

FIFTH COMMITTEE

Contingency fund: consolidated statement of programme budget implications and revised estimates (A/C.5/75/20)

Revised estimates: effect of changes in rates of exchange and inflation (A/75/638)

Revised estimates for the International Residual Mechanism for Criminal Tribunals: effect of changes in rates of exchange and inflation (A/75/639)

Statement by

Assistant Secretary-General, Controller

18 December 2020

Mr. Chairman,

Distinguished delegates

I have the honor to introduce the consolidated statement of programme budget implications and revised estimates which represent potential charges against the contingency fund (A/C.5/75/20).

The report contains potential charges amounting to \$48.2 million and reflects the information available as at 8 December 2020. These charges may be adjusted further to reflect the General Assembly's decisions on the respective proposals on the statement of programme budget implications and revised estimates under its consideration.

In 2019, the Secretary-General, in his previous report of Contingency fund: consolidated statement of programme budget implications and revised estimates (A/C.5/74/14), requested the Assembly to set the level of the contingency fund for 2021 at 0.75 per cent of the approved programme budget for 2020, or \$23.1 million. The General Assembly made no decision regarding the level of the contingency fund for 2021.

The General Assembly is also requested to set the contingency fund level for 2022 at 0.75 per cent of the approved programme budget for 2021.

Mr. Chairman,

Distinguished delegates

I also have the honor to introduce two other reports of the Secretary-General on Revised estimates: effect of changes in rates of exchange and inflation (A/75/638) and on the Revised estimates for the International Residual Mechanism for Criminal Tribunals: effect of changes in rates of exchange and inflation (A/75/639) . These reports update the rates assumed earlier in the context of the budget proposals and revised estimates and statements of programme budget implications for 2021 regarding inflation, rates of exchange between United States dollars and other foreign currencies, standard costs for salaries and common staff costs, and vacancy rates. The amounts also take into account the recommendations of the Advisory Committee on Administrative and Budgetary Questions.

The preliminary recosting presented in the proposed programme budget for 2021, which only took into consideration projections for inflation, amounted to \$49.2 million. In the present report (A/75/638), three recosting parameters are updated, including the inflation previously presented. The effects of updating those recosting parameters resulted in an additional \$69.2 million, primarily owing to weakening of the United States dollars against the Swiss franc and Euro, and higher projected inflation for some locations, mainly Lebanon. For the remaining recosting parameter, the vacancy rates, the Secretary-General proposes that those rates, which have been high artificially to limit spending based on available liquidity and to avoid defaulting on legal obligations, including salaries and entitlements, be normalized. Hence, no changes to the approved vacancy rates are being proposed.

The proposed estimates under the expenditure sections for 2020 would amount to \$3,184.7 million and estimates of income would amount to \$302.5 million.

In respect of the International Residual Mechanism for Criminal Tribunals, the preliminary recosting presented in the proposed budget for 2021, which took into consideration projections for inflation and standard costs, amounted to \$2.5 million. In the present report (A/75/639), four recosting parameters are updated, including the inflation previously presented. The effects of updating the recosting parameters resulted in an additional \$3 million primarily due the weakening of the United States dollar vis-à-vis the Euro.

The proposed requirements of International Residual Mechanism for Criminal Tribunals for 2021 would amount to \$102.7 million.

Thank you, Mr. Chairman.