



# General Assembly

Sixty-eighth session

Official Records

Distr.: General  
27 March 2014

Original: English

---

## Fifth Committee

### Summary record of the 32nd meeting

Held at Headquarters, New York, on Tuesday, 25 March 2014, at 10 a.m.

*Chair:* Mr. Taalas ..... (Finland)  
*Vice-Chair of the Advisory Committee on Administrative  
and Budgetary Questions:* Mr. Chernikov

## Contents

Agenda item 134: Programme budget for the biennium 2014-2015 (*continued*)

*Proposed terms of reference for the representative of the Secretary-General for  
the investment of the assets of the United Nations Joint Staff Pension Fund*

*Revised estimates relating to the programme budget for the biennium 2014-  
2015 under section 22, Economic and Social Commission for Western Asia,  
and section 33, Construction, alteration, improvement and major maintenance*

---

This record is subject to correction.

Corrections should be sent as soon as possible, under the signature of a member of the delegation concerned, to the Chief of the Documents Control Unit ([srcorrections@un.org](mailto:srcorrections@un.org)), and incorporated in a copy of the record.

Corrected records will be reissued electronically on the Official Document System of the United Nations (<http://documents.un.org>).

14-27524 (E)



Please recycle A small graphic of a recycling symbol, consisting of three chasing arrows forming a triangle.



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

**Agenda item 134: Programme budget for the biennium 2014-2015 (continued)**

*Proposed terms of reference for the representative of the Secretary-General for the investment of the assets of the United Nations Joint Staff Pension Fund (A/68/753 and A/68/805)*

1. **Ms. Pollard** (Assistant Secretary-General for Human Resources Management), introducing the report of the Secretary-General on the proposed terms of reference for the representative of the Secretary-General for the investment of the assets of the United Nations Joint Staff Pension Fund (A/68/753), said that, over the previous ten years, the assets of the Pension Fund had doubled from \$23 billion to \$50 billion. In the light of that growth and the complexity of the Fund's investments, it was time to establish the representative of the Secretary-General as a full-time position. In its report on the administrative expenses of the Pension Fund and amendments to the regulations of the Fund (A/68/303), the United Nations Joint Staff Pension Board had proposed that the position should be established at the Assistant Secretary-General level for the performance of functions that were currently being discharged on a part-time basis by a senior United Nations official.

2. The Pension Fund's Investment Management Division required strengthened and coordinated management and stronger leadership. The representative of the Secretary-General would lead the increasingly complex and demanding operations in respect of strategy and policy analysis, which was an important task, given that 97 per cent of the Fund's performance was attributable to strategic asset allocation. The representative would also address the Division's operational risks by coordinating and aligning all operations and functions within a coherent management framework.

3. The terms of reference for the position had been developed in consultation with the Pension Board and had been reviewed by the Advisory Committee on Administrative and Budgetary Questions. The representative of the Secretary-General would provide overall leadership and management of the Investment Management

Division. The representative would liaise with the Pension Board, the Advisory Committee and the General Assembly on the performance of the Fund's investments, providing answers and explanations on matters of performance, the structure of the portfolio, investment policies and strategies, the investment outlook and the financing of operations. That individual would also liaise and consult with the Fund's oversight bodies — the Board of Auditors, the Fund's Audit Committee and the Office of Internal Oversight Services — and ensure the implementation of recommendations from those bodies as appropriate. The position would be located in the Pension Fund secretariat and the representative would report directly to the Secretary-General.

4. **Mr. Chernikov** (Vice-Chair, Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/68/805), said that, in the absence of classification standards for posts at the senior levels, the Advisory Committee had compared the functions of the proposed full-time representative with a number of Assistant Secretary-General posts in the Department of Management and considered that the duties and responsibilities in the proposed job description were generally in line with other posts at that level. Subject to the comments and recommendations contained in the Advisory Committee's report, the Advisory Committee recommended that the Assembly should take note of the proposed terms of reference.

5. The Advisory Committee was of the view that a range of skills from the private and public sectors that could be useful in exercising the functions of representative of the Secretary-General for investment of assets of the Fund, including experience in investment portfolio management. It recommended that the Assembly should request the Secretary-General to make every effort to ensure that the pool of eligible candidates included suitably qualified senior figures from the relevant fields and, to that end, to ensure broad dissemination of the vacancy announcement for the post, including by circulating notes verbales to Member States and targeting industry publications and relevant institutions. The Advisory Committee expected that the recruitment process would be transparent.

6. With respect to the length of the representative's appointment, the Advisory Committee recommended that the same practice should be followed as for other posts at a similar level. It also expressed the view that appointment to the post should be at the sole discretion of the Secretary-General.

