



**United Nations**

# **Advisory Committee on Administrative and Budgetary Questions**

**First report on the proposed programme  
budget for 2021**

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# **Advisory Committee on Administrative and Budgetary Questions**

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*Note*

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## Part XIII Development Account

### Section 35 Development Account

Expenditure for 2019	\$14,199,400
Appropriation for 2020	\$14,199,400
Proposal for 2021 submitted by the Secretary-General	\$14,199,400

*Note:* Figures in the present report, unless otherwise noted, are at 2020 rates (i.e. before recosting).

XIII.1 The regular budget resources requested by the Secretary-General for section 35 for 2021 amount to \$14,199,400 before recosting, which is at the same level as the appropriation for 2020, as referred to in the report of the Secretary-General (A/75/6 (Sect. 35), table 35.1). The Advisory Committee notes that the Development Account has not been recosted in the past, except once (see paras. XIII.5–XIII.8). Upon request, the Committee was provided with historical data on the resources provided to the Account and the share of the Account in the respective overall programme budgets, as shown in table XIII.1. A summary of the evolution of overall financial resources by object of expenditure and funding source is presented in table XIII.3.

Table XIII.1  
**Resources provided to the Development Account and the share of the Account in the overall programme budgets**

(Thousands of United States dollars)

<i>Year</i>	<i>Resolution(s)</i>	<i>Total programme budget appropriation</i>	<i>Development Account appropriation</i>	<i>Percentage</i>
1998–1999	52/221	2 532 331.2	13 065.0	0.52
2000–2001	54/250 A–C	2 535 689.2	13 065.0	0.52
2002–2003	56/254 A	2 625 178.7	13 065.0	0.50
2004–2005	58/271 A–C	3 160 860.3	13 065.0	0.41
2006–2007	60/246, 60/247, 61/252 and 62/235	4 188 772.4	21 551.9	0.51
2008–2009	62/236, 62/238 and 64/242 A–B	4 799 914.5	26 151.3	0.54
2010–2011	64/244 A and 64/243	5 156 029.1	23 651.3	0.46
2012–2013	66/248 A–C and 66/246	5 152 299.6	29 243.2	0.57
2014–2015	68/248 A–C	5 530 349.8	28 398.8	0.51
2016–2017	70/249 A–C	5 401 794.4	28 398.8	0.53
2018–2019	72/263 A–C	5 396 907.3	28 398.8	0.53
2020	74/264 A–C	3 073 830.5	14 199.4	0.46
2021	Proposed in A/75/6 (Sect. 35)	3 036 585.6	14 199.4	0.47
<b>Total</b>			<b>266 452.9</b>	

*Funding for the Development Account*

XIII.2 In its resolution [54/15](#), the General Assembly decided that savings to be achieved as a result of the efficiency measures could be identified in the context of budget performance reports and were to be transferred to the Development Account section with the prior approval of the Assembly. Upon enquiry, the Advisory Committee was provided with table XIII.4, which indicates that the Assembly has, at its discretion, provided additional resources for the Account, both recurrent and non-recurrent. Upon further enquiry, the Committee was informed that the Assembly had decided, in its resolutions [62/235 A](#) and [64/242 A](#), to increase the provision under section 34, Development Account, by \$5 million and \$7.5 million, respectively, for the bienniums 2006–2007 and 2008–2009, respectively. In both instances, the increases were non-recurrent and were therefore not maintained in the baseline of the Account.

