

UNITED NATIONS

Budgeting and funding of UN regular budget

2 September 2020

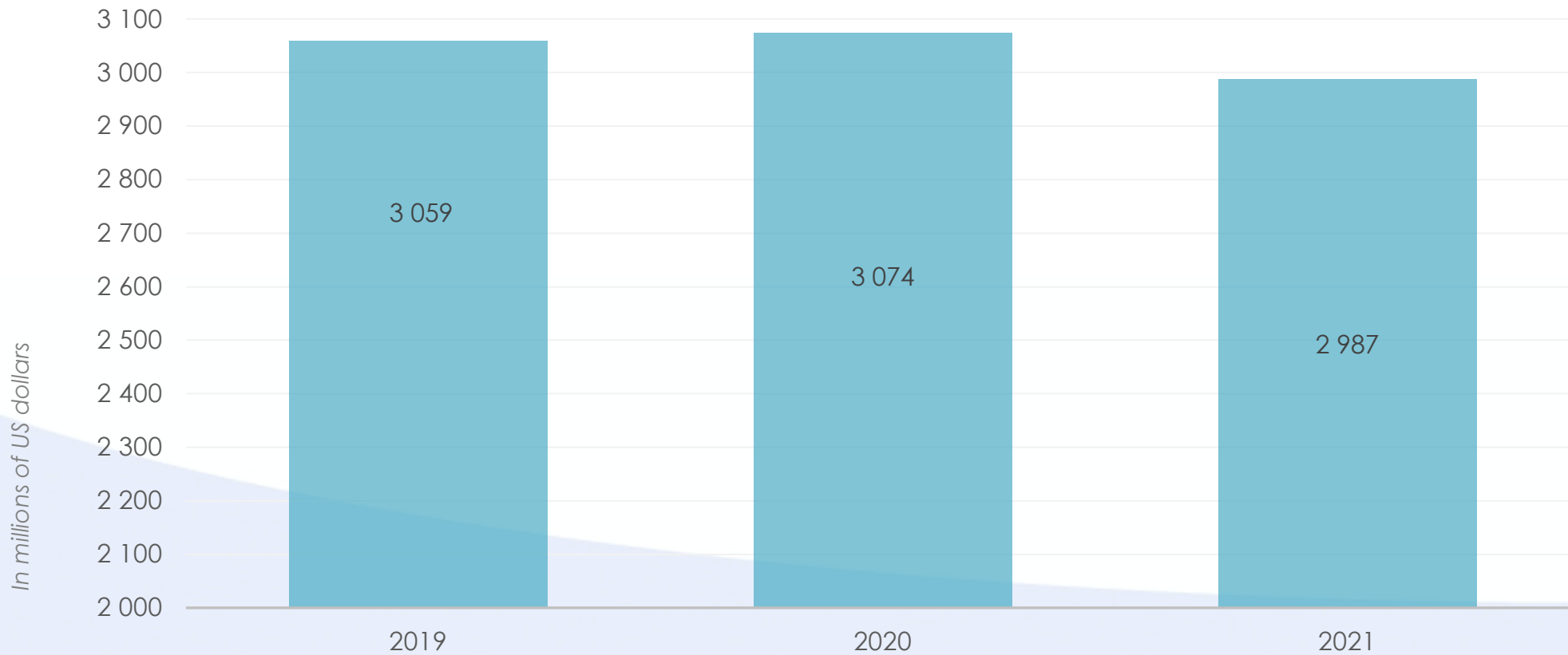
Mr. Johannes Huisman, Director

Office of Programme Planning, Finance and Budget

Department of Management Strategy, Policy and Compliance

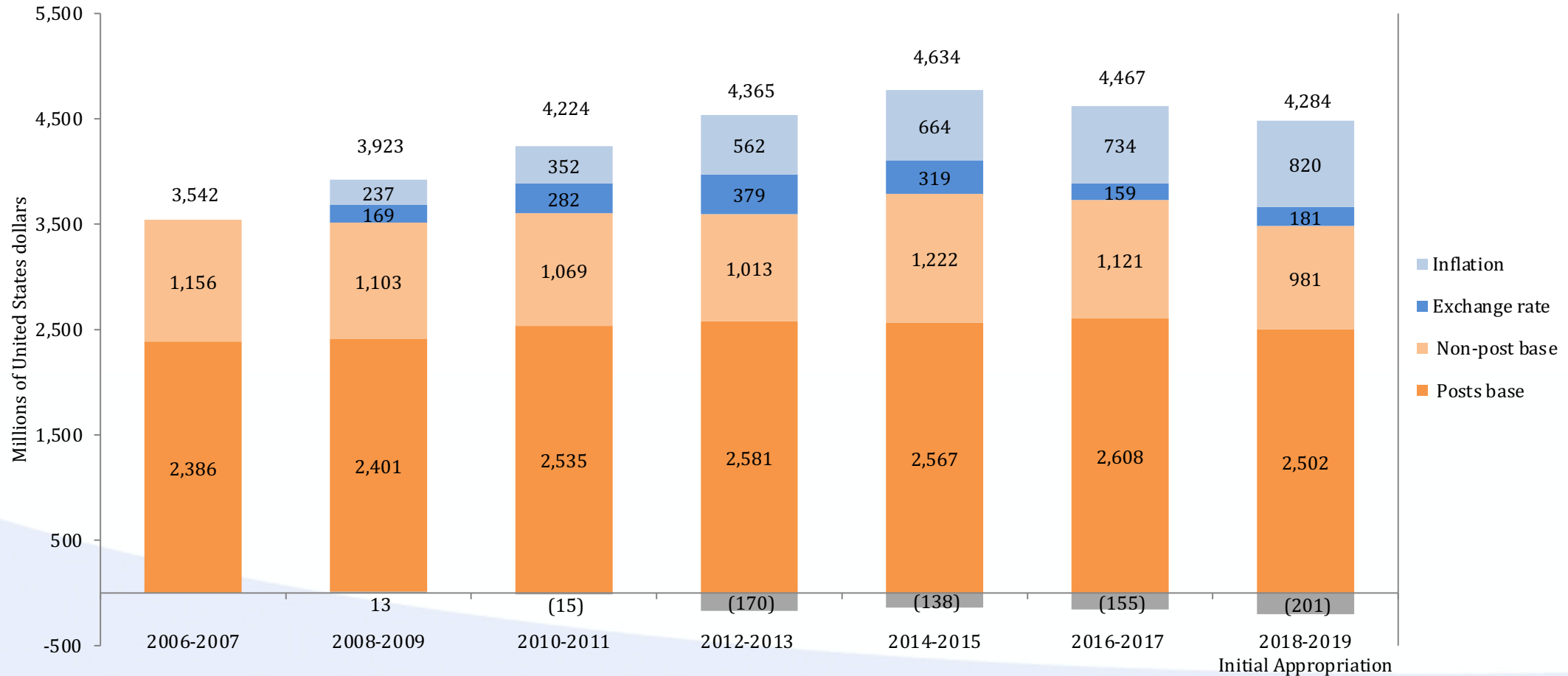
More mandates and zero real growth regular budget

