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Financing of the International Residual Mechanism for Criminal Tribunals

Second performance report for the biennium 2018–2019 and proposed budget for 2020 for the International Residual Mechanism for Criminal Tribunals

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the second performance report on the budget of the International Residual Mechanism for Criminal Tribunals for the biennium 2018–2019 ([A/74/566](#)) and the proposed budget for the Mechanism for 2020 ([A/74/355](#) and [A/74/355/Corr.1](#)). During its consideration of the reports, the Advisory Committee met representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 10 December 2019.

2. Bearing in mind the dates of the current session of the Advisory Committee and the main part of the General Assembly session, the Committee notes that the second performance report is dated 29 November 2019 and that written responses were provided to the Committee on 6, 9 and 10 December 2019. **In order to facilitate its consideration of the reports, the Advisory Committee recommends that the General Assembly request the Secretary-General to submit future reports for the International Residual Mechanism for Criminal Tribunals earlier in the session.**

II. Second performance report for the biennium 2018–2019

3. By its resolution [73/277](#), the General Assembly approved a revised appropriation to the special account for the Mechanism of \$195,720,600 gross (\$174,690,800 net) for the biennium 2018–2019. The anticipated final level of expenditure for the Mechanism for 2018–2019 amounts to \$185,428,300 gross, reflecting a decrease of \$10,292,300 compared with the revised appropriation for the biennium ([A/74/566](#), table 1).



4. The main decreases are reflected as follows: (a) rates of exchange and inflation (\$3,274,100) attributable to the net effect of the strengthening of the dollar against the euro, offset in part by the depreciation of the dollar against the Tanzanian shilling (\$3,818,700), and the net increase in the level of inflation (\$544,600); (b) general operating expenses under the Registry (\$2,952,400), comprising a decrease of \$1,292,700 under the Arusha branch and a decrease of \$1,659,700 under The Hague branch, owing mainly to lower-than-anticipated requirements for the maintenance of data-processing equipment; (c) other staff costs under the Registry (\$1,737,500), including an increase of \$344,000 under the Arusha branch, and a decrease of \$2,081,500 under The Hague branch attributable mainly to lower support costs for the consideration of the *Šešelj*, *Karadžić* and *Mladić* appeals; and (d) other staff costs under the Office of the Prosecutor (\$1,593,900), comprising decreases of \$1,040,000 under the Arusha branch and \$553,900 under The Hague branch owing mainly to a prudent approach to hiring (A/74/566, paras. 6, 12, 20 and 25). **Taking note of the decrease under rates of exchange and inflation, the Advisory Committee trusts that the Secretary-General will provide the General Assembly with the latest rates during its consideration of the present report. The Committee's detailed observations are contained in its report on the effect of changes in rates of exchange and inflation (A/74/7/Add.31).**

5. The decrease is offset in part by increases as follows: (a) furniture and equipment for the Registry (\$2,517,000), comprising increases of \$790,200 under the Arusha branch and \$1,726,800 under The Hague branch owing mainly to the replacement of data-processing and network equipment that was no longer serviceable; and (b) contractual services under records management and archives (\$232,400), comprising an increase of \$38,400 under the Arusha branch, and an increase of \$194,000 under The Hague branch attributable mainly to annual support and maintenance charges for existing Mechanism systems for the management of records and archives (A/74/566, paras. 28 and 36).

6. The Secretary-General indicates that the anticipated final income from staff assessment for the biennium 2018–2019 amounts to \$19,406,400, reflecting a decrease of \$1,623,400. The combined effect of the anticipated final level of expenditure and income represents a decrease in net requirements of \$8,668,900 compared with the revised appropriation and income reflected in the revised appropriation for the biennium 2018–2019 (*ibid.*, para. 3 and table 1).

7. The Advisory Committee recommends that the General Assembly take note of the second performance report and approve a final appropriation for the biennium 2018–2019 of \$185,428,300 gross (\$166,021,900 net) for the International Residual Mechanism for Criminal Tribunals.

