to ensure its implementation.
- 18. With respect to the travel of United Nations officials in the United States (paras. 11 to 13 of the report), it was important to stress that the provisions governing private travel did not restrict official travel or impede the work of the officials concerned. The United States continued and would continue to honour its obligations as host country and there was no contradiction between those obligations and the right to safeguard its national security. Moreover, the matter should be discussed in the Sixth Committee, which in fact should be the only Committee to consider it, since it was the Sixth Committee which considered the report of the Committee on Relations with the Host Country.
- 19. The United States was optimistic that the impetus for reform which had been evident in the United Nations would also take hold in the area of human resources management, and it was prepared to work closely with the Secretariat and other Member States to ensure that that happened.
- 20. Mr. MIHAI (Romania) recalled that more than three quarters of the resources of the United Nations were devoted to personnel costs, hence the importance of the strategy for the management of the human resources of the Organization outlined in the report of the Secretary-General (A/C.5/49/5). If properly implemented, that policy would enhance the efficiency of the Organization through better management and more clearly defined responsibilities. The Romanian delegation was looking forward to the adoption of a more comprehensive career development policy which offered real and fair opportunities for promotion and training and to the introduction of a new performance appraisal system.

- 21. He welcomed the assurances given by the Secretary-General in paragraph 7 of his report on the composition of the Secretariat (A/49/527) with regard to the principles governing the recruitment and employment of staff. He shared the opinions expressed by other delegations concerning the importance of observing, in particular, the provisions of Articles 7 and 8 of the Charter. In that context, the Romanian delegation attached particular importance to national competitive examinations. While it was aware of the difficulties of arranging such examinations, it would welcome a more flexible approach in scheduling and in reducing the lead-time for filling posts. It hoped that the examination which was due to be held shortly in Romania would permit the recruitment of highly qualified candidates and increase the representation of Romania, which had long been underrepresented in the Secretariat. It considered the desirable ranges formula to be effective in its current form and saw no reason to change it. It was particularly important to ensure a balanced regional and gender representation in the Secretariat.
- 22. The Romanian delegation shared the concerns expressed by other delegations over the change in the allocation of P-2 posts between candidates from the internal and the external competitive examinations. At the same time, it would also like to see the process of decentralization and the delegation of authority from the Office of Human Resources Management carried out with the greatest care.
- 23. With respect to the safety of United Nations personnel, the Romanian delegation regretted that a considerable number of staff members had lost their lives in the exercise of their duties. It fully supported the draft Convention on the Safety of United Nations and Associated Personnel and appealed to Member States to consider becoming parties to the Convention.
- 24. Mr. NKOLOI (Botswana) said that, faced with the rapid and complicated succession of events across the globe, it was absolutely necessary for the Organization to re-energize and modernize the management of its human resources. The delegation of Botswana therefore fully supported the reform package based on transparency, accountability and decentralization. It welcomed, in particular, the proposals concerning delegation of authority, training, the new system of performance appraisal and reform of the internal justice system.
- 25. According to the report on the improvement of the status of women in the Secretariat (A/49/587), the percentage of women in posts subject to geographical distribution had increased from 31.3 per cent in June 1993 to 32.6 per cent in June 1994. More efforts must be made to achieve a more equitable representation of women.
- 26. The delegation of Botswana welcomed the proposed training programme which was scheduled to be launched in January 1995, since training was essential to the proper functioning of the Organization in the long run. The recruitment of personnel should be fair and transparent and must be extended to all regions of the world in accordance with the principles enshrined in the Charter. He regretted that, even as the Organization approached its fiftieth anniversary, all Member States were still not equitably represented within the Secretariat.

The delegation of Botswana welcomed the Secretary-General's proposal to conduct a pro-active advertising and campus recruitment campaign in all regions of the world.

