General Assembly

Seventy-second session
Agenda items 124, 134, 136, 137 and 141

United Nations reform: measures and proposals

Review of the efficiency of the administrative and financial functioning of the United Nations

Proposed programme budget for the biennium 2018–2019

Programme planning

Human resources management

Shifting the management paradigm in the United Nations: ensuring a better future for all

Shifting the management paradigm in the United Nations: improving and streamlining the programme planning and budgeting process

Twenty-fifth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2018–2019

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General entitled, "Shifting the management paradigm in the United Nations: ensuring a better future for all" (A/72/492) and its addendum "Shifting the management paradigm in the United Nations: improving and streamlining the programme planning and budgeting process" (A/72/492/Add.1), which contain his management reform plans and proposals. During its consideration of the above-mentioned reports, the Committee met with the Secretary-General, the Chef de Cabinet, members of the internal review team and other representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 9 November 2017.

2. Background on the considerations and process leading up to the submission of the reform plans and proposals is provided in the main report of the Secretary-General (A/72/492, paras. 1–11). The report indicates that an internal review team

established by the Secretary-General in April 2017 consulted with Member States and staff members at all levels to identify the main challenges facing the Organization (ibid., para. 5). A list of the Secretary-General's main management reform proposals for addressing those challenges is provided in paragraph 8 of the report. The report further states that the Secretary-General's management reforms underpin his reform proposals in two other areas, namely development and peace and security (ibid., para. 11).

3.   The main report of the Secretary-General sets out an overview of his management reform plans and proposals, some of which are within his purview as Chief Administrative Officer, while others require specific legislative approval. The comments and recommendations of the Advisory Committee on the above plans and proposals are presented in section III below. The addendum to the report of the Secretary-General (A/72/492/Add.1) contains more specific proposals related to programme, budget and finance for the biennium 2018–2019 and beyond, which are discussed in section IV below.

II.   General observations and recommendations

4.   **The Advisory Committee welcomes the Secretary-General's focus on the need to streamline procedures/processes, reduce duplication and improve effectiveness, accountability, transparency and oversight.**

5.   Many of the management reform plans and proposals put forward by the Secretary-General are interdependent and interrelated. **The Advisory Committee notes with appreciation that the main report provides an overview of all of the Secretary-General's management reform plans and proposals.**

6.   The Advisory Committee further points to the unique nature of the United Nations and the diversity of its activities. In considering the Secretary-General's management reform plans and proposals, the Committee bore in mind that any policies, procedures and systems introduced need to be sufficiently adaptable to cover the needs of all parts of the Organization (Headquarters departments and offices, offices away from Headquarters, field offices, field missions and peace operations) and also to support the whole range of the Organization's activities, from the convening of conferences to normative, analytical and operational work, including the work of field-based operations.

III. Shifting the management paradigm in the United Nations: ensuring a better future for all

Observations and recommendations on individual proposals

7.   As indicated above, the main report of the Secretary-General provides an overview of the management reform plans and proposals, and the details of many of the proposals remain to be worked out. The Secretary-General proposes to submit a comprehensive report on the implementation of his management reform proposals for consideration by the General Assembly at the second part of its resumed seventy-second session.

8.   The Secretary-General indicates that many attempts have been made over the years to address the challenges faced by the Secretariat, and he recognizes the need to build on and adjust prior reform initiatives to improve the administrative functioning of the Organization. The Advisory Committee shares this view, and encourages the Secretary-General to draw upon the experience acquired in the

implementation of prior reforms to identify the measures that are most likely to deliver the expected results in the most efficient and effective manner possible. **The Committee trusts that the Secretary-General will include in his comprehensive report, to be submitted to the General Assembly at the second part of its resumed seventy-second session, adequate background information, including details on the effects of past policy changes and how they relate to the current plans and proposals, as well as information on the benefits realized and any unintended consequences of the measures implemented. The Committee also considers that, in order to support informed decision-making by the Assembly, the comprehensive report should include, for the plans and proposals developed, an analysis of the benefits and risks for the Organization, an estimate of the implementation costs and timelines and information on the underlying benchmarks and best practices.**

9.   In the paragraphs below, subject to such guidance as the General Assembly may provide on the various aspects of the report of the Secretary-General, and taking into account its observations in section II above, the Advisory Committee puts forward a number of observations and recommendations on the individual plans and proposals contained in the main report of the Secretary-General (A/72/492). The Committee emphasizes that its comments and observations are without prejudice to its future consideration of the above-mentioned comprehensive report of the Secretary-General.

A. Previous and ongoing reform initiatives

1. Culture and leadership

10.   The main report of the Secretary-General provides information on the measures he has introduced in the area of culture and leadership, including: (a) integration of the United Nations system leadership framework into all leadership and management staff selection decisions at all levels across the Secretariat; (b) inclusion of a 360-degree evaluation mechanism in the Secretary-General's senior leadership compacts with heads of departments, offices, regional commissions and missions; and (c) adjustment of the leadership and management development programmes (mandatory since 2009 for staff at the P-4 to D-2 levels) and the competency-based framework for staff selection (introduced in 2010) to bring it into closer alignment with organizational expectations and performance management (A/72/492, paras. 18 and 19).

11.   As indicated in the report of the Secretary-General (A/72/492, para. 16), the need to provide better support for and to develop the United Nations leadership and management culture was identified in the management reforms put forward in 2006.[1] The Advisory Committee recalls that, since that time, the system of the senior managers' compacts with the Secretary-General has continued to be implemented and further developed as part of the accountability system, with progress being reported in an annual report to the General Assembly. In a similar fashion, the management development programme is implemented by the Office of Human Resources Management and is covered in the biennial report of the Secretary-General on human resources management reform. In its most recent resolution on the accountability system, the Assembly reiterated that both senior managers' compacts and the staff performance management system were important tools for the accountability system and requested the Secretary-General to incorporate in those tools specific, measurable and time-bound performance goals

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[1] A/60/692 and Corr.1 and 2 and A/61/255 and Add.1 and Add.1/Corr.1.

so that they may become meaningful and powerful instruments of accountability (resolution 71/283, para. 16).