III. Proposed budget for 2020

8. The Secretary-General indicates that the Mechanism's programme of work in 2020 will consist primarily of mandated continuous activities, including the tracking and prosecution of the remaining fugitives, the protection of witnesses, supervision of the enforcement of sentences, the provision of assistance to national jurisdictions, management of the archives and the monitoring of trials. In addition, the Mechanism will carry out mandated ad hoc activities, including trial and appeal proceedings at both branches, the trial of one fugitive in Arusha and an increase in the workload generated by surges in continuous activities. The Secretary-General also indicates that in 2020 most of the remaining judicial activity at the branch in The Hague will be completed, resulting in a decrease in the workload for 2021 (A/74/355, para. 5).

9. The Advisory Committee notes that the report of the Secretary-General follows the presentation and format of the proposed programme budget for 2020 (A/74/6). **The Advisory Committee reiterates its comments and observations in its first report on the proposed programme budget for 2020 on the new budget presentation and format, including on the fragmented presentation of budget information, the need for the full list of outputs under the results-based budgeting frameworks and the lack of specific and comparative financial information (A/74/7, chap. I, paras. 33–40).**

10. The estimated resource requirements for 2020 for the Mechanism amount to \$103,690,800 (gross) before recosting, representing an increase of \$5,641,700 compared with the appropriation for 2019 as referred to in the report of the Secretary-General. **The Advisory Committee recalls its comments and observations in its first report on the proposed programme budget for 2020 regarding the comparative basis for the budget proposal (ibid., paras. 55–65).**

11. Upon enquiry as to the budgets of the Mechanism for prior periods, the Advisory Committee was provided with table 1.

Table 1
Evolution of the budgets of the Mechanism

(Thousands of United States dollars)

Object of expenditure	2012–2013		2014–2015		2016–2017		2018–2019		Expenditure 1 January 2018 to 30 November 2019 ^a
	Initial appropriation	Revised appropriation	Initial appropriation	Revised appropriation	Initial appropriation	Revised appropriation	Initial appropriation	Revised appropriation	
Posts	9 403.5	9 625.8	23 927.0	22 311.1	40 957.9	38 701.2	39 442.9	40 091.4	36 399.5
Other staff costs	18 768.9	20 679.1	42 290.4	40 751.7	43 674.2	43 864.0	79 232.0	78 723.0	69 213.8
Non-staff compensation	3 335.8	3 691.8	4 091.7	3 943.2	8 453.1	8 665.9	11 549.2	11 358.5	9 358.3
Consultants	140.3	155.2	160.4	154.5	66.1	64.2	24.2	22.6	22.6
Experts	–	–	541.3	520.4	333.9	326.8	287.4	284.0	358.8
Travel of representatives	311.4	311.2	197.2	196.9	339.0	337.0	411.7	413.3	0.7
Travel of staff	2 339.1	2 338.1	3 060.3	3 055.9	2 513.6	2 498.5	2 927.0	2 938.8	2 408.3
Contractual services	4 187.4	4 622.6	11 585.0	11 189.6	8 952.2	8 988.4	14 784.0	14 707.2	14 414.6
General operating expenses	3 663.5	3 958.3	11 899.3	11 461.4	14 568.3	14 641.5	21 046.9	20 874.4	15 876.8
Hospitality	–	–	22.3	21.4	31.4	31.1	21.5	21.1	6.1
Supplies and materials	483.9	535.6	832.2	801.6	1 126.2	1 115.1	1 323.0	1 302.8	670.7
Furniture and equipment	1 079.0	1 194.1	7 622.4	7 350.6	4 044.0	4 033.9	2 763.0	2 719.4	4 688.6
Improvement of premises	3 385.3	3 746.8	6 253.0	6 237.7	51.9	52.4	212.3	213.6	254.9
Grants and contributions	227.0	227.0	349.0	349.0	1 833.5	1 833.5	1 022.5	1 020.7	884.9

Object of expenditure	2012–2013		2014–2015		2016–2017		2018–2019		Expenditure 1 January 2018 to 30 November 2019 ^a
	Initial appropriation	Revised appropriation	Initial appropriation	Revised appropriation	Initial appropriation	Revised appropriation	Initial appropriation	Revised appropriation	
Staff assessment	2 446.6	2 590.9	7 465.1	7 176.8	10 458.9	10 594.2	20 976.5	21 029.8	15 377.0
Total (gross)	49 771.7	53 676.5	120 296.6	115 521.8	137 404.2	135 747.7	196 024.1	195 720.6	169 935.6

^a The expenditure reported is based on the position as at 6 December 2019, which may not have captured all transactions and adjustments for November 2019.

