

Revised estimates relating to section 34 of the programme budget for the biennium 2012-2013 for remediation work in the aftermath of storm Sandy

Statement by the Chairman of the Advisory Committee on Administrative and Budgetary Questions to the Fifth Committee

(ACABQ report A/67/789)

Mr. Chairman,

I am pleased to introduce the Advisory Committee's report on revised estimates for remediation work in the aftermath of storm Sandy, which is contained in document A/67/789.

Overall, given the magnitude of the sums involved, the uncertainty regarding the timing of insurance claim settlements and the urgent need to proceed with the remediation work, the Advisory Committee agrees with the short- to medium-term approach to funding proposed by the Secretary-General in his report. The Committee is therefore recommending that the Secretary-General be authorized to enter into commitments in the current biennium of up to \$146.4 million, and to utilize the Working Capital Fund as a cash flow bridging mechanism pending the receipt of insurance settlements. The Committee also has no objection to the establishment of a multi-year special account, but recommends that it be established with a term limit of 31 December 2015.

With regard to the mitigation measures described in paragraph 19 and table 4 of the Secretary-General's report, the Advisory Committee agrees that it would be prudent to take those measures now, particularly given that the Organization's insurance coverage for flood damage has decreased significantly following storm Sandy. The Committee is therefore recommending that the Assembly approve the estimated amount of \$6.1 million requested as an increase under section 34 of the programme budget for the biennium 2012-2013. The Committee is cognizant of the budgetary constraints facing the Organization at this stage of the biennium, but nevertheless encourages the Secretary-General to make every effort to absorb the additional requirements.

In its report, the Advisory Committee has also made a number of other comments and recommendations. Let me just refer briefly to two of them:

- First, regarding the after-action review led by the Chef de Cabinet, the Committee indicates in paragraph 4 of its report that the review document, as well as detailed information on the lessons learned from the organizational response to the storm, should be provided to the General Assembly at the earliest opportunity. In fact, I understand that, since the issuance of the Committee's report, the document has been made available [and that the Chef de Cabinet will be briefing this Committee on its contents this morning];
- Second, on future insurance coverage, the Advisory Committee recognizes the constraints facing the Organization in securing insurance against flood damage

in the wake of the storm. Nevertheless, it recommends that the General Assembly request the Secretary-General to closely monitor the insurance market with a view to purchasing additional coverage if and when it becomes available at a reasonable cost. More generally, the Committee stresses the importance of ensuring that all United Nations premises are adequately insured against all types of risk.