



# General Assembly

Distr.: General  
29 August 2019

Original: English

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## Seventy-fourth session

Item 137 of the provisional agenda\*

### Proposed programme budget for 2020

## **Request for a subvention to the United Nations Institute for Disarmament Research resulting from the recommendations of the Board of Trustees of the Institute on the work programme of the Institute for 2020**

### **Note by the Secretary-General**

#### *Summary*

In section IV, paragraph 2, of its resolution [60/248](#), the General Assembly endorsed the proposal that the request for a subvention to the United Nations Institute for Disarmament Research be submitted for review and approval by the Assembly on a biennial basis in the context of its consideration of the proposed programme budget for the related biennium. In that context, and in accordance with resolution [72/266 A](#), in which the Assembly approved the proposed change from a biennial to an annual budget period on a trial basis, the Assembly is requested to approve a proposed subvention in the amount of \$275,000 to the Institute from the regular budget of the United Nations for 2020. The related provision is included under section 4, Disarmament, of the proposed programme budget for 2020 ([A/74/6 \(Sect. 4\)](#)).

Under section IV of General Assembly resolution [44/201 B](#), entitled “Subvention from the regular budget to the United Nations Institute for Disarmament Research”, the Secretary-General is required to report annually to the Assembly on the situation of the Institute. Accordingly, the present note provides a summary of the financial situation of the Institute.

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\* [A/74/150](#).



1. The present note is submitted to the General Assembly in the context of its consideration of a subvention to the United Nations Institute for Disarmament Research (UNIDIR) from the regular budget of the United Nations for 2020.
2. In paragraph 10 of its resolution [70/69](#), the General Assembly requested the Secretary-General to commission an assessment by an independent third party with a mandate to prepare a report on the future structural, financial, administrative and operational aspects of UNIDIR, outlining a sustainable and stable funding structure and operating model as required to achieve the mandate and objectives of the Institute beyond the biennium 2018–2019, and to report in that regard to the Assembly at its seventy-third session, taking into account the aforementioned assessment. In its resolution [72/262](#), the Assembly approved a subvention to UNIDIR of \$750,000 from the regular budget of the United Nations for the biennium 2018–2019, including an amount of \$200,000 for the completion of the independent third-party assessment.
3. The Secretary-General, in his report on the thirty-fifth anniversary of UNIDIR ([A/73/284](#)), drawing on the findings of the independent third-party assessment undertaken between January and May 2018, made a number of recommendations regarding the operating and funding models of the Institute, including on its research agenda, cost structure, staffing and financing. In his report, the Secretary-General encouraged Member States to make an annual subvention to UNIDIR, as part of the revised regular budget cycle, which should: (a) fully cover the salary and related costs of the Director of the Institute so as to ensure the independence, impartiality and accountability of UNIDIR leadership to the full membership; (b) cover the costs of at least one additional Professional post to represent the Institute, serve as certifying officer and report to the Advisory Board on Disarmament Matters, in its capacity as Board of Trustees of the Institute, in the absence and/or incapacitation of the Director and to assist the Director in all management and administrative functions; (c) provide resources for the provision of quarterly briefings on research and ideas of relevant disarmament topics to all regional groupings and, as further requested by Member States, with a view to supporting the informed participation of all Member States in disarmament deliberations; and (d) enable UNIDIR to organize at least three events in countries outside the Organization for Economic Cooperation and Development to promote disarmament and non-proliferation knowledge, ideas and dialogue to a broad and diverse community.
4. The First Committee of the General Assembly, at its seventy-third session, took no action on the findings and recommendations contained in the report of the Secretary-General ([A/73/284](#)).
5. At its seventy-second session, held in New York from 26 to 28 June 2019, the Board approved, for submission to the General Assembly, the report of the Director of the Institute on the activities of UNIDIR for the period from June 2018 to April 2019 and the proposed programme of work and financial plan for 2019 and 2020 (see [A/74/247](#)). The financial information contained in the annexes to the present note is consistent with that contained in the report of the Director ([A/74/180](#)).
6. The proposed programme budget of the United Nations for 2020, under section 4, Disarmament ([A/74/6 \(Sect. 4\)](#)), contains a provision of \$275,000 for the subvention from the regular budget to UNIDIR for 2020, which reflects the recurrent resources required to cover the costs of the post of Director (D-2), as approved by the General Assembly in its resolution [72/262](#). In accordance with established procedures, this amount will be subject to recosting.
7. Under section IV of General Assembly resolution [44/201 B](#), entitled “Subvention from the regular budget to the United Nations Institute for Disarmament Research”, the Secretary-General is required to report annually to the Assembly on the situation of the Institute. In that context, the financial situation of the Institute,

details of which are included in annexes I and II to the present note, may be summarized as follows:

(a) Total revenue for 2019 is estimated at \$5,567,000, from the following sources: voluntary contributions (\$5,131,000); investment income (\$42,000); other revenue (\$20,000); and other transfers and allocations (\$375,000), including the 2019 portion of the subvention from the United Nations regular budget. Total revenue for 2020 is estimated at \$4,277,000, from the following sources: voluntary contributions (\$3,744,000); investment income (\$48,000); other revenue (\$24,000); and other transfers and allocations (\$461,000), including the 2020 portion of the subvention from the United Nations regular budget. It is also estimated that, of the total revenue, approximately 85 per cent will be used for programmatic activities and special projects, and 15 per cent for other purposes, including administrative costs;

(b) Total expenditure for 2019 is estimated at \$4,625,000, including \$219,000 for programme support costs. Requirements for 2020 are estimated at \$4,195,000, including \$200,000 for programme support costs;

(c) Surplus or funds at the end of 2019 and 2020, estimated at \$943,000 and \$82,000, respectively, will be committed in accordance with donor agreements and United Nations requirements.