12. **The Advisory Committee agrees with the Secretary-General that addressing shortcomings in management culture and leadership is essential for the success of management reform. The Committee further considers that embedding a strong culture of leadership accountability in the Secretariat requires, in addition to training programmes and updates to the policy framework, effective role models, clear and precise accountability mechanisms and transparency measures. The Committee is also of the view that if additional authorities are to be delegated to senior managers for the management of their financial, human and physical resources, the requirements of those positions in terms of the level of managerial skills and experience should be adapted accordingly. The Committee trusts that the Secretary-General will provide, in the above-mentioned comprehensive report, further information on the measures taken or planned for implementation to strengthen the management culture and leadership within the Secretariat.**

2. **Simplifying human resources management**

13. The Secretary-General states that despite human resources reforms undertaken over the past decade, the Organization continues to face challenges. In his main report, the Secretary-General lists a number of issues to be addressed in 2018, including measures to: simplify procedures; improve workforce planning; strengthen measures to promote equitable geographical distribution and gender parity; strengthen performance management; improve capacity development; and improve recruitment timelines (A/72/492, para. 27). The Secretary-General further proposes the reintroduction of probationary appointments to enable the Organization to evaluate the effectiveness of newly recruited staff more responsively. He also plans to pause the implementation of the managed mobility framework in the light of experience to date, in order to permit a full review of its processes and their cost-effectiveness in meeting its intended purpose, and indicates that he will revert to the General Assembly with the results of this evaluation during the main part of the seventy-third session (ibid., para. 101).

14. The Advisory Committee will address human resources management issues in the context of its consideration of the next report of the Secretary-General on human resources management, which is to be submitted to the General Assembly at the main part of its seventy-third session. **The Committee looks forward to reviewing progress made since the issuance of its previous report on human resources management (A/72/558), as well as the Secretary-General's proposals on the above issues, including on probationary appointments and the managed mobility programme.**

3. **Information and communications technology**

15. In his report, the Secretary-General states his intention to refocus on the implementation of the information and communications technology (ICT) strategy. To that end, the strategic, policy, governance and oversight role of the Chief Information Technology Officer would focus on the development of Secretariat-wide ICT governance, strategy, policy and standards and effective enterprise data management to support executive decision-making, quality assurance and the monitoring of support and accountability mechanisms (A/72/492, para. 41). The Secretary-General also indicates that the operational ICT function would deliver tailored solutions to organizational units and provide day-to-day technical support to end users, working within the ICT framework (ibid., para. 42). The Advisory Committee notes that the Secretary-General's plans for refocusing on the

implementation of the ICT strategy are also related to his plans and proposals regarding changes to the existing system of delegation of authority and the re-engineering of the existing Department of Management and the Department of Field Support (see sect. III.B and III.C below).

16.   The Advisory Committee recalls that, in its resolution 69/262, the General Assembly adopted the five-year ICT strategy for the United Nations to address long-standing issues in the governance and management of ICT activities at the United Nations. The ICT strategy is currently in the third year of its implementation, and progress is reported to the Assembly on an annual basis by the Secretary-General. The Board of Auditors also conducts an annual audit of the implementation of the strategy and presents its findings to the Assembly through the Committee. The Board of Auditors submitted its first annual audit on the implementation of the ICT strategy at the main part of the seventy-second session of the Assembly (A/72/151). However, the Secretary-General has deferred issuance of his progress report, which was also due for submission at the main part of the seventy-second session of the Assembly.

17.   In adopting the ICT strategy, the General Assembly noted that the lack of effective governance and leadership in the area of ICT had resulted in a high level of duplication and fragmentation of the ICT functions within the Secretariat, and requested the Secretary-General, inter alia, to continue his efforts to reduce the level of fragmentation of the existing ICT environment across the Secretariat and at all duty stations and field missions (see resolution 69/262, paras. 9 and 14). The Advisory Committee has also frequently expressed its concern in this regard (see A/69/610), and the Secretary-General has acknowledged that this fragmentation has driven up the costs of operations and prevented the Organization from realizing economies of scale (see A/65/491 and A/65/576).

18.   In expressing its concern about the level of fragmentation of the ICT environment, the Advisory Committee recognized that the provision of ICT in a cost-effective and efficient manner requires strong central governance and coordination, as well as centralization of ICT infrastructure and many ICT activities. Notwithstanding the above concerns, the Committee also recognizes the need to respond to the operational requirements of all parts of the Organization in a timely manner. In this regard, the Committee recalls that, in his report on a revised ICT strategy, submitted to the General Assembly at its sixty-ninth session, the Secretary-General stated that the strategy supported a greater balance between central control and operational freedom in ICT delivery in the United Nations, recognizing that departments needed the operational freedom to act quickly (A/69/517, para. 24).

19.   In its report on the implementation of the ICT strategy, the Board of Auditors reported some delays in its implementation, noting that progress in the defragmentation of ICT resources across the Secretariat has been very slow (A/72/151, para. 110). The Advisory Committee notes that efforts to address the issue of the fragmentation of the ICT environment have consistently been met with strong resistance across the Secretariat. The very fact that the first bulletin of the Secretary-General on the Organization of the Office of Information and Communication Technology (ST/SGB/2016/11) was not promulgated until September 2016, more than seven years after the establishment of the Office in January 2009 and two years after the adoption of the ICT strategy, is indicative of the extent and deep-rooted nature of the challenges faced in adopting an ICT strategy for the United Nations.

20.   **In view of the foregoing, the Advisory Committee trusts that any measures envisaged by the Secretary-General in the context of the ICT strategy for the United Nations will take into account the need to continue to address the issues resulting in the adoption of the strategy and to ensure that the gains achieved**

thus far in adopting the ICT strategy are not lost or diluted, including the improved collaboration between the Office of Information and Communications Technology and the Department of Field Support, which was acknowledged by the General Assembly in its resolution 71/272 B.

21.   The Advisory Committee also points out that any changes to the ICT strategy as approved by the General Assembly in its resolution 69/262 must be approved by the Assembly. Accordingly, the Committee recommends that the Assembly request the Secretary-General to further clarify and elaborate on his plans to refocus on the ICT strategy in the context of the comprehensive report to be submitted to the Assembly at the second part of its resumed seventy-second session, taking into account the impact of the totality of his management reform proposals on the implementation of the ICT strategy, including any changes to the existing system of delegation of authority and the re-engineering of the existing Department of Management and Department of Field Support (see sect. III.B and III.C below).

