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## Fifth Committee

### Summary record of the 42nd meeting

Held at Headquarters, New York, on Wednesday, 13 May 2009, at 10 a.m.

*Chairman:* Mr. Bródi ..... (Hungary)  
*Chairman of the Advisory Committee on Administrative  
and Budgetary Questions:* Ms. McLurg

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*The meeting was called to order at 10.15 a.m.*

### **Organization of work**

1. **The Chairman** said that he took it that the Committee wished to approve the proposed programme of work agreed by the Bureau and distributed to all Committee members, on the understanding that adjustments would be made, where necessary, during the course of the session.

2. *It was so decided.*

### **Agenda item 116: Financial reports and audited financial statements, and reports of the Board of Auditors (continued)** (A/63/5 (Vol. II), A/63/746 and A/63/784)

3. **Mr. Vanker** (Chairman of the Audit Operations Committee of the Board of Auditors), introducing the report of the Board of Auditors on the United Nations peacekeeping operations for the 12-month period from 1 July 2007 to 30 June 2008 (A/63/5 (Vol. II)), said that the Board had addressed the recent change in its composition by implementing a carefully constructed succession plan involving the exchange of audit experience, manuals and methodologies between the outgoing and incoming auditors. The Board had also provided professional support for the new auditors, complemented by workshops and training organized by various other United Nations entities. The three Board members continued to share the audits of peacekeeping missions; their management letters had, for the first time, focused on similar areas and followed a consistent layout, which had allowed the identification of common areas and threats to multiple missions.

4. For the third consecutive financial period, the Board had issued an audit opinion with two emphases of matter, each of which reflected negatively on the control environment in peacekeeping operations and on the efficient use of resources and the safeguarding of the Organization's assets. The Organization should give the highest priority to addressing the concerns raised.

5. The report (A/63/5 (Vol. II)) addressed all the relevant financial statement captions, audit risks and audit themes identified by the Board, as well as the topics identified by the Advisory Committee in its consideration of the Board's previous report (A/62/5 (Vol. II)). Several matters identified for attention remained only partially addressed by the

Administration. The guidelines for quick-impact projects and the integrated mission planning process, for example, had still not been finalized at the time of the audit and the Board had therefore been unable to conduct a review. That hampered the work of the oversight bodies and implementation of the governing bodies' intentions.

6. Only 32 per cent of the Board's recommendations for 2006/07 had been fully implemented, a decrease compared with the previous year. Of the partially implemented and unimplemented recommendations, at least 20 per cent were two years old or more. Nevertheless, the Board welcomed the progress made in addressing its recommendations, described in the Secretary-General's related report (A/63/784).

7. Assessed contributions receivable had increased to \$1.58 billion as at 30 June 2008. Of that amount, \$609.42 million had been outstanding for more than two years. As a result, the shortfalls of cash for some active missions had deteriorated over the past three years. The position of the General Assembly and the Administration was that all assessments remained recoverable. However, accounting considerations dictated that a fair view should be presented in the financial statements. Since the application of International Public Sector Accounting Standards (IPSAS) might require the Organization to make a provision for non-recoverable debt or late-paying debtors, consideration should be given to that matter before the new standards were implemented. The Board was also concerned about the Organization's readiness for IPSAS implementation. The 2010 deadline was expected to be missed by several United Nations organizations and in relation to peacekeeping the likely implementation date was now 2012. As a result, the benefits of improved disclosure and reporting would no doubt be delayed. Since various elements of the project were not yet fully in place, its cost should be closely monitored to prevent unnecessary escalation.

8. There were still shortcomings in the implementation of results-based budgeting; in particular, the guidelines had not been strictly followed, indicators of achievement were not always stated in clear and measurable terms, and the collection processes for evidence to support achievement of objectives must be enhanced.

9. There was room for improvement in fleet and rations management, air operations, information and communication technology (ICT) and, in particular, procurement and contract management. Furthermore, no human resources action plan had yet been developed for missions for 2008/09. In the Board's view, that contributed to the existence of very high vacancy rates, which impacted on the delivery of mandates and the achievement of programme objectives, and led to underutilization of budgets and a weakened control environment. In view of the human resources reforms under way, the Board would review its findings and recommendations, as well as management responses to them, in future audits. The Board had also continued to review the work of the resident auditors. In that connection, the impact of vacancies was reflected in the inadequate implementation of the audit plan, which left the Organization exposed to some risk.

10. **Ms. Hurtz-Soyka** (Director, Office of the Under-Secretary-General for Management) introduced the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2008 (A/63/784).

11. For each recommendation contained in the Board's report, the Secretary-General's report provided details of the department responsible, the status, the priority and, in cases where the recommendation had yet to be implemented, the target date for implementation. While the implementation of all recommendations would be treated as a priority, the main recommendations had been designated as high priority and the others as medium priority. The report showed the implementation status of main recommendations (table 1), and all recommendations (table 2), by department responsible. Since the Administration continued to work closely with the Board and had provided full information, the Board's report in many cases adequately reflected the Administration's position; additional comment had been provided only where required. The Secretary-General's report (A/63/784) also provided an explanation for the delays in implementation of the Board's recommendations for prior periods, of which 44 were shown in the Board's report as partially implemented and 5 as not implemented. The Secretary-General was committed to ensuring the timely implementation of recommendations and, to that end,

the Management Committee continued to follow up, on a quarterly basis, the status of implementation of oversight recommendations.

12. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's observations and recommendations on the Board of Auditors' report (A/63/746, chap. III). The Advisory Committee commended the Board on the quality, comprehensiveness and timely submission of its report.

13. The Advisory Committee shared the Board's view that the issuance of modified opinions for three consecutive financial periods reflected negatively on the control environment in peacekeeping operations and raised doubts as to the efficient use of resources. Appropriate and timely remedial action must be taken by management to resolve the concerns raised in the emphases of matter.

14. The Advisory Committee also noted that numerous findings of the Board pointed to deficiencies in planning, inconsistencies in applying guidelines and delays in addressing matters requiring attention, which concerned not only new or recent missions, but also, established missions. A thorough analysis of the causes of such recurring issues was essential in order for effective remedies to be implemented. In the Advisory Committee's view, the persistence of those problems pointed to insufficient managerial attention and a lack of accountability; it therefore urged the Secretary-General to take steps to ensure that management responsibilities were clearly assigned, understood and discharged, with individuals held accountable for their areas of responsibility. The Advisory Committee also believed that the high vacancy rate for resident auditors in field missions had contributed to the further weakening of the internal control environment in field missions and that a cooperative relationship between management and resident auditors should be promoted. Immediate action should be taken to accelerate the rate of implementation of the recommendations of the Board of Auditors, as well as those of other oversight bodies.

15. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group was concerned at the ageing of the Board's previous recommendations and the decrease in the rate of implementation of the recommendations made for 2006/07 compared to the previous year. The Board's

recommendations would not be meaningful if they were not implemented fully and in a timely manner. The Secretariat should therefore take practical measures to indicate the expected time frame and priorities for their implementation, including the office holders to be held accountable. In particular, it should strive to identify the root causes of the recurring issues highlighted in the Board's report (A/63/5 (Vol. II)).

16. The Group also noted with concern that the unpaid assessments pertaining to active peacekeeping missions had increased by 44.0 per cent as at the end of 2007/08 compared with the previous financial period and that overall liquidity in the active missions had declined. Member States had an obligation to maintain the healthy financial situation of the United Nations and should make greater efforts to pay their assessed contributions in full.

17. The Group shared the Advisory Committee's views regarding the Board's issuance of modified audit opinions for three consecutive financial periods. It was concerned about the issues raised in the two emphases of matter paragraphs on non-expendable and expendable property and called on the Secretariat to take prompt and effective remedial action to resolve those concerns. It also agreed with the Board's view that disclosure of the value of all expendable property in the financial statements would improve transparency, accountability and financial reporting, especially in preparation for IPSAS implementation.

18. With regard to procurement, the Group noted with concern the deficiencies identified by the Board in relation to acquisition planning, procurement lead time, technical evaluation, ex-post facto cases and contract awarding. It was particularly concerned at the increased number of ex-post facto cases for review by the Headquarters Committee on Contracts and the awarding of sole-source contracts, which were not in keeping with the principle of transparency and were prone to high prices owing to a lack of competition. It therefore concurred with the Board's recommendation that a procurement strategy should be developed as early as possible. The Secretariat should also explore all options for realizing savings under procurement and for increasing local procurement, as recommended by the Advisory Committee, and should make more efforts to enhance opportunities for vendors from developing countries.

19. The Group welcomed the Board's continued coordination with the Office of Internal Oversight Services (OIOS) but was concerned to note that only 65 of the 201 audits planned by OIOS for 2007 had been completed as at 31 December 2007. It concurred with the Board that OIOS should carefully monitor the workplans of the resident auditors to ensure that audits were executed and finalized in a timely manner.

20. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Montenegro and Serbia; and, in addition, Armenia, Republic of Moldova and Ukraine, said that the Union was concerned about the ongoing deficiencies in the management of the expendable and non-expendable property under the missions' control, as highlighted in the Board of Auditors' report (A/63/5 (Vol. II)), and shared the Board's view that the accurate recording and disclosure of the value of all expendable property in the financial statements would improve transparency, accountability and financial reporting. The Secretary-General should continue to strengthen asset management and to ensure adequate safeguards to prevent waste and financial loss to the Organization. In that connection, the Union regretted that IPSAS would not be implemented in 2010 as initially planned and stressed the importance of its earliest possible adoption.

21. With regard to the financing of peacekeeping operations, the European Union was concerned to note that, as at 30 June 2008, a total of 39 per cent of assessed contributions receivable had been outstanding for more than two years. Member States must pay their contributions in full, on time and without conditions, to enable peacekeeping operations to fulfil their mandates.

22. The high vacancy rate for OIOS resident auditors was alarming, since it further weakened the application of internal control procedures in field missions. Effective internal audit coverage of all missions was vital to ensure that audits were executed and finalized in a timely manner.

23. **Mr. Spirin** (Russian Federation) said that, with the substantially increased overall peacekeeping budget, the Board was justified in making many more recommendations than it had in the previous reporting period. His delegation shared the view of the Advisory

Committee that the deficiencies leading to the issuing of modified audit opinions, particularly those concerning expendable and non-expendable property, should be addressed. Although the decline in the cancellation of unliquidated obligations in three previous fiscal years was positive, the amount remained high, and a number of missions had failed to comply with procurement requirements, including the criteria for the creation of obligations laid down in the Financial Regulations and Rules and the Procurement Manual.

24. A gender balance in peacekeeping operations should be sought, in line with the Board's recommendation, but should not become an end in itself. When recruiting staff, the paramount considerations should remain those laid down in Article 101 of the Charter of the United Nations.

