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THE SECRETARY-GENERAL

STATEMENT TO THE GENERAL ASSEMBLY

New York, 7 March 2006

Thank you, Mr. President.

Excellencies,
Ladies and Gentlemen,

Your heads of state and government, in the outcome document of last year's World Summit, addressed several requests to me, as Secretary-General, in the area of secretariat and management reform.

The analysis and recommendations to facilitate your review of mandates, requested in paragraph 163(b) of the Outcome Document, will be the subject of a separate report later this month.

The report that you now have before you responds to two other requests – the one in paragraph 162, for proposals on the conditions and measures necessary for me to carry out my managerial responsibilities effectively, and the one in paragraph 163(a) for an assessment and recommendations to help ensure that the United Nations budgetary, financial, and human resource policies, regulations and rules respond to the current needs of the Organization and enable the efficient and effective conduct of its work.

Excellencies, I am particularly grateful for the opportunity to submit proposals for that purpose. Why? Because my assessment is – if I may put it bluntly in one sentence – that in many respects our present regulations and rules do not respond to current needs; and indeed that they make it very hard for the Organization to conduct its work efficiently or effectively.

Some may find this difficult to believe, after successive efforts at reform over the years, including two sets of proposals that I myself brought forward, in 1997 and 2002, as well as the Brahimi report on UN peace operations in 2000 and the strengthening of our safety and security system in 2004.

Indeed, with the help of Member States important changes have been made. I have no hesitation in saying that the Organization is more efficient and effective than it was ten years ago. It delivers more than ever, even though the rules make it difficult, and has been found to be cost-effective compared to others engaged in similar activities.

But the truth is that our current rules and regulations were designed for an essentially static Secretariat, whose main function was to service conferences and meetings of Member States, and whose staff worked mainly at Headquarters. That is not the United Nations of today.

Today, thanks to the mandates that Member States have given us, we are engaged directly in many parts of the world, working on the ground to improve the lives of people who need help.

More than 70 per cent of our \$10 billion annual budget now relates to peacekeeping and other field operations, compared to about half of a budget less than half that size ten years ago.

In the 16 years since the cold war ended, we have taken on more than twice as many new peacekeeping missions than in the previous 44 years. Spending on peacekeeping has quadrupled.

Over half of our 30,000 civilian staff now serve in the field – not only in peacekeeping, which itself has expanded enormously, and is now a far more diverse and complex assignment than it used to be – but also in tasks as varied as humanitarian relief, criminal justice, human rights monitoring and capacity-building, electoral assistance, and the battle against drugs and crime. The number of humanitarian field personnel has increased eight-fold, human rights work at country level has grown dramatically, and we have been called on to support over 100 national elections.

These increasingly complex mandates require staff with different skills. We need to be able to recruit and retain leaders, managers and personnel capable of handling large multidisciplinary operations, with increasingly high budgets.

As things stand, many of our staff – especially the field staff, who serve with great idealism and integrity, often in situations of hardship and danger – are demoralised and demotivated by lack of opportunities for promotion, and by the frustrations of dealing with a bureaucracy that can seem both excessive and remote.

Against the odds, our dedicated staff have delivered more each year. But our management system does not do justice to them. It is not equipped to handle multi-billion dollar global operations, which must often be deployed at great speed. Both staff and Member States deserve better.

The earlier reforms addressed the symptoms, more than the causes, of our shortcomings. It is now time to reach for deeper, more fundamental change. What is needed, and what we now have a precious opportunity to undertake, is a radical overhaul of the entire Secretariat – its rules, its structure, its systems – to bring it more in line with today's realities, and enable it to perform the new kinds of operations that Member States now ask and expect of it.

Just as this building, after fifty-six years of ad hoc repair and maintenance, now needs to be fully refurbished from top to bottom, so our Organization, after decades of piecemeal reform, now needs a thorough strategic re-fit – one that can only be achieved if there is a sustained commitment to see it through, at all levels of leadership.

