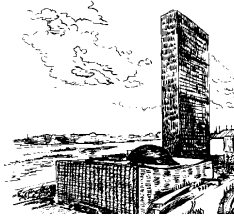


## Part 7



# Administration and Budget

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## Current Financial Situation of the United Nations

The financial situation of the United Nations improved considerably during 2001, as compared to previous years. Payments by UN member states, including credits utilized, amounted to \$4.437 billion in 2001. This represented the highest level of contributions received in any one year in the UN's history. UN members reduced total arrears from \$2.258 billion in 2000 to \$2.106 billion in 2001. The United States experienced the largest reduction in the level of arrears of any single UN member—from \$1.321 billion in 2000 to \$871 million at the end of 2001. As a result of payments made by the United States and other members, the United Nations was able to minimize its practice of cross-borrowing from peacekeeping accounts in order to finance temporary cash deficits in the regular budget. Of the total \$38 million that was cross-borrowed during 2001, all of it was repaid by the end of the year.

The most significant event leading to the UN's improved financial situation in 2001 was the payment record of the United States. The United States contributed nearly \$1.7 billion in 2001 toward its UN assessments, including \$582 million toward arrears for UN peacekeeping operations. The \$582 million was comprised of cash and credits (\$475 million and \$107 million, respectively) and represented payment of the second "tranche" of the U.S. arrears funding plan, as called for by the Helms-Biden legislation in 1999. In addition to arrears and current period assessments, the U.S. contribution also included \$31 million from monies provided by Ted Turner related to the earlier decision of the General Assembly to reduce the assessment ceiling rate from 25 to 22 percent for the UN regular budget.

The improved payment pattern of other UN member states also contributed to the UN's improved financial situation. A total of 135 UN member states paid their regular budget assessments in full during 2001. The total collections of regular budget assessments from all UN members amounted to \$1.06 billion in 2001, including \$297 million from the United States. In a significant development, the Russian Federation paid the remainder of its long-standing arrears for UN peacekeeping operations.

The payment was in addition to Russia's payment of its current period assessments for peacekeeping and for the UN regular budget. The total dollar amount of these payments was approximately \$101 million.

As a result of its improved financial situation, the United Nations was able to reduce its debt to member states for troop and contingent-owned equipment costs relating to UN peacekeeping operations. The total debt of \$1.657 billion (comprised of \$917 million from previous years and \$740 million in new obligations incurred in 2001) was reduced to \$748 million by the end of 2001. Looking ahead, the United Nations estimated that, during the course of year 2002, all troop obligations through July 2002 would be paid, thus leaving a balance of only six months of unpaid troop costs at year end.

## **UN Budget**

The General Assembly considered two UN budgets during its regular session in autumn 2001. It endorsed, on a provisional basis, augmentation of the final UN budget for the biennium 2000–2001, and it approved appropriations for the initial UN budget for the biennium 2002–2003. The General Assembly adopted by consensus the resolutions regarding both UN budgets.

On December 23, 2001, the UN General Assembly adopted resolution 56/240 regarding the final level of the UN program budget for the biennium 2000–2001. The resolution “resolved” that the amount of \$2,533,125,400 appropriated previously under resolution 55/239A (in December 2000) would be augmented by commitment authority of \$28,452,600 to take account of: (1) additional costs identified by the Secretary-General in his second performance report for the 2000–2001 UN budget, as contained in UN document A/56/674, and (2) the subvention of \$650,000 from the UN regular budget to the Trust Fund of the UN International Research and Training Institute for the Advancement of Women. The use of commitment authority did not establish a final budget level for the 2000–2001 biennium. Instead, the General Assembly decided by the same resolution to defer consideration of the final appropriation level of the 2000–2001 budget to its resumed session in March 2002. The decision to defer reflected the concerns of some members, including the United States, that the additional costs identified in the budget performance report lacked sufficient precision to enable the General Assembly to make a final determination on the level of appropriations and assessments. As part of the normal budget process, the Secretary-General submits a revised performance report at the resumed session to reflect changes, if any, in the earlier estimates regarding additional costs.

