

*** CHECK AGAINST DELIVERY ***



Agenda Item 133

Programme budget for the biennium 2014-2015

Second performance report on the programme budget for the biennium 2014-2015

(A/70/557)

FIFTH COMMITTEE

Statement by

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16 December 2015

Mr. Chairman,
Distinguished Delegates,

1. I have the honour to introduce the second performance report on the programme budget for the biennium 2014-2015, as contained in document A/70/557. The second performance report provides an estimate of the anticipated level of expenditures for the biennium 2014-2015. This estimate takes into account changes in budgetary parameters for inflation, rates of exchange and cost-of-living adjustments which have taken place since the first performance report approved in December 2014. The report reflects actual expenditures between January 1, 2014 and September 30, 2015, with projected requirements for the last three months of the biennium.

2. In order to facilitate your review, a **chart** has been provided showing the changes under the *expenditure sections*. The Committee will recall that by its resolutions

69/263A and 69/274A and B the General Assembly approved a revised appropriation amounting to \$5,831.9 million

3. The continued strengthening of the US dollar in relation to a number of currencies used by the programme budget generated a decrease of **\$41.1 million, including** favourable exchange rates of the United States dollar in relation to the Swiss franc and the Euro. Similarly, favourable inflationary rates for post and non-post objects of expenditure contributed to a decrease of approximately **\$11.1 million**.

Mr. Chairman,
Distinguished Delegates,

4. The second performance report also takes into account unforeseen and extraordinary expenses arising from decisions of the General Assembly and/or the Security Council during the biennium that are best dealt in the context of the performance report.

5. The present report seeks approval to appropriate an additional amount of **\$34.6 million** under the programme budget for the biennium 2014-2015 for the funding of unforeseen and extraordinary expenses incurred as well as the funding of the implementation of flexible workspace in the Secretariat and the approved subvention to the ECCC.

6. Unforeseen and extraordinary expenses incurred in accordance with General Assembly resolution 68/249 amount to **\$16.6 million**. The bulk of this amount, \$10 million, relates to human rights and humanitarian assistance, and \$6.4 million relates to peace and security. It should be noted that the amount of \$16.6 million takes into account unforeseen and extraordinary expenses in the amount of \$88,700 authorised in connection with the extension of the activities of the Delegate of the Secretary-General to the Subcommission on end-of-conflict issues within the Colombian peace process. The requirements were authorized by the Secretary-General under paragraph 1(a) of

resolution 68/249 subsequent to the finalization of the second performance report for the biennium 2014-2015.

7. Furthermore, the Committee will recall that by its resolution 69/274 the General Assembly authorised the Secretary-General to enter into commitments up to an amount of **\$5.8 million** for the implementation of flexible workplace strategies in the Secretariat building; and, as an exceptional measure, the Assembly authorised an amount not to exceed **\$12.1 million** to supplement the voluntary financial resources of the international component of the Extraordinary Chambers in the Courts of Cambodia (ECCC) for the period 1 January to 31 December 2015 and requested the Secretary-General to report on the use of the commitment authority in the context of the second performance report. In both cases the amounts authorised are being fully expended in 2015.

8. Lower budget implementation rate is projected in some sections of the programme budget, notably under section 3, Political affairs broadly related to special political missions; and some increases, mainly under section 34, Safety and Security in connection with increased requirements for overtime costs at Headquarters and regional commissions.

9. An increase of approximately **\$27.5 million** is projected for salaries and common staff costs primarily due to higher than budgeted standard costs and lower vacancy rates. This increase is offset by a decrease of **\$39.1 million** under non-post object of expenditure.

10. An increase of **\$5.6 million** is projected under staff assessment.

11. The final estimated level of *expenditure* for 2014-2015 amounts to **\$5,808.4 million**, reflecting a net decrease of \$23.6 million over the approved revised appropriation of \$5,831.9 million.

Mr. Chairman,
Distinguished Delegates,

12. Turning now to income, projections indicate that an amount of \$574.7 million is anticipated, representing an increase of \$27.8 million when compared to the projections anticipated one year ago. The increase relates to income section 2, General income and it is broadly related to higher-than- anticipated reimbursement costs for services provided to funds and programmes in connection with administration of justice.

13. Consequently, the combined effect of the anticipated final level of expenditure and income for the biennium 2014-2015 results in a net decrease of **\$51.5 million**, representing **1 per cent** of the net revised appropriation.

14. In concluding, the final estimates for the programme budget for the biennium 2014-2015 are \$5.8 billion for expenditure sections and \$574.6 million for income sections.

15. Mr. Chairman, Distinguished Delegates, I look forward to the discussions on this item. Thank you.

Summary of changes under expenditure sections: 2014-2015

Millions of United States dollars