Evolution of Budgets



Source: A/75/6(Introduction)

More mandates and zero real growth regular budget



20 % growth from 2006-2007 to 2018-2019 is driven by:



23% Increase in inflation
5% Increase in costs of non-USD currency



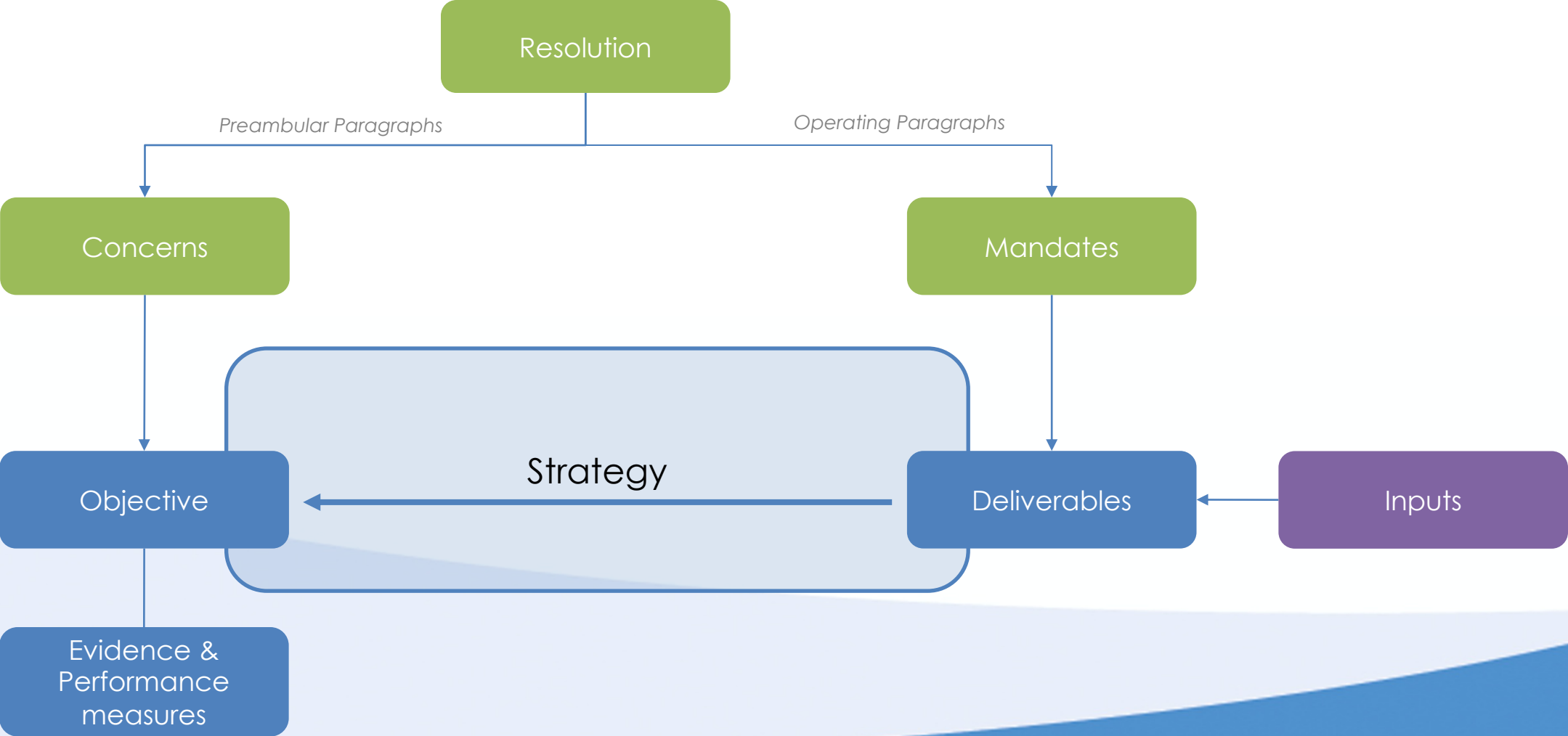
(6)% Decrease in Standards adjustments
(2)% Decrease in the base