On December 23, 2001, the General Assembly adopted resolutions 56/253 and 56/254 approving the 2002–2003 UN budget at a level of \$2,625,178,700. The approved budget was 2.5 percent higher than the provisional budget endorsed for the previous biennium (including commit-

ment authority), but considerably below the level proposed by the Secretary-General and the additional proposals submitted by some UN member states during the course of the budget deliberations in the Fifth Committee. The combination of these proposals—from the Secretary-General and from member states—could have raised the overall budget level to approximately \$2.7 billion for the biennium. Moreover, the higher budget level reflected primarily the impact of non-discretionary cost increases (inflation and exchange rates), as well as new initiatives in priority areas supported by the United States such as enhanced security measures for UN personnel.

The negotiations leading to consensus adoption of the 2002–2003 UN budget were difficult. Consistent with its approach to budget discipline in the United Nations, the U.S. delegation was able to achieve broad support for an array of measures that reduced the overall budget increases proposed by the Secretary-General and by member states. The measures included adjustment of the vacancy factors used in the budget to calculate staff costs; the elimination of all upward reclassification of posts requested by the Secretary-General in his budget proposal; and reductions in the resource levels requested by the Secretary-General in the following areas: staff travel (\$2.8 million); contractual services (\$6.4 million); general operating expenses (\$19.7 million); supplies and materials (\$1.4 million); furniture and equipment (\$7.2 million); consultants and experts (\$2 million); and information technology (\$10 million).

In accordance with UN budget procedure, the General Assembly will review the initial 2002–2003 UN budget in autumn 2002 in the context of the Secretary-General's first performance report for the biennium. It is likely the initial budget level will be revised to take into account updated rates of inflation and exchange, and other factors that may be approved by the General Assembly in the course of this review.

## **Scale of Assessments**

The Fifth Committee, which deals with administrative and budgetary matters, considered the scales of assessments agenda item and focused primarily on measures to encourage member states to pay assessments in full and on time. The Committee discussed various incentive and disincentive measures, including possible changes to the UN's method for the calculation of loss-of-vote under Article 19 of the UN Charter and the use of multi-year payment plans to encourage members' payment of long-standing arrears. During the debate, the Fifth Committee had before it the report of the UN's Committee on Contributions (documents A/56/11 and Add. 1), which contained background material and recommendations on these and related issues.

Among the more difficult issues considered during the Fifth Committee's debate was the introduction of possible changes to the UN's method for calculating the Article 19 sanction. Some UN members favored a more

stringent approach to the UN's calculation of the Article 19 sanction, including: (1) the introduction of a semi-annual schedule for the UN's calculation of loss of vote, and (2) the introduction of a "net-net" system to calculate assessments and arrears in the UN's loss-of-vote formula (which would replace the current "net-gross" system, which gives greater latitude to members in avoiding the Article 19 sanction). Other UN members, including the United States, opposed the measures, noting that developing countries would be most adversely affected by these, if implemented. Because developing countries already faced difficult economic circumstances, the imposition of the proposed measures would increase the number of developing countries subject to loss-of-vote. The same members also felt there was no evidence that the new measures would lead to any improvement in the financial situation of the United Nations. Accordingly, there was no agreement in the Fifth Committee to accept new, more stringent measures regarding the calculation of the loss-of-vote provision under Article 19.

The Fifth Committee viewed favorably proposals regarding the use of multi-year payment plans by members to reduce or eliminate their long-standing arrears.

The General Assembly adopted Resolution 56/243, Scales of Assessments for the Apportionment of the Expenses of the United Nations, without a vote on December 23, 2001. The resolution:

- recognized that multi-year payment plans could be helpful in allowing member states to demonstrate their commitment under Article 19 to pay their arrears, thereby facilitating consideration of applications for exemption by the Committee on Contributions;
- requested the Secretary-General to propose guidelines for such multi-year plans through the Committee on Contributions;
- encouraged member states to provide the Secretariat with information about their intentions to clear their accumulated arrears; and
- requested the Secretary-General to propose or consider further measures to encourage member states to reduce and eventually pay their arrears, and to report thereon to the General Assembly during the main part of its 57th session.

In an earlier decision adopted on July 25 (Decision 55/473C), the General Assembly granted temporary exemption from loss of voting rights to four UN member states: Burundi, Comoros, Republic of Georgia, and Republic of Moldova. The exemptions were based on the recommendations of the Committee on Contributions and would remain in effect until June 30, 2002. Under Article 19 of the UN Charter, member states may be granted temporary exemption if it is determined that the failure to pay arrears is due to conditions beyond the control of the members. Voting rights are restored automatically if the level of accumulated arrears goes

below the level of total annual assessments for two previous calendar years.