4.   **Improving supply chain management and procurement**

22.   The Secretary-General states that the implementation of global supply chain management provides an opportunity to transform the requisition, procurement, inventory and contract management functions, and also indicates his intention to integrate procurement into supply chain management and to implement a procurement process in which decision-making authority is brought closer to the point of delivery (A/72/492, para. 46). The Secretary-General further states that it is expected that the bulk of high-value procurement, constituting more than 80 per cent of current procurement, will be conducted through central operational support resources, while low-value procurement will benefit from quicker decision-making at the point of delivery (ibid., para. 47).

23.   **The Advisory Committee considers that the Secretary-General's plans regarding the integration of procurement into supply chain management raise a number of issues that need to be further clarified, and recommends that the General Assembly request the Secretary-General to further elaborate on his plans and proposals regarding procurement and supply chain management in the context of the comprehensive report to be submitted at the second part of its resumed seventy-second session.** The issues to be further developed relate to the expected impact of the proposed integration of procurement into supply chain management on: (a) the governance arrangements for procurement functions, including the internal control regime, segregation of functions, delegation of authority, accountability and management of procurement risks; (b) changes to the Financial Regulations and Rules of the United Nations; (c) changes in procurement service delivery; and (d) changes to organizational and management structures. The Secretary-General should also provide clarification on the procedures and safeguards that will be put into place to ensure proper segregation of duties between the requisitioning, reception, procurement, delivery, inventory and contract management functions; independence of the procurement function and its protection from undue influence; and the exercise of fiduciary responsibilities solely by procurement experts, in an manner that ensures the appropriate stewardship of funds. In addition, the Secretary-General should include in his comprehensive report information on best practices in this area, as well as on efficiency gains, costs, benefits and risks expected by bringing the decision-making authority closer to the point of delivery.

24.   **The Advisory Committee is of the view that in order to provide the General Assembly with a full understanding of the issues, the detailed plans and proposals regarding the integration of the procurement function under supply chain management should be considered together with the Secretary-General's**

detailed plans and proposals on the changes to the existing system of delegation of authority and the re-engineering of the existing Department of Management and Department of Field Support (see sect. III.C and III.D below). In addition, adequate background supporting information and analysis should be made available to the Assembly on related business transformation initiatives or improvements that are currently under way or in the planning stages. These include: (a) the implementation of a new supply chain management strategy; (b) the design of supply chain functionality for integration into Umoja as part of the Extension 2 implementation phase; and (c) improvements/initiatives in the procurement function made possible as a result of the implementation of Umoja (see A/71/681).

25. The Advisory Committee also considers that it is important to review past reforms and lessons learned, with a view to refining the current plans and proposals. The Committee recalls that, in his comprehensive report on strengthening the capacity of the United Nations to manage and sustain peace operations, the Secretary-General made proposals for the delegation of authority to the Department of Field Support with respect to procurement (A/61/858 and Corr.1, sect. B and annex IV; see also A/61/937, paras. 126–131). A number of measures to address the demands of field missions, presented in the report of the Secretary-General on procurement governance arrangements within the United Nations (A/64/284/Add.1), were implemented starting in 2009. **The Committee trusts that the Secretary-General will include, in his above-mentioned comprehensive report, an analysis and assessment of the impact and effectiveness of those measures.**

5. Enhancing accountability and transparency

26. The Secretary-General notes that the United Nations has in place an individual and institutional accountability framework to promote compliance, transparency and the effective stewardship of resources in the delivery of mandates, which comprises a number of elements, including a body of regulations and rules governing the activities of the Secretariat, as well as a variety of structures intended to address different aspects of accountability within the Organization. These include independent external oversight bodies, internal oversight structures and an enterprise risk management and internal control framework methodology. The Secretary-General further notes that in 2014 the United Nations adopted the International Public Sector Accounting Standards (IPSAS) to provide comprehensive information on the financial position and performance of the Organization and that it has also implemented a Secretariat-wide enterprise resource planning solution, Umoja, which offers real-time visibility of detailed data on all administrative operations. The Advisory Committee recalls that the Secretary-General submits an annual report on progress in the implementation of the system of accountability, risk management and internal control, which was initiated in the context of the management reforms put forward in 2006 (see A/71/729 and the related report of the Committee, A/71/820).

27. The Secretary-General states that he has identified gaps that weaken the implementation of the United Nations accountability framework, which he intends to address by strengthening the following areas: (a) the culture of accountability; (b) transparency in the functioning of the Organization and accountability to Member States; (c) the self-evaluation capacity of the Secretariat; and (d) risk management (A/72/492, paras. 55–65).

28. The Secretary-General indicates that he plans to increase transparency in the functioning of the Organization and accountability to Member States by making available: online comprehensive, real-time and easily accessible transaction-level information about United Nations operations relating to the Sustainable Development Goals; an online portal presenting expenditure information extracted

from Umoja in a more interactive and accessible manner; and programme performance information and results of self-evaluation and lessons learned exercises. **The Advisory Committee welcomes such efforts and looks forward to receiving an update on the Secretary-General's plans for making increased information available to Member States.**

29.   With regard to risk management, the Secretary-General proposes to ensure that hidden and underlying risks are brought to the fore and properly addressed. He states that the current system of internal control focuses on mitigating risks of an administrative and financial nature through reliance on ex ante controls with a narrow focus on compliance, create bureaucratic processes and significant delays in programme implementation, which may, at times, be disproportionate to the potential risks (A/72/492, para. 63). The Secretary-General further states that where the Organization faces strategic and operational risks, a shift from ex ante control to ex post facto accountability and a higher tolerance of administrative risk are required to ensure that the limited resources available are put to the most effective use in delivering and meeting the expectations of all those served. He proposes to accompany the above measures with enhanced transparency and improved reporting to Member States (ibid., para. 65).

