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THE SECRETARY-GENERAL

REMARKS TO THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY  
ON THE PROPOSED PROGRAMME BUDGET FOR 2020

New York, 10 October 2019, 10:00

Your Excellency, Ambassador Mavroyiannis, Chair of the Fifth Committee,  
Ladies and gentlemen,

I welcome this opportunity to introduce the proposed programme budget for 2020.

You are all aware of the diverse and enormous challenges we face at this time, from climate change to multiplying conflicts, from increasing inequality to rising intolerance. People's expectations of our Organization are profound.

Fortunately, the world has in its hands a number of inspiring agreements, frameworks and blueprints for tackling the world's ills and generating shared progress -- most notably the 2030 Agenda for Sustainable Development. We must work with more urgency and ambition to bring these visions to life.

Next year, the 75<sup>th</sup> anniversary of our Organization, offers a compelling opportunity to renew our commitment to international cooperation, which is needed more than ever.

The current reform effort aims to ensure that we build on those decades of experience and lessons, and fully equip ourselves for the challenges of the 21<sup>st</sup> century.

Before elaborating on the budget proposals, I would like to say a few words about the current state of the reform process, especially since this is the first programme budget prepared in accordance with the reform agenda.

In support of this agenda, the General Assembly adopted landmark resolutions outlining a roadmap for the peace and security pillar, the development system and the management of our Organization. Together, these initiatives will make the Organization more agile and effective in delivering on its mandates and more responsive and accountable to Member States.

Our efforts in 2020 will focus on implementing the reforms, capturing the benefits and making adjustments if we are not on track. To do this, we need adequate and sustained financing.

Our Peace and Security reform is providing unified leadership that integrates peacebuilding more closely into all our activities. We applied this new approach in recent reports to the Security Council and in assessment missions to Darfur, Haiti and Mali. We are seeing improvements in our country and regional strategies and in our planning for transitions.

Our reform of the United Nations development system is well advanced. Our goal is clear: to strengthen the effectiveness, cohesion, accountability and capacities of the system to better support Member States and help countries accelerate progress in implementing the 2030 Agenda.

We have established an independent and empowered development coordination system, centred on our Resident Coordinators. We have revamped the United Nations Sustainable Development Group to reinforce strategic direction and oversight on system-wide activities in support of the 2030 Agenda. We have developed tools, structures and mechanisms to support the functioning of a new generation of United Nations country teams. We have enhanced the accountability of the United Nations development system to Member States in the General Assembly and ECOSOC, and locally to the host governments. I have also put forward further proposals to reposition the United Nations regional architecture; and to bolster capacities of UN country teams to support member states, particularly small island developing states.

With respect to management reform, we are putting new internal accountability frameworks in place, and working to improve, standardize and speed up processes. The new delegation of authority framework is up and running, and we are taking various steps to support managers in the exercise of their new decision-making authority. The Performance Management Board will convene shortly to assess the performance of managers.

The new management dashboards will improve transparency in the use of resources and programme delivery. The first Secretariat-wide evaluation policy will ensure that we assess, annually and systematically, the performance of our programmes.

To systematically measure our progress across the three reform streams, we are using an internal benefits management tracking register. This will enable us to make course corrections, and move away from focusing on structures and processes towards delivery and results.

Across the system, we are rolling out reform enablers. The newly adopted United Nations data cube will standardize financial reporting. Our climate action plan will focus on reducing carbon emissions and moving towards carbon neutrality at headquarters and in the field. A new toolkit for innovation, supported by a dashboard to monitor its use, will be launched soon across the United Nations system.

In these and so many other ways, reform is on the move.

Mr Chairman,

Let me turn now to the programme budget itself.

In 2017, Member States approved the biggest change in our planning and budgeting process since the 1970s.

The move from a biennial to an annual programme budget is a huge step forward to more realistic budgeting and a greater focus on results.

It will improve the accuracy of our resource estimates, and enable us to adapt more quickly to changes in mandates.

It will enable us to adjust our planning based on actual programme performance, thereby improving the delivery of mandates and holding managers accountable for actual results.

Thus it gives me great pleasure to introduce the first programme budget covering an annual period, prepared in accordance with General Assembly resolution 72/266.

This is of course a process. The General Assembly decided on a trial period for the annual budget until 2022, and the 2020 budget has already benefitted from thorough discussions in the Committee on Programme and Coordination and in the Advisory Committee on Administrative and Budgetary Questions.

We will build on the guidance of Member States on the presentation format as we start our preparations for the annual budget for 2021.

The proposal for 2020 includes information on all three reform pillars and how they are expected to contribute to concrete results.

Some of those results are outlined in the proposals that are now before you; we are committed to deliver many more in the years ahead.

Mr. Chairman,  
Distinguished Members,

In resolution 72/266, the General Assembly decided to divide the proposed programme budget into three parts.

First, the plan outline.

My budget proposal for 2020 is directly aligned with the priorities established by the General Assembly.

For the first time, the document includes the Plan Outline, which highlights the policy orientation of the United Nations, the longer-term objectives and strategy, and future challenges.

As before, the long-term objectives revolve around the transformative agendas set by Member States.

These agendas are linked to the respective budget sections, demonstrating how the Secretariat will support their implementation during the budget year.

The second part of the programme budget is the programme plan.

For the first time, the budget document incorporates both programme planning and performance, as well as post and non-post resource requirements.

This has allowed us to shorten the cycle by approximately two years, bringing our plans, budgets and performance reports closer to the point of implementation.

The proposal contains richer and more tangible information on the Organization's work and on how the Organization contributes to results. More than one thousand examples illustrate the changes that the Organization helped bring about -- double the number of previous achievement indicators.

