

Advisory Committee on Administrative and Budgetary Questions

First report on the proposed programme budget for the
biennium 2016-2017



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Part XIII Development Account

Section 35 Development Account

Revised appropriation for 2014-2015	\$28,398,800
Proposal for 2016-2017 submitted by the Secretary-General	\$28,398,800
<i>Note:</i> Figures in the present report, unless otherwise noted, are at revised 2014-2015 rates (i.e., before recosting).	

XIII.1 Regular budget resources requested by the Secretary-General for section 35 for the biennium 2016-2017 amount to \$28,398,800, which is the same level as the revised appropriation for the biennium 2014-2015. A summary list of the projects proposed under the tenth tranche for funding from the Development Account for 2016-2017 is provided in the appendix to the budget fascicle (A/70/6 (Sect. 35); see paras. XIII.7-XIII.13 below). A brief summary of the establishment of the Development Account is provided in the budget fascicle (*ibid.*, paras. 35.2-35.4). Information on the evolution of the resources provided to the Account is contained in table XIII.1 (see also A/70/97, annex I).

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

<i>Programme budget by biennium</i>	<i>Projects by tranche</i>	<i>Proposed by Secretary-General</i>	<i>Appropriation</i>	<i>Related General Assembly resolutions/fascicle</i>
Proposed for 1998-1999	1	13 065.0	13 065.0	52/221
Proposed for 2000-2001	2	13 065.0	13 065.0	54/250
Proposed for 2002-2003	3	13 065.0	13 065.0	56/254
Proposed for 2004-2005	4	13 065.0	13 065.0	58/271
Proposed for 2006-2007	5, 5A, 5B	13 065.0	20 565.0	60/247, 61/252, 62/235
Recosting 2006-2007 ^a			986.9	60/246
Proposed for 2008-2009	6, 6A, 6B	16 480.9	26 151.3	62/237, 62/236, 62/238, 64/242
Proposed for 2010-2011	7, 7A, 7B	18 651.3	23 651.3	64/244 A, 64/243
Proposed for 2012-2013	8, 8A	23 651.3	29 243.2	66/248, 66/246
Proposed for 2014-2015	9, 9A	28 398.8	28 398.8	68/248 A
Total (cumulative) 1998-2015			181 256.5	
Proposed for 2016-2017	10	28 398.8		A/70/6 (Sect. 35)

^a Rate of exchange, inflation and other adjustments.

XIII.2 As shown in table XIII.1, in line with relevant decisions of the General Assembly to appropriate additional resources and recost for the Development Account, the level of resources has increased to \$28,398,800, compared with the

level of \$13,065,000 approved by the Assembly at the inception of the Account in the biennium 1998-1999.²⁷ The proposed requirements of \$28,398,800 for 2016-2017 are not recosted.

XIII.3 In this connection, the Advisory Committee recalls that the Secretary-General proposed the establishment of the Development Account to be funded by savings from reduced non-programme costs and other management efficiencies, as from the biennium 1998-1999 (see [A/52/303](#) and Corr.1, para. 34.1). According to the Secretary-General at the time of the establishment of the Account, once an efficiency gain had been achieved, the relevant transfer, after approval by the General Assembly, would form a permanent part of the maintenance base of the budget section relating to the Account (see [A/53/7/Add.1](#), para. 9). It was intended at the time that the process of transferring amounts to the Account would continue during each biennium until the cumulative base had reached its ultimate level as determined by Member States. In that context, the Committee expressed the view that the maintenance base of the Account should not be recosted. **However, taking into account that no further savings from efficiencies have been identified and transferred to the Development Account since its establishment, the Advisory Committee is of the view that the General Assembly may wish to take a decision with respect to the issue of recosting for the Account in future biennial programme budgets.**

Ninth progress report of the Secretary-General

XIII.4 The ninth progress report of the Secretary-General on the implementation of projects financed from the Development Account ([A/70/97](#)) provides an update on the performance and management of the Account since the issuance of the eighth progress report ([A/68/92](#)). Since the start of project activities in the biennium 1998-1999, a total of 315 projects, with an overall appropriation of \$181,256,500, have been approved under nine tranches;²⁸ of those projects, 111 are currently ongoing (eighth and ninth tranches. Annexes I and II to the ninth progress report provide a summary of the projects carried out under all tranches and an update on the status of the projects under the eighth and ninth tranches, respectively.

