More mandates and zero real growth regular budget

Evolution of Budgets

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget in millions of US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>3,059</td>
</tr>
<tr>
<td>2020</td>
<td>3,074</td>
</tr>
<tr>
<td>2021</td>
<td>2,987</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Years</th>
<th>Initial Appropriation</th>
<th>Inflation</th>
<th>Exchange rate</th>
<th>Non-post base</th>
<th>Posts base</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006-2007</td>
<td>2,386</td>
<td>-500</td>
<td>500</td>
<td>1,500</td>
<td>2,386</td>
</tr>
<tr>
<td>2008-2009</td>
<td>2,401</td>
<td>1,156</td>
<td>1,103</td>
<td>2,401</td>
<td>2,401</td>
</tr>
<tr>
<td>2010-2011</td>
<td>3,923</td>
<td>(15)</td>
<td>237</td>
<td>3,923</td>
<td>2,535</td>
</tr>
<tr>
<td>2012-2013</td>
<td>4,224</td>
<td>(150)</td>
<td>379</td>
<td>4,224</td>
<td>2,581</td>
</tr>
<tr>
<td>2016-2017</td>
<td>4,467</td>
<td>734</td>
<td>159</td>
<td>4,467</td>
<td>2,608</td>
</tr>
<tr>
<td>2018-2019</td>
<td>4,284</td>
<td>820</td>
<td>181</td>
<td>4,284</td>
<td>2,502</td>
</tr>
</tbody>
</table>
Budget Reform aims at building deeper trust by demonstrating added value

- Demonstration of more concrete results
- Enhanced accountability by including performance & lessons learned
- More responsive to emerging needs

Build deeper trust in the added value by our work
Results-based budgeting in the UN driven by resolutions

Sequential nature preserved by starting with programme planning and target results

- Resolution
  - Preambular Paragraphs
  - Operating Paragraphs
- Concerns
- Mandates
- Objective
- Deliverables
- Inputs

Evidence & Performance measures
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

<table>
<thead>
<tr>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>December</td>
<td>Q1</td>
</tr>
</tbody>
</table>

GA Resol. on PPB 2021

PPB 2022 (includes 2020 prog. Performance)

CPC

ACABQ

Final 2020 expenditures

2020 Financial Performance Report

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
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

<table>
<thead>
<tr>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec</td>
<td>Mar</td>
<td>Jun</td>
</tr>
<tr>
<td><strong>Programme Budget 2020</strong></td>
<td>Implementation of mandates approved in the context of the PPB 2020</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; resumed</td>
</tr>
</tbody>
</table>

**Additional funding for 2020?**

- 1<sup>st</sup> resumed
- 2<sup>nd</sup> resumed

**UEE**

- New events may emerge that allow utilization of UEE (e.g. HRC, threats to peace, security)

**Other**

- Other events such as subventions that necessitate additional resources may occur. *GA traditionally does not approve an appropriation (just commitment authority)*

Financial Performance 2020
**Programme Budget Implications (PBIs)**

*Mandates not provided for in the programme budget*

**Process**

- **Main Comm. submits final draft resolution (L doc.)**
- **Is there budgetary implications?**
  - **Yes**
    - Issues a formal PBI report to the Main Comm. if additional resources required in the current biennium or for the future biennium after the proposed programme budget report has been issued.
    - Main Comm. adopts draft resolution
    - Secretariat issues PBI to ACABQ and Fifth Comm.
    - ACABQ reviews PBI
    - Fifth Comm. reviews PBI
    - GA adopts resolutions of Main and Fifth Comm.
  - **No**
    - Issues an Oral Statement to the Main Comm. if budgetary implications will impact future budget period before the proposed programme budget report is issued, or will be funded from voluntary contributions.
    - Secretariat of the Main Comm. reads out the Oral Statement
    - Main Comm. adopts draft resolution
    - GA adopts resolution of Main Comm.
- **Budget Division/Implementing office review for budgetary implications**
- **Yes**
  - Budget Division advises the Secretariat of the Main Comm. of no budgetary implications.
  - Main Comm. adopts draft resolution
  - GA adopts resolution of Main Comm.
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
- Resolutions and decisions by the Security Council
- 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

- **Projected staff costs***
  - Actual payroll and allowances
  - Post adjustment /cost of living adjustments
  - Actual vacancy rates

- **Inflation**
  - Updated Consumer Price Index from The Economist

- **Rates of Exchange**
  - Adjustments due to currency fluctuations

* If actual expenditures for staff exceed appropriation additional resources will be sought
Thousands of pages of information made accessible

