United Nations A/C.5/59/SR.15



Distr.: General 10 January 2005

English

Original: French

Fifth Committee

Summary record of the 15th meeting

Held at Headquarters, New York, on Thursday, 28 October 2004, at 10 a.m.

Chairman: Mr. MacKay (New Zealand)

Chairman of the Advisory Committee on Administrative

and Budgetary Questions: Mr. Kuznetsov

Contents

Agenda item 110: Improving the financial situation of the United Nations

(continued)

Agenda item 114: Human resources management (continued)

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

04-57665 (E)

The meeting was called to order at 10.10 a.m.

Agenda item 110: Improving the financial situation of the United Nations (*continued*) (A/59/524)

- Mr. Al-Ansari (Qatar), speaking on behalf of the Group of 77 and China, said that the data and estimates Under-Secretary-General provided by the Management in her report (A/59/524) showed that the financial health of the Organization had improved, as evidenced by three major indicators, namely, cash on hand, assessments and payments, and debt owed to Member States. While the level of activities and assessments approved by the General Assembly had increased, the cash on hand projection for 31 December 2004 had improved as compared to the previous year. However, the level of unpaid assessed contributions had increased and continued to have negative implications for the core activities of the United Nations. Lastly, although the Secretariat had revised its forecasts upwards (from \$574 to \$605 million), the debt owed to Member States remained lower than the corresponding amount for 2002.
- 2. Despite a modest improvement, the amounts owed to troop-contributing countries remained high, particularly in respect of reimbursement for contingent-owned equipment. All outstanding amounts, including those dating back many years, owed to developing countries should be paid as a matter of priority.
- 3. Unfortunately, the two International Tribunals remained in a negative cash position of \$80 million and the situation was worsening every year. As at 15 October 2004, 113 Member States had not paid their assessed contributions to the Tribunals in full. Consequently, it would probably be necessary to cross-borrow from other accounts to supplement their budgets. Member States must fulfil their financial obligations in order to ensure that the Tribunals had adequate and predictable financial resources to complete their work within the time frames approved by the Security Council.
- 4. The Group was also concerned that several ongoing peacekeeping operations had had to borrow from the accounts of closed operations and that troopcontributing countries had not received any reimbursements for long periods of time. It was unhealthy to allow that practice to continue indefinitely since it had negative effects on the financial capacity

- of the countries concerned. In that connection, while he welcomed the announcement that significant payments would be made in 2004, he also urged the Secretariat to honour claims for reimbursement for contingent-owned equipment and troops in a more timely manner.
- 5. The Group of 77 and China reaffirmed that it was the obligation of Member States to bear the expenses of the Organization in accordance with the Charter of the United Nations. While recognizing the need to show understanding to those countries which were temporarily unable to meet their financial obligations, it urged all Member States to pay their assessed contributions in full, on time and without conditions.
- 6. The United Nations was responsible both for maintaining peace and security and for promoting development. The increased importance attributed to peace and security had resulted in a substantial increase in the peacekeeping budget. The development activities mandated by the General Assembly were no less important and must therefore benefit from equal, if not greater, funding.
- 7. **Ms. Lock** (South Africa), speaking on behalf of the African Group, said that her delegation wished to associate itself with the statement made by the representative of Qatar on behalf of the Group of 77 and China, including the appeal to all Member States to pay their assessed contributions in full, on time and without conditions. With regard to those States that were unable to fulfil their obligations on account of genuine economic difficulties, it was important, out of solidarity, to refrain from making undue threats of penalty.
- 8. The Organization served Member States and their peoples admirably, in spite of the severe financial difficulties caused by the late payment of dues and stagnant budgets. In that regard, she welcomed the progress made in 2004 towards providing the Organization with a stronger and more dependable financial base. However, serious problems persisted. The success of the Organization depended not only on the political support of Member States but also on the extent to which they provided it with adequate and reliable resources so that it could finance its core activities without having to resort to extrabudgetary funds.
- 9. Member States were entitled to expect the Organization to impose greater budgetary discipline, manage its activities more efficiently and improve

accountability, but there were limits to what they could expect without ensuring that it had a stable financial base. On numerous occasions, the Secretary-General had stated that further budgetary constraints would seriously compromise the Organization's ability to deliver the services expected of it, particularly if Member States continued to impose new mandates without providing the necessary resources.

- 10. The African Group took note with concern of the deepening financial crises faced by the two International Tribunals, in respect of which unpaid assessments remained at unacceptable levels. Six months previously, the Under-Secretary-General had told the Committee that the functioning of the two Tribunals was at risk and that the Secretariat had decided to freeze recruitment and downsize their operations. At that time, the African Group had called on the Secretariat to exclude areas that were critical to the smooth functioning of the Tribunals, so that they could complete their work within the established time frames. The Group had pledged its support for the underpinning the establishment of International Criminal Tribunal for Rwanda and was convinced that it could contribute to reconciliation in Rwanda and to peace in the region. That political support must be translated into action and Member States must collectively provide the Tribunals with adequate and predictable resources so that they could successfully complete their mandates. Their work was nearing its end and it was crucial not to fail them.
- 11. With regard to the peacekeeping budget, the Group welcomed the marked improvements in reimbursements to Member States for troops and contingent-owned equipment. However, the Organization still owed large sums of money, particularly to African and other developing countries. The capacity of those countries to continue to support peacekeeping operations would be greatly enhanced if the Organization met its obligations to them in a timely manner.
- 12. Only Member States were in a position to remedy the precarious financial situation of the Organization. They were responsible for providing the United Nations with the means necessary to carry out the activities they entrusted to it with a view to improving the daily lives of their peoples and restoring peace and security where needed.