XIII.3 Since the biennium 2014–2015, the resources approved for the Development Account have remained unchanged and the share of the resources provided to the Account as a percentage of the overall programme budget appropriation has decreased from 0.57 per cent in the biennium 2012–2013 to 0.46 per cent in 2020. As indicated in the foreword and introduction to the proposed programme budget, additional factors will increase the overall resource requirements for 2021, thus further decreasing the Account's percentage share of the overall programme budget ([A/75/6 \(Introduction\)](#), paras. 66–75). **The Advisory Committee notes that preserving the same level of resources since 2014–2015 has effectively resulted in a decrease, in real terms, in the resources approved for the Development Account. The Committee recommends that the General Assembly request the Secretary-General to track and identify savings resulting from efficiency measures to be transferred to the Account and to report thereon in the context of his next budget submission.**

**XIII.4 Pending more sustainable funding, the Advisory Committee recommends that the General Assembly increase the baseline of the Development Account by \$1 million, starting from the proposed programme budget for 2021.**

*Recosting*

XIII.5 Upon enquiry, the Advisory Committee was informed that, from its establishment in 1998–1999 to the biennium 2014–2015, the Development Account had increased by \$15,333,800, from \$13,065,000 to \$28,398,800. The theoretical amount for recosting during the same period was estimated at \$3,349,700. Since 2014–2015, the level of the Account had remained at \$14,199,400 annually, and the estimated amount of recosting since then until 2021 was \$1,178,600. The estimated recosting amount for the proposed 2021 budget of \$14,199,400 was an additional \$269,800.

XIII.6 The Advisory Committee recalls that, in his report on the Development Account of 1998 ([A/52/1009](#)), the Secretary-General stated that possible additional savings arising from efficiency measures amounting to between \$5 million and \$7 million could be realized during the biennium 1998–1999, should the General Assembly approve the transfer of those resources. He also indicated that, for the biennium 2001–2002, approximately \$40 million in productivity improvements could be targeted for redeployment. It was intended at the time that the process of transferring amounts to the Account would continue in each biennium until Member States determined the ultimate level of the Account. Taking the above possibilities into consideration, the Committee had expressed the view that the maintenance base of the Account should not be recosted ([A/53/7/Add.1](#), para. 9).

XIII.7 In its resolution 60/246, the General Assembly decided that the Development Account's maintenance base would be recosted for the biennium 2006–2007. The Assembly discussed the question of recosting once again at its sixty-second session in the context of the proposed programme budget for 2008–2009, decided not to recost the maintenance base and in section VIII of its resolution 62/238 appropriated an additional amount of \$2.5 million for the Account.

**XIII.8 The Advisory Committee expresses concern that the current situation does not reflect General Assembly resolution 52/12 B, in which the Assembly called for the Development Account to be funded from savings from possible reductions in administration and other overhead costs that would have accumulated on an annual basis and have increased the maintenance level of the Account, and thereby made recosting unnecessary. The Committee, therefore, recommends that the Assembly reconsider recosting the Account to mitigate the further decline of its resources.**

**XIII.9 Taking into consideration its recommendations in paragraphs XIII.4 and XIII.8 above, the Advisory Committee recommends the approval of the proposal of the Secretary-General for section 35.**

*Projects proposed for 2021*

XIII.10 According to the proposed programme budget for 2021, 21 projects are proposed for 2021. The objectives of most projects are aligned with more than one Sustainable Development Goal and multiple objectives support specific Goals. It is indicated that most projects, which are demand-driven, cover countries with special needs, such as the least developed countries, landlocked developing countries and small island developing States, as target countries (A/75/6 (Sect. 35), paras. 35.7, 35.17 and 35.18). Annex I to the proposed programme budget contains a description of the proposed projects; figures 35.III and 35.IV show the projects by country group and geographical area, respectively. The Advisory Committee was informed, upon enquiry, that the number of projects in support of countries with special needs contained in those figures was tentative and based on the proposals for 13 projects for which information on the beneficiary countries was available at the time of drafting the budget proposal. The list of projects would be finalized in response to the needs and demands expressed by Member States once those proposals would be developed into full-fledged project documents, following the approval by the General Assembly of the proposed programme budget. The Committee was also informed that the annualization of the budget allowed for a swifter response to Member States' needs and demands. However, it also entailed the Development Account team and programme management in the implementing entities needing to launch annual cycles and reviews.