### **Committee for Program and Coordination (CPC)**

The 41st session of the Committee for Program and Coordination (CPC), which met June 11–July 6 in New York, recommended approval of the programmatic aspect of the Secretary–General’s proposed budget for 2002–2003 (except for Human Rights) and made numerous recommendations to strengthen UN activities in a variety of areas. CPC, comprised of 34 elected members (including the United States), is the main subsidiary organ of the Economic and Social Council (ECOSOC) and the General Assembly for planning, programming, and coordination.

Two of the Committee’s most important and time–consuming agenda items are the Medium–Term Plan, which translates legislative mandates into a program of action and is considered in even–numbered years, and the biennial budget, which provides resources to carry out the Medium Term Plan and is considered in odd–numbered years. In 2001, the Committee’s work was primarily dedicated to two issues: the programmatic aspects of the proposed UN budget for 2002–2003, and a variety of evaluation and coordination reports aimed at improving UN activities.

While the United States and many others expressed support for the programmatic aspect, there was decidedly mixed support for the dollars proposed. Most delegations spoke in support of the Secretary–General’s proposed budget, with some members suggesting zero real growth as the appropriate way to arrive at the overall budget level. Many members expressed satisfaction with the new results–based format and suggested ways to draw clearer linkages between the Medium–Term Plan and the requests for resources. The United States called on the Secretary–General to continue his efforts to keep the budget within its current level, and pointed out that existing rules requiring program evaluation need to be applied so that decision–makers have necessary information. After a long and tension–filled series of meetings, the Committee recommended approval of the program narrative of the budget with relatively minor changes in most areas. Because of its controversial nature, in particular the question of the right to development, mandates for special rapporteurs, and the Human Rights Center, the section dealing with Human Rights activities was not recommended for approval but merely submitted to the General Assembly for further consideration. Because of time constraints, the CPC postponed discussion of Human Rights until the Fifth Committee’s fall meeting. The General Assembly, during its 56th session, accepted CPC’s recommendations regarding the proposed program budget and reached agreement as well on the Human Rights section of the budget. In the end, an agreement was struck which coincided with the U.S. position that involved taking language from the Medium–Term Plan and put-

ting it into the budget narrative, thereby preserving the activities of the Human Rights Center.

Program evaluations dealt with UN activities in the fields of sustainable development, population, international drug control, crime prevention and criminal justice, the Special Initiative on Africa, the advancement of women, and the general topic of UN efficiency. By and large, except for the evaluation of the Special Initiative for Africa, the Committee agreed with most of the recommendations for improving program activities. Many African countries, as well as the United States, acknowledged the lack of accomplishments of the Special Initiative for Africa. The Committee agreed to request that another, more comprehensive evaluation be conducted for review during CPC's 42nd session. One of the reports, *Review of the Administrative and Financial Functioning of the United Nations*, summarized some of the main management and other reforms made by the United Nations over the past several years. While some members criticized the report for its failure to address the effects of the reform measures, others, including the United States, applauded the Secretary-General for implementing key improvements such as results-based budgeting, human resources management reform, and enhanced accountability. The United States, along with other reform-minded members of CPC, played a key role in shaping the Committee's conclusions and recommendations on this review. Some members had expressed great dissatisfaction that the report did not provide analysis of the effect of UN reforms to date and wanted the Committee to criticize the Secretary-General for this. The United States was able to diffuse this effort, resulting in a CPC report that just "takes note" of the document.

The Committee will meet for its 42nd session in June 2002 to consider proposed changes to the Medium-Term Plan and examine the Secretary-General's proposed budget outline for 2004-2005.

## **Audit Reports**

The Board of Auditors serves as the external auditor of the accounts of the United Nations, its funds and programs and the International Court of Justice. The Board is composed of the Auditors-General of three member states—currently these are the Philippines, South Africa, and France. Consensus Resolution 55/248 of April 12, 2001, extended the term of Board members from three years to six years beginning July 1, 2002, and established transitional arrangements that resulted in an extended term for South Africa. The resolution established that members of the Board shall be elected for a non-consecutive term of six years. The Board submits reports to the General Assembly annually or biennially depending on the financial periods of the respective organizations.