12. The Advisory Committee notes that the budget of the Mechanism has increased every financial period from the biennium 2012–2013 to the current biennium. The Committee expects that, given the anticipated completion of judicial activity in The Hague in 2020, the proposed budget for 2021 will reflect the decrease in workload in The Hague. The Committee recommends that future budget submissions provide such comparative financial information, with additional columns reflecting actual expenditure for previous bienniums.

13. The Advisory Committee was also provided with the monthly financial ratios for the Mechanism for 2017, 2018 and 2019 (see annex) and was informed that, as at 30 November 2019, the total cash at hand for the Mechanism amounted to \$161,335,500. The Advisory Committee notes the sound financial situation of the Mechanism, including its cash position.

14. Upon request, the Advisory Committee was provided with table 2 on the financial resources for the current and proposed periods, including the proposed resource changes for 2020.

Table 2
Financial resources

(United States dollars)

Appropriation for 2018–2019 ^a	195 720 600
Appropriation for 2019 ^b	98 049 100
Technical adjustments (delayed impact relating to the establishment of 9 new posts approved in General Assembly resolution 72/258 B)	485 300
New and expanded mandates	–
Changes within and/or across section(s)	–
Other changes	5 156 400
Total resource change	5 641 700
Proposal of the Secretary-General for 2020 (gross), before recosting	103 690 800

^a At 2018–2019 revised rates (General Assembly resolution [73/277](#)).

^b As referred to in the report of the Secretary-General ([A/74/355](#); see [A/74/7](#), chap. I, paras. 55–65).

15. The Secretary-General indicates that the proposed budget of \$103,690,800 (gross) comprises the amount of \$39,892,900 for the branch in Arusha, \$58,808,300 for the branch in The Hague, \$196,600 for Mechanism support in New York and \$4,793,000 for liabilities relating to the payment of pensions of retired judges and after-service health insurance benefits to former staff members of the Tribunals. The

proposed increase of \$5,641,700, or 5.8 per cent, is reflected mainly under other staff costs and contractual services, owing primarily to: (a) an increase in requirements for the branch in Arusha related to judicial activity, including one contempt case (*Turinabo et al*) (\$5,627,300), and a provision for pretrial proceedings in the event of the arrest of one of the three remaining fugitives from the International Criminal Tribunal for Rwanda (\$3,297,800); and (b) an increase in requirements owing to a technical adjustment with delayed impact relating to the establishment of eight new temporary posts (1 Assistant Secretary-General, 1 P-4 and 6 Security Service) and an additional post (D-1) approved by the General Assembly in its resolution [72/258 B](#) (\$485,300). That increase is offset in part by a net decrease in requirements of \$3,768,700 relating mainly to a reduction in judicial activity at the branch in The Hague ([A/74/355](#), paras. 31–32).

Post resources

16. Upon request, the Advisory Committee was provided with table 3, which gives a summary of the temporary posts for 2018–2019 and those proposed for 2020.

Table 3
Staffing resources (temporary posts)

	Number	Level
Approved for the biennium 2018–2019	186	1 USG, 1 ASG, 1 D-1, 6 P-5, 22 P-4, 29 P-3, 13 P-2/1, 35 FS, 26 GS (OL), 14 LL, 38 SS
New	–	
Reclassification	–	
Redeployment	–	
Proposed for 2020	186	1 USG, 1 ASG, 1 D-1, 6 P-5, 22 P-4, 29 P-3, 13 P-2/1, 35 FS, 26 GS (OL), 14 LL, 38 SS

Abbreviations: ASG, Assistant Secretary-General; FS, Field Service; GS (OL), General Service (Other level); LL, Local level; SS, Security Service; USG, Under-Secretary-General.

17. The Secretary-General proposes 186 temporary posts for 2020, which is the same as the number approved for the biennium 2018–2019. **The Advisory Committee recommends approval of the proposal of the Secretary-General for post resources.**

Non-post resources

18. Regarding the provision of \$3,297,800 for pretrial proceedings in the event of the arrest of one of the three remaining fugitives, the Advisory Committee was informed, upon enquiry, that the resources would be utilized only for that purpose and would remain intact until an arrest was made. The Committee recalls that, in his previous report on the proposed revised budget for the Mechanism for the biennium 2018–2019, the Secretary-General stated that the proposed budget did not include such a provision in the interest of containing the level of the overall appropriation. He also stated that, should a fugitive be apprehended, revised estimates would be submitted to cover any additional requirements ([A/72/813](#), para. 20).