**Agenda item 132: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations** (A/62/762 and A/62/805 and Corr.1; A/63/302 (Part II), A/63/550, A/63/675 and Corr.1, A/63/680, A/63/696, A/63/697, A/63/720 and A/63/746; A/C.5/63/24)

25. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on the overview of the financing of the United Nations peacekeeping operations: budget performance for the period from 1 July 2007 to 30 June 2008 and budget for the period from 1 July 2009 to 30 June 2010 (A/63/696), said that the total approved peacekeeping budget for 2007/08 had amounted to \$6.8 billion, inclusive of the United Nations Logistics Base at Brindisi and the support account. Expenditure had amounted to \$6.3 billion, leaving an overall unencumbered balance of \$0.5 billion. The overall budget implementation rate had been 92.7 per cent for the 2007/08 financial period, compared to 95.5 per cent for the prior period. Budget implementation rates had improved for eight operations, as well as for the Logistics Base and the support account, and had decreased for five missions. The main factors affecting budget performance at the mission level were highlighted in the report.

26. The overall peacekeeping budget for 2009/10, inclusive of the Logistics Base and the support account, was currently estimated at \$8.2 billion. Compared with the total approved budget of \$7.3 billion for 2008/09, which included additional resources approved by the General Assembly at the

first part of the resumed sixty-third session for the United Nations Mission in the Sudan (UNMIS), the United Nations Mission in the Central African Republic and Chad (MINURCAT) and the financing of support for the African Union Mission in Somalia (AMISOM), it represented an increase of \$0.9 billion, primarily attributable to budget increases for the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC), the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and MINURCAT, partially offset by reduced resource requirements for the United Nations Interim Administration Mission in Kosovo (UNMIK) and the absence of provisions for the United Nations Mission in Ethiopia and Eritrea (UNMEE) owing to the termination of that Mission's mandate as of 31 July 2008. Information on the proposed budget levels for all peacekeeping operations, the Logistics Base and the support account for 2009/10 was contained in the note by the Secretary-General (A/C.5/63/24). Pursuant to General Assembly resolution 63/250, the proposed resource requirements included additional resources for international staff salaries, offset in part by the elimination of requirements for mission subsistence allowance.

27. The Secretary-General's report (A/63/696) contained examples of the efficiency gains, amounting to \$34.65 million, that were expected to be derived from improvements in the logistical and administrative support provided to the missions, as well as examples of initiatives to be implemented in 2009/10 that would affect the use of resources. Detailed descriptions were included in the budget proposals for 2009/10 for all missions. Information on the proposed requirements for 2009/10 by peacekeeping component and the main factors for variance in resource requirements was also provided in the Secretary-General's report.

28. The General Assembly was invited to take note of the action taken in response to General Assembly resolution 61/276 and to take note of ongoing and proposed management initiatives as well as the efforts taken to strengthen inter-mission coordination in the administrative and logistical aspects of field operations.

29. Introducing the Secretary-General's updated report on the review of the methodology for rates of reimbursement to troop-contributing countries (A/63/697), he said that the report confirmed the proposals made in the Secretary-General's earlier

report (A/60/725 and Add.1), which had not been considered by the General Assembly, and included a proposal to increase the recreational leave allowance for members of the military contingents and formed police units from 7 to 15 days per six-month period. The General Assembly was invited to approve the proposed methodology for the rates of reimbursement, including the proposed questionnaire; the proposed rate of exchange reference date for the conversion of collected cost data from national currencies to United States dollars; the conduct of the first survey in 2009 and proposed periodicity thereafter; the proposed field questionnaires to collect data on the daily allowance for troops; and the increase in recreational leave allowance for members of the military contingents and formed police units from 7 to 15 days.

30. **Ms. Malcorra** (Under-Secretary-General for Field Support) said that, as the increased demand for, and cost of, peacekeeping was set against a background of worldwide economic recession, peacekeeping resources should be managed more globally, rather than on a mission-by-mission basis. Savings could be made in the area of operational costs, which currently absorbed 40 per cent of the total peacekeeping resources.

31. By approving the measures proposed by the Secretary-General in his report on national professional officers (A/62/762), the General Assembly would help to reduce the chronically high vacancy rate for national officers in peacekeeping missions, and thus help to strengthen national capacity and development. The report on the progress of training in peacekeeping (A/63/680), based on a comprehensive training needs assessment, highlighted the scale of training needs. Given the limited resources available, training should focus on priority cross-cutting issues, and dissemination of knowledge should be maximized by developing training standards and guidance for use by training partners, including Member States.

32. Eliminating a number of steps from the processing of death and disability claims, a matter addressed in the related reports of the Secretary-General (A/62/805 and A/63/550), would further reduce claim-processing time and would ensure equal treatment for all uniformed personnel deployed in field missions. In his report on welfare and recreation needs of all categories of personnel and detailed implications (A/63/675 and Corr.1), the Secretary-General invited the Assembly to take note of the steps already

implemented to improve current practices and to approve the establishment of minimum welfare and recreation standards.

33. The Organization remained committed to addressing misconduct by peacekeeping personnel. As explained in the report on special measures for protection from sexual exploitation and sexual abuse (A/63/720), the Departments of Peacekeeping Operations and Field Support, and countries contributing troops and police, had taken positive and important countermeasures. While the number of allegations of such misconduct had declined over three successive years, it was unfortunate that the number of allegations of the most egregious misconduct, such as sex with minors and rape, appeared not to have declined in 2008.

34. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee, at its 2009 winter session, had once again faced pressure to consider a large number of issues unconnected with its usual peacekeeping-related agenda. Those issues disrupted its work and could be more coherently addressed in the context of the regular budget. The separate consideration of peacekeeping matters should be enforced, reverting to the schedule envisaged by the General Assembly in its resolution 49/233 A, which had altered the cycle of peacekeeping financing.

35. The perennial problem of delays in the consideration of proposed peacekeeping budgets could only be addressed by involving the Secretariat, the Advisory Committee, the Fifth Committee and the General Assembly. The Advisory Committee undertook to re-examine its working methods, and appealed for better synchronization between its own meetings and those of the Fifth Committee. While the Advisory Committee welcomed the improvements described in the report of the Secretary-General on action taken to improve the timely submission of documents for the Fifth Committee (A/63/735), it was still being forced to wait for information regarding some peacekeeping missions. It was unreasonable for the preparation of peacekeeping budgets to begin in July of one year and only finish in March or April of the following year, particularly given the long experience of the Secretariat in preparing such budgets and the significant staff resources devoted to the process. In future, all the documentation necessary for the consideration of the financing of peacekeeping

operations should be available by the time the Advisory Committee began its peacekeeping session in late January or early February of each year.

36. With regard to financial management, the Advisory Committee, recalling the requests it had received to consider approving the use of commitment authority to finance peacekeeping activities, with assessment of the amount concerned, said that routine recourse to that financing mechanism departed from good budget practice and discipline. The use of commitment authority should be restricted to providing urgent financing for the start-up of a new mission or the expansion of an existing mission, before establishing a detailed budget or organizational structure. Assessment should instead follow the normal procedure, in which the General Assembly first considered a complete and fully justified budget proposal and approved an appropriation.

37. With regard to civilian personnel issues, the Advisory Committee noted that General Assembly resolution 63/250 on human resources management would have far-reaching effects, placing staff in peacekeeping operations on an equal footing with those at headquarters duty stations and therefore helping to develop a flexible global workforce and to address long-standing recruitment and retention problems. In the meantime, the Advisory Committee suggested enforcing a minimum period of assignment as a means of reducing the current high turnover of peacekeeping personnel. Successful implementation of the new human resources talent management system would require coordination between the departments involved.

38. Having been informed of the number of human resources posts envisaged in connection with peacekeeping, the Advisory Committee requested the inclusion in the next overview report of a breakdown of the total number of such staff by function and mission, along with details of their duties and workload indicators and output. It also recommended that the Secretary-General should inform the Assembly, at the second part of its resumed sixty-fourth session, of the basis used to establish staffing needs for peacekeeping operations and of the results of an analysis undertaken to determine which functions should be provided for each mission and which would be better performed centrally. As the situation on the ground often precluded disarmament, demobilization and reintegration activities during the early stages of a

mission, the Advisory Committee recommended that the vacancy factor for staff requested for those functions should be increased in some cases.

39. With regard to operational costs, the Advisory Committee, having noted significantly greater expenditure on air transport, expressed concern at the apparently low level of utilization of aircraft and at the current patchwork of contracts for such services. Such lack of uniformity limited opportunities for exploiting aggregation of demand. Moreover, the Secretary-General had not yet responded to consultants' findings on the impact of the new costing structure for air operations contracts.

40. The Advisory Committee recommended that the General Assembly should request the Secretary-General to report on air operations at the second part of its resumed sixty-fourth session, and that the Secretariat should base budgetary assumptions for fuel costs for 2009/10 on the average fuel cost for the first quarter of 2009, except in the case of UNMIS. Having been informed that a consultancy had been engaged to compare both turnkey and in-house models for the supply of fuel, the Advisory Committee expected the next overview report to indicate progress reflecting experience gained in that regard. Furthermore, as fuel costs were not taken into account when awarding contracts for vehicles and aircraft, the Advisory Committee was concerned that fuel-inefficient vehicles and aircraft might be used, resulting in higher overall costs for the Organization. That issue should be addressed in the budget submissions for 2010/11.

41. With regard to facilities and infrastructure, having examined the estimated cost of prefabricated buildings for 2009/10, the Advisory Committee believed that locally available material and building techniques might be better suited to local conditions, be more cost-effective and contribute to the local economy. It therefore recommended that, when planning a peacekeeping mission, the Secretary-General should actively consider using local contractors and material rather than modular, prefabricated units. The Secretariat should continue to explore all options to reduce procurement costs, increase local procurement and improve opportunities for vendors from developing countries and countries with economies in transition. The long-overdue report on procurement requested by the General Assembly in its resolution 61/246 on procurement reform should be completed rapidly.

42. The Advisory Committee recommended requesting the Secretary-General to report to the General Assembly at the resumed sixty-fourth session on the use of Entebbe as a regional logistics hub, the possibility of expanding Entebbe-based services and the feasibility of applying a similar model to other regions. It also recommended requesting the Secretary-General to report to the General Assembly at the same session after reviewing the multiple methods of coordination and cooperation with the African Union, with a view to rationalizing them.

43. With regard to information and communication technology projects, the Advisory Committee was concerned at the potential for proliferation of systems relating to financial and human resources, possibly leading to incompatible information systems, inefficiency and duplication of effort. It urged the Department of Management to work closely with the Chief Information Technology Officer to ensure appropriate alignment of new ICT initiatives with the ICT strategy of the Organization and the future enterprise resource planning system.

