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

Programme budget for 2020

Programme planning

Shifting the management paradigm in the United Nations: budgetary procedures and practices

Report of the Secretary-General

Summary

In its resolution [72/266 A](#), the General Assembly approved the change from a biennial to an annual budget period on a trial basis, beginning with the programme budget for 2020, requested the Secretary-General to conduct a review of changes to the budgetary cycle in 2022, following the completion of the first full budgetary cycle, and decided to review at its seventy-seventh session, with a view to taking a final decision, the implementation of the annual budget. Also in that resolution, the Assembly decided that the proposed programme budget document should consist of three parts:

- (a) Part I: the plan outline, which endorses the long-term priorities and the objectives of the Organization;
- (b) Part II: the programme plan for programmes and subprogrammes and programme performance information;
- (c) Part III: the post and non-post resource requirements for the programmes and subprogrammes.

In the same resolution, the General Assembly decided that parts I and II should be submitted through the Committee for Programme and Coordination and part III through the Advisory Committee on Administrative and Budgetary Questions for the consideration of the Assembly. Also in the same resolution, the Assembly reiterated that the Committee for Programme and Coordination and the Advisory Committee

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should examine the proposed programme budget in accordance with their respective mandates and, preserving the sequential nature of the review processes, submit their conclusions and recommendations to the Assembly for the final approval of the programme budget, and requested the Secretary-General to assess the impact of the changes to the budgetary cycle on the work of the relevant subsidiary bodies of the Assembly. It should be noted that the Assembly has maintained the calendar of meetings of the Fifth Committee, the Advisory Committee and the Committee for Programme and Coordination.

The present report has been prepared pursuant to General Assembly resolution [74/251](#), in which the Assembly requested the Secretary-General to present a report as early as practicable, for the consideration of the Assembly at its seventy-fourth session, on the impact of the changes to the budgetary cycle on the established budgetary procedures and practices as they pertained to the agreed sequential nature of the review processes of the proposed programme budget, and in that regard to present possible options to ensure the preservation of that sequence, including the possibility of the Advisory Committee preparing its conclusions and recommendations on the basis of a programme plan approved by the General Assembly in 2021.

I. Introduction

1. In his report on shifting the management paradigm in the United Nations (A/72/492 and A/72/492/Add.1), the Secretary-General made a number of proposals to improve the programme planning and budgeting process and their presentation at the United Nations. He identified a protracted cycle with fragmented documentation that did not allow for a strategic assessment of the Organization's programme of work, and proposed the streamlining and improvement of the planning and budgetary processes to better support decision-making and increase the transparency of information in the budget document.

2. In its resolution 72/266 A, the General Assembly approved the change from a biennial to an annual budget period on a trial basis, beginning with the programme budget for 2020, requested the Secretary-General to conduct a review of changes to the budgetary cycle in 2022, following the completion of the first full budgetary cycle, and decided to review at its seventy-seventh session, with a view to taking a final decision, the implementation of the annual budget. Also in that resolution, the Assembly decided that the proposed programme budget document should consist of three parts:

(a) Part I: the plan outline, which endorses the long-term priorities and the objectives of the Organization;

(b) Part II: the programme plan for programmes and subprogrammes and programme performance information;

(c) Part III: the post and non-post resource requirements for the programmes and subprogrammes.

3. In the same resolution, the General Assembly decided that parts I and II should be submitted through the Committee for Programme and Coordination and part III through the Advisory Committee on Administrative and Budgetary Questions for the consideration of the Assembly. The Assembly also decided that part I should be submitted every three years. Also in the same resolution, the Assembly reiterated that the Committee for Programme and Coordination and the Advisory Committee should examine the proposed programme budget in accordance with their respective mandates and, preserving the sequential nature of the review processes, submit their conclusions and recommendations to the Assembly for the final approval of the programme budget, and requested the Secretary-General to assess the impact of the changes to the budgetary cycle on the work of the relevant subsidiary bodies of the Assembly.

4. It is noted that, when the General Assembly approved the change to an annual budgetary cycle, it did not change the mandate or the functions of the Committee for Programme and Coordination or the Advisory Committee as they relate to the review by those bodies of the programme budget. The Committee for Programme and Coordination, acting as a subsidiary organ of the Assembly, continues to consider the programmatic aspect (i.e., parts I and II of the proposed programme budget) and the Advisory Committee continues to examine the resources part (i.e., part III of the proposed programme budget). The two Committees continue to act in accordance with their respective mandates and their recommendations continue to be submitted to the Assembly, through the Administrative and Budgetary Committee (Fifth Committee), for final approval of the programme budget.