- 13. **Ms. Thorpe** (Australia), speaking also on behalf of Canada and New Zealand, echoed the Under-Secretary-General's call to those Member States that had not yet made their contributions to the regular budget to do so as soon as possible. All Member States must meet their financial obligations to the Organization by paying their contributions in full, on time and without conditions.
- 14. It was alarming to note that, for two weeks in September, regular budget activities had had to be financed through cross-borrowing and that the non-payment of contributions affected the Organization's core activities. As far as the International Tribunals were concerned, the slight improvement in the payment of assessments should not obscure the fact that 113 countries had made only partial payments or had not made any payments. Moreover, the increase in the amount of unpaid assessments over the previous two years had affected the Tribunals' core activities.
- 15. The Secretariat must also endeavour to speed up reimbursement of the significant amounts owed to troop-contributing countries, but, to that end, Member States must pay their assessments in full and on time. When the Committee adopted a peacekeeping budget, Member States undertook to finance it.
- 16. Countries that had paid their assessed contributions in full and on time found it hard to accept the failure to reimburse funds from closed peacekeeping missions. Without wishing to further endanger the work of the Organization, Australia, Canada and New Zealand took the view that a cross-borrowing mechanism that effectively subsidized those countries which failed to pay their contributions should not be supported.
- 17. **Mr. Denisov** (Russian Federation) said that the estimates and data submitted to the Committee showed that, on the whole, the financial situation of the United Nations was relatively stable. The catastrophic situation of the 1990s had been remedied through the payment of significant arrears to various budgets, the payment of substantial assessments and measures taken within the framework of the Secretary-General's reforms to strengthen financial discipline. However, the cautious optimism expressed in the report under consideration did not mean that the situation was entirely stable. It continued to be characterized by serious delays in the payment of assessed contributions, their partial payment or even non-

payment. Efforts to reverse the trend of late payments had not been successful: in 2004, as in 2003, unpaid contributions to the regular budget amounted to almost half the total amount.

- 18. In 2004, peacekeeping activities had expanded considerably. The peacekeeping budget now exceeded \$4 billion and could increase further. Although that rapid increase might affect Member States' capacity to pay their assessments on time, the fact remained that the deficit of \$2.5 billion was difficult to explain. Peacekeeping was one of the most important areas of the Organization's work and financial difficulties must not prevent it from fulfilling the tasks and objectives conferred upon it by the international community. The payment of contributions to the peacekeeping budget in full and on time would also make it possible to speed up the reimbursement of debts owed to Member States for troops and contingent-owned equipment.
- 19. The Russian Federation had recently paid its arrears to the International Tribunal for the former Yugoslavia. It had paid on time and in full its contributions to other budgets (amounting to more than \$85 million), thereby reaffirming its commitment to the goals and ideals of the Organization. Political support for the Organization was meaningless if Member States did not fulfil their obligations under the Charter.
- 20. The considerable growth in the peacekeeping budget and in the regular budgets approved for the biennium 2004-2005 meant that it was essential to search for measures that would save money and reinforce budgetary discipline and to re-evaluate some ongoing programmes and projects with a view to terminating those that had become obsolete.
- 21. **Mr. Van der Berg** (Netherlands), speaking on behalf of the European Union, the candidate countries Bulgaria, Croatia, Romania and Turkey, the countries of the Stabilization and Association Process and potential candidates Albania, Bosnia and Herzegovina and the former Yugoslav Republic of Macedonia, and the European Free Trade Association countries Iceland and Norway, members of the European Economic Area, said that the European Union, whose contributions accounted for about 37 per cent of the United Nations budget, attached great importance to the financial viability of the Organization and to the responsibility of Member States to provide it with the appropriate resources.

- 22. Despite the modest improvement in the regular budget and peacekeeping cash balance, it was unfortunate that the number of Member States that had paid their regular budget assessments in full had declined from 131 in 2003 to 111 in 2004, and that the amount of outstanding assessed contributions to the regular budget had risen from \$690 million in 2003 to \$725 million in 2004. If Member States had the right to expect the Organization to fulfil the mandates they had approved, the Organization had the right to expect them to pay their contributions in full, on time and without conditions.
- 23. The financial situation of the International Tribunals remained a matter of concern, despite the slight decrease in the amount of unpaid contributions: 113 Member States had paid only a part of their assessments and 13 had made no contributions as yet. The European Union remained committed to the provision of international justice, which was a priority of the United Nations, and it appealed to Member States which had approved the budgets of both Tribunals, yet delayed payment or had not paid at all, to meet their obligations in full, on time and without conditions.
- 24. In spite of the heavy financial burden represented by peacekeeping operations, the European Union believed that peacekeeping was a function that had proven its worth in the restoration of peace and stability to conflict-torn regions and should not be put at risk because of a lack of timely and adequate financing. Notwithstanding the slight increase in cash in hand, the amounts of outstanding assessments, which had risen from \$1 billion to \$2.5 billion over the past year, had reached a disturbing level, although the 30-day period during which over \$800 million was due had not yet ended. Member States that owed large amounts should take steps to remedy the situation.
- 25. With regard to the accounts of closed operations, the European Union recognized the need to take a decision on the return of \$94 million owing to Member States. However, the problem posed by the continuing cash shortfalls caused by the non-payment or late payment of assessments should be addressed. The Organization could only perform the increasingly challenging tasks before it when Member States accepted the responsibility to pay their contributions in full, on time and without conditions.

- 26. Mr. Muhith (Bangladesh) said that his delegation associated itself with the statement made by the representative of Qatar on behalf of the Group of 77 and China. Despite some progress, some critical financial problems remained. The situation in respect of cash on hand had improved to some extent but the assessments for the regular budget had increased by only 5.25 per cent, while unpaid assessments had risen by 64 per cent. That phenomenon was even more pronounced in the case of the assessments for the budgets of peacekeeping operations, which had increased by 83 per cent for assessments and 138 per cent for unpaid contributions. As for the International Tribunals, the situation had shown some improvement, although it remained critical; the amount of unpaid contributions had dropped from \$88 million in 2003 to \$80 million in 2004.
- 27. Bangladesh, which had paid its assessments both to the regular budget and to the peacekeeping budgets in full and on time, could only reiterate that the financial well-being of the United Nations depended on the payment of assessed dues in full, on time and without conditions in accordance with the Charter. The cases of Member States that were temporarily unable to fulfil their financial obligations should be considered sympathetically through the established procedures.
- 28. While taking into consideration the increased obligations arising from the faster deployment of new operations, he was concerned to note that the outstanding peacekeeping assessments, which had fallen during 2003, had again risen to \$2.5 billion. The ratio between assessments and payments had improved slightly, to 47 per cent of assessments at the end of 2003 and 61 per cent at the end of 2004. The progress made in the reimbursement of the amounts owing for troops and equipment and in payments for troops for the three new missions was also encouraging.
- 29. There was no room for complacency, however, as the level of debt owed to Member States as at 31 December 2004 had been estimated at \$605 million. The situation could become worse if the Organization had to resort to cross-borrowing from the peacekeeping budgets to fund regular expenditure. In the past, that practice had resulted in inordinate delays in reimbursements to countries providing troops and contingent-owned equipment. Most of those countries were developing countries, which mobilized their resources at the call of the international community, while they themselves faced additional burdens which

