



United Nations

Advisory Committee on Administrative and Budgetary Questions

**First report on the proposed programme
budget for the biennium 2014-2015**

**General Assembly
Official Records
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Part XIII Development Account

Section 35 Development Account

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|---|--------------|
| Resources for 2012-2013 at revised rates | \$29,243,200 |
| Proposal for 2014-2015 submitted by the Secretary-General | \$28,398,800 |

The Advisory Committee provides its comments on the methodology, recosting and presentation of the proposed programme budget for the biennium 2014-2015 in chapter I above (see paras. 29-41 and 49-56).

Note: Figures in the present report, unless otherwise noted, are at revised 2012-2013 rates (i.e., before recosting).

XIII.1 Regular budget resources requested by the Secretary-General for section 35 amount to \$28,398,800, reflecting a decrease of \$844,400, or 2.9 per cent, compared with 2012-2013 resources at revised rates. The proposed requirements of \$28,398,800 for 2014-2015 reflect the current rates and have not been recosted at 2014-2015 rates (see para. XIII.8 below).

XIII.2 The proposed programme budget for the biennium 2014-2015, under section 35, Development Account, reflects the projects to be funded under the ninth tranche since the establishment of the Account. A list of the proposed projects is provided in the appendix to the proposed budget (A/68/6 (Sect. 35)). The Secretary-General indicates that the 46 projects proposed for the ninth tranche were endorsed by the Steering Committee of the Development Account and will be implemented by nine entities¹⁴ of the Secretariat under the purview of the Executive Committee on Economic and Social Affairs. A total of 22 projects would be implemented by the regional commissions, while 24 would be implemented by the other entities.

XIII.3 Table 35.2 of the budget fascicle contains a summary of resource requirements by main object of expenditure. The Secretary-General indicates that the proposed reduction of \$844,400 will be achieved through a uniform cut across the 46 projects proposed for funding under the ninth tranche, ranging from \$12,000 for a small \$400,000 project up to \$35,000 for a \$1.2 million project. He anticipates that the reduction will entail fewer target countries than planned and fewer in-depth activities in the selected countries (para. 35.16). A summary of the evolution of the resources provided to the Development Account is provided in the table XIII.1.

¹⁴ The Department of Economic and Social Affairs, the United Nations Conference on Trade and Development, all five United Nations regional commissions, the United Nations Environment Programme, and the United Nations Human Settlements Programme.

Table XIII.1
Resources provided to the Development Account, by biennium
 (Thousands of United States dollars)

| <i>Programme budget by biennium</i> | <i>Proposed by Secretary-General</i> | <i>Appropriation</i> | <i>Related General Assembly resolutions/fascicle</i> |
|-------------------------------------|--------------------------------------|----------------------|---|
| Proposed for 1998-1999 | 13 065.0 | 13 065.0 | 52/221 |
| Proposed for 2000-2001 | 13 065.0 | 13 065.0 | 54/250 |
| Proposed for 2002-2003 | 13 065.0 | 13 065.0 | 56/254 |
| Proposed for 2004-2005 | 13 065.0 | 13 065.0 | 58/271 |
| Proposed for 2006-2007 | 13 065.0 | 20 565.0 | 60/247 ; 61/252 ; 62/235 |
| Recosting 2006-2007 ^a | | 986.9 | 60/246 |
| Proposed for 2008-2009 | 16 480.9 | 26 151.3 | 62/237 ; 62/236 ; 62/238 ; 64/242 |
| Proposed for 2010-2011 | 18 651.3 | 23 651.3 | 64/244 A ; 64/243 |
| Proposed for 2012-2013 | 23 651.3 | 29 243.2 | 66/248 ; 66/246 |
| Total (cumulative) 1998-2013 | | 152 857.7 | |
| Proposed for 2014-2015 | 28 398.8 | | A/68/6 (Sect. 35) |

^a Rate of exchange, inflation and other adjustments.

Eighth progress report of the Secretary-General

XIII.4 The eighth progress report of the Secretary-General on the implementation of projects funded from the Development Account ([A/68/92](#)) provides an update on the performance and management of the Account since the issuance of the seventh progress report ([A/66/84](#)), including an assessment of 42 projects from the sixth tranche and a thematic review and analysis of the geographic spread of the projects. The Secretary-General indicates that 30 final and 26 external evaluation reports were analysed, covering approximately two thirds of the sixth tranche projects. Annex II to the progress report provides an update on the status of all active projects as at 30 April, including sixth, seventh and eighth tranche projects.

XIII.5 Table A.1 of annex II to the progress report provides an update on 15 sixth tranche-B projects launched in 2008-2009. The Advisory Committee notes that as at 30 April 2013, total expenditures incurred amounted to \$2,074,200 against an approved amount of \$7,500,000, reflecting an implementation rate of 28 per cent. Upon enquiry as to the reasons for the low implementation rate, the Committee was informed that the \$7.5 million represented supplemental funding provided by the General Assembly by its resolution [64/242](#) from the savings achieved in the biennium 2008-2009. While the projects were funded from resources appropriated for the biennium 2008-2009 and recorded under the sixth tranche, they were implemented under the programme cycle of the seventh tranche. Given the magnitude of the additional funds provided, the programme manager had called for a new round of project proposals in March 2010 which were subject to the normal review and selection process by the Development Account Steering Committee. The lower implementation rate of the tranche was due mainly to the preparatory process to finalize the project documents.

