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Fifth Committee**Summary record of the 31st meeting**

Held at Headquarters, New York, on Monday, 21 March 2016, at 10 a.m.

Chair: Mr. Bhattarai (Nepal)
later: Mr. Castañeda Solares (Vice-Chair) (Guatemala)
*Chair of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Ruiz Massieu

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The meeting was called to order at 10.05 a.m.

Agenda item 139: Human resources management
(continued)

Amendments to the Staff Regulations and Rules
(A/70/746 and A/70/789)

1. **Mr. Kisob** (Office of Human Resources Management), introducing the Secretary-General's report on amendments to the Staff Regulations and Rules (A/70/746), said that the General Assembly, in its resolution 70/244, had approved changes to the compensation package for staff in the Professional and higher categories, to come into force on 1 July 2016 unless otherwise established. The changes included the introduction of a threshold of five years of expatriate service as an eligibility requirement for the repatriation grant; in relation to relocation, the discontinuance of the non-removal allowance and the replacement of the assignment grant with a settling-in grant and options related to relocation shipments; and, in relation to field allowances and benefits, the adjustment of the hardship allowance rates, the replacement of the additional hardship allowance with the non-family service allowance, the replacement of the mobility allowance with a mobility incentive; and the discontinuance of accelerated home leave, except at category D and E duty stations that fell outside the rest and recuperation framework.

2. The changes related to the repatriation grant and accelerated home leave required the approval of the General Assembly. The report contained a proposed amendment to regulation 5.3 of the Staff Regulations to reflect the Assembly's decision on accelerated home leave. Subject to the Assembly's approval, the criteria for designating the duty stations at which staff were eligible for such leave would be set out in a revised administrative instruction.

3. The report contained proposed amendments to annex IV to the Staff Regulations to implement the Assembly's decision on the repatriation grant. Subject to the Assembly's approval, the Secretary-General would provisionally issue an amendment to rule 3.19 of the Staff Rules and amendments to the relevant administrative instruction. He would also provisionally issue a new rule in chapter XIII of the Staff Rules, establishing a transitional measure under which staff in post would retain their eligibility under the current grant schedule up to the number of years of expatriate

service accrued at the time of implementation of the revised scheme.

4. As amendments to the Staff Regulations were not required for the remaining changes to come into force, the Secretary-General would implement the changes through provisional staff rules and amendments to administrative issuances.

5. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/70/789), said that the proposed amendment to regulation 5.3 of the Staff Regulations would be clearer if, for example, provision were made in it for the Secretary-General to grant home leave every 12 months to eligible staff members at designated duty stations having the most difficult conditions of life and work.

6. The proposed amendment to annex IV to the Staff Regulations would be clearer if, for example, provision were made in it for the repatriation grant to be payable in principle to staff members who had completed at least five years of qualifying service, defined in amended rule 3.19 of the Staff Rules as five years or more of continuous service and residence away from the home country and the country of nationality.

Agenda item 134: Programme budget for the biennium 2016-2017 (continued)

Proposed United Nations Secretariat contribution to the United Nations Development Group cost-sharing arrangement for the resident coordinator system
(A/70/7/Add.48 and A/70/703)

7. **Mr. Huisman** (Director, Programme Planning and Budget Division), introducing the Secretary-General's report on the proposed United Nations Secretariat contribution to the United Nations Development Group cost-sharing arrangement for the resident coordinator system (A/70/703), said that the report had been issued in response to General Assembly resolution 70/247, in which the Assembly recalled paragraphs IV.24 to IV.28 of the Advisory Committee's first report on the proposed programme budget for the biennium 2016-2017 (A/70/7) and requested the Secretary-General to provide further information on the proposed Secretariat contribution to support the resident coordinator system at the first part of the resumed seventieth session. That information was provided in the Secretary-General's report

(A/70/703). The funding of the system at the global, regional, and country levels was set out in tables 1, 2 and 3, and the cost-sharing formula for 2016 and 2017 was set out in table 4.