XIII.5 Section IV of the ninth progress report provides an overview and assessment of the total of 66 projects under the seventh tranche, which were implemented between 2010 and 2013. Figures I to VI in the progress report contain information related to, inter alia, the regions, types of countries, main themes and types of partners associated with the projects. The Secretary-General concludes that the projects under the seventh tranche have been successfully brought to a close (*ibid.*, para. 37). Upon enquiry, the Advisory Committee was informed that the experience gained from the past tranches of the Development Account had shown a strong correlation between the proposals as presented in the budget fascicles and the actual implementation of the projects. In addition, the Committee was informed

²⁷ The Secretary-General initially indicated cumulative savings of some \$200 million by the biennium 2002-2003, and the Advisory Committee considered that target to be overambitious. The General Assembly, in its resolution 52/235, stated that no time frame should be specified for reaching that target ([A/53/7/Add.1](#), para. 7).

²⁸ The Development Account was established as a multi-year account, with the fund balances being reprogrammed. To date, the programme manager of the Account has called for two reprogramming exercises that draw on residual balances from several tranches, resulting in 25 new projects (12 projects were added to the seventh tranche and 13 to the ninth tranche) ([A/70/6 \(Sect. 35\)](#), para. 35.14).

that, in accordance with General Assembly resolution 56/237, in which the Assembly had stated that funds from underperforming projects might be redeployed to deliver better results, funds for projects that had encountered difficulties in moving forward had, on rare occasions, been reprogrammed and used as funding for alternative projects.

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

Projects proposed under the tenth tranche for the biennium 2016-2017

XIII.7 The overall theme of the tenth tranche of the projects to be funded under the Development Account is “Supporting Member States in implementing the post-2015 development agenda: strengthening statistics and data, evidence-based policies and accountability”, which was endorsed by the Development Account Steering Committee in June 2014 and approved by the Under-Secretary-General for Economic and Social Affairs as the Account’s programme manager (see A/70/6 (Sect. 35), para. 35.8). Information on the projects, including background, objectives, summary budget and main activities, is contained in the annex to the proposed budget. The projects would be implemented by 10 entities of the Secretariat: the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development, the United Nations Environment Programme, the United Nations Office on Drugs and Crime, the United Nations Human Settlements Programme and the five regional commissions (ibid., para. 35.6).

XIII.8 Of the proposed provision of \$28,398,800 for 2016-2017 for 33 projects under the tenth tranche, the allocation of the resources is as follows (ibid., paras. 35.9-35.11):

(a) A dedicated programme on statistics and data (\$10 million) will be implemented as a unified and structured whole (rather than an amalgamation of individual projects/proposals), which, according to the Secretary-General, represents a new and innovative programme approach (see para. XIII.9 below);

(b) The remaining funds (\$18,398,800) will be allocated for 32 projects among the entities in line with the past distributions of the Account, as endorsed by the Steering Committee.

XIII.9 The Advisory Committee notes from the budget fascicle that the above-mentioned programme on statistics and data will be defined and developed in line with recommendations of the Statistical Commission (ibid., annex I, para. 29). The Secretary-General indicates that the programme will bring together the 10 implementing entities, capitalizing on their individual technical expertise and comparative advantages with a common objective to help developing countries face the data challenges of the post-2015 development agenda, including the strengthening of national statistical systems (ibid., para. 35.9). In addition, the High-level Panel of Eminent Persons on the Post-2015 Development Agenda has stressed the need for data, concluding that a true data revolution would draw on existing and new sources of data to fully integrate statistics into decision-making, promote open access to, and use of, data and ensure increased support for statistical systems (ibid., annex I, para. 36). Some of the details of the proposal are as follows (ibid., annex I, paras. 26-33):

