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Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

Financing of the International Residual Mechanism for Criminal Tribunals

Revised estimates for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for Criminal Tribunals: effect of changes in rates of exchange and inflation

Report of the Secretary-General

Summary

A preliminary recosting is reflected in the budgets for the biennium 2014-2015 for the International Criminal Tribunal for Rwanda ([A/68/494](#)), the International Tribunal for the Former Yugoslavia ([A/68/386](#)) and the International Residual Mechanism for Criminal Tribunals ([A/68/491](#)).

In order to update the costing parameters, the proposed budgets are recosted prior to their adoption by the General Assembly. The present report provides the updated projections for inflation and the effect of the evolution of operational rates of exchange in 2013 on the proposed budgets for the Tribunals and the International Residual Mechanism for the biennium 2014-2015.



After recosting, the resource requirements for the biennium 2014-2015 as proposed by the Secretary-General would amount to \$93,595,700 gross for the International Criminal Tribunal for Rwanda, \$201,688,200 gross for the International Tribunal for the Former Yugoslavia and \$120,296,600 gross for the International Residual Mechanism.

1. To provide a comparable basis on which to analyse increases and decreases from one biennium to another, the proposed budgets for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for Criminal Tribunals are normally presented at the same price levels and rates of exchange as are used in the current budgets. At the same time, the proposed budgets contain provisions for anticipated adjustments owing to inflation and to changes in the rates of exchange. These are isolated and presented separately in the column headed "recosting" in tables in the proposed budgets. The budgets are subsequently recosted three times in the biennial cycle, as follows:

(a) The first recosting is contained in the present report, which is submitted to the General Assembly for the purpose of updating the resource requirements in the proposed budget before an initial appropriation is approved;

(b) The second will be reflected in the revised estimates included in the first performance report on the budget, submitted by the Secretary-General at the end of the first year of the biennium, in connection with the approval of a revised appropriation;

(c) The third will be included in the second performance report, submitted at the end of the second year of the biennium, in connection with the approval of the final appropriation.

2. As indicated in the proposed budgets for the biennium 2014-2015 for the International Criminal Tribunal for Rwanda (A/68/494, para. 12), the International Tribunal for the Former Yugoslavia (A/68/386, para. 18) and the International Residual Mechanism (A/68/491, para. 21), the proposed budgets are recosted in line with the standard regular budget recosting methodology. Bearing in mind the view of the Advisory Committee on Administrative and Budgetary Questions that the Administration should use such operational rates of exchange in recosting exercises as would allow for the lowest estimates, the recosting in the present report is based on the data available as at December 2013.

3. A summary of the results of the recosting based on the parameters described in the present report is provided in the table below.

Summary of recosting of the proposed budgets for the biennium 2014-2015

(Thousands of United States dollars)

Proposed budget (gross)	Recosting			Estimated initial appropriation (gross)
	Exchange rate	Inflation	Total	
(1) ^a	(2)	(3)	(4)=(2+3)	(5)=(1+4)
International Criminal Tribunal for Rwanda				
95 283.5	(1 469.4)	(218.4)	(1 687.8)	93 595.7
International Tribunal for the Former Yugoslavia				
198 667.0	5 793.1	(2 771.9)	3 021.2	201 688.2
International Residual Mechanism				
120 282.1	(56.2)	70.7	14.5	120 296.6

^a No adjustments recommended by the Advisory Committee on Administrative and Budgetary Questions.

4. The proposed revised parameters to be applied for the first recosting in the biennial cycle compared with the assumptions applied in the preliminary recosting included in the proposed budgets for the biennium 2014-2015 for the two Tribunals and the International Residual Mechanism are set out in three schedules:

Schedule I. Rates of exchange relative to the United States dollar and annual rates of inflation by duty station for the Tribunals;

Schedule II. Post adjustment multipliers by duty station;

Schedule III. Annual cost-of-living adjustments by duty station (General Service).

5. The estimated increased requirements of \$5,793,100 for the International Tribunal for the Former Yugoslavia in respect of exchange rate fluctuations reflect the weakening of the United States dollar against the euro, while the estimated decreased requirements of \$1,469,400 for the International Criminal Tribunal for Rwanda and of \$56,200 for the International Residual Mechanism in respect of exchange rate fluctuations reflect the strengthening of the United States dollar against the Tanzanian shilling and the Rwandan franc. In the present recosting, the average 2013 rates of exchange have been used for the euro and the Tanzanian shilling, while the latest United Nations operational rates of exchange (in effect in December 2013) has been used for the Rwandan franc as the basis for recosting based on which yields the lowest estimates.

