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Forty-fourth session
Agenda item 38REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL
FUNCTIONING OF THE UNITED NATIONSEstablishment and operation of a reserve fundReport of the Secretary-General

1. The General Assembly, in paragraph 10 of its resolution 43/214 of 21 December 1988, agreed to the concept of a reserve to cover additional requirements due to currency fluctuation, inflation in non-staff costs and statutory cost increases for staff, requested the Secretary-General to formulate a set of procedures for the operation of the reserve fund to be submitted through the Advisory Committee on Administrative and Budgetary Questions to the Assembly at its forty-fourth session, and decided to address further at that time the question of setting up such a reserve for the biennium 1990-1991. In paragraph 9 of the resolution, the Assembly also noted the work undertaken by the Advisory Committee on the question of the effects of inflation and currency fluctuation on the budget of the United Nations. The Advisory Committee, in paragraphs 17 to 31 of its report (A/43/929), had addressed the request by the Assembly in resolution 41/213 of 19 December 1986, annex I, paragraph 10, for a comprehensive solution to the problem of all additional expenditures, including those deriving from inflation and currency fluctuation. This question had also been addressed by the Secretary-General in paragraphs 35 to 41 of his report to the General Assembly at its forty-second session (A/42/225 and Add.1). The present report provides a set of procedures for the operation of the reserve fund and deals with the nature of the reserve, its composition, arrangements for recourse to the fund and for its replenishment.

2. In expressing the need for a comprehensive solution to the problem of all additional expenditures, including those deriving from inflation and currency fluctuations, the General Assembly also indicated in resolution 41/213, annex I, paragraph 10, that it would be desirable to accommodate them within the overall level of the budget, either as a reserve or as a separate part of the contingency fund. The expenditures that the contingency fund was created to finance are

different in nature from the additional expenditures that could be occasioned by variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff. Hence, the use of the same contingency fund as a mechanism to address two sets of separate issues was not felt to be practical or desirable.

3. In resolution 41/213, annex I, paragraph 11, the General Assembly urged the Secretary-General to make efforts to absorb additional expenditures arising from inflation and currency fluctuation, to the extent possible, through savings from the programme budget, without causing in any way a negative effect on programme delivery and without prejudice to the utilization of the contingency fund. The practical impossibility of absorbing such additional expenditures, given their potential magnitude and the inability to foresee them with any degree of precision, was addressed in the earlier report of the Secretary-General (A/44/225 and Add.1).

4. The purpose of the reserve fund, therefore, would seem to be to minimize, during any given biennium and to the extent possible, changes in the level of the programme budget resulting from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff or, as stated by the Advisory Committee in its report (A/43/929), to achieve a greater degree of certainty than now exists.

5. Seen in this context, the level of the reserve fund must be so established as to ensure that it is adequate to meet the additional requirements it may be required to deal with, namely, those arising from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff. By definition, however, such requirements can only be projected but not accurately determined; hence the soundest way to arrive at what might constitute an adequate level would be from an analysis of past experience. In terms of amounts and expressed as a percentage of the programme budget, past experience reveals the following:

Biennium	Increase (decrease)							
	Currency fluctuation		Non-staff costs inflation		Statutory increases for staff		Total	
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
1980-1981	(19.8)	(1.6%)	24.3	2.0%	47.2	3.9%	51.7	4.3%
1982-1983	(106.0)	(6.9%)	(3.9)	(0.2%)	(12.9)	(0.8%)	(122.8)	(7.9%)
1984-1985	(74.9)	(4.7%)	(2.0)	(0.1%)	29.2	1.8%	(47.7)	(3.0%)
1986-1987	147.6	8.4%	(10.2)	(0.6%)	(57.1)	(3.3%)	80.3	(4.8%)

(1): Millions of United States dollars.

(2): As a percentage of the proposed programme budget.

6. As regards the current biennium, the additional requirements arising from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff approved in the context of the initial and revised appropriations amount to \$133.9 million or 8 per cent of the proposed programme budget.

7. If, however, each component were to be considered separately and were to constitute in each case a ceiling, an adequate level would need to take into account the highest variation experienced in respect of each of them, namely, 8.4 per cent for currency fluctuation, 2 per cent for inflation in non-staff costs and 3.9 per cent for statutory increases for staff. These together add up to 14.3 per cent as opposed to the aggregate of 8 per cent mentioned above. This is due to the fact that the adjustments required in respect of the three categories do not always move simultaneously in the same direction.

