

*** CHECK AGAINST DELIVERY ***



Agenda Item 135

Programme budget for the biennium 2016-2017

**Second performance report on the programme budget for the biennium
2016-2017 (A/72/606)**

FIFTH COMMITTEE

Statement by

**Ms Bettina Tucci Bartsiotas
Assistant Secretary-General, Controller**

20 December 2017

Mr. Chairman,
Distinguished Delegates,

1. I have the honour to introduce the second performance report on the programme budget for the biennium 2016-2017, as contained in document A/72/606. The report provides an estimate of the anticipated level of expenditures for the biennium 2016-2017, taking into account actual expenditures for the first 22 months of the biennium, projected requirements for the last two months, and changes in inflation and exchange rates.

2. A chart showing the factors of change has been included at the end of the statement to facilitate understanding of the proposal. The net increase of **\$61.4 million** mainly relates to authorities and unforeseen and extraordinary expenses approved following the revised appropriation (**\$37.8 million**) and increases related to post incumbency and other changes (**\$30.3 million**), offset in part by lower requirements for currency and inflation (**\$6.7 million**). We have also enhanced the presentation of the report, by including graphical figures (i.e. Figures 8 to 14) to show the proposed changes grouped under *Posts, Other Staff Costs and Non-post object of expenditures*.

3. Lower requirements of **\$6.7 million** for currency and inflation reflect favourable rates of exchange of the United States dollar in relation to a number of currencies, primarily the Swiss franc and the Euro, and, favourable inflationary rates for post and non-post objects of expenditure.

Mr. Chairman,
Distinguished Delegates,

4. The present report seeks approval to appropriate an additional amount of **\$37.8 million** for the funding of unforeseen and extraordinary expenses (\$24 million); for the Subvention to the Extraordinary Chambers in the Courts of Cambodia (\$11 million), and the Subvention to the Residual Special Court for Sierra Leone (\$2.8 million).

5. Following issuance of the second performance report, the Secretary-General has approved an additional commitment authority of **\$1.1 million** to

re-establish observation operations in Syria until 31 December 2017. This represents an increase of \$1.1 million above the provision of **\$24.0 million** sought under the terms of resolution 70/250 on unforeseen and extraordinary expenses, presented in context of the second performance report.

6. Under post incumbency and other changes, the proposal reflects a net increase of **\$30.3 million** resulting from increased requirements of \$58.5 million for posts, increased requirements of \$24.3 million under other staff costs, and reduced net requirements of \$52.5 million under non-post object of expenditure, that is explained in detail in paragraphs 37 to 71 of the report.

7. The biennium 2016–2017 is the first full biennium for which the implementation of approved budgets is reflected in Umoja and expenditures recorded by nature of expense. While this results in variances, such variances do not imply a change in the nature of the requirements that the budget was initially approved for as detailed in Section E of the report.

8. The final estimated level of expenditure for 2016-2017 amounts to **\$5,681.6 million**, reflecting a net increase of **\$61.4 million** over the approved revised appropriation of **\$5,620.2 million**.

Mr. Chairman,
Distinguished Delegates,

9. Turning now to income, projections indicate that an amount of \$553.7 million is anticipated, representing an increase of \$14.5 million when compared to the projections anticipated one year ago. The increase primarily relates to the increase in staff assessment income (\$8 million) under income section 1, general income (\$ 4.9 million) and income section 3 (\$ 2.2 million).

10. Consequently, the combined effect of the anticipated final level of expenditure and income for the biennium 2016-2017 results in a net increase of **\$46.9 million**, representing **1 per cent** of the net revised appropriation and estimated income.

11. Mr. Chairman, Distinguished Delegates, I look forward to the discussions on this item. Thank you.

Summary of changes under expenditure sections: 2016-2017

