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Chairman: Mr. Sharma (Nepal)
*Chairman of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Mselle

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The meeting was called to order at 2.35 p.m.

Agenda item 120: United Nations common system
(continued) (A/57/30; A/C.5/57/16)

1. **Mr. Iossifov** (Russian Federation) said that the role of the International Civil Service Commission (ICSC) was likely to become more prominent in the light of the reform not just of the United Nations but of many of the organizations of the United Nations system. In the past year, ICSC had been very active in reviewing the pay and benefits system and refining the initial recommendations of the tripartite working groups involved in the review. The Commission had managed, firstly, to avoid the temptation to produce rapid conclusions without taking account of their financial implications; secondly, to avoid reducing the issue of reviewing the pay and benefits system to one of salary increases; and, thirdly, to remain calm and methodical in considering the potential of the efficiency proposals of the reform exercise and the need for expenditure limits which would keep down operating costs. His delegation saw the review of the pay and benefits system first and foremost as a process which was part of the drive for greater efficiency.

2. His delegation had serious reservations regarding the substance of some of the proposals. The first centred on the development of a new and less objective and technically accurate job classification system, which it regarded as an attempt by the organizations to develop their own salary scales based on broadbanding, and on the creation of a Senior Management Service. Broad banding could weaken centralized control over conditions of service and, together with automatic promotion, could have significant financial consequences. Any pilot exercise for broadbanding should consider all relevant legal issues, including those regarding the introduction or withdrawal of the system, to prevent problems with acquired rights. If a Senior Management Service was established, the next step was likely to be the creation of a special “flexible” salary scale exclusively for that category. His delegation saw no logical need for such a Service, and could not see which specific problems it could be expected to resolve. Setting up such a corporate elite was incompatible with transparency within the United Nations system. The core competencies for the Senior Management Service listed in annex II to the report of ICSC (A/57/30) were skills which should already be expected of any manager. Selection would discriminate

against internal job applicants who were not members of the “club”, and above all against external applicants.

3. The calculations for the review of the contract system, which was being discussed in parallel with the reform of pay and benefits, had yet to be substantiated. There was also a growing tendency within the United Nations system to use permanent and quasi-permanent contracts, justified as offsetting supposedly uncompetitive pay. That practice reduced flexibility and was incompatible with the principle of performance-related pay.

4. The financial implications of the technical recommendations and decisions of ICSC for 2002, especially in connection with the net remuneration margin between the United Nations and the United States federal civil service, were cause for some concern. During the informal consultations, his delegation was willing to help to find a way to minimize the financial implications for the Member States of reducing the margin. An acceptable potential solution was to allow the margin to fall below its existing floor.

5. **Mr. Hao Bin** (China) welcomed the Commission’s efforts to place the pay and benefits system in the context of overall organizational strategies and noted with interest its proposals for improving conditions of service throughout the common system. The Commission’s report (A/57/30) was both professional and innovative and marked a useful contribution to the integrated framework for human resources management, which the General Assembly had endorsed.

6. While the conceptual model for the new job evaluation system proposed by the Commission was unique in both form and substance, it was neither comprehensive nor detailed. The Commission should therefore continue its research and development efforts, taking into account the various suggestions it had received, and should update the Fifth Committee on the progress of those efforts.

7. The proposed new Master Standard should proceed on a trial basis after the grade-determining factors and evaluation elements had first been consolidated. In order to ensure soundness and objectivity, the elements needed to be carefully selected. In that connection, it would be helpful to know the rationale for reducing the number of evaluation elements from 15 to 7.

8. His delegation supported the idea of exploring the establishment of a Senior Management Service at pilot organizations. Given the large number of staff under the common system, their diverse cultural background and heavy workload, it was important for organizations to have a streamlined contingent of senior managers who were representative, competent, dynamic and of high quality. Only high-level managerial posts should be considered for the Senior Management Service, and its size should therefore be controlled. The Service in any given organization under the common system should be considerably smaller than the current total of posts at the D-1 and higher levels. At the current stage, the formulation of core competencies of the Service should be refined, the threshold of entry carefully monitored and a selection mechanism with high standards established.

9. While, in principle, his delegation welcomed the concept of broadbanding, the method was highly technical and further study was therefore necessary. Emphasis should be placed on optimizing the use of existing financial resources and on the development of an objective and sound performance-related pay system. Total remuneration after broadbanding should also be equal to the current level.

