

Proposed programme budget outline for the biennium 2014-2015

Statement by the Chairman of the Advisory Committee on Administrative and Budgetary Questions to the Fifth Committee

(ACABQ report A/67/625)

Mr. Chairman,

I have the honour to introduce the Advisory Committee's report on the proposed programme budget outline for the biennium 2014-2015, which is contained in document A/67/625.

In paragraphs 2 to 4 of its report, the Advisory Committee discusses the methodology used to arrive at the preliminary estimate of resources for the biennium 2014-2015, which amounts to some \$5.34 billion. The Committee notes that, according to the Secretary-General, growth in real terms reflects an estimated decrease of \$62.1 million, or 1.5 per cent, as compared with the approved appropriation for regular budget established activities for the current biennium. However, once account is taken of the full estimated biennial provision for special political missions in the amount of \$1.11 billion, as well as of the indicative deferred post-related recosting amount of \$220.6 million, the total preliminary estimate of \$5.34 billion would represent an increase of \$188.7 million, or 3.7 per cent, over the total approved appropriation of \$5.15 billion for 2012-2013.

The Advisory Committee agrees with the adjustments proposed by the Secretary-General to reflect the delayed impact of regular budget posts in 2014-2015 and the non-requirement for resources provided in 2012-2013 for one-time costs.

With regard to the proposed provisions for resource changes in the biennium 2014-2015, which amount to a net total decrease of \$58.5 million attributable to efforts to increase the cost-effectiveness and efficiency of service delivery in a number of areas, the Advisory Committee welcomes the efforts being undertaken by the Secretary-General to seek further efficiencies. However, the Committee underlines the importance of ensuring that those efficiencies are sustainable, and also expects that the effectiveness of mandate implementation will remain the paramount consideration. In this connection, the Advisory Committee reiterates its previously expressed concerns about the need to go beyond incremental budgeting and to evaluate and consider the entire quantum of resources necessary to carry out the programmes and activities mandated by the General Assembly and other organs.

The annex to the Advisory Committee's report details the possible impact on the level of the budget outline of items currently before the General Assembly and foreseeable items yet to be considered. The Committee notes that, if the budget outline were to include the estimates in respect of all those items, the preliminary estimate would be likely to increase by approximately \$154.4 million.

On the question of the contingency fund, the Advisory Committee is recommending approval of the Secretary-General's proposal that the level of the fund be maintained at 0.75 per cent of the overall level of resources. The Committee intends to comment further on the use of the contingency fund during the current biennium in its report on the first performance report on the programme budget for 2012-2013.

Lastly, with regard to the presentation of the budget outline document, the Advisory Committee notes that the financial implications of some items in the Secretary-General's report are listed as "to be determined" while others are specified. The Committee takes the view that, for the purposes of consistency of presentation, the potential impact on the proposed outline of all items that have yet to be considered by the General Assembly should be reflected in the report in the same manner.