**XIII.11 The Advisory Committee trusts that the Secretary-General will ensure transparency in the selection of countries and projects and will continue to strengthen outreach efforts to countries with special needs, in line with the Sustainable Development Goals, including through close coordination with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the resident coordinator system, and through the dissemination of information of projects to Member States, to allow for the formulation of demands by Member States.**

*Evaluation activities*

XIII.12 In the proposed programme budget for 2021, the Secretary-General indicates that a new evaluation system was put in place for the Development Account in 2019.

The new system features an evaluation framework, which outlines the new evaluation function, and project evaluation guidelines, which support the design and conduct of quality end-of-project evaluations (*ibid.*, para. 35.19). The Advisory Committee was informed, upon enquiry, that the sustainability of the results achieved by the Account projects was assessed by all project evaluations. The lessons from those project evaluations would form a critical line of evidence for programme-level evaluations and assessments, which, in turn, would inform future programming of the Account. They would also inform other relevant work undertaken by the implementing entities, including in improving the sustainability of future interventions.

XIII.13 The Advisory Committee was further informed that, as programme-level evaluations would also be aimed at informing programming by individual implementing entities, the plan for and outcomes of those evaluations would be shared with the implementing entities in a timely manner in order to help to avoid duplication. The outcome of that exercise, as well as the achievements of the tenth tranche projects, would be included in the twelfth progress report of the Secretary-General on the Development Account to be submitted to the General Assembly. Reporting on results and deliverables would be carried out annually following the full closure of the twelfth tranche, which would be completed in 2023 (*ibid.*, paras. 35.19–35.21).

XIII.14 It is indicated in the proposed programme budget for 2021 that the Development Account progress reports to the General Assembly provide information on the implementation of the most recently completed tranche of projects (*ibid.*, footnote 1). Until the introduction of annual budget cycles in 2020, new tranches of projects were launched every two years. As Account projects are implemented over a period of four years, Account progress reports will be submitted to the Assembly on an annual basis starting in 2025. The Advisory Committee was informed, upon enquiry, that the next Account progress report would be issued in May 2021. **The Advisory Committee trusts that the progress report will be presented in the context of the consideration of the programme budget by the General Assembly. The Committee trusts that the Secretary-General will provide to the Assembly at the time of its consideration of the present report comprehensive information on the status of implementation of projects over previous years, including lessons learned and assessments made on the pilot projects, along with the evaluation framework and project evaluation guidelines.**

#### *Implementing entities*

XIII.15 Upon enquiry, the Advisory Committee was provided with the distribution of resources among implementing entities, shown in table XIII.2.

Table XIII.2  
**Distribution of the Development Account resources among implementing entities**  
(Thousands of United States dollars)

<i>Entity</i>	<i>2020</i>	<i>2021</i>
Department of Economic and Social Affairs	2 049.4	3 593.0
ECA	1 450.0	1 273.0
ECE	950.0	1 077.0
ECLAC	2 720.0	1 273.0
ESCAP	1 200.0	1 273.0
ESCWA	950.0	1 019.0



<i>Entity</i>	<i>2020</i>	<i>2021</i>
UN-Habitat	550.0	1 077.0
UNCTAD	2 330.0	1 702.0
UNEP	1 100.0	1 077.0
UNODC	900.0	524.0
Programme-level evaluation		311.4
<b>Total</b>	<b>14 199.4</b>	<b>14 199.4</b>

XIII.16 The Board of Auditors has raised concerns in several reports over deficiencies in the management of implementing partners. The Board also noted that the Department of Economic and Social Affairs was the programme manager for Development Account projects that were implemented by the 10 entities of the Secretariat, and was thence in a position to manage capacity development projects where it lacked specific expertise. **The Advisory Committee continues to share the concern of the Board of Auditors with respect to the management of implementing entities and again stresses its view that more efforts are required with respect to adequate monitoring and oversight across different entities (A/74/528, para. 22, and A/73/430, para. 25).**

#### **Other matters**

##### *Impact of the coronavirus disease pandemic*

XIII.17 Upon enquiry, the Advisory Committee was informed that alternative means, such as online modalities, of implementing outputs of ongoing Development Account projects had been used and were being explored. Consideration was also being given to possible new ways of delivering training and other technical knowledge to help Member States in areas in which the economic and social implementing entities of the Account had a capacity development mandate (A/75/6 (Sect. 35), paras. 35.25–35.29).