8. Thus, a more reliable and realistic approach would be to treat the three categories within an overall framework and consider the establishment of the level of the reserve taking into account the combined net effect of the adjustments, the highest level having been experienced in this regard being 8 per cent.

9. If predictability and, hence, greater certainty, which is at the core of the new budget process, are to be assured by the determination at the outset of the level of resources to be available for a given biennium, such a reserve would need to be funded. Otherwise, the establishment of a reserve as a notional amount and the seeking of additional appropriations as and when variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff so warrant would be tantamount to the continuation of the present arrangements.

10. There appear to be two alternatives for the establishment and funding of a reserve: one as a separate fund outside the programme budget and the other as a section within the programme budget. In either case they would be funded through assessed contributions.

11. Under the first alternative, the General Assembly would establish a reserve as a separate fund and determine its level. The reserve would be funded from assessed contributions and replenished through savings due to variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff or through further assessed contributions, as necessary. At the relevant appropriations stages, the adjustments resulting from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff would be submitted to the Assembly for approval. The amount approved by the Assembly would be included in the appropriations. When they represent additional requirements, they would be funded through the reserve. When they represent net reductions, they would be credited to the reserve up to the approved level of the reserve. Any surplus beyond that level would be credited to Member States. At the beginning of each biennium, the reserve would be replenished to its approved level, such replenishment to be effected through assessed contributions if necessary. During the course of a biennium,

should the amount in the reserve be insufficient to provide for the additional requirements resulting from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff, the Secretary-General in presenting the additional requirements to the Assembly would make proposals regarding the manner in which the shortfall should be covered.

12. An indication of the manner in which the procedure outlined above would have operated is provided in annex I, based on actual appropriations for the bienniums 1980-1981 to 1988-1989, excluding the role of miscellaneous income in the financing of assessments and assuming the establishment of a reserve of \$150 million.

13. Under the second alternative, a reserve would be established for each biennial period within the programme budget. The level of the reserve would be established by the General Assembly at the time it takes a decision on the outline. Subsequently, the reserve would be included in the proposed programme budget as a separate identifiable section. At the relevant appropriations stages, the adjustments resulting from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff would be submitted to the Assembly for approval. The adjustments approved by the Assembly would be reflected under the sections of the programme budget so affected, accompanied by a commensurate adjustment in the budget section relating to the reserve. During a biennium, the reserve would be drawn upon or replenished as need be except that once replenished to the approved level, any excess amount would be credited back to Member States. During the course of a biennium, should the amount in the budget section relating to the reserve be insufficient to provide for the additional requirements resulting from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff, the Secretary-General in presenting the additional requirements to the General Assembly would make proposals regarding the manner in which the shortfall should be covered. At the end of the biennium, any amount left in the section relating to the reserve would be surrendered (in the subsequent proposed programme budget the reserve would again be included as a separate identifiable section). Annex II provides an indication of the manner in which the procedure outlined above would have operated, using the same data as in annex I.

14. The alternatives outlined above are both based on the premise that the reserve would be funded. They differ to the extent that, under the first alternative, the reserve is envisaged as a fund outside the appropriations, whereas in the second, the reserve would be an integral part of the appropriations and, hence, of the programme budget. In terms of impact on assessments, there would over time be no appreciable difference between the two alternatives - the individual variations that may be seen from annexes I and II are more apparent than real. Under the first alternative, the balance left in the reserve at the end of a biennium would not be surrendered and at the beginning of the subsequent biennium only the difference between the approved level and the balance would need to be assessed; under the second alternative, at the end of the biennium, any amount left in the section relating to the reserve would be surrendered and at the beginning of the next biennium a new reserve would need to be established and funded in full.

15. The return of any surplus in the reserve under either alternative would at this stage have to be seen in the context of the overall financial situation of the Organization. In this connection, it should be borne in mind that the provisions of regulations 4.3, 4.4 and 5.2 (d) of the Financial Regulations of the United Nations relating to surpluses at the end of financial periods have been suspended in respect of the past few biennia.