- could only be made worse through delays in the reimbursement of the amounts owed to them. Bangladesh was concerned that the amount owed to it \$46 million remained the highest, although it had declined in comparison with 2003, when it had been about \$69 million. The matter must be addressed urgently.
- 30. Mr. Al Mansour (Kuwait) said that the cash deficits for the regular budget, peacekeeping operations and the International Tribunals amounted to \$3,345 million, or \$976 million more than in October 2003. That precarious situation could only be explained by the fact that Member States, beginning with the major contributors, had not met all their commitments. Kuwait, which had paid its contributions in full and on time, reiterated that the financial situation of the Organization could improve only if Member States made a collective effort to meet their obligations under the Charter of the United Nations to participate in expenses. He urged all countries to pay their contributions in full, on time and without conditions, so that the Organization would no longer experience a financial crisis like the one it was currently facing.
- 31. **Mr. Ozawa** (Japan) said that, while it was important to know which countries had not paid their assessed contributions, it was also important to ask other questions, such as whether the rapid increase in assessed contributions had gone beyond the Member States' capacity to pay, whether limited resources were truly being used in the most efficient way, and whether an appropriate balance was being struck between assessed contributions and voluntary contributions.
- 32. The overall budget for peacekeeping operations for the current fiscal year had gone beyond \$4 billion and a further increase was anticipated with the expansion of the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) and the operations planned in the Sudan. The Under-Secretary-General for Management had appealed to Member States to pay their contributions in full and on time, but he pointed out that peacekeeping budgets were likely to be double the amount of the previous fiscal year. Each Member State had its own budgetary cycle and Japan, like many other countries, could not respond quickly to rapid increases in assessed contributions; that led to delays in the payment of contributions to peacekeeping operations.

- 33. His Government found it unfortunate that assessed contributions were so high that it was forced to pay them to the detriment of voluntary contributions to United Nations funds and programmes. The Government of Japan continued to face the challenge of dealing with an enormous amount of public debt, and he drew attention to the unintended consequences of collective decisions for increases in expenditures adopted by the Committee. In June 2004, he had commented on the unprecedented level peacekeeping activities and raised Japan's serious concern that it had not participated in the establishment of peacekeeping operations within the Security Council. Japan intended to participate actively in the consideration of the mandates of peacekeeping operations and the implementation of their completion strategies during its term on the Security Council in 2005 and 2006.
- 34. He commended the Russian Federation for making full payment to both International Tribunals, despite its reservations regarding the International Tribunal for the former Yugoslavia. It was surprising to learn that 13 countries had not paid any of their assessed contributions since the establishment of the Tribunals. He hoped that the fiscal austerity measures imposed on the Tribunals, as well as any future measures that might be taken, would not affect their work. His delegation reiterated its concern about the continuing increase in expenditure and the issue of recosting. It would also like to know why the request of the General Assembly for the redeployment of 50 posts on an experimental basis had not yet been implemented.
- 35. **Mr. Nur** (Malaysia) said that his delegation associated itself with the statements made by the representative of Qatar on behalf of the Group of 77 and China and by the representative of the Lao People's Democratic Republic on behalf of the Association of South-East Asian Nations (ASEAN). Although the financial situation of the Organization had improved somewhat, serious problems remained as indicated by the total of outstanding contributions as at 15 October 2004, which had stood at \$3,345 million as compared to \$1,596 million in 2003. He welcomed the announcement that a major contributor was expected to make a payment of \$300 million that would ensure that the trend would be maintained.
- 36. The amount of assessed contributions for peacekeeping operations had risen from \$2,260 million

- in 2003 to \$4,147 million during the current year and could increase further if new operations were established. His delegation believed that a balance must be struck between the funding for peacekeeping activities and the resources needed for programmes and activities mandated by the General Assembly, particularly in the economic and social spheres.
- 37. His delegation noted with concern that the Organization had resorted to borrowing funds from the accounts of closed peacekeeping missions to finance the operations of the International Tribunals and several ongoing peacekeeping operations, as well as regular budget activities. It was the duty of Member States to ensure that the Organization was provided with the necessary financial resources to fulfil its mandates. His delegation recognized that some countries faced difficulties in meeting their financial obligations, but urged all those that were able to do so to pay their assessments.
- 38. **Mr. Tun** (Myanmar) said that his delegation associated itself with the statements made by the representative of Qatar on behalf of the Group of 77 and China and the representative of the Lao People's Democratic Republic on behalf of the Association of South-East Asian Nations (ASEAN). Some serious problems remained outstanding, such as cash flow difficulties and mounting unpaid assessments, and he hoped that the Committee would find a durable solution to the ongoing practice of cross-borrowing from the accounts of peacekeeping operations, which was likely to be necessary once again later in 2004.
- 39. Myanmar noted with concern that only 111 countries had paid their regular budget assessments in full in 2004, as compared to 131 in 2003, and that the amount of outstanding contributions to the regular budget had reached a total of \$725 million as at 15 October 2004, or \$35 million more than the unpaid assessments at the same date in 2003. The Organization could not meet the increasing demands placed on it without an adequate financial foundation. His delegation therefore supported measures to encourage Member States to pay their contributions on time, in full and without conditions, based on the principle that expenses should be apportioned on the basis of capacity to pay.
- 40. He also welcomed the consideration given to some Member States which had asked for exemption under Article 19 of the Charter of the United Nations

and which had been allowed them to retain their right to vote until 30 June 2005. The multi-year payment plan was the best tool for Member States with arrears, provided that it was voluntary.

- 41. **Mr. Sun** Xudong (China) said that his delegation associated itself with the statement made by the representative of Qatar on behalf of the Group of 77 and China. China was of the view that the Organization needed to undertake comprehensive reforms in order to be able to manage and implement its ever-increasing programmes more effectively and to rationalize the use of its resources so as to better serve Member States.
- 42. However, reform could not take place without a strong financial base, which was the guarantee of the Organization's stability and vitality. As long as all Member States faithfully fulfilled their financial obligations, the Organization would have adequate resources for its work. Regrettably, as at 15 October, only 111 Member States had paid their assessed contributions to the regular budget in full, 78 Member States had fully paid their assessed contributions to the budgets of the International Tribunals, and 18 had fully paid their assessed contributions to the peacekeeping budget. Outstanding assessed contributions to the two Tribunals amounted to \$80 million and unpaid peacekeeping assessments amounted to \$2,540 million. With unpaid assessed contributions as high as \$3,345 million, the normal functioning of the Organization risked being seriously hampered.
- 43. His delegation recalled that the General Assembly approved the Organization's regular budget, the budget of the two International Tribunals and the huge peacekeeping budget after they had been fully discussed. Member States were therefore duty bound to honour the financial obligations so contracted. Despite being a developing country with a relatively low capacity to pay, China was keenly aware of its responsibility as a major power and had paid on time its full assessed contribution to the regular budget (\$29,989,755) for 2004 and its assessments of \$6,034,627 and \$70 million, respectively, for the two Tribunals and the 15 peacekeeping missions. It once again called upon all Member States to fulfil their financial obligations in order to give the Organization the resources it needed to carry out its work.
- 44. **Mr. Ngo Duc Thang** (Viet Nam) said that his delegation wished to associate itself with the statements made by the representative of Qatar on

