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Agenda item 134

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Analysis of establishing a global procurement hub for all peacekeeping missions in Brindisi, Italy

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The report of the Secretary-General (A/58/762) was submitted in response to the request by the Advisory Committee on Administrative and Budgetary Questions, in its report on the support account for peacekeeping operations for 2003-2004 (A/57/776), for a comprehensive examination of the merits of establishing a global procurement hub for all peacekeeping missions at the United Nations Logistics Base in Brindisi (UNLB), transferring both post and non-post resources financed from the support account at Headquarters and retaining only a few posts in New York for policy and liaison functions (*ibid.*, para. 99); a similar request was made by the Committee in its report on UNLB for 2003-2004, with reference to communications and information technology (A/57/772/Add.9, para. 22). The General Assembly endorsed those requests in its resolutions 57/318 and 57/320.

2. The Committee notes that the Secretary-General's report deals only with a few of the operational and administrative challenges, highlighting instead the perceived disadvantages, such as the need for "live" interaction in regard to certain functions, the creation of "duplicate support and liaison infrastructures", the short-run costs associated with the relocation of staff and the high vacancy rates associated with UNLB. However, details and thorough analysis backed by facts or figures related to operational effectiveness or financial costs are not provided. For example, the report does not touch upon the possibility of exploiting the potential inherent in the enhanced communications and information technology systems created after significant investment by the Organization. Similarly, there is no explanation of where additional management layers would be required, nor is there a cost-benefit analysis of the various options with reference to the short- and long-term implications of the redeployment of functions and posts. It should be pointed

out that organizational and operational efficiency were the primary motivations for the recommendation of the Advisory Committee, although paragraph 3 of the Secretary-General's report concentrates mainly on some of the financial aspects.

3. During its exchange of views with the representatives of the Secretary-General, it became apparent that the current submission constitutes only a first attempt. The Committee is of the view that a more thorough review should be submitted, providing a technical, managerial and financial analysis of the possible establishment at UNLB of such a hub for all peacekeeping missions. The input of key related interlocutors or clients besides the Office of Mission Support and the Procurement Division should be taken into account, such as UNLB management, the Peacekeeping Financing Division, the Office of Internal Oversight Services and the Office of Legal Affairs. On the basis of the discussions held with the Secretariat, a new comprehensive report is to be submitted which would include, inter alia, the following:

- An identification of the functions that could be transferred to UNLB
- An assessment of the impact of relocation of those functions on delivery of logistic support
- A comprehensive matrix of the advantages and disadvantages of the transfer and its impact on the activities of the related departments, divisions and other clients involved with the functions
- Identification of the number of posts related to the functions that would need to be relocated and the impact on units releasing the functions or posts
- The infrastructure required at UNLB to receive the transfer of the functions and posts, including such issues as accommodation, medical facilities, schools and security matters
- An identification of the issues to be addressed with the host country, such as legal, customs and immigration issues
- A new organizational structure for UNLB
- The potential budgetary impact of relocation, including numbers of posts and requirements for start-up of relocation, refurbishment and staff entitlements
- Development of a possible relocation master plan, depending on the outcome of the above, together with cost implications

4. The Committee was further informed of the creation of a steering committee to determine a long-term strategy for UNLB, consisting of the Director of Change Management of the Department of Peacekeeping Operations and of the Office of Mission Support and UNLB management. **The Committee welcomes this development and encourages incorporation of the ideas and proposals handled by the steering committee in the preparation of the report to be resubmitted.**

5. The Advisory Committee recommends that the General Assembly defer action until a comprehensive report is submitted in accordance with General

Assembly resolutions 57/318 and 57/320 and in line with the observations and comments above.