44. Turning to the reports of the Secretary-General on cross-cutting peacekeeping-related issues, she said that, as the report on training in peacekeeping (A/63/680) had failed to provide a comprehensive picture of training priorities, costs, effectiveness or services to Member States, and therefore did not meet expectations, the Advisory Committee recommended requesting the Secretary-General to report on the matter to the General Assembly at its resumed sixty-fourth session.

45. With regard to death and disability compensation (A/62/805 and Corr.1 and A/63/550), the Advisory Committee took the view that compensation claims should be settled within three months of submission in the case of death and within a reasonable amount of time to be determined in the case of disability. It recommended against a uniform \$50,000 as compensation for death for all categories of personnel, as it represented the lowest range of the current award and had not been updated since the 1990s. If the General Assembly decided to update the award, inflation should be taken into account. The Advisory Committee recommended that the Secretary-General should revisit the issue and submit a new report to the General Assembly at its sixty-fourth session.

46. With respect to the report on the methodology for rates of reimbursement to troop-contributing countries (A/63/697), the Advisory Committee requested that the General Assembly should be provided with a mock-up of the application of the formula proposed, in order to facilitate its consideration of that important issue.

47. **Ms. Ahlenius** (Under-Secretary-General for Oversight Services), introducing the report of the Office of Internal Oversight Services on peacekeeping operations (A/63/302 (Part II)), stressed its selective nature. In particular, it only touched on the comprehensive review of the use of extraordinary measures in the African Union-United Nations Hybrid Operation in Darfur, the report on the audit of the Secretariat's structure for managing and sustaining peacekeeping operations pursuant to General Assembly resolution 61/279, and the programme evaluation of the United Nations Operation in Côte d'Ivoire (UNOCI), the first such evaluation of a peacekeeping mission. In the interest of transparency, all OIOS reports were available to Member States upon request.

48. Oversight results continued to be classified in seven risk categories — strategy, governance, compliance, financial, operational, human resources and information — with risk being defined as an event or action that would adversely affect the ability of the United Nations to achieve its organizational objectives and execute its strategies successfully. As noted repeatedly in the past, substantial deficiencies in internal control, including a lack of standard operating procedures, poor planning and inadequate management and record-keeping, had exposed the Organization to unnecessary risk and in some cases had facilitated mismanagement and misuse of resources. The establishment and exercise of proper internal controls was a core responsibility of management, which needed to be able to rely for that purpose on a formal internal control framework; such a framework was currently lacking.

49. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that, while cross-cutting resolutions could serve as an important policy tool, providing the Organization with comprehensive guidance on issues common to its peacekeeping missions, decisions on resources and staffing for individual operations should be mission-specific. The Group of 77 and China was concerned that some of the Advisory Committee's recommendations would result in budget cuts to all missions. Cross-cutting was not an



exercise in cutting costs; it should focus solely on policy issues.

50. The report of the Secretary-General on the financing of peacekeeping operations (A/63/696), while it left room for improvement, was a source of valuable information and also served as a useful means of taking stock of the implementation of General Assembly resolution 61/276 and previous cross-cutting resolutions. It was questionable, however, whether the Assembly needed to provide overall policy direction and guidelines for peacekeeping operations on an annual basis, since that did not provide enough time to assess implementation. The Secretariat must better plan the preparation of peacekeeping budgets so as to allow sufficient time for a proper review by the Advisory Committee and the Fifth Committee. The late submission of reports undermined their work, which was also impaired by the maintenance of the same time frame to process and analyse considerably larger amounts of information. The recent increase in the size and complexity of missions required extended schedules.

51. The high vacancy rates in peacekeeping missions were also a concern whose root causes must be addressed. General Assembly resolution 63/250 offered prospects of improvement in that regard: the Secretary-General should implement its provisions as a matter of urgency and make further improvements in the human resources regime, while ensuring strict accountability for the implementation of all relevant Assembly resolutions.

52. The recruitment of national staff offered a means of overcoming the problem. It was particularly worrying that, according to the Advisory Committee, some 50 per cent of applications for positions in peacekeeping operations in the previous year had not been reviewed, owing to a lack of resources. Furthermore, in the interests of equitable geographical distribution and gender balance, recruitment efforts should pay due attention to female candidates from developing countries.

53. Quick-impact projects made a major contribution to the success of peacekeeping missions and should not be constrained by artificial deadlines; their extension and the amount of resources available for them should be closely linked to the situation on the ground and the specificities of each mission.

54. The Group of 77 and China also believed that results-based budgeting called for the adoption of coherent mandates, backed by the necessary resources, and that the Secretary-General should take appropriate steps to ensure the gradual introduction of results-based management, which would improve budget implementation in practice and the accountability of programme managers. The Group supported a zero-tolerance policy with regard to sexual exploitation and abuse and regretted that troop- and police-contributing countries had not been represented in the Working Group on Victim Assistance.

55. He noted with appreciation the extended use of the Entebbe base, whose role could be further enhanced, including for training and equipment inspection, and which might also serve as a full logistic base for the Organization. Cooperation between the United Nations and the African Union should be strengthened in the areas of peace and development; however, the Advisory Committee's proposal to rationalize the Organization's current support structure for the African Union could have a negative impact on the relationship.

56. The Group of 77 and China remained attached to the improvement of procurement opportunities for vendors from developing countries and countries in transition; the Group regretted that the report of the Secretary-General did not identify the obstacles to such improvement and that a comprehensive report on procurement governance had not yet been submitted. Moreover, increased local procurement could stimulate the economic recovery of the countries concerned and provide considerable savings for the Organization.

57. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union, the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process country Montenegro; and, in addition, Republic of Moldova and Ukraine, said that, in the current economic crisis, it was more than ever necessary to strive for efficiency in the priority area of peacekeeping. Coherent planning and management of missions could help to limit the trend towards significant underspending, as reflected in the high level of unencumbered balances. The budgets of individual missions offered potential for savings; synergies between missions operating in the same region might usefully be further explored by the Secretariat and due

consideration should be given to the possibility of a more integrated approach.

58. Priority should be given to reaching agreement on cross-cutting issues, which the European Union regretted had not been achieved over the previous year; there were many such issues on the current agenda. Lastly, on the issue of closed missions, the practice of using the resources left to make up for the lack of cash resulting from late payment of assessed contributions was not acceptable: such unspent funds should be returned to Member States as early as possible.

59. **Mr. Poulin** (Canada), speaking also on behalf of Australia and New Zealand, expressed concern about recurrent overbudgeting in peacekeeping, particularly since Member States were again being requested to increase their contributions substantially. Overbudgeting for peacekeeping, averaging 12 per cent in recent years, led to over-assessment of Member States, encouraged unnecessary spending and reduced confidence in the Organization's management of public funds.

60. The three delegations supported the Advisory Committee's recommendation to streamline the peacekeeping budget preparation process, which should be reviewed comprehensively with a view to achieving optimal division of labour between field missions. They likewise supported the inclusion of a more detailed justification of operational costs, the lack of which prevented the Committee from effectively exercising its oversight role in relation to an average of 40 per cent of mission budgets.

61. Recognizing the importance of ensuring the efficiency and cost-effectiveness of air operations at a time of a significant increase in their cost, the three delegations looked forward to the comprehensive report on the subject requested by the Advisory Committee and would similarly welcome reports on other major operational costs such as fuel management and infrastructure.

62. The three delegations supported the thrust of the Secretary-General's proposal to address the welfare and recreation needs of all categories of personnel and looked forward to receiving more information about its financial implications; they invited him to raise awareness of that issue among field managers. They also supported his request for the regularization of all conduct and discipline positions in the field, which should not continue to be financed through general

temporary assistance. Lastly, they welcomed the review of the field support structure, which should enable an optimal balance to be found between global services, regional delivery hubs, centres of excellence and in-mission capabilities.

63. **Mr. Yamada** (Japan) said the 16 per cent increase in the amount of resources requested for peacekeeping was unacceptable in the current financial crisis. Past levels of unencumbered balances suggested that peacekeeping missions could achieve the same results with fewer resources. It would have been useful if the overview report of the Secretary-General had shown the trend in unencumbered balances.

64. It was important to raise awareness of managerial responsibility and accountability for peacekeeping operations, having due regard to the findings of the Board of Auditors. It was regrettable that those findings had not resulted in more accurate budget documents. Efforts needed to be made to identify the root causes of persistent problems and to hold managers accountable. A further concern was the silence of the Organization's Financial Rules and Regulations on a number of matters relating to peacekeeping operations, such as the redeployment of resources between military personnel, civilian personnel and operational requirements. His delegation wished the record of redeployments contained in annex II to the Advisory Committee's report on the financing of peacekeeping operations (A/63/746) to be reported to the General Assembly in future overview reports. As for the use of commitment authority with assessment, it should be based on a prior examination of the situation on the ground and should be on the understanding that sufficient information on financing the missions would be provided to the General Assembly at the earliest opportunity.

65. His delegation attached particular importance to greater mobility of staff between Headquarters and the field and to proper performance management. Due attention must be given to the financial implications of efforts to meet that challenge, which should include a coherent training system. In that connection, he drew the Committee's attention to the decision of the Office of Human Resources Management to suspend the national competitive recruitment examination in 2010, on the ground that it took too much time to administer and to place successful candidates. That decision was contrary to General Assembly resolution 63/250, which reaffirmed the value of the examination as a means of

recruiting candidates for P-2 posts subject to geographical distribution and thereby reducing non-representation and underrepresentation in the Secretariat. His delegation wished to have a detailed explanation of the reasons for that decision.

66. His delegation would join in the search for ways of further enhancing the efficiency and effectiveness of peacekeeping operations, in particular through measures to meet the challenge of increasing fuel and food prices, improvements in the effectiveness of air services procurement, and the establishment of integrated fleet management, as well as in other areas covered in the Advisory Committee's report but not addressed by the Secretary-General.

67. **Mr. Shin Boo-nam** (Republic of Korea) said that peacekeeping operations had shown extraordinary growth in recent years in terms of both size and complexity. Over the past three years, six peacekeeping missions had been launched. During 2009/10, 120 countries were expected to contribute some 120,000 military and police personnel to 16 peacekeeping missions with an estimated budget of over \$8.2 billion, a threefold increase from six years previously and over three times the level of the regular budget.

68. Enhancing the effectiveness and efficiency of peacekeeping operations missions was a matter of urgency and his delegation welcomed the Secretariat's efforts in that area, including the recently launched New Horizon Study. At a time of increased expenditure on measures to promote economic recovery, Member States might be more cautious about increasing contributions to United Nations activities, but the role of the Organization in securing peace and security should not diminish merely on account of the adverse financial climate.