10. As the economies of Member States developed and the Organization's financial situation improved, conditions of service for staff under the common system should also improve. In addition, as the salaries of a certain portion of staff fell below the 110 mark, the margin should be increased in a proportion consistent with the financial capacity of the organization in question. Increases across the board should be avoided, however, since the situation did not warrant such action.

11. **Mr. Niiya** (Japan) said that it was necessary to maintain the consistency and coherence of the common system and to recognize the role and function of the Commission as an independent technical and professional body in the service of the common system. He hoped that the Commission would continue to play a key role in human resources management reform.

12. With regard to the review of the pay and benefits system, the Commission's commendable efforts to reform job evaluation procedures would contribute not only to effective human resources management but also to full compliance with reform measures in that area.

13. On the subject of broadbanding and the performance-related pay system, while his delegation understood the need to align the pay and benefits system with the performance of staff, a number of measures, including the establishment of a reliable performance appraisal system and a mechanism to prevent its abuse, should be taken before such a system was introduced.

14. His delegation had doubts about the wisdom of establishing a Senior Management Service, particularly since the stated objectives of the Service could best be achieved by defining the competencies required of senior managers and then basing appointments on that requirement and on the need to promote mobility.

15. The pay and benefits system should be reviewed to compare remuneration between United Nations staff and United States federal employees, and in particular the grade equivalency and level of margin between staff of the United Nations and United States federal employees. The Commission should be requested to present a detailed report on the matter.

16. On the question of mobility, his delegation regretted the Commission's failure to report to the General Assembly at its current session on the subject. The Commission had a key role to play in promoting mobility throughout the common system and he therefore requested it to submit to the Assembly at its fifty-eighth session proposals for effective measures to promote mobility.

17. **Mr. Bel Hadj Amor** (Chairman of the International Civil Service Commission), replying to the comments made during the debate on the Commission's report, said, with reference to the proposals for reform of the pay and benefits system, that the Commission was moving forward in a cautious and deliberate manner on the recommended approaches and that much more development and testing needed to be done before the Commission would be prepared to recommend system-wide implementation of the various approaches under consideration. It was clearly no longer a viable option to eschew change while seeking refuge in a "business-as-usual" approach. The approaches recommended by the Commission had been implemented by both public and private sector employers on every continent and for the same reasons that applied to the common system. That was also true of the proposal for the establishment of a Senior Management Service. Indeed, the Commission's reform

proposals were an important component of the management reforms currently under way in the organizations of the common system.

18. With regard to the net remuneration margin and the base/floor salary scale, some speakers had expressed reservations about the Commission's recommendation of a real salary increase. He wished to emphasize that the recommendations on both the amount of the real salary increase and the differentiated adjustments to the salary scale had been made only after careful and detailed consideration by the Commission, whose approach had been consistent with the methodology that had been agreed to by all stakeholders. Implementation of some of the suggestions that had been made would require a revision of the approved methodology. Based on the current methodology, the Commission had managed the margin over the years with the understanding that it would not recommend a real salary increase while the margin was below the desirable level of 115 but had not yet fallen below 110, as was currently the case. The Commission's recommendations were therefore aimed at realigning the common system salary levels with those of the comparator in order to achieve the desirable midpoint of 115, since the overall margin was currently 109.3.

19. He wished to clarify an apparent misunderstanding. The margin of 109.3 that had been reported to the General Assembly related to the calendar year 2002, which meant that throughout 2002 staff had been remunerated below the margin floor of 110. Under the approved methodology, the Commission was therefore required to submit recommendations to the Fifth Committee. In order to formulate those recommendations, it had been necessary to have an estimate of the margin for 2003, on the basis of which the Commission had then arrived at the amount of the proposed increase that was now before the Committee. The Commission's clear intention had been to demonstrate that its salary increase recommendations were reasonable in the light of the margin estimate for 2003.

20. The comments by some Member States on the margin for 2003 must be viewed in the light of the estimated salary increase of 4.1 per cent with effect from 1 January 2003 for United States federal employees. Whether the actual increase was slightly above or below 4.1 per cent would have no significant effect on the level of the margin for 2003. On the other

hand, failure to take action on the recommendation for an increase in salary would drive the margin for 2003 significantly lower than the margin for 2002, with correspondingly greater financial implications. The Commission had therefore been trying to strike a balance in its assumptions for the 2003 margin so that the Assembly would not be faced with an even more difficult decision at a later date.

