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**REPORT OF THE EXECUTIVE SECRETARY
ON THE ACTIVITIES OF THE COMMISSION**

**FINANCIAL STATUS OF THE
COMMISSION'S PROGRAMMES**

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Summary

1. Chapter I of this report provides details on the utilization of regular budget resources. Human resources were kept at maintenance level, whereas financial resources were increased by 9.37 per cent under section 20, Economic and Social Commission for Western Asia (ESCWA) and by approximately 1 per cent under section 21, Regular Programme of Technical Cooperation, in comparison with the biennium 1998-1999. Chapters II and III provide details of activities in support of regular programmes and technical assistance projects financed by United Nations programmes and funds as well as those financed by other national and regional donors, which decreased by 19 per cent in comparison with the previous biennium, in addition to the Trust Fund for ESCWA Regional Activities, which increased sevenfold.

I. REGULAR BUDGET

2. The regular budget of ESCWA is prepared and noted on a biennial basis in accordance with General Assembly resolution 3043 (XXVII) of 19 December 1972.

3. The revised appropriations approved by the General Assembly in its document on the programme budget for the biennium 2000-2001, under section 20, Economic and Social Commission for Western Asia, amounted to US\$ 45,698,200.

Allocation of resources

4. For the biennium 2000-2001, the General Assembly approved a total of 103 Professional and 163 General Service posts for ESCWA.

5. The allotments, expenditures and balances for the biennium 2000-2001 are broken down by subprogramme in the remainder of chapter I.

Section 20. Economic and Social Commission for Western Asia (United States dollars)

Code	Subprogramme/(division)	Number of posts		Allotments	Expenditures	Balance
		P	GS			
010	Policy-making organs (PMO)	—	—	77 100	77 098	2
110	Executive direction and management (EDM)	3	4	1 707 700	1 681 856	25 844
245	Management of natural resources and environment (ENRED)	12	7	3 422 600	3 506 178	(83 578)
246	Improvement of the quality of life (SDIPD)	17	10	5 429 900	5 453 010	(23 110)
247	Regional development and global changes (EDIPD)	12	7	3 763 100	3 584 369	178 731
248	Coordination of policies and harmonization for sectoral development (SIPD)	17	9	5 145 400	5 164 681	(19 281)
249	Development, coordination and harmonization of statistics (STAT)	7	9	2 324 700	2 343 021	(18 321)

Section 20 (continued)

Code	Subprogramme/(division)	Number of posts		Allotments	Expenditures	Balance
		P	GS			
710	Conference Services (CSS)	12	23	4 889 100	4 877 980	11 120
770	Information services (UNIC/UNIS)	0	2	68 200	67 672	528
780	Library services (LS)	1	5	859 400	829 116	30 284
790	Management of technical cooperation activities (PPTCD)	8	8	2 005 600	2 217 259	(211 659)
800	Administration and common services (ASD)	14	79	15 750 300	15 682 039	68 261
850	Staff training activities (PS)	—	—	61 200	49 012	12 188
887	IMIS support and maintenance	—	—	193 900	196 161	(2 261)
	Subtotals	103	163	45 698 200	45 729 452	(31 252)

Notes: A dash (—) indicates that the amount is nil or negligible.
Parentheses () indicate a deficit.