Since the Board of Auditors issues most of its reports in even-numbered years (in line with the financial periods of most of the organizations under its purview, which are biennial ending in odd-numbered years), the

General Assembly had only two major reports to consider in 2001, one on peacekeeping operations (A/55/5, Volume II) and the other on the UN High Commissioner for Refugees (UNHCR) (A/56/5/Add.5). Other reports on the implementation of audit recommendations and the observations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) were also considered by the Fifth Committee and later acted on by the General Assembly.

The report on peacekeeping operations for the year ended June 30, 2000, was issued late and thus discussed in May 2001. Joining other delegations, the U.S. delegate expressed concern about the late issuance and requested that the report be issued on time in the future. He also raised questions about several instances of noncompliance with UN financial regulations and sought reasons for the high vacancy rates in key peacekeeping missions. The prime reason given for high vacancy rates was that the missions are mobilized more quickly than it takes to get staff in place. Because of the undesirability of many locations, recruitment of staff, especially high quality staff, can be long and difficult. Some remedies to this situation included providing incentives to staff, such as hardship allowances and preferences for positions back at headquarters after leaving the mission. Missions were also given direct-hire authority to speed up the recruitment process. The General Assembly adopted Resolution 55/220C by consensus on June 14, 2001. It endorsed the Board's recommendations and further requested the Secretary-General to ensure that peacekeeping managers make full use of the "objective-setting" approach in their administration of peacekeeping missions.

The UNHCR report was considered in fall 2001. While the auditors reported that UNHCR financial statements conformed to UN accounting standards and represented the true financial position of the Organization, they qualified this report by pointing out that some of UNHCR's managers did not have sufficient evidence of proper expenditures in the form of sub-project monitoring reports. The U.S. delegate, joining other member states, emphasized the value of strong oversight and urged UNHCR to implement the auditors' recommendations. The United States continued to emphasize the importance of ensuring compliance with audit certification requirements by UNHCR's implementing partners and stressed that staff members should be held accountable for their failure to comply with UNHCR's financial and operational regulations. The General Assembly adopted Resolution 56/233 on December 24, which endorsed the audit recommendations. The United States strongly supported the resolution, which requested UNHCR to take all necessary steps to avoid qualified audit opinions in the future.

The Board of Auditors also issued a related report (A/56/66) on the implementation of its recommendations on the accounts of the United Nations for the biennium that ended December 31, 1999. The U.S. delegate expressed appreciation that managers were expeditiously implement-

ing the Board of Auditors' recommendations and urged the UN organizations to continue this effort until all issues are resolved and their operations improved. The General Assembly welcomed this report and the related ACABQ report in its above-cited December 24, 2001 resolution.

## **Joint Inspection Unit (JIU)**

The Joint Inspection Unit (JIU) is the only external oversight body of the whole UN system. It is accountable to member states and has broad powers to conduct inspections, investigations, and evaluations system-wide regarding matters having a bearing on the efficiency of services and the proper use of resources.

The Unit, composed of 11 inspectors, proposes reforms or makes recommendations aimed at improving management and achieving greater coordination among system organizations. Inspectors serve in their own personal capacities as financial, administrative, or legal experts and are appointed by the UN General Assembly for five-year terms. M. Deborah Wynes (United States) was elected in December 2001 to a seat on the JIU and will begin her term on January 1, 2003. The United States won this election on the second ballot over candidates from France and Sweden.

The JIU issued six reports to governing bodies in 2001, as follows.

- Management of Buildings: Practices of Selected UN System Organizations Relevant to the Renovation of the UN Headquarters (JIU/REP/2001/1);
- UN System Support for Science and Technology in Latin America and the Caribbean (JIU/REP/2001/2);
- Review of Management and Administration in the International Telecommunications Union (ITU) (JIU/REP/2001/3);
- Enhancing Governance Oversight Role: Structure, Working Methods and Practices on Handling Oversight Reports (JIU/REP/2001/4);
- Review of Management and Administration in the World Health Organization (WHO)(JIU/REP/2001/5); and
- Reforming the Field Service Category of Personnel in the UN Peace Operations (JIU/REP/2001/6).

