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SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE: OFFICE OF THE UNITED NATIONS DISASTER RELIEF CO-ORDINATOR

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1984-1985

Administrative and financial implications of draft resolution A/C.2/38/L.69/Rev.1

Seventeenth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General (A/C.5/38/57) on the administrative and financial implications of draft resolution A/C.2/38/L.69/Rev.1.
2. Under the terms of paragraph 9 of the draft resolution, the General Assembly would authorize the Secretary-General "to permit the Office of the United Nations Disaster Relief Co-ordinator to respond to requests for emergency disaster assistance up to a total of \$600,000 in any one year, with a normal ceiling of \$50,000 per country in the case of any one disaster, within existing resources as far as possible".
3. In paragraph 2 of his statement, the Secretary-General recalls that an amount of \$720,000 has already been requested for this purpose in the proposed programme budget for 1984-1985. He states that the implementation of the draft resolution might require additional resources up to an amount of \$480,000 under section 22 (Office of the United Nations Disaster Relief Co-ordinator) of the proposed programme budget for the biennium 1984-1985. It is further stated that:

"Every effort would be made to meet these additional requirements from existing resources under section 22. However, should this not be possible, it would be the intention of the Secretary-General to meet the additional requirements nevertheless and to report such over-expenditure in the context of the final report on programme budget performance for the biennium 1984-1985. Consequently, there would be no need to request an additional appropriation at this time."

4. In its previous report to the General Assembly on this subject (A/38/476), the Advisory Committee drew attention to the need for clarification as the result of: (a) General Assembly resolution 37/144, paragraph 5 of which, inter alia, requested the Secretary-General "to raise the normal maximum [amount to be granted per disaster] of \$30,000 to \$50,000, the additional \$20,000 to come from voluntary sources ..." and (b) the recommendation of the Economic and Social Council in its resolution 1983/47 that the Secretary-General be authorized to permit the Disaster Relief Co-ordinator to give grants for emergency assistance from the regular budget, within existing resources, up to a total of \$600,000 in any one year.

5. The General Assembly now has before it a draft resolution which calls for additional resources to be made available "within existing resources as far as possible". In the light of this development, the Advisory Committee believes the time has come to set out procedures for dealing with decisions in Assembly resolutions that activities be carried out "within existing resources" or "within existing resources as far as possible".

6. As pointed out by the Advisory Committee in paragraph 11 (c) of its report (A/38/476), it would be highly unusual to interpret the phrase "within existing resources" to mean that the Secretary-General would have standing authority (i.e., without recourse to the Advisory Committee) to utilize savings anywhere in the budget to finance a particular activity. Such a course could lead to considerable uncertainty and confusion in the administration of budget appropriations. Therefore, unless the General Assembly were to specify otherwise, the Advisory Committee would interpret "within existing resources" to mean that the activities in question must be carried out within the resources already approved for the section(s) of the programme budget pertaining to them, it being understood that the normal operation of the Financial Regulations regarding transfer between sections with the prior concurrence of the Advisory Committee (as set forth in the biennial appropriations resolutions of the Assembly) would continue to apply. However, the Committee emphasizes that requests by the Secretary-General for such concurrence must be presented prior to his entering into the actual commitment in question.

7. The Advisory Committee would interpret the phrase "within existing resources as far as possible" to mean that, although the Assembly recognizes that what it is requesting or authorizing in a particular resolution may eventually involve the requirement for additional resources, it first wishes the Secretary-General to exercise his best efforts to utilize existing resources.

8. Since it is not the intention of the General Assembly, in such a resolution, to consider an additional appropriation at the session during which the resolution is considered, the practical effect of such a resolution, in the opinion of the

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Advisory Committee, would be to authorize the Secretary-General to enter into commitments, beyond the amount already appropriated for the section(s) in question, in an amount to be determined.

9. In this connection, paragraph 5 (b) of General Assembly resolution 36/242 on the Working Capital Fund for the biennium 1982-1983 states that the Secretary-General is authorized to advance from the Working Capital Fund:

"(b) Such sums as may be necessary to finance commitments which may be duly authorized under the provisions of the resolutions adopted by the General Assembly, in particular resolution 36/241 of 18 December 1981 relating to unforeseen and extraordinary expenses; the Secretary-General shall make provision in the budget estimates for reimbursing the Working Capital Fund."

Accordingly, such commitments as might be entered into by the Secretary-General would be financed initially under the resolution on the Working Capital Fund for the biennium in question.

10. The Advisory Committee points out that the resolution on unforeseen and extraordinary expenses, adopted for each biennium by the General Assembly, requires, with certain exceptions, the concurrence of the Advisory Committee for the Secretary-General to enter into commitments.

11. The Committee recommends that the procedure for entering into the commitments referred to in paragraphs 8 and 9 above should be established in a manner analogous to that already in place for commitments under the authority of the resolution on unforeseen and extraordinary expenses. This would require the Secretary-General, once he has determined that available resources will not be sufficient, to obtain the concurrence of the Advisory Committee prior to entering into such additional commitments as may be necessary (within the limits specified in the statement of financial implications) to carry out the General Assembly resolution in question.

12. In most circumstances, where the financial implication of an activity requested by the General Assembly is based on an estimate of resources required, the Advisory Committee would examine the request of the Secretary-General to:

- (a) confirm that all available existing resources have indeed been exhausted; and
- (b) consider to what extent further expenditure (within the limits specified in the statement of financial implications) is required. The Advisory Committee's responsibilities in (b) above would, of course, neither preclude it from nor require it to indicate its position on estimates provided by the Secretary-General when a statement of financial implications pursuant to rule 153 of the rules of procedure of the General Assembly is first presented in connection with a resolution containing the phrase "within existing resources as far as possible".

13. In the cases where the resolution specifies the actual amount or amounts involved, the role of the Advisory Committee would be limited to satisfying itself that all existing resources have been fully utilized prior to concurring with the entering into commitments for the remainder of the amount or amounts specified by the General Assembly. Procedures would be facilitated if these cases were limited to those instances where the Assembly is deciding to make a specific grant

or subvention (as with draft resolution A/C.2/38/L.69/Rev.1); therefore, efforts should be made to avoid quantifying, in the resolution itself, the specific costs (in terms of funds or posts) for an additional activity.

Conclusion and recommendation

14. Taking into account what it has stated in the paragraphs above, where the General Assembly has adopted a resolution calling for additional resources to be made available "within existing resources as far as possible", the Advisory Committee recommends that the Secretary-General should obtain its concurrence prior to entering into commitments beyond the amount already appropriated for the section(s) in question. Commitments thus entered into would be financed by an advance from the Working Capital Fund and would be reported in the performance report to be submitted to the Assembly at its next session.

15. With regard to General Assembly resolutions containing the phrase "within existing resources", the understanding and procedures outlined by the Advisory Committee in paragraph 6 above would apply, unless the Assembly were to indicate otherwise.
