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Chair: Mr. Tommo Monthe (Cameroon)
*Chair of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Ruiz Massieu

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

Statement by the President of the seventy-second session of the General Assembly

1. **Mr. Lajčák** (President of the General Assembly) said that, as the Fifth Committee faced a busy session, he wished to highlight three points. The first point was the need for awareness of the key role played by the Committee, whose resolutions reflected a commitment of the Member States to share the financial burden for the activities relating to the three pillars of the Organization: peace and security, human rights and development. The Committee's tasks, from approving budgets to monitoring expenditure and approving the Organization's administrative framework, should be exercised with thought and care.

2. The second point was the need for sound working methods, timely decision-making and a spirit of collegiality in order to ensure the success of the seventy-second session. He urged the Committee to continue to examine and improve its working practices. He particularly acknowledged the challenge posed by the late availability of documents and reports for the current session, and the late arrival from the other Main Committees of resolutions with programme budget implications, which must be examined by the Fifth Committee. He had encouraged the Chairs of those other Main Committees to keep the Chair of the Fifth Committee informed of progress with their business, and intended to remind the General Committee of the recommended deadline of 1 December to apply to any resolution with such budget implications. He stood ready to use his authority to speed up issuance of documentation, should the Chair of the Fifth Committee so request.

3. The third point was the need to bear in mind the impact on individuals of the Fifth Committee's decisions. The resources available, and the management of these resources, affected the Organization's ability to do its job — to improve the lives of people. United Nations staff, men and women who were an invaluable asset, were also directly affected by decisions of the Fifth Committee; it should therefore aim for timely decision-making so that staff had time to prepare for and adjust to any changes. The human needs of the Member States' representatives in the Fifth Committee should also not be forgotten. Those representatives deserved to spend holidays with family and friends. He wished to reassure the Committee that he would follow its work with keen interest, and remain at the disposal of the Chair and Bureau.

Agenda item 140: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/C.5/72/L.2)

Draft resolution A/C.5/72/L.2: Scale of assessments for the apportionment of the expenses of the United Nations: requests under Article 19 of the Charter

4. *Draft resolution A/C.5/72/L.2 was adopted.*

Agenda item 135: Programme budget for the biennium 2016–2017

United Nations Office for Partnerships
(A/72/167)

5. **Mr. Kennedy** (Senior Programme Officer, United Nations Office for Partnerships), introducing the 2016 report of the Secretary-General on the activities of the United Nations Office for Partnerships, recalled that the Office oversaw the United Nations Fund for International Partnerships (UNFIP) and the United Nations Democracy Fund (UNDEF), and provided partnership- and outreach-related advisory services to United Nations system, Government and non-governmental agencies, in support of the Sustainable Development Goals, and, more generally, in support of the implementation of the 2030 Agenda for Sustainable Development.

6. The purpose of UNFIP was to serve as the interface between the United Nations system and the United Nations Foundation, a relationship governed by the Revised and Restated Relationship Agreement between the United Nations and the United Nations Foundation, signed in 2014. The Agreement had established a Joint Coordination Committee to assist with that task. The cumulative grant allocations provided by the United Nations Foundation through UNFIP between 1998 and 2016 had reached \$1.4 billion, and covered 168 projects implemented in 127 countries by 48 United Nations entities. With regard to UNDEF, meanwhile, 49 new projects had received a total of \$10 million from the tenth round of funding in 2016, and 3002 proposals for assistance from the eleventh round of funding had been received by the December 2016 closing date for applications in that round. In 2016, the UNDEF Advisory Board had approved a revised post-project evaluation strategy, aimed at making better use of available expertise and exploiting lessons learned from project evaluations, all of which were published on the UNDEF website.

7. **Ms. Pereira Sotomayor** (Ecuador), speaking on behalf of the Group of 77 and China, said that UNFIP collaboration with many institutions to address global health priorities, including the elimination of preventable diseases such as poliomyelitis, measles,

rubella and malaria, as well as its advocacy for the health and wellbeing of women, children and adolescents, should continue and expand. The Group commended efforts in other fields, including telecommunications, refugee education, the empowerment of women, environmental protection and the promotion of democracy.