8. The resident coordinator system helped Secretariat entities to be better partners for Governments, including in supporting the 2030 Agenda for Sustainable Development. The services provided through the system, including access, organizational support, information-sharing and analysis, and participation in system-wide planning, were of a different nature from transaction-based services, which could be directly provided by the United Nations Development Programme (UNDP), were reimbursed on a transaction basis and were not covered by the requested funding.

9. The cost-sharing arrangement was essential to a well-functioning and sustainable resident coordinator system. The requested resources represented part of that arrangement, based on the objective criteria of expenditure, staffing and participation in system-wide planning.

10. The Secretary-General requested an appropriation of \$13,321,574 as the Secretariat contribution to the system for the biennium 2016-2017.

11. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/70/7/Add.48), noted the importance of the resident coordinator system. The Secretariat contribution should be based on a clear cost-sharing formula; however, the Secretary-General's proposal did not comply with General Assembly resolution 67/226, which stated that contributions should reflect the direct involvement of each entity, based on the proportion of services used. Changes in the membership of the United Nations Development Group must be factored into the cost-sharing arrangement.

12. No provision was made, in the financial and performance reporting mechanisms proposed by the Secretary-General, for a unified mechanism for intergovernmental consideration of all aspects of the cost-sharing arrangement, including the global budget of the resident coordinator system. As the custodian of that system, the UNDP Executive Board might be best placed to address the matter. The Advisory Committee

would review the global budget in the context of its consideration of the UNDP institutional budget.

13. The Secretary-General should provide further justification for his proposal and resubmit it to the General Assembly. In the interim, the Advisory Committee recommended approval of an appropriation of \$6.5 million to cover the Secretariat's contribution for 2016.

14. **Ms. Wairatpanij** (Thailand), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to the Committee's exclusive competence in administrative and budgetary questions. The quality of the Committee's work had direct implications throughout the Organization, since mandate implementation depended on adequate resourcing.

15. The Group was disappointed with the delay in the preparation of the Secretary-General's report (A/70/703). Discussion of the matter had been deferred to the first part of the resumed session to allow for four weeks of comprehensive consultations, but the report had not been formally introduced until the current meeting, only three days before the end of the current part of the resumed session.

16. The delay had not only jeopardized the result of the discussions but had also put unnecessary pressure on the Advisory Committee to produce its report in time. The Group appreciated the efforts of the Advisory Committee, whose operational arrangements and conditions of service should be enhanced. The Secretary-General should take steps to avoid the recurrence of delays.

17. The Group fully supported the United Nations development system, in particular UNDP. The UNDP-led resident coordinator system, with its strong expertise and presence on the ground, had made a vital contribution to development. As the international community implemented the universal development agenda and attempted to break out of the silos that characterized United Nations action, coordination was critical in ensuring that no one was left behind. Resident coordinators must have stable and predictable resources to fulfil their mandates. However, the Group had misgivings regarding the proposed cost-sharing formula for the resident coordinator system, which had not been approved by the General Assembly.

18. Although the Committee was now considering the matter for the third time, the Secretary-General had still not provided comprehensive information on the cost-sharing formula. The Group would seek further information on the budget for the resident coordinator system and accountability for the expenditure of regular budget resources. It would request explanations concerning the Advisory Committee's comments regarding the lack of a clear link between entity staffing and expenditure and the level of services provided by the resident coordinator system to each United Nations Development Group member organization.

19. The Group noted the Advisory Committee's comments regarding the absence of a unified mechanism for intergovernmental consideration of all aspects of the cost-sharing arrangement, including the global budget for the resident coordinator system, and sought further information regarding the proposed financial and performance reporting mechanisms.

20. Based on the information provided by the Secretariat and the recommendations of the Advisory Committee, the Group would consider the resources requested by the Secretary-General, and would engage constructively despite the limited time remaining.

21. **Mr. Probst-Lopez** (Switzerland), speaking also on behalf of Liechtenstein, said that the fragmentation of the United Nations system was one of the greatest obstacles to achieving the Organization's objectives efficiently and effectively. The resident coordinator system was essential to a coherent United Nations development system, and had enabled great progress in development activities.

