UNITED NATIONS



FIFTY-FIRST SESSION Official Records

FIFTH COMMITTEE

11th meeting
held on
Tuesday, 22 October 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 11th MEETING

<u>Chairman</u>: Mr. SENGWE (Zimbabwe)

later: Mr. STEIN (Germany)

(Vice-Chairman)

<u>Chairman of the Advisory Committee on Administrative and Budgetary Questions</u>: Mr. MSELLE

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Distr. GENERAL A/C.5/51/SR.11 16 December 1996

ORIGINAL: ENGLISH

96-81560 (E) /...

The meeting was called to order at 3.05 p.m.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued) (A/50/7/Add.16 and A/51/7/Add.1; A/C.5/50/57 and Add.1)

- Mr. KIM Bong Hyun (Republic of Korea) said that the Secretary-General had indicated in his report (A/C.5/50/57/Add.1) that he was achieving savings in the programme budget without affecting the full implementation of mandated programmes and activities by maintaining a rate of personnel vacancies which was higher than the rate approved by the General Assembly in its resolution 50/214. Moreover, the report of the Advisory Committee on Administrative and Budgetary Questions (A/51/7/Add.1) noted that the costs of new mandates for 1996-1997 were also being absorbed through the vacancy rate. However, the United Nations depended on its human resources to ensure efficient operations, and he shared the concern expressed by the Group of 77 and China about the potentially negative impact of the higher vacancy rate on the implementation of programmes and activities and on staff morale. In particular, he was concerned about the Secretary-General's reference to the possible involuntary separation of staff, since the General Assembly had not yet decided to abolish posts and had not yet considered the Secretary-General's proposals on budget reduction. He shared the Advisory Committee's view that the Secretary-General should not carry out any involuntary separations solely to achieve budgetary savings.
- With respect to efficiency gains, he agreed with the Advisory Committee that efficiency reviews should be geared more to the efficient long-term operation of the Organization's activities than to the short-term goal of costcutting. He was concerned about how much attention the Secretary-General paid to the request, contained in part II of General Assembly resolution 50/214, that adequate resources should be allocated in the 1996-1997 programme budget for activities specifically relating to the least developed countries. As the Advisory Committee had noted in paragraph 9 of its report, the Secretary-General had not made clear how the numerous deferrals, delays, postponements and cancellations in the approved programmes would affect the Organization's ability to carry out the mandates entrusted to it by the competent intergovernmental organs. Any information on how the Secretary-General intended to implement deferred or postponed activities should be made available. Lastly, he concurred with the recommendations, contained in paragraph 38 of the Advisory Committee's report, on the updating of the estimates in the Secretary-General's report and the approval by the General Assembly of revised appropriations for the biennium.
- 3. Mr. OUANE (Mali) said that his delegation associated itself with the statement made in the Fifth Committee by the representative of Costa Rica on behalf of the Group of 77. In the context of the current efforts to achieve budgetary savings, the basic question was whether the steps being taken and the proposed solutions respected the parameters set by General Assembly resolution 50/214. In that regard, the Secretary-General's report (A/C.5/50/57/Add.1) proposed a budget reduction of \$154 million, as requested in the resolution; a personnel vacancy rate higher than the 6.4 per cent approved by the General Assembly; and the absorption of the financial implications of new mandates through the cost-saving measures envisaged in resolution 50/214.