7. **Ms. Rios Requena** (Bolivia), speaking on behalf of the Group of 77 and China, said that the Group wished to reaffirm that, under article 19 of the regulations of the Pension Fund, the Secretary-General had fiduciary responsibility for deciding upon the investment of the Fund's assets. She recalled that, by its resolution [68/247](#), the Assembly had requested the Secretary-General to prepare the terms of reference for the post of his representative for such investment and had also decided to maintain the current structure of the Fund. The Group would carefully examine the information provided by the Secretary-General and the related comments and recommendations of the Advisory Committee, particularly with regard to qualifications, experience, management structure, reporting lines, and compliance with the existing provisions governing recruitment to the United Nations and the structure of the Pension Fund. The Group would be interested to learn the placement of the representative in the structure of the United Nations Secretariat.

8. She reaffirmed the mandate of the Pension Board as a subsidiary organ of the General Assembly, as well as the mandate of the Fifth Committee as the Main Committee of the Assembly with responsibility for administrative and budgetary matters, emphasizing that any change to or discontinuation of that mandate was the sole prerogative of the Assembly.

*Revised estimates relating to the programme budget for the biennium 2014-2015 under section 22, Economic and Social Commission for Western Asia, and section 33, Construction, alteration, improvement and major maintenance ([A/68/748](#) and [A/68/808](#))*

9. Mr. Huisman (Director, Programme Planning and Budget Division), introducing the Secretary-General's report on revised estimates relating to the programme budget for the biennium 2014-2015 under section 22, Economic and Social Commission for Western Asia (ESCWA), and section 33,

Construction, alteration, improvement and major maintenance ([A/68/748](#)), said that the report described proposed mitigation measures to strengthen the safety and security of United Nations staff at the Commission, based in Beirut, and set out the related resource requirements for the biennium 2014-2015.

10. Since 2005, when the security situation in Lebanon had started to deteriorate, ESCWA, in collaboration with the Department of Safety and Security, had implemented a series of measures that included installing T-walls, crash barriers and a perimeter access control system. Recently, the security situation had deteriorated further, as evidenced by a series of targeted explosions throughout the country and the capital region.

11. In late 2013, under the authority conferred on him by General Assembly resolution [66/249](#), the Secretary-General had commissioned a specialist firm to conduct a comprehensive blast assessment of United Nations House in Beirut. The report and findings of the assessment had been received in January 2014. The assessment identified a number of structural reinforcement measures that would mitigate the exposure to higher intensity blasts and substantially decrease the impact of a vehicle-borne improvised explosive device. The measures were interim in nature, as possible future increased risks to the Commission at its current location could not be fully mitigated; however, they represented the best solution at the present time.

12. The proposed project would take 18 months to complete. The resource requirements for the biennium 2014-2015 under the programme budget amounted to \$7,306,900 in non-recurrent costs, comprising increases of \$399,100 under section 22, Economic and social development in Western Asia; \$6,907,800 under section 33, Construction, alteration, improvement and major maintenance; and \$53,600 under section 36, Staff assessment, to be offset by a corresponding amount under income section 1, Income from staff assessment. The non-recurrent amount of \$7,306,900 would represent a charge against the contingency fund for the biennium 2014-2015.

13. The resource requirements included the proposed establishment of two general temporary

assistance positions, one at the P-4 level and one at the Local level.

14. **Mr. Chernikov** (Vice-Chair, Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/68/808), said that the Advisory Committee took note of the deteriorating security situation in Lebanon and the vulnerability of ESCWA headquarters to attack with an explosive device owing to its location in the centre of Beirut and its architectural design. The Advisory Committee therefore recognized the continued risk to United Nations staff, notwithstanding the mitigation measures already taken, and recommended that the Assembly should encourage the Secretary-General to intensify his engagement with the host country in order to find a lasting solution to the issue of a new permanent location for ESCWA headquarters.

15. With respect to the \$7.3 million in resource requirements proposed for the structural enhancement of the ESCWA building, the Advisory Committee recommended reductions in the percentages used to calculate the overhead and contingency provisions that had been factored into the resource estimates. The Advisory Committee found it regrettable that such significant information had not been included in the Secretary-General's report and also questioned the method used to calculate the contingency provisions.

16. The Advisory Committee further recommended that the Assembly should approve the establishment of one temporary position at the P-4 level to serve as project manager. However, taking into account the Commission's staffing capacity, it recommended against the proposed establishment of a temporary Local level position for the project.

17. **Ms. Rios Requena** (Bolivia), speaking on behalf of the Group of 77 and China, said that the Group supported the Secretary-General's proposals on the establishment of two temporary positions and the allocation of additional resources in the amount of \$7.3 million under the programme budget for the biennium 2014-2015 in order to ensure the effectiveness and efficiency of ESCWA and the safety and security of its staff.

*The meeting rose at 10.40 a.m.*