



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. LYLE DAVIDSON, COUNSELLOR OF THE PERMANENT MISSION OF THE REPUBLIC OF SOUTH AFRICA TO THE UNITED NATIONS, ON AGENDA ITEM 132: PROGRAMME BUDGET FOR THE BIENNIUM 2014-2015 - STANDARDS OF ACCOMMODATION FOR AIR TRAVEL, AT THE FIRST PART OF THE RESUMED SIXTY-NINTH SESSION OF THE FIFTH COMMITTEE OF THE UNITED NATIONS GENERAL ASSEMBLY (New York, 4 March 2015)**

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 132: Programme budget for the biennium 2014-2015 - Standards of accommodation for air travel.
2. The Group would like to thank Mr. Christian Saunders, Director in the Office of the Under-Secretary-General: Department of Management, for introducing the report of the Secretary-General on standards of accommodation for air travel. We would also like to thank Mr. Carlos Ruiz Massieu, Chair of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), for introducing their report in this regard.
3. The Group attaches great importance to the effective and efficient utilisation of resources for air travel in the United Nations. In this regard, the General Assembly in resolution 67/254 A endorsed substantial changes in the standards of accommodation of air travel in the United Nations.
4. Having carefully studied the Secretary-General's report, the Group is disappointed that much of the information requested by the General Assembly in resolutions 65/268 and 67/254 A, has once again, not been provided. We share the view of the Advisory Committee that greater effort could have been made to respond to the repeated requests of the General Assembly for more reliable information, while taking into consideration that the travel module of UMOJA has not been fully implemented.

Mr Chairman,

5. Paragraph 11 of resolution 67/254 requested the Secretary General to explore other possible options for the procurement of air travel. The Group will seek further information in this regard during the Committee's informal consultations on this agenda item, particularly on the business relationship between the United Nations and American Express Travel Related Services Company, Inc. The Group notes that this company continues to provide travel management services to the organization, despite the negative outcome of the 2009 OIOS audit of the contract signed between the United Nations and this company. The audit found that the procurement process had not been in compliance with United Nations procurement principles and that inadequate control over contract implementation had resulted in ineffective cost containment. Overall, the audit concluded that the relevant selection process appeared to favour American Express over two other vendors that presented lower bids, despite those vendors meeting the required technical criteria.
6. The Group will, therefore, seek clarification from the Secretariat on the feasibility of continuing this relationship. The Group will further seek information on more efficient alternatives to reduce travel costs, including allowing staff to make reservations directly through the Internet, as applied by other organisations, instead of relying on one company to make travel reservations, worth

hundreds of millions of US dollars.

Mr Chairman,

7. The Group notes with concern that the report of the Secretary-General appears to attribute the spike in exceptions authorised by the Secretary-General to the changes endorsed by the General Assembly on the standards of accommodation of air travel. The Group will seek further clarification on this issue with Secretariat officials.

8. The Group wishes to reiterate that any policy changes and new formulations in the area of standards of accommodation of air travel, like other management and financial issues, continue to remain the exclusive prerogative of the Fifth Committee and the General Assembly.

Mr Chairman,

9. In conclusion, the Group of G77 and China would like to assure you of its readiness to engage constructively in the upcoming discussions with the aim of concluding this agenda item in a timely fashion.

I thank you, Mr. Chairman.