

Statement of the Chairman
Advisory Committee on Administrative and Budgetary Questions (ACABQ)

October 28, 2013

Proposed Programme Budget for the biennium 2014-2015

(ACABQ report: A/68/7 and addenda)

Mr. Chairman, Mr. Secretary-General, Your Excellencies and Distinguished Delegates

I am pleased to present the Advisory Committee's reports on the proposed Programme Budget for the biennium 2014-2015, in document A/68/7. This document covers estimated resource requirements for the entire Secretariat, although the detail of the proposed resources for the International Trade Centre, under Section 13, will be considered later in the current session.

Mr. Chairman, the Committee's report is the outcome of an extensive review of the Secretary-General's proposals, as presented in the main documents and supplementary information. It also draws upon clarification provided by the Secretary-General and his representatives upon request by the Committee during its deliberations. I trust that the Committee's observations and recommendations on the budget proposal will assist the Member States in their deliberations. The details are contained in the relevant sections of the report, but I would like to bring to the attention of this Committee a few of the cross-cutting issues raised by the Advisory Committee.

Before getting into the substance of the budget proposals, allow me, Mr. Chairman, to say a few words on the methodology applied in the Secretary-General's budget proposal for 2014-2015. Overall, the Advisory Committee has expressed a concern that elements of the methodology applied in the proposal represent a technical departure from the approved budget methodology. I would like to stress that this is a technically complex matter and is dealt with at some length in our report. To summarize, the three main observations made by the Committee are as follows:

- 1) The comparative basis for the budget proposal differs from that used previously since it is not the level of the revised appropriation for 2012-2013 as approved by the General Assembly in its resolution 67/247A ;
- 2) The format and presentation of the budget document contains elements that differ from the requirements set out by the General Assembly in successive resolutions; and

- 3) In his proposal, the Secretary-General distinguishes between resource changes proposed in his budget outline and those that the Secretary-General attributes to the General Assembly in its resolution on the budget outline.

The Committee acknowledges that some of these departures stem from the General Assembly's exceptional decisions to defer consideration of post-related recosting over 2012-2013. For the sake of clarity, the Committee decided to base its observations and recommendations on the resource figures contained in the proposed programme budget. The Advisory Committee recommends, however, a return to the prescribed methodology for the purposes of future budget presentations and stresses the importance of strictly abiding by the terms of the General Assembly resolutions on budgetary process, among them resolutions 41/213, 42/211, 47/212A and 58/269.

Mr. Chairman, turning to the proposed resource requirements, in its resolution 67/248, the General Assembly invited the Secretary-General to prepare his proposed programme budget for 2014-2015 on the basis of a preliminary estimate of \$5.393 billion. The Secretary-General's proposal amounts to \$5.404 billion before recosting, or 0.2 per cent above the level stipulated in the budget outline. After inclusion of preliminary recosting, the proposed level of \$5.562 billion is below the resources for 2012-2013 by \$1.1 million or 0.02 per cent. The recommendations contained in the report of the Advisory Committee would entail an overall reduction of \$13.8 million in the Secretary-General's proposal, as shown in Table 12 of its report (or \$13.1 million before recosting).

With regard to staffing, the Secretary-General proposes a net decrease of 261 posts over the previous biennium, comprising of 396 posts for abolishment, offset by 83 proposed conversions from extrabudgetary resources and the establishment of 52 new posts. In this regard, the Committee does not support 55 posts proposed for establishment or conversion, many of which relate to proposed extrabudgetary post conversions under Section 14 (Environment). It should be noted, however that the Committee supports the proposed establishment or conversion of an additional 47 posts in Section 14, in response to General Assembly resolution 67/213 and the outcome of the United Nations Conference on Sustainable Development.

The Committee does not support the proposed abolition of 26 posts, based on two arguments. First, the proposed abolition of a number of posts was based on a substitution of funding from the regular budget to extrabudgetary resources. The Committee calls into question this rationale, given that the ongoing substantive need for these functions remains unchanged and that the reduction does not constitute a saving but rather a change in funding stream. Second, several posts proposed for abolition were endorsed or established in the General Assembly's last biennial budget resolution (66/246). In view of the General Assembly's relatively recent action in this regard, the Committee believes that the Secretary-General should have excluded these posts from the proposed reductions for 2014-2015.