- 4. The proposed methodology for achieving budgetary savings raised many concerns. He wondered to what extent intergovernmental bodies had been involved in the process of changing and reviewing programmes and activities arising from legislative mandates. He shared the Advisory Committee's view that, in case of doubt, the Secretariat should seek guidance from Member States, since changes in such programmes and activities were the prerogative of the General Assembly.
- 5. Another important point was the proposed vacancy rate, which exceeded the rate of 6.4 per cent set by the General Assembly for staff in the Professional category and above. In taking that decision, the Secretariat had acted on its own initiative. It was important to determine the impact of that high vacancy rate on the implementation of programmes arising from intergovernmental mandates. He wondered about the wisdom of using outside consultants and short-term contracts at a time when the Organization was streamlining its administrative structure.
- Efforts to finance new activities mandated by intergovernmental bodies in the context of the proposed cost-saving measures should not lose sight of current budgetary procedures. In that regard, it was important to observe the principles laid down in General Assembly resolution 41/213. Programmes and activities relating to developing countries, and particularly least developed countries, were among the Organization's major concerns, yet drastic reductions were being proposed in that area. For example, the Secretary-General had projected nearly \$7.7 million in savings under section 10A of the programme budget (United Nations Conference on Trade and Development (UNCTAD)), without explaining how that reduction had been arrived at or its potential impact on the programme of work of UNCTAD. Likewise, cuts were being planned in programmes under sections 4 and 7A, as noted in paragraph 13 of the Advisory Committee's report. However, the proposed changes conflicted with the provisions of General Assembly resolution 50/214, in which the Secretary-General had been requested to ensure that adequate resources were allocated in the 1996-1997 programme budget for activities specifically relating to the least developed countries. Although cost-saving and efficiency measures were necessary and beneficial in many areas, they should not hinder programme delivery.

AGENDA ITEM 120: HUMAN RESOURCES MANAGEMENT ($\underline{continued}$) (A/51/304, A/51/421 and A/51/475; A/C.5/49/63, A/C.5/49/64, A/C.5/50/64, A/C.5/51/1, A/C.5/51/2, A/C.5/51/3, A/C.5/51/6 and A/C.5/51/7)

7. Mr. KAUSIKAN (Singapore) said that he wished to interpret, in the light of the issue of human resources management, the statements made at the preceding meeting by the Under-Secretary-General for Policy Coordination and Sustainable Development and by the Assistant Secretary-General for Human Resources Management concerning an expert group meeting on violence against women migrant workers. In a statement made in the Fifth Committee on 16 October 1996, his delegation had raised some specific concerns regarding that meeting; the Secretariat's response to those concerns illustrated a fundamental human resources management problem. First, it had claimed that what had occurred at the expert group meeting was the normal United Nations practice that had been followed at 26 other such meetings. However, misconduct was not justified by repetition, and the willingness to accept past practice on that ground alone was

not a characteristic of a dynamic and forward-looking staff. As the President of the General Assembly had stated at the current session, the Secretariat could no longer operate on a "business as usual" basis.

- 8. The Secretariat had failed to address two of Singapore's concerns, and had claimed that another problem it had noted was attributable to a technical error. However, technical errors could not explain the pattern of systemic bias which had been evident in that episode. At the preceding meeting, the Under-Secretary-General had referred to Singapore's attack on the integrity and impartiality of the international civil service; however, Singapore had merely expressed some very precise concerns about a specific Division and a specific staff member.
- 9. The crux of his delegation's approach to the whole matter was its belief in the principle of individual responsibility and accountability. Only when Member States insisted that that principle should be taken as the basic approach to human resources management would the Secretariat be able to truly reform itself. Singapore disagreed with the Assistant Secretary-General's contention that the question of a salary increase was not relevant to the conduct of a staff member, since individual reward for individual performance was the logical corollary of a corporate culture of individual responsibility and accountability. Those were not radical concepts, but only the normal principles by which most organizations operated. The United Nations must adopt that practice in its system of remuneration if it was to improve its functioning.
- 10. Mr. ARMITAGE (Australia), speaking on behalf of Australia, Canada and New Zealand, said that, pending the reform of the internal system of justice of the United Nations, the current system must be respected and its procedures must be scrupulously followed to ensure that those who were subject to it received the benefits of due process. In that regard, he welcomed the statements made the previous day by the Under-Secretary-General for Policy Coordination and Sustainable Development and by the Assistant Secretary-General for Human Resources Management.
- 11. The Secretary-General's strategy for the management of human resources was crucial in view of the efforts being made to reduce personnel costs without affecting programme delivery. The General Assembly could play an important role in determining the directions of the strategy and considering the main management tools for its implementation. The report of the Secretary-General (A/C.5/51/1) referred to the impact of the current budgetary circumstances and of the savings exercise on the strategy's implementation. However, if the Secretariat had made greater progress in implementing the strategy, it would have been better able to deal with the human resources implications of the savings exercise.
- 12. Too many sections of the report referred to activities which had not yet been implemented and to proposals which had not yet been adopted. In any event, he was encouraged by the progress of the Performance Appraisal System, which would undoubtedly prove its value as a basic management tool once the first full performance cycle had been completed. An effective performance appraisal system should facilitate staff development, foster the primacy of the merit principle and provide useful insight into the state of management in the Organization.