- behalf of the Group of 77 and China and the representative of the Lao People's Democratic Republic on behalf of the Association of South-East Asian Nations. It took note of the observations of the Under-Secretary-General for Management that while the Organization was in a stronger position, its financial situation was still very critical. The financial health of the Organization depended not only on proper management of resources but also on the financial contributions of Member States.
- 45. With regard to the first issue, the United Nations had put forward a comprehensive reform agenda in which the reform of the planning and budgeting process was one of the most important components. Viet Nam joined the African Group in urging the Administration to expedite the implementation of resolution 57/278, in which the General Assembly requested the Secretary-General and the executive heads of United Nations funds and programmes to governance structures, principles examine accountability throughout the United Nations system with a view to ensuring proper financial management and accountability. Reform would not be easy but it would enable the Organization to more effectively implement the increasing number of mandated programmes and activities.
- 46. On the second issue, Viet Nam shared the view that Member States should honour their financial obligations to the Organization and welcomed the announcement that the major contributor was expected to make a payment of \$300 million, which would allow the Organization to end the year with a positive cash balance. It recognized that, in some cases, serious circumstances might prevent Member States, especially the developing countries, from paying their assessed contributions, but was of the view that measures to encourage the payment of arrears should be in line with General Assembly resolution 57/4 B. In that spirit, the multi-year payment plans should remain a voluntary mechanism and should in no way be considered as a condition for the granting of future exemptions under Article 19 of the Charter. Viet Nam noted with concern that many developing countries had been negatively affected as a result of the application of the current scale methodology and hoped that the Committee on Contributions would use capacity to pay as the main principle of any new methodology and would present concrete measures to avoid substantial increases in the assessments of developing countries.

- 47. Mr. Chun Yung-woo (Republic of Korea) welcomed the announcement that cash on hand had increased more than fourfold in 2004 and was encouraged by the positive developments reimbursements to troop-contributing countries and by the introduction of results-based budgeting. The Organization's financial health, however, remained fragile and greater financial discipline was needed, even though Member States bore most of the responsibility for the problems being faced. For one thing, the amount of unpaid assessments had more than doubled in the reporting period. The debt owed to Member States had also increased sharply and, given the surge in demand for peacekeeping operations, that trend was likely to become more pronounced over the course of the following year.
- 48. The level of outstanding assessments for the International Tribunals was an indicator of the declining support from Member States. The Republic of Korea, which had always paid its assessed contributions to the Tribunals in full and on time, did not underestimate the importance of justice, but believed that the operational costs of the Tribunals should be matched with the level of actual contributions received by freezing recruitment and scaling down operations, especially since more urgent peacekeeping priorities might suffer from a lack of financial resources. It hoped that the Tribunals would make every effort to complete their work by 2010, despite the financial and other constraints they faced.
- 49. The sharp increase in the peacekeeping budget had made it extremely difficult for many Member States to pay their assessed contributions. To that end, it was vital that the Security Council and the Secretariat should consult with the major contributors in order to ensure their political support when considering the establishment of new peacekeeping missions or extending the mandate of existing ones. The perception of being sidelined from decisions with important financial implications for them would only compound the Organization's difficulties in securing the necessary financial resources to pay peacekeeping operations and to reimburse troopcontributing countries. The Republic of Korea was experiencing unprecedented difficulties in paying its assessed contributions to the peacekeeping budget for the current year on account of the arrangement that had been imposed for the apportionment of peacekeeping costs. Its share of the peacekeeping budget had

- increased eightfold in five years and the overall increase in the cost of peacekeeping operations meant that the actual amount of its assessment in United States dollars had increased by a factor of 11 since 2000, which was unprecedented for any country. The Republic of Korea took its responsibility to the United Nations with the utmost seriousness and would make every effort to fulfil its financial obligations in accordance with its domestic budget procedures.
- 50. Mr. Verma (India) said that his delegation associated itself with the statement made by the representative of Qatar on behalf of the Group of 77 and China. Since December 2003, peacekeeping assessments had nearly doubled while outstanding contributions had risen from approximately \$1 billion in December 2003 to \$2.5 billion, with four Member States owing an amount of \$1.7 billion as at 15 October 2004. With only two months to go before the end of the year, more than half of regular budget assessments remained unpaid and only 111 States had fully paid their assessed contributions compared with 118 at the same time the previous year. What was more, the Organization had been forced to resort to cross-borrowing to finance not only the operations of the International Tribunals but also regular budget operations for two weeks in September.
- 51. While payments to Member States for troops and contingent-owned equipment had not kept pace with the increase in the budgets of peacekeeping operations, India was heartened by the reduction in the delays in the reimbursement of troop costs (two months as opposed to the average of three previously) and contingent-owned equipment (an average of three to six months compared with nine months in December 2003). However, the status of financing for the United Nations Interim Administration Mission in Kosovo (UNMIK) gave cause for particular concern and could lead to delays far in excess of those normally experienced in the reimbursement of troop costs and contingent-owned equipment. India, however, welcomed the announcement that one Member State had decided to pay all its arrears to the Mission.
- 52. The major part of the amounts owed to India was from closed missions that were in a position of net cash deficit. The Organization owed over \$100 million to Member States for troop and equipment costs from the six closed missions. India would persevere in seeking a solution to a long-standing problem caused by the refusal of some Member States to pay their assessed

contributions to those missions. With regard to closed missions that were in a position of net cash surplus, the unencumbered balances should not exceed \$27 million, which was the only amount available to the Organization for cross-borrowing, should that practice again become necessary. India, however, would prefer the Secretariat to refrain from resorting to the unencumbered balances of closed peacekeeping missions and wished to reiterate that all Member States had an obligation to bear the expenses of the Organization, with the only exceptions being those provided for in Article 19 of the Charter.