Budget Reform aims at building deeper trust by demonstrating added value



Results-based budgeting in the UN driven by resolutions

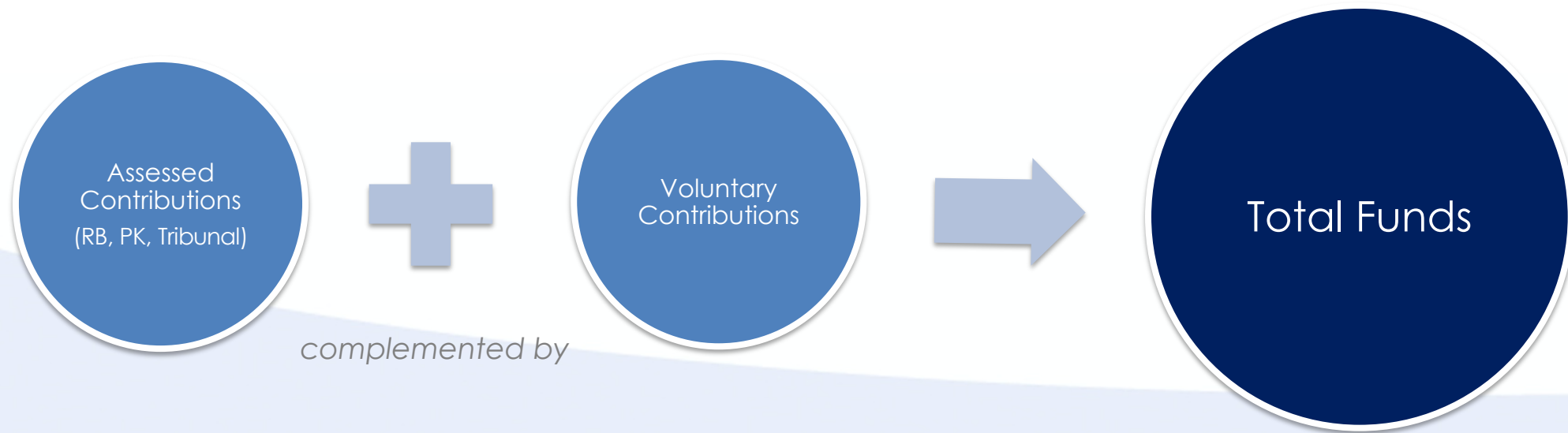
Sequential nature preserved by starting with programme planning and target results



Funding in the UN: Assessed Contributions proposed for approval

Estimates on voluntary contributions (VC) provided for information purposes

Programme plans include activities funded by VC to validate complementarity within mandates



Annual budget process incorporates programmatic performance

Financial performance presented in a separate report



2020	2021			
December	Q1	Q2	Q3	Q4

GA Resol.
on PPB
2021

PPB 2022 (includes 2020 prog. Performance)