The People Management Training Programme was also significant in view of the importance of human resources management for the Organization's future viability, and the senior management symposium had helped to ensure the full commitment of senior management to the strategy. He hoped that the recruitment initiatives outlined in the report would help to give effect to the principles set forth in Article 101, paragraph 3, of the Charter, and to further strengthen the role of the merit principle in recruitment, placement and promotion. Australia, Canada and New Zealand would continue to work actively on those issues, particularly with regard to improving the status of women.

- 13. The proposals for improving staff mobility were promising, but he wished that they had actually been implemented. Managed reassignment was a practical way to help increase the Organization's responsiveness and flexibility. With regard to the decentralization of personnel functions and the delegation of authority, much of the Organization's current human resources management revolved around administrative processing instead of strategic planning and policy advice. To enable the Office of Human Resources Management to focus on the latter functions, the efficiency reviews should rationalize administrative processing and much of that work should then be delegated to the departments or executive offices directly concerned.
- 14. Mr. Stein (Germany), Vice-Chairman, took the Chair.
- 15. Mrs. BASHIR (Sudan) said that much remained to be done to implement the Secretary-General's human resources management strategy, which was intended to improve the Organization's performance, to ensure the competence and efficiency of its staff and to provide a favourable climate for the structural reforms that were needed to enhance the important role of the Organization as set forth in the Charter.
- 16. Her delegation considered that there were certain areas of employment such as budget and finance, procurement, support services management and conference services, in which local appointments could be made, particularly away from Headquarters. Such a step would reduce costs and create skills at the national level. Her delegation considered that the staff training services of the United Nations could play an effective part in providing training for local staff in such fields, as well as in peacemaking and the management of complex emergency situations.
- 17. Making appointments on a competitive basis was an effective way of ensuring fairness in recruitment and of selecting highly qualified officials. The strategy for the appointment of young university graduates was an important means of encouraging the younger generation in the developing countries to become interested in working for the Organization and gaining the necessary experience so that they became the nucleus of the administration in the future.
- 18. With respect to the advancement of women in the Secretariat, her delegation was aware that social customs and the lack of educational opportunities for women in some developing countries were obstacles to the attainment of that objective but felt that greater efforts should be made in the Secretariat to increase the percentage of women at the policy-making and decision-making level.

