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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Budget performance for the period from 1 July 2019 to 30 June 2020 and proposed budget for the period from 1 July 2021 to 30 June 2022 of the United Nations Logistics Base at Brindisi, Italy

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2019/20	\$63,381,400
Expenditure for 2019/20	\$63,266,500
Unencumbered balance for 2019/20	\$114,900
Appropriation for 2020/21	\$62,058,200
Projected expenditure for 2020/21 ^a	\$62,058,200
Projected underexpenditure for 2020/21 ^a	\$0.0
Proposal submitted by the Secretary-General for 2021/22	\$66,519,700
Adjustment recommended by the Advisory Committee for 2021/22	(\$625,000)
Recommendation of the Advisory Committee for 2021/22	\$65,894,700

^a Estimates as at 31 March 2021.



I. Introduction

1. During its consideration of the reports on the financing of the United Nations Logistics Base at Brindisi, Italy (see [A/75/642](#) and [A/75/744](#)), the Advisory Committee met online with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 16 April 2021. The comments and recommendations of the Committee on cross-cutting issues related to peacekeeping operations are contained in its report ([A/75/822](#)), and those pertaining to the findings and recommendations of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2019 to 30 June 2020 can be found in its related report ([A/75/829](#)).

II. Budget performance report for the period from 1 July 2019 to 30 June 2020

2. By its resolution [73/310](#) and its decision 73/555, the General Assembly appropriated an amount of \$63,381,400 gross (\$57,144,600 net) for the maintenance of the United Nations Logistics Base for the period from 1 July 2019 to 30 June 2020. Expenditures for the period totalled \$63,266,500 gross (\$56,896,900 net), reflecting a budget implementation rate of 99.8 per cent. The resulting unencumbered balance of \$114,900, in gross terms, represents 0.2 per cent of the approved resources, reflecting the combined effect of: lower-than-budgeted expenditures under operational costs (\$1,208,700, or 5.2 per cent); and higher-than-budgeted expenditures under civilian personnel (\$1,093,800, or 2.7 cent). A detailed analysis of variances is provided in section IV of the report of the Secretary-General on the budget performance of the Logistics Base for the period from 1 July 2019 to 30 June 2020 ([A/75/642](#)).

3. Summary information on the redeployment of resources between groups is provided in paragraph 65 of the performance report. It is indicated that a total amount of \$1,093,800 was redeployed from group III, operational costs, to group II, civilian personnel, to cover increased requirements, attributable mainly to higher actual common staff costs for international staff and national staff due to a higher average actual General Service staff step within grade, as well as a slightly higher than planned incumbency rate.

4. The Advisory Committee was informed that, as at 30 June 2019, unliquidated obligations for the 2018/19 budget period amounted to \$8,237,300.

Matters pertaining to the report of the Board of Auditors

5. In considering the reports of the Secretary-General, the Advisory Committee also had before it the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2020 ([A/75/5 \(Vol. II\)](#)). In its report, the Board made observations and recommendations regarding the new funding model for peacekeeping support entities, which apply to the Logistics Base (*ibid.*, paras. 77–86). The comments and recommendations of the Committee pertaining to the findings and recommendations of the Board of Auditors can be found in its related report ([A/75/829](#)).

Impact of the coronavirus disease pandemic

6. Information on the impact of the coronavirus disease (COVID-19) pandemic on the United Nations Logistics Base is contained in paragraphs 9 to 21 of the budget performance report ([A/75/642](#)). The Secretary-General indicates that the Logistics

Base played a critical role in underpinning the business continuity strategy of the Secretariat and that overall needs for communications and information technology support increased significantly, as the pandemic considerably increased dependence on the global communications and information technology infrastructure in Brindisi and Valencia, Spain. Upon enquiry, the Advisory Committee was informed that, in partnership with the Office of Supply Chain Management in the Department of Operational Support, the Logistics Base was heavily engaged in the planning, procurement and logistics for securing and shipping key medical equipment. The Logistics Base provided support through the strategic deployment stocks and played a pivotal role in facilitating the acquisition of intensive care medical equipment, COVID-19 antibody test kits and personal protective equipment. Moreover, the Strategic Air Operations Centre supported emergency medical evacuation and cargo flights related to the United Nations response to the COVID-19 crisis (see [A/75/642](#), paras. 10, 12 and 21). Upon enquiry, the Committee was also informed that the Standing Police Capacity, the Justice and Corrections Standing Capacity and the Regional Aviation Safety Office had adjusted to travel restrictions by providing support or training through remote and virtual assistance.

7. The Advisory Committee expresses its appreciation for the critical role played by the United Nations Logistics Base during the COVID-19 pandemic. The Committee's recommendations on the Secretary-General's proposed resources for the Logistics Base for the 2021/22 budget period take into account the anticipated continued impact of the COVID-19 pandemic into the 2021/22 budgetary period and the resultant continued reliance on the support of the Logistics Base to critical business continuity and key requirements, including for medical equipment and supplies and medical evacuations. The Committee trusts that lessons learned and best practices from the efforts of the Logistics Base to deal with the impact of the pandemic will be incorporated into its work and reflected in the next proposed budget.