21. Some might argue that, since the margin had been below 115 over the previous five years, it should be somewhat higher than 115 over the next five years so that it could remain around the desirable midpoint of 115 over a period of time. It was clear, however, that the Commission had not taken that approach. Other members of the Committee had suggested that the desirable midpoint of 115 was not necessarily the goal. It should be noted, however, that the General Assembly had approved a 0.4 per cent increase in 1996, which had been applied on 1 January 1997, in order to realign the margin to the desirable midpoint of 115. The relatively minor amount of the adjustment that had been approved by the Assembly clearly indicated that the desirable midpoint of 115 was indeed the goal.

22. A number of delegations had requested clarification of the recommended salary increases at the lower levels of the scale, based on the differentiated approach, when such increases did not seem justified on the basis of margin considerations. He wished to point out that minimal increases had been recommended purely on the basis of social justice issues, which the General Assembly itself had suggested should be taken into account at the time that the Commission had made its salary increase recommendations in 1995 and 1996. The Commission's recommendations had been based on such considerations and not purely on margin considerations.

23. With regard to the implementation date for the proposed salary increase, following the standard practice for the implementation date of the base/floor salary scale on 1 March of each year, the Commission had recommended a date of 1 March 2003. Some delegations had requested additional details on the margin calculations that had been provided in the Commission's report and the requested information would be provided during the Committee's further consideration of the item. Other delegations had indicated that, because of current cost containment efforts, it was not the most appropriate time for a salary

increase. However, from the standpoint of financial implications, there was never a good time for salary increases. Moreover, the current recommendations were solidly based on a methodology that had been in place for nearly two decades and which had been agreed to by all stakeholders. Under the existing methodology, and as required by the relevant resolutions of the General Assembly, the Commission therefore had no alternative but to recommend the salary increase outlined in its report.

24. On the issue of hazard pay, the Commission was persuaded that the absolute amounts of hazard pay received by staff in the General Service and related categories were significantly less than the US\$ 1,000 per month received by staff in the Professional and higher categories for the same level of hazard. While the Commission recognized that hazard pay represented a symbolic measure, it nevertheless considered that the disparity in the amount of payment needed to be addressed. Accordingly, it had decided to adjust the formula for the calculation of the amount of hazard pay for staff in the General Service and related categories.

25. The main objective behind the Commission's recommendations and proposals was to introduce greater flexibility into a system whose rigidity Member States had long criticized. It was in the light of that objective that the proposal had been made to reduce the number of evaluation elements from 15 to 7. It would not be possible to determine whether the recommendations would have any financial implications until the ideas had been tested and validated and inputs had been received from organizations and staff representatives. In the elaboration of its proposals, the Commission had also taken due account of the Noblemaire principle.

26. On the subject of the Senior Management Service, the Commission was recommending not the creation of a new category of elite personnel but rather the development of new modalities for management. To that end, it had deliberately adopted a cautious and responsible approach that included proposals for a pilot project and for the establishment of safeguards that would allow organizations to retain control of the situation. The Commission was trying not to destroy the common system but to improve it and all necessary safeguards should be put in place.

27. **Ms. Afifi** (Morocco) sought further clarification of the specific measures that were envisaged to encourage organizations to proceed with the development of monitoring, training and accountability measures in tandem with the current reform of the job evaluation system. She would also welcome clarification as to how the goal of increasing mobility among the organizations of the common system would be achieved through the establishment of the Senior Management Service. Lastly, she noted that the executive heads would be responsible for selection, evaluation and other aspects of managing the members of that Service and wondered whether staff representatives would be consulted in the process.

28. **Mr. Bel Hadj Amor** (Chairman of the International Civil Service Commission) said that, since the proposed systems and bodies did not yet exist, he could not give detailed responses to the questions that had just been asked. On the question of measures to encourage monitoring, training and accountability, the Commission proposed to offer verbal encouragement and to organize workshops and seminars on those subjects. The Commission was also considering the organization of workshops and training programmes on proposals, such as those concerning classification, broadbanding and mobility. Organizations and staff representatives would be consulted in the establishment of the Senior Management Service and the modalities of the Service would be developed in collaboration with all of the actors involved.