> 60 Budget reports

~ 40 Supplementary Reports

~3,000 responses to ACABQ

~20 ACABQ Reports

CPC Report

Live in Q4 of 2020

https://results.un.org/

Budget Information Portal
Additional information, for reference
### Definitions of elements in framework

<table>
<thead>
<tr>
<th>Element</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective</strong></td>
<td>Desired achievement involving a process of change and aimed at meeting certain needs of identified end-users or beneficiaries.</td>
</tr>
<tr>
<td><strong>Evidence</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Deliverable</strong></td>
<td>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.</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td>Approach to be taken within the planning period to meet the needs of intended beneficiaries and to effectively contribute to progress towards the objective.</td>
</tr>
<tr>
<td><strong>Inputs</strong></td>
<td>Posts and Non-Post resources for final products or services</td>
</tr>
</tbody>
</table>
Rich list of resolutions on UN budgeting

<table>
<thead>
<tr>
<th>Year</th>
<th>Document reference</th>
<th>Main elements, stipulations and areas covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>Resolution 41/213</td>
<td>Introduced aspects of the budget process, including the contingency fund</td>
</tr>
<tr>
<td>1987</td>
<td>Resolution 42/211</td>
<td>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</td>
</tr>
<tr>
<td>1993</td>
<td>Resolution 47/212 A</td>
<td>Introduced results-based-budgeting frameworks as part of the medium-term plan for the period 2002–2005</td>
</tr>
<tr>
<td>2000</td>
<td>Resolution 55/231</td>
<td>Replaced the medium-term plan with the strategic framework, beginning with the period 2006–2007</td>
</tr>
</tbody>
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## Rich list of resolutions on UN budgeting

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<tr>
<td>1969</td>
<td>Resolution 2617 (XXIV)</td>
<td>Introduced the recosting concept</td>
</tr>
<tr>
<td>2004</td>
<td>Resolution 59/264 A</td>
<td>Approved the report of the Board of Auditors on the recosting methodology</td>
</tr>
<tr>
<td>2007</td>
<td>Resolution 62/236</td>
<td>Requested the inclusion of resources from other funding sources</td>
</tr>
<tr>
<td>2008</td>
<td>A/63/620 and resolution 63/263</td>
<td>Detailed recosting methodology included in the report of the Advisory Committee on Administrative and Budgetary Questions endorsed by the General Assembly</td>
</tr>
<tr>
<td>2014</td>
<td>Resolution 69/274 A</td>
<td>Approved the use of forward exchange rates in the recosting methodology</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Requested the use of more detailed and richer information available from Umoja to refine recosting estimates</td>
</tr>
</tbody>
</table>
## Rich list of resolutions on UN budgeting

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<th>Year</th>
<th>Document reference</th>
<th>Main elements, stipulations and areas covered</th>
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</thead>
<tbody>
<tr>
<td>2013</td>
<td>Latest version of the Financial Regulations and Rules of the United Nations (<a href="https://example.com">ST/SGB/2013/4</a> and <a href="https://example.com">ST/SGB/2013/4/Amend.1</a>), as approved by the General Assembly</td>
<td>• Presentation, content and methodology of the programme budget&lt;br&gt;• Review and approval of the programme budget&lt;br&gt;• Revised programme budget requirements&lt;br&gt;• Programme budget implications&lt;br&gt;• Unforeseen and extraordinary expenses&lt;br&gt;• Working Capital Fund</td>
</tr>
<tr>
<td>2018</td>
<td>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 (<a href="https://example.com">ST/SGB/2018/3</a>), as approved by the General Assembly</td>
<td>• Adoption of the International Public Sector Accounting Standards&lt;br&gt;• Planning, programming and budgeting process&lt;br&gt;• Strategic framework&lt;br&gt;• Programme aspects of the budget&lt;br&gt;• Monitoring of programme implementation&lt;br&gt;• Evaluation</td>
</tr>
</tbody>
</table>
Rich list of resolutions on UN budgeting

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<tr>
<th>Year</th>
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<th>Main elements, stipulations and areas covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Resolution 72/266 A</td>
<td>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</td>
</tr>
<tr>
<td>2019</td>
<td>Resolution 74/251</td>
<td>Provided direction for the preparation of the programme plan and performance information for 2021 and 2022</td>
</tr>
<tr>
<td>2019</td>
<td>Resolution 74/262</td>
<td>Provided direction for the preparation of post and non-post resources</td>
</tr>
</tbody>
</table>
Thank you!