The United States has emphasized the importance of effective oversight in the United Nations and has encouraged the JIU to continue making improvements in its operations. Increased focus on follow-up to JIU recommendations by agency secretariats, their governing bodies, and member states can help the JIU to better realize its potential. The United States expressed concern over the Unit's lack of substantial progress in implementing a recommendation follow-up system, and anticipated that the U.S. inspector who will begin to serve in 2003 will help to expedite the implementation of such a system. During deliberations and informal meet-



ings of the Fifth Committee, the U.S. delegate urged the Unit to focus on reviews that coincide with its mandate and focus on functions to which improvements can be made which result in cost savings for UN activities, such as controls over supplies, transport and maintenance operations, operation and financial reporting of implementing partners, and contracting procedures.

The General Assembly adopted Resolution 56/561 on the JIU Report without a vote in December 2001. This resolution acknowledged the tentative nature of JIU's proposed work program. The General Assembly emphasized the importance of following up on JIU recommendations by all concerned organizations and highlighted the role of legislative bodies, their secretariats, and the JIU itself in making it an effective oversight body.

## **Office of Internal Oversight Services (OIOS)**

The Office of Internal Oversight Services (OIOS) is the internal watchdog of the organizations of the United Nations. Through its periodic and generally well-written reports, OIOS conveys to member states and management critical information about the vitality and overall health of the organizations. In evaluating and investigating UN activities, the OIOS measures program performance against predetermined objectives, and provides updates on efforts to fight waste, fraud, and mismanagement. In addition to its thematic reports, the OIOS provides an annual report summarizing the results of its work and the status of its prescribed recommendations to overcome impediments that thwart the optimal achievement of objectives. In recent years, given the cost implications, and the increased importance and complexity of the activities undertaken by the United Nations, the OIOS' oversight functions and its reports have assumed even greater importance.

The OIOS' seventh annual report covering the period July 1, 2000 through June 30, 2001, indicated that OIOS issued a total of 2,105 recommendations, of which 577 (27 percent) were classified as critical and gained priority attention. Some of the significant highlights of the report include the following:

- OIOS spearheaded an investigation that confirmed charges that refugees were asked to pay bribes to obtain resettlement and registration documents from the UN High Commissioner for Refugees (UNHCR). The investigations lead to the arrest of nine suspected individuals from five different countries.
- OIOS reviewed subsistence allowance rates for various peacekeeping missions that reduced rates for Ethiopia, Eritrea and Georgia—resulting in projected savings of approximately \$3.6 million.

- OIOS identified potential savings and recoveries of \$1.7 million at the UNHCR emergency operation in Kosovo. So far, \$1.24 million has been recovered.
- OIOS uncovered evidence of embezzlement at the United Nations Interim Administration Mission in Kosovo. Implicated staff members were summarily dismissed and criminal charges are pending.

Throughout the reporting period and during Fifth Committee deliberations and informal meetings, the United States called for the expeditious implementation of OIOS' recommendations. On November 5, 2001, the U.S. delegate delivered a statement commending the OIOS for its fine work in conducting the various oversight activities and issuing useful recommendations. The U.S. delegate also commended the Office for introducing an innovative method that classifies recommendations according to their importance. This innovative method, which classifies recommendations as either critical or non-critical, is designed to direct managers' attention to priorities where the impact on savings and efficiency is the highest. Given the method's usefulness, the U.S. delegate called for other oversight bodies to adopt it as well.

The U.S. delegate also recognized the Office's exemplary work in reviewing subsistence allowance rates at several peacekeeping missions, which resulted in recommendations that, when fully implemented, are expected to result in an estimated savings of \$45 million.

The U.S. delegate further reminded members that the onus now is on members and managers to ensure that the savings identified by the Office are realized through follow-up and implementation of all the recommendations. The U.S. delegate asked the OIOS to remain vigilant in its oversight activities, so that resources are optimally used to attain program objectives throughout the UN system.

## **International Civil Service Commission (ICSC)**

The International Civil Service Commission (ICSC) is responsible for the regulation and coordination of conditions of service within the United Nations, the specialized agencies, and other international organizations, which participate in the UN common system. It comprises 15 independent experts appointed in their individual capacities by, and answerable as a body to, the General Assembly. Lucretia Myers, Retired Senior Advisor of the Retirement and Insurance Service of the U.S. Office of Personnel Management, continued to serve in the Commission following her reelection to a four-year term that commenced on January 1, 2002.