29. **Mr. Kramer** (Canada) asked for confirmation that the real salary increases that had been recommended by ICSC were based on previous decisions, related only to 2002, and had no connection with comparator salary increases for 2003. His delegation, as well as those of Australia and New Zealand, also wished to gain a deeper insight into the matters referred to in paragraphs 152 and 169 of the Commission's report. Those delegations were not seeking to adopt a position, but rather to understand the differing points of view of the members of ICSC.

30. **Mr. Bel Hadj Amor** (Chairman of the International Civil Service Commission) said that paragraph 169 of the report, which referred to the restoration of a margin midpoint of 115 for 2003, was based on the predicted United States federal civil service increase of 4.1 per cent for 2003. The actual increase could be lower, or (particularly in the case of

Washington, D.C.) higher. Paragraph 152 of the report, meanwhile, faithfully reflected the conclusions of ICSC; where views had diverged, they were recorded as diverging.

Agenda item 121: United Nations pension system
(continued) (A/57/9, A/57/490; A/C.5/57/11)

31. **Mr. Kovalenko** (Russian Federation) said that his delegation had noted a significant reduction in the actuarial surplus of the United Nations Joint Staff Pension Fund (UNJSPF), from 4.25 per cent of pensionable remuneration when the previous actuarial valuation had taken place in December 1999 to 2.92 per cent. Taking into account the view of the Committee of Actuaries on the need for caution, his delegation agreed with the Advisory Committee on Administrative and Budgetary Questions (ACABQ), which had recalled the provisions of General Assembly resolution 53/210, according to which no features of the Fund should be changed unless and until a pattern of surpluses emerged. While it did not object in principle to the limited liberalization measures proposed in paragraph 11 (a) of the report of the United Nations Joint Staff Pension Board (A/57/9), it suggested that they should be reviewed after the next actuarial valuation of the Fund in 2003.

32. His delegation commended the Investment Management Service for having minimized losses and maintained relatively good results for the Fund when measured against its usual benchmarks, despite the steep decline in world financial markets. It supported the recommendation of ACABQ that the investment responsibilities of the Pension Board, the Secretary-General, the Investments Committee and management should be maintained and not be confused.

33. His delegation was concerned at the problems emerging between the Fund and the Office of Internal Oversight Services (OIOS) regarding audit services provided to the Fund. Like ACABQ, it cautioned against a hasty decision on the matter and it advocated negotiation.

34. He requested further information on the proposed new transfer agreements, particularly the proposed agreement with the Organization for Security and Cooperation in Europe (OSCE), the terms of the previous agreement and the actuarial implications of altering it.

35. Turning to the issue of citizens of the Russian Federation who had been participants in the United Nations Joint Staff Pension Fund when still citizens of the Union of Soviet Socialist Republics, he expressed the view that issues connected with such individuals, including the adequacy of pension supplements, should be settled in accordance with the current laws of the Russian Federation, taking into account the specific nature of its pension system, the size of pensions and the financial circumstances of the country. The Russian Federation had already informed the Fund and the Secretariat that its Government had established pension supplements for Russian citizens who had transferred their pension rights under the Agreement concluded between the Pension Fund and the Government of the Union of Soviet Socialist Republics in 1980. It was currently exploring the possibility of enhancing the pensions of former employees of international organizations.

Agenda item 112: Programme budget for the biennium 2002-2003 (continued)

Administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission for 2002 (A/57/7/Add.9 and A/57/450 and Corr.1)

36. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that the statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly (A/57/450 and Corr.1) provided estimates of the financial effects of the recommendations of the International Civil Service Commission on the regular budget of the United Nations for the biennium 2002-2003. The computation of the estimates was described in that statement, and they were summarized in paragraph 22 thereof. The mobility and hardship scheme and separation payments listed in the summary table were adjusted annually and were automatically linked to the salary scale. If the Committee approved the proposed changes to the remuneration of staff in the Professional and higher categories, those allowances would also change. There was an obligation to make the payments relating to the survey of best prevailing conditions for General Service staff in Geneva and Vienna, since they were recommendations made by ICSC to the executive heads, who exercised their authority in adjusting the remuneration scales for those

staff. Adjustments would continue to take place for the rest of the biennium, in accordance with the ICSC recommendations for Geneva and Vienna.