Chart 1. Professional staff members, by division

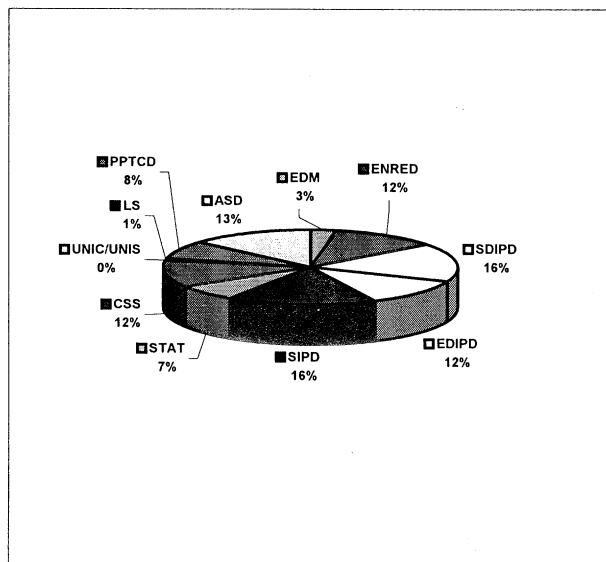


Chart 2. General Service staff members, by division

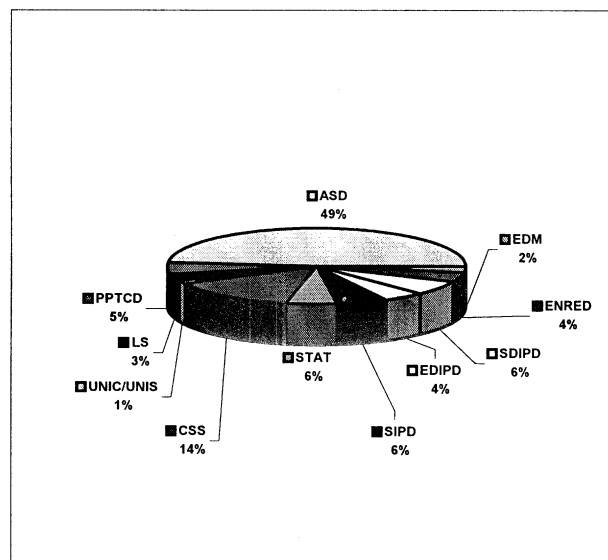
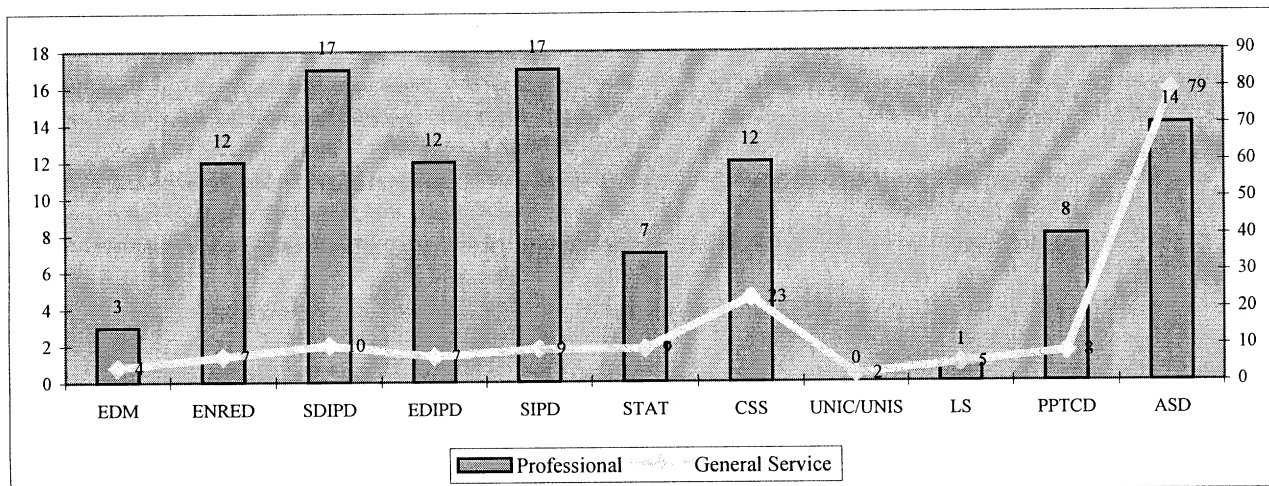


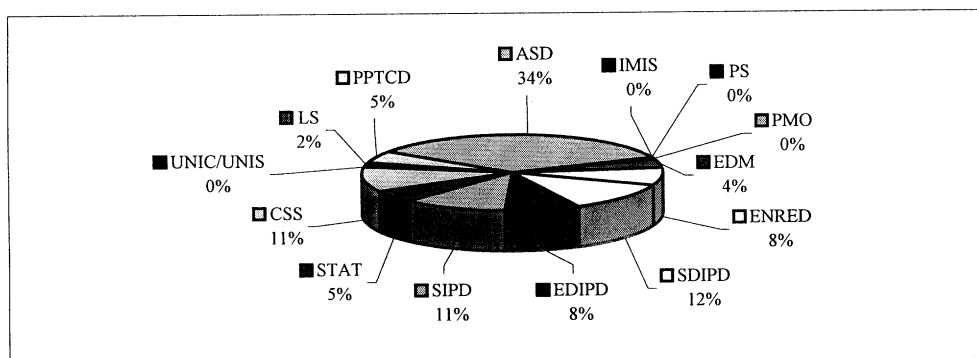
Chart 3. Comparative distribution of staff members, by division



