

**Statement of the Chairman**  
**Advisory Committee on Administrative and Budgetary Questions (ACABQ)**  
**16 December 2011**

**Revised estimates: effect of changes in rates of exchange and inflation**

**Revised estimates for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism: effects of changes in rates of exchange and inflation**

*(Secretary-General's reports, A/66/614, A/66/605, ACABQ report A/66/7/Add.22)*

**Contingency fund: consolidated statement of programme budget implications and revised estimates**

*(Secretary-General's reports, A/C.5/66/13, ACABQ report A/66/7/Add.23)*

Mr. Chairman,

I am pleased to present the Advisory Committee's report (A/66/7/Add.22) on the reports of the Secretary-General on the revised estimates due to the effect of changes in rates of exchange and inflation (A/66/614) and on the revised estimates for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism due to such effects (A/66/605) and also the Committee's report (A/66/7/Add.23) on the report of the Secretary-General on the consolidated statement of programme budget implications and revised estimates (A/C.5/66/13).

*Effects of changes in exchange rates and inflation*

With regard to the revised estimates of the Secretary-General arising from the recosting of the effect of changes in rates of exchange and inflation as reflected in his reports (A/66/614 and A/66/605), the Advisory Committee has no objection to the revised estimates and, accordingly, transmits them to the General Assembly for consideration.

The Committee also recalls that in its report on the second performance report on the programme budget for the biennium 2010-2011, (A/66/611), it has recommended that the General Assembly request the Secretary-General to report comprehensively on alternative options for the recosting methodology, including an analysis of the risks and resource requirements of each option.

*Contingency fund*

Turning now to the report of the Secretary-General on the contingency fund. The Committee notes that should the General Assembly approve the appropriation of the amounts set out in the Secretary-General's report, a balance of \$5,876,500, or 15 per cent of the contingency fund, would remain to meet future requirements during the 2012-2013 biennium.

While recognizing that additional resource requirements must be considered and that it is not always possible to fit new initiatives within the biennial cycle of the regular budget, the Advisory Committee considers that at least some of the additional requirements for the biennium 2012-2013 could have been included as part of the proposed programme budget for the biennium, thus avoiding a piecemeal approach to the budget process. Furthermore, prudent use of the fund requires that it should not be exhausted before the end of the period that it covers.

The Committee recommends that the Secretary-General be requested to analyze the current utilization of the contingency fund, and in the future, to make every effort to incorporate additional requirements into the initial budgetary proposals.

I thank you, Mr. Chairman.