XIII.6 The Advisory Committee recommends that the General Assembly take note of the eighth progress report.

Management of the Development Account

XIII.7 Upon enquiry, the Advisory Committee was provided with further details on the administration and management of the section, including reporting lines. The Committee was informed that the Programme Manager of the Development Account is the Under-Secretary-General for Economic and Social Affairs, who is responsible for ensuring the effective and efficient programme management of the Development Account. Day-to-day programme management and oversight were delegated to the Head of the Capacity Development Office and managed by the Development Account programme management team. The Committee recalls that in its resolution [64/243](#) on the proposed programme budget for the biennium 2010-2011, the General Assembly approved the establishment of two posts (1 P-5 and 1 P-4) under section 9, Economic and Social affairs, of the programme budget for a Development Account programme management team. The team is responsible for the daily management of the Account, which includes the design, quality assurance, programming and monitoring of approximately 118 active projects at any point in time. The Development Account management team reports to the Programme Manager through the Capacity Development Office. **The Advisory Committee recommends that the Secretary-General be requested to provide in his next budget submission further information on the management of the Development Account, including an assessment of the adequacy of the current arrangements (see para. V.110 above).** The Committee provides further comments on the complementarity between the Development Account and the regular programme of technical cooperation in paragraph V.112 above).

Evaluation process

XIII.8 In paragraph 35.12 of the budget fascicle, the Secretary-General indicates that a task team on evaluation was launched in September 2012 with the objective of assisting the Programme Manager in strengthening the formalization of the evaluation functions, including through improved evaluation mechanisms and guidelines. The Advisory Committee was informed that the task team had drafted a set of recommendations which are to be presented to the Development Account Steering Committee for approval. Upon enquiry as to the existing evaluation processes, the Committee was informed that all Development Account projects had been subject to mandatory evaluation starting from the fifth tranche of the Account (2006-2007). Implementing entities allocated 2 per cent of the project budget for the conduct of an external evaluation during the last quarter of the project's life cycle by an independent consultant who is recruited directly by the implementing entity. The Committee was also informed that the evaluations were guided by the methodologies and policies of the United Nations Evaluation Group, as well as the internal evaluation policies of the implementing entities. Approximately 70 Development Account projects had undergone an external evaluation to date. **The Advisory Committee concurs with the Secretary-General with respect to his emphasis on the importance of project monitoring and evaluation, and expects that due attention will continue to be paid to such activities. It recommends that the Secretary-General be requested to ensure that new**

processes are implemented in a manner that will ensure the independence of the evaluator in order to avoid any potential conflict of interest.

XIII.9 The Advisory Committee recommends the approval of the Secretary-General's proposals for the Development Account.

Part XIV Staff assessment

Section 36 Staff assessment

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|--|---------------|
| Resources for 2012-2013 at revised rates | \$498,486,000 |
| Proposal for 2014-2015 submitted by the Secretary-General | \$476,823,500 |
| Proposal for 2014-2015 after preliminary recosting | \$488,835,400 |
| The Advisory Committee provides its comments on the methodology, recosting and presentation of the proposed programme budget for the biennium 2014-2015 in Chapter I above (see paras. 29-41 and 49-56). | |
| <i>Note:</i> Figures in the present report, unless otherwise noted, are at revised 2012-2013 rates (i.e., before recosting). | |

XIV.1 Regular budget resources requested by the Secretary-General for section 36 for the biennium 2014-2015 amount to \$476,823,500 before recosting, representing a decrease of \$21,662,500, or 4.3 per cent, compared with the resources for the 2012-2013 biennium at revised rates (see table in [A/68/6 \(Sect. 36\)](#)). The reduction reflects a net decrease related to adjustments under posts and other staff costs proposed for 2014-2015, offset in part by the delayed impact of new posts approved in the biennium 2012-2013 (see [A/68/6 \(Sect. 36\)](#), para. 36.3). Upon enquiry, the Advisory Committee was informed that the adjustment under posts is related to the decrease in posts and positions (including for special political missions).

XIV.2 The Secretary-General indicates that in accordance with the budgetary procedures of the United Nations, the salary and related emoluments of United Nations staff members are subject to the assessment rates contained in regulation 3.3 of the Staff Regulations and Rules of the United Nations. To facilitate comparability with the programme of work and budget proposals of other entities of the United Nations system, the staff costs are shown net of staff assessment under the various expenditure sections of the programme budget. The difference between gross and net emoluments is therefore requested as a global amount under the section. Amounts withheld in the form of staff assessment are revenue to the Organization. Accordingly, the amount requested under the section is also included in income section 1, Income from staff assessment, as detailed below (see [A/68/6 \(Sect. 36\)](#), paras. 36.1 and 36.2).