- 19. Her delegation hoped that cost reduction efforts would not have an adverse effect on working conditions as that might hamper the ability of the Organization to attract highly qualified staff and might make it an uncompetitive employer as compared with other organizations.
- 20. Document A/C.5/51/3 on respect for the privileges and immunities of officials of the United Nations system referred, in paragraphs 55 to 58, to violations of privileges and immunities by the rebel forces in the south of the Sudan. As a Party to the Convention on the Privileges and Immunities of the United Nations, her country condemned such criminal activities which hindered the United Nations in its activities. It affirmed its commitment to the respect for the privileges and immunities of international personnel in its territory and hoped to be able to cooperate with the United Nations in avoiding any repetition of such acts in the future.
- 21. Mr. HAJAYANDI (Burundi) said that his Government deeply regretted and condemned the killings of Red Cross workers and attacks on World Food Programme officials in Burundi by armed bands, and had opened judicial inquiries into those events. The unprecedented socio-political crisis afflicting Burundi had enabled criminals to commit vicious crimes against both the local population and foreigners present in the country under assistance programmes. It was the Government's intention to promote a lasting peace through negotiations between all political factions aimed at achieving national reconciliation.
- 22. He welcomed the close collaboration which had been established between the police in Burundi and United Nations agencies. He called on all mission personnel in Burundi scrupulously to respect security directives in view of the situation in the country. The Government would continue to do its utmost to ensure the security of all foreigners in general, and of international officials in particular.
- 23. Mr. GODA (Japan) said that his delegation agreed with the Secretary-General that people were the greatest asset of the United Nations. In order to utilize that asset fully, however, the Organization must establish a long-term career development plan as soon as possible. One of the Organization's most serious management shortcomings was that it had failed to develop such an approach. He was therefore disappointed that the Secretariat continued to focus exclusively on how to assist staff in formulating career plans, since responsibility for career development also lay with the Organization, which should consider how to use individual staff members over an extended period. Such a plan was indispensable if human resources were to be managed in an intelligent manner.
- 24. While the goal of the human resources management strategy was a good one, its components needed review. With regard to planning, career and performance management capacity, all personnel action began with planning, for which purpose an information system was needed. In that connection he asked for clarification of the status of the Integrated Management Information System, since it was supposed to contribute to creating such a capacity. Further, he wished to know how the planning unit established within the Office of Human Resources Management was functioning.

- 25. His delegation strongly supported national competitive examinations as a tool for recruiting qualified personnel and correcting inequities in geographical distribution. The Secretariat should shorten the time taken to offer posts to successful candidates. He asked for clarification of the legislative basis of the statement in the report on the composition of the Secretariat that seven women candidates had been recruited outside the context of national competitive examinations (A/51/421, para. 38), and asked how many male candidates had been so recruited. The Staff Rules provided that appointment to such posts, as well as to language posts, should be made exclusively through competitive examinations.
- 26. His delegation welcomed the proposal to introduce a development programme for junior Professionals. If implemented, however, the proposal would give authority over personnel management of core staff to the Office of Human Resources Management, which would require an adjustment in the proposal regarding delegation of authority. In that connection staff whose performance so merited should continue to be considered for promotion to the P-3 level after two years.
- 27. He took note with interest of pro-active recruitment activities and enhancement of cooperation with Member States. Japan would continue to cooperate fully in recruitment activities, which should duly reflect equitable geographical distribution.
- 28. On the management culture/management skills development component of the strategy, he welcomed the improved management training programmes. With regard to the staff college project, he supported programmes focused on system-wide goals, but had serious reservations about the existing project because the involvement of institutions such as the United Nations Institute for Training and Research had been requested without authorization by the General Assembly and because Member States did not have a clear picture of the scheme in its entirety. Detailed information should be provided, and, if the Secretariat was considering a plan requiring a change in a legislative mandate, it should submit its proposals to the legislative body concerned.
- 29. With regard to work planning and performance appraisal management, the new Performance Appraisal System (PAS) was a key tool. It was a pity that introduction of the system had been delayed because of the financial situation. The Secretariat should fully implement the system worldwide and report thereon at the fifty-third session. With respect to the decentralization and delegation of authority component, personnel administration should be streamlined in order to eliminate redundancies and enhance efficiency. Nevertheless, before authority could be decentralized or delegated, a system of accountability and responsibility must be established, failing which delegation would result in a chaotic system where no one had responsibility.
- 30. Turning to enhanced attrition/early retirement, he asked how the early separation programme proposed by the Secretariat had contributed to human resources management beyond the budgetary savings it had produced.
- 31. As to additional human resources management issues, he supported the proposed reform of the internal system of justice. His delegation noted the

improvement in the representation of women. That initiative should continue on the basis of the basic principles of the Charter and due consideration for under-represented and unrepresented countries.