To ensure more responsive planning, and again for the first time, we have indicated a "challenge" and a "response" for each subprogramme in order to showcase how the Organization intends to take account of past performance and lessons learned, as part of a continuous improvement process.

We are also presenting information in a more accessible format. The focus is on what we have delivered to our beneficiaries. And the changing nature of our work is depicted across years, with explanations of variances.

Taken as a whole, the outcome of this new process is more substantive, and closer to the reality of our work. Programme managers have adopted less siloed approaches in their planning to ensure that different areas of work are reflected.

This, in turn, has brought about an internal mindset change. The narratives better capture how different work areas contribute to results, reinforcing collaboration and coherence.

Mr. Chairman,  
Distinguished Members,

Let me turn now to the third part of the proposed programme budget: post and non-post resource requirements.

To do our work and achieve our planned results, we require \$2.87 billion, which represents no growth in real terms compared to 2019, despite additional initiatives and newly mandated activities.

In keeping with the budgetary methodology, this proposal includes \$71.6 million for preliminary recosting, resulting in total requirements of \$2.94 billion.

The proposal calls for a net decrease of 96 posts.

And it includes \$643.9 million for special political missions.

These numbers reflect four main areas of change.

First, in response to requests to maximize our support for the achievement of the Sustainable Development Goals, we propose to increase funding by \$3.3 million, about 10 per cent, for technical cooperation projects. These projects will meet the increased demands of Member States in a responsive and agile fashion, and will complement the reformed Resident Coordinator system.

Second, we seek to expand staff training and development by \$2.4 million to support the culture change and capacity development that underpin the success of the reforms. Investing in staff training and development will be crucial to achieve the required cultural shift towards results.

Third, the United Nations is currently operating three investigative mechanisms covering Myanmar, Da'esh/ISIL and Syria. As called upon by the General Assembly, we propose the amount of \$17.8 million, including 60 temporary posts, for the International, Impartial and Independent Mechanism for Syria.

Fourth, the General Assembly entrusted new and expanded mandates to the Organization, resulting in budgetary proposals amounting to \$18.2 million, to support activities resulting from resolutions of the General Assembly, Security Council, Economic and Social Council and Human Rights Council.

We have also made reductions of \$59.2 million that represent meaningful savings without affecting the full and effective implementation of mandates.

Regarding the presentation of the proposed resource requirements, the report offers more accessible information, including on policymaking organs. New visual elements include graphs and diagrams.

Transparency is strengthened by providing a perspective over time as well as a detailed breakdown of resources by subprogramme and budget class.

In keeping with my commitment, and the General Assembly's request, to make our Organization more environmentally sustainable, the budget document offers information on measures taken by all offices towards this objective.

And for the first time, the Organization has leveraged Umoja to prepare the proposed programme budget. Indeed, Umoja is one of the enablers of an annual budget and will also facilitate the monitoring of implementation globally.

Mr. Chairman,  
Distinguished Members,

The changes to all three parts of the proposal -- the plan outline, the programme plan and the resources -- strive to better demonstrate how the United Nations is working to deliver on our mandates..

This budget reflects profound reflection on the path ahead and deep commitment to our shared work.

Yet the Organization is facing a severe financial crisis. The equation is simple: without cash, the budget cannot be properly implemented.

For the current biennium, budget implementation is no longer being driven by programme planning but by the availability of cash at hand. In 2019, managers have been instructed to adjust their hiring and non-post expenditures owing to liquidity constraints. This undermines mandate delivery and goes against our efforts to focus less on inputs and more on results.

It also means that our expenditure patterns are not an accurate indication of our real needs over the year. But it is an indication of money that could not be spent, as and when it was required, because we did not receive it on time. I thus urge you not to reduce the requirements for 2020 based on past expenditure patterns. This would only worsen an already alarming situation. Instead, I urge you to allow us to use the unspent balances -- even if they are small -- to supplement our liquidity reserves.

Earlier this year, I proposed measures to resolve the financial crises facing our Organization.

You have responded positively to some of the proposals for the peacekeeping budget, which will reduce the debt to troop- and police-contributing countries -- for which I am grateful.

But we have not yet addressed the regular budget crisis, and the situation continues to deteriorate.

This month, we will reach the deepest deficit of the decade. We risk exhausting the closed peacekeeping cash reserves, and entering November without enough cash to cover payrolls.

This situation would have been much worse if I had not worked since January to curtail spending, align our real vacancy rate with the approved rate, and manage cash on a month-by-month basis. Without these steps, we would not have had the liquidity to support the opening of the General Assembly debate and the mandated high-level meetings last month.

Last week, I had to introduce extraordinary measures to cope with the record-level shortage of cash. Vacant posts cannot be filled, travel will be limited to essential travel only, meetings may have to be canceled or deferred, webcasting of non-mandated events will not be available, and support to meetings will have to be adjusted. The Secretariat will no longer be able to support any non-mandated events after 6 p.m. These steps will affect our operations in New York, Geneva, Vienna and Nairobi and at the regional commissions.

Our work and our reforms are at risk.

As I introduce the 2020 programme budget proposals, I reiterate my call on you to recommit to paying your financial obligations on time and in full. I thank those Member States that have done so. I also thank those that continue to make every effort to do so, notwithstanding the difficult economic conditions they face. I equally urge you to consider measures to ease the structural impediments preventing us from managing the resources more effectively.

The full and efficient implementation of our programme of work depends on the financial support of Member States through the adoption of realistic budget levels and the provision of timely contributions to ensure a stable financial situation throughout the year.

I look forward to your full and enthusiastic support

My representatives and I are always available to answer your questions, allay your concerns and facilitate your decisions.

Thank you.