8. Estimates of income from voluntary contributions for 2019 and 2020, broken down by country, are not included in the present note. This is in line with the report of the Director of the Institute, which bases revenue and expense estimates on the average of the years 2015–2019, plus 5 per cent before recosting (see [A/74/180](#), annexes III and IV). In the absence of agreed funding commitments, a country-by-country estimate cannot be provided in advance.

9. It is recalled that the General Assembly, in its resolution [60/248](#), endorsed the proposal that the request for a subvention to the Institute be submitted for review and approval by the Assembly on a biennial basis in the context of its consideration of the proposed programme budget for the related biennium. In accordance with resolution [72/266 A](#), beginning with the programme budget for 2020, the budget period has been changed from biennial to annual on a trial basis.

**10. Accordingly, the General Assembly is hereby requested to approve a subvention to UNIDIR of \$275,000 (before recosting) from the regular budget of the United Nations for 2020, the provision for which has been included under section 4, Disarmament, of the proposed programme budget for 2020.**

## Annex I

**Actual revenue and expenses for 2018 and first quarter of 2019**

(Thousands of United States dollars)

<i>Description</i>	<i>2018<sup>a</sup></i>	<i>First quarter 2019<sup>b</sup></i>
<b>Revenue</b>		
Voluntary contributions	6 922 <sup>c</sup>	434
Other transfers and allocations	487	195
Other revenue	1	62
Investment revenue	105	23
<b>Total revenue</b>	<b>7 515</b>	<b>714</b>
<b>Expenses</b>		
Employee salaries, allowances and benefits	1 365 <sup>d</sup>	334 <sup>e</sup>
Non-employee compensation and allowances	908 <sup>f</sup>	243 <sup>g</sup>
Grants and other transfers	117	25
Supplies and consumables	3	–
Travel	243	57
Other operating expenses	299	94
Programme support expenses	140	41
Other expenses	69 <sup>h</sup>	–
<b>Total expenses</b>	<b>3 144</b>	<b>794</b>
<b>Surplus/(deficit) for the year<sup>i</sup></b>	<b>4 371</b>	<b>(80)</b>

<sup>a</sup> Figures from the statement of financial performance of the United Nations Institute for Disarmament Research (UNIDIR) for 2018. The statement was prepared in accordance with International Public Sector Accounting Standards (IPSAS); contributions, including multi-year, are accounted for in the year when the pledge is signed. For further information on IPSAS, as well as the basis for the preparation of UNIDIR financial statements, see [A/71/162](#), annex I, and [A/72/154](#), annex I.

<sup>b</sup> Position as at 4 April 2019; subject to changes until the close of the March 2019 accounting period.

<sup>c</sup> Includes multi-year pledges for future years from the Governments of the Netherlands (\$1,200,000) and Norway (NOK 9,000,000, equivalent to \$3,161,222).

<sup>d</sup> Of this total, institutional staff costs in 2018 amounted to \$1,229,384.

<sup>e</sup> Of this total, institutional staff costs for the first quarter of 2019 amounted to \$280,835.

<sup>f</sup> Of this total, \$127,625 represents travel of consultants.

<sup>g</sup> Of this total, \$31,201 represents travel of consultants.

<sup>h</sup> Represents net foreign exchange losses.

<sup>i</sup> These funds include multi-year pledges signed in 2018 and are earmarked in accordance with financing agreements with donors. The amount at year-end is determined by the date at which funds are received, as well as by programme and project implementation periods, which do not systematically cover a calendar year.

## Annex II

### Projected revenue and expenses for 2019 and 2020

(Thousands of United States dollars)

<i>Description</i>	<i>2019<sup>a</sup></i>	<i>2020<sup>b</sup></i>
<b>Revenue</b>		
Voluntary contributions	5 131	3 744
Investment income	42	48
Other transfers and allocations	375	461
Other revenue	20	24
<b>Total revenue</b>	<b>5 567</b>	<b>4 277</b>
<b>Expenses</b>		
Employee salaries, allowances and benefits	1 585	1 950
Non-employee compensation and allowances	756	1 390
Grants and other transfers	1 547 <sup>c</sup>	48
Supplies and consumables	4	1
Travel	236	188
Other operating expenses	254	408
Programme support and prorated expenses	219	200
Other expenses	24	10
<b>Total expenses</b>	<b>4 625</b>	<b>4 195</b>
<b>Surplus/(deficit) for the year<sup>d</sup></b>	<b>943</b>	<b>82</b>

<sup>a</sup> Projections for 2019 were updated from those presented in [A/73/256](#) based on actual revenue and expenses for 2018 and the first quarter of 2019 to more appropriately reflect expected revenues and expenses.

<sup>b</sup> Projections for 2020 are on the basis of an average of the period 2015–2019, plus 5 per cent, except for expenses related to salaries, allowances, benefits and compensation, as well as other operating expenses, and programme support costs, which include additional consideration for changes in planned activities requiring specific resources.

<sup>c</sup> This includes forecasted costs associated with the movement of resident consultants to contracts administered by the United Nations Office for Project Services.

<sup>d</sup> These funds are earmarked in accordance with financing agreements with donors. The amount at year-end is determined by the date at which funds are received, as well as by programme and project implementation periods, which do not systematically cover a calendar year.