5. It is further noted that the decision of the General Assembly to shift from a biennial to an annual budgetary cycle did not have an impact on the draft calendar of conferences and meetings as approved under the agenda item on pattern on conferences and no changes were made to the draft calendars approved for 2018, 2019

and 2020 (see the resolutions [72/19](#), [73/270](#) and [74/252](#), on the pattern on conferences). While the cycle for the approval of the draft calendar of conferences and meetings has been aligned with the annual budgetary cycle, in line with the terms of General Assembly resolution [3491 \(XXX\)](#), in which the Assembly decided that the cycle of meetings and conferences should coincide with the budgetary period,¹ the calendar of meetings of the principal and subsidiary organs and expert bodies of the Assembly remains unchanged.

6. With the transition from a biennial to an annual budget cycle, the proposed programme budget for 2020, including part II, the programme plan and programme performance information, and part III, the post and non-post resource requirements, was finalized during the period January to April 2019, in accordance with the formal guidance issued by the Controller to heads of entities following the adoption by the General Assembly of the relevant resolutions in late December 2018. As the budget documents were finalized, they were submitted for processing to the Department for General Assembly and Conference Management, between mid-March and the end of April of 2019. Subsequently, the resource requirements portion of the budgets was considered by the Advisory Committee for a period of approximately 12 weeks, from the third week of May 2019 to mid-August 2019. The consideration of the programmatic aspects of the proposed programme budget by the Committee for Programme and Coordination took place at the usual June meeting (four weeks). From October to December 2019, the Fifth Committee considered the proposed programme budget, taking into account the conclusions and recommendations of the Committee for Programme and Coordination and the Advisory Committee, after which the Assembly approved the programme budget. That process allowed for the proposed programme budget to contain more current content, as opposed to the previous practice, whereby programme plans were planned one year earlier and would cover a longer period of two years, thus contributing to a protracted process in which programme plans were finalized almost four years before the ending of the period covered by those plans. In 2020, the same process is being followed for the preparation of the proposed programme budget for 2021. In contrast, the biennial programme plan for the biennium 2018–2019 was finalized in early 2016 for the period ending 31 December 2019.

7. In its resolution [74/251](#), the General Assembly requested the Secretary-General to present a report as early as practicable, for the consideration of the Assembly at its seventy-fourth session, on the impact of the changes to the budgetary cycle on the established budgetary procedures and practices as they pertained to the agreed sequential nature of the review processes of the proposed programme budget, and in that regard to present possible options to ensure the preservation of that sequence, including the possibility of the Advisory Committee preparing its conclusions and recommendations on the basis of a programme plan approved by the Assembly in 2021. The present report is submitted pursuant to that request.

II. Review of the impact of the changes to the budgetary cycle on the established budgetary procedures and practices as they pertain to the agreed sequential nature of the review processes of the proposed programme budget

8. The present section provides an overview of the evolution of the Organization's budgetary cycle, the main review bodies and the budget preparation and review process.

¹ See also [A/74/32](#) and [A/74/121](#).

A. Evolution of the United Nations budgetary cycle since the introduction of programme budgeting

9. Programme planning and budgeting at the United Nations have evolved over time, with the introduction of a four-year medium-term plan and a biennial programme budget in 1974, a shift to a two-year plan that matched the length of the biennial budget in 2004, and the recently approved annual programme budget integrating into the programme budget document, on a trial basis beginning with the proposed programme budget for 2020, the programme planning and programme performance information, and the resource requirements.

10. It is recalled that, in 1974, the Organization adopted programme budgeting, whereby the budget document reflected the programmatic activities of the United Nations Secretariat and the related decisions of its governing bodies. Before 1974, the Organization had used object-of-expenditure budgets. The new budget format was intended to allow for analytical and integrated consideration of the cost, content and significance of each programme. The budget period, which until that time had been annual, was changed to a biennial budget period (see General Assembly resolutions [3043 \(XXVII\)](#) and [3199 \(XXVIII\)](#)). The Organization, for the first time, also introduced the concept of a single planning document, the medium-term plan, covering a four-year cycle.

11. Initially, the plan and the budget were discussed at the same time. The first medium-term plan covered the period 1974–1977 and was considered with the budget for the period 1974–1975. The next plan covered the period 1976–1979 and was considered in parallel with the budget for the period 1976–1977. However, during those early days, significant challenges were encountered by the Secretariat in producing the required documentation for both the plan and the budget, as both documents were prepared simultaneously. In the context of the medium-term plan for the period 1976–1979 ([A/10006/Add.1](#)), the question of the timetable for the preparation of the plan was addressed. In that plan, it was noted that the “current timetable for the plan and the budget of the United Nations is such that:

- (i) The plan covers two biennia;
- (ii) The first biennium coincides with the budget period;
- (iii) Each budgetary cycle is matched by a corresponding planning cycle;
- (iv) The plan and the budget are prepared, considered and adopted simultaneously.”