CPC

ACABQ

Final 2020
expenditures

2020 Financial
Performance Report

ACABQ

GA Deliberations on 2022 Budget
and 2020 performance

Positive feedback from the Committees despite potentially challenging recommendations

CPC Recommendations on Programmatic aspects

- 20 Programme have recommendations and conclusions; no consensus on 8 others
- Appreciated the efforts to improve presentation, and encouraged further improvement
- Improve the structure and consistency of strategies
- Quantify substantive and enabling deliverables, where practical

ACABQ Recommendations on Posts and Non-Post resources

- Reduction of \$6.1 million (0.2 %) mainly under travel of staff (\$2.1m or -10%), equipment (\$1.1m or -5%) and supplies (500k or -5%); SG initiatives (-600k under training and global communications strategy)
- Recosting proposal only once at the time of approval by GA
- Additional details on extrabudgetary resources
- Include programmatic and financial impact of COVID-19 in 2022 Budget Report
- Application of entity-specific vacancy rates

Positive recommendations from the CPC in A/75/16

Conclusions and recommendations

24. The Committee noted with appreciation the efforts of the Secretary-General in the application of the guidelines provided by the General Assembly with regard to the presentation of programme plans.

25. The Committee recommended that the General Assembly request the Secretary-General to ensure that the terms and expressions referenced in the proposed programme plan had been intergovernmentally agreed.

26. The Committee recommended that the General Assembly encourage the Secretary-General to continue to enhance the presentation of the proposed programme plans in line with the following guidelines:

- (a) Improve the structure and consistency of subprogramme strategies in order to achieve greater clarity with regard to different categories of activities and related expected results;
- (b) In the subprogramme strategies, replace the information on “past results” with “planned activities” in the next budgetary cycle;
- (c) Enhance the information provided as a list of deliverables, including by quantifying substantive and enabling deliverables, whenever practical;
- (d) Avoid duplication or unnecessary overlap of themes and contributing activities in the planned results, taking into account the features of the respective subprogramme.

27. The Committee recommended that the General Assembly request the Secretary-General to continue consultations with Member States on the presentation of the programme plan, in line with Assembly guidelines, during the annual budget trial period.

28. The Committee underlined the importance of self-evaluation and internal review by programme managers and recommended that the General Assembly encourage self-evaluation and regular internal reviews as appropriate.

29. The Committee noted with appreciation the current efforts of the United Nations system to respond to the coronavirus disease (COVID-19) pandemic and acknowledged the potential impact of the pandemic on programme plans for 2021. The Committee emphasized that the programme managers, in responding to the impact, should do so within the scope of their overall objectives, strategies and mandates, in accordance with relevant provisions of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. The Committee further stressed the importance of keeping Member States updated in a timely manner on the impact of COVID-19 on the programmes, and recommended that the General Assembly request the Secretary-General to provide information to the Assembly on possible adjustments during its consideration of the programme plans for 2021.

No concrete conclusions and recommendations for 8 of the 28 programmes

Conclusions and recommendations

100. Owing to a shortage of time, the Committee recommended that the General Assembly, at its seventy-fifth session, review the programme plan of programme 3, Disarmament, of the proposed programme budget for 2021, under the agenda item entitled “Programme planning”.