37. According to established practice, the financial implications of the recommendations of ICSC would be reflected in the forthcoming performance report and incorporated into the revised appropriation for the biennium.

38. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), referring to the Advisory Committee's recommendation in paragraph 7 of its report (A/57/7/Add.9), said that ACABQ had no technical objection to the estimates of requirements under the regular budget resulting from the recommendations and decisions of the ICSC. Since the establishment of ICSC in 1975, ACABQ had maintained a policy of not making any judgement on the Commission's recommendations; those recommendations were submitted directly to the General Assembly. The total amount to be appropriated from the estimates of the Secretary-General would depend on which of the ICSC recommendations the Fifth Committee recommended to the General Assembly.

39. **Mr. Niiya** (Japan), referring to the recommendations of ICSC, said that, in view of the ongoing discussions on another item of the agenda and the overall size of the budget, his delegation advocated careful consideration, and agreed with the Director of the Programme Planning and Budget Division that the matter should be discussed at a later stage.

40. **Mr. Elgammal** (Egypt) asked what was meant by the expression "no technical objection" to the estimates of budgetary requirements resulting from the recommendations of ICSC (A/57/7/Add.9, para. 7). He would like to know whether the Advisory Committee intended to submit recommendations, for instance during the next performance report, on how the amounts would be paid.

41. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) reiterated that, since 1975, the Advisory Committee had decided not to pass judgement on the recommendations of ICSC. The amounts to be appropriated by the General Assembly would depend on how many of the recommendations the Fifth Committee decided to endorse.

Conversion into established posts of some temporary assistance posts financed under section 2 of the programme budget (A/57/7/Add.14 and A/57/473)

Cases in which incumbents of the posts are being paid at a level other than the one provided for the post (A/57/7/Add.14 and A/57/466)

Presentation of estimates of staff assessment (A/57/7/Add.14 and A/57/464)

Additional expenditures deriving from inflation and currency fluctuations (A/57/7/Add.14 and A/57/471)

Comprehensive review of the post structure of the United Nations Secretariat (A/57/7/Add.14 and A/57/483)

Interim report on results-based budgeting for the biennium 2002-2003 (A/57/7/Add.14 and A/57/478)

Implementation of all provisions of General Assembly resolution 55/231 on results-based budgeting (A/57/474)

42. **Mr. Sach** (Director of the Programme Planning and Budget Division) introduced the reports of the Secretary-General contained in documents A/57/473, A/57/466, A/57/464, A/57/471, A/57/483 and A/57/478. With regard to the report on the conversion of some temporary assistance posts (A/57/473), he said that an evaluation of the use of temporary assistance for meetings would need to be made in the light of the new environment created by the comprehensive review of conference servicing. The necessary recommendations should be therefore postponed until discussion of the proposed programme budget for the biennium 2004-2005.

43. With respect to cases in which incumbents of the posts were being paid at a level other than the one provided for the post (A/57/466), the smooth functioning of the Organization sometimes depended on such flexibility. Since the Integrated Management Information System (IMIS) and administrative control mechanisms provided safeguards against error or abuse of procedures and the one case of a post encumbered by a staff member whose personal grade was higher

than the budgeted level of the post had arisen before such systems were in place, no particular action needed to be taken.

44. Following an analysis of the methods used by the United Nations and the specialized agencies for the presentation of estimates of staff assessment (A/57/464), there seemed to be no compelling case for changing the current format used by the United Nations. While the net-basis format used by many specialized agencies might be simpler, it also restricted transparency and the ease with which information could be compared.

45. No comprehensive solution had been found to the problem of additional expenditures deriving from inflation and currency fluctuations (A/57/471). While the establishment of a reserve fund had been proposed as an alternative to the current system of adjusting to fluctuations as they occurred, it had always been difficult to agree how to finance such a fund. Nevertheless, guidelines for the operation of a reserve fund were annexed to the report.

46. The review of the post structure of the United Nations Secretariat (A/57/483) had shown that, compared to similar organizations and specialized agencies, there were no indications of top-heaviness. He emphasized the need for flexibility and pragmatism with regard to the structure of the Organization.

47. During the first biennium of results-based budgeting (A/57/478), some 1,200 staff had attended workshops in preparation for the implementation of the new budget proposals. With further training scheduled for the following year, the first report on results-based budgeting would be ready at the end of the biennium.