- 53. Mr. Kittidhoun (Lao People's Democratic Republic), speaking on behalf of the member States of Association of South-East Asian Nations (ASEAN), said that the member States of ASEAN associated themselves with the statement made by the representative of Qatar on behalf of the Group of 77 and China. He noted with satisfaction the improvement in the Organization's financial situation and the announcement that the major contributor would make a payment of \$300 million in the near future, which would allow the Organization to end the year with a positive cash balance. He was concerned, however, at the higher level of unpaid assessments, the higher amounts owing to troop contributors, and the continued practice of cross-borrowing to finance regular budget expenditures. The Association of South-East Asian Nations was concerned that the Organization's financial difficulties would undermine its ability to implement fully the programmes and activities mandated by Member States. Since the Organization's financial difficulties were due to the late or nonpayment of assessed contributions, the only solution was for Member States to pay their assessed contributions in full, on time and without conditions.
- 54. **Mr. Al-Zaabi** (Oman), endorsing the statement made by the representative of Qatar on behalf of the Group of 77 and China, expressed concern at the Organization's financial situation, especially Member States' unpaid assessments. Member States should pay their assessed contributions on time and in full in order to give the Organization the means to carry out the functions they entrusted to it.
- 55. Noting that the Under-Secretary-General for Management had included his country among those that had not paid their assessed contributions for the regular and peacekeeping budgets in full, he said that Oman had settled its assessed contribution for 2004 in

- full. It had paid \$1,013,223 for the regular budget, with the last payment (\$759,917) being made on 7 September, and \$255,000 for peacekeeping as well as \$70,360 for the International Tribunal for the former Yugoslavia and \$50,519 for the International Criminal Tribunal for Rwanda. Oman's name should therefore be deleted from the list of countries with outstanding contributions.
- 56. The situation with regard to peacekeeping operations was particularly serious. Indeed, the arrears accumulated by Member States had reached \$2.2 billion since the budget was increased to \$4.2 billion following the establishment of operations in Burundi, Côte d'Ivoire and Haiti. In his view, the management of peacekeeping resources and operations should be further streamlined, especially since many mandates were not implemented because of a lack of financial and human resources. The Secretariat should ensure that it had adequate financial and human resources before undertaking any new ventures. Furthermore, the Security Council should consult Member States before deciding to deploy any international force.
- 57. **Mr. Renault** (Brazil), noting that it was customary for groups of States to be given the floor before national delegations, said that in future that practice should be followed. Speaking on behalf of the Rio Group (Argentina, Bolivia, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela), he aligned himself with the statement made by the representative of Qatar on behalf of the Group of 77 and China.
- 58. The report on improving the financial situation of the United Nations (A/59/524) painted a picture of Member States striving together towards peace and development and of a world where the unequal distribution of opportunities and wealth had made it impossible for developing countries to fully meet their obligations to the Organization while addressing the basic needs of their peoples. It was much more difficult for a country with a fragile economic situation to make its minimum payments than for countries with the highest per capita gross national products in the world to pay their contributions in full.
- 59. Despite an increase of over 40 per cent in their assessed contributions, very serious financial crises

and considerable external debt, the countries of the Rio Group, barring unforeseen circumstances, always honoured their financial commitments. They were particularly concerned about the situation of the two International Tribunals and about the long-standing issue of reimbursement of troop-contributing countries, the solution to which was long overdue. As far as any new projects were concerned, priorities and common sense should be the watch words.

- 60. **The Chairman**, responding to the Brazilian representative's criticism, said that he had departed from the normal practice in an attempt to find a balance. Delegations had been inscribed on the list of speakers for several days while Brazil, speaking on behalf of the Rio Group, had been inscribed only that morning.
- 61. Mr. Haider (Jordan) expressed support for the statement made by the representative of Qatar on behalf of the Group of 77 and China. Despite some progress — improved cash-on-hand situation, decline in the level of unpaid assessments for the two Tribunals — the problems noted during previous budget years remained: failure by Member States to pay their assessed contributions in accordance with the Charter and delays in payment of the amounts owed to troop-contributing countries. His country, which made a substantial contribution to peacekeeping operations, attached considerable importance to issues relating thereto and to the rapid reimbursement of the debt owed to troop-contributing countries; failure to take such action might make such countries reluctant to participate in future operations. The debt to Member States was extremely high and delays were due not only to the failure to pay assessed contributions (four countries accounted for 68 per cent of the peacekeeping arrears as at 15 October 2004) but also to the slowness in processing requests for reimbursement. His delegation had repeatedly called for streamlining of that procedure.
- 62. He expressed concern at cross-borrowing from the accounts of peacekeeping operations, noting that it was particularly disquieting that the Organization had had to resort to cross-borrowing for two weeks in September 2004 to cover the regular budget shortfall. Furthermore, cross-borrowing from the accounts of closed peacekeeping operations could only slow down the reimbursement of debts to Member States in respect of peacekeeping operations. In 2003, his delegation had suggested setting up a follow-up

- mechanism on that issue, which would ensure that the most efficient use was made of Member States' contributions. He wished to reaffirm that such a mechanism was necessary in the interest of Member States and of the Organization.
- 63. Mr. Raziff (Singapore) expressed support for the statements made by the representative of the Lao People's Democratic Republic on behalf of the Association of South-East Asian Nations (ASEAN) and by the representative of Qatar on behalf of the Group of 77 and China. While the financial situation of the Organization had improved slightly, serious problems remained. They were largely the result of a lack of predictability in payments of assessed contributions by Member States. The high levels of outstanding assessed contributions for the regular budget of the Organization and the considerable negative cash position of the International Tribunals, which stood at \$80 million as of 15 October 2004, were cause for concern, as was the fact that 113 countries had outstanding assessed contributions for the budgets of one or both of the Tribunals. The outstanding amount \$2.5 billion in the peacekeeping budget, notwithstanding that assessments of over \$800 million were still within the 30 day period, was also a cause for concern.
- 64. The failure of Member States to pay assessed contributions adversely affected the Organization's financial stability and its ability to implement the ever more numerous and challenging tasks entrusted to it. As a small country with limited resources, Singapore was aware of its obligations as a Member State and had always tried its best to honour its assessed contributions in full, on time and without conditions. All the Member States that were in a position to do so, should fulfil their obligations. While his delegation had some sympathy for countries facing genuine economic difficulties, it called on Member States to shoulder their responsibilities.
- 65. **Ms. M'Rabet** (Tunisia) said that she endorsed the statements made by the representative of Qatar on behalf of the Group of 77 and China and by the representative of South Africa on behalf of the Group of African States. She noted the slight improvement in the Organization's financial situation and hoped that that trend would gain momentum. The Fifth Committee should carefully consider the Under-Secretary-General's proposal to deduct the debts owed troopcontributing countries from their outstanding assessed

contributions for other accounts on a case-by-case basis with the States concerned.