12. While suggesting a staggered timetable in view of the work required to prepare the documentation related to the plan and the budget, the Secretary-General also noted the resulting drawback, as the earlier preparation of the plan would extend by one year the perspective of the plan. Hence, the 1976–1979 plan was prepared in 1974 (a five-year perspective), and under a staggered timetable would have been prepared a year earlier, in 1973 (a six-year perspective). In his proposed programme budget for 1976–1977, the Secretary-General noted the question of adequate time and opportunity for the preparation of the plan and budget by the Secretariat and of a more logical and workable sequence for their review and approval at the intergovernmental and expert levels. In its resolution [3392 \(XXX\)](#), the General Assembly decided to consider the medium-term plan and the proposed biennial programme budget in alternate years, beginning in 1976 with a medium-term plan for the period 1978–1981.

13. Over the following decades, programme planning and budgeting procedures and practices continued to improve and a number of fundamental changes were decided by the General Assembly.

14. In 1986, the General Assembly introduced additional features, including the establishment of a budget outline and a contingency fund (see resolution [41/213](#)). The following year, in its resolution [42/211](#), the Assembly addressed the implementation of resolution [41/213](#). The budget outline contained, inter alia, an indication of a preliminary estimate of resources to accommodate the proposed programme of activities for the following biennium. The contingency fund, expressed as a percentage of the overall budget outline level, accommodates additional expenditure relating to the biennium derived from legislative mandates not provided for in the programme budget or from revised estimates arising from the impact of extraordinary expenses, subject to certain provisions.

15. In 2000, following a review of the existing planning, programming and budgeting process, the General Assembly approved a new methodology for budget preparation, namely, the use of results-based budgeting frameworks focusing on the outputs to be produced and consequent outcomes, as opposed to input-based budgeting, which had been the primary methodology until that time (see Assembly resolution [55/231](#)).

16. In 2004, the four-year medium-term framework was replaced with a biennial strategic framework, comprising a plan outline reflecting the longer-term objectives of the Organization (part one) and a biennial programme plan (part two) (see General Assembly resolution [58/269](#)). This was the result of proposals to ensure a strategic connection between programmes and resource allocation, to facilitate intergovernmental debate and to avoid duplication and time-consuming efforts in reviewing planning and budgetary documents. Those proposals followed the adoption by the General Assembly of its resolution [57/300](#), in which the General Assembly had recognized the need to continue to improve and streamline the planning, programming and budgetary cycle of the Organization and requested the Secretary-General to submit a more detailed proposal to the General Assembly.

17. In 2017, the Secretary-General proposed that the planning and budgetary process, which spanned a period of more than five years from preparation to implementation, be replaced with an annual programme budget cycle, thus shortening the cycle to two years and allowing for the preparation of more realistic and responsive programme plans and resource estimates (see [A/72/492](#) and [A/72/492/Add.1](#)). In an annual cycle, the Committee for Programme and Coordination and the Advisory Committee would continue to examine the programmatic and financial aspects of budget documents and to submit their conclusions and recommendations to the General Assembly for its consideration, in accordance with their respective mandates. In addition, the two Committees would consider the programme budget document in the annual cycle, thereby allowing for greater focus and integration within the process, in accordance with their respective mandates. The Fifth Committee would be able to consider both the programming aspects and the financial requirements of the budget on the basis of the advice of the two Committees.

18. In 2017, the General Assembly approved the change from a biennial to an annual budget period on a trial basis, beginning with the programme budget for 2020. Under the arrangements approved in resolution [72/266 A](#), the proposed programme budget contains three parts: the plan outline; the programme plan and programme performance information; and the post and non-post resource requirements. With the adoption of resolution [72/266 A](#), the annualization of the programme budget and a shorter planning and budgetary cycle, the budget outline was eliminated.

19. The table below contains a summary of the evolution of the programme planning and budgetary documentation since the introduction of programme budgeting.

Evolution of programme planning and budgetary documentation in the United Nations

<i>1974–1985</i>	<i>1986–2003</i>	<i>2004–2019</i>	<i>2020</i>
Medium-term plan	Medium-term plan	Strategic framework consisting of: <ul style="list-style-type: none"> (a) Plan outline (part one); (b) Biennial programme plan (part two) 	Annual programme budget consisting of: <ul style="list-style-type: none"> (a) Part I: plan outline, to be submitted once every three years; (b) Part II: programme plan and programme performance; (c) Part III: post and non-post resources
Biennial budget	Budget outline Biennial budget	Budget outline Biennial budget	

20. The current arrangements, adopted by the General Assembly in its resolution [72/266 A](#) and related documentation, are thus fundamentally different from those in previous years. They allow for the approval of the programme plan and budget closer to the point of delivery and thus address a key limitation that had been noted when the plan and the budget were initially considered in alternate years.

B. Main review bodies

21. Article 17 of the Charter of the United Nations provides that the General Assembly shall consider and approve the United Nations budget and apportion the expenses of the Organization among the Member States. As Chief Administrative Officer of the Organization, the Secretary-General is responsible for preparing and submitting a budget proposal to cover the costs of the activities of the United Nations Secretariat funded under the regular budget.