30.   The Advisory Committee considers that the accountability system of the United Nations may also have to be adapted to reflect the Secretary-General's plans and proposals for management reform, in particular the measures envisaged under chapter III of the report, on aligning authority with responsibility (see also sect. III.B below). **The Committee reiterates that a clear and effective delegation of authority, including well-defined roles and responsibilities of the individuals at all levels to whom authority is delegated, is fundamental for an effective accountability system (see A/64/683 and Corr. 1, para, 36, A/66/738, para. 19, and resolution 66/257, para. 12). The Committee emphasizes that changes to the existing system of delegation of authority must be reflected in the accountability system (see para. 34 below).**

31.   **The Advisory Committee recommends that the General Assembly request the Secretary-General to provide, in the context of his above-mentioned comprehensive report, further details on the changes made and on planned actions and proposals regarding the system of accountability, internal control and risk management for its consideration. The Committee emphasizes that any changes to the risk profile of the Organization, including changes in the tolerance level of administrative risk, must be approved by the Assembly. The Committee trusts that the Secretary-General will provide the Assembly with details on the differences between the existing and proposed levels of tolerance of administrative risk.**

B.   Aligning authority with responsibility

32.   The Secretary-General states that the current framework for delegation of authority presents managerial challenges related to the complexity of the process for issuing or rescinding delegations of authority, as well as the misalignment between authorities and responsibilities, as a result of which the heads of department and missions responsible for implementing programmes and mandates do not have a clear understanding of the extent of the authority available to them, and also lack authority to acquire and manage the necessary financial, human and material resources. The Secretary-General also states his intention to address the above issues by: (a) undertaking a comprehensive review to remove unclear, obsolete and duplicative policies and creating simplified policies and administrative guidance; and (b) delegating authorities directly to heads of departments, offices, regional

commissions and missions, thereby allowing decisions on the management of human, financial and physical resources to be made closer to the point of delivery. The Secretary-General further states that the above measures will be accompanied by a robust accountability framework and proper guidance and support (A/72/492, paras. 70, 72 and 73).

33. **The Advisory Committee welcomes the Secretary-General's plans to review and simplify the existing internal policies and administrative guidance, including the removal of unclear, obsolete and duplicative policies. The Committee trusts that the Secretary-General will provide the General Assembly with information on the outcome of the review and on the actions taken.**

34. With regard to the Secretary-General's plans regarding the current system of delegation of authority, the Advisory Committee notes that the changes envisaged, delegating authorities directly to heads of departments, offices, regional commissions and missions, would entail consequential changes to the internal control framework of the United Nations.[2] The Committee trusts that the Secretary-General will conduct an assessment of the current and planned arrangements for delegation of authority regarding decisions on the management of human, financial and physical resources, taking into account past experience and best practices. The Committee further trusts that the General Assembly will be provided with information on the changes to the system for delegation of authority, including: the roles and responsibilities resulting from delegation of authority; the internal monitoring and control procedures; the reporting mechanisms for ensuring full transparency over the exercise of those delegated authorities; and the actions to be taken in cases of mismanagement or abuse of authority (see para. 30 above).

C. Changing structures and organizational design for strengthened accountability

35. The Secretary-General states that the division of responsibilities between the two departments that are currently responsible for the bulk of the management of financial and human resources within the Secretariat, the Department of Management and the Department of Field Support, is often unclear, with duplication of effort, repetitive processes and dispersion of delegations of authority contributing to the lengthy timelines required for critical business processes, including budget formulation and recruitment (A/72/492, para. 77). He proposes to replace the existing Department of Management and Department of Field Support with two new departments, both supporting the whole of the Secretariat, as follows: (a) the Department of Management Strategy, Policy and Compliance, which would provide the policy guidance, strategy, planning and independent quality assurance functions currently provided by the Department of Management and the Department of Field Support; and (b) the Department of Operational Support, which would provide operational and transactional functions currently performed by the Department of Management, the Department of Field Support, offices away from Headquarters, the regional commissions, the Global Service Centre and the Regional Service Centre.

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[2] Under the current Financial Regulations and Rules of the United Nations, authority for the management of human, financial and physical resources within the Secretariat is delegated by the Secretary-General to the Under-Secretary-General for Management, who further delegates authority and responsibility for implementing the Financial Regulations and Rules to the Assistant Secretary-General/Controller and to the Assistant Secretary-General for Central Support Services in the form of an administrative instruction (see ST/AI/2016/7). Those officials may, in turn, delegate authority and responsibility to other officials, as appropriate and as provided for under the current system of accountability and delegation of authority. See also A/66/710, para. 22.

Under the Secretary-General's proposed arrangement, heads of departments, offices, regional commissions and field missions would receive delegated authority for the management of their financial, human and material resources directly from the Secretary-General (ibid., para. 88). They would continue to formulate their budgets, manage funds appropriated by the General Assembly, recruit and manage their personnel, ensure effective use of innovative technologies and procure the required goods and services through established mechanisms. The Secretary-General is requesting the Assembly to support the creation of the two departments, and to request him to provide detailed information on the functions, structure and staffing requirements of the new structures in the context of the comprehensive report (A/72/492, para. 108).

36. The Advisory Committee notes that the Secretary-General's proposals regarding the reengineering and replacement of the Department of Management and the Department of Field Support are related to his plans and proposals for the existing system of delegation of authority, the refocusing of the ICT strategy and the integration of procurement into supply chain management (see sect. III.A.3 and 4 and sect. III.B above), as well as on a number of initiatives currently under way, including the supply chain management project, the implementation of Umoja and the global procurement system project and the implementation of the ICT strategy. **The Committee trusts that an analysis of any implications of the Secretary-General's plans and proposals on the implementation of the above initiatives will be conducted and reflected, as relevant, in the above-mentioned comprehensive report.**

37. The Advisory Committee recognizes that there is a need to align the functions of the Department of Management and the Department of Field Support with the new reality of Umoja and the forthcoming global service delivery model. It notes, for instance, that help desk support functions for all Secretariat entities have already been consolidated under the ICT strategy and that administrative transactional functions for finance and human resources management are likely to be consolidated under shared service centres. The budget/finance and human resources management functions, currently distributed between the Department of Management and the Department of Field Support, are also performed at other duty stations, and can therefore also be consolidated.

38. At the same time, the Advisory Committee is of the view that there is a need for a comprehensive analysis and assessment of the proposed separation of the strategic, policymaking and compliance functions from the operational functions of each office under the two new departments. The analysis should take into account the specificities and the nature of the activities of each office. For instance, there is a clear distinction between the strategic and transactional functions performed by the Office of Human Resources Management and the Office of Programme Planning Budget and Accounts, given that transactional functions are performed in a decentralized manner in executive offices at Headquarters and in missions, with a certain amount of operational authority delegated to the Department of Field Support and to field missions. Such functions can be performed in shared service centres, and are already being performed at the Regional Service Centre at Entebbe, Uganda, for peacekeeping operations. However, such a clear-cut distinction cannot necessarily be made for the functions performed by the Office of Central Support Services (procurement, facilities management, oversight/coordination of Secretariat-wide construction projects) or of the Office of Information and Communication Technology (information security, infrastructure, application development), or even some of the other functions performed by the Office of Human Resources Management and the Office of Programme Planning Budget and Accounts.