- 66. **Mr. Shah** (Pakistan) expressed support for the statement delivered by the representative of Qatar on behalf of the Group of 77 and China. While he welcomed the fact that the financial situation of the United Nations had remained stable in 2004, he was concerned at the high level of unpaid assessments, the debt owed to Member States and the decline in the number of Member States that had paid their regular budget assessments in 2004 as compared to 2003. Without long-term financial stability, the Organization could not carry out its mandated activities. He welcomed the improved cash-on-hand situation for both the regular and peacekeeping budgets. Pakistan had paid its regular and Tribunal budget assessments in full and on time. Comparing the costs of peacekeeping operations, which had reached \$4.1 billion with the launching of new missions in Burundi, Côte d'Ivoire and Haiti, with the unpaid assessments peacekeeping operations, which amounted \$2.5 billion, he said that the Organization must have adequate resources to enable it to carry out the myriad and growing tasks entrusted to it.
- 67. Pakistan was a troop-contributing country which was owed more than \$34 million for troop costs and contingent-owned equipment. It was therefore particularly concerned at the fragility of the Organization's financial situation, delays reimbursement to troop-contributing countries and the practice of cross-borrowing from peacekeeping funds to finance regular budget shortfalls. He welcomed the improvement in the financial situation of the United Nations Mission in Kosovo (UNMIK); however, it was especially unacceptable that the civilian police, who were putting their own lives in harm's way for the sake of international peace and security, had been paid only up to December 2003.
- 68. The new trend of bypassing the Fifth Committee to seek authorization for funds for urgent matters from the Advisory Committee on Administrative and Budgetary Questions was disturbing. All resource requirements should be processed through established budgetary procedures. All Member States should meet their commitments in accordance with the Charter and the relevant General Assembly resolutions. The Secretariat must make efficient use of the available resources in a transparent manner.

- 69. **Mr. Ng'ongolo** (United Republic of Tanzania) said that his delegation wished to associate itself with the statements made by the representative of Qatar on behalf of the Group of 77 and China and by the representative of South Africa on behalf of the African Group. He echoed those who had urged Member States to pay their assessed contributions in full, on time and without conditions. It was above all a question of political will, since the United Republic of Tanzania, one of the least developed countries, had paid its assessments up to 21 October 2004 in full.
- 70. **Mr. Renault** (Brazil) said that, in accordance with established practice, the first five slots on the speakers' list were reserved for regional groups. That rule had not been respected in the present case.
- 71. **The Chairman** confirmed that that was the case. However, if that practice had been strictly applied, the fifth slot would have been allocated to the Lao People's Democratic Republic, speaking on behalf of the Association of South-East Asian Nations (ASEAN). He reminded regional groups that they should communicate their desire to speak at the earliest opportunity.
- 72. **Ms.** Bertini (Under-Secretary-General Management), responding to delegations' questions, said that the Secretariat was aware of the potential problems for countries caused by a rapid increase in the peacekeeping budgets, as pointed out by the representatives of Japan, the European Union and other delegations, and it was particularly sensitive to the fact that Governments sometimes needed time to free up the necessary resources. In that connection, she said that the recently assessed sums were not regarded as arrears. The situation was, however, different for assessed contributions to the regular budget or the budgets of the International Tribunals, which were known in advance and which must be paid by Member States in full and on time.
- 73. With regard to the financing of activities by cross-borrowing from other accounts, she said that the Secretariat understood the concerns voiced by several delegations and was reluctant to resort to that method, but often had no choice in the matter if it wished to keep its programmes operational. That was the case for, inter alia, the International Criminal Tribunal for Rwanda, which would have to cease functioning if the Secretariat was unable to resort to cross-borrowing.

- 74. Turning to the delicate balance between voluntary and assessed contributions mentioned by the representative of Japan, she said that she was aware of the problem and was conscious that the increase in assessed contributions might have negative implications for the amount of voluntary contributions. The General Assembly was, however, sometimes obliged to make decisions and tried to make the best possible choice.
- 75. The representative of Pakistan had expressed concern over the practice of requesting authorization from the Advisory Committee to enter into commitments for urgent programmes without first seeking the approval of the Fifth Committee. She stressed that that procedure was not new, having been established by the General Assembly at its forty-ninth session. It enabled the Secretary-General to enter into commitments amounting to \$50 million to launch a new peacekeeping operation while awaiting the formal submission of a proposed budget to the Committee.
- 76. With regard to the transfer of 50 posts mentioned by the representative of Japan, she said that the Secretariat was pursuing its efforts to find the best solution in order to implement the project. Since the process was due to last for the entire biennium 2004-2005, the Secretariat would report back to the Committee on the results of the experiment in due course.
- 77. She had taken note of the concern expressed by the representative of Oman regarding the payment of its contributions and the registration of those payments. She would reply directly to the delegation once she had checked the details.
- 78. In conclusion, she listed the countries that were up to date with the payment of their contributions, including those that had made payments recently. Given that Poland and Zambia had paid their arrears in full, 113 Member States were up to date with their assessed contributions for 2004. Since Poland had also paid its assessments for the two International Tribunals, 79 countries were up to date with their contributions to the budgets of the Tribunals; that was far from enough to finance its functioning. Lastly, Australia, Poland and the United Republic of Tanzania had paid their assessments in full, which brought to 23 the number of countries that were fully up to date with their payments. She urged all Member States that had

not yet done so to pay their outstanding contributions to the Organization.

79. **The Chairman** said that the Committee had concluded its consideration of agenda item 110.

Agenda item 114: Human resources management (*continued*) (A/59/65 and Add.1, A/59/152, A/59/211, A/59/213 and Add.1, A/59/217, A/59/222, A/59/253, A/59/263 and Add.1 and Add.2, A/59/264, A/59/291, A/59/299, A/59/357, A/59/388 and A/59/446; A/C.5/59/4)

- 80. **Mr. Al-Ansari** (Qatar), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to the Organization's human resources. He expressed concern about the late submission of the documents relating to agenda item 114, since the question of human resources should be examined comprehensively at the current session. The Group asked the Secretariat to rectify that situation and to implement accountability measures in order to prevent similar occurrences in the future.
- 81. The Group took the view that the Committee should take stock of the level of implementation of all the provisions of General Assembly resolutions 55/258 and 57/305.
- 82. The Group reiterated its views concerning the different aspects of human resources management and stressed the need to establish a comprehensive, fair and transparent system of recruitment, placement and promotion; to ensure that the principle of equitable geographical distribution was strictly implemented; to involve staff more closely in the implementation of the reform and to improve staff-management relations; to develop and implement a proper system of accountability; to ensure that gender balance fully respected the principle of equitable geographical distribution and that women from developing countries were represented at the senior management levels; to ensure adequate representation of developing countries at the senior level in the Secretariat; to take measures to ensure that the system for the administration of justice was reliable, transparent and effective; to implement an equitable and well-managed system of mobility, in accordance with clearly established criteria; and to address the high level of vacancies at certain duty stations.
- 83. The Group took the view that, four years after the introduction of the reform package, it was necessary to

evaluate its impact and to ascertain, in particular, whether it had yielded the desired results and had contributed to realizing the vision set out by the General Assembly. In that connection, the Group looked forward to the discussion of the question of the administration of justice, which was a vital component of the reform package.