22. Two committees, the Committee for Programme and Coordination and the Advisory Committee, review the planning and budgeting proposals formulated by the Secretary-General, in accordance with their respective mandates, and submit their conclusions and recommendations, through the Fifth Committee, to the General Assembly for consideration and approval.

1. Committee for Programme and Coordination

23. In accordance with Economic and Social Council resolution 2008 (LX) (1976), the Committee for Programme and Coordination functions as the main subsidiary organ of the Economic and Social Council and the General Assembly for planning, programming and coordination. The Committee gives guidance to the Secretariat on programme design by interpreting legislative intent so as to assist it in translating legislation into programmes. The Committee's terms of reference provide for cooperation with the Advisory Committee and for periodic joint consultations with the Joint Inspection Unit. The annual report of the Committee is considered by the Council and by the Assembly.

24. In its decision 42/450, the General Assembly decided that the Committee for Programme and Coordination should, from 1988 onward, be composed of 34 States Members of the United Nations, elected for three-year terms on the basis of equitable geographical distribution. In accordance with Economic and Social Council

resolution 2008 (LX) and Assembly decision 42/450, members of the Committee are nominated by the Council and elected by the Assembly. The Assembly, in section III of its resolution 3392 (XXX), on the review of the intergovernmental and expert machinery dealing with the formulation, review and approval of programmes and budgets, encouraged Member States to be represented in the Committee at an adequate level in order to raise the expertise of the Committee.

25. In its resolution 2008 (LX), the Economic and Social Council envisioned that the Committee for Programme and Coordination would meet for a longer period in the years when a plan would be considered, namely for six weeks in plan years and for four weeks in budget years. Since the adoption by the General Assembly of its resolution 58/269, in which the Assembly decided that the Committee would no longer consider the budget outline, the Committee meets annually for four weeks, usually in June.

2. Advisory Committee on Administrative and Budgetary Questions

26. The major functions of the Advisory Committee, as defined by the General Assembly in its resolution 14 (I) A, include examining and reporting on the budget submitted by the Secretary-General to the Assembly and advising the Assembly concerning any administrative and budgetary matters referred to it. In accordance with rule 157 of the rules of procedure of the Assembly, the Advisory Committee is responsible for expert examination of the programme budget of the United Nations and assists the Fifth Committee. Hence, at the beginning of each regular session at which the proposed programme budget is to be considered, the Advisory Committee submits to the Assembly a detailed report on the proposed programme budget.

27. The members of the Advisory Committee are appointed by the General Assembly. In accordance with rule 156 of the rules of procedure of the Assembly, they are selected on the basis of broad geographical representation and personal qualifications and experience and serve for a period of three years. In its resolution 74/267, the Assembly decided that the Advisory Committee should be composed of 21 members as of 1 January 2021. In accordance with rule 155 of the rules of procedure, the 21 members shall include at least three financial experts of recognized standing.

28. Currently, the Advisory Committee holds three sessions a year, with a total meeting time of between 9 and 10 months per year. It is expected that the Advisory Committee will hold three sessions in 2021, with a total meeting time of between 10 and 11 months.

C. Current programme budget preparation

29. The preparation and review of the proposed programme budget are guided by General Assembly resolution 72/266 A. As indicated in the foreword and introduction to the proposed programme budget for 2020 (A/74/6 (Introduction)), the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation will be amended in the context of the review of the budgetary cycle, as requested by the Assembly in paragraph 7 of its resolution 72/266 A. It should also be noted that, in response to the request contained in paragraph 9 of Assembly resolution 74/251, the Secretary-General has identified, in the introduction to the proposed programme budget for 2021 (A/75/6 (Introduction)), the regulations and rules in the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation and in the Financial Regulations and Rules of the United Nations that are no longer applicable during the

annual budget trial period, in the light of the adoption of resolutions [72/266 A](#) and [74/251](#).

30. The programme budget preparation and review process continues to begin with the formulation of the programme plan. The programme plan is a translation of legislative mandates into programmes and subprogrammes. The plan is derived from the policy orientations and goals set by the intergovernmental organs, and reflects Member States' priorities as set out in legislation adopted by functional and regional intergovernmental bodies within their spheres of competence and by the General Assembly, on advice from the Committee for Programme and Coordination. The current process continues to allow for the programme plan to be reviewed by the Committee for Programme and Coordination and for the budget to be reviewed by the Advisory Committee prior to review and approval by the General Assembly, through the Fifth Committee.

31. In order to meet the existing time frames for review, the proposed programme budget preparation begins about 15 months before the start of the budget year, with final guidance issued 3 months later, after the adoption by the General Assembly of its resolutions on the programme plan and programme budget in the main session. Prior to the finalization of the proposed programme budget, the programme plan and performance information are reviewed by the relevant sectoral, functional and regional bodies, if possible during the regular cycle of their meetings. Information on the review of the proposed programme plan by sectoral, functional and regional bodies is provided to the Committee for Programme and Coordination in the form of a conference room paper.