39. **In addition to the above-mentioned comprehensive analysis and assessment, the Advisory Committee is of the view that the Secretary-General's proposals regarding re-engineering and replacement of the Department of Management and the Department of Field Support raise a number of questions that merit clarification and further development. The Committee therefore recommends that the General Assembly request the Secretary-General to include in his comprehensive report to the Assembly clarification, analyses and details on the following issues/elements:**

(a) An inventory of the strategic, policymaking, compliance, operational and support activities/functions of each of the offices of the Department of Management and the Department of Field Support, including the number and types of services provided and clients served;

(b) A mapping of the current and proposed organizational units, staffing and resource requirements of the two Departments, including information on cost-recovery arrangements, the use of the peacekeeping support account and how it may possibly be adapted, given that both departments will serve the entire Secretariat, including peacekeeping;

(c) An analysis of the scalability of the proposed Department for Operational Support, and the mechanisms for increasing or decreasing the capacities of the new Department based on the volume of activity and level of operational requirements, reflecting, in particular, the establishment/closing of peacekeeping missions;

(d) A mapping of the current and envisaged delegation of authority for financial and human resources management, procurement, ICT and other functions to heads of departments, offices away from Headquarters and peacekeeping operations;

(e) The effect of the establishment of the two departments on the internal control regime and on the roles of the Assistant Secretary-General/Controller, the Assistant Secretary-General for Central Support Services and the Assistant Secretary-General-Chief Information Technology Officer;

(f) An assessment of the risks, benefits and costs of separating the strategic, policymaking and compliance functions from operational and operational support functions under two distinct departments with separate chains of command, taking into account the specificities of each office within the departments, and bearing in mind the importance of ensuring a constant feedback loop between operations and policy in order to adapt policies to operational needs and/or to improve processes to better align them with policy requirements;

(g) An assessment of, and lessons learned from, the restructuring of the Department of Peacekeeping Operations into two departments with the creation of the Department of Field Support in 2008.

D. Aligning ongoing reform initiatives Umoja/global service delivery model

40. The Secretary-General states that Umoja is a prerequisite for the enhanced authority he intends to delegate to heads of departments, offices, regional commissions and missions. It will provide or enable: enhanced delegation of authority to heads of departments, offices, regional commissions and missions; greater transparency; real-time information for decision-making; modernization of the internal control framework; more efficient service delivery models; and segregation of duties and establishment of a chain of accountability. In addition, the

various dashboards providing greater visibility can be made accessible to Member States, complementing the analysis provided in the regular reports to the General Assembly (A/72/492, paras. 90–92). **The Advisory Committee will comment on the above aspects in the context of its report on the ninth progress report of the Secretary-General on Umoja.**

41.   With regard to the global service delivery model, the Secretary-General indicates that some revisions to the model as originally presented are required to bring it into alignment with the proposed management structures. Instead of the two-phase approach proposed previously, with an initial consolidation of functions into six duty stations in the biennium 2018–2019, followed by a global consolidation of functions to two shared service centres (see A/71/417), the Secretary-General proposes to accelerate implementation and move directly to two or three shared service centres on 1 January 2019, as part of the establishment of the proposed Department of Management Strategy, Policy and Compliance and the Department of Operational Support. The Advisory Committee recalls that, in its resolution 71/272, the General Assembly made a number of decisions and requests regarding the Secretary-General's proposals for the global service delivery model, taking into account the comments and recommendations made by the Committee (A/71/666). In the same resolution, the Assembly requested the Secretary-General to submit a comprehensive and fully developed proposal on the global service delivery model for consideration at the main part of its seventy-second session. The Secretary-General indicates that a revised proposal for the global service delivery model will be presented early in 2018. **The Committee will comment on this matter in the context of its consideration of the Secretary-General's forthcoming report on the global service delivery model. The Committee trusts that, in preparing his report, the Secretary-General will take the provisions of General Assembly resolution** 71/272 **fully into account.**

IV.   Shifting the management paradigm in the United Nations: improving and streamlining the programme planning and budgeting process

Observations and recommendations on individual proposals

42.   The addendum to the main report of the Secretary-General, "Shifting the management paradigm in the United Nations: improving and streamlining the programme planning and budget process" contains specific proposals under three main areas: (a) changes to the Organization's planning and budgeting process; (b) changes in the documentation underpinning that process and the presentation of the results framework of the United Nations; and (c) the use of exceptional funding and operational arrangements starting in the biennium 2018–2019 (see A/72/492/Add.1, para. 25).

43.   In his report, the Secretary-General provides background information on the planning and budgetary process, as well as his assessment of those areas in need of improvement (A/72/492/Add.1, paras. 5–23). The proposals of the Secretary-General are summarized in table 2 and proposed actions to be taken by the General Assembly are contained in paragraphs 73 and 74 of the report. The Advisory Committee's observations and recommendations on the proposals under each of the three main areas are set out below.

A. Planning and budgeting process

44. Under the first area pertaining to the planning and budgeting process, the Secretary-General makes the following two proposals:

(a) The replacement of the current biennial budget with an annual budget, starting with the budget for 2020 (A/72/492/Add.1, paras. 26, 73 (a) and 74(c)): this proposal would also entail the replacement of the biennial programme plan and biennial budget by an integrated annual budget to be reviewed by Committee on Programme and Coordination and the Advisory Committee at the same time in the annual cycle (ibid., paras. 28 and 33) and the elimination of the existing budget outline report (ibid., para. 34);

(b) Replacement of the current plan outline (part I of the existing strategic framework) with a stand-alone report covering a period of five years (A/72/492/Add.1, para. 30).

45. The Advisory Committee notes that all of these proposals have implications for the length of the existing planning and budgeting cycle. Figure I of the report contains a depiction of the existing cycle for the 2020–2021 biennial budget period as compared to the proposed annual budgetary cycle for the period 2020. In his report, the Secretary-General states that the adoption of an annual budget would permit the existing planning and budgeting cycle to be shortened by two years (A/72/492/Add.1, para. 27).