XIII.18 **The Advisory Committee notes the efforts undertaken to apply alternative means of implementing the Development Account projects and trusts that further efforts will be made to achieve efficiencies and ensure the continuation and efficient implementation of the projects.**

XIII.19 Upon enquiry, the Advisory Committee was informed that, at the current stage, delays in implementing the projects owing to the COVID-19 pandemic beyond the normal four-year implementation period were not expected. As of the end of March 2020, ongoing projects from the eleventh and twelfth tranches were being reviewed in consultation with beneficiary countries, to be adjusted to best support countries with their responses to the pandemic. The Committee was further informed that adjustments to be made to the projects would be reported to Member States in the twelfth progress report related to the Account, which would be issued in May 2021. Those adjustments would be undertaken in consultation with beneficiary countries and in compliance with the relevant regulations and rules. **The Advisory Committee trusts that information on the adjustment of projects due to the COVID-19 pandemic will be presented in the context of the information to be provided to the General Assembly referred to in paragraph XIII.14 above.**

##### *Impact of the liquidity situation*

XIII.20 The Advisory Committee was informed, upon enquiry, that one post (out of three) had been vacant since March 2020 owing to the liquidity situation of the regular

budget. The vacancy had an impact on the timeliness and depth of the overall programme management which is already resulting in a heavier workload due to the COVID-19 pandemic. The Committee was informed, at its request, that the Development Account projects were not directly affected by the liquidity situation and that funds continued to be allocated to the projects after approval of the project documents and the approval by the General Assembly of the proposed programme budget.

**XIII.21 Noting the nature of the Development Account as a special multi-year account for supplementary development activities, the Advisory Committee supports that the Account should continue to be exempted from measures taken by the Secretary-General to address the liquidity situation.**

Table XIII.3

**Section 35, Development Account: evolution of overall financial resources by object of expenditure and funding source**

(Thousands of United States dollars)

	<i>Regular budget</i>					<i>Other assessed</i>				<i>Extrabudgetary</i>				<i>Total</i>			
	<i>2019 expenditure</i>	<i>2020 appropriation</i>	<i>2020 expenditure (January–June)</i>	<i>2021 estimate</i>	<i>Variance (2020–2021)</i>	<i>2019 expenditure</i>	<i>2020 estimate</i>	<i>2021 estimate</i>	<i>Variance (2020–2021)</i>	<i>2019 expenditure</i>	<i>2020 estimate</i>	<i>2021 estimate</i>	<i>Variance (2020–2021)</i>	<i>2019 expenditures</i>	<i>2020 appropriation</i>	<i>2021 estimate</i>	<i>Variance (2020–2021)</i>
Posts	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other staff costs	566.7	495.8	381.6	568	72.2	–	–	–	–	–	–	–	–	566.7	495.8	568	72.2
Hospitality	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Consultants and experts	4 808.1	4 836.1	3 362.0	4 007.4	(828.7)	–	–	–	–	–	–	–	–	4 808.1	4 836.1	4 007.4	(828.7)
Travel of staff	2 082.1	2 340.1	238.7	2 079.6	(260.5)	–	–	–	–	–	–	–	–	2 082.1	2 340.1	2 079.6	(260.5)
Contractual services	1 814.5	1 739.8	681.7	1 979.0	239.2	–	–	–	–	–	–	–	–	1 814.5	1 739.8	1 979.0	239.2
General operating expenses	243.7	584.2	206.1	1 052.6	468.4	–	–	–	–	–	–	–	–	243.7	584.2	1 052.6	468.4
Supplies and materials	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Furniture and equipment	63.3	–	–	–	–	–	–	–	–	–	–	–	–	63.3	–	–	–
Improvements to premises	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fellowships, grants and contributions	4 621.1	4 203.4	960.3	4 512.8	309.4	–	–	–	–	–	–	–	–	4 621.1	4 203.4	4 512.8	309.4
Other costs	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total</b>	<b>14 199.4</b>	<b>14 199.4</b>	<b>5 849.4</b>	<b>14 199.4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14 199.4</b>	<b>14 199.4</b>	<b>14 199.4</b>	<b>–</b>