III. Information on performance for the current period

8. With respect to current and projected expenditures for the period from 1 July 2020 to 30 June 2021, the Advisory Committee was informed that, as at 31 March 2021, expenditures amounted to \$48,952,000 (gross) and that, at the end of the current financial period, the estimated total expenditures would amount to \$62,058,200, leaving no unencumbered balance, for a projected budget utilization rate of 100 per cent.

9. The Advisory Committee was informed that, as at 30 June 2020, unliquidated obligations for the 2019/20 period amounted to \$4,122,600. The Committee was also informed that, as at 31 March 2021, the cash available to the United Nations Logistics Base amounted to \$20,300,000, which was sufficient to cover its three-month operating reserve of \$15,500,000.

IV. Proposed budget for the period from 1 July 2021 to 30 June 2022

A. Mandate and planned results

10. The United Nations Logistics Base has been in operation at Brindisi since 1994, when a memorandum of understanding governing the use of the property and facilities at Brindisi by the United Nations was signed by the Secretary-General and the Government of Italy. The General Assembly welcomed the establishment of the

Logistics Base in its resolution [49/233](#). Addendums to the memorandum of understanding were signed in 2001, 2008 and 2011. By its decision 58/557 and resolution [62/231](#), the General Assembly approved the transfer to the Logistics Base of additional buildings and open areas pledged by the Government of Italy. The concept of strategic deployment stocks was adopted by the General Assembly in its resolution [56/292](#). Subsequently, a memorandum of understanding governing the use of premises in Valencia by the United Nations was signed by the Secretary-General and the Government of Spain in 2009. The Logistics Base operates as a unified entity, comprising the Global Service Centre, Brindisi, and the United Nations Information and Communications Technology Facility, Valencia (see [A/75/744](#), paras. 1–2).

11. The United Nations Logistics Base provides global geospatial, information and telecommunications technologies, service delivery and supply chain operational management and environmental technical assistance, from start-up planning and preparation to liquidation. In addition, the Logistics Base hosts and provides administrative support to four tenant units, comprising the Standing Police Capacity and the Justice and Corrections Standing Capacity, which report to the Department of Peace Operations, and the Strategic Air Operations Centre and the Field Central Review Bodies Unit, which report to the Department of Operational Support (see [A/75/744](#), para. 3). The Logistics Base planning assumptions and mission support initiatives for the 2021/22 period are summarized in section I.B of the report of the Secretary-General on the proposed budget ([A/75/744](#)).

B. Resource requirements

12. The proposed budget in the amount of \$65,519,700 represents an increase of \$4,461,500, or 7.2 per cent, compared with the apportionment of \$62,058,200 for the 2020/21 period. Information on variances between the 2020/21 apportionment and the proposed resources for 2021/22 is contained in section III of the proposed budget (*ibid.*).

13. The United Nations Logistics Base receives in-kind contributions in the form of buildings and infrastructure from the Governments of Italy and Spain, amounting to \$3,293,400 in Brindisi and \$2,529,300 in Valencia.

1. Financial resources

(Thousands of United States dollars)

Category	Apportionment (2019/20)	Expenditures (2019/20)	Apportionment (2020/21)	Expenditures as at 31 March 2021	Cost estimates (2021/22)	Variance	
						Amount	Percentage
Civilian personnel	40 104.6	41 198.4	41 287.3	33 384.2	45 300.4	4 013.1	9.7
Operational costs	23 276.8	22 068.1	20 770.9	15 567.8	21 219.3	448.4	2.2
Gross requirements	63 381.4	63 266.5	62 058.2	48 952.0	66 519.7	4 461.5	7.2
Staff assessment income	6 236.8	6 369.6	6 142.0	5 127.1	6 556.6	414.6	6.8
Net requirements	57 144.6	56 896.9	55 916.2	43 824.9	59 963.1	4 046.9	7.2
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—
Total requirements	63 381.4	63 266.5	62 058.2	48 952.0	66 519.7	4 461.5	7.2

14. Information on the proposed resource requirements by location (Brindisi and Valencia) is contained in table 5 of the proposed budget (ibid.). **Recalling its previous recommendation (A/74/737/Add.6, para. 29), endorsed by the General Assembly in its resolution 74/282, the Advisory Committee recommends that the General Assembly request the Secretary-General to ensure clarity and transparency in the presentation of future United Nations Logistics Base budget submissions by providing disaggregated information on the evolution of financial resources for each location by group, class and subclass.**

2. Civilian personnel

<i>Category</i>	<i>Approved 2020/21</i>	<i>Proposed 21/22</i>	<i>Variance</i>
International staff	139	141	2
National staff ^a	305	305	–
Temporary positions ^b	2	1	(1)

^a National General Service staff.

^b Funded under general temporary assistance.