46. Overall, the Advisory Committee is of the view that shortening both the budget period and the length of the planning and budget cycle could represent a positive change. A shorter period between the planning stage and the implementation of the budget should reduce uncertainty, improve budgetary precision, allow for greater responsiveness to changes between budget periods and reduce the time lag between programme plans and their implementation. In addition, a shorter cycle would eliminate the need for the four separate recosting exercises, which take place under the existing methodology, thereby allowing greater certainty for the Member States in terms of their financial obligations. **In view of the foregoing, the Committee supports the proposed change from a biennial to an annual budget period (see** A/72/492/Add.1**, para. 74 (c)), which it expects will lead to more precise and accurate budget proposals. The Committee considers that a review of the changes to the planning and budgeting cycle, if approved by the General Assembly, should be conducted following completion of two full budgetary cycles.**

47. With regard to the proposed replacement of the biennial programme plan and the biennial budget with an annual budget document, the Secretary-General states that the respective roles of the Committee for Programme and Coordination and the Advisory Committee in reviewing planning and budgeting documents, would not change under the proposed reform of the planning and budgeting process (A/72/492/Add.1, para. 28). As part of the reduced cycle, however, the Secretary-General proposes that the Committee for Programme and Coordination consider the programmatic aspects of his annual budget at the same time that the Advisory Committee considers the financial aspects that will be included in the same document, with the submission of their respective observations and recommendations to the General Assembly at the same time. The Advisory Committee notes that the shorter cycle has implications for the timing of the reviews conducted by both Committees as well as the proposed schedule of their sessional meetings.

48.   **The Advisory Committee is of the view that there is merit in having the programmatic narratives contained in the budget document reviewed prior to the consideration of administrative and budgetary aspects to ensure that legislative mandates adopted by intergovernmental bodies are properly reflected therein. The Committee therefore considers that the sequential nature of these review processes should be preserved (see A/72/492/Add.1, para. 73 (a)).**

49.   Concerning the proposal to submit the plan outline (part I of the existing strategic framework) every five years instead of every two years to allow for the articulation of the longer-term objectives of the Organization, the Advisory Committee is of the view that this proposal falls outside its purview. **The Committee considers that the matter of the change in periodicity of the plan outline is a policy matter to be decided by the General Assembly (see A/72/492/Add.1, para. 73 (a)).**

50.   With regard to the budget outline, the Advisory Committee notes that its elimination would be the consequence of the shorter planning and budgeting cycle and the adoption of an annual budget, as proposed by the Secretary-General. **The Committee supports the streamlining of the planning and budgeting process, including the proposed elimination of the budget outline (see A/72/492/Add.1, para. 73 (a)). In connection with this proposal, the Committee also supports, as a one-time measure, approval of the level of the contingency fund for 2020 expressed as a percentage of half the approved budget for the biennium 2018–2019 (ibid., para. 74 (b)).**

B.   Documentation and presentation of the results frameworks

51.   The Secretary-General proposes the following five different measures involving changes to the documentation prepared as part of the planning and budgeting process as well as proposed amendments to the presentation of the results frameworks:

      (a)   Consolidation of nine existing planning, budget and performance reports or sets of reports into two annual reports, namely: an "integrated annual programme budget" and the financial statements, both of which would be issued annually (A/72/492/Add.1, figure II and paras. 32–36). The integrated annual programme budget would replace the biennial programme plan, the budget outline, the proposed programme budget, the budget proposals of the special political missions and the programme performance report. The financial statements would incorporate information on the financial performance of the prior budget period (currently contained in the first and second performance reports and the financial statements) and the report on the transfers between sections (ibid., figure II and para. 52). A prototype reflecting the different elements of the adapted financial statements is contained in annex V of the addendum to the main report of the Secretary-General;

      (b)   Replacement of the current strategic framework and results-based budgeting frameworks by a new results framework, including the substitution of the list of outputs by subprogramme and output category with a summary table of main deliverables (A/72/492/Add.1, paras. 37–41): the report of the Secretary-General provides a prototype of the proposed programme plan and budget for several programme sections, reflecting these changes (ibid., annex III);

      (c)   Aggregation of post and non-post resources by subprogramme at the level of the programme of work for each section within the annual budget, as also reflected in the prototype contained in annex III to the report of the Secretary-General (A/72/492/Add.1, paras. 42 and 43);

(d)   Integration of the budgets for special political missions under a new stand-alone budget section, with the inclusion of the detailed requirements for those missions in the annual budget to be submitted in April each year (A/72/492/Add.1, paras. 44 and 45). The report of the Secretary-General provides a prototype for this proposed new budget section (ibid., annex IV);

(e)   Adjustments to budget parts and sections, including a proposal to eliminate separate sections on the regular programme of technical cooperation, capital expenditures and the Development Account (sections 23, 33 and 35 of the existing programme budget) and to integrate the related resources into the resource requirements of the corresponding departments or offices: a proposed grouping of budget sections under eight budget parts is also proposed, including a proposed grouping of all non-substantive sections under one cross-cutting part (A/72/492/Add.1, figure IV and paras. 46–51).

52.   The Advisory Committee recalls that the existing results-based budget methodology, first approved by the General Assembly in its resolution 55/231 and adapted since then, provides for the articulation of programme objectives, expected accomplishments and indicators of achievement in the biennial programme plan, all of which form part two of the biennial strategic framework of the Organization. All aspects of this process are governed by the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, the latest version of which was approved by the General Assembly in 2016 (ST/SGB/2016/6).

53.   **With regard to the strategic framework, the Advisory Committee notes that the proposed presentational or methodological changes are outside its purview and should be considered by the General Assembly. Similarly, the proposed incorporation of the biennial programme plan and the programme performance report into a new annual budget document is also a matter outside its purview (see A/72/492/Add.1, para. 73 (a)).**

54.   The Secretary-General states that the proposed annual budgeting cycle would require changes in the content and nature of the reports submitted to the intergovernmental and expert bodies (A/72/492/Add.1, para. 31). According to the Secretary-General the above measures would allow for a degree of streamlining, with fewer parts and sections and a concomitant reduction in the related reports requiring intergovernmental and expert body review (ibid., para. 51). **As a point of principle, the Advisory Committee is of the view that the level of detail and information made available for consideration of the budgetary proposals should be maintained. Therefore, the Committee sees no compelling reason, at this stage, to introduce the changes proposed in the report of the Secretary-General, which it considers to be a shift in the application of the results-based budgeting methodology approved by the General Assembly. In addition, the Committee considers that the results-based budgeting frameworks should continue to reflect specific performance measures, that the detailed lists of outputs by programme should remain in the budget document and that the proposed resource requirements should continue to be disaggregated at the level of each subprogramme (see ibid., para. 73 (a)).**

55.   The Advisory Committee nevertheless recalls that it has been consistently supportive of proposals to improve the clarity and consistency of past budget proposals, including measures to improve the layout of the logical framework, along with the consolidation and improved presentation of performance measures and programme outputs, and has welcomed the efforts of the Secretary-General in this regard (see A/70/7, paras. 32–34, and A/72/7, paras. 38 and 39). **The Committee encourages the Secretary-General to continue his efforts to improve the clarity**

and presentation of the information contained in future budget documents in order to facilitate review by Member States.