Table XIII.4  
**Evolution of the Development Account**

(Thousands of United States dollars)

<i>Development Account Programme budget by year or biennium</i>	<i>Estimates prepared by the Secretary- General</i>	<i>Changes made by the General Assembly</i>	<i>Non-recurrent amount approved by the General Assembly</i>	<i>Appropriation</i>	<i>Legislative reference</i>
<i>A/52/6/Rev.1/Add.2 (1998–1999)</i>					
Proposed programme budget	13 065.0	–	–	13 065.0	Resolution <a href="#">52/221</a> A on budget appropriation for the biennium 1998–1999
<b>Subtotal</b>	<b>13 065.0</b>	<b>–</b>	<b>–</b>	<b>13 065.0</b>	
<i>A/54/6/Rev.1/Add.2 (2000–2001)</i>					
Proposed programme budget	13 065.0	–	–	13 065.0	Resolution <a href="#">54/250</a> A on budget appropriations for the biennium 2000–2001
<b>Subtotal</b>	<b>13 065.0</b>	<b>–</b>	<b>–</b>	<b>13 065.0</b>	
<i>A/56/6/Add.2 (2002–2003)</i>					
Proposed programme budget	13 065.0	–	–	13 065.0	Resolution <a href="#">56/254</a> A on budget appropriations for the biennium 2002–2003
<b>Subtotal</b>	<b>13 065.0</b>	<b>–</b>	<b>–</b>	<b>13 065.0</b>	
<i>A/58/6/Add.1 (2004–2005)</i>					
Proposed programme budget	13 065.0	–	–	13 065.0	Resolution <a href="#">58/271</a> A on budget appropriations for the biennium 2004–2005
<b>Subtotal</b>	<b>13 065.0</b>	<b>–</b>	<b>–</b>	<b>13 065.0</b>	
<i>A/60/6/Add.1 (2006–2007)</i>					
Proposed programme budget	13 065.0	2 500.0	5 000.0	20 565.0	Resolution <a href="#">60/247</a> A on budget appropriations for the biennium 2006–2007
Rate of exchange, inflation and other adjustments	–	915.9	71.0	986.9	Resolution <a href="#">61/252</a> : “Decides to appropriate under section 34, Development Account, of the programme budget for the biennium 2006–2007 the amount of 2.5 million dollars as an immediate exceptional measure towards addressing the lack of transfer of resources to the Account since its inception” Resolution <a href="#">60/246</a> : “Decides that the Development Account shall be recosted for the biennium 2006–2007” Resolution <a href="#">62/235</a> A: “To increase the provision under section 34, Development Account, by the amount of 5 million dollars”
<b>Subtotal for 2006–2007</b>	<b>13 065.0</b>	<b>3 415.9</b>	<b>5 071.0</b>	<b>21 551.9</b>	

