



United States Mission to the United Nations

799 United Nations Plaza

New York, NY 10017

www.usunnewyork.usmission.gov

**Statement by Isobel Coleman,
Ambassador for United Nations Management & Reform
At the Opening of the Main Session of the Fifth Committee
70th General Assembly
October 8, 2015**

Good morning Mr. Chairman, and congratulations to you on your election as chair of the bureau. We also wish to recognize and thank the bureau members, and the dedicated Secretariat staff for their service.

Mr. Chairman, we embark today on this consequential main session of the Fifth Committee in the afterglow of a momentous high level week. World leaders gathered here last week and agreed on frameworks for addressing some of the world's greatest challenges, including climate change and sustainable development. These achievements are testament to the fact that seventy years after its founding, the United Nations remains a powerful convener and forum for problem solving, partnering, and cooperation in pursuit of peace and prosperity. But we also know that the UN could be far more effective than it is today. As governments around the world, faced with severe budget constraints, push to do more with less, so too must the UN continue to strive for greater efficiencies.

The Secretary General has made UN reform a consistent priority of his tenure. We appreciate his efforts over the years to streamline activities, increase accountability and promote efficiency. With the much anticipated implementation of Umoja this fall, the Secretariat will for the first time have in place a powerful tool that managers can employ to analyze effectiveness and prioritize resource allocation across the organization.

Likewise, Umoja enables the Global Service Delivery Model, which we will also consider this fall. The Global Service Delivery Model provides a unique opportunity for a much fuller, and long overdue, restructuring that other parts of the UN System such as UNDP have already undertaken. As part of that restructuring, the UN must undertake a bottom up approach to budgeting to eliminate obsolete mandates and free up resources for higher impact activities. My mission remains deeply frustrated by the organization's reliance on incremental budgeting.

Additionally, the ICSC will be presenting its recommendations on how to make compensation more modern, simple and cost-effective at the UN - the first such review in more than two decades. Several years ago, we all agreed to entrust the Commission to undertake this comprehensive analysis. We believe that its recommendations warrant our serious consideration and action this session.

Our task in the Fifth Committee is to make decisions that will realize the benefits of such structural reforms as the Global Service Delivery Model and the ICSC Review. To put it simply, we cannot return to business as usual and the days of unsustainable budget growth. We must

continue the progress that has been made on promoting sustainable budget levels that balance member state financial constraints with the need to ensure that the organization has the means to carry out its mission. The only viable United Nations is an affordable one.

Achieving budget discipline is imperative even in the context of new mandates. There cannot be a presumption of automatic budget increases in conjunction with new tasks. As every organization must do, the UN must undertake a process of prioritization that shifts resources from activities that have run their course to those that deserve investment. The 2030 SDGs, for example, set inspirational goals for us, but we must remember that ultimately they represent an agenda for the world and that the SDGs are goals to be achieved by Member States themselves. We must therefore closely scrutinize any related budget requests to avoid duplication of efforts.

The Fifth Committee must keep the larger reform agenda in mind as it considers budget requests for the final appropriations for 2014-2015 and the next biennium (2016-2017). Mr. Chairman, only twice in the past half century has the initial budget been meaningfully lower than the previous budget. Given the several significant one-time expenses we incurred in the 2014-2015 budget - including the funding of UNMEER and the resolution of the Capital Master Plan – we must reset expectations and approve a budget that is substantially lower than the current biennium budget. The growing constraints on taxpayers around the world demand nothing less than our utmost fiscal responsibility. While we are pleased to see the Secretary General's 2016-2017 budget proposes freezing the equivalent of 68 posts, we view this as a down-payment, so to speak, on deeper reforms to come. The significant investments made by Member States in the organization's enterprise management system demands much bolder action than the freezing of just one half of one percent of posts.

We continue to be dismayed by the ongoing practice of "recosting." Every international organization operates in an uncertain financial environment. When these organizations create a budget, they build in their best forecasts for exchange rates, inflation and staff costs. Of course, no forecast is perfect, but good management requires reprioritizing and making budgets cuts when necessary. In March, the General Assembly requested that the Secretariat make the most accurate exchange rate forecast it can make, and to hedge those estimates by purchasing futures contracts. When we pass a budget in December, we should expect each and every manager within the Secretariat to live within that budget. The practice of recosting undermines the very principle of budget discipline and must be abolished.

Mr. Chairman, underpinning all of our work is the principle of consensus this Committee has been guided by even in the most divisive negotiations. My delegation firmly ascribes to this principle and will do everything in our power to achieve it. To be clear, consensus means consensus – it does not mean forcing a decision on a minority. I encourage my colleagues in the G77 + China not to lose sight of the fact that we share a common purpose in seeing the UN be vibrant, innovative, and effective in its work. Too often our work in the Fifth Committee is pitched in zero-sum terms: a win for one side is a loss for the other. This simply cannot be true since a UN that is effective and sustainable is important for us all.

We look forward to working with each and every delegation and to a productive session. We hope that with the Chairman's leadership, we will be able to end in a timely fashion, as we were

able to do in both the first and second resumed sessions this year. There is no reason we cannot do this if we remain engaged and keep the lines of communication open. I pledge our full cooperation.

Thank you Mr. Chairman.