(a) A technical advisory group composed of the chief statisticians of the 10 implementing entities would define the substantive programme elements, which,

once endorsed by the programme management group of the implementing entities, would be approved by the Development Account programme manager;

(b) The global entities would have a major role in the development of new statistical standards and methodologies in distinct sectoral areas, while the five regional commissions would have the central responsibility of disseminating new methodologies and statistical standards to the countries in their respective regions;

(c) Individual programme elements would have one designated lead entity, which would be responsible for working closely with other entities under the programme;

(d) The programme is to be implemented in two phases: (i) the first phase, covering 2016-2017, with a special focus on awareness-raising and methodological development; and (ii) the second phase, during 2018-2019, focusing more on implementation and scaling-up of capacity-building and training. A midterm evaluation during the second part of 2017 would help to define and guide the implementation of the second phase.

XIII.10 The Advisory Committee encourages the Secretary-General to take the steps necessary to achieve the goals envisaged under the dedicated programme on statistics and data, including the strengthening of national statistical systems.

XIII.11 The Advisory Committee sought further information about the projects under the tenth tranche and was informed of the following: (a) with respect to their regional distribution, 14 projects were being carried out in Africa, 14 in Asia and the Pacific, 9 in Latin America and the Caribbean and 3 in Europe and Central Asia, and 2 were global projects; (b) with regard to their substantive focus, 11 projects were related to evidence-based policymaking, 7 to accountability, 3 to statistics and 12 to other matters; and (c) regarding their thematic clusters, 15 projects were focused on sustainable development, human settlements and energy, 9 on governance, 7 on social development, 5 on international trade, 3 on statistics and 2 on finance and economic development. The Committee was also provided with information regarding the scope of projects by entity (see table XIII.2). **The Advisory Committee is of the view that such summary information on the next tranche of projects to be funded from the Development Account should be included in the proposed programme budget in future with a view to improving the informational content of the budget presentation. Furthermore, the budget presentation could also be improved by providing the information related to the next tranche of projects separately from the general information on the Account.**

Table XIII.2
Scope of projects by entity
 (Number of projects)

<i>Entity</i>	<i>Regional</i>	<i>Interregional</i>	<i>Global</i>	<i>Total</i>
Department of Economic and Social Affairs	3	3	1	7
Economic Commission for Africa	3	–	–	3
Economic Commission for Europe	1	2	–	3
Economic Commission for Latin America and the Caribbean	3	–	–	3
Economic and Social Commission for Asia and the Pacific	3	–	–	3
Economic and Social Commission for Western Asia	3	–	–	3
United Nations Conference on Trade and Development	3	2	–	5
United Nations Environment Programme	1	1	–	2
United Nations Human Settlements Programme	2	–	–	2
United Nations Office on Drugs and Crime	–	1	–	1
All entities jointly (programme on statistics and data)	–	–	1	1
Total	22	9	2	33

XIII.12 Upon enquiry, the Advisory Committee was informed that the estimates for the travel of staff for 2016-2017 were based on data from past missions available within the implementing entities and that the costs would be further detailed when the travel destinations became known during the preparation/finalization of the project documents. The Committee was also informed, upon receiving clarification, that the implementing entities, when making arrangements for official travel, applied the provisions contained in section 4 of [ST/AI/2013/3](#) reflecting the updated travel standards approved by the General Assembly. **The Advisory Committee expects that, with the application of the standards of accommodation for air travel referred to above, in particular the advance booking of tickets, savings will be achieved under travel in the implementation of the Development Account projects (see also sect. D of chap. I above).**