19. **Taking into account the previous budgeting practice, the Advisory Committee is of the view that the resources related to the possible apprehension of a fugitive should not have been included in the proposed budget and instead should be requested when a fugitive is apprehended. The Committee therefore recommends a reduction in the related amount of \$3,297,800.**

Other staff costs

20. From the information provided to it, the Advisory Committee notes that the proposed resources under other staff costs comprise \$3,863,300 under the Office of the Prosecutor in the Arusha branch, \$6,480,600 under the Office of the Prosecutor in The Hague branch, \$5,913,900 under the Registry in the Arusha branch, \$23,296,700 under the Registry in The Hague branch, \$826,300 under Records management and archives in the Arusha branch and \$367,300 under Records management and archives in The Hague branch, for a total of \$40,748,100. The Committee further notes from table 1 above that the current expenditure under other staff costs as at 30 November 2019 amounted to \$69,213,800, compared with the apportionment of \$78,723,000, indicating underexpenditure for the biennium.

21. The information provided also indicates that 419 general temporary assistance positions would be required in January 2020, transitioning to 350 positions by December 2020, compared with 346 positions in December 2019. Upon enquiry, the Advisory Committee was provided with the duration and job description of the proposed positions. **The Advisory Committee notes that the majority of the general temporary assistance positions are proposed for a 12-month period and is not fully convinced that the duration is justified by the job descriptions.**

22. The Advisory Committee notes that four additional positions of Document Manager (General Service (Other level)) are proposed in the Office of the Prosecutor in The Hague branch. The Committee was informed, upon enquiry, that three of the positions were related to responding to requests for assistance from national authorities. The Committee was also informed that, in the biennium 2016–2017, two additional positions of Document Manager had been approved and that an additional three such positions for 36 work-months were being proposed based on the increased workload. **While acknowledging the increased requirements related to requests for assistance, the Advisory Committee is of the view that three additional positions are excessive.**

23. **Based on its comments above on general temporary assistance positions, the Advisory Committee recommends a reduction of 4 per cent, or \$1,629,900, in related resources under other staff costs. The Committee expects that a review of the resource requirements for general temporary assistance positions will be undertaken in 2020, reflecting the changes in workload, including the anticipated decrease in the workload in The Hague.**

Travel on official business

24. Under travel on official business, information provided to the Advisory Committee indicates that the proposed resources comprise \$279,000 under the Office of the Prosecutor in the Arusha branch, \$105,700 under the Office of the Prosecutor in The Hague branch, \$482,000 under the Registry in the Arusha branch, \$676,300 under the Registry in The Hague branch, \$15,800 under Records management and archives in the Arusha branch and \$12,900 under Records management and archives in The Hague branch, for a total of \$1,571,700. The Committee notes from table 1 above that the current expenditure under travel of staff as at 30 November 2019 amounted to \$2,408,300, compared with the apportionment of \$2,938,800, indicating underexpenditure for the biennium.

25. Information provided to the Advisory Committee indicates that the travel plan for 2020 includes \$44,640 for training travel to Nairobi for Registry staff in Arusha, \$47,890 for training travel to London for Registry staff in The Hague, \$53,744 for travel of Registry staff from The Hague to Arusha and \$184,760 for travel of Registry staff in The Hague to Zagreb. The Committee was also informed, upon enquiry, that

trips to New York were planned to present the budget proposals to the Committee and the General Assembly, as well as to coordinate the work of the Mechanism with counterparts in New York and to participate in Secretariat-wide meetings and initiatives.