My dear friends,

Let me here acknowledge the invaluable work done by the Deputy Secretary-General in organizing the preparation of the report before you, which aims to be the blueprint of that comprehensive reform. I am deeply grateful to her, and also to Rajat Gupta, my special adviser for management reform, for giving us the benefit of his great wisdom and experience.

The report contains proposals in seven main areas, starting with people – that is, the way we recruit, manage and motivate the men and women entrusted with carrying out your mandates.

From there it goes on to leadership, where it sets out the changes I believe are needed in the structure of the top management of the Secretariat, to enable the Secretary-General to exercise effective authority.

Thirdly, it deals with information and communications technology, where a major investment is required to enable all the different parts of the Organization to communicate efficiently with each other, and retrieve information quickly when needed.

Fourth, it identifies opportunities to reduce costs and increase efficiency by exploring new ways to deliver services, such as relocation and outsourcing, as well as tightening rules and procedures for procurement.

Fifth, it proposes a drastic simplification of our budget and financial management processes.

Sixth, it suggests ways of making the management and budget of the Organization more accessible to you, the Member States, and enabling you to exercise more effective control.

And finally, it urges the creation of a small, dedicated office within the Secretariat to manage the process of change itself, in close liaison with a small but representative group of Member States.

These proposed changes are all mutually interdependent, as they also depend on the achievement of the highest ethical standards throughout the Secretariat – for which I have already taken measures, with your support – and on the reform of our systems of oversight and internal justice, which are the subject of separate reviews.

Failure to carry through reform in any one of these areas can greatly reduce, or even nullify, the value of reform in all the others. Therefore I cannot too strongly urge Member States to view this process of change as a whole, and to embark on it in full-hearted partnership with the management and staff of the Secretariat.

Strong management can only work if it responds to strong governance. And successful reform depends on a strategic partnership, based on mutual trust, between you, the governors, on the one hand, and the managers – myself and my colleagues – on the other.

I fully realise that this trust cannot be taken for granted. I know that many States feel excluded from any real say in the affairs of the Organization, and seek to correct this by asserting

their authority on matters of detail. But this has the effect of breaking down what should be the division of labour between me, as Chief Administrative Officer, and this Assembly.

It is vital that we find a way to restore trust and partnership, based on a clear understanding of each other's roles. The role of a governing body is to provide strategic direction to the management, and then hold it accountable for the results. And the role of management is to deliver those results effectively and transparently, so that it can be judged on its performance.

Thus, if change is to happen, we – the Secretariat – and you, the Member States, must work together to make it happen. The details remain to be worked out, and they must be worked out in full consultation – including consultation with the staff, to whom these changes will make the most immediate difference, and on whose continued loyalty and dedication their success will most directly depend.

Let me make one more thing clear. This reform is not a cost-cutting exercise, any more than it is a grab for power by the Secretariat, or a desperate attempt to placate one or two major contributors to the budget.

Yes, there are real savings to be made through these proposals, since over time they will reduce the cost of many of our activities, by ensuring that they are carried out more simply.

But what the report shows, above all, is that for many years this Organization has been skimping on investment – investment in people, investment in systems, investment in information and communications technology – and that these deferred expenditures must now be made up for. I have called the report “Investing in the United Nations”, because I believe Member States must be prepared to make a significant investment, if the United Nations is to reach the level of effectiveness that they and their peoples are entitled to expect.

If they are prepared to do that, all Member States will find, as the reforms take effect, that they have at their command a better organized and more transparent United Nations, which is easier for them to control, and responds faster and more effectively to their directions.

Above all, they will have an Organization that gives better value to the hundreds of millions of people throughout the world who, by no fault of their own, find themselves in need of its services.

I mean those threatened by extreme poverty; by hunger, malnutrition and endemic or epidemic disease; by desertification and other forms of environmental degradation; by natural disasters; by civil conflict, anarchy, violence and trans-national organized crime; by terrorism; by oppression and misgovernment; by genocide, ethnic cleansing, and other crimes against humanity.

It is those people, Mr. President, who are the true stakeholders in an effective United Nations, effectively controlled by its Member States. Let us not fail them.

Thank you very much.