Prog. 3
Disarmament

Prog. 6 Legal
Affairs

Prog. 7 Economic
and social affairs

Prog. 13 Drugs
and crime

Prog. 14 Gender
equality &
empowerment of
women

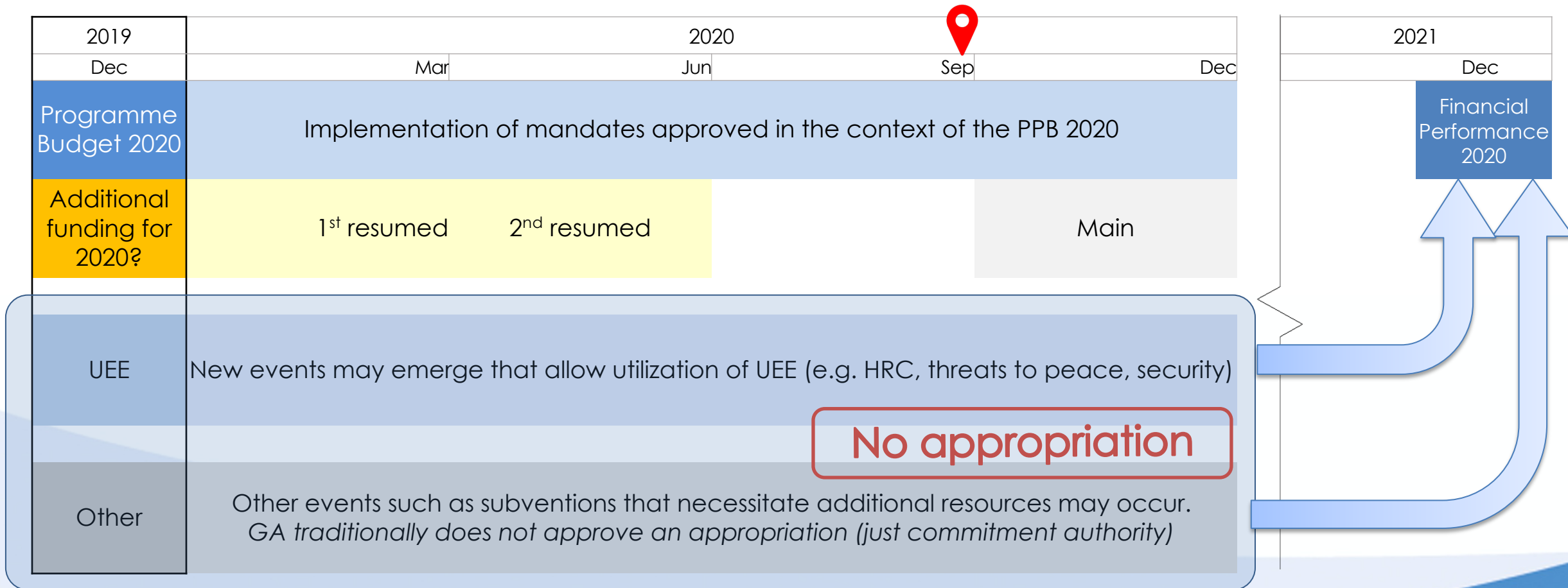
Prog. 20 Human
Rights

Prog. 23
Humanitarian
assistance

Prog. 25
Management

Various funding mechanisms allow UN expenditures

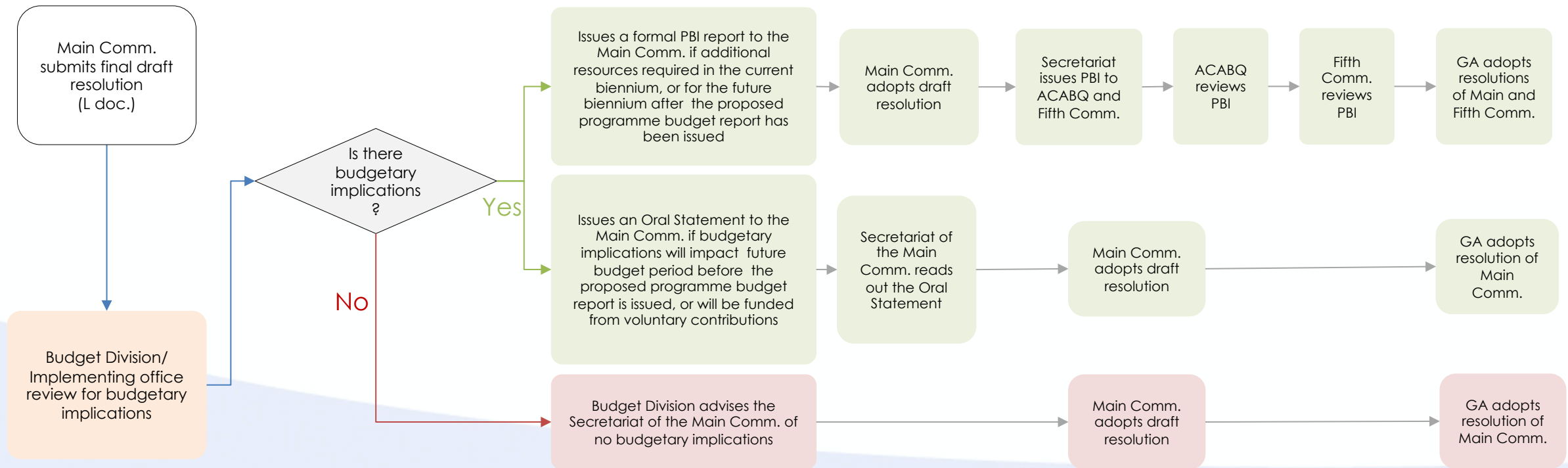
Most interim funded mechanisms are not funded



Programme Budget Implications (PBIs)

Mandates not provided for in the programme budget

Process



Contingency Fund is not a funding mechanism

It's a presentation mechanism

- *Overall level (0.75 % of the appropriation) for mandates not provided for in the programme budget*
- *Political margin for the adoption of new and expanded mandates with budgetary implications*