8. The Group encouraged the Office for Partnerships to continue engaging with potential partners to support Member States in their efforts to implement the 2030 Agenda and Addis Ababa Action Agenda, and to work closely with regional and subregional organizations. It believed that the Office should focus more closely on some aspects of the 2030 Agenda, notably the promotion of industry and services as a key component of sustainable development and job creation, particularly for young people and women. Also needing more concerted effort was capacity building to mobilize resources for the implementation of the Agenda. The Office should do its best to support Member States' national development plans. Lastly, the Group called for detailed information regarding best practices and available financial support to be shared with all of the Member States.

9. **The Chair** invited the Committee to adopt the customary oral draft decision on the United Nations Office for Partnerships, by which it would take note of the report of the Secretary-General on the activities of the Office.

10. *The draft decision was adopted.*

Agenda item 136: Proposed programme budget for the biennium 2018–2019

Revised estimates relating to the Office of Counter-Terrorism under section 3, Political affairs, section 29D, Office of Central Support Services, and section 36, Staff assessment, of the proposed programme budget for the biennium 2018–2019 (A/72/117 and A/72/7/Add.1)

Request for a subvention to the United Nations Institute for Disarmament Research resulting from the recommendations of the Board of Trustees of the Institute on the work programme of the Institute for 2018–2019 (A/72/369 and A/72/7/Add.2)

Conditions of service and compensation for officials, other than Secretariat officials, serving the General Assembly: full-time members of the International Civil Service Commission and the Chair of the Advisory Committee on Administrative and Budgetary Questions (A/72/366)

11. **Ms. Bartsiotas** (Controller), introducing the report of the Secretary-General on revised estimates relating to the Office of Counter-Terrorism under section 3, Political affairs, section 29D, Office of Central Support Services, and section 36, Staff assessment, of the proposed programme budget for the biennium 2018–2019 (A/72/117), recalled that the General Assembly, in its resolution 71/291, had welcomed the recommendations contained in the report of the Secretary-General on the capability of the United Nations system to assist Member States in implementing the United Nations Global Counter-Terrorism Strategy (A/71/858), and had decided to establish the Office of Counter-Terrorism. In the same resolution, it had welcomed the initiative of the Secretary-General to transfer to that Office the staff and associated regular budget and extrabudgetary resources of the Counter-Terrorism Implementation Task Force and the United Nations Counter-Terrorism Centre.

12. The report reflected the transfer of six posts, plus associated post and non-post resources, from the Counter-Terrorism Implementation Task Force in the Department of Political Affairs, under section 3, Political affairs, of the proposed programme budget for the biennium 2018–2019, to the Office of Counter-Terrorism, under the same section. The Secretary-General had also proposed the allocation of \$1.1 million in additional resources, covering the associated posts approved by the General Assembly in resolution 71/291, and an allocation for the Office of Central Support Services, for general operating expenses.

13. Introducing the note by the Secretary-General on the request for a subvention to the United Nations Institute for Disarmament Research (UNIDIR) resulting from the recommendations of the Board of Trustees of the Institute on the work programme of the Institute for 2018–2019 (A/72/369), she said that, in accordance with General Assembly resolution 60/248, General Assembly resolution 70/69, the statute of the Institute and the recommendations contained in the report of the Secretary-General on the work of the Advisory Board on Disarmament Matters (A/70/186), the General Assembly was being requested to approve a subvention to UNIDIR of \$2,074,700. The related resource provision, which included an amount of \$1,774,700 for the core institutional staffing funding requirements of the Institute and an amount of \$300,000 for an assessment by an independent third party with a mandate to prepare a report on the future structural, financial, administrative and operational aspects of the Institute, had been included under section 4, Disarmament, of the proposed programme budget for the biennium 2018–2019.

14. Introducing the report of the Secretary-General on conditions of service and compensation for officials, other than Secretariat officials, serving in the General Assembly: full-time members of the International Civil Service Commission and the Chair of the Advisory Committee on Administrative and Budgetary Questions (A/72/366), she recalled that the General Assembly, in section III, paragraph 8, of its resolution 65/268, had decided that the conditions of service and compensation of the full-time members of the International Civil Service Commission and of the Chair of the Advisory Committee on Administrative and Budgetary Questions should be reviewed every four years. Furthermore, pursuant to section III, paragraph 9, of the same resolution, reports containing such reviews were to be submitted, on an exceptional basis, directly to the General Assembly.

15. The Secretary-General proposed that the new education grant scheme and the relocation package approved by the General Assembly in its resolution 70/244 should be extended to the three officials concerned. No other changes were proposed to their other conditions of service. In connection with the decision by the General Assembly, in its resolution 65/268, that the annual net compensation of the three officials should be subject to a cost-of-living adjustment equivalent to the annual change in the midpoint net base salary of the most senior Secretariat officials, those cost-of-living adjustments would be reported in the context of the relevant performance reports.

16. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on revised estimates relating to the Office of Counter-Terrorism (A/72/7/Add.1), said that the Advisory Committee had taken note of the explanation provided by the Secretary-General in his report on that subject (A/72/117) that, owing to the timing of General Assembly resolution 71/291, which had established the Office, it had not been possible to include the related resource requirements in the main budget proposal, and that they were therefore being presented in the form of revised estimates, in line with existing budgetary procedures. Taking account of the fact that the proposed resources represented the programme budget implications for the entire biennium of the decisions already made by the General Assembly, the Advisory Committee recommended that the General Assembly should approve the resources requested.

17. Introducing the report of the Advisory Committee on the request for a subvention to the United Nations Institute for Disarmament Research (A/72/7/Add.2), he said that the Advisory Committee recommended

approval of that request, which included a one-time allocation for a third-party independent assessment of UNIDIR, subject to the Advisory Committee's recommendation of a reduction in the funds for that independent assessment. The Committee was scheduled to consider at a later date the further remarks and recommendations made by the Advisory Committee in connection with section 4, Disarmament, of the proposed programme budget for the biennium 2018–2019.

18. **Ms. Pereira Sotomayor** (Ecuador), speaking on behalf of the Group of 77 and China, said that the Group supported the proposed subvention to UNIDIR, looked forward to the third-party independent assessment and welcomed the call of the Board of Trustees for the Institute to have a sustainable and stable funding structure and operating model, consistent with the mandate and objectives contained in its statute. The Group had noted that the proposal regarding compensation and other conditions of service for the full-time members of the International Civil Service Commission and of the Chair of the Advisory Committee entailed no change, but wished to receive clarification in the informal consultations of the Fifth Committee of the current level of the cost-of-living adjustment for those officials.

19. **Ms. Tripathi** (India) said that her delegation hoped that the Committee would approve by consensus the vital proposed allocation of funds to cover the posts required for the operation of the newly-created Office of Counter-Terrorism. It had noted the intention also to use extrabudgetary resources to support the activities of the Office. The establishment of the Office was an eagerly-awaited first step in enhancing coordination of the Organization's counter-terrorism efforts and in aligning collective action with a global reality that had changed. In order to fulfil its mandate effectively, the Office must have the ability to engage Member States at a higher political level and to cooperate with other international organizations involved in counter-terrorism. The establishment of the Under-Secretary-General post to head the Office was an important step in that direction.

20. At a time when terrorist networks were making increasing use of cyberspace, and particularly social media and other platforms, to create transnational networks, the Member States should not hinder action to tackle that menace by creating barriers in the form of political boundaries or bureaucracy. There had never been a stronger rationale for Organization-wide action on terrorism, increased coordination, and greater cooperation among stakeholders. No country was immune to the scourge of terrorism. While her delegation welcomed the allocation of additional resources and the

reallocation of existing budgetary and extrabudgetary resources to the Office, the availability of regular-budget funds to implement the ambitious mandate of the Office remained disproportionately low. Many of the efforts focused on the four pillars of the Global Counter-Terrorism Strategy would need to be funded from extrabudgetary resources.

21. The collective political will of all Member States must be translated into an effective strategy for coordinated action by the United Nations system. The newly-created Office merited commensurate appropriation of resources, particularly from the regular budget. Such action would help to maintain continuity, transparency and Member-State oversight in that important area of the Organization's work.

Agenda item 138: Improving the financial situation of the United Nations

22. **Ms. Beagle** (Under-Secretary-General for Management), accompanying her statement* with a digital slide presentation, said that she would focus on four main financial indicators: assessments issued, unpaid assessed contributions, available cash resources and outstanding payments to Member States in respect of three budget categories: the regular budget, peacekeeping and the international tribunals. While the 2017 financial indicators for peacekeeping operations and the international tribunals had remained generally sound and positive, regular-budget resources were exhausted, with reserves at low levels. Severe cash problems in the final months of 2017 would occur unless sufficient contributions were received. That situation was not unprecedented. As always, the Secretariat was making every effort to process payments for troop-contributing countries and for contingent-owned equipment expeditiously. As a result, outstanding payments to the Member States concerned had decreased significantly.