56. With regard to the proposed designation of the new annual budget document as the integrated annual programme budget, the Advisory Committee considers that such a change has the potential to create confusion, particularly in view of the application of similar terminology in the budgets of other United Nations system organizations that have recently decided to integrate the administrative and programmatic aspects of budgets. **Since the nature of programme budgeting, adopted by the Organization in 1974, is not being altered in the context of the Secretary-General's current proposal, the Committee recommends that the General Assembly request the Secretary-General to continue to refer to the proposed budget document as the proposed programme budget.**

57. Regarding the proposal to include detailed performance information in the financial statements, the Advisory Committee recalls that, in the context of its review of recent budget proposals and performance reports, it has recommended that supplemental information be made available on the execution of the Organization's budget for the most recent completed financial period, including a variance analysis between budgeted and actual expenditure across all objects of expenditure in all budget sections, arguing that this should lead to better substantiation of the resource requirements for the subsequent budget period and allow for more informed resource allocation decisions (see A/70/7, para. 67, and A/70/619, para. 6). The Committee notes that such information is currently made available in the context of the performance reports submitted in respect of peacekeeping operations, which are considered at the same time as the budget proposals for the subsequent annual peacekeeping budget cycle.

58. **The Advisory Committee is supportive of efforts to provide more detailed performance information at the same time as budget proposals are being considered. In the context of the current proposal, it is not clear to the Committee how the financial statements, which are primarily intended for the purpose of having prior-period expenditures verified by the Board of Auditors, would be the most appropriate vehicle through which details on budget performance could be presented. The Committee recommends that the General Assembly request the Secretary-General to issue a separate budget performance report following the completion of a budget period. The information on budget performance of the prior completed period would therefore be considered at the same time as proposals for the forthcoming budget period (see A/72/492/Add.1, para. 74 (d)).**

59. With regard to the proposal to adjust the parts and sections of the programme budget, including the establishment of a new section for special political missions, the Advisory Committee does not see any compelling reason to make the changes to the sectional structure of the programme budget, which, in its view, has served the Organization well over a number of years. Information on the total resources made available to individual offices and departments from the regular programme of technical cooperation, capital expenditures and the Development Account could be disclosed in the budget document without making any alteration to the sections. **The Committee recommends that the General Assembly request the Secretary-General to maintain the current structure of the budget parts and sections. The Committee, however, supports the earlier submission of budget proposals for the special political missions to ensure alignment with the rest of the proposed annual budget (see A/72/492/Add.1, para. 73 (a)).**

60. **Taking into account the recommendation of the Advisory Committee on the proposed new annual budget cycle (see para. 46 above), the Committee**

trusts that, in the context of the Secretary-General's ongoing management reform, any further proposals to revise the format and information contained in the budget presentation, as required, will be submitted to the General Assembly for its consideration.

C. Exceptional funding and operational arrangements starting in 2018–2019

61.   The third set of proposals contained in the addendum to the main report of the Secretary-General contains the following specific measures regarding proposed exceptional funding and operational arrangements, starting with the budget for the biennium 2018–2019:

(a)   Under the first two proposals, the Secretary-General would be authorized to redeploy: (i) 20 per cent of the number of approved posts in the Professional and higher categories and/or the approved non-post resources for each budget section between sections within the same budget part; and (ii) up to a level of 20 per cent of post-related financial resources to non-post resources within a budget section: it is indicated that this discretionary managerial authority would be used, as a first resort, to meet programmatic demands within the budget period before additional resources are requested through appropriation or commitment authority (see A/79/492/Add.1, paras. 55–58 and 73 (b) and (c));

(b)   The third proposal consists of a broadening of the Secretary-General's authority to enter into commitments for unforeseen and extraordinary expenses from $8 million (for matters relating to the maintenance of peace and security) to $16 million per annum, which would include provisions of $6 million for addressing unforeseen and urgent development-related matters and $2 million to address unforeseen and urgent human rights situations. The fourth proposal concerns an expansion of the existing authority granted to the Secretary-General to cover up to $1 million in unforeseen security costs to include an additional authority to cover up to $1 million to address the immediate impact of natural or man-made disasters on United Nations operations (A/72/492/Add.1, paras. 60–63 and 73(d) and (e);

(c)   Proposed discontinuation of the existing experimental "limited budgetary discretion" mechanism, subject to the approval of the four proposals contained in (a) and (b) above (A/72/492/Add.1, paras. 59 and 73(f));

(d)   The sixth measure proposes an increase, from $10 million to $20 million, in the authorization currently granted to the Secretary-General to enter into commitments, with the concurrence of the Advisory Committee, if a decision of the Security Council results in additional resource requirements related to the maintenance of peace and security: the report of the Secretary-General indicates that this proposal is made in the light of the experience of recent years in which Council decisions carried immediate financial implications in excess of $10 million (A/72/492/Add.1, paras. 67 and 73 (g));

(e)   A seventh proposal consists of an increase in the existing level of the Working Capital Fund from $150 million, which represents approximately three weeks of regular budget expenditure, to $350 million in order to provide six to eight weeks of reserves (A/72/492/Add.1, paras. 70 and 73 (h)).

