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PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983

PROGRAMME PLANNING

Procedures for proposed programme budget reviewReport of the Secretary-General

1. At its twenty-first session, held from 4 to 29 May and on 8 and 9 June 1981, the Committee for Programme and Co-ordination (CPC), in the context of its review of the proposed programme budget for the biennium 1982-1983, continued consideration of, among other subjects, the procedures for review of the programme budget by intergovernmental and expert bodies, for which it had before it a note on the subject (E/AC.51/1980/CRP.2 and Corr.1) submitted by the Secretariat at the twentieth session of the Committee.

2. In its conclusions and recommendations on this matter, CPC stated:

"The review of the programme budget must take place in a time-frame which permits CPC to examine programme aspects of the budget and to formulate recommendations on them before the Advisory Committee commences its review of the administrative and financial aspects of the budget. Where CPC recommends programme changes in the proposed programme budget the administrative and financial implications of these changes shall be incorporated in the recommendations of the Advisory Committee to the Fifth Committee. A study of the problems of timing and other related practical difficulties that might arise in implementing this recommendation will be undertaken by the Secretary-General in time for CPC and the General Assembly to consider it prior to the adoption of the medium-term plan for the period 1984-1989. This

* A/37/50/Rev.1.

study should propose solutions to these problems including suggestions for facilitating close co-ordination between CPC and the Advisory Committee." 1/

3. The Advisory Committee on Administrative and Budgetary Questions, in its first report on the proposed programme budget for the biennium 1982-1983, 2/ stated that it would submit its observations on the question of timing of the consideration of the Secretary-General's programme budget proposals when it received the study requested by CPC.

4. The conclusions and recommendations set forth in the report of CPC were endorsed by the Economic and Social Council in decision 1981/180 of 23 July 1981 and approved by the General Assembly in resolution 36/228 A, section I. By paragraph 2 (d) of this resolution, the Assembly:

"Reaffirms the need for close co-ordination between the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions and, for this purpose, requests the Advisory Committee to study the statements submitted by the Secretary-General on the administrative and financial implications of the recommendations made by the Committee for Programme and Co-ordination, as endorsed by the Economic and Social Council, and to include its recommendations in a separate chapter of its report or in an addendum thereto for consideration by the General Assembly, together with the recommendations of the Committee for Programme and Co-ordination."

5. More recently the General Assembly, in resolution 36/243 of 19 March 1982, decided "to continue, at its thirty-seventh session, consideration of the question of the formulation, presentation, review and approval of programme budgets, including the draft resolution on this subject submitted on 14 December 1981, 3/ as orally revised." 4/

6. Paragraphs 1 and 2 of section IV of the draft resolution referred to in the preceding paragraph (A/C.5/36/L.41/Rev.1) read as follows:

"1. Reaffirms its call in paragraph 48 of the annex to resolution 32/197 for close co-operation between the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions, in order to ensure timely and substantive reviews by both bodies, within their respective spheres of competence, and in order for the Advisory Committee to receive and comment on the financial implications of the recommendations of

1/ Official Records of the General Assembly, Thirty-sixth Session, Supplement No. 38 (A/36/38), para. 469.

2/ Ibid., Supplement No. 7 (A/36/7), para. 52.

3/ A/C.5/36/L.41/Rev.1.

4/ A/36/845, para. 109.

the Committee for Programme and Co-ordination in time for the consideration of its reports by the General Assembly;

"2. Decides that to ensure this, and pending further review, the following process will be adopted:

(a) The comments of the Committee for Programme and Co-ordination on the programme budget should be communicated simultaneously to the Economic and Social Council and to the Advisory Committee on Administrative and Budgetary Questions;

(b) The Advisory Committee on Administrative and Budgetary Questions should receive the Secretary-General's statement on the administrative and financial implications arising out of the recommendations of the Committee for Programme and Co-ordination in respect of different sections of the programme budget and report thereon to the General Assembly, so as to conform to the provisions of subparagraph (c) below;

(c) In order to ensure an integrated and comprehensive review of the programme budget proposals, the reports of the Committee for Programme and Co-ordination and the Advisory Committee on Administrative and Budgetary Questions on each section of the programme budget will be considered simultaneously;".

7. In the issue under consideration there are three interrelated factors, namely, (a) the time constraints of the Secretariat in producing the programme budget document, (b) the differing time-tables of CPC and the Advisory Committee on Administrative and Budgetary Questions and (c) the relationship between the two committees, CPC and the Advisory Committee.