26. **The Advisory Committee considers the proposed travel resources to be excessive and is of the view that detailed justifications should have been provided. Regarding the proposed resources for training travel, the Committee recommends strengthened efforts to contain the level of training travel resources, including by utilizing online or train-the-trainer courses. The Committee reiterates that resources for official travel should be used judiciously and that the primary consideration in authorizing official travel should be whether direct face-to-face contact is necessary for mandate implementation (A/74/7, chap. I, para. 98). The Committee therefore recommends a reduction of 4 per cent, or \$62,900, in the proposed resources for travel on official business.**

27. With regard to compliance with the policy for advance booking of air travel, the Secretary-General indicates in table 5 of his report that, in 2018, only 38 per cent of air tickets were purchased at least two weeks before the commencement of travel and that the Mechanism has set a target of 100 per cent compliance in 2019 and 2020. Upon enquiry, the Advisory Committee was informed that the low compliance rate was due to the nature of the court process and trial activity, including the calling of witnesses, which was not amenable to advance scheduling. The Committee was also informed that the actual compliance rate for 2018–2019 stood at 42.8 per cent as at 30 November 2019. **The Advisory Committee recalls that the General Assembly, on a number of occasions, has expressed concern about the low rate of compliance with the advance purchase policy directive. The Committee reiterates that more efforts are required, in particular in areas where travel can be better planned (see A/73/779, para. 16). While noting that the Mechanism has set ambitious targets for 2019 and 2020, the Committee is of the view that concrete plans and strategies should also be developed for achieving such targets and trusts that information on such plans will be included in the next budget submission (see also A/74/7, chap. I, paras. 98–100).**

Other matters

28. In its report on the evaluation of the methods and work of the Mechanism, the Office of Internal Oversight Services (OIOS) made observations on the functioning of the Mechanism and provided six recommendations. In particular, OIOS noted that the Mechanism experienced varied rates of integration and cross-branch coordination, given the varied size, obligations and support from the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia, and that the practices of double-hatting and multitasking helped to optimize workflow and streamline organizational structures. OIOS recommended the deepening of internal efforts to coordinate across branches. OIOS also recommended that the Mechanism take a proactive approach to strengthening the supervision and provision of medical care and payments on behalf of prisoners (S/2018/206, paras. 17, 45 and 49). **The Advisory Committee trusts that the Mechanism will ensure the implementation of the recommendations of OIOS.**

Conclusion

29. **Subject to its comments and observations above, the Advisory Committee recommends that the General Assembly approve the proposed budget for the International Residual Mechanism for Criminal Tribunals for 2020 and an appropriation of \$97,962,400 gross (\$87,680,000 net), before recosting, for the Mechanism for 2020.**

Financial ratios for the International Residual Mechanism for Criminal Tribunals

	2017											
	January	February	March	April	May	June	July	August	September	October	November	December
Assets-to-liabilities ratio ^a	1.6	1.6	1.6	1.5	1.5	1.4	1.4	1.3	1.3	1.3	1.2	0.9
Current ratio ^b	3.3	3.2	3.0	3.0	2.8	2.8	2.7	2.6	2.5	2.4	2.3	7.9
Quick ratio ^c	3.3	3.2	3.0	2.9	2.8	2.8	2.7	2.6	2.4	2.4	2.3	7.7
Cash ratio ^d	0.9	1.0	1.1	1.1	1.1	1.1	1.0	0.9	1.1	1.0	1.0	5.2
	2018											
	January	February	March	April	May	June	July	August	September	October	November	December
Assets-to-liabilities ratio ^a	1.6	1.5	1.5	1.5	1.4	1.4	1.4	1.4	1.3	1.3	1.3	1.3
Current ratio ^b	13.8	14.1	14.0	14.8	14.1	13.5	13.9	14.1	12.9	14.0	14.3	13.9
Quick ratio ^c	13.7	14.1	13.9	14.7	14.0	13.4	13.8	14.1	12.8	13.9	14.2	13.8
Cash ratio ^d	6.5	7.4	7.8	8.9	8.4	7.9	8.2	8.7	8.1	8.9	10.1	10.2
	2019											
	January	February	March	April	May	June	July	August	September	October	November	December
Assets-to-liabilities ratio ^a	1.9	1.8	1.8	1.8	1.7	1.7	1.6	1.6	1.6	1.5	1.5	
Current ratio ^b	23.7	25.2	22.6	24.1	23.6	23.5	23.1	22.1	22.4	21.8	20.7	
Quick ratio ^c	23.5	25.0	22.5	24.0	23.5	23.4	22.9	22.0	22.3	21.7	20.6	
Cash ratio ^d	12.1	13.9	14.6	15.6	15.7	15.5	15.0	14.6	14.7	15.2	14.4	

^a Total assets : total liabilities.^b Current assets : current liabilities.^c Cash plus short-term investments plus accounts receivable : current liabilities.^d Cash plus short-term investments : current liabilities.