6. With respect to inflation, consideration is given to a series of parameters, including updated projections for inflation at the different duty stations. In the case of the salaries of Professional staff, while base salaries are not affected by exchange rates, as they are denominated in United States dollars, the post-adjustment component moves in response to changes in both inflation and exchange rates, and adjustments are triggered by movements in post-adjustment multipliers approved by the International Civil Service Commission (ICSC). As for General Service salary and non-post requirements, changes are attributable to projected rates of inflation relative to those originally estimated. It should be noted that updated rates of inflation for the biennium 2014-2015 are calculated against the realized level of inflation in 2013.

7. For the International Criminal Tribunal for Rwanda, the estimated reduced requirements of \$218,400 owing to inflation reflect the net effect of reductions under Professional salaries (\$448,900) and General Service salaries (\$353,300) partly offset by additional requirements under staff assessment (\$69,400) and non-post objects of expenditure (\$514,400). For the International Tribunal for the Former Yugoslavia, the estimated reduced requirements of \$2,771,900 reflect the net effect of reductions under Professional salaries (\$1,819,600), General Service salaries (\$1,040,900) and staff assessment (\$307,200) partly offset by additional requirements under non-post objects of expenditure (\$395,800). Finally, for the International Residual Mechanism, the estimated additional requirements of \$70,700 reflect the net effect of additional requirements under staff assessment (\$34,000) and non-post objects of expenditure (\$673,700), partly offset by reductions under Professional salaries (\$457,100) and General Service salaries (\$179,900).

8. In summary, after recosting, the resource requirements for the biennium 2014-2015 as proposed by the Secretary-General, and taking into consideration the recommendations of the Advisory Committee on Administrative and

Budgetary Questions, would amount to \$93,595,700 for the International Criminal Tribunal for Rwanda, \$201,688,200 for the International Tribunal for the Former Yugoslavia and \$120,296,600 for the International Residual Mechanism.

Schedules

Schedule I

Rates of exchange relative to the United States dollar and annual rates of inflation by duty station for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism

<i>Duty station (currency)</i>	<i>Rates of inflation applicable to non-post objects of expenditure</i>								
	<i>Rates of exchange 2014-2015</i>		<i>Proposed budget</i>			<i>Present report</i>			
	<i>Proposed budget</i>	<i>Present report^a</i>	<i>2013^b</i>	<i>2014^c</i>	<i>2015^c</i>	<i>2012^d</i>	<i>2013^d</i>	<i>2014^c</i>	<i>2015^c</i>
The Hague (euro)	0.779	0.754	2.0	2.2	2.4	2.8	2.8	1.3	2.4
Kigali (Rwandan franc)	621.394	665.000	6.7	6.7	6.7	6.3	5.9	4.5	5.1
Arusha (Tanzanian shilling)	1 579.417	1 615.333	7.6	7.2	7.1	16.0	8.0	7.2	8.4

^a Based on the average 2013 rate of exchange except for Kigali where the December 2013 rate of exchange was used.

^b 2012-2013 revised rates.

^c Projected.

^d Final 2012-2013 estimates.

Schedule II

Post adjustment multipliers by duty station

<i>Duty station</i>	<i>Proposed budget</i>			<i>Present report</i>			
	<i>2013^a</i>	<i>2014</i>	<i>2015</i>	<i>2012^b</i>	<i>2013^b</i>	<i>2014</i>	<i>2015</i>
The Hague	52.20	54.70	57.00	49.76	55.42	55.52	55.72
Kigali	53.38	57.02	61.70	51.93	52.49	53.17	51.98
Arusha	55.77	60.07	66.47	50.12	52.61	53.70	57.47

^a Revised 2012-2013 appropriation.

^b Final 2012-2013 estimates.

Schedule III

Annual cost-of-living adjustments by duty station (General Service)

(Percentage)

<i>Duty station</i>	<i>Proposed budget</i>			<i>Present report</i>		
	<i>2013^a</i>	<i>2014^b</i>	<i>2015^b</i>	<i>2013^c</i>	<i>2014^b</i>	<i>2015^b</i>
The Hague	2.0	2.2	2.4	0.4	1.3	2.4
Rwanda (Kigali)	6.7	6.7	6.7	4.4	4.5	5.1
United Republic of Tanzania	7.6	7.2	7.1	4.4	7.2	8.4

^a Revised 2012-2013 appropriation.^b Projected.^c Actual.