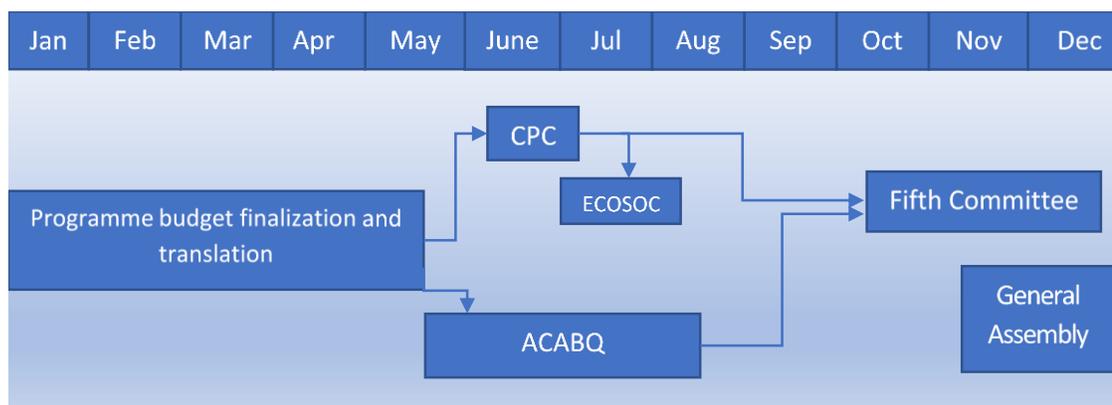
32. Regulation 5.7 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation stipulates that the Secretary-General shall provide the Committee for Programme and Coordination and the Advisory Committee with advance copies of the proposed programme budget. The Advisory Committee's working practices allow for the consideration of advance versions of documentation. However, for the Committee for Programme and Coordination, documentation must be issued in all the official languages of the United Nations in advance of its June session. This necessitates the phased finalization of the annual proposed programme budget documentation by the end of April, prior to submission for editing and translation. Once finalized, the documentation must be edited, translated and issued in all of the official languages prior to the June session of the Committee. The annual programme budget for 2020 consisted of 47 documents, of which 36 were subject to consideration by the Committee.

D. Intergovernmental and expert review process

33. At the end of the June session of the Committee for Programme and Coordination, the report of the Committee, which includes its review of the proposed programme plan, is translated and then considered by the Economic and Social Council at its management session, usually in late July. The conclusions and recommendations are then considered by the General Assembly at the subsequent main session.

34. The Advisory Committee concludes its review of the programme budget and finalizes its report in August. The Advisory Committee's report is then considered together with the Secretary-General's budget proposals at the main session of the General Assembly. The figure below sets out the process of budget preparation and review.

Process of the proposed programme budget preparation, finalization and intergovernmental and expert bodies review



Abbreviations: ACABQ: Advisory Committee on Administrative and Budgetary Questions; CPC: Committee for Programme and Coordination; ECOSOC: Economic and Social Council.

E. Interaction between the Committee for Programme and Coordination and the Main Committees other than the Fifth Committee

35. It has been the practice of the General Committee, in allocating agenda items, to recommend that the General Assembly allocate the programme planning item to all the Main Committees and the plenary of the Assembly to enhance discussion of evaluation, planning, budgeting and monitoring reports. In the past, there have been instances where the Committee for Programme and Coordination has provided detailed recommendations for the approval of all programmes, with the exception of specific programmes. For those exceptions, the Committee recommended that a specific Main Committee review the related programme plan. For example, the Committee made such recommendations in 2004, 2006, 2008 and 2012, as follows:

(a) In 2004, the Committee recommended that the General Assembly allocate programme 3 (Disarmament), programme 10 (Trade and development), programme 19 (Human rights) and programme 23 (Public information) to the First Committee, Second Committee, Third Committee and Fourth Committee, respectively, for their review and action under the item entitled “Programme planning”;

(b) In 2006, the Committee recommended that the General Assembly allocate subprogramme 1 of programme 7 (Economic and social affairs) of the proposed strategic framework for the period 2008–2009 to the Second Committee for its review and action under the agenda item entitled “Programme planning”. In that same year, the Committee recommended that the General Assembly allocate programme 19 (Human rights) of the proposed strategic framework for the period 2008–2009 and the revised estimates relating to the 2005 World Summit Outcome (programme narratives of the programme budget for the biennium 2006–2007 under section 23, Human rights) to the Third Committee for its review and action under the agenda item entitled “Programme planning”;

(c) In 2008, the Committee recommended that the General Assembly allocate programme 19 (Human rights) of the proposed strategic framework for the period 2010–2011 to the Third Committee for its review and action under the agenda item entitled “Programme planning”;

(d) In 2012, the Committee recommended that the General Assembly allocate programme 20 (Human rights) of the proposed strategic framework for the period 2014–2015 to the Third Committee for its review and action, under the agenda item entitled “Programme planning”.