15. The proposed resources for civilian personnel for 2021/22 amount to \$45,300,400, reflecting an increase of \$4,013,100, or 9.7 per cent, compared with the apportionment for 2020/21. The proposed budget indicates that the increase is attributable primarily to higher requirements for: (a) international staff (\$2,643,700, or 12.8 per cent), owing to the increase in post adjustment; and (b) national staff (\$1,639,200, or 8.1 per cent), owing to higher salary costs (A/75/744, paras. 113–114).

Recommendations on posts and positions

16. A total of 447 posts and positions are proposed for the 2021/22 period, including 141 international staff, 305 national staff and one temporary assistance position; 415 staff members would be located in Brindisi and 32 staff members in Valencia (ibid., para. 10).

17. The proposed complement of 447 posts and positions represents a net increase of one post compared with the current period, reflecting the following main staffing changes (ibid., para. 11):

(a) Establishment of one general temporary position of Occupational Safety Officer, (P-3) (ibid., para. 92);

(b) Reclassification of one Information Systems Assistant (G-6) to Senior Information Systems Assistant (G-7) and one Nurse (G-6) to Senior Nurse (G-7) (ibid., paras. 93 and 101);

(c) Conversion of one Environmental Engineer (P-3) and one Rule of Law Officer (P-4) from general temporary assistance positions to posts (ibid., paras. 98 and 104; see also paras. 19 and 20 below).

18. The proposed staffing changes also include: (a) a change of functional title from Contract Management Officer (P-4) to Logistics Officer (P-4); (b) a change in the reporting line of the Security Office (one P-3, one G-7, and five GS-OL posts) from the Central Service to the Office of the Director; and (c) a change in the reporting line of the Regional Aviation Safety Office from the Office of the Director to the Department of Operational Support, its renaming as the Aviation Safety Assurance and Safety Promotion Unit, and its repositioning as a United Nations Logistics Base tenant unit (ibid., paras. 85, 96 and 105; see also para. 21 below).

Conversion

19. The Secretary-General proposes that one general temporary assistance position of Environmental Engineer (P-3) be converted to a (P-3) post. The incumbent would lead the water and wastewater pillar of the environment strategy for peace operations (2017–2023), under the overall direction of the Environment Section in the Office of the Under-Secretary-General for Operational Support. The incumbent would play a strong and central technical assistance role in wastewater management, assist in the implementation of the water and wastewater guidelines and provide the capacity to guide missions to plan for multi-year investments (A/75/744, para. 98). Upon enquiry, the Advisory Committee was informed that the temporary position of Environmental Engineer had been first approved for the 2019/20 period to manage mostly the water and wastewater pillar of the environment strategy for peace operations. **Considering that the position of Environmental Engineer was created recently and that its functions would remain fundamentally unchanged in the 2021/22 period, the Advisory Committee is of the view that the conversion of this position at this stage would be premature and, therefore, recommends the continuation of the general temporary assistance position of Environmental Engineer (P-3).**

20. It is also proposed that one general temporary assistance position of Rule of Law Officer (P-4) be converted to a (P-4) post in the Justice and Corrections Standing Capacity. In his report, the Secretary-General indicates that the position, which was established in the 2017/18 period, has been used for critical on-the-ground support to advance transition planning and joint programming, with a focus on the rule of law and peacebuilding during the drawdown, transition and start-up of missions. Upon enquiry, the Advisory Committee was informed that the temporary nature of the position had affected the ability to retain individuals in the Justice and Corrections Standing Capacity team and had consequently hampered its capability to respond to the continuous and increasing demand for rule-of-law assistance and planning support and to ensure business continuity (ibid., para. 104). **The Advisory Committee is not fully convinced of the justification presented for the proposal to convert the position of Rule of Law Officer (P-4) at this stage and, therefore, recommends the continuation of one general temporary assistance position of Rule of Law Officer (P-4).**

Tenant units

21. The Secretary-General proposes that the Regional Aviation Safety Office be renamed the Aviation Safety Assurance and Safety Promotion Unit and that its two authorized posts be redeployed from the Office of the Director to form a new United Nations Logistics Base tenant unit, and that the change will better align the functions of the Unit under the close supervision of the Aviation Safety Section at Headquarters and allow for an expansion of its functions across the world (ibid., para. 105). Upon enquiry, the Advisory Committee was informed that the realignment of the functions of the Aviation Safety Assurance and Safety Promotion Unit did not foresee changes to the reporting lines of other aviation safety capacities in field missions or to the aviation safety capacity in the Department of Safety and Security. The Committee was further advised that oversight of the United Nations Peacekeeping Force in Cyprus, the United Nations Interim Force in Lebanon and the United Nations Assistance Mission for Iraq (former affiliated missions to the Regional Aviation Safety Office of the Logistics Base) would be provided by the Aviation Safety Section at United Nations Headquarters to avoid any possible conflict of interest. However, the team in Brindisi would continue to support the safety teams of those missions on an as-required basis and to provide safety-related training.