23. Concerning the regular budget, the level of assessments issued in 2017 had slightly exceeded the level of assessments issued in 2016. The level of payments received by 30 September 2017 had been slightly below the equivalent level for 2016. By 30 September 2017, 134 Member States, 8 more than in 2016, had paid their regular budget assessments in full. Since 30 September 2017, Poland had joined those Member States, which she thanked for their efforts. The remaining 58 Member States were urged to pay their assessed contributions in full as soon as possible. Cash resources available for the regular budget under the General Fund included the Working Capital Fund (at the

level of \$150 million established by the General Assembly) and the Special Account (currently standing at \$201 million). On 30 September 2017, the cash shortfall had stood at \$142 million, an amount covered by the Working Capital Fund. Taking into account the level of reserves, the cash available on that date had stood at \$209 million.

24. In May 2017, when the General Assembly had received its most recent briefing on the financial situation of the Organization, the view had been expressed that the cash position of the regular budget would be tighter toward the end of the year. There had in fact been regular budget cash shortfalls in August and September 2017. Unless sufficient contributions were received, problems would be more severe in the final months of 2017. The combined level of the Working Capital Fund and Special Account, \$351 million, was sufficient to cover only six weeks of regular budget requirements. The level of the Working Capital Fund would be addressed as part of the Secretary-General's management reform proposals.

25. Peacekeeping operations had a different financial period from the regular budget (from 1 July to 30 June, rather than a calendar year). Moreover, separate assessments were issued for each operation and, since assessments could only be issued for the mandate period authorized by the Security Council for each mission, they were issued for different periods throughout the year. A total of \$6.1 billion had been assessed for peacekeeping operations in 2017, with \$5.4 billion received so far. On 30 September 2017, the total amount outstanding for peacekeeping operations had stood at approximately \$2.5 billion, including recent assessments for the United Nations Interim Force in Lebanon (\$419 million) and the United Nations Support Office in Somalia (\$462 million), following extension of their mandates.

26. The Secretariat understood that the unpredictable amount and timing of peacekeeping assessments throughout the year, and the differing fiscal years of Member States, made it more difficult to keep payments fully current. On 30 September 2017, 32 Member States had paid all peacekeeping assessments in full. Since 30 September 2017, Angola and Denmark had joined those Member States, which she thanked for their efforts. On 30 September 2017, the total cash available for peacekeeping, including the resources of the Peacekeeping Reserve Fund, had stood at approximately \$3.4 billion, broken down as follows: approximately \$3.1 billion in the accounts of active missions, \$174 million in closed mission accounts, and \$138 million in the Peacekeeping Reserve Fund.

* Information subsequently circulated in document A/72/522.

27. The Secretariat had continued its efforts to reduce the level of outstanding payments to a minimum, and had achieved a record reduction of the amount outstanding. Only \$1 million was owed to Member States for troops and formed police units. With regard to claims for contingent-owned equipment, \$404 million was owed in the case of active missions, and \$86 million was owed in the case of closed missions. The total of \$491 million was a significant reduction. However, reimbursements would be kept current and the total amount owed was projected to decrease to \$804 million at the end of 2017. The Secretary-General was committed to meeting obligations to Member States providing troops and equipment as expeditiously as possible. The Secretariat monitored the peacekeeping cash flow situation constantly with a view to maximizing payments, depending on available cash and statistical information.

28. The overall financial position of the international tribunals and the International Residual Mechanism for Criminal Tribunals had remained generally sound in 2017, and was expected to remain so. As a result of the closure of the International Criminal Tribunal for Rwanda, assessments had been issued only for the International Tribunal for the Former Yugoslavia and the Residual Mechanism. On 30 September 2017, unpaid assessments for the tribunals had stood at \$49 million, \$6 million lower than one year previously. By 30 September 2017, 106 Member States, 5 more than one year previously, had paid their assessed contributions for the tribunals and the Residual Mechanism in full.

29. In conclusion, she paid tribute to the 31 Member States that had paid all assessments in full, as the financial health of the Organization continued to depend on Member States meeting their financial obligations in full and on time. Sound cash flow was essential to enable the Organization to fulfil its mandates. The Secretariat, meanwhile, had continued to improve its processes. As an example, in June 2017 it had offered Member States the option of receiving assessment letters by email; 87 Member States had exercised that option, and she urged the remaining Member States to do the same, as it created a faster and more streamlined assessment process.

The meeting rose at 11.10 a.m.