Budgetary implications may be triggered by nuances in language

Budgetary implications

Requests the SG/ES to:

- Submit a new report...
- Establish a new capacity to support...
- To carry out new activities ...
- Expand the scope of ...
- **Approves / decides / mandates**

No budgetary implications

Requests the SG/ES to:

- Continue to report...
- Maintain the capacity to support...
- To make efforts to carry out new activities
- Explore options to expand the scope of ...
- **Calls upon / invites / encourages**

Reports expected in the fall

Estimates not provided for in the proposed programme budget



Resolutions and decisions of the Human Rights Council



Resolutions and decisions of the Economic and Social Council



Security Council
United Nations

Resolutions and decisions by the Security Council

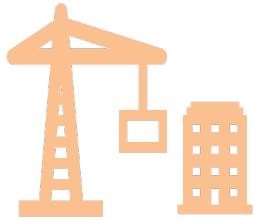


General Assembly

Resolutions and decisions by the General Assembly

Reports expected in the fall

Estimates not provided for in the proposed programme budget



Progress reports on ongoing construction projects in Geneva, Addis Ababa, Bangkok, Nairobi and Santiago

Progress report of the Secretary-General on the ongoing implementation of a flexible workplace at United Nations Headquarters



Twelfth progress report on the enterprise resource planning project

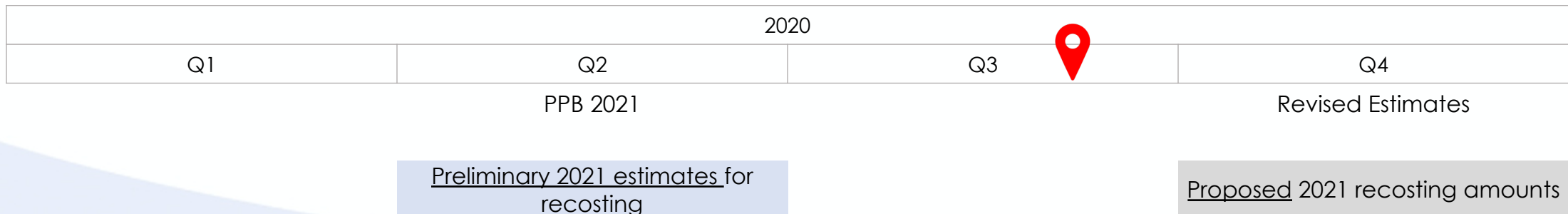


Revised estimates relating to effect of changes in rates of exchange and inflation

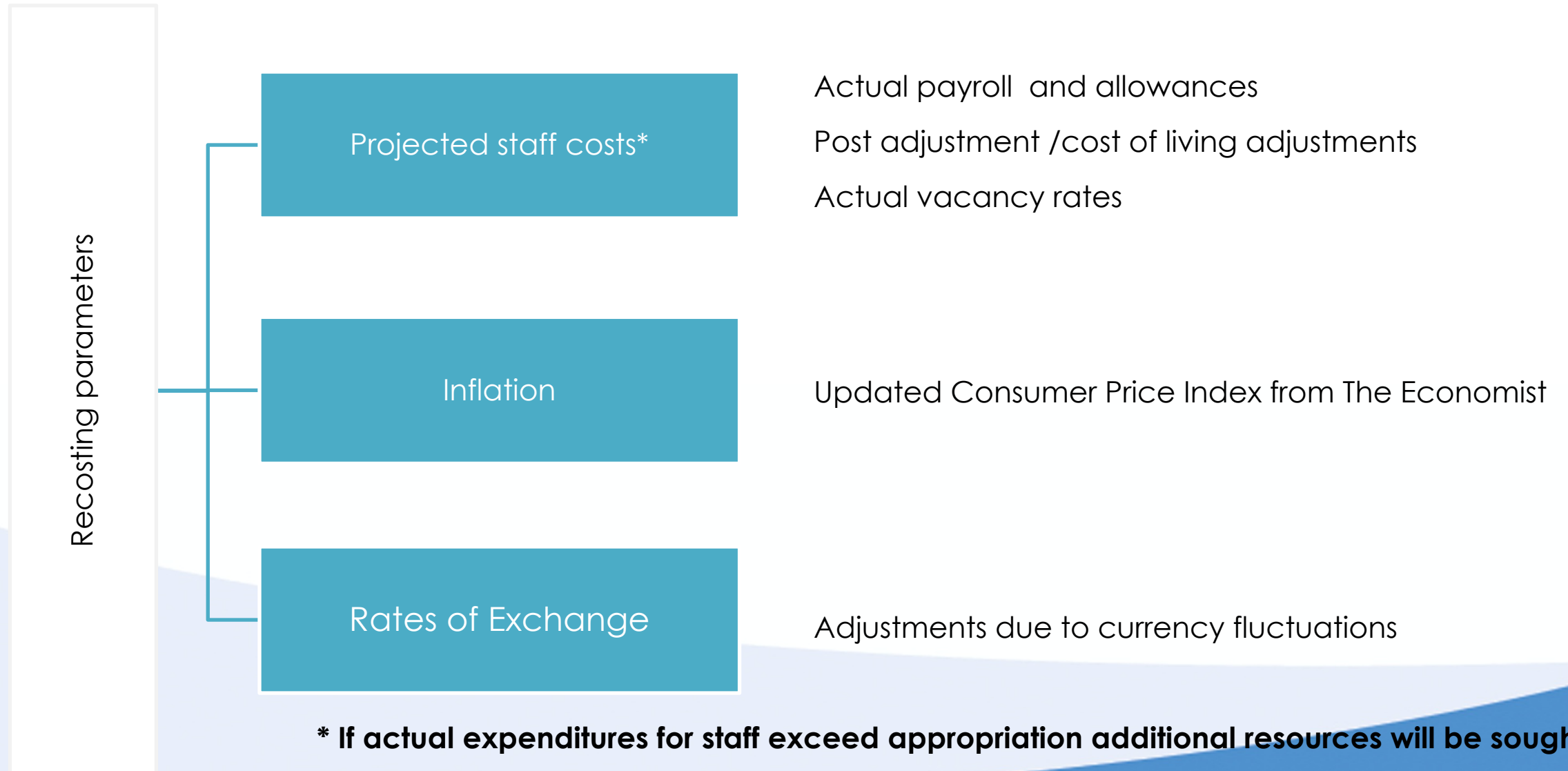
No changes due to recosting during the budget period