16. The table below summarizes the level of assessments per biennium under the two alternatives described above:

Biennium	Final appropriations	Assessments	
		Reserve as separate fund	Reserve as part of budget
1980-1981	1 341.7	1 440.0	1 341.7
1982-1983	1 469.6	1 521.3	1 469.6
1984-1985	1 609.0	1 608.3	1 609.0
1986-1987	1 711.8	1 632.1	1 711.8

(In millions of United States dollars)

1980-1981	1 341.7	1 440.0	1 341.7
1982-1983	1 469.6	1 521.3	1 469.6
1984-1985	1 609.0	1 608.3	1 609.0
1986-1987	1 711.8	1 632.1	1 711.8

17. At first view, it may be concluded that the second alternative is less onerous, the cumulative level of assessments over the four biennial periods being \$69.6 million lower than the first alternative. However, at the beginning of the biennium 1988-1989, provision would have had to have been made, under the first alternative, for the replenishment of the reserve fund in the amount of \$80.4 million, whereas under the second alternative the proposed programme budget for the biennium 1988-1989 would have had to have included a reserve section in the amount of \$150 million, or \$69.6 million higher than under the first alternative.

18. In terms of practical application, the second alternative - a reserve as a separate section within the programme budget - would be administratively easier to operate than a reserve as a separate fund. The creation of a separate fund for the reserve would necessitate the addition of new financial regulations and the modification of existing ones. It would require a new procedure for the financing of appropriations, adding complexity to an already complex system. The establishment of a reserve as part of the programme budget, on the other hand, would require little more than a new section within the programme budget.

19. Under the circumstances, should the General Assembly decide to proceed with the establishment of a reserve fund to provide for adjustments resulting from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff, it may wish to establish the following guidelines for its operation:

1. The proposed programme budget shall contain a section that will include provisions for adjustments that may be required as a result of variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff. This section shall be entitled the "Reserve Fund".
 2. In off-budget years, the General Assembly shall decide on the level of the Reserve Fund, which will be included in the proposed programme budget for for the next biennium.
 3. The Secretary-General shall, prior to each appropriation stage, submit to the General Assembly for its approval the adjustments required as a result of variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff.
 4. The adjustments approved by the General Assembly will be reflected in the appropriations. When such adjustments result in additional requirements, these will be reflected under the relevant sections of the programme budget concerned and will be accompanied by a commensurate reduction in the Reserve Fund section of the programme budget. When such adjustments result in reductions, these will be reflected under the relevant sections concerned and will be accompanied by a commensurate increase in the Reserve Fund section up to the level initially approved for the section. Any surplus would be classed as miscellaneous income.
 5. If the amount of funds in the Reserve Fund section of the programme budget is insufficient to provide for the additional requirements resulting from variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff, the Secretary-General, in submitting the proposed adjustments to the General Assembly, shall make proposals regarding the manner in which the shortfall should be covered.
 6. At the end of the biennium, any residual amount in the Reserve Fund section shall be surrendered in the context of the final appropriations for the biennium.
20. In accordance with its resolution 43/214, the General Assembly, in addition to considering a set of procedures for the operation of the Reserve Fund, is also to address further the question of setting up such a reserve for the biennium 1990-1991. While the procedures suggested above could not in their entirety be applied, the Assembly could nevertheless decide to set up a reserve fund for 1990-1991. In order to set up a reserve, however, it would be necessary for the Assembly to do so prior to completing consideration of the proposed programme budget for the biennium 1990-1991 in order that the adoption of the programme budget and the initial appropriations for the biennium 1990-1991 may include such a fund and the adjustments that will be required as a result of variations in the forecast included in the programme budget in respect of currency fluctuation, inflation in non-staff costs and statutory cost increases for staff may be properly reflected.