22. In the context of its review of the overview report on the financing of United Nations peacekeeping operations ([A/75/786](#)) and the proposed budgets of both the United Nations Logistics Base and the Regional Service Centre in Entebbe, Uganda ([A/75/770](#)), the Advisory Committee was informed, upon enquiry, that there seemed to be no standard definition or procedure for designating a tenant unit. The Committee further sees inconsistency in the reporting lines of the various air safety capacities.

23. **The Advisory Committee is of the view that the designation of tenant units and their reporting lines should as a matter of policy be based on clear criteria that are applied consistently across Headquarters and support centres. The Committee therefore recommends that the General Assembly request the Secretary-General to develop a clear and consistent policy on the criteria, including on reporting lines and delegations of authority, for the establishment of tenant units in United Nations entities. In the absence of such a policy and in view of the inconsistencies noted in the specific proposal regarding the United Nations Logistics Base Regional Aviation Safety Office, the Committee does not support the renaming and repositioning of the Office as a tenant unit. The Committee nonetheless trusts that the capacities and expertise of the Office will be brought to bear, as required.**

Vacancy rates

24. The table below provides a summary of the vacancy rates experienced for the 2019/20 and 2020/21 periods, as well as those proposed for the 2021/22 period. The Advisory Committee notes the lack of justification for the application of rates that differ from the actual vacancy rates experienced during the current period, as follows: (a) for international staff, a 13 per cent vacancy rate is projected, despite an average actual rate of 14.4 per cent and an actual rate of 17.3 per cent recorded as at 31 March 2021; and (b) for national staff, a 4 per cent vacancy rate is projected, despite an average actual rate of 4.6 per cent and actual rate of 4.9 per cent recorded as at 31 March 2021.

Vacancy rates

(Percentage)

Category	Actual 2019/20	Approved 2020/21	Actual as at 31 January 2021	Actual as at 28 February 2021	Actual average from 1 July 2020 to 31 March 2021	Actual as at 31 March 2021	Projected 2021/22
Civilian personnel							
International posts	16.7	16.0	13.7	15.1	14.4	17.3	13.0
National posts	5.6	5.0	4.3	4.3	4.6	4.9	4.0
Temporary positions	50.0	—	—	—	50.0	—	50.0
International staff	—	—	—	—	—	—	—

25. **The Advisory Committee reiterates its view that proposed vacancy rates should be based, as much as possible, on actual rates. In cases where the proposed rates differ from the actual rates, clear justification should be provided systematically in the proposed budget and related documents (see [A/73/755/Add.8](#), para. 31 and [A/74/737/Add.8](#), para. 14).**

Vacant posts

26. Upon enquiry, the Advisory Committee was informed that 34 posts were vacant as at 28 February 2021 (2 P-5, 7 P-4, 11 P-3, 1 FS-6, 13 GS). No post had been vacant for more than two years. **The Advisory Committee trusts that all efforts will be made to fill these posts expeditiously.**

27. **Subject to its recommendations in paragraphs 19 and 20 above, the Advisory Committee recommends the approval of the Secretary-General's proposals regarding civilian personnel. Any related operational costs should be adjusted accordingly.**

3. Operational costs

Financial resources

(Thousands of United States dollars)

Category	Apportionment (2019/20)	Expenditure (2019/20)	Apportionment (2020/21)	Expenditures as at 31 March 2021	Cost estimates (2021/22)	Variance	
						Amount	Percentage
	(1)	(2)	(3)	(4)	(5)	(6)=(5)-(3)	(7)=(6)÷(3)
Operational costs							
Consultants and consulting services	347.2	238.9	170.8	38.9	180.2	9.4	5.5
Official travel	653.3	466.9	488.0	75.9	506.7	18.7	3.8
Facilities and infrastructure	5 628.3	6 217.7	5 807.3	4 665.5	5 960.3	153.0	2.6
Ground transportation	436.4	418.8	383.5	245.7	385.3	1.8	0.5
Air operations	—	4.5	6.4	4.3	6.4	—	—
Marine operations	—	10.6	—	—	—	—	—
Communications and information technology	15 095.0	13 832.2	12 831.1	9 887.3	13 064.0	232.9	1.8
Medical	45.8	55.0	81.2	18.6	88.2	7.0	8.6
Other supplies, services and equipment	1 070.8	823.5	1 002.6	631.6	1 028.2	25.6	2.6
Total, operational costs	23 276.8	22 068.1	20 770.9	15 567.8	21 219.3	448.4	2.2

28. The proposed resources for operational costs amounting to \$21,219,300 for 2021/22 represent an increase of \$448,400, or 2.2 per cent, compared with the apportionment for 2020/21, reflecting mainly increased requirements under communications and information technology (\$232,900) and facilities and infrastructure (\$153,000). Smaller increases are proposed under official travel (\$18,700, or 3.8 per cent); ground transportation (\$1,800, or 0.5 per cent); consultants and consulting services (\$9,400, or 5.5 per cent); medical (\$7,000, or 8.6 per cent); and other supplies and services (\$25,600, or 2.6 per cent).