Recosting is a technical revision to the budget whereby adjustments in the level of appropriations are proposed as a result of variations in operational rates of exchange, inflation, average payroll level changes, and vacancy rates previously assumed.

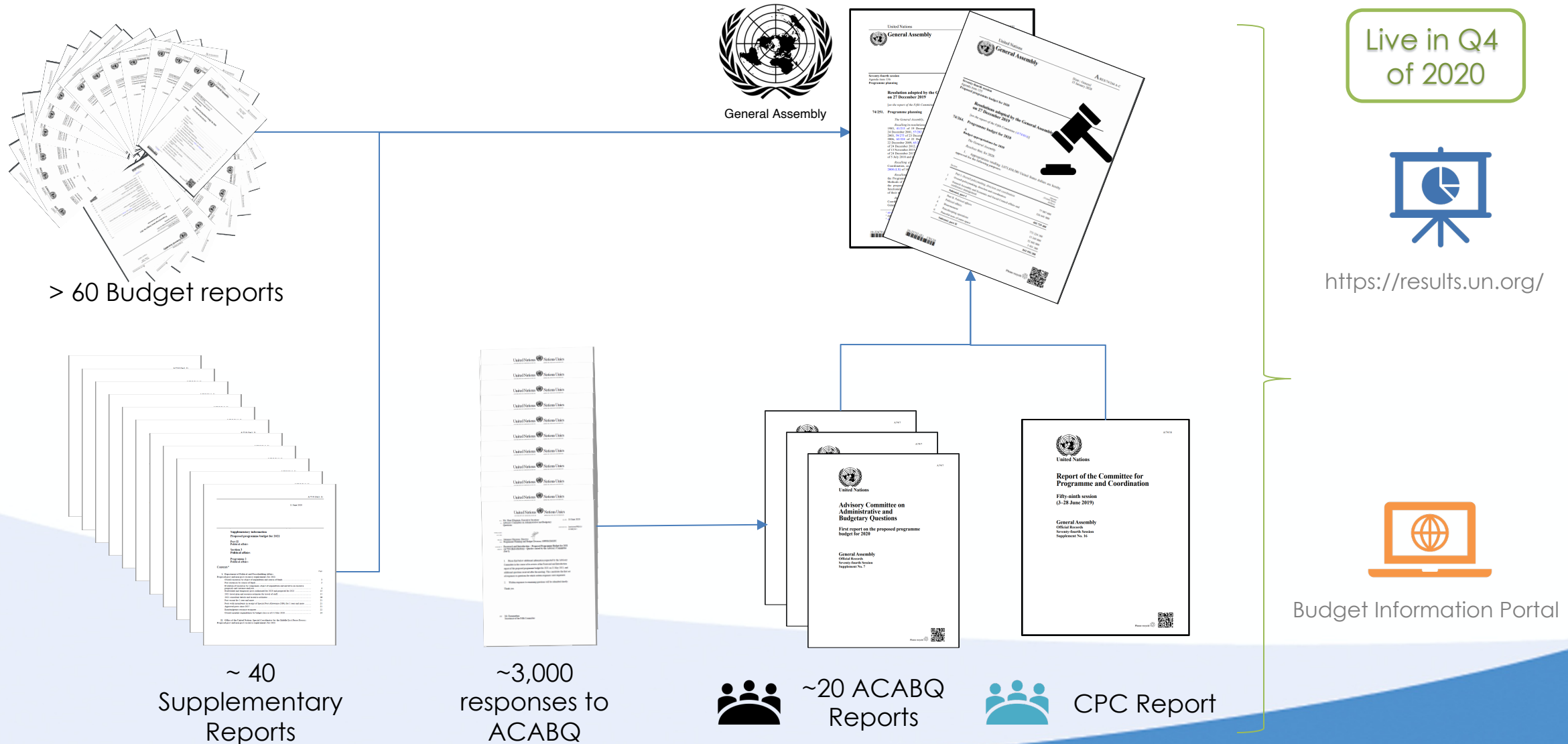
For example: Recosting estimates for 2021 Budget Period