36. The above examples illustrate that, both in keeping with the practice of the General Committee to allocate the programme planning agenda item to all the Main Committees and in the context of those four specific examples, the other Main Committees consider the programme planning agenda item in parallel with the Fifth Committee, either further to a recommendation by the Committee for Programme and Coordination or owing to the allocation of the programme planning agenda item to all Main Committees other than the Fifth Committee.

37. Besides the proposals contained in the proposed programme budget, the Organization’s budgetary procedures also allow for separate parallel consideration of programme budget implications stemming from decisions of legislative bodies, as well as revised estimates submitted by the Secretary-General. The related documentation may encompass programmatic and/or budgetary implications, and the reports issued by the Secretary-General are considered by the Advisory Committee prior to consideration by the General Assembly, through the Fifth Committee. Programmatic implications of such separate proposals are not generally subject to review by the Committee for Programme and Coordination prior to consideration by the Advisory Committee or by the Fifth Committee. Consequently, the final programme budget approved at the end of the main session takes into account the proposals contained in the proposed programme budget, statements of programme budget implications, and revised estimates.

F. Interaction between the Committee for Programme and Coordination and the Advisory Committee on Administrative and Budgetary Questions

38. As shown in the figure above, the Committee for Programme and Coordination concludes its session in June and the Advisory Committee in August. The Committee and the Advisory Committee have separate and distinct mandates, and both report separately to the Fifth Committee, addressing programme plan and resource proposals in accordance with their respective mandates. The Fifth Committee considers the reports of both bodies in taking holistic decisions on the proposed programme budget.

39. In the event that a recommendation by the Committee for Programme and Coordination would have budgetary implications, the Secretary-General would issue a statement of programme budget implications indicating that, should the General Assembly adopt the relevant recommendation, the implications would be as set forth therein. In keeping with rules 153 and 157 of the rules of procedure of the Assembly, that statement would then be considered by the Advisory Committee and acted upon by the Assembly, through the Fifth Committee.

40. Given that it is not the role of the Committee for Programme and Coordination to adopt or change mandates, but to ascertain whether mandates were captured accurately in programme planning information, it is rare for statements of programme budget implications to be issued on specific recommendations by the Committee. However, two precedents have been identified since the adoption of General Assembly resolution [55/231](#):

(a) In June 2004, on the 2006–2007 biennial programme plan for programme 24 (Management and support services), the Committee recommended adding certain activities. The Secretariat, on an ad hoc basis, submitted a statement of programme

budget implications ([E/AC.51/2004/7](#)) in which it indicated that, should the Committee decide to adopt the recommendations, the Secretary-General would report the programme budget implications to the Economic and Social Council and the General Assembly. The report was adopted and led to a separate statement of programme budget implications to the Assembly ([A/C.5/59/13](#)) in which it was indicated that, should the Assembly endorse the recommendations contained in the Committee report, there would be budgetary implications. On that basis and prior to the adoption of the resolution, the Advisory Committee issued related recommendations ([A/59/567](#)), recommending that an additional amount would be required. The related resources were approved by the Assembly in its decision 59/549;

(b) In June 2014, after reviewing the 2016–2017 biennial programme plan for the Department of Public Information, the Committee recommended, in its report [A/69/16](#), changes to the planned activities, namely to add references that activities would have to be undertaken in all official languages. Representatives of the Secretariat informed the Committee, orally and on an ad hoc basis, during the same session in June 2014 and prior to the finalization of the Committee's report, that the recommendation would have budgetary implications. Subsequently, representatives of the Secretariat orally informed the Fifth Committee during the main part of its sixty-ninth session, in 2014, that the changes would have budgetary implications, which would be included in the future programme budget for the biennium 2016–2017. As reflected in paragraph 28.12 of the proposed programme budget for the biennium 2016–2017 ([A/70/6 \(Sect. 28\)](#), [A/70/6 \(Sect. 28\)/Corr.1](#) and [A/70/6 \(Sect. 28\)/Corr.2](#)), and in keeping with the recommendations of the Committee for Programme and Coordination, endorsed by the General Assembly in its resolution [69/17](#), on programme planning, those budgetary implications were incorporated accordingly into the proposed programme budget for 2016–2017, which was prepared and submitted to the Assembly, through the Fifth Committee, in 2015. In reviewing the proposed programme budget, the Advisory Committee, in paragraph VII.27 of its report ([A/70/7](#)), recommended the approval of the non-post resources, including the provision for the related recommendation, identified in paragraph VII.2 (b) of that report. The same scenario for the Department of Public Information occurred for the subsequent 2018–2019 biennial programme plan and the related programme budget for the biennium 2018–2019.

