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PROGRAMME BUDGET FOR THE BIENNIUM 1982-1983

First performance reportTwenty-fourth report of the Advisory Committee on Administrative
and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the first performance report of the Secretary-General on the programme budget for the biennium 1982-1983 (A/C.5/37/65).
2. In paragraph 16 of his report, the Secretary-General states that the net requirements for the biennium are now estimated at \$1,183,091,100 which is \$38,597,700 less than the initial net appropriations (\$1,221,688,800) voted by the General Assembly at its thirty-sixth session in its resolution 36/240 of 24 December 1981. The decrease in requirements "is the result of estimated savings under expenditure estimates partly offset by lower than initially reported income estimates" (*ibid.*) as follows:

	<u>Initial appropriations</u>	<u>Revised estimates</u>	<u>(Decrease)</u>	<u>Percentage</u>
	(thousands of United States dollars)			
Expenditure	1 506 241.8	1 436 779.5	(69 462.3)	(4.6)
Income	<u>284 553.0</u>	<u>253 688.4</u>	<u>(30 864.6)</u>	<u>(10.8)</u>
Net requirements	<u>1 221 688.8</u>	<u>1 183 091.1</u>	<u>(38 597.7)</u>	<u>(3.2)</u>

3. With regard to the above data, the Advisory Committee notes that, in accordance with established policy, the proposed adjustments to the 1982-1983 appropriations and approved income estimates reflect primarily variations in the rates of exchange, and the impact of inflation as well as decisions of policy-making organs, the implementation of which could not be deferred until the 1984-1985 biennium (*ibid.*, para. 1).

Expenditure sections

4. In paragraphs 4-9 the Secretary-General describes the changes in requirements for the expenditure sections, which can be broken down as follows:

	\$	
Rates of exchange	(71 289 500)	(4.7%)
Inflation	(1 823 300)	(0.1%)
Decisions of policy-making organs	1 848 600	0.1%
Other changes	<u>1 801 900</u>	<u>0.1%</u>
Total	(69 462 300)	(4.6%)

The annex to document A/C.5/37/65 provides a breakdown of these figures by section; additional information with regard to rates of exchange and inflation is given in schedules 1-5 of the document.

5. The Secretary-General summarizes the additional requirements attributable to decisions of policy-making organs and other changes (\$3,650,500 combined) in paragraphs 8-9. Of this amount \$1,848,600 relates to additional requirements resulting from decisions of policy-making organs. With regard to "other changes" the Advisory Committee notes that total additional requirements amount to \$3,230,500 and reductions in requirements to \$1,428,600. The net total additional requirement under "other changes", as stated in paragraph 9, is thus \$1,801,900.

6. The total of \$3,650,500 (para. 5 above) in additional requirements may be broken down as follows:

	\$
Commitments entered into with the prior concurrence of the Advisory Committee under the terms of General Assembly resolution 36/241 on unforeseen and extraordinary expenses for the biennium 1982-1983	1 272 600
Commitments entered into under the terms of paragraph 1 (a) of General Assembly resolution 36/241	635 500
Commitments entered into under the terms of paragraph 1 (b) of General Assembly resolution 36/241	419 500
Commitments entered into under the terms of paragraph 1 (c) of General Assembly resolution 36/241	46 000
Other commitments	2 705 500
<u>Less reductions (see para. 5 above)</u>	<u>(1 428 600)</u>
Total	<u>3 650 500</u>

7. More than one half of the \$2,705,500 under "other commitments" relates to the additional non-recurrent common staff costs arising from the relocation of ECWA staff to Baghdad (\$1,458,000 under section 14). Of the balance, \$327,900 relates to additional requirements under section 17, United Nations Industrial Development Organization, in respect of jointly financed activities. The remaining \$919,600 consists of smaller amounts under sections 1, 2, 6, 11, 26, 28 and 31.

8. In its consideration of the estimates in document A/C.5/37/65, the Advisory Committee recalled that the additional requirements related to the relocation of the Economic Commission for Western Asia to Baghdad were not confined to the amount of \$1,458,000 referred to in paragraph 6 above. A further request for \$2,948,100 was submitted by the Secretary-General in document A/C.5/37/65/Add.1; the Advisory Committee's related recommendations are contained in its twenty-third report to the General Assembly (A/37/7/Add.22).

Income

9. The Secretary-General's revised estimates for income sections 1 to 3 amount to \$253,688,400, reflecting a reduction of \$30,864,600. As can be seen from paragraph 10 of document A/C.5/37/65, the decrease is attributable mainly to lower estimates of income from staff assessment (\$25.2 million less than the approved estimate). In this connection the Advisory Committee notes from

the annex to the report by the Secretary-General that the corresponding decrease under section 31 (Staff assessment) amounts to \$24.6 million.

Recapitulation

10. The Advisory Committee recommends approval of the revised estimates for the programme budget for 1982-1983 as contained in document A/C.5/37/65.