Recosting parameters subject to technical revision



Thousands of pages of information made accessible



Additional information, for reference

Definitions of elements in framework

Objective	Desired achievement involving a process of change and aimed at meeting certain needs of identified end-users or beneficiaries.
Evidence	Demonstration of progress made, during the reporting period, towards the collective attainment of the objective. Illustrated by performance measures that can be qualitative, quantitative or a combination of both.
Deliverable	Final products or services delivered to end-users, which a subprogramme is expected to produce in order to contribute to the collective achievement of the objective
Strategy	Approach to be taken within the planning period to meet the needs of intended beneficiaries and to effectively contribute to progress towards the objective.
Inputs	Posts and Non-Post resources for final products or services

Rich list of resolutions on UN budgeting

Year	Document reference	Main elements, stipulations and areas covered
1986	Resolution 41/213	Introduced aspects of the budget process, including the contingency fund
1987	Resolution 42/211	
1993	Resolution 47/212 A	Reaffirmed that the search for efficiency should be a continuous process and requested the development of workload standards and the improved presentation of extrabudgetary resources and changes in the staffing table
2000	Resolution 55/231	Introduced results-based-budgeting frameworks as part of the medium-term plan for the period 2002–2005
2004	Resolution 59/275	Replaced the medium-term plan with the strategic framework, beginning with the period 2006–2007

Rich list of resolutions on UN budgeting

Year	Document reference	Main elements, stipulations and areas covered
1969	Resolution 2617 (XXIV)	Introduced the recosting concept
2004	Resolution 59/264 A	Approved the report of the Board of Auditors on the recosting methodology
2007	Resolution 62/236	Requested the inclusion of resources from other funding sources
2008	A/63/620 and resolution 63/263	Detailed recosting methodology included in the report of the Advisory Committee on Administrative and Budgetary Questions endorsed by the General Assembly
2014	Resolution 69/274 A	Approved the use of forward exchange rates in the recosting methodology Requested the use of more detailed and richer information available from Umoja to refine recosting estimates

Rich list of resolutions on UN budgeting

Year	Document reference	Main elements, stipulations and areas covered
2013	Latest version of the Financial Regulations and Rules of the United Nations (ST/SGB/2013/4 and ST/SGB/2013/4/Amend.1), as approved by the General Assembly	<ul style="list-style-type: none">• Presentation, content and methodology of the programme budget• Review and approval of the programme budget• Revised programme budget requirements• Programme budget implications• Unforeseen and extraordinary expenses• Working Capital Fund
2018	Latest version of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2018/3), as approved by the General Assembly	<ul style="list-style-type: none">• Adoption of the International Public Sector Accounting Standards• Planning, programming and budgeting process• Strategic framework• Programme aspects of the budget• Monitoring of programme implementation• Evaluation

Rich list of resolutions on UN budgeting

Year	Document reference	Main elements, stipulations and areas covered
2018	Resolution 72/266 A	Approved the annual budget on a trial basis; decided that the proposed programme budget should consist of three parts, and that parts I and II should be submitted to the Committee for Programme and Coordination and part III to the Advisory Committee on Administrative and Budgetary Questions for the consideration of the General Assembly
2019	Resolution 74/251	Provided direction for the preparation of the programme plan and performance information for 2021 and 2022
2019	Resolution 74/262	Provided direction for the preparation of post and non-post resources

Thank you!

A decorative graphic at the bottom of the slide consisting of two overlapping, wavy shapes. The top shape is a light blue gradient, and the bottom shape is a solid medium blue. Both shapes curve upwards from left to right, creating a wave-like effect.