22. The 2030 Agenda for Sustainable Development necessitated integration of capacities and resources across the United Nations system. Country-level coordination was essential to a more effective United Nations. In his report on the implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (A/71/63-E/2016/8), the Secretary-General stated that the significant increase in the number of programme countries implementing the "Delivering as one" approach had enhanced the importance of the resident coordinator function as the cornerstone of the 2030 Agenda. The strategic capacities and higher-level coordination of the resident coordinator system must

be improved to attain the objectives set out in the Agenda.

23. A strong, sustainably funded resident coordinator system would enable a more integrated United Nations presence at the country level, to the benefit of all Member States. The financial burden should be shared throughout the United Nations system in line with the criteria set out in the Secretary-General's report (A/70/703). The two delegations urged the General Assembly to approve the proposed Secretariat contribution.

24. *Mr. Castañeda Solares (Guatemala), Vice-Chair, took the Chair.*

Strategic capital review (A/70/7/Add.43 and A/70/697)

Capital/refurbishment/construction projects across the United Nations system organizations (A/70/368 and A/70/368/Add.1)

25. **Mr. Cutts** (Assistant Secretary-General for Central Support Services), introducing the report of the Secretary-General on the strategic capital review (A/70/697), said that the review was a 20-year projection of capital requirements across the global premises of the Secretariat under a rolling programme to identify requirements and alert Member States to anticipated project proposals in future budget cycles. The key objectives were to provide safe and healthy working environments for United Nations delegates, visitors and staff over the long term; to comply with the Convention on the Rights of Persons with Disabilities; to maintain property value, maximize efficient use of existing space, modernize building systems and move towards more energy-efficient facilities; and to preserve heritage assets and minimize work disruption during capital improvement projects. The review covered eight major duty stations as well as 20 subregional offices of the regional commissions and the International Residual Mechanism for Criminal Tribunals in Arusha.

26. The report provided information on the ongoing refinement of the 20-year rolling capital programme as well as on the current status of capital projects and of feasibility studies for several proposed projects. It also provided an updated cost-benefit comparison of the incremental recapitalization, or proactive, approach to maintaining property and the run-to-fail, or reactive, approach. Given the added costs of swing space

requirements, additional soft costs for dedicated project management teams and additional remedial works required, the Secretariat estimated that the recommended incremental recapitalization approach could save the Organization roughly 32 per cent in total capital requirements over the following 50 years. That benefit alone was compelling, and was in addition to estimated savings of 12 per cent in ongoing operational costs and the avoidance of the risks inherent in large-scale projects by undertaking works gradually over time.

27. The report also included an updated list of proposed near-term capital projects at the United Nations Office at Nairobi, the Economic Commission for Africa in Addis Ababa, the Economic and Social Commission for Asia and the Pacific in Bangkok, and the Economic Commission for Latin America and the Caribbean in Santiago. The projects were organized according to priority needs in terms of life safety, modernization and programmatic objectives. The list had been updated to include the resource requirements approved by the General Assembly in the 2016-2017 programme budget in respect of pre-planning activities for the projects.

28. The Assembly had requested the Office of Central Support Services to ensure that best practices and lessons learned from the strategic capital review were disseminated among duty stations. The report provided updated guidelines for the management of the Organization's construction projects, issued in January 2016. The guidelines set global policy on the roles and responsibilities of various actors during different construction phases, with an emphasis on project controls, including risk management and the use of contingency funding.

29. The Office of Central Support Services continued to provide technical guidance, advice and support for capital projects undertaken by the Secretariat and, in response to recent Assembly resolutions, was currently considering how to strengthen its oversight role and ensure greater emphasis on risk management.

30. The strategic capital review and related projects were coordinated by the Overseas Property Management Unit. Due to the age, number and value of the buildings and infrastructure assets owned by the Organization, and the immediate work required to improve those assets, the workload of the Unit had increased significantly since 2010, when the total value

of ongoing construction projects had stood at only \$48 million. In 2016, the total value was more than \$900 million, with additional projects planned valued at over \$100 million. In that context, the Secretary-General intended to review the capacity of the Unit and make proposals in the proposed programme budget for the biennium 2018-2019.

