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RESOLUTION ADOPTED BY THE GENERAL ASSEMBLY

[*on the report of the Fifth Committee (A/53/521/Add.2)*]

53/217. Procurement-related arbitration

The General Assembly,

Having considered the report of the Office of Internal Oversight Services on the review of procurement-related arbitration cases,¹

1. *Expresses deep concern* about the increase of pending procurement-related arbitration claims instituted against the United Nations, which total 56 million United States dollars as at 19 March 1999;

2. *Requests* the Secretary-General to submit to it, for consideration at an early stage during its fifty-fourth session, a comprehensive report, taking into account the recommendations of the Office of Internal Oversight Services and the views expressed by Member States on the issue of arbitration, which should cover, *inter alia*:

- (a) The reasons for arbitration cases;
- (b) The roles and mandates of various Secretariat structures and negotiating teams in arbitration and settlement processes;
- (c) The sources of funding for arbitration awards and settlement payments;

¹ See A/53/843.

(d) The selection of outside legal counsels and provisions to preclude conflict of interest;

(e) Disciplinary action taken against staff members responsible for wrongdoing that resulted in arbitration;

(f) Pending arbitration cases;

(g) Measures taken or proposed to prevent or reduce contract disputes which might lead to arbitration in the future;

3. *Also requests* the Secretary-General, without prejudice to the obligations of the United Nations under the Arbitration Rules of the United Nations Commission on International Trade Law,² to keep Member States duly informed of all arbitration and settlement cases, *inter alia*, by clearly identifying such cases as separate items in corresponding financial performance reports and indicating corrective and disciplinary measures taken in this regard.

*97th plenary meeting
7 April 1999*

² United Nations publication, Sales No. E.93.V.6.