ANNEX I. Operation of a reserve as a separate fund outside the programme budget

APPROPRIATIONS		ASSESSMENTS	RESERVE FUND	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Biennium 1Year preceding the biennium

Establishment of the Reserve Fund		150.0		150.0
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Initial appropriations

1 247.8

- | | |
|---|---------|
| (a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates; | 1 247.8 |
| (b) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff. | - |

Financing of appropriations for year 1

Assessments (half of 1,247.8).		623.9		150.0
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First year of the biennium -Revised appropriations

1 339.2

- | | |
|---|---------|
| (a) Initial appropriations; | 1 247.8 |
| (b) Programme budget implications and revised estimates; | 28.7 |
| (c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff. | 62.7 |

Financing of appropriations for year 2

- | | | | | |
|--|--|-------|--------|------|
| (a) Assessments
(half of 1,247.8 + 28.7); | | 652.6 | | |
| (b) Drawdown from Reserve (62.7). | | | (62.7) | 87.3 |

Second year of the biennium -Final appropriations

1 341.7

- | | |
|---|---------|
| (a) Revised appropriations; | 1 339.2 |
| (b) End-of-biennium adjustments; | 13.5 |
| (c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff. | (11.0) |

Financing of adjustments in final appropriations

- | | | | | |
|-------------------------------|--|------|------|------|
| (a) Assessments; | | 13.5 | | |
| (b) Credit to Reserve (11.0). | | | 11.0 | 98.3 |

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APPROPRIATIONS		ASSESSMENTS	RESERVE FUND	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Biennium 2

Year preceding the biennium

Replenishment of Reserve Fund
 (approved level less balance) 51.7 51.7 150.0

Initial appropriations 1 506.2

- (a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates; 1 552.4
- (b) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff. (46.2)

Financing of appropriations for year 1

- (a) Assessments (half of 1,552.4); 776.2
- (b) Credit to Reserve (46.2); 46.2 196.2
- (c) Return of surplus from Reserve. (46.2) (46.2) 150.0

First year of the biennium -

Revised appropriations 1 472.9

- (a) Initial appropriations; 1 506.2
- (b) Programme budget implications and revised estimates; 39.8
- (c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff. (73.1)

Financing of appropriations for year 2

- (a) Assessments (half of 1,552.4 + 39.8); 816.0
- (b) Credit to Reserve (73.1); 73.1 223.1
- (c) Return of surplus from Reserve. (73.1) (73.1) 150.0

Second year of the biennium -

Final appropriations 1 469.6

- (a) Revised appropriations; 1 472.9
- (b) End-of-biennium adjustments; 0.1
- (c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff. (3.4)

APPROPRIATIONS		ASSESSMENTS	RESERVE FUND	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Financing of adjustments in final appropriations

(a) Assessments;		0.1		
(b) Credit to Reserve (3.4);			(3.4)	153.4
(c) Return of surplus from Reserve.		(3.4)	3.4	150.0

Biennium 3

Year preceding the biennium

Establishment of Reserve Fund		0.0		150.0
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Initial appropriations 1 587.2

(a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates;	1 622.3			
(b) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff.	(35.1)			

Financing of appropriations for year 1

(a) Assessments (half of 1,622.3);		811.1		150.0
(b) Credit to Reserve (35.1);			35.1	185.1
(c) Return of surplus from Reserve.		(35.1)	(35.1)	150.0

First year of the biennium -

Revised appropriations 1 611.6

(a) Initial appropriations;	1 587.2			
(b) Programme budget implications and revised estimates;	37.8			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff.	(13.4)			

Financing of appropriations for year 2

(a) Assessments (half of 1,622.3 + 37.8);		849.0		
(b) Credit to Reserve (13.4);			13.4	163.4
(c) Return of surplus from Reserve.		(13.4)	(13.4)	150.0

APPROPRIATIONS		ASSESSMENTS	RESERVE FUND	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Second year of the biennium -

Final appropriations 1 609.0

(a) Revised appropriations; 1 611.6
 (b) End-of-biennium adjustments; (3.3)
 (c) Adjustments due to variations
 in respect of currency,
 non-staff costs inflation
 and statutory cost increases
 for staff. 0.7

Financing of adjustments in final
 appropriations

(a) Assessments; (3.3)
 (b) Drawdown from reserve. 0.7 149.3

Biennium 4

Year preceding the biennium

Establishment of Reserve Fund 0.7 150.0

Initial appropriations 1 663.3

(a) Proposed programme budget,
 adjustments made at first
 reading, programme budget
 implications and revised
 estimates; 1 648.8
 (b) Adjustments due to variations
 in respect of currency,
 non-staff costs inflation
 and statutory cost increases
 for staff. 14.5