6. Below is the breakdown by major area of expenditure of the US\$ 45,729,452 expended during the biennium 2000-2001.

Posts	US\$ 38 175 518
Other staff costs	782 363
Consultants and expert groups	1 158 937
Travel of staff	559 841
Contractual services	837 549
General operating expenses	2 631 619
Hospitality	17 384
Supplies and materials	644 561
Furniture and equipment	<u>921 680</u>
Total	<u>US\$ 45 729 452</u>

Chart 4. Percentage distribution of expenditures under Section 20, Economic and Social Commission for Western Asia



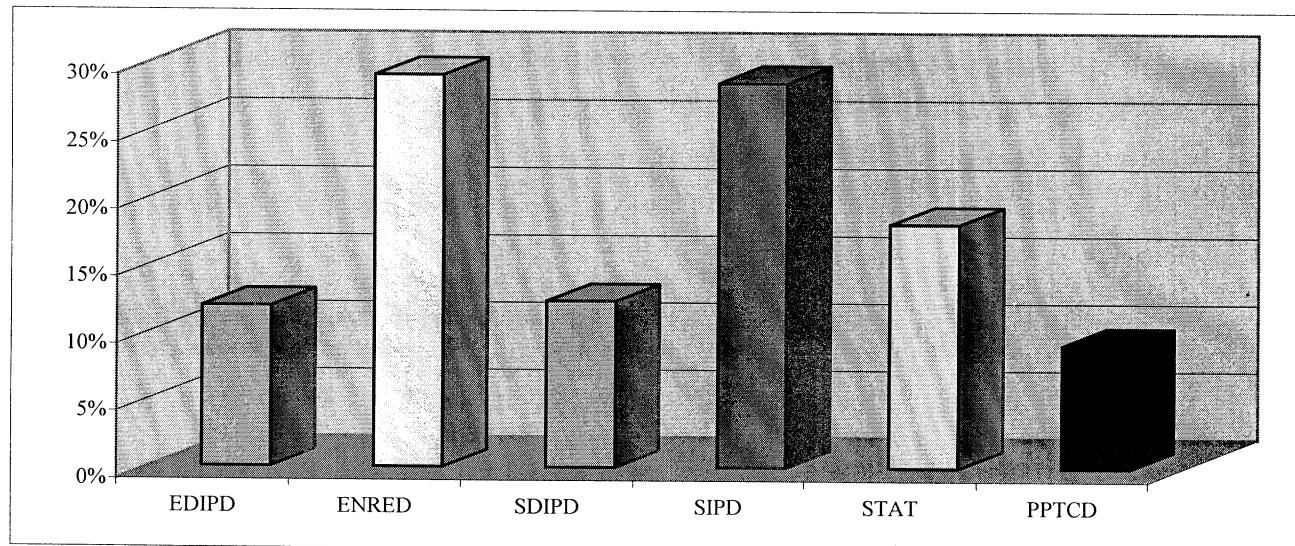
**Section 21. Regular programme of technical cooperation:
regional and subregional advisory services**
(United States dollars)

Code	Subprogramme	Allotments	Expenditures	Balance
241	Development issues and policies	911 300	899 778	11 522
242	Development issues and policies (economy)	442 500	376 348	66 152
243	Development issues and policies (statistics)	620 000	571 718	48 282
461	Natural resources	969 200	917 195	52 005
531	Social development and humanitarian affairs	417 000	389 636	27 364
801	Secretarial assistance to regional advisers	296 100	288 709	7 391
Total		3 656 100	3 443 384	212 716

7. The expenditure of US\$ 3,443,384 under section 21, above, is broken down as follows:

Staff and other personnel costs	US\$ 3 113 852
Travel on official business	<u>329 532</u>
Total	<u>US\$ 3 443 384</u>

Chart 5. Percentage distribution of expenditures under Section 21, Regular Programme of Technical Cooperation: Regional and Subregional Advisory Services