69. All phases, especially the pre- and post-implementation phases, of peacekeeping operations should be improved in order to rationalize long-term costs. Strengthening the Department of Political Affairs would help to strengthen the capacity to prevent conflicts. His delegation welcomed the progress made by the Peacebuilding Commission towards laying the foundation for post-conflict recovery and sustained peace.

70. The overall budget implementation rate of 92.7 per cent for 2007/08 was 3 per cent lower than for the previous financial period and had resulted in an unspent balance of almost \$500 million. In the case of

some operations, the unspent portion of total appropriations exceeded 17 per cent. There was a clear trend of overbudgeting in peacekeeping operations.

71. As a result, accountability had been substantially undermined. Appropriate action should be taken to reduce the level of unspent expenditure, including a careful scrutiny of peacekeeping budget proposals for 2009/10 in relation to deployment, vacancy rates and operational costs.

72. Despite the notable progress made in many areas, the Office of Internal Oversight Services had shown that further efforts were needed in relation to the seven risk categories it had identified in peacekeeping activities. A formal internal framework was needed to ensure consistent and systematic risk management.

73. With regard to budget presentation and results-based budgeting, efficiency gains should be reported in individual performance reports and expected accomplishments and indicators of achievement should be more specifically defined. Peacekeeping budgets should show how the lessons learned from the previous performance report had been incorporated.

74. The new human resources management framework should be implemented as agreed, effective 1 July 2009, in order to enhance the morale of peacekeeping personnel. His Government gave priority to strengthening its contribution to peacekeeping operations and was currently facilitating the deployment of troops to peacekeeping missions.

75. **Mr. Traystman** (United States of America) paid his deepest respects to those United Nations peacekeepers who had lost their lives in the line of duty and commended all peacekeeping personnel for their hard work and commitment. The recent surge in peacekeeping operations had placed a strain on the Organization and its staff had responded with professionalism and dedication.

76. At a time of rapidly escalating expenditure, and especially in the current financial climate, every effort should be made to ensure the effective, efficient and transparent use of resources. A record number of military and civilian peacekeepers were deployed in the field. The Committee would examine budgets for missions totalling almost \$8.5 billion, four times the level of the regular budget. No peacekeeping operation could be immune to the impact of the current global

financial crisis, although no component of mandate implementation should be at risk.

77. There was a persistent pattern of overbudgeting in peacekeeping missions. The budgeting methodology clearly resulted in underexpenditures unrelated to the inherent uncertainties of deployment schedules and operational requirements. While peacekeeping budgets were expected to yield savings, reductions were needed in all peacekeeping budgets.

78. He recognized the important work of the conduct and discipline teams, and of OIOS and other United Nations personnel, both at Headquarters and in the field, in implementing the Organization's rules and regulations on conduct and discipline, including the three-pronged strategy to address sexual exploitation and abuse. His delegation applauded the decrease in the overall number of sexual abuse allegations, while regretting that the number of allegations of more egregious acts of abuse had not decreased. The zero tolerance policy must be strictly observed.

79. **Mr. Chumakov** (Russian Federation) said that his country, as a troop-contributing country, attached great importance to the payment of disability and death claims. There should be no bureaucratic complications or delays when personnel had been maimed or had perished in the line of duty. He hoped that the Committee's discussions would lead to balanced recommendations.

80. There had been some success with peacekeeping training, which required more funding. The Secretariat should make greater use of existing resources for that purpose, reflecting best practice and taking into account the capacities of Member States.

81. More detailed information was needed on a number of questions, including the results of the OIOS survey of UNAMID procurement, the timely submission of documents, the effectiveness of the Department of Field Support, the Secretariat's piecemeal submission of peacekeeping requirements and resource allocations for missions.

82. **Ms. Samayo-Recarí** (Guatemala), speaking on behalf of the Group of 77 and China, welcomed the fact that the question of rates of reimbursement to troop-contributing countries would be treated as a separate issue, in view of its complexity.

83. In 2000, the General Assembly had requested the Secretariat to prepare a methodology for reimbursement

of troop costs and a questionnaire to be submitted to troop-contributing countries on the basis of certain elements and guidelines. Many changes had taken place since then, with the creation of complex missions, the possibility of additional missions, and an increase in the overall budget to some \$8 billion. Yet the Secretariat was still making the same proposals. There were many questions to be answered in that regard.

84. Member States needed to do some rethinking in relation to the reimbursement of troop-contributing countries. Otherwise, there was the risk of creating or expanding missions without their participation, as had occurred in recent months.

85. Finally, the Group would welcome approval of the recreational leave allowance. It was not a question of increasing the number of days, but of ensuring that the entire 15 days of the recreational leave allowance were paid, as opposed to the 7 days that were paid at present.

86. **Mr. Abdelmannan** (Sudan), also speaking on behalf of the Group of 77 and China, stressed the importance of being clear about the issues that should be dealt with in the context of the cross-cutting resolution. That resolution should consider policy matters that were cross-cutting in nature, while other issues should be examined separately.

**Agenda item 121: Pattern of conferences** (*continued*)  
(A/63/32/Add.1, A/63/735, A/63/746 and A/63/830)

87. **Mr. Ma Xuesong** (Department for General Assembly and Conference Management) introduced the report of the Secretary-General on action taken to improve the timely submission of documents for the Fifth Committee (A/63/735). The report should be read in conjunction with the updated information circulated that day. The Committee on Conferences had already taken up the report at its organizational session on 7 April 2009 (A/63/32/Add.1).