Financing of appropriations for year 1

(a) Assessments (half of 1,648.8); 824.4
 (b) Drawdown from Reserve
 (half of 14.5). (7.2) 142.8

First year of the biennium -

Revised appropriations 1 711.8

(a) Initial appropriations; 1 663.3
 (b) Programme budget implications
 and revised estimates; 13.0
 (c) Adjustments due to variations
 in respect of currency,
 non-staff costs inflation
 and statutory cost increases
 for staff. 35.5

APPROPRIATIONS		ASSESSMENTS	RESERVE FUND	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Financing of appropriations for year 2

(a) Assessments (half of 1,648.8 + 13.0);		837.4		
(b) Drawdown from Reserve (half of 14.5 + 35.5).			(42.8)	100.0

Second year of the biennium -Final appropriations 1 711.8

(a) Revised appropriations;	1 711.8			
(b) End-of-biennium adjustments;	(30.4)			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff.	30.4			

Financing of adjustments in final
appropriations

(a) Assessments;		(30.4)		
(b) Drawdown from Reserve (30.4).			(30.4)	69.6

Biennium 5Year preceding the biennium

Establishment of Reserve Fund		80.4		150.0
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Initial appropriations 1 769.6

(a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates;	1 632.2			
(b) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff.	137.4			

Financing of appropriations for year 1

(a) Assessments (half of 1,632.2);		816.1		
(b) Drawdown from Reserve (half of 137.4).			(68.7)	81.3

APPROPRIATIONS		ASSESSMENTS	RESERVE FUND	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

First year of the biennium -
Revised appropriations

1 788.7

(a) Initial appropriations;	1 769.6			
(b) Programme budget implications and revised estimates;	22.7			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff.	(3.6)			

Financing of appropriations for year 2

(a) Assessments (half of 1,632.2 + 22.7);		838.8		
(b) Drawdown from Reserve (half of 137.4 - 3.6).			(65.1)	16.2

Second year of the biennium -
Final appropriations

(a) Revised appropriations;	1 788.7			
(b) End-of-biennium adjustments;				
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff.				

Financing of adjustments in final
 appropriations

ANNEX II. Operation of a reserve as a section within the programme budget

APPROPRIATIONS		ASSESSMENT	RESERVE SECTION WITHIN APPROPRIATIONS	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Biennium 1

Year preceding the biennium

<u>Initial appropriations</u>		1 397.8		
(a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates;	1 247.8			
(b) Reserve section;	150.0			150.0
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	-			
(d) Adjustment to reserve section.	-			150.0

Financing of appropriations for year 1

Assessments (half of 1,397.8). 698.9

First year of the biennium -

<u>Revised appropriations</u>		1 426.5		
(a) Initial appropriations;	1 397.8			
(b) Programme budget implications and revised estimates;	28.7			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	62.7			
(d) Adjustment to reserve section.	(62.7)		(62.7)	87.3

Financing of appropriations for year 2

Assessments (half of 1,397.8 + 28.7). 727.6

Second year of the biennium -

<u>Final appropriations</u>		1 341.7		
(a) Revised appropriations;	1 426.5			
(b) End-of-biennium adjustments;	13.5			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	(11.0)			
(d) Adjustment to reserve section;	11.0		11.0	98.3
(e) Return of balance of reserve section.	(98.3)		(98.3)	-

APPROPRIATIONS		ASSESSMENT	RESERVE SECTION WITHIN APPROPRIATIONS	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Financing of adjustments in final appropriations

(a) Assessments;	13.5		
(b) Return of balance of reserve section.	(98.3)		

Biennium 2

Year preceding the biennium

<u>Initial appropriations</u>	1 656.2		
(a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates;	1 522.4		
(b) Reserve section;	150.0		15.0
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	(46.2)		
(d) Adjustment to reserve section.	-		150.0

Financing of appropriations for year 1

Assessments (half of 1,656.2). 828.1

First year of the biennium -

<u>Revised appropriations</u>	1 622.9		
(a) Initial appropriations;	1 656.2		
(b) Programme budget implications and revised estimates;	39.8		
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	(73.1)		
(d) Adjustment to reserve section.	-		150.0