The Commission met in Montreal, Canada for its 53rd session. At this session, the Commission discussed, debated, made decisions, and developed recommendations on a wide variety of topics. Based on these recommendations, the General Assembly took the following key actions:

- Reaffirmed the statute of the Commission and its commitment to a single, unified UN common system as the cornerstone for the regulation and coordination of the conditions of service of the UN common system.
- Welcomed the establishment of a set of standards of conduct for the international civil service as set out in the Commission's report, which are recommended for implementation by organizations of the common system;
- Approved, effective January 1, 2002, the use of the euro as the official currency for emoluments which are currently set in the national currencies of the 12 euro-zone countries and for paying certain education grants and children's and secondary dependent's allowances for 9 currency areas;
- Invited organizations to convert officially into euros, where applicable, their General Service salary scales and allowances effective January 1, 2002;
- Noted that the margin between the net remuneration of the UN staff in grades P-1 to D-2 in New York and that of officials in comparable positions in the U.S. federal civil service for 2001 is 111.0;
- Noted that the UN/U.S. net remuneration ratios that are used to determine the margin, range from a high of 117.1 at the P-2 level to a low of 104.4 at the D-2 level, and considered that this imbalance should be addressed in the context of the overall margin considerations established by the General Assembly;
- Noted the increasing number of duty stations where the post adjustment classification is equal or close to zero, and requested the Commission to review the methodology to ensure that purchasing power equivalence is appropriately reflected;
- Approved, for professional staff, a 3.87 percent increase in the base/floor salary scale by consolidating post adjustment into the base on a "no gain-no loss" (with commensurate reduction in post adjustment) basis, effective March 1, 2002; and
- Requested the Secretary General to submit, in close consultation with the Chair of the Commission, a timetable for the implementation of steps for strengthening the international civil service at the main part of the General Assembly's 57th session.

The General Assembly adopted Resolution 56/244 by consensus on the Report of the International Civil Service Commission on December 24, 2001.

The United States is a strong proponent of the common system. Such a system provides a mechanism for the efficient and effective advancement

and implementation of common and coordinated positions on conditions of service throughout the UN system.

## **Human Resources Management**

During 2001, human resources issues were addressed in the General Assembly in the resumed 55th and the 56th sessions, with the adoption by consensus of two resolutions: 55/258 on system management and 56/217 on personnel safety and security.

The United States believes that, if the United Nations is to reach its full potential, thorough reform of its human resource system is indispensable. As part of this reform effort, Resolution 55/258 addressed a range of issues including contractual arrangements, recruitment and placement, mobility, delegation of authority and accountability, consultants, composition of the Secretariat, administration of justice, conditions of service, and the status of women in the Secretariat. The General Assembly requested the Secretary-General to submit for consideration by the 57th General Assembly final proposals on new contractual arrangements, identifying the difference between existing and proposed types of appointments. The issues addressed by Resolution 55/258 include:

- The General Assembly endorsed the views and recommendations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) regarding the Secretary-General's proposal for improving the recruitment, placement, and promotion of staff members. The gist of the Secretary-General's proposal was to shorten the recruitment and selection period for new hires by starting the process nine months before a position becomes vacant. Given the contractual limitations on incumbencies and anticipated retirements in the Organization, such an approach is expected not only to expedite the placement process but also to minimize unnecessary disruption in the continuity of the Organization's work. The General Assembly also called upon the Secretariat to, among other things, announce all internal and external vacancies to all permanent missions, have the Office of Human Resources Management maintain and supervise the recruitment process, and systematically rejuvenate the Secretariat by hiring and retaining younger professionals.
- The General Assembly requested the Secretary-General to develop further criteria for facilitating mobility of all staff members in a fair and equitable manner. It also requested the International Civil Service Commission to review the system of mobility and its implications for the career development of staff members. In addition, the General Assembly requested assurance that lateral mobility would not negatively affect the execution of the Organization's mandate.
- The General Assembly reiterated its previous request that the Secretary-General, before delegating authority to subordinates, ensure that

well-designed mechanisms of accountability, including internal monitoring and controlling procedures and training programs, are put in place. The General Assembly also decided to consider the issue of developing the capacity to conduct robust monitoring of all relevant activities in the Secretariat, regardless of the source of their funding, and requested the Secretary-General to provide an analytical and thorough report thereon to the General Assembly at the 56th session.

