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**Statement by Ambassador Joseph M. Torsella
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On Agenda Item 130: Standards of Accommodation for Air Travel
Before the Fifth Committee
March 4, 2013**

Thank you, Mr. Chairman.

The United States would like to thank Under Secretary General Yukio Takasu for introducing the Secretary General's report on air travel and the Chair of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), Mr. Carlos Ruiz Massieu for introducing the Committee's report on this subject.

Mr. Chairman,

There is no question that frequent, long, and complex travel by UN staff and representatives is a necessity. Ensuring that they are properly accommodated during their official travel is not only the right thing to do, but the smart thing to do.

However, what recent reports taken together reveal is deeply concerning. The 2010-11 Budget included \$72.5 million for travel. In fact, the OIOS reports that for UN Headquarters, Offices Away from Headquarters, and the regional commissions, the UN spent a total of \$575 million in travel-related expenses in the 2010-11 biennium. In addition, from July 2009 to June 2011, the UN spent \$194 million on peacekeeping travel-related expenditures.

So actual total travel expenses paid by member states during the biennium was \$769 million, and the portion funded in the UN's Regular Budget of \$575 million is approximately eight times that amount identified for "travel" in the budget documents we approved.

This raises an important issue of transparency – or lack of it – in the current UN budget process. But let's put those numbers themselves into perspective for a minute. \$769 million is approximately equal to the cost of a major peacekeeping mission like UNMISS (\$840 million), more than one year's worth of funding for all SPMs (\$570 million), nearly as much as the two-year budget for all international and regional cooperation for development (\$1 billion), and nearly equal to the entire two-year budget of FAO (\$1 billion).

Three quarters of a billion dollars spent on travel over two years warrants close attention, period. When travel composes nearly 11% of the UN's regular budget, it would be irresponsible for us to not review rules and policies carefully and adjust as appropriate. To his credit, the Secretary-General has proposed a number of recommendations to improve the UN's policies on standards of accommodation for air travel. Regrettably, however, the General Assembly was unable to agree and make the responsible and urgently needed decisions in the 66th Session.

We have let this languish for far too long and we can no longer afford to talk about the problems; we need to begin solving them. And that is simply a question of our will here in the Fifth Committee, since much of the information needed to take action has been before us for over a year.

So what do we need to do?

First, the policies and rules governing the UN should be harmonized with those found in the civil services of national governments like the U.S. Government. For example, my government allows business class only when international journeys exceed 14 hours in total. As you know, the U.S. federal system is the comparator for UN compensation. We should not pick and choose: if that's a reasonable comparator for salaries and benefits, it should be a reasonable comparator for limitations on those benefits, too. We don't see any reason why the UN's current 9-hour rule should not be increased to 14 hours to comport with the U.S. civil service. UN employees, unless there are extenuating circumstances, do not need to fly business class to Vienna or Brindisi, nor do the family members who accompany them on home leave trips.

But the issue is not just about which class the UN's staff and representatives should travel on. We have known for quite some time now that the UN has a number of very generous and obsolete policies and rules governing the various benefits afforded to its travelers, such as the provision of the so-called "daily subsistence allowances" for flight time. In plain English, we're paying to reimburse employees for meals and hotel costs while they're 30,000 feet in the air. Current UN rules allow for four hours of connection time to be included in the calculation of total trip time, so adding a stopover to a five hour flight can get you an upgrade to business class. And the lump-sum payments alternative, based on a fare class that no longer even exists, has resulted in direct payments to travelers of, on average, nearly twice the actual cost of travel. We cannot afford, and should not tolerate, these egregious and wasteful distortions. The loopholes enabling them should be closed immediately.

To do so requires a comprehensive revision of the UN's policies, rules and guidelines to its staff, and the Secretary General's recommendations are a good starting point. However, changing the rules is the first step; we also need to give the Organization's leadership guidance and tools needed to better manage air travel.

First, the Secretary-General needs to do a better job of collecting and analyzing UN-wide information on travel so that he can better set policies to control expenditures and improve services. While we understand the Organization's management information system shortfalls that make this challenging, we cannot wait for UMOJA or other long-term efforts to fix this problem. The OIOS has repeatedly raised this as one of the most critical gaps that prevents the Secretary-General from executing UN-wide changes effectively. He cannot generate better group purchase policies and strategies and refine air travel rules without a solid understanding of current trends.

To this end, the dashboard the UN Office in Geneva has set up to follow trends in air travel appears to be a good practice. UNOG deserves kudos, but this practice should be implemented immediately and system-wide in every other UN office. The provision of online booking tools for UN staff for commonly traveled and standard routes can also assist with providing the lowest fares to UN staff and cut down on red tape.

Furthermore, such tools can help management by benchmarking trends in air travel and providing some of the missing data on travel patterns. Yet, as the OIOS report notes, the UN is currently not using the online booking tools to which it is contractually entitled.

The recalibration of lump sum payment policies based on actual utilization rates and current market prices, as well as tracking and actually collecting refunds to which the UN is entitled from cancellations and changes are two further areas to seek savings. And with over thirty different travel agent contracts, consolidating UN-wide – or even system-wide –travel requirements to take advantage of economies of scale is critically needed.

Finally, Mr. Chairman, we share the concerns voiced in the ACABQ report regarding the Secretary-General's latest report on air travel, which shows that the UN has been granting many exceptions to its already very generous rules on travel standards. The Secretary-General reports between July 2010 and June 2012 the UN granted 529 exceptions for its staff and representatives to travel in business or first class instead of economy, nearly 60% more exceptions than the previous two years. These increasing exceptions simply send the wrong message to the UN system and to the taxpayers who fund it.

Mr. Chairman,

The United States reiterates the importance of the Secretary-General's leadership on this issue and encourages him to continue to find ways to more efficiently and effectively utilize air travel resources. We call on the General Assembly to approve the changes, proposed by the Secretary General, that have been before us for over a year now. We look forward to working with colleagues to get the greatest value from limited travel funds, and to have UN personnel and Member States set an appropriate example at a time when so many of our people around the world face economic hardship. Thank you.