48. The General Assembly might wish to take note of all six reports.

49. **Mr. Nair** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on the implementation of all provisions of General Assembly resolution 55/231 on results-based budgeting (A/57/474), said that results-based budgeting was being implemented in the Organization in accordance with the provisions of that resolution and, as requested, in a gradual and incremental manner. The Secretary-General had concurred with the suggestions for action outlined in paragraph 46 of the report. They were, *inter alia*, a clarification of the roles and responsibilities of

programme managers, the Office of Programme Planning, Budget and Accounts, and OIOS; the definition of a clear strategy in the next medium-term plan for the period 2006-2009; self-evaluation on the part of programme managers; enhancement of the programme performance report and relevant information systems; and clearer guidelines concerning the inclusion of external factors in the logical framework.

50. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee (A/57/7/Add.14), said that the report on the presentation of staff assessment (A/57/464) raised an important matter of budget presentation. There were significant differences between the systems used for presentation by the United Nations and its specialized agencies, arising from the constitutional structure of the organization concerned, the nature of the activities undertaken and the legislative mandates entrusted to each organization. For example, while the United Nations and all agency budgets made allowances for cost increases, they did not all follow the same procedure. It might be unwise to force one organization to adopt the procedures followed by another if there was no added value or political will to change. The Advisory Committee therefore agreed with the Secretary-General that the different arrangements followed by the rest of the United Nations system would not bring greater comparability or transparency to the current format for estimates of staff assessment used by the United Nations.

51. The issue of additional expenditures derived from inflation and currency fluctuations (A/57/471) had been debated on several occasions in the past. The current procedure of adjusting the United Nations budget each year of the biennium to take currency and inflation changes into account had worked fairly well, since it had obviated the need for Member States to appropriate large sums of resources that might not be needed during the biennium. Noting that no new solutions had been proposed, the Advisory Committee would continue to monitor the subject and to report as appropriate in the context of future proposed programme budgets.

52. The report on results-based budgeting (A/57/478) was an interim progress report. The Advisory Committee would use it in conjunction with the reports contained in documents A/57/473, A/57/466 and

A/57/483 when it took up the proposed programme budget for the biennium 2004-2005. While the report by OIOS (A/57/474) had not been available to the Advisory Committee when it had considered the related report of the Secretary-General on results-based budgeting, it would take it into account during its consideration of the next budget proposals of the Secretary-General.

53. **Mr. Repasch** (United States of America) asked whether the Advisory Committee concurred with the recommendations contained in the reports of the Secretary-General and OIOS concerning results-based budgeting. The report on the review of the post structure of the United Nations Secretariat (A/57/483) was extremely disappointing, because the conclusion seemed to have been reached even before the review was made. He would be interested to learn whether the Advisory Committee shared the view of his delegation that the report had not been comprehensive enough.

54. **Mr. Niiya** (Japan) asked whether, in the case described in document A/57/466, paragraph 4, the incumbent whose personal grade was higher than the budgeted level of the post had been allowed to remain in that situation for over 10 years. He also sought clarification as to whether a vacant post at the required level had been utilized to accommodate the decision. With regard to the presentation of estimates of staff assessment (A/57/464), his delegation shared the view that the simplification achieved by some agencies in utilizing alternative presentations had to be weighed against the resulting impact on transparency and comparability of information presented in the budget. He therefore endorsed the recommendation that the format currently followed by the United Nations should be maintained. Noting with appreciation the report on additional expenditures deriving from inflation and currency fluctuations (A/57/471), he said his delegation intended to discuss the possible alternatives, including the establishment of a reserve fund, at greater length during the informal consultations. Lastly, his delegation took note of the interim report on results-based budgeting (A/57/478), and commended the United Nations on its efforts, in that regard.

55. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) agreed with the representative of the United States that the report on the post structure of the United Nations Secretariat had not been comprehensive enough. Among other things, it did not, for example,

mention special representatives and envoys appointed by the Secretary-General. The Advisory Committee therefore intended to return to the issue in the context of discussions regarding the budget for the biennium 2004-2005. However, it fully endorsed the recommendations of the Secretary-General concerning future action on results-based budgeting.

56. **Ms. Buergo Rodríguez** (Cuba) said that there were too many issues still to discuss for the Committee simply to take note of the reports.

The meeting rose at 4.40 p.m.