



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. IMTIAZ HUSSAIN, MINISTER, PERMANENT MISSION OF THE ISLAMIC REPUBLIC OF PAKISTAN TO THE UNITED NATIONS, ON AGENDA ITEM 127: PROGRAMME BUDGET FOR THE BIENNIUM 2006-2007 (STANDARDS OF ACCOMMODATION FOR AIR TRAVEL; AND CONTINGENT LIABILITY RESERVE FOR THE UN POSTAL ADMINISTRATION) (New York, 16 October 2007)

Mr. Chairman,

I have the honour to speak on behalf of the Group of 77 and China on Agenda Item 127, entitled "Programme budget for the biennium 2006-2007".

2. The Group wishes to thank Mrs. Sharon van Buerle, Director of the Programme Planning and Budget Division, for introducing the various reports of the Secretary-General. We also thank the Chairman of the Advisory Committee on Administrative and Budgetary Questions, Mr. Rajat Saha, for presenting the relevant reports of the Committee.

Mr. Chairman,

3. The Group of 77 and China takes note of the Secretary-General's reports on standards of accommodation for air travel in the UN system (A/61/188, A/61/801). The Group of 77 and China agreeing with the need for discretion to the Secretary-General also supports the ACABQ's view that every request for exception to the agreed class of travel must be carefully scrutinized. In exercising discretion and exceptions, the developments in the air travel industry and resulting opportunities for a comfortable journey may also be taken into account.

4. The Group of 77 is concerned that there is no common policy on standards of travel and entitlements for staff members within the UN system. The travel policies in mission areas and other categories of travel vary substantially across the organizations. We fully support the ACABQ recommendation with regard to the role of the Secretary-General in the CEB framework on this issue. We look forward to comprehensive report on this aspect in future sessions.

5. Turning to the contingent liabilities for postal services for previously issued UN Postal Administration stamps, the Group notes the proposal of the Secretary-General to establish a reserve of \$ 3.3M, to be built by transferring the balance of the net income of postal services. In this regard, the Group would underline the importance of ensuring a net income and profit by UNPA through cost-cutting efforts, changes in operations and the introduction of new products. The Group views the merit in establishing such a fund, as recommended by the Board of Auditors and the ACABQ, which may also be essential to meet the IPSAS requirements. We would seek further clarifications about the fund in the informal negotiations.

I thank you, Mr. Chairman.