31. The report included detailed information on accessibility for persons with disabilities, long-term accommodation needs at offices away from Headquarters, flexible workplace strategies, and budgeting and funding mechanisms; it was intended to serve as a planning tool for the Assembly in considering cross-cutting policy issues that affected capital planning across the Organization, and to allow planning for future capital requirements well in advance. The report was not intended to serve as a mechanism for seeking approval for specific project proposals. Rather, such proposals would be made either as part of the proposed programme budget or as stand-alone proposals, and the Assembly would be requested to consider individual proposals on their own merit.

32. The Assembly was requested to take note of the report and to request the Secretary-General to report at the main part of the seventy-second session of the Assembly.

33. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee ([A/70/7/Add.43](#)), said that the Advisory Committee welcomed the completion of the initial strategic capital review in May 2015 and the updated information provided in the report of the Secretary-General.

34. In its report, the Advisory Committee discussed issues related to the cost-benefit analysis of capital maintenance approaches and noted the comparative analysis by the Secretariat and the resultant cost estimates. However, the assumptions made for the comparative analysis had not been valid in terms of the current useful life of all buildings of the Organization and the calculation of values and maintenance costs. Furthermore, the selection of only five among 132 buildings and facilities from two locations might not reflect all aspects of the global property portfolio of the Organization.

35. The Advisory Committee noted that the Secretariat had recently issued guidelines for the

management of global construction projects to Headquarters and offices away from Headquarters, but was of the view that some aspects could be clarified. On project contingency provisions, the Advisory Committee reiterated its view concerning the Secretariat's interpretation that contingency provisions were part of the approved project budget and were separated from base project costs for presentation purposes only.

36. **The Chair** drew the Committee's attention to notes by the Secretary-General transmitting the report of the Joint Inspection Unit on capital/refurbishment/construction projects across the United Nations system organizations (A/70/368), as well as his comments and those of the United Nations System Chief Executives Board for Coordination thereon (A/70/368/Add.1), as well as written statements, circulated to the Committee, by the Joint Inspection Unit and the Chief Executives Board.

37. **Ms. Wairatpanij** (Thailand), speaking on behalf of the Group of 77 and China, welcomed the Secretary-General's development of a global property management framework in the context of the strategic capital review. The Group recognized the potential benefits of the property management framework, including identifying in advance deficiencies in buildings and structures to ensure compliance with building codes. The framework would also allow forecasting of capital maintenance requirements over a 20-year period and preparations to be made for the required funding and management. It should be updated on an ongoing basis to ensure effective and efficient maintenance of United Nations-owned buildings and facilities.

38. She noted that the Secretary-General had updated the list of prioritized capital projects to respond to critical aspects of life safety, modernization and maintenance as well as changing client needs, including accessibility. Prioritization was important to allow proper sequencing of the maintenance plan and mobilization of adequate resources. However, the Group would seek more information on changes in prioritization, including those related to maintenance and construction in Nairobi, Addis Ababa, Santiago and Bangkok. In that context, the Group welcomed the intention to engage host countries from the early planning phase of projects and to seek their assistance.

39. With regard to other reform initiatives under way, including flexible workplace strategies and the global service delivery model, the Secretary-General should indicate their effect on the strategic capital review in future updates.

40. The availability of the required human resource capacities and know-how in each duty station was a key element in the implementation of the strategic capital review, and the Group supported the proposal to strengthen capacities in that area. The review should address the accommodation needs of all United Nations offices and staff in accordance with General Assembly resolution 70/170, on the full realization of an inclusive and accessible United Nations for persons with disabilities. The Group was pleased to note that the report addressed access to United Nations facilities by persons with disabilities.

41. The Group paid close attention to the proposed oversight and governance structures. The services of the Office of Internal Oversight Services should be enlisted throughout the implementation of the projects proposed under the strategic capital review so that the Office could provide guidance and coordination to all offices away from Headquarters in all stages of construction and maintenance.

Agenda item 146: Financing of the International Residual Mechanism for Criminal Tribunals
(continued) (A/C.5/70/L.27)

Draft resolution A/C.5/70/L.27: Construction of a new facility for the International Residual Mechanism for Criminal Tribunals, Arusha branch

42. *Draft resolution A/C.5/70/L.27 was adopted.*
The meeting rose at 10.55 a.m.