- 84. The Group regretted the fact that, as the Advisory Committee had pointed out, the Secretary-General's report on human resources management reform was rather general and lacked an analysis of the progress achieved in implementation, the problems encountered and the measures planned to redress them. That situation, coupled with the fact that a number of the provisions of General Assembly resolutions 55/258 and 57/305 had not been implemented, constituted an impediment to the comprehensive consideration of the issue.
- 85. The Group, which had always emphasized that the delegation of authority must be accompanied by well-designed systems and clear lines of accountability, noted with concern that the Secretary-General's report did not contain information on the measures taken in that regard.
- 86. The Group recalled that the General Assembly had called for the establishment of an efficient monitoring system within the Office of Human Resources Management to ensure that recruitment, placement and career development procedures were monitored throughout the Secretariat. The Group was concerned about the Advisory Committee's observation that not enough attention had been given to setting criteria to monitor the quality of decisions made by programme managers.
- 87. With regard to the mobility policy, which had been integrated into the new staffing selection system as of 1 May 2002, the Group was concerned that, while the first expiration of post occupancy limits would occur in 2007/2008, many issues remained unresolved, including the absence of a clearly defined strategic plan with indicators, benchmarks and timelines. In that connection, the Group stressed that the principles set forth in paragraph 49 of resolution 57/305 must be strictly respected and that, in accordance with the relevant General Assembly resolutions, steps must be taken to ensure that mobility was not used as an instrument of coercion against the staff, that mobility within duty stations was distinct from mobility across

duty stations and that lateral mobility did not negatively affect the continuity or quality of the services required for the implementation of mandated programmes and activities. The Group was particularly concerned about the situation at the United Nations Office at Nairobi, which was losing more staff than it was receiving.

- 88. The Group welcomed the fact that the time taken to fill vacancies had been reduced from 275 days in 1999 to 175 days at present and called for the further reduction of that period to 120 days, in accordance with General Assembly resolution 57/305. In addition, it took the view that information should be provided on the time period from the selection of candidates to the actual filling of posts and the measures taken by the Secretariat.
- 89. The Group took note of the Secretary-General's proposal on the recommendation of the Office of Internal Oversight Services to reduce the time required for advertising a vacancy from 60 to 45 days. However, it stressed that the proposal addressed only one element of the selection process and took the view that it would not contribute substantially to reducing the actual time period for recruitment.
- 90. The Group remained concerned about the weaknesses in the selection process and the Galaxy support tool and, in particular, about issues relating to transparency and the application of predetermined criteria for the selection of candidates by means of that tool. It was also concerned about the selective use of generic job profiles and evaluation criteria when selecting applicants and regretted that the central review bodies were not involved in the qualitative evaluation of decisions and were unable to check that the principles of equitable geographical distribution and gender balance were respected.
- 91. Furthermore, the Group noted that, in a number of developing countries, it was difficult to participate in the recruitment process by electronic means. Member States should continue to receive paper copies of vacancy announcements as soon as possible so as to maximize efforts to attract qualified staff from developing countries.
- 92. The Group took note of the proposals on contractual arrangements but wished to receive clarification concerning their impact on the career prospects of United Nations staff and the international character of the staff. It looked forward to hearing all

the views on the issue, including those of the staff representatives.

- 93. Concerning the conversion of staff from the 300 series to the 100 series of the staff rules, the concerns raised by Member States and in the Advisory Committee's report (A/59/396) should be given detailed consideration. The financial implications of those proposals also needed to be thoroughly examined.
- 94. The Group wished to reiterate that human resources management reform should be aimed at enhancing productivity and the quality of the Organization's work but should not result in staff or budget cuts or adversely affect the morale and motivation of the staff.
- 95. The Group took note of the report of the Secretary-General on the use of consultants and individual contractors within the Secretariat and the regional commissions. It was concerned about the numerous problems identified by the Board of Auditors in that area. In particular, it regretted that the Office of Human Resources Management had not been able to monitor the application of the criteria and guidelines approved by the General Assembly or to verify that consultants were recruited only in areas where the Organization lacked expertise.
- 96. The Group also noted that an increasing number of retirees were being re-employed; that indicated a lack of proper succession planning, hindered the rejuvenation of the Organization and prevented it from attaining its human resources targets.
- 97. Lastly, he wished to refer briefly to agenda item 116 in order to stress the importance the Group attached to the independence of the International Civil Service Commission as a subsidiary body of the General Assembly dealing with conditions of service in the common system. The Group would participate in a constructive manner in the discussions that would take place in informal consultations on the various issues relating to human resources management.
- 98. **Ms. Udo** (Nigeria), speaking on behalf of the Group of African States, said that the Group fully aligned itself with the statement made by the representative of Qatar on behalf of the Group of 77 and China. It, too, regretted that a number of provisions of resolutions 55/258 and 57/305 had not been implemented. The Group of African States wished

- to call on the Secretariat to take action as a matter of urgency on those outstanding issues. It also concurred with the Advisory Committee that there was a need to strengthen the accountability framework for the achievement of results.
- 99. The Group of African States was the only regional group that continued to be significantly underrepresented at the programme manager level. However, the region did not lack qualified people. The Group had raised the issue many times and wished to know what specific measures the Secretariat would take to rectify the situation.
- 100. The disparity was particularly pronounced in the case of African women. Of the 86 women hired between July 2003 and June 2004, only 6 had been African, or 7 per cent of the total, and only one had been hired at the D-1 level. The Group hoped that the 2005 report would reflect progress in that area. It wished to emphasize that due attention must be given to the principle of equitable geographical distribution in efforts in pursuing gender parity.
- 101. The Group of African States also found it unacceptable that vacancy rates, particularly in Africa, remained so high. It wished to know what measures the Secretariat would take to prevent the serious fluctuations in vacancy rates at duty stations in Africa.
- 102. It was regrettable that the policy of making mobility a condition for promotion, which could help to solve that problem, was not being adequately implemented in practice. As the Office of Internal Oversight Services stated, duty stations with high vacancy rates had scarcely benefited from it. The Office also noted that the policy was poorly understood by staff and that mobility was sometimes perceived as a punishment. The Group wished to reaffirm paragraph 49 (d) of resolution 57/305, which stated that there should be a clear differentiation between mobility within duty stations and mobility across duty stations. The Secretariat should develop a clearly defined strategic plan to implement the policy with indicators, benchmarks and timelines.
- 103. While it welcomed the efforts made to address the weaknesses in the Galaxy system, which did not function as it should, the Group wished to stress that African countries had only limited access to information technology. The Secretariat should continue to distribute vacancy announcements to

Member States in hard copy, with the exception of those that decided otherwise.