- 27. The reform of the internal justice system was a transparent mechanism for improving discipline through sound working relations between management and staff. His delegation was also heartened by the introduction of the new performance appraisal system as a means of facilitating professional mobility.
- 28. The delegation of Botswana hoped that the Convention on the Safety of United Nations and Associated Personnel, the draft text of which had been adopted by the Sixth Committee, would ensure that those who wilfully infringed international law were brought to justice. It encouraged other countries to ensure the safety of United Nations messengers of peace.
- 29. Mr. Chong-Ha YOO (Republic of Korea) said that, in order to ensure the smooth operation of the Organization, it was important to maintain staff morale by ensuring job satisfaction and career development opportunities. He therefore welcomed the initiatives proposed by the Secretary-General in his strategy for the management of the human resources of the Organization (A/C.5/49/5). He shared the Secretary-General's view that the planning, career pathing and performance management capacity of the Office of Human Resources Management should be strengthened. While it was necessary to decentralize administrative tasks, the decentralization of recruitment should be pursued with discretion. In that connection, the idea of using external agencies for the recruitment of personnel was an interesting one provided, however, that the issues of transparency and cost-effectiveness were kept in mind. Efforts should also be made to expedite the dissemination of information on vacancy announcements to Member States, not only through the permanent missions but also through United Nations offices world wide.
- 30. His delegation welcomed the forthcoming introduction of the new Performance Appraisal System, which was based in particular on joint work planning by managers and staff. It hoped that the new system, the success of which depended in part on a realistic and accurate estimation of each individual's work, would prove successful and would create a work atmosphere which enhanced performance. Expenditures on training programmes should be considered as a necessary investment, and proposals to expand internship programmes and to provide young professionals for non-reimbursable assignments merited close attention.
- 31. His delegation was in favour of strengthening the role of the Office of the Focal Point. It was important to set up effective communication mechanisms between the Secretariat and Member States to encourage them to present more qualified women candidates.
- 32. He was pleased to note that recruitment through competitive examinations had become a firmly established practice. He hoped that national competitive examinations would remain the primary recruitment tool for entry-level staff and looked forward to the expansion of those examinations to the P-3 level. Priority should be given to holding competitive examinations in countries which

were unrepresented, underrepresented or below the mid-point of their desirable ranges; candidates from those countries should also be given priority at the P-4 level and above.

- 33. His delegation endorsed, in principle, the approach of the Secretary-General regarding the reform of the internal justice system. It hoped that United Nations personnel worldwide would be provided with optimal security so that they were no longer subject to violence.
- 34. Mr. ZAINEL (Qatar) said he hoped that the strategy for the management of the human resources of the Organization (A/C.5/49/5) would be approved by the General Assembly. In that regard, he wished to emphasize that selection of staff must satisfy the criteria of universality, equitable geographical distribution and gender balance while providing the Organization with the competence and expertise it required. In order to create working conditions which encouraged staff to give the best of themselves, it was also necessary to ensure transparency and a coherent personnel policy, in particular with regard to promotion and assignment. An effective performance appraisal system, based on performance and accompanied by rewards and sanctions, was also important.
- 35. He endorsed measures to increase staff mobility, including the training programme and the secondment mechanism. The reform of the internal justice system proposed by the Secretary-General was intended to facilitate the resolution of disputes and to professionalize the appeals and disciplinary machinery. Finally, his delegation, very much concerned by the acts of violence against United Nations staff, welcomed the adoption by the Sixth Committee of the draft convention on the safety of United Nations and associated personnel.
- 36. Mr. MAIGA (Mali) said that realization of the aims of the United Nations depended in great part on careful management of its human resources. In order for the United Nations to carry out the new tasks with which it was entrusted, it was essential to provide continuing education and to establish a new recruitment and career-planning policy. He endorsed the measures of decentralization and delegation of authority proposed by the Secretary-General.
- 37. Noting that women were still inadequately represented in posts subject to geographical distribution, in particular at the D-1 level and above, and stressing the need to respect the principle of equity in distributing posts among regions and countries, he suggested that a greater share of posts should go to African women. That group represented only 2.94 per cent of the women employed by the Secretariat. The issue of recruitment, including the setting up of rosters in cooperation with Member States, and the question of improving salaries and conditions of employment merited further study. The same applied to the question of arbitration and settlement of disputes in the framework of the reform of the internal justice system. The United Nations could properly carry out its work in the area of peace and development only if its staff benefited from adequate security conditions.

