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Proposed programme budget for 2020

Contingency fund: consolidated statement of programme budget implications and revised estimates

Thirtieth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for 2020

1. The Advisory Committee on Administrative and Budgetary Questions has considered an advance version of the report of the Secretary-General entitled “Contingency fund: consolidated statement of programme budget implications and revised estimates” ([A/C.5/74/14](#)). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. The Advisory Committee recalls that, in his report entitled “Shifting the management paradigm in the United Nations: improving and streamlining the programme planning and budget process” ([A/72/492/Add.1](#)), the Secretary-General considered that an annual budget cycle would eliminate the need for a separate report on the budget outline. As the level of the contingency fund for the subsequent budget period is expressed as a percentage of the programme budget outline level approved by the General Assembly, the Secretary-General proposed submitting an indication of the size of the fund for the subsequent period as a percentage of the overall level of resources of the proposed annual budget. For example, the level of the fund for 2021, expressed as a percentage of the approved annual budget for 2020, would be proposed in the annual budget report for 2020 and approved by the Assembly at the same time as it approved the annual budget for 2020. For the first submission of an annual budget for the 2020 budget period, the Secretary-General proposed, as a one-time transitional measure, that the size of the fund be proposed and approved in the context of the first performance report for the biennium 2018–2019 and be expressed as a percentage of half of the approved budget for 2018–2019 (or the equivalent of a one-year period), so as to ensure that the level of the fund would continue to be determined in advance of the budget period that it covered. Other provisions governing the use of the fund contained in Assembly resolutions [41/213](#) and [42/211](#) would remain unchanged. In its resolution [72/266 A](#), the Assembly approved the proposal of the Secretary-General (see [A/73/493](#), paras. 73–75).



3. In his first performance report for the biennium 2018–2019 ([A/73/493](#)), the Secretary-General recommended that the level of the contingency fund be maintained at 0.75 per cent of half the amount of the revised appropriation for the biennium 2018–2019. In its related report, the Advisory Committee recommended approval of the proposal ([A/73/625](#), paras. 34–35), which was approved by the General Assembly in its resolution [73/279 A](#). The Assembly approved a revised appropriation of \$5,811,797,800 for the biennium 2018–2019 in its resolutions [73/280 A–C](#).

4. In his report on the contingency fund ([A/C.5/74/14](#)), the Secretary-General indicates that the level of the fund for 2020 amounts to \$21,794,200. Potential new charges against the fund, taking into account the recommendations of the Advisory Committee available at the time of the finalization of the report of the Secretary-General, amount to \$64,520,500 and exceed the approved level of the fund by \$42,726,300. A breakdown of potential charges to the fund by budget section is provided in the report of the Secretary-General. The potential charges in respect of each item are detailed by proposal in the annex to that report.

5. While noting that the report of the Secretary-General does not reflect its recommendations on all the proposals submitted by the Secretary-General for 2020, the Advisory Committee observes that the potential additional resource requirements, in the amount of \$64,520,500, exceed the approved level of the contingency fund for 2020. The Committee recalls that situations in which expenditures relating to new and expanded mandates that exceeded the level of the fund had occurred in the bienniums 2006–2007, 2012–2013, 2014–2015, 2016–2017 and 2018–2019. In those cases, the General Assembly had appropriated the amounts presented in various reports separately, rather than as charges against the fund. **The Advisory Committee reiterates its view that the contingency fund is an essential budgetary instrument for addressing additional resource requirements and emphasizes the need to adhere to the provisions of General Assembly resolutions [41/213](#) and [42/211](#) on its use (see [A/73/655](#), para. 2).**

6. **The Advisory Committee trusts that an update to the list of potential charges to the contingency fund, reflecting all remaining recommendations of the Committee, will be presented to the General Assembly at the time of its consideration of the present report. Taking into account its observations in the paragraphs above, the Committee recommends that the Assembly consider the potential charges related to new and expanded mandates against the contingency fund, as outlined in the report of the Secretary-General, and offer appropriate guidance to the Secretary-General accordingly.**

Contingency fund for 2021

7. In his report, the Secretary-General proposes that, for the programme budget for 2021, the level of the contingency fund be established at 0.75 per cent of the approved programme budget for 2020. **The Advisory Committee recommends that the General Assembly approve the proposal of the Secretary-General.**