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Warren Sach/NY/UNO
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cc Alicia Barcena/NY/UNO@UNHQ, Jan
Beagle/NY/UNO@UNHQ, Sharon Van
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bcc
Subject Note to the Secretary-General: Meeting with the Chairman of
ACABQ/ 4.pm Friday.

Pls find attached a note for SG giving briefing for matters that may be discussed on Friday 17th Aug in his meeting with the Chairman of ACABQ.



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Note to SG on Meeting with ACABQ Chair on PP82008-2009.pdf

CdC		SG	
For SG's approval	<input type="checkbox"/>	Approved	<input type="checkbox"/>
For SG's attention	<input checked="" type="checkbox"/>	Noted	<input checked="" type="checkbox"/>
For SG's information	<input type="checkbox"/>	Seen	<input type="checkbox"/>
For SG's signature	<input type="checkbox"/>	Signed	<input type="checkbox"/>
Date	17.08.2009	Date	
Comment (if applicable):			

SG OFFICE

514 17 Aug.

Note to the Secretary-General

**Meeting with the Chairman of the Advisory Committee on
Administrative and Budgetary Questions**

◦ **Proposed programme budget for the biennium 2008-2009**

General Assembly approved outline	\$	4,194.7	million
Secretary-General's proposal	\$	4,195.2	million
ACABQ adjustment	\$	(11.6)	million
ACABQ recommended level	\$	4,183.6	million

◦ **Issues:**

Piecemeal approach
(identified add-ons \$35.5 million + significant unknowns – see annex)
System-wide coordination
Results-based management
IT systems compatibility
Training resources
Safety and security underspending

◦ **Peacekeeping finance issues:**

- Thanks for assistance of the Committee as regards UNAMI HQ new building and Iraq Special Allowance;
- Thanks for interim financing of \$100 million for MINUTAC, Somalia and UNAMID

◦ **Relations with the Fifth Committee**

Proposed programme budget for the biennium 2008-2009

1. The level of resources proposed for the biennium 2008-2009 amounts to \$4,195.2 million (before recosting), in line with the budget outline level of \$4,194.7 million decided by the General Assembly in its resolution 61/254. It reflects overall resource growth of \$21.3 million, or 0.5 per cent in real terms, as compared to the revised appropriations for the biennium 2006-2007.
2. During the months of May through end of July the Advisory Committee on Administrative and Budgetary Questions, conducted detailed review of the budget proposals through the holding of hearings with representatives of each department. In its conclusions, the Committee will be recommending to the General Assembly, a reduction in the proposals amounting to \$11.6 million and an addition of 175 posts to the staffing complement of the Secretariat rather than the 220 proposed in the budget. However, overall the Committee has been supportive of the proposals of the Secretary-General. ✓
3. To facilitate your discussion with the Chairman, following are further highlights of the comments and recommendations of the Committee:

(a) **"Piecemeal approach to the budget process, which undermines the budgetary system and budget discipline"**

The Committee noted that provisions for a number of significant requirements, which have been or will be addressed in separate reports, were not included in the proposed programme budget. Recognizing that unforeseen requirements must be considered and that it is not always possible to fit new initiatives within the regular budget's biennial cycle, the Committee considers that it is the Secretary-General's responsibility to ensure that his proposed programme budget presents the fullest possible picture of the Organization's requirements for the coming biennium and to facilitate Member States' consideration of the budget, in particular, in determining resource requirements for priority activities.

(b) **"Systematic efforts to foster deeper cooperation and coordination across the United Nations with a view to bringing about synergy, enhancing complementarity and removing avoidable redundancies"**

The Committee urges that further efforts at cooperation be pursued among such entities as the Department of Political Affairs, the Department of Peacekeeping Operations and the Department of Field Support and the Department of Safety and Security or UNCTAD, the Department of Economic and Social Affairs and the regional commissions to avoid overlap or duplication of effort and that these efforts be reflected in future budget presentations.

(c) **"Results-based management"**

The Committee attaches great importance to its review of the forthcoming proposals, which will be submitted to the General Assembly by the Secretary-General, at the sixty-second session, in accordance with resolution 61/245 [a report that has been sought in connection with the overall Governance and Oversight review conducted in 2006 in response to a request from the 2005 World Summit.]

(d) **Committee broadly recommends approval of the related SG's proposals which were formulated in line with the meeting the priorities, objective and mandates set by the Member States**

Major areas affected by the reductions of \$11.6 million recommended by the Committee relate to Human Resources Management, Internal Oversight and Safety and Security

In the case of Internal Oversight in particular, the Committee does not recommend approval of 30 additional posts that had been sought pending the preparation of the related risk-based workplan to be concluded by the end of 2007; the conclusions of the internal review of the Investigations Division; the

review of the OIOS by the Board of Auditors and the review of the OIOS workplan and budget by the IAAC in 2007. The Committee recommends that the SG submit a comprehensive report to the General Assembly at its sixty-third session on the requirements of the OIOS.

(e) **Full compatibility of IT systems in the Secretariat**

The Committee has recommended that all future IT development be carried out in consultation with ITSD and the CITO.

(f) **Training resource reduction at this stage**

The Committee has regularly commented on the importance of training and investment and as an important tool for staff development. It note with concern that information, *inter alia*, on the staff development policy and strategy, outline of priorities for staff development, the results etc was not provided. Accordingly, the Committee has recommended that the Board of Auditors follow up on its audit with a view to examine modalities and effectiveness of training activities of the Organization. Further, consideration should be given to using the capacity of the UN Learning Community network and UN-affiliated international organizations.

(g) **Appearance of overbudgeting in the area of Safety and Security**

The Committee was concerned about what appears to be some degree of over budgeting which leads to surrender of funds. In this connection the Committee has recommended that requirements be approved at the level of the appropriations for the biennium 2006-2007, reflecting a decrease of \$1.3 million.

Other issues

4. I would suggest that the opportunity also be taken to appreciate the understanding and cooperation shown by the Advisory Committee under the leadership of the Chairman, in:

(a) Approving our requests for the use of commitment authorities under the Peace Keeping Reserve Fund;

(b) Constructive approach and responses regarding the proposed revisions to the Special Iraq Allowance for International Staff and the UNAMI integrated headquarters compound construction project;

✓ (c) The Committee's approvals to commit almost \$100million in respect of start up and preparatory activities for MINUTAC, Somalia and UNAMID, all of which have greatly facilitated our timely responses to Security Council mandates in these areas..

5. Relations with the Fifth Committee smooth adoption of the programme budget in the fall including \$113 million add-ons for Administration of Justice, new Enterprise Resource Planning, DPA strengthening, Security, etc, as well as the new Darfur budget (around \$ 2 billion) will be dependant upon the existence of an overall consensus among the Member States. This will necessitate settling the outstanding issues of NEPAD, Least Developed and UNCTAD structure and staffing. The Chair of ACABQ may be probed for advice on this issue.


Warren Sach
16 August 2007

cc: Ms. Barcena

ADD-ONS TO THE PROPOSED PROGRAMME BUDET 2008-2009

Estimates

Decisions on reports of the SG already issued to General Assembly	\$12.2 million
Financial implication statements issued under Rules of Procedure	\$23.3 million
<u>Subtotal</u>	<u>\$35.5 million</u>

Reports of the SG under preparation pursuant to GA Resolutions [Significant]

Significant unknowns to arise from requested reports yet to be issued on Administration of Justice, Business Continuity, Enterprise Resource Planning and Construction, etc.