AGENDA ITEM 114: UNITED NATIONS COMMON SYSTEM ( $\underline{continued}$ ) (A/49/30, A/49/480; A/C.5/49/10, A/C.5/49/7 and A/C.5/49/33)

AGENDA ITEM 115: UNITED NATIONS PENSION SYSTEM ( $\underline{continued}$ ) (A/49/9; A/C.5/49/3 and A/C.5/49/7)

- 38. Mr. TURNQUEST (Bahamas), speaking on behalf of the Caribbean Community and Suriname, said that as in the past, the International Civil Service Commission (ICSC) would no doubt be able to provide sound guidance to the General Assembly on the decisions it would have to make with regard to salaries and conditions of employment for staff. While finding the recommendations and decisions of the Commission contained in its 1994 report (A/49/30) to be satisfactory, he regretted that the Federation of International Civil Servants' Associations (FICSA) had once again decided to suspend its participation in the Commission work. He hoped that dialogue would be resumed and that the ICSC Chairman would carry out whatever consultations were needed to ensure that in future the full spectrum of views was reflected in the Commission's annual report. He regretted that ICSC had not yet completed its studies on the application of the Noblemaire principle and accepted that the Commission, by presenting its report in 1995 at the latest, would be benefiting from a waiver to the biennalization rules concerning the programme of work of the Fifth Committee. He endorsed the ICSC recommendations regarding base/floor salary scale and dependency rate salaries.
- 39. He also endorsed the new criteria recommended by ICSC for the employment of national professional officers (A/49/30, annex VI). He took note of the Commission's recommendations on appointments of limited duration and hoped, in view of the increasing use of such appointments and the concerns to which they gave rise among Member States, that a full study of them would be made in 1995, in particular of the problem of security for staff in that category.
- 40. He noted with satisfaction that the guidelines for performance appraisal and management (A/49/30, annex VIII) struck a necessary balance between sanctions and rewards and granted an important place to training, performance appraisal being considered as only one aspect of an entire package. He hoped that the guidelines would gain widespread support throughout the common system.
- 41. In his view, the Secretary-General's recommendations, contained in his report on decisions of Administrative Tribunals (A/49/480), did not fully address the concerns expressed by the General Assembly in section VI of its resolution 48/224 and, consequently, he hoped that the matter might be reconsidered.
- 42. Mr. CHINVANNO (Thailand) said that the United Nations needed well-trained, highly motivated staff, which implied fair remuneration and conditions of service. He supported the Commission's recommendation that the base/floor salary scale for the Professional and higher categories of staff should be increased by 4.1 per cent through consolidation of post adjustment, with effect from 1 March 1995. He noted, however, that that increase was smaller than the adjustment suggested by the Consultative Committee on Administrative Questions

- (CCAQ). He also endorsed the Commission's proposals regarding dependency allowances, education grants and hazard pay.
- 43. Noting the concerns expressed by the Administrative Committee on Coordination (ACC) in document A/C.5/49/10, his delegation urged the Commission to finalize the studies on the application of the Noblemaire principle requested in the General Assembly resolution 47/216. It was greatly concerned at the non-competitiveness of the United Nations common system, which explained the problems in recruiting and retaining staff. While it was impossible to determine how many potential candidates were discouraged from applying for a post by the inadequacy of the salary, CCAQ had nevertheless concluded in its review of the question that the United Nations system was failing to attract enough qualified applicants. It was absolutely necessary for the United Nations to offer competitive salaries.
- 44. Turning to the remuneration of the General Service and other locally recruited categories, he noted that the Commission had embarked on a new round of surveys of the best prevailing conditions of employment. He was concerned that staff at some duty stations had refused to participate in those efforts. Regarding the threats of FICSA not to participate in the Commission's work, he urged the two parties to re-establish constructive dialogue. He reaffirmed his delegation's support for the United Nations common system.
- 45. Mr. ORLOV (Russian Federation) said that, by and large, his delegation supported the Commission's approach to studying the application of the Noblemaire principle. In that connection, it noted that the Commission had decided to separate phase II of the highest-paid civil service study from the collection of reference data on other international organizations. The objective of the Noblemaire principle was not to ensure that United Nations staff enjoyed the world's highest salaries but to enable international organizations to have every member State represented in their secretariats.
- 46. His delegation was not opposed to comparing United Nations salaries with those of other international organizations, which were by definition its competitors. However, such comparisons should be based on all elements of the conditions of employment, not just salary, and they should be guided by the Flemming principle rather than the Noblemaire principle.
- 47. His delegation understood the objective reasons that had prevented the Commission from concluding its study on alternative comparators. Given the complexity of the issues involved, it did not see any point in rushing that study in order to submit the results in 1995 instead of 1996, as scheduled. Furthermore, judging from paragraph 160 of the Commission's report, the recruitment problems did not seem to be insurmountable, especially since the expected pay increase in the United States federal civil service would help to solve some of the difficulties reported.
- 48. With respect to the remuneration margin between the United Nations and the United States federal civil service, his delegation had always said that it would be desirable to maintain the average margin over a five-year period around

the mid-point of 15 per cent, as recommended by the Commission in paragraph 79 (f) of its report. In any case, as long as the Federal Employees Pay Comparability Act had not come fully into force, which would not occur until 2002, and the same comparator service continued to be used, there was no reason to change that rule.