- 32. His delegation appreciated efforts to improve the representation of Member States, but noted that Japan remained seriously under-represented. The Secretariat should enhance its efforts to recruit personnel from unrepresented and under-represented countries.
- 33. The safety and security of the staff were of great importance. The adoption of the Convention on the Safety of United Nations and Associated Personnel had been an important first step. Japan had ratified the Convention and urged other Member States to do so.
- 34. The Secretary-General's report on retirees provided only general comments and lacked any analysis of the extended use of retirees. While such a practice might be cost-effective in the short term, it might be counter-productive in the long term. His delegation also had reservations regarding the Advisory Committee's recommendation for a \$22,000 per annum cap.
- 35. The importance of human resources management could not be overemphasized. Member States shared with the Secretariat the goal of improving management so as to enhance the operation of the Organization.
- 36. Ms. CHAMBERS (United States of America) said that her delegation remained committed to strengthening the Secretary-General's authority as the chief administrative officer of the Organization. She looked forward to full implementation of his strategy to improve the management of personnel resources. To that end there would need to be a change in the management culture so as to move into the twenty-first century with a well-managed and efficient personnel system.
- 37. Her delegation supported introduction of the Performance Appraisal System (PAS) and the People Management Training Programme. The result should be increased responsibility and accountability of staff. Her delegation also supported the promotion of staff training and development opportunities, for the benefit of both staff and the Organization. The necessary time and resources must be committed.
- 38. The advancement of women was of great importance. While the Organization had reached its 1995 goal of a 35 per cent participation rate for women in geographical positions in mid-1996, it was nowhere near its 1995 goal of 25 per cent participation by women in posts at the D-1 level and above. Even though the hiring freeze and the vacancy rate limited the Organization's ability to increase the numbers of posts filled by women, that effort must continue.
- 39. She welcomed the creation of the staff-management task force to deal with harassment, including sexual harassment, at all duty stations. A programme to eliminate harassment must be vigorously pursued.
- 40. At the fiftieth session the Fifth Committee had requested the Secretary-General to develop a policy on retirees that would not violate the "double

dipping" principle and would allow the Secretariat to staff its activities adequately. No retiree should receive more in salary and pension benefits in any calendar year from the United Nations than he or she had earned prior to retirement. She appreciated the point that in the area of conference services the skills possessed by retirees were in critical demand at peak times. Nonetheless those skills were not unique to retirees. A six-month ceiling was too long, and there was no need to exempt conference services personnel from the salary cap. Such temporary employment situations were ideal opportunities for outsourcing. The rehiring of retirees, even if on an exceptional and strictly controlled basis, must be kept to a minimum so as to avoid compromising the Office of Human Resources Management's commitment to career development.

- 41. Her delegation deplored the dangers confronting United Nations staff worldwide and the deaths of 10 staff members over the period covered by the Secretary-General's report on privileges and immunities (A/C.5/51/3). With respect to the reference in that report (para. 9) to restrictions imposed by the United States authorities on the private travel of staff members, her Government was committed to its treaty obligations as host country, and would not restrict in any way any travel of United Nations employees on official business. Nevertheless, the United States reserved the right to restrict private travel within its territory of certain United Nations officials for reasons of national security. The question should, in any event, be properly considered in the Sixth Committee.
- 42. Her delegation supported the need for adequate time and resources for staff representation, but the number of staff released either full or part-time was out of proportion and needed to be reduced. The report on costs and modalities of staff representational activities (A/C.5/51/6) indicated that total annual indirect costs amounted to some \$2.4 million, a much higher figure than in previous years. Those costs, and how indirect costs were determined, needed to be explained.
- 43. The Secretary-General must be allowed to exercise his authority and leadership within the framework established by the General Assembly regarding the limits of the budget and performance of mandates. Member States would become bogged down in micromanagement if they could not support the Secretary-General as chief administrative officer. Inevitably he would make decisions that would not please all concerned, but as long as they were consistent with the principles of the United Nations, he must be willing and able to make them.

The meeting rose at 4.25 p.m.