- The General Assembly decided to consider the question of the use of consultants and individual contractors at its next session, and requested the ACABQ to present reports on the subject to the General Assembly at its 57th session.
- Regarding the issue of composition of the Secretariat, the General Assembly reaffirmed that no post should be considered the exclusive preserve of any member state or group of states. It further requested that the Secretary-General ensure that, as a general rule, no national of a member state succeeds a national of that state in a senior post and that there is no monopoly on senior posts by nationals of any state or group of states. The General Assembly further requested that the Secretary-General undertake a study on the ramifications of changing the relative weights of the current population factor (from 5 percent), the membership factor (from 40 percent) and the contribution factor (from 55 percent). If there is a proposal to change the current geographic distribution formula, the United States anticipates opposing any change that reduces the weight given to contribution levels.
- The General Assembly noted that the present system for “administration of justice” at the United Nations is slow and cumbersome and welcomed the Secretary-General’s proposal to establish a function of ombudsperson. It also requested that the Secretary-General submit a report on possible amendments to the Staff Regulations and Rules with the aim of changing the Joint Appeals Board (JAB) from an advisory to a semi-judicial body endowed with decision-making powers.
- Furthermore, the General Assembly requested that an annual report on the work of the JAB be submitted to the General Assembly. It also requested that the Secretary-General close the existing gap between the statutes of the UN Administrative Tribunal and the Administrative Tribunal of the International Labor Organization, and establish a clear linkage between the “administration of justice” and the system of accountability. It also requested that the Secretary-General take urgent measures to recover financial losses caused by wrongful or grossly negligent actions of senior officials of the United Nations.
- The General Assembly endorsed the recommendation of the ACABQ that a competitive package of conditions of service is a prerequisite

for the achievement of the goals of the human resources management reform underway at the United Nations.

- Regarding the status of women in the Secretariat, the General Assembly urged that the Secretary General intensify his efforts to achieve the goal of equal gender distribution (50/50) in the United Nations.

The United States believes these UN reform efforts are on the right track. They are also having a positive influence on other specialized agencies in the UN system, as most of them tend to follow the UN's lead and adopt similar human resources management reform measures.

Resolution 56/217 dealt with the safety, security, and protection of humanitarian and UN personnel. It expressed concern about the dangers faced by UN personnel in armed conflict and post-conflict environments, and called on states and parties involved in armed conflicts or humanitarian emergencies to respect international humanitarian law, as well as relevant human rights and refugee laws. It further recognized the need for a strengthened security management system for the United Nations, and requested that the Secretary-General submit to the 57th General Assembly a comprehensive report on the safety and security situation of humanitarian and UN system personnel.

## **Employment of Americans**

The Department of State assists qualified U.S. citizens in competing for professional positions in the United Nations and other international organizations. The Department's UN Employment Information and Assistance Unit, along with numerous other federal agencies, supports these international organizations by disseminating their vacancy announcements to Americans worldwide. In a typical year, the Department provides direct assistance to hundreds of Americans, and general information about employment opportunities in international organizations to thousands of others. U.S. Missions to the United Nations and other international organizations in New York, Geneva, Montreal, Nairobi, Rome, and Vienna, as well as some embassies, also provide support for this function through regular contacts with UN agency officials. The U.S. Government places special emphasis on recruiting and promoting Americans for key, senior-level positions throughout the UN system.

The following chart shows the total number of Americans in professional and senior positions in all UN agencies\* as of December 31, 2001.

**Professional and Senior Staff**

	<b>Total</b>	<b>U.S. Number</b>	<b>U.S. Percent</b>
UN Secretariat	6,500	671	10.3
UN Subsidiary Bodies	7,007	657	9.4
UN Specialized Agencies and the International Atomic Energy Agency (IAEA)	<u>7,561</u>	<u>648</u>	<u>8.6</u>
Total	21,068	1,976	9.4

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\*Excluding peacekeeping missions.

The UN Secretariat and several of the specialized agencies have established systems of “desirable ranges,” or quotas, to define member states’ desired geographic representation within the agency. Generally, these ranges are mainly based on individual members countries’ assessment levels and population. Due to lowered U.S. assessments (from 25 percent to 22 percent), the ranges for the United States were lowered in 2001 in the UN Secretariat (UN) and in the Food and Agriculture Organization (FAO). In 2002, they will be lowered in the International Labor Organization (ILO) and the World Health Organization (WHO). The following chart lists these UN agencies (including the International Civil Aviation Organization (ICAO)) that had such ranges in 2001, and the number and status of Americans on-board as of December 31, 2001. In all these agencies except the UN Secretariat, the United States is underrepresented. (Note: These figures represent only those professional posts “subject to geographic distribution” that were funded from the UN agencies’ assessed budgets.)