Overall, the Committee stresses that effective and efficient mandate delivery must always be the overriding factor in determining the Secretariat's resource requirements and its overall staffing structure. The Committee is not convinced that the comprehensive staffing review requested by the General Assembly in its resolution 67/248, with a view to ensuring that

the overall staffing profile is well matched to the planned tasks and activities of the Organization, was undertaken. The Committee notes that the proposed reductions fall disproportionately at the lower grade levels or where posts are vacant or soon-to-be vacant. In addition, the Committee makes the observations that the Secretary-General's proposals lead to an upward shift in the overall grade structure of the Secretariat's staffing table.

Concerning the matter of protracted vacancies, the Committee recalls its view that the continuing requirement for posts that have been vacant for two years or longer should be reviewed and justification provided for their retention in the budget.

The Committee also makes a number of observations and recommendations with respect to the travel costs incurred by the Secretariat. In particular, the Committee expresses its regret that the Secretary-General is unable to provide information on the impact of the travel-related measures already in effect, such as early booking of tickets, more extensive use of videoconferencing or other travel alternatives, and reduced numbers of staff participating in official trips. In addition, the Committee is disappointed that no information could be provided on the savings anticipated from the changes recently approved by the General Assembly with respect to travel, in its resolution 67/254A. Consequently, the Committee believes that a reduction to the proposed budget for travel of staff is merited and recommends an overall reduction of 5 per cent of total travel costs for staff across all budget sections.

Mr. Chairman, concerning the Secretary-General's proposed establishment of a new Partnership Facility, the Advisory Committee sees merit in the proposal, recommending approval of the Secretary-General's staffing proposals, including the new USG-level position, on the understanding that the proposed staff will work on partnership issues within existing arrangements with the objective of further developing the Secretary-General's proposal. The Committee also recommends that the net increase in resource requirements for 2014-2015 as a result of this proposal be absorbed from within existing resources. The Committee stresses further the need for greater oversight of partnership activities from the perspective of Member States and recommends that the relevant aspects of the Facility's work be reviewed by the Committee on Programme and Coordination. It also underscores the importance of the continued independence of the existing partnership structures.

Finally, the Committee notes that proposed resources for the biennium 2014-2015 exclude additional resource requirements in certain cases. For example, additional requirements are anticipated under section 11, UN support for the New Partnership for Africa's Development. Such requirements will be proposed to the General Assembly in the forthcoming reports of the Secretary-General on the related subjects.

In summary, Mr. Chairman, the Advisory Committee makes a number of observations and recommendations concerning different aspects of the Secretary-General's budget proposal for 2014-2015, both in terms of the budget methodology and the substance of the proposals. On the latter, the net effect of the Committee's recommendations would result in an overall reduction of \$13.1 million, bringing down the overall request for resources to \$5,390.9 million before recosting.

I thank you, Mr. Chairman.

Statement of the Chairman
Advisory Committee on Administrative and Budgetary Questions (ACABQ)

28 October 2013

Consultations on consolidating the secretariat of the United Nations System Chief Executives Board of Coordination at United Nations Headquarters in New York

(ACABQ report: A/68/507; related Secretary-General's report: A/68/214)

Mr. Chairman,

I am pleased to introduce the Advisory Committee's report (A/68/507) on the consultations on consolidating the secretariat of the United Nations System Chief Executives Board of Coordination (CEB) at United Nations Headquarters in New York.

By its resolution 66/246, the General Assembly requested that the Secretary-General, in his capacity as the Chair of CEB, consult all the participating organizations on consolidating the secretariat of the CEB at United Nations Headquarters in New York, and report thereon to the Assembly.

The Secretary-General's report indicates that an analysis was carried out of the functioning and the working modalities of the CEB secretariat, as well as an evaluation for all member organizations of the benefits and impact of possible consolidation in New York. It is stated that the analysis showed that consolidation would negatively affect the inter-agency working interactions in Geneva, and that no economies of scale for the CEB secretariat could be expected from consolidation.

Mr Chairman, the Advisory Committee considers that the analysis conducted on the consolidation of the CEB secretariat did not sufficiently examine the respective costs of the current arrangement in contrast to those of a consolidated secretariat. However, the Committee notes that the current structure of the CEB secretariat takes into account a balanced representation of the locations of CEB member organizations, and reflects the historical locations of CEB's predecessor and its subsidiary bodies.

The Committee therefore considers the current structure of the CEB secretariat to be an effective arrangement and recommends that the dual-location arrangement be maintained at this stage.

I thank you, Mr. Chairman.