	Number of posts		(United States dollars)		
	P	GS	Allotments	Expenditures	Balance
Total resources under the regular budget allotted for the biennium 2000-2001, actual total expenditure and related balance	103	163	49 354 300	49 172 837	181 463

II. EXTRABUDGETARY RESOURCES

A. INTRODUCTION

8. This chapter on the financial status of the extrabudgetary resources of ESCWA covers the biennium 2000-2001, which ended on 31 December 2001. The accounts reported on relate to all extrabudgetary resources from different contributors in support of activities financed from the regular budget. After a brief overview of the activities and financial situation of the Commission as a whole, the remaining sections provide financial information relating to the major sources of extrabudgetary funds. Excluding the Trust Fund for ESCWA Regional Activities, the Government of France and the Government of the Netherlands, these resources amounted to US\$ 2,748,498 (see annex I).

9. Extrabudgetary resources for the Trust Fund for ESCWA Regional Activities, the Government of France and the Government of the Netherlands during the biennium 2000-2001 amounted to US\$ 214,461. Annex II shows the combined status of trust funds for the biennium 2000-2001.

B. OVERVIEW

10. The major sources of extrabudgetary funds for the biennium 2000-2001 were the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the Arab Gulf Programme for United Nations Development Organizations (AGFUND).

11. It should be noted that the Commission will continue its efforts to raise voluntary contributions for extrabudgetary financing of the programme of work and of studies or advisory services requested by member States.

C. HISTORY OF ACTIVITIES

1. *United Nations Development Programme*

12. The financial support of UNDP for ESCWA activities dates from 1979. The contributions have been utilized to finance projects in the fields of planning and training; finance and banking; natural resources; industry; social statistics, surveys and censuses; and transport, communications and maritime activities.

13. During the biennium 2000-2001, contributions of US\$ 972,766 from UNDP were utilized to finance the following activities in the ESCWA region:

(a) Development of national gender statistics programme in the Arab countries: US\$ 126,837;

(b) Integrated regional follow-up by the Arab States to United Nations global conferences: US\$ 273,841;

(c) National environmental strategy and environmental action for the United Arab Emirates: US\$ 427,342;

(d) National programme for promoting sustainable development at the institutional level: US\$ 21,734;

(e) ESCWA assistance to UNDP – Jordan: US\$ 95,962;

(f) National Human Development Report for Iraq: US\$ 27,050.

2. *United Nations Development Programme, ESCWA as cooperating agency for UNDP*

14. Support for the Yemen National Poverty Eradication Programme amounted to US\$ 278,834.

3. United Nations Population Fund

15. Contributions from UNFPA to ESCWA activities started in 1975. During the biennium 2000-2001, contributions of US\$ 843,072 from UNFPA were utilized to finance activities in the ESCWA region related to population and demography, as follows:

- (a) Population Policies Information System (PPIS): US\$ 85,783;
- (b) Technical support services: US\$ 757,289.

4. Arab Gulf Programme for United Nations Development Organizations

16. Contributions from AGFUND to ESCWA started in 1989 and have been utilized for regional household surveys, Arab community development and the participation of women in such development. During the biennium 2000-2001, US\$ 252,180 were utilized to finance the following projects and activities:

