

**Statement by Director, Programme Planning and Budget Division  
to the Fifth Committee**

**Financial Performance Report on the Programme Budget for 2020**

**6 December 2021**

Mr. Chairman, Distinguished members,

I am pleased to present to you the Financial performance report on the programme budget for 2020. The report has been prepared in line with the General Assembly resolution 72/266, which requested the Secretary-General to issue a separate budget performance report following the completion of the budget period .

The implementation of the programme budget in 2020 was affected by the COVID-19 pandemic and the liquidity constraints that the Organization experienced, which made planning and programme delivery in 2020 very challenging.

In 2020, due to the pandemic, the Organization adapted to new ways of working, including by supporting virtual or hybrid meetings of inter-governmental bodies and working remotely, and incurred additional expenditure on medical evacuations, support through United Nations system clinics (first line of defence) and COVID-19 vaccinations.

The global pandemic also caused an abnormally low level of consumption under travel, experts, hospitality and supplies and materials. To manage liquidity, budget expenditure was aligned with forecasted collections of assessments, which forced the introduction of a hiring freeze from April 2020 onwards and the postponement of non-post expenditures. The late collection of contributions, with more than 300 million received in the last 10 days of the year, contributed to a large volume of commitments to be established in the last few days of 2020, to allow programme managers to implement the mandates entrusted to the Organization.

The final expenditure incurred in 2020 amounted to \$3,015.9 million or \$57.9 million less than the appropriation of \$3,073.8 million approved by the General Assembly in its resolution 74/264 A-C. The final expenditure includes an amount of \$15.0 million incurred in respect of subventions and commitment authorities, pursuant to General Assembly resolutions 74/264 and 74/265, for which no appropriations were approved. Estimates of income in 2020 were below expectations at \$282.2 million compared with approved estimates of \$295.6 million. The lower-than-projected income relates mainly to the lower post expenditure due to the hiring freeze, resulting in lower staff assessment income, and the impact of the pandemic on our revenue generating operations.

Mr. Chairman, Distinguished Members,

While the COVID-19 pandemic continues to disrupt our normal lives and the liquidity challenges remain, let me emphasize that the pattern of expenditure experienced

in 2020 is not expected to persist and is not to be construed as a predictor of future expenditure.

I would like to thank you for your support, and we stand ready to address any questions you may have in this respect.

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