41. The process for the preparation, review and approval of the 2020 proposed programme budget, as approved by the General Assembly, safeguarded the respective prerogatives of the Committee for Programme and Coordination and the Advisory Committee and allowed the two Committees to examine the proposed programme budget in accordance with their respective mandates and within the existing timetable for review prior to consideration by the Fifth Committee, therefore maintaining the sequential nature of the review processes. In particular, while there were no such statements of programme budget implications, the arrangements in place would have allowed for the attention of the Advisory Committee to be drawn to any statement of programme budget implications submitted by the Secretariat on the basis of the report of the Committee for Programme and Coordination. Under that process, the Economic and Social Council also held its review of the report of the Committee for Programme and Coordination at its management session in July 2019, before the approval of the report by the Assembly.

42. Although it is rare, as mentioned in paragraph 40 above, for Committee for Programme and Coordination recommendations to lead to statements of programme budget implications, the Secretariat could inform the Advisory Committee at the end of the session of the Committee for Programme and Coordination as to whether any budgetary implications would relate to recommendations contained in the report of the Committee. This could be a standard procedure that would involve

communicating any programme budget implications, or the absence of such implications. The Advisory Committee recommendations on any such implications would then be captured in its report and be considered by the Fifth Committee, along with the programme planning item at its main session, when the other Main Committees may also consider the programme plan.

43. The experience gained in 2019 in the preparation, review and approval of the 2020 proposed programme budget confirms that the current process enables the review of parts I and II by the Committee for Programme and Coordination in June, prior to the completion of the review of part III by the Advisory Committee in mid-August. The current process also ensures that the Economic and Social Council reviews the report of the Committee for Programme and Coordination before it is introduced to the General Assembly. It further allows for the current practice to be maintained, whereby programmatic aspects are transmitted to the relevant Main Committees for their review, should the Committee for Programme and Coordination be unable to reach agreement on those programmes. The establishment of a standard procedure for communication to the Advisory Committee of possible budgetary implications arising from the conclusions and recommendations of the Committee for Programme and Coordination would ensure that the Advisory Committee is properly informed.

III. Possibility of early action by the General Assembly on parts I and II of the proposed programme budget

44. In accordance with the request set out in paragraph 7 of resolution [74/251](#), the present section contains an examination of the possibility of early action by the General Assembly on parts I and II of the proposed programme budget, including the possibility of the Advisory Committee preparing its conclusions and recommendations on the basis of a programme plan approved by the General Assembly in 2021.

45. In reviewing possible options, there are a number of considerations to be taken into account, summarized as follows:

(a) Maintaining the annual cycle and format approved in General Assembly resolution [72/266 A](#): General Assembly resolution [72/266 A](#) is the guiding resolution for the format and cycle of the programme budget for the trial period set out in the resolution. Any additional elements should not undermine the cycle, format or intergovernmental review process set out in that resolution;

(b) Respecting the main functions of the Advisory Committee as defined by the General Assembly in its resolution [14 \(I\) A](#): the existing timetable of the Advisory Committee for its review of the proposed programme budget is maintained;

(c) Availability of documentation: an earlier session of the Committee for Programme and Coordination would significantly shorten the time for the preparation of the proposed programme budget, including, for certain programmes, the review by functional and regional intergovernmental bodies. On the other hand, any delay in the consideration by the Advisory Committee of the proposed programme budget would have an impact on the timing of the availability of the Advisory Committee's recommendations to the General Assembly, through the Fifth Committee;

(d) Calendar of meetings: there is limited room to shift Fifth Committee sessions in the first half of the year, with the first part of the resumed session usually scheduled in March and the second part of the resumed session in May. Parallel meetings of the Committee for Programme and Coordination and the Fifth Committee could pose a challenge for the effective participation by Member States in both Committees. It would also be likely to have a negative impact on the Secretariat's

ability to service those sessions. Moreover, the timing of the second part of the resumed session is linked to the peacekeeping financial period; a significant change in the timing of the session could therefore have implications for the financing of peacekeeping operations;

(e) Availability of conference services: extending the sessions of the Fifth Committee or the Committee for Programme and Coordination would require the availability of appropriate conference rooms or potentially involve the displacement of other meetings. Additional interpretation services and additional conference officers would be required;

(f) Cost and quality implications: additional costs might arise, depending on the need for additional meeting services, increased capacity to make documentation available or additional staff to support the process; shortened timelines for document preparation and processing are likely to have an impact on quality and timeliness.

46. If part II of the proposed programme budget has to be approved by the General Assembly before the Advisory Committee reviews part III, such approval cannot happen in the main session as the Advisory Committee would have concluded its session and finalized its report by mid-August. If the General Assembly were to approve part II before the main session, such approval would have to be without reference to the review of the other Main Committees, which meet only during the main session.