62.   In considering these proposals, the Advisory Committee took into account that certain flexibilities already exist, closely aligned to the inherent level of uncertainty in connection with the different activities of the United Nations. The existing mechanisms or provisions are as follows:

(a)   In peacekeeping operations, where the level of uncertainty is the highest, the Financial Regulations and Rules of the United Nations provide the Secretary-General full authority to redeploy resources across the three main areas of expenditure (military, civilian and operational) within the special account of each mission in order to address operational needs arising during a given budget period; in addition, the Peacekeeping Reserve Fund provides up to $150 million in financing to cover the costs of start-up or expansion of peacekeeping missions and the strategic deployment stocks mechanism allows access to $50 million in additional resources for such cases;

(b)   For special political missions, which are also generally subject to a certain degree of uncertainty, the redeployment of resources between missions is possible within the overall funding envelope approved for such missions; in addition, as indicated above, the Secretary-General has the authority to enter into financial commitments up to defined financial limits, subject to the concurrence of the Advisory Committee, to cover the costs of the initial requirements for missions established by the Security Council during the budget period;

(c)   For the remainder of the regular budget, which covers the costs of more stable Secretariat activities, mechanisms exist to ensure that activities mandated after the approval of the biennial budget are properly resourced, including through the submission of revised estimates to be funded through the contingency fund and statements of programme budgetary implications arising from decisions of the Main Committees in the General Assembly: the Secretary-General may also enter into commitments to cover unforeseen and extraordinary expenses for certain activities, within prescribed limits (see para. 61 (b) above). In addition, the Secretary-General can make use of an experimental mechanism for limited budgetary discretion, first approved by the Assembly in its resolution 60/246, to enter into commitments of up to $20 million in each biennium for posts and non-post requirements for the purpose of meeting the evolving needs of the Organization in attaining its mandated programmes and activities ($6 million of which is within the Secretary-General's own authority). Furthermore, the United Nations Controller has the authority to approve the establishment of extrabudgetary-funded posts at the D-1 level and above, with the concurrence of the Advisory Committee (pursuant to Assembly resolution 35/217).

63.   **The Advisory Committee points out that, in the event that an annual budget cycle is approved, the level of budgetary uncertainty between the formulation of budget plans and budget execution will lessen, thereby reducing the period in which unanticipated programmatic demands could arise. The Committee recommends, therefore, that, should the General Assembly take action to approve the annual budget cycle, it should request the Secretary-General to undertake an assessment of the mechanisms and levels of discretionary managerial authorities that may be required in order to address unanticipated programmatic needs and to report thereon to the Assembly in its seventy-fourth session.**

64.   **Regarding the proposed establishment of the two new authorities requested by the Secretary-General starting with the biennium 2018-2019, while the Advisory Committee is not convinced by the technical justifications provided for the need to establish exceptional budgetary authorities at this stage, it recognizes that this is a broader matter concerning the governance and oversight authorities retained by the General Assembly and the managerial authorities of the Secretary-General in his role as chief administrative officer. The Committee considers, therefore, that this is a policy matter to be decided by the Assembly (see A/72/492/Add.1, para. 73 (b) and (c)).**

65. **With regard to the proposals to increase and expand the existing mechanism for unforeseen and extraordinary expenses to cover activities for urgent or unforeseen development-related matters and human rights situations, starting in the biennium 2018–2019, the Advisory Committee considers that the existing mechanisms are adequate and does not, therefore, support the proposal of the Secretary-General at this stage (see A/72/492/Add.1, para. 73 (d)).**

66. In this connection, the Advisory Committee recalls that the General Assembly, in its resolution 60/246, decided to authorize the Secretary-General, on an experimental basis, to exercise limited discretion for budgetary implementation to enter into commitments of up to $20 million in a given biennium in order to meet the evolving needs of the Organization in attaining its mandated programmes and activities. The discretion was limited to a total of $6 million per biennium under the authority of the Secretary-General; and amounts in excess of that level require prior approval by the Committee (see resolution 60/283, sect. III, paras. 6–8). In its observations in the context of its last report on the use of the limited budgetary discretion mechanism the Committee commented on the infrequent use of that mechanism in recent bienniums and noted that the $20 million ceiling had, in fact, never been reached since it was first established in 2006 (see A/70/7/Add.5, para. 13). The Committee further noted that the application of the mechanism is constrained by a number of limitations set out in the resolution establishing the mechanism, including the need to fund requirements through underexpenditures identified in other sections of the budget and within the authorized appropriation level of the budget (ibid., para. 7). The Committee was informed, upon enquiry, that the identification of funding availability, particularly at the start of a budget cycle, has proven to be a challenge in enabling the use of this mechanism.

67. **The Advisory Committee considers that the existing experimental mechanism for exercising limited budgetary discretion could be used more extensively. The Committee recommends therefore that the General Assembly approve the continuation of the mechanism for limited discretion for budgetary implementation for the biennium 2018–2019 to cover the evolving needs of the Organization in attaining its mandated programmes and activities. The Committee also recommends the lifting of the existing requirement to identify savings during the course of the budget period within the authorized appropriation level to cover the costs of any such activities, as well as reporting on the use of the mechanism in the first and second performance reports for the biennium 2018–2019 (see A/72/492/Add.1, para. 73 (f)).**

68. **Should the General Assembly take action to approve the annual budget cycle starting in 2020 and concur with the recommendation of the Advisory Committee to request the Secretary-General to undertake an assessment of discretionary managerial authorities (see para. 63 above), the Committee trusts that experience of the use the limited budgetary mechanism in the biennium 2018–2019 will be included in the aforementioned assessment.** Further comments of the Committee on the limited discretion mechanism will be contained in its forthcoming report on the most recent report of the Secretary-General on the use of that mechanism (A/72/497).

69. **Regarding the proposals to authorize the Secretary-General, in the context of the provisions for unforeseen and extraordinary expenses, to: (a) commit in any given year an amount not to exceed $1 million to address the immediate impact of natural and man-made disasters on United Nations operations; and (b) enter into commitments of up to $20 million, with the concurrence of the Advisory Committee, if a decision of the Security Council results in additional resource requirements related to the maintenance of peace**

and security, the Committee recommends approval of these proposals (see A/72/492/Add.1, para. 73 (e) and (g)).

70.   With regard to the final proposal mentioned in paragraph 61 (e) above, to increase the level of the Working Capital Fund, the Advisory Committee considers that, overall, the existing mechanisms for managing cash flow and liquidity within the United Nations do not merit change at this time. **The Committee therefore recommends against the proposal to increase the level of the Working Capital Fund (see A/72/492/Add.1, para. 73 (h)) and also trusts that the Secretary-General, as chief administrative officer of the Organization, will continue his efforts to encourage Member States to pay their assessed contributions to the Organization in full, on time and without conditions.**

V. Conclusions and recommendations

71.   **The actions requested of the General Assembly are set out in the main report of the Secretary-General (A/72/492, para. 108) and in the addendum to that report (A/72/492/Add.1, paras. 73 and 74). Subject to its observations and recommendations in the paragraphs above, the Advisory Committee recommends that the Assembly take note of the main report of the Secretary-General and its addendum.**

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