- 49. While it did not object to the proposed increase in the base/floor salary scale, his delegation did oppose any rigid linkage between the scale and the level of the mobility and hardship allowance.
- 50. His delegation supported the Commission's efforts to introduce a performance appraisal system that more accurately reflected actual performance. It shared the view expressed by the Commission in paragraph 320 of its report that, while nominally performance-based, the current pay structure was in practice seniority-driven. That fact should be borne in mind in considering the inclusion of the comparator's new pay systems in comparisons for margin calculation purposes.
- 51. His delegation also agreed with the Commission's decisions concerning National Professional Officers and the methodologies for surveys to determine the conditions of employment of the General Service and other related categories. However, it had reservations regarding the recommendations on the adjustment of the education grant, as a different approach had been used with respect to the one adopted for the previous adjustment. It could not, for instance, approve the increases recommended for the United States and the United Kingdom, and it opposed the increase in the ceiling on boarding costs as well. With regard to dependency allowances, it would like to know on which specific data the Commission's recommendations were based and why Italy, Spain, Sweden and the United Kingdom were included in the list of countries where the payments in question would be made in United States dollars.
- 52. Lastly, his delegation considered that the Commission's decisions on the ad hoc measures for the Rome post adjustment were in strict compliance with article 11 (c) of its statute. On a more general note, it wished to reiterate its support for the Commission and regretted the position taken by FICSA and the staff associations at certain duty stations, which it considered contrary to the interests of the staff.
- 53. Mr. HANSON (Canada), speaking also on behalf of Australia and New Zealand, said that, in general, their delegations endorsed the recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/49/576) and the Board of Auditors with regard to the report of the United Nations Joint Staff Pension Board. They were pleased that, as requested by the Technical Group of the Panel of External Auditors, the results of the Fund's actuarial assessments were expressed both in dollars and as a percentage of total pensionable remuneration, and were accompanied by further information. The report of the Pension Board also provided information on the extent to which the Fund's assets were sufficient to meet its obligations under article 26 of its Regulations, as well as on the actuarial status of the Fund as at 31 December 1993. With respect to the Fund's investments, the investment reports merely stated the rate

of return without comparing it to that of other joint pension funds. In order better to evaluate the performance of the Fund's investments, such a comparison should be systematically included in the reports. Indeed, a preliminary study had been carried out on the possibility of establishing benchmarks for that purpose. In any event, the comparative data in the ACABQ report was insufficient.

- 54. It was gratifying to note that the new custodial arrangements, which involved diversifying the number of custodians, would enhance the safety of the Fund's assets and would result in savings in custodial costs amounting to \$1 million in 1994. It would be necessary, however, to monitor closely the implementation of the new arrangements and indicate in the next report the savings actually made, comparing the custodial services costs with those of other similar pension funds. It would perhaps be advisable, as some members of the Pension Board had suggested, to enlist the services of more than one investment adviser.
- 55. Given the scope of the Fund's operations, provision should be made for periodic internal audits, responsibility for which might be entrusted either to the Office of Internal Oversight Services or to a mechanism specially established for that purpose. The three delegations endorsed the recommendation to that effect made by the Board of Auditors and supported the Advisory Committee's request that the Pension Board should provide a statement of the financial implications of each of the proposed options in the context of the budget proposal for the biennium 1996-1997.
- 56. In order to resolve the problem of the overpayment of benefits, referred to in paragraphs 30 to 41 of the report of the Board of Auditors, widows and widowers should be required, as the Board of Auditors had recommended, to submit notarized statements every two years to the effect that they had not remarried. Since such a measure would have a dissuasive effect, it would be desirable for the Administration, which had rejected that recommendation, to review its position. Furthermore, the Fund's financial statements should comply fully with all the United Nations System Accounting Standards, particularly in regard to the areas referred to in paragraph 29 of the report of the Board of Auditors.
- 57. Regarding the common system, the decisive role of the International Civil Service Commission (ICSC) in the current reform of human resources management could not be overemphasized. It must, however, be seen to be an independent and neutral body and must enjoy the confidence of all. It was regrettable in that regard that FICSA had decided to withdraw from the work of ICSC, and equally regrettable that some statements before the Fifth Committee had taken a polemic turn. One of the most sensitive issues was clearly that of the methodology for determining General Service salaries. Some aspects of the methodology had been disputed by staff associations and they should be re-examined by ICSC before its next session. The three delegations appealed to all parties to accept the survey methodology on its technical merits, it being understood that the actual results in any given year might not meet all expectations.