104. The Group regretted the deterioration of staff-management relations owing, inter alia, to the excessively strict application of delegation of authority, the limited use of the central review bodies, the mechanical adherence to procedures and the lack of mechanisms for qualitative monitoring of decision-making. That situation contradicted the principle that human resources management reform should be a flexible and participatory process.

105. The Group agreed with the Advisory Committee's observation that, while there had been a reduction in the average time required for selection of staff, the duration of the recruitment and placement process — effectively 375 days — called for corrective measures. It firmly supported the position of the Group of 77 on that issue.

106. The Group of African States had considered with great interest the observations and recommendations of the Office of Internal Oversight Services on human resources management reform and would examine the follow-up to the Office's recommendations in subsequent discussions.

107. **Mr. Begg** (New Zealand), speaking also on behalf of Australia and Canada, said that the three countries attached the highest importance to sound human resources management in the United Nations and that, in accordance with Article 101 of the Charter, the Organization's effectiveness depended on the quality and performance of its staff.

108. In recent years, the three delegations had supported efforts to modernize and reform human resources practices throughout the United Nations system, including through the common system. They had supported resolution 55/258, by which the General Assembly had approved a set of reforms to that end. Much more remained to be done, however, before the Organization had a human resources framework which placed a premium on merit and performance.

109. The three delegations appreciated the reports of the Secretary-General, the Office of Internal Oversight Services (OIOS) and the Advisory Committee, all of which pointed to the need to continue cultural change, to allow sufficient time for the reforms to have their full impact and to make adjustments in the light of experience.

110. Accountability should be a particular focus of the Committee's discussions, since the delegation of authority lay at the heart of the reforms adopted four years previously. Particular interest should be focused on the potential for improving the contents of human resource action plans and the means used by the Secretary-General to ensure that programme managers were held accountable for achieving their goals.

111. With regard to staff selection, the delegations supported the proposal to reduce the period for submitting applications from 60 to 45 days, but feared that that measure would not be sufficient to address long delays in filling vacancies or the lack of succession planning. They were interested in hearing how the Secretariat intended to improve the Galaxy system, which had not yet delivered on its promise.

112. They favoured the proposal to establish three types of contract for Secretariat staff, but, before taking a decision, they wished to have a better understanding of how those contracts might relate to contractual arrangements in other common system organizations and to the work of the International Civil Service Commission (ICSC). They also wished to discuss the intended transitional arrangements further.

113. They also supported the Secretary-General's proposals to create more opportunities for the advancement of qualified General Service staff into the Professional category.

114. While the geographical distribution of the staff had continued to improve and the overall picture was satisfactory, the Secretariat must conduct active recruitment campaigns and work closely with the Member States to help those States which remained underrepresented. However, the competitive process and the application of the principle of merit must not be weakened.

115. The situation with regard to gender representation was less encouraging, and women remained significantly underrepresented at the Professional levels and in senior posts. The rate of progress towards parity had been too slow. The Secretary-General must do more to appoint women to senior posts; the three delegations would present some practical ideas during the informal consultations.

116. The lack of young Professional staff in the Secretariat was also a matter of concern, and reflected the continued use of job selection criteria which

favoured years of experience over competencies. The levels of posts that became vacant must be reevaluated, with a view to creating more P-2 and P-3 level openings, and selection criteria must truly measure the capacities of applicants.

117. The report of the Secretary-General on the contractual status of staff in peacekeeping missions was useful, in that it helped to explain the need to be able to attract and retain personnel for more than four years, the inconsistency in conditions of service between staff and why the Secretariat wished to use the 100 series of the staff rules for peacekeeping staff.

118. The three delegations had noted the reservations of the Advisory Committee, which had pointed out that the proposed solution did not ensure consistency of conditions between staff employed by the Secretariat and those employed by funds and programmes, and had raised the question of whether peacekeeping service merited its own distinct contractual package. In complex missions, which were becoming more common and which included staff employed by funds and programmes in their structures, that could only become a bigger problem.

119. During the informal consultations, the Committee should explore various possibilities for a comprehensive solution which met peacekeeping needs, ensured equity between staff and preserved administrative simplicity. To that end, it must have a clearer sense of the financial implications of those questions.

120. **Mr. Al-Mansour** (Kuwait), said that his delegation associated itself with the statement made by the representative of Qatar on behalf of the Group of 77 and China. It attached great importance to human resources management. It concurred with the position expressed by the Secretary-General in his report (A/59/263) that, in order to meet the challenges of the time, the Organization depended on the quality and competence of its staff. As a result, his delegation supported the process of reform, which aimed to improve the capabilities and efficiency of the staff and therefore enable the Organization to provide a better service for the Member States.

121. The staff of the Organization, particularly the staff working in difficult and sometimes life-threatening conditions, should be commended for their work. His delegation welcomed the results so far achieved, which were set out in paragraph 12 of the

report of the Secretary-General, and fully supported the efforts of the Secretary-General. However, it shared the concern of the Advisory Committee that the report was too general and lacking in an accurate analysis of the progress achieved, the problems encountered and the measures planned to address them.

122. Kuwait particularly valued the principle of equitable geographical representation. It welcomed the efforts made and noted the progress achieved over the past 10 years, with the portion of unrepresented Member States falling from 15.2 per cent in 1994 to 7.8 per cent in 2004 and the number of underrepresented Member States falling from 13.6 per cent in 1994 to 5.2 per cent in 2004. It would like the Secretariat to make a commitment to redouble its efforts to bring those figures still lower by targeting those States with an active recruitment campaign. Kuwait was particularly pleased to be represented at the senior level by one of its nationals, and hoped that such posts would not become the preserve of a handful of States.

The meeting rose at 1 p.m.