*United States Participation in the United Nations - 2001*

UN Agency	U.S. 2001 Assessment (percent)	Filled	U.S. Desirable Range or Quota	Americans on Board	
			Range	Number	Percent
UN	22	2,467	277-375	308	12.5
FAO	22	984	162-216	125	12.7
ICAO	25	213	27	11	5.2
ILO	25	654	100-133	94	14.4
WHO	25	1,186	174-237	156	13.2

During 2001, U.S. representation in all but one of these agencies declined. The only increase was in the ILO where the number of Americans rose from 87 (13.2 percent) to 94 (14.4 percent). The United States recognizes that, as in other years, the arrears of the United States and other member states to the United Nations and many of its specialized agencies may still be affecting the staffing decisions of these organizations.

Other UN specialized agencies do not have official geographic ranges but are required to give due consideration to balancing their staff geographically. The following chart lists those specialized UN agencies (the International Maritime Organization (IMO), the International Telecommunication Union (ITU), the Universal Postal Union (UPU), and the World Meteorological Organization (WMO)), the level of U.S. contribution, total professional posts filled, and the number of Americans on-board as of December 31, 2001.



UN Agency	U.S. 2001 Assessment (percent)	Filled Professional Posts		
		Total	U.S. Number	U.S. Percent
IMO	3.7	82	4	4.9
ITU	8.4	289	16	5.5
UPU	5.7	60	5	8.3
WMO	21.5	113	9	8.0
IAEA	25.6	735	100	13.6

Following is a chart of staffing levels in other major UN bodies funded through voluntary contributions (the UN Development Program (UNDP), the UN High Commissioner for Refugees (UNHCR), UN Children's Fund (UNICEF), UN Relief and Works Agency for Palestine Refugees in the Middle East (UNRWA) and the World Food Program (WFP)).

UN Agency	U.S. 2001 Voluntary Contribution to Core/Regular Budget (percent)	Filled International Professional Posts		
		Total	U.S. Number	U.S. Percent
UNDP	11.8	936	107	11.4
UNHCR	35.0	1,222	116	9.5
UNICEF	20.0	1,420	204	14.4
UNRWA	26.0	80	11	13.8
WFP	47.2	850	87	10.2

In 2001, Americans held the top position in the following three UN agencies: UNICEF (Carol Bellamy, Executive Director); UPU (Tom Leavey, Director General); and WFP (Catherine Bertini). Americans also held one of the second most senior posts in IAEA (Deputy Director Gen-

eral), the International Fund for Agricultural Development (Vice President), ILO (Deputy Director General/Executive Director), FAO (Deputy Director General), the Pan American Health Organization (PAHO) (Deputy Director General), UNHCR (Deputy High Commissioner), and UNRWA (Deputy Commissioner General). Three other Americans held the rank of Under Secretary General (USG) at the UN Secretariat, including the USG for Management, and the Special Representatives of the Secretary General for the UN Missions in Bosnia & Herzegovina and Western Sahara.

Throughout the year, UN agencies indicated that they would give special attention to recruiting qualified women. In 2001, American women represented over 47 percent of all Americans in professional and senior positions in the UN Secretariat, and 44 percent of Americans in such positions in all UN agencies.

The U.S. Government has a long-standing policy of supporting UN agencies by assigning federal employees to them either on direct "transfer" (in which the employee is paid by the UN agency but retains reemployment rights with the U.S. agency), or on "detail" (in which the employee remains on the U.S. payroll, but serves at the United Nations). These assignments may last as long as eight years. During fiscal year 2001, a total of 100 federal employees from 14 federal agencies were on such assignments to UN agencies, representing about 5.1 percent of the 1,976 Americans who worked in professional positions in UN agencies during that year. Of the 55 employees on detail to UN agencies, the vast majority (46) was from the Department of Health and Human Services—primarily from the Centers for Disease Control on assignment to WHO and to PAHO. The United States also continued to fund a number of Junior Professional Officer positions at UNHCR (17), FAO (3) and WFP (2).