- 58. It was hoped that when the Commission reviewed the methodology once the current round of surveys had been completed, it would compare the General Service salaries to the average local market salary at each duty station in order to determine whether the current system was appropriate. For example, it appeared that General Service salaries in New York were well above the benchmark of 75 per cent of the market established by the Flemming principle.
- 59. Mr. ELZIMAITY (Egypt) said that the United Nations common system would continue to function smoothly if participating organizations adhered strictly to established rules and procedures. He saw that as the sole guarantee that the conditions of service of staff would continue to be fair and equitable. United Nations salary scales must be competitive in comparison to those of other international organizations. He therefore regretted that ICSC had not completed the study on the highest paid civil service and the review of the application of the Noblemaire principle as requested by the General Assembly in resolution 47/216. He urged ICSC to expedite its work so that the Fifth Committee could decide on the measures to be taken.
- 60. While he supported ICSC's recommendation concerning the education grant and endorsed the use of the differentiated approach, he noted that the current system, based on reimbursement of 75 per cent of the expenditures actually incurred up to the first level of tertiary education, differed from that of the comparator civil service, which provided for reimbursement of 100 per cent of expenditures for primary and secondary education. He would like a comparative study to be made of the costs of the two approaches.
- 61. His delegation also supported the proposed adjustment of the base/floor salary scale for the Professional and higher categories of staff. It had serious reservations, however, about the increasing number of appointments of limited duration (300 series of the Staff Rules), even though that kind of appointment had the merit of expediting recruitment. His delegation looked forward to the detailed study that ICSC would be submitting to the Fifth Committee on the subject. With regard to the more general question of the functioning of ICSC, his delegation stressed the need for all parties to pursue an open-minded and constructive dialogue.
- 62. Regarding the United Nations pension system, he said that pension systems in many countries were currently being subjected to detailed review. In that context, he considered, like ACABQ, that it was important to monitor the actuarial imbalance of the Pension Fund to ensure the long-term viability of United Nations pensions.
- 63. Mr. DROZDOV (Ukraine) said that his delegation had taken note with satisfaction of ICSC's recommendations concerning human resources management, in particular the introduction of an objective, realistic and results-based performance appraisal system, which would be one of the key components of management reform.
- 64. His delegation had carefully studied ICSC's recommendations concerning arrangements for appointments of limited duration that were based on a scheme of

appointments applied by UNDP on a pilot basis for activities of limited duration. It was an interesting approach that should be analysed in depth before the next session of the General Assembly.

- 65. It was regrettable that the ICSC report did not address the question of the determination of salaries of staff members at Geneva which, as had been requested on several occasions, should be adjusted to take account of the effective expenses of staff members living in France.
- 66. His delegation shared the concerns expressed by the Administrative Committee on Coordination (ACC) concerning the uncompetitive nature of conditions of service of United Nations staff, a problem which had repercussions on recruitment. Like ACC, it regretted ICSC's failure to take action in that regard and urged it to complete the studies which the General Assembly had requested it to carry out in resolution 47/216, so that the necessary measures could be taken on that basis to guarantee the effective functioning of the common system as a whole.
- 67. His delegation considered that the upward adjustment of the base/floor salary scale to take effect as of 1 March 1995 should not result in any increase in expenditure for Member States.
- 68. The measures concerning the common system should take account of the recommendations of the Joint Inspection Unit to improve the conditions of service of women in the Secretariat; women's participation should also be subject to broader geographical distribution, in particular by recruiting women from the newly independent States for professional posts.
- 69. The safety and security of staff members was another important point. His delegation welcomed the adoption by the Sixth Committee of the draft convention on that question and hoped that it would lead to specific measures to minimize the loss of human lives.
- 70. Regarding the pension system, his delegation took note of ICSC's decisions concerning some of the factors taken into account in calculating pensionable remuneration and of ACABQ's report on the United Nations pension system (A/49/576). It was to be hoped that the measures taken by the General Assembly between 1983 and 1990 would help to restore the actuarial balance of the Pension Fund.

The meeting rose at 12.25 p.m.