<i>Development Account</i> <i>Programme budget by year or biennium</i>	<i>Estimates prepared by the Secretary-General</i>	<i>Changes made by the General Assembly</i>	<i>Non-recurrent amount approved by the General Assembly</i>	<i>Appropriation</i>	<i>Legislative reference</i>
<b>A/62/6/Add.1 (2008–2009)</b>					
Proposed programme budget	16 480.9	2 170.4	7 500.0	26 151.3	Resolution <a href="#">62/237</a> A: on budget appropriations for the biennium 2008–2009 Resolution <a href="#">62/236</a> : “Also decides to reduce non-post resources by 2 per cent, other than for travel of staff, contractual services and general operating expenses” Resolution <a href="#">62/238</a> : “Decides to appropriate an additional 2.5 million dollars for the Development Account” Resolution <a href="#">64/242</a> A: “To increase the provision under section 34 (Development Account) by the amount of 7.5 million dollars”
<b>Subtotal</b>	<b>16 480.9</b>	<b>2 170.4</b>	<b>7 500.0</b>	<b>26 151.3</b>	
<b>A/64/6/Add.1 (2010–2011)</b>					
Proposed programme budget	18 651.3	5 000.0	–	23 651.3	Resolution <a href="#">64/244</a> A on budget appropriations for the biennium 2010–2011 Resolution <a href="#">64/243</a> : “Decides to appropriate an additional 5 million dollars for the Development Account”
<b>Subtotal</b>	<b>18 651.3</b>	<b>5 000.0</b>	<b>–</b>	<b>23 651.3</b>	
<b>A/66/6/Add.1 (2012–2013)</b>					
Proposed programme budget	23 651.3	5 591.9	–	29 243.2	Resolution <a href="#">66/248</a> A on budget appropriations for the biennium 2012–2013 Resolution <a href="#">66/246</a> : “Decides to reduce non-post resources by 17 million United States dollars, excluding parts IV and V of the proposed budget for the biennium 2012–2013” and “Decides to appropriate an additional 6 million dollars for the Development Account”
<b>Subtotal</b>	<b>23 651.3</b>	<b>5 591.9</b>	<b>–</b>	<b>29 243.2</b>	
<b>A/68/6/Add.1 (2014–2015)</b>					
Proposed programme budget	28 398.8	–	–	28 398.8	Resolution <a href="#">68/248</a> A on budget appropriations for the biennium 2014–2015
<b>Subtotal</b>	<b>28 398.8</b>	<b>–</b>	<b>–</b>	<b>28 398.8</b>	
<b>A/70/6 (Sect. 35) (2016–2017)</b>					
Proposed programme budget	28 398.8	–	–	28 398.8	Resolution <a href="#">70/249</a> A on budget appropriations for the biennium 2016–2017
<b>Subtotal</b>	<b>28 398.8</b>	<b>–</b>	<b>–</b>	<b>28 398.8</b>	

<i>Development Account</i>	<i>Estimates prepared by the Secretary-General</i>	<i>Changes made by the General Assembly</i>	<i>Non-recurrent amount approved by the General Assembly</i>	<i>Appropriation</i>	<i>Legislative reference</i>
<i>Programme budget by year or biennium</i>					
<b>A/72/6 (Sect. 35) (2018–2019)</b>					
Proposed programme budget	28 398.8	–	–	28 398.8	Resolutions <a href="#">72/263 A</a> on budget appropriations for the biennium 2018–2019 and <a href="#">72/263 C</a> on the financing of appropriations for the year 2018
<b>Subtotal</b>	<b>28 398.8</b>	<b>–</b>	<b>–</b>	<b>28 398.8</b>	
<b>A/74/6 (Sect. 35) (2020)</b>					
Proposed programme budget	14 199.4	–	–	14 199.4	Resolutions <a href="#">74/264 A</a> on budget appropriation for 2020 and <a href="#">74/264 C</a> on the financing of appropriations for the year 2020
<b>Subtotal</b>	<b>14 199.4</b>	<b>–</b>	<b>–</b>	<b>14 199.4</b>	
<b>A/75/6 (Sect. 35) (2021)</b>					
Proposed programme budget	14 199.4	–	–	14 199.4	
<b>Subtotal</b>	<b>14 199.4</b>	<b>–</b>	<b>–</b>	<b>14 199.4</b>	
<b>Total</b>				<b>266 452.9</b>	