Financing of appropriations for year 2

Assessments (half of 1,656.2 + 39.8 - 73.1). 794.8

APPROPRIATIONS		ASSESSMENT	RESERVE SECTION	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Second year of the biennium -

<u>Final appropriations</u>		1 469.6		
(a) Revised appropriations;	1 622.9			
(b) End-of-biennium adjustments;	0.1			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	(3.4)			
(d) Adjustment to reserve section;	-			150.0
(e) Return of balance of reserve section.	(150.0)		(150.0)	-

Financing of adjustments in final
appropriations

(a) Assessments;		(3.3)		
(b) Return of balance of reserve section.		(150.0)		

Biennium 3

Year preceding the biennium

<u>Initial appropriations</u>		1 737.2		
(a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates;	1 622.3			
(b) Reserve section;	150.0			150.0
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	(35.1)			
(d) Adjustment to reserve section.	-			150.0

Financing of appropriations for year 1:

Assessments (half of 1,737.2). 868.6

First year of the biennium -

<u>Revised appropriations</u>		1 761.6		
(a) Initial appropriations;	1 737.2			
(b) Programme budget implications and revised estimates;	37.8			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	(13.4)			
(d) Adjustment to reserve section.				150.0

APPROPRIATIONS		ASSESSMENT	RESERVE SECTION WITHIN APPROPRIATIONS	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Financing of appropriations for year 2

Assessments

(half of 1,737.2 + 37.8 - 13.4).

893.0

Second year of the biennium -

Final appropriations

1 609.0

(a) Revised appropriations;	1 761.6			
(b) End-of-biennium adjustments;	(3.3)			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	(0.7)			
(d) Adjustment to reserve section;	0.7		(0.7)	149.3
(e) Return of balance of reserve section.	(149.3)		(149.3)	-

Financing of adjustments in final
appropriations

(a) Assessments;	(3.3)
(b) Return of balance of reserve section.	(149.3)

Biennium 4

Year preceding the biennium

Initial appropriations

1 798.8

(a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates;	1 648.8			
(b) Reserve section;	150.0			150.0
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	14.5			
(d) Adjustment to reserve section.	(14.5)		(14.5)	135.5

Financing of appropriations for year 1

Assessments (half of 1,798.8).

899.4

APPROPRIATIONS		ASSESSMENT	RESERVE SECTION WITHIN APPROPRIATIONS	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

First year of the biennium -
Revised appropriations

1 811.8

(a) Initial appropriations;	1 798.8			
(b) Programme budget implications and revised estimates;	13.0			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;				
(d) Adjustment to reserve section.	(35.5)		(35.5)	100.0

Financing of appropriations for year 2

Assessments (half of 1,798.8 + 13.0).

912.4

Second year of the biennium -
Final appropriations

1 711.8

(a) Revised appropriations;	1 811.8			
(b) End-of-biennium adjustments;	(30.4)			
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	30.4			
(d) Adjustment to reserve section;	(30.4)		(30.4)	69.6
(e) Return of balance of reserve section.	(69.6)			

Financing of adjustments in final
appropriations

(a) Assessments;		(30.4)		
(b) Return of balance of reserve section.		(69.6)		

Biennium 5

Year preceding the biennium

Initial appropriations

1 782.1

(a) Proposed programme budget, adjustments made at first reading, programme budget implications and revised estimates;	1 632.1			
(b) Reserve section;	150.0			150.0
(c) Adjustments due to variations in respect of currency, non-staff costs inflation and statutory cost increases for staff;	137.4			
(d) Adjustment to reserve section.	(137.4)		(137.4)	12.6

APPROPRIATIONS		ASSESSMENT	RESERVE SECTION WITHIN APPROPRIATIONS	
Components	Total		(drawdown) credit	Balance

(In millions of United States dollars)

Financing of appropriations for year 1

Assessments (half of 1,782.1).

891.0

First year of the biennium -
 Revised appropriations

1 804.8

- (a) Initial appropriations; 1 782.1
- (b) Programme budget implications
and revised estimates; 22.7
- (c) Adjustments due to variations in
respect of currency, non-staff
costs inflation and statutory
cost increases for staff; (3.6)
- (d) Adjustment to reserve section. 3.6

3.6 16.2

Financing of appropriations for year 2

Assessments (half of 1,782.1 + 22.7).

913.9