88. The report's three main sections addressed the mandates of the General Assembly contained in resolution 63/248. Significant progress had been made compared with the past two years in the timely submission and issuance of reports prepared by the Secretariat. Of 53 slotted documents, 51 had been issued, and the other two would be issued soon. One unslotted, unplanned document mandated for the first part of the resumed session had not been submitted to

the Department for General Assembly and Conference Management for processing but would be accorded priority as soon as it was received. As for the corresponding reports of the Advisory Committee, 8 of the expected 21 reports had been submitted. They and the others still to be submitted would receive priority processing.

89. The interdepartmental task force had played an instrumental role in ensuring the earliest possible issuance dates for the reports. The task force would continue to function and, where necessary, a similar mechanism would be established in future to deal with the documentation issues of other intergovernmental bodies.

90. Peacekeeping budget and programme performance reports were exempt from the 8,500 word limit for documents originating in the Secretariat, which was evident from the excessive length of such reports. In 2009, for example, budget reports had averaged 24,000 words and performance reports over 12,000 words. Since their submission dates were often close to the dates for their consideration and in view of the high priority accorded to them, they often proved very disruptive to documentation processing and led to additional costs in overtime, which would be very difficult to continue under a constrained budget in 2010-2011.

91. **Ms. Kaudel** (Chairperson of the Committee on Conferences) introduced the report of the Committee on Conferences (A/63/32/Add.1), summarizing the discussions held at the organizational session of the Committee on Conferences on action taken to improve the timely submission of documents on peacekeeping financing.

92. The Committee on Conferences reiterated the importance of the timely issuance of documents and commended the efforts of the interdepartmental task force, as reflected in the improvement in the issuance of documents compared to the previous year. Of 54 slotted reports for the second part of the resumed session, 45 had already been issued, compared to 21 out of 48 for the corresponding period the previous year.

93. The Committee on Conferences welcomed the progress achieved by the task force, looked forward to further efforts by the task force to ensure the timely availability of documents, and requested the Secretary-General to include in his comprehensive report further

information on the arrangements to handle the documentation of the Fifth Committee.

94. **The Chairman** drew the attention of the Committee to a letter dated 9 April 2009 from the Permanent Representative of the Philippines to the United Nations addressed to the Secretary-General (A/63/830).

95. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the comments of the Advisory Committee on the report of the Secretary-General on action taken to improve the timely submission of documents for the Fifth Committee were contained in paragraph 10 of the Advisory Committee's general report on the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/63/746).

96. The Advisory Committee welcomed the efforts made to improve the documentation process for the winter peacekeeping session. The situation in 2009 had improved significantly in comparison to 2008, although documentation for a number of peacekeeping operations, in particular some of the larger missions, had been submitted late, and no account had been taken of the timing of the provision of supplementary information, which was not processed by the Department for General Assembly and Conference Management, but which the Advisory Committee required before it could take up a given peacekeeping operation.

97. As for the suggestion that the Advisory Committee should determine its priorities at an early stage, to facilitate document processing, she noted that the Advisory Committee, in consultation with the Peacekeeping Financing Division of the Office of Programme Planning, Budget and Accounts and the secretariat of the Fifth Committee, prepared a provisional programme of work before the peacekeeping session started and shared it with the Department for General Assembly and Conference Management. When the peacekeeping cycle had been decided upon in conjunction with the adoption of General Assembly resolution 49/233, it had been foreseen that all relevant documentation would be available to the Advisory Committee by the beginning of February, in order to ensure efficient coordination with the Fifth Committee. Long lead times were required to ensure the presence in the Committee of relevant Secretariat officials from the peacekeeping missions and to ensure that their visits to New York

could be combined with other matters so as to minimize expense.

98. In general, the Advisory Committee sought, every year, to start its consideration of peacekeeping operations with the report of the Board of Auditors and the overview report on peacekeeping operations. In 2009, both had been available in advance form early in the session. Following consideration of those reports, the Advisory Committee's priority was to take up the larger, more complex missions. Those were often the missions that provided the Committee with material for its cross-cutting report on peacekeeping operations, which the Fifth Committee took up early. Unfortunately, a number of the reports for the larger missions had only been available late in the current session. She noted that, when necessary, the Advisory Committee took up reports in an advance, unedited and untranslated form.

99. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, reiterated the importance of the timely issuance of documents in the six official languages. The late submission, processing and issuance of documents in all six official languages had been a long-standing problem for the Fifth Committee. The Group had welcomed the proposal to convene an interdepartmental task force within the Secretariat to discuss that problem and recognized the work done by the task force thus far. It fully supported the institutionalization of the task force as a standing mechanism. The Department for General Assembly and Conference Management should continue to shepherd other Secretariat entities in the right direction and to continue to report on the status of documentation when requested to do so by the Committee on Conferences. The task force was one component of a multipronged approach to resolving the issue of late issuance of documents.

100. **Ms. Berlanga** (Mexico), speaking on behalf of the Rio Group, said that one issue requiring greater attention was the sessions of the Human Rights Council. If the Secretariat had not made the necessary arrangements for financing its activities, the Committee should know what the reasons were and whether any action should be taken by the Committee.

101. **Mr. Brant** (Brazil) said that his delegation was seriously concerned about the financial situation of the Human Rights Council, and in particular conference services support. The capacity of the Council to function properly and to discharge its mandate in an adequate manner was being impaired. Some of the

questions put to the Department for General Assembly and Conference Management in April had not yet been answered.

*The meeting rose at 1.05 p.m.*