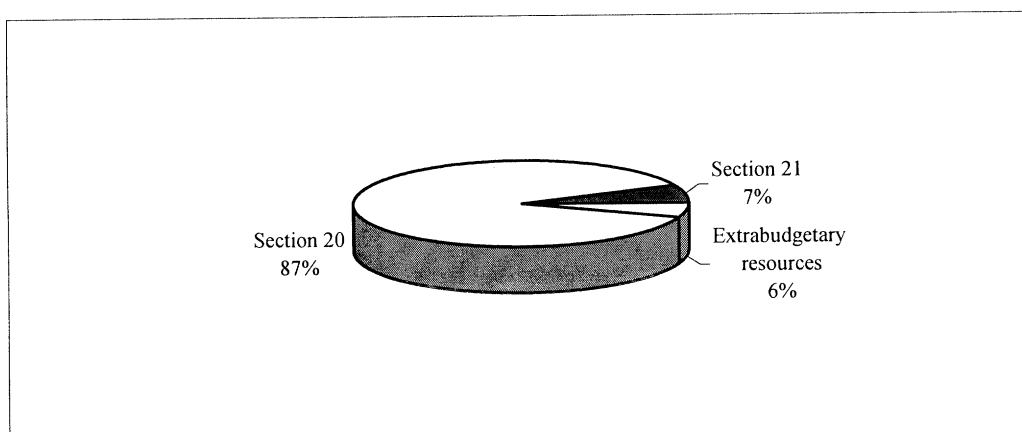
- (a) Regional household survey project: US\$ 20,954;
- (b) Arab rural community development – phase II – Egypt and the Syrian Arab Republic: US\$ 21,317;
- (c) Arab rural community development – Lebanon: US\$ 60,971;
- (d) Training and rehabilitation in community development in Egypt, Jordan, Kuwait, Lebanon, Palestine and the Syrian Arab Republic: US\$ 43,020;
- (e) Participation of Women in Community Development in ESCWA Rural Areas – Syrian Arab Republic: US\$ 28,842;
- (f) Expansion of the Braille computer training for the blind in Lebanon and the Arab region: US\$ 31,900;
- (g) Database on Palestinian refugees during 1998/2000 in Syria and Lebanon/Palestine: US\$ 45,176.

Annex I

**STATEMENT OF EXPENDITURES COVERING MAJOR EXTRABUDGETARY
FUNDS FOR THE BIENNIUM 2000-2001**

1. United Nations Development Programme, ESCWA as executing agency	US\$ 972 766
2. United Nations Development Programme, ESCWA as cooperating agency	278 834
3. United Nations Population Fund	843 072
4. Arab Gulf Programme for United Nations Development Organizations	252 180
5. Miscellaneous projects and minor technical cooperation accounts	156 680
6. Programme support account (ESCWA administered)	159 518
7. Other sources	<u>85 448</u>
Total	<u>US\$ 2 748 498</u>

Chart 6. Percentage distribution of total expenditures by source of funding



III. TRUST FUND FOR ESCWA REGIONAL ACTIVITIES

A. BACKGROUND

17. In its review of the programme of work at its second session, the Commission noted that the level of resources provided by the regular programme budget was inadequate to meet the programme needs, particularly for the great number of projects requested for the region. Extrabudgetary resources were therefore required for the successful implementation of the Commission's programme of work. In the operative paragraph of its resolution 11 (II) of 9 May 1975 on the Voluntary Fund, the Commission decided to authorize the Chairman of the second session and the Executive Secretary to hold urgent consultations with member States with a view to exploring the best and speediest ways of establishing an additional fund financed from voluntary contributions for the extrabudgetary financing of the Commission's work programmes and for meeting requests by member States for studies and advisory services.

18. In paragraphs 1 and 2 of its resolution 33 (III) of 14 May 1976 on the establishment of a voluntary fund, the Commission decided to establish a voluntary fund and called upon the Executive Secretary to utilize the resources of the fund to finance the greatest possible number of services in the fields of economic and social development in favour of the least developed ESCWA member countries.

19. At its fourth session, in paragraph 2 of its resolution 45 (IV) of 28 April 1977 on the financial status of the Commission's programmes and the strengthening of the Voluntary Fund, the Commission urged member States to make voluntary contributions towards the general financing of its programmes or the financing of specific projects. In paragraph 4 of that resolution, the Commission called upon the Executive Secretary to submit a financial statement of the Voluntary Fund for its approval at each session. Chapter three of this report and annex II thereto are in response to that request.

20. In paragraph 3 of its resolution 45 (IV), the Commission requested the Executive Secretary to invite member States of the Commission six months before the date scheduled for the holding of each session to determine the amount of their contributions towards the resources of the Fund. In paragraph 1 of its resolution 236 (XXI), the Commission decided to hold a pledging conference during each session of the Commission, the first of which will be held during the twenty-second session.

B. CONTRIBUTIONS

21. In response to resolution 33 (III), the Voluntary Fund (subsequently named the Trust Fund for ESCWA Regional Activities) was established by the Secretary-General. The contributions amounted to a total of US\$ 2,433,485. The status of contributions received from 1975 to 31 December 2001 is presented below.

Donor	Year of contribution	Amount contributed (United States dollar equivalent)	Amount pledged (United States dollars)
Government of Iraq	1975	300 000	—
Arab Fund for Economic and Social Development	1975	144 000	—
Kuwait Fund for Arab Economic Development	1975	144 000	—
Government of Saudi Arabia	1975	300 000	—
Government of Yemen	1980	5 864	—
Iraqi Fund for External Development	1982	15 000	—
Government of Qatar	1983	100 000	—
Government of Lebanon	1996	10 000	—
Government of Lebanon	1997	5 000	—
Government of Lebanon	1997*	73 446	—

Donor	Year of contribution	Amount contributed	
		(United States dollar equivalent)	Amount pledged (United States dollars)
Government of Kuwait	1997*	36 175	—
Government of Saudi Arabia	1999	1 000 000	—
Government of United Arab Emirates	1999	300 000	—
Total contributions/pledges received since the establishment of the Fund		2 433 485	—

Note: A dash (—) indicates that the amount is nil or negligible.

* Pursuant to ESCWA resolution 197 (XVII) of 31 May 1994, which was approved by the Economic and Social Council on 29 July 1994 by its resolution 1994/43, it was decided to relocate the permanent headquarters of the Commission to Beirut, Lebanon.

To this effect, the Government of Kuwait contributed an amount of US\$ 500,000 and the Government of Lebanon contributed an amount of US\$ 1,000,000. During the biennium 2000-2001, the Governments of Kuwait and Lebanon approved the request of the Commission to redirect the amount of US\$ 109,621 from the original contribution of US\$ 1,500,000, for the purpose of financing ESCWA regional activities in the fields of economic and social development.

22. In accordance with the procedure established by the Secretary-General and approved by the General Assembly, an annual pledging conference is held at United Nations Headquarters in New York, during which all States Members of the United Nations are requested to announce their contributions to all programmes and funds established by the United Nations, including the Trust Fund for ESCWA Regional Activities. A detailed account of ESCWA extrabudgetary resources excluding the Trust Fund is contained in chapter II of this report.

C. PROGRAMME OF ACTIVITIES FINANCED FROM THE TRUST FUND

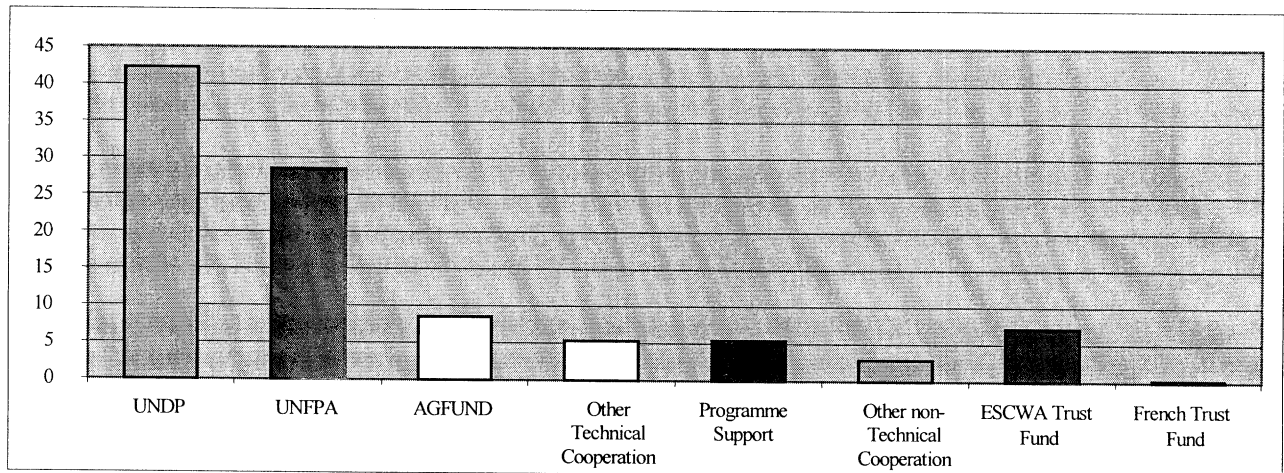
23. At its second session, the Commission, in its resolution 11 (II) of 9 May 1975, decided to explore ways of establishing a voluntary fund to serve as a source of revenue for the extrabudgetary financing of the Commission's programme of work and for meeting requests by member States for studies and advisory services. At its third session, the Commission in paragraph 2 of its resolution 33 (III) of 14 May 1976, circumscribed the utilization of the resources of the Fund to the various fields of economic and social development in favour of the least developed ESCWA member countries. At its seventh session, in its resolution 79 (VII) of 22 April 1980 on the strengthening of the Financial Contributions Account of the Economic Commission for Western Asia, the Commission expanded the area of activities to be financed from the resources of the Fund to include surveys and statistical research, analytical studies, training, consultant services and all economic and social sectors and subsectors.

24. During the biennium 2000-2001, US\$ 209,283 were utilized for the following activities:

(a) Enhancing ESCWA's role at the Doorstep of the Twenty-first century	US\$ 112 788
(b) Conference on the Future Role of Oil in the Economies of the ESCWA Members	20 611
(c) Expert Panel on Information Technology and Development Priorities: Competing in a Knowledge-Based Global Economy	15 469
(d) International Conference on Disability, Rehabilitation and Inclusion	17 630
(e) Regional Expert Meeting on Empowerment of the Arab Family to Enhance its Role in Development and Social Cohesion	14 456
(f) Regional Interagency Action to Promote and Support Arab States Follow-up to the World Summit for Children	13 279

(g)	The ESCWA Region in the Twenty-first Century: Prospects for Social Development	US\$ 5 050
(h)	Globalization and the Economic Participation of Arab Women	<u>10 000</u>
	Total	<u>US\$ 209 283</u>

Chart 7. Percentage distribution of extrabudgetary funding by source



Annex II

**ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA:
COMBINED STATUS OF TRUST FUNDS
FOR THE BIENNIUM 2000-2001**
(United States dollars)

	Trust Fund for ESCWA Regional Activities	Government of France	Government of the Netherlands	Total
I. STATEMENT OF ASSETS, LIABILITIES AND UNENCUMBERED FUND BALANCE				
<u>Assets</u>				
Cash	971	—	—	971
Accounts receivable	—	—	—	—
Due from United Nations General Fund	—	68 301	709	69 010
Voluntary contributions receivable	15 000	—	—	15 000
Investments	1 720 151	—	—	1 720 151
Total assets	1 736 122	68 301	709	1 805 132
<u>Liabilities</u>				
Accounts payable	18 696	—	—	18 696
Unliquidated obligations	5 600	—	—	5 600
Contributions received in advance	—	—	—	—
Due to United Nations General Fund	211 874	—	—	211 874
Total liabilities	236 170	—	—	236 170
<u>Unencumbered fund balance</u>				
Balance available as of 1 January 1998	1 423 551	56 506	709	1 480 766
Add: net excess of income over expenditure (see below)	76 401	11 795	—	88 196
Balance available	1 499 952	68 301	709	1 568 962
Total liabilities and unencumbered fund balance as of 31 December 2001	1 736 122	68 301	709	1 805 132
II. STATEMENT OF INCOME AND EXPENDITURE				
<u>Income</u>				
Contributions	—	—	—	—
Interest income	202 908	9 285	—	212 193
Miscellaneous income	362	8 361	—	8 723
Income from pledged contributions	—	—	—	—
Total income	203 270	17 646	—	220 916
<u>Expenditure</u>				
Staff and other personnel costs	173 005	—	—	173 005
Consultants' fees and travel	—	—	—	—
Travel	14 591	—	—	14 591
Contractual services	—	—	—	—

Annex II (continued)

	Trust Fund for ESCWA Regional Activities	Government of France	Government of the Netherlands	Total
Fellowships, scholarships, other expenditure	10 000	5 178	—	15 178
Acquisitions	—	—	—	—
Operating expenses	11 687	—	—	11 687
Project/programme costs	209 283	5 178	—	214 461
Programme support costs	27 207	673	—	27 880
Total expenditure	236 490	5 851	—	242 341
Excess of income over expenditure	(33 220)	11 795	—	(21 425)
Transfer (to) from other funds ^{a/}	109 621	—	—	109 621
Net excess of income over expenditure	76 401	11 795	—	88 196

Notes: A dash (—) indicates that the amount is nil or negligible.

Parentheses () indicate a deficit or decrease.

^{a/} Funds transferred from the Trust Fund for the Operation of ESCWA in Beirut.