8. The difficulties which constrain the Secretariat from producing the programme budget document before the end of April of the budget year were outlined in a note (E/AC.51/1980/CRP.2) on the preparation of the biennial programme budget submitted by the Secretariat at the request of CPC. These difficulties and constraints can be summarized as follows:

The formulation of the biennial programme budget passes through different phases and its completion requires a period of eight months from the time the instructions for the preparation of departmental drafts are issued. During part of that period, however, i.e., when the General Assembly is in session, time cannot be devoted by the central units to work on the programme budget since the staff (especially in the Budget Division) are always fully committed to servicing the Advisory Committee on Administrative and Budgetary Questions and the Main Committees of the General Assembly, particularly the Fifth Committee. From the end of the session until about mid-January, the staff is engaged in the preparation and issuing of allotment advices for the second year of the current biennium. Consequently, the internal review by the central units cannot begin until the middle of January when a critical examination is undertaken to ensure, among other things, that the proposals

conform to the objectives and strategies in the medium-term and to the policy guidelines established by the Secretary-General. This is followed by consultations with the submitting units about possible changes, the incorporation of adjustments arising out of the decisions taken in the last days of the preceding session of the General Assembly, the preparation of the final text, including the formulation of the over-all analytical financial tables, and finally the translation and reproduction of the document itself.

9. Considering the aforementioned eight-month period required, the Secretariat would not be able to complete the programme budget before the end of April of the budget year. Attention is drawn to the involvement, in this process, of the newly established Programme Planning and Budgeting Board which was announced in the Secretary-General's bulletin ST/SGP/190 dated 7 April 1982. The Board chaired by the Secretary-General or, in his absence, the Director-General for Development and International Economic Co-operation, will have specific functions in respect of the programme budget as well, such as guidance in the formulation of instructions for the preparation of the programme budgets, dealing with policy issues in the course of the central review of submissions, finalizing the document itself and over-all guidance in the execution of approved programme budgets. Furthermore, the Board is to keep under review, and adjust where necessary, the procedures and arrangements concerning planning, programming and budgeting, with a view to ensuring over-all consistency and coherence of approaches both within the Secretariat and in relation to concerned intergovernmental bodies.

10. Once the proposed programme budget is issued, it will be reviewed by CPC and the Advisory Committee on Administrative and Budgetary Questions in accordance with their respective mandates. Both CPC and the Advisory Committee have to operate within certain well-specified time-frames. For the Advisory Committee, the limitation is statutory in terms of financial regulation 3.6, which states: "The Advisory Committee shall prepare a report to the General Assembly on the programme budget proposed by the Secretary-General. This report shall be transmitted to all Member States at the same time as the proposed programme budget". Under the terms of financial regulation 3.4, the proposed programme budget (and therefore the report of the Advisory Committee) should be transmitted to Member States at least five weeks prior to the opening of the regular session of the General Assembly at which the biennial programme budget proposals are to be considered. The limitation applicable to CPC is the requirement to have its report finalized and available to the Economic and Social Council for consideration at its summer session.

11. The study requested by CPC was to propose solutions to certain problems referred to above. The draft resolution referred to in paragraphs 5 and 6 above (A/C.5/L.41/Rev.1) addresses the issues in question, particularly in section IV, paragraph 2 (a), (b) and (c). Under the procedures proposed therein, it would be possible to envisage flexibility in the timing of the reviews by the two committees by placing emphasis on the simultaneous consideration by the General Assembly of both reports as indicated in paragraph 14 below. Therefore, it is suggested that the time-tables currently in force for the reviews by the two committees need not be revised. It follows that the current timing for the production of the budget document need not change.

12. The proposal in paragraph 2 (b) covers the relationship between the two Committees. The Advisory Committee would deal with the recommendations of CPC in the context of its consideration of the Secretary-General's statement on administrative and financial implications on those recommendations and report thereon to the General Assembly. This report would be considered simultaneously with the report of the Advisory Committee on the programme budget.
13. With regard to this relationship, consideration should be given to the difference in the status and mandate of the two committees. While CPC is an intergovernmental body which functions as the main subsidiary organ of the Economic and Social Council and the General Assembly for planning, programming and co-ordination, the Advisory Committee on Administrative and Budgetary Questions is a body of experts required to examine, on behalf of the Assembly, reports submitted by the Secretary-General (including those reports on the reports of other bodies) and report to the Assembly thereon as well as on the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies; but the Advisory Committee is not required to report on reports of intergovernmental bodies. This being the case, the Advisory Committee can only consider the recommendations of CPC when it reviews the statements on administrative and financial implications submitted by the Secretary-General on those recommendations.
14. It should be borne in mind that the ultimate objective is that the General Assembly, when taking a decision on each section of the programme budget, should have before it for simultaneous consideration the reports of CPC on the programmatic aspects and that of the Advisory Committee on Administrative and Budgetary Questions on the budgetary or resource aspects of the Secretary-General's programme budget, including of course the Advisory Committee's report on the Secretary-General's report on administrative and financial implications of CPC's recommendations.
15. It is the Secretary-General's intention, therefore, to incorporate the sense and objective of the procedures contained in section IV, paragraph 2, of draft resolution A/C.5/36/L.41/Rev.1 in the draft Official Regulations governing programme planning, the programme budget, the monitoring of implementation and methods of evaluation which are to be issued in a separate document (A/37/206) and also in proposed revised financial regulations. The Secretary-General believes that this procedure would place on a firm basis the time-table of the consideration of the proposed programme budget in both CPC and the Advisory Committee.