47. If the General Assembly approves part II after the Economic and Social Council management session in late July, it may not leave enough time for the Advisory Committee to finalize its recommendations by mid-August, thereby potentially having an impact on the availability of documentation for the main session and the consideration of the proposed programme budget. Approval by the General Assembly of part II will, therefore, be required before the review by the Council of the report of the Committee for Programme and Coordination.

48. Apart from the work of the Committee for Programme and Coordination, the Advisory Committee and the Fifth Committee, the Economic and Social Council has customarily taken note of the report of the Committee, and the other Main Committees have considered the report under the agenda item on programme planning. Any option that would involve early action on the programme plan, in part or in entirety, by the General Assembly, through the Fifth Committee, could give rise to the possibility that such action may occur prior to review by the Council or by other Main Committees.

49. As regards cases in which the Committee for Programme and Coordination recommends consideration of specific programmes by other Main Committees, the General Assembly, through the Fifth Committee, would have to adopt a procedure that would involve the early approval of the programme plan, without the review of particular programmes by other Main Committees.

50. It should be noted that the feasibility of options that are based on early action on the programme plan by the Fifth Committee would depend on an outcome being reached during the session and within the allocated meeting time for such action. Should no outcome be reached, parts I and II of the programme budget would then be subject to deferral for consideration together with the budget at the subsequent main session, as is the current practice.

51. It should also be noted that early approval of part II introduces a new element to the programme budget process as the General Assembly has not explicitly decided that the Advisory Committee could consider the resource requirements only once the General Assembly has approved the programmatic aspects. Such a change would also have significant implications for the future review of programme budget implications and revised estimates by the Advisory Committee and the Fifth Committee. The

Assembly has also not decided that the Fifth Committee could not consider the programme budget if the Committee for Programme and Coordination has not been able to reach agreement on part II of a budget section. In fact, in its resolution 72/266 A, the Assembly stipulated that the programme budget document would consist of three parts, which would be submitted through the Committee and the Advisory Committee to the Assembly for its consideration. Any decision to limit the ability of the Advisory Committee to review part III until part II has been adopted by the Assembly would not only introduce a new element but could also undermine the intergovernmental review process of the programme budget.

52. In response to paragraph 7 of resolution 74/251, the following scenarios would allow for the early approval of part II of the programme budget:

(a) Addition of a third resumed session of the Fifth Committee after the conclusion of the session of the Committee for Programme and Coordination;

(b) Approving part II during the second resumed session of the Fifth Committee.

53. It should be noted that these changes have significant implications for the intergovernmental review by the Economic and Social Council and the General Assembly, the working methods of the Fifth Committee and the internal preparations and publication of the documentation by the Secretariat, and would lead to additional resource requirements. These are set out below in more detail.

A. Adding a third resumed session of the Fifth Committee, starting in the third week of July

54. Under this scenario, the current timing of the session of the Committee for Programme and Coordination and the sessions of the Advisory Committee would be preserved and a third resumed session of the Fifth Committee would be added, starting in the third week of July. The length of such a session would be five working days. While this would enable the General Assembly, through its Fifth Committee, to approve part II before the Advisory Committee concludes its work on part III in mid-August, it would have budgetary implications, including for the additional meeting time of five working days, and the related servicing and support.

55. A third resumed session of the Fifth Committee would constitute an addition to the meetings workload of the Department for General Assembly and Conference Management. Resources estimated at \$78,000 would be required in 2021 under section 2, General Assembly and Economic and Social Council affairs and conference management, in support of increased capacity for the servicing of the proposed third session of the Fifth Committee. It is envisaged that the third resumed session would not exceed a five-day working session of two meetings per day (one three-hour meeting in the morning and one three-hour meeting in the afternoon), with interpretation in all six official languages of the United Nations.

56. Resources would also be required under section 29, Management and support services, subsection 29A, Department of Management Strategy, Policy and Compliance, in connection with the substantive servicing of meetings of the Fifth Committee by the Programme Planning and Budget Division. In 2021, an estimated amount of \$72,900 would be required to provide for additional temporary support in the Division for the preparations for, servicing of and follow-up to the Fifth Committee session.

57. It should be noted that no additional resources are proposed at this time in connection with the services of the secretariat of the Advisory Committee for

implementation of this scenario; however, this would be reviewed in the light of the experience and may be adjusted as required in subsequent budget proposals for section 1, Overall policymaking, direction and coordination. Similarly, no additional resources are proposed at this time in connection with the services of the secretariat of the Fifth Committee.

58. It should be noted that this scenario would be a departure from the decisions by the General Assembly on the annual budget in its resolution 72/266 A, in that the programme budget document would be introduced twice to the Assembly, and in two different sessions. It would also mean that the Assembly would adopt a part of the document before it had received