XIII.13 With respect to the allocation of resources to general temporary assistance under other staff costs, the Advisory Committee was informed, upon enquiry, that general temporary assistance was used to recruit temporary staff to assist with administrative support and the backstopping of substantive tasks during peak times. Since the Development Account projects are based on the premise that implementing entities have sufficient staff capacity to carry out projects, the provision under general temporary assistance requested is for a limited duration (for the most part, not exceeding 12 work-months per project during a four-year cycle). The Committee was also informed that approximately 4 per cent of the total proposed budget for the tenth tranche was allocated for general temporary assistance, with an average of eight work-months (\$33,000) per project during the four-year period. Upon request, the Committee received a detailed breakdown of the

provisions for each implementing entity budgeted for 2016-2017. The Committee notes from that information that a number of the provisions appear to be for activities related to the core mandates of the implementing entities, and that therefore those activities should be undertaken by staff members of those entities. **The Advisory Committee recommends that the Secretary-General be requested to provide further information on the resources allocated to general temporary assistance in the next budget submission.**

Management of the Development Account

XIII.14 In response to the request of the Advisory Committee for further information on the management of the Development Account (see [A/68/7](#), para. XIII.7), the Secretary-General reports that a dedicated team of three programme specialists (P-5, P-4 and P-2) manages the day-to-day activities of the Account. The related posts were established by General Assembly resolutions 64/243 and 68/246 (see [A/70/6 \(Sect. 35\)](#), annex II). The team, under the Capacity Development Office of the Department of Economic and Social Affairs, receives additional support from the Head of the Office and the Senior Finance Officer. The capacity of the team is reinforced through the support of interns. The Secretary-General indicates that the post of Associate Programme Officer approved by the General Assembly in its resolution 68/246 has significantly contributed to accelerating the programming of projects by augmenting limited staff resources and that, as a result, 40 of the 46 projects under the ninth tranche had been approved and allotted as of December 2014, compared with 15 of the 52 projects under the eighth tranche approved at the end of the first year of the corresponding cycle (see [A/70/6 \(Sect. 35\)](#), para. 35.15).

XIII.15 In addition, the Secretary-General indicates that the team was temporarily strengthened through a two-year position of Associate Monitoring and Evaluation Officer funded by a donor country until the end of 2014 (see [A/70/97](#), para. 31). The Secretary-General indicates, however, that with the departure of that Officer, new means will be required to continue to carry out the monitoring and evaluation functions without a dedicated evaluation officer (see [A/70/6 \(Sect. 35\)](#), paras. 35.16 and 35.17). **The Advisory Committee again expresses its concurrence with the Secretary-General with respect to the importance of project monitoring and evaluation, and its expectation that due attention will continue to be paid to such activities (see [A/68/7](#), para. XIII.8). The Committee, therefore, recommends that the Secretary-General be requested to undertake an assessment of the adequacy of the current arrangements with respect to the management of the Development Account, in particular those functions related to project monitoring and evaluation, and to submit related proposals as necessary in the proposed programme budget for 2018-2019 (ibid., para. XIII.7).**

XIII.16 Concerning the process of evaluating the Development Account projects, the Advisory Committee recalls that all projects were subject to mandatory evaluation starting with the fifth tranche of the Account (2006-2007) and that implementing entities allocated 2 per cent of the project budget for the conduct of an external evaluation by an independent consultant who was recruited directly by the implementing entity. The Committee recommended that the Secretary-General be requested to ensure that project evaluation processes were implemented in a manner that would ensure the independence of the evaluator in order to avoid any potential conflict of interest (see [A/68/7](#), para. XIII.8). **The Advisory Committee**

recommends that the Secretary-General be requested to provide an update on the evaluation process with respect to the Development Account projects in his next budget submission.

XIII.17 The Advisory Committee recalls that the management and administration of the Development Account have been improved and strengthened over the years, including through the establishment of the Steering Committee, comprising representatives of the implementing entities, which provides an internal coordination framework (see [A/64/7](#), para. XIII.7). **However, the Advisory Committee believes that there may be merit in putting in place a more robust governance mechanism involving Member States to ensure proper coordination of the funds allocated to the Development Account and to ensure maximum complementarity with other existing sources of funding.**

XIII.18 **The Advisory Committee recommends that the General Assembly approve the Secretary-General's proposal for the Development Account.**