29. **The Advisory Committee notes the proposed increased level of operational costs for 2021/22 and is not convinced that the provided justifications fully support the requirements listed below. Taking into account underexpenditures and the likely continued impact of COVID-19, the Committee, therefore, makes comments and recommended adjustments set out below. The Committee's recommended adjustments have been mitigated also to take into account the role played by the United Nations Logistics Base as the epicentre of the effort to deal with the impact on COVID-19 on operations (see paras. 6 and 7 above).**

Consultant and consulting services

30. The proposed resources for consultants and consulting services of \$180,200 for 2021/22 represent an increase of \$9,400, or 5.5 per cent, compared with the apportionment for 2020/21. In his report, the Secretary-General indicates that the increase is attributable mainly to an additional need for a consultant expert in electrical and mechanical engineering standards and designs to support the Sourcing Support Unit ([A/75/744](#), para. 116). The Advisory Committee notes that the information provided shows an underexpenditure of \$108,300 in the 2019/20 period and that, despite recorded expenditures of only \$38,900 as at 31 March 2021, it is projected that the full apportionment of \$170,800 will be spent as of 30 June 2021. **In view of expenditure patterns and the lack of information in support of the projected approximately 77 per cent expenditure of the apportionment over a three-month period, the Advisory Committee considers that the proposed increase in the resources for consultants and consulting services is not fully justified and therefore recommends a reduction of 10 per cent (\$18,000) to the proposed resources for consultants and consulting services.**

Official travel

31. The proposed resources for official travel of \$506,700 for 2021/22 represent an increase of \$18,700, or 3.8 per cent, compared with the apportionment for 2020/21. Upon enquiry, the Advisory Committee was informed that the proposed increase was attributable mainly to the provisions for: (a) certification and training programmes carried out by the Justice and Corrections Standing Capacity in the area of the rule of law and by the Standing Police Capacity in the area of conflict prevention; and (b) training on conduct and discipline, in Valencia. The Committee was also informed that, of the 124 courses offered at the United Nations Logistics Base over the period, 48 would require face-to-face meetings.

32. **The information provided to the Advisory Committee shows an underexpenditure of \$186,400, or 28.5 per cent, in the 2019/20 period. The Committee further notes that expenditures of only \$75,900 have been incurred as at 31 March 2021 and that a total expenditure of \$114,200 is projected against an apportionment of \$488,000 in the current period, leaving a projected unspent balance of \$373,800, or 76.6 per cent, at the end of June 2021. The Advisory Committee emphasizes that travel should be budgeted in full accordance with the provision of [ST/SGB/2009/9](#) and [ST/AI/2013/3](#) and, moreover, encourages the United Nations Logistics Base to develop and conduct online training as much as possible. While taking into account that the proposed official travel resources are intended for the deployment of mission support teams, the Standing Police Capacity and the Justice and Corrections Standing Capacity to support field missions, the Committee notes the underexpenditure pattern and furthermore considers that the COVID-19 pandemic is likely to continue to have an impact on travel in the 2021/22 period. The Committee therefore recommends a reduction of 10 per cent, or (\$50,700) to the proposed resources.** The Advisory Committee makes further comments and recommendations on official travel in its report on cross-cutting issues in peacekeeping operations ([A/75/822](#)).

Facilities and infrastructure

33. The proposed resources for facilities and infrastructure of \$5,960,300 for 2021/22 reflect an increase of \$153,000, or 2.6 per cent, compared with the apportionment for 2020/21, attributable mainly to the legal obligation to recertify all fire suppression gas bottles in Valencia every 10 years ([A/75/744](#), para. 117). The Advisory Committee notes the overexpenditure of \$589,400, or 10.5 per cent, over

the apportionment of \$5,628,300 for the 2019/20 period. Upon enquiry, the Committee was informed that the overexpenditure was related to the acquisition and installation of prefabricated units for office and accommodation as a showcase to field missions, where an investment in the integration of new green technologies could result in long-term benefit. Furthermore, the information provided to the Committee showed that, in the current period, expenditures of \$4,665,500, or 80 per cent, had been incurred as at 31 March 2021 against an apportionment of \$5,807,300. The Committee was further advised that the United Nations Logistics Base projected additional expenditures of \$640,900 for the period 1 April to 30 June 2021, leaving a projected unspent balance of \$500,900, or 8.6 per cent, as at 30 June 2021. **While acknowledging the need to comply with the legal requirements for the United Nations Information and Communications Technology Facility in Valencia, the Advisory Committee is of the view that the overexpenditure incurred in the 2019/20 budget period in the acquisition of prefabricated facilities, accommodation and refrigeration equipment and the expenditure pattern in the current budget period reflect fluctuations indicative of a lack of proper planning and precise budgeting. The Committee therefore recommends a reduction of 5 per cent (\$298,000) to the proposed resources for facilities and infrastructure (see also para. 14 above).**

Communications and information technology

34. Resources for Communications and information technology for the 2021/22 period are proposed at \$13,064,000 representing an increase of \$232,900, or 1.8 per cent, compared with the apportionment for 2020/21. In his report, the Secretary-General indicates that the increase is mainly attributable to the acquisition of additional videoconferencing equipment, mobile connectivity services owing to the change of workplace modalities and the provision and installation of the smart warehousing system (*ibid.*, para. 118). The information provided to the Advisory Committee shows an underexpenditure of \$1,262,800, or 8.4 per cent, against an apportionment of \$15,095,000 in the 2019/20 period. The Committee also notes that, as at 31 March 2021, expenditures of \$9,887,300, or 77 per cent, have been incurred in the current period against an apportionment of \$12,831,100. Taking into account the projected additional expenditure of \$1,000,200 for the period from 1 April to 30 June 2021, an unencumbered balance of \$1,943,600, or 15 per cent, would remain at the end of the current period. **While bearing in mind the continued impact of the COVID-19 pandemic and the expected support of the United Nations Logistics Base to business continuity, including for the legislative bodies, the Advisory Committee recommends a reduction of \$232,900 to the proposed resources in the light of the expenditures patterns for communications and information technology.**

Other supplies, services and equipment

35. The proposed resources for other supplies, services and equipment of \$1,028,200 for 2021/22 represent an increase of \$25,600, or 2.6 per cent, compared with the apportionment for 2020/21. The information provided to the Advisory Committee shows an underexpenditure of \$247,300, or 23.1 per cent, in the 2019/20 period. The Committee was further informed that, as at 31 March 2021, only \$631,600 had been incurred in the current period against an apportionment of \$1,002,600, along with a projected expenditure of \$170,900 for the period from 1 April to 30 June 2021, leaving a projected unencumbered balance of \$200,100, or 20 per cent, at the end of the current period. **Considering the pattern of underexpenditure, the Advisory Committee is of the view that the proposed requirement for other supplies, services and equipment is not fully justified and recommends a reduction of 5 per cent (\$51,400) to the proposed resources.**

36. Subject to its recommendations, in paragraphs 27 and 30 to 35 above, the Advisory Committee recommends the approval of the proposals of the Secretary-General for operational costs.

V. Other matters

Strategic deployment stocks

37. The Secretary-General reports on the evolution on the asset value of the strategic deployment stocks in the 2019/20 period in paragraphs 78 to 81 and tables 5 and 6 of the budget performance report (A/75/642). Upon enquiry regarding the lessons learned from measures to deal with the pandemic, the Advisory Committee was advised that, regardless of planning and stock availability, it was impossible to prepare fully for all contingencies and that risk mitigation moulded by sound planning assumptions, and that proper levels of on-shelf stocks and the ability to react quickly to supply opportunities were paramount. The Committee was also informed of the need proactively to market materials in stock and to align start-up requirements with the regular, annual needs of clients to facilitate rotation. The availability of medical supplies and personal protective equipment on hand due to stocks related to the Ebola response had allowed complementarity rather than “starting from zero”, as “just-in-time” deliveries had been severely challenged. Other lessons included the benefits of central acquisition to capitalize on volume efficiencies.

38. In his report, the Secretary-General indicates that, as requested by the General Assembly in its resolution 74/282, the administration has initiated a comprehensive review of the strategic deployment stocks concept to enhance the effectiveness and efficiency of the related operations. The Secretary-General also indicates that a proposal has been submitted to the Assembly in the context of the budget of the Regional Service Centre in Entebbe for the period 2021/22 to establish regional deployment stocks in Entebbe to complement strategic deployment stocks (A/75/744, para. 25). Upon enquiry, the Advisory Committee was informed that the establishment of the regional deployment stocks in Entebbe would not affect the current content of strategic deployment stocks in Brindisi. Complementarity and efficiency of stock would be achieved through regional sourcing, where appropriate, based on the comparative cost advantages, including shipping, handling and speed of delivery. The regional deployment stocks was expected to improve client support for missions in the region with the advantage of locational proximity, while strategic deployment stocks would continue to provide global support to entities in other areas and for requirements that were not available in the regional deployment stocks.

39. The Advisory Committee notes the review of the strategic deployment stocks in the light of the lesson learned from the current pandemic, as well as the proposal to establish the regional deployment stocks. The Committee recalls that a report on strategic deployment stocks is due to the General Assembly at its seventy-sixth session, and trusts that the concepts of strategic deployment stocks and regional deployment stocks and the management thereof, including a delineation of the roles of the two service centres in the management of stocks, will be clearly articulated to avoid duplication and increase the effectiveness and efficiency of support to peacekeeping operations.

Strategic Air Operations Centre

40. In his report, the Secretary-General advises that, pursuant to the request by the General Assembly, most recently in its resolution 74/282, a study was conducted on the future roles of the Strategic Air Operations Centre, the Transportation and Movements Integrated Control Centre and the Global Procurement Support Section

(formerly the Regional Procurement Office). It is further reported that the Strategic Air Operations Centre rotates approximately 50 per cent of the total troops deployed in peace operations around the globe utilizing long-term charter agreements, representing 5,000 flight hours for a total of some \$60 million. Newly established contracts provide the needed opportunity to use those aircraft for other ad hoc requirements, such as the transportation of large groups of civilians, including in evacuation operations, or of important delegations, and triggering a reduction in the number of rotations performed by short-term charters. The new target is to have 80 per cent of troop rotations performed under the new long-term charter agreements and 20 per cent under letters of assist. It is envisaged that the structure of the Strategic Air Operations Centre will remain unchanged (*ibid.*, paras. 66–68). Upon enquiry, the Advisory Committee was provided with a copy of the comprehensive study, completed in 2020. **The Advisory Committee notes that no changes are proposed to the Strategic Air Operations Centre structure. The Committee's comments and recommendations regarding the proposals emanating from the study are contained in its report on cross-cutting issues related to peacekeeping operations (A/75/822) and in its report on the budget performance for the period from 1 July 2019 to 30 June 2020 and proposed budget for the period from 1 June 2021 to 1 July 2022 for the Regional Service Centre in Entebbe, Uganda (A/75/822/Add.9).**

Services provided to other entities and cost recovery

41. Information on the services provided to other entities and an analysis of cost recovery estimates for 2021/22 are provided in paragraphs 49 to 53 and tables 2 and 3 of the budget report. It is indicated that the United Nations Logistics Base plans to maintain service-level agreements with several entities, mostly for communications and information technology services. In addition, training services will be provided to field missions on a cost-recovery basis. The income and expenditure for the period 2021/22 are estimated at \$10.6 million, compared with \$9.3 million estimated for the 2020/21 period. It is also indicated that no costs are recovered from entities or contractors working on projects for United Nations peacekeeping missions and that income generated through the cost-recovery fund will be used by the Logistics Base to secure resources to provide services for the clients under the established service-level agreements (A/75/744, paras. 51–53). Upon enquiry, the Advisory Committee was informed that, as at 23 March 2021, the Logistics Base had entered into 32 service-level agreements, including 21 agreements that had been active during the 2019/20 period and 11 agreements that had been initiated during the 2020/21 period. The costs for services were based on an approved service rate card, which included all services and the rate at which each would be provided during the fiscal year. The rate card was reviewed on an annual basis by the Office of the Controller, for services to be provided in the following year. Through that procedure, the Logistics Base acquired the resources (information and communication technologies, facilities) needed to provide the services included in different service-level agreements with its customers.

42. With regard to contractors and personnel occupying facilities in Brindisi and Valencia, the Secretary-General indicates that some 552 full-time support personnel from other entities will occupy the United Nations Logistics Base premises in 2021/22, mostly to provide functions related to communications and information technology. The Secretary-General also indicates that the Logistics Base recovers the costs associated with the use of the facilities by non-Logistics Base support personnel who provide support for non-Department of Operational Support client entities. However, no costs are recovered for personnel of non-Logistics Base entities, including the United Nations Office for Project Services and the International

Computing Centre, working on projects for the Department of Operational Support and field missions ([A/75/744](#), paras. 46–48).

43. The Advisory Committee notes that the reform of the management pillar approved by the General Assembly in its resolution [72/266](#) has led to significant changes in the work of the Secretariat, including a shift in the roles and responsibilities of the Department of Operational Support and, by extension, of the United Nations Logistics Base as the Department's operational arm. Specifically, the Committee notes that, with the expansion of the role of the Department to deliver operational support across the global Secretariat, the roles and potential of the Logistics Base are likewise being expanded with insufficient clarity as to the definition of clients working on projects for the Department and their relationship to the support of peace operations, thereby introducing a certain lack of clarity in the determination of clients for cost-recovery purposes. **The Advisory Committee reiterates its view that the General Assembly should be provided with comprehensive and more transparent information on the services provided to different entities, the resources required to provide those services and the different financing/cost-recovery arrangements, as well as the recording of related income and expenditures (see also [A/74/737/Add.6](#), para. 26).** The Advisory Committee makes further comments and recommendations in its reports on cross-cutting issues related to peacekeeping operations ([A/75/822](#)) and on the findings and recommendations of the Board of Auditors for the period from 1 July 2019 to 30 June 2020 ([A/75/829](#)).

Scalability model

44. Information on the scalability model is provided in paragraphs 37 to 44 of the budget report. It is indicated that the existing scalability model is further refined in line with the recommendation of the Advisory Committee ([A/74/737/Add.6](#)), endorsed by the General Assembly in its resolution [74/282](#). It is also indicated that, as a key principle, the United Nations Logistics Base scalability model underpins the need to ensure a core service and support capacity providing an ongoing minimum capability, while ensuring the retention of critical knowledge and skills in key areas and that the Logistics Base scalability model is focused on the services provided by the Logistics Base to mandated clients by its two core external service providers, namely, the Service for Geospatial, Information and Telecommunications Technologies and the Supply Chain Service.

45. Upon enquiry, the Advisory Committee was informed that the United Nations Logistics Base was using the mathematical formula already in place at the Regional Service Centre in Entebbe, consisting of the calculation of full-time equivalents based on empirical estimates of expected workload. The determination of full-time equivalents was built upon the assumptions that there are 6.5 effective working hours per day and 203 workdays per year. Consequently, a full-time equivalent comprised 1,319.5 hours. The Committee was also informed that the formula had been considered to validate the number of posts at the Logistics Base in the 2021/22 period for the scalable activities.

46. **The Advisory Committee notes the efforts to establish a scalability model based on the estimation of full-time equivalents. The Committee recalls that the General Assembly requested the Secretary-General to further refine the scalability formula to establish a clearer linkage between workload factors and full-time equivalent requirements, in particular to develop a clear definition of scalability, identify the activities that are scalable and ensure consistency in the application of the scalability model (see also [A/74/737/Add.6](#), para. 23), as well as to ensure that all scalability models take into account, inter alia, workload factors and efficiency gains (see also General Assembly resolution [70/286](#), para. 67).**

Gender balance

47. The information provided to the Advisory Committee indicates that the percentage of women among the United Nations Logistics Base staff as at 30 June 2020 varied depending on the staff categories and levels, from 29 per cent at the P-1 to P-4 levels, to 26 per cent in the FS category and 11 per cent at the P-5 and above levels. Among national staff, the percentage of women was 38 per cent. Upon enquiry, the Advisory Committee was informed that, in an effort to increase female representation in the Logistics Base, job openings were also published in Impactpool, a social enterprise that provides a resource for attracting candidates, as well as on the Logistics Base Facebook page and other social media. The Logistics Base also informed international and educational organizations of job openings. **The Advisory Committee is concerned at the low levels of female representation of the United Nations Logistics Base and encourages the Logistics Base to intensify its efforts to improve its gender balance.**

Environmental support activities

48. The Secretary-General indicates that the Supply Chain Service at the United Nations Logistics Base will continue its environmental support activities, including the provision of technical assistance to peace operations implementing the environment strategy of the Secretariat, with a focus on the technical pillars of water, waste and energy. The Secretary-General also indicates that, in partnership with the United Nations Environment Programme, the Rapid Environment and Climate Technical Assistance team will play a leading role in the development of operational guidance to support sustained water and wastewater risk management and provide technical assistance and support to missions to plan for multi-year investments (see [A/75/744](#), paras. 26–27).

49. Upon enquiry, the Advisory Committee was informed that the United Nations Logistics Base provided both planned and on-demand environmental support to the field. Planned support was aligned with the priorities and approaches established in the Environment Strategy, the Logistics Base being responsible for leading the implementation of the three technical pillars (energy, water and wastewater and solid waste) under the strategic guidance of the Environment Section in the Department of Operational Support. On-demand support was driven by mission requests, and support was provided both remotely and on the ground. The Committee was also informed that, over the past 12 months, requests for on-the-ground technical assistance had related to water and wastewater in the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo, energy in the United Nations Interim Security Force for Abyei and waste in the United Nations Integrated Office in Haiti, the African Union-United Nations Hybrid Operation in Darfur and the Office of the Special Envoy of the Secretary-General for Burundi. Upon enquiry, the Committee was also informed that phase I of the Rapid Environment and Climate Technical Assistance project included the creation of a technical assistance team to provide surge capacity to missions, which had enabled the establishment of the environment strategy for field missions and had generated substantial changes at the mission level.

50. **The Advisory Committee notes the assistance of the United Nations Logistics Base to peacekeeping missions' environmental initiatives and trusts that more detailed information on progress, including the scope, outputs, start and end dates of the related activities will continue to be provided in future budget proposals.** The Advisory Committee makes further observations on environmental activities in its report on cross-cutting issues related to peacekeeping operations ([A/75/822](#)).

VI. Conclusion

51. The actions to be taken by the General Assembly in connection with the financing of the United Nations Logistics Base for the period from 1 July 2019 to 30 June 2020 are indicated in section VI of the performance report ([A/75/642](#)). **The Advisory Committee recommends that the unencumbered balance of \$114,900 for the period from 1 July 2019 to 30 June 2020, as well as other income/adjustments amounting to \$999,500 for the period ended 30 June 2020, be applied against the resources required for the period from 1 July 2021 to 30 June 2022.**

52. The actions to be taken by the General Assembly regarding the financing of the United Nations Logistics Base for the period from 1 July 2021 to 30 June 2022 are indicated in section IV of the proposed budget ([A/75/744](#)). **Taking into account its observations and recommendations above, the Advisory Committee recommends that the proposed resources be reduced by \$625,000, from \$66,519,700 to \$65,894,700. The Committee further recommends that this amount be prorated among the individual active peacekeeping operation budgets to meet the financing requirements of the United Nations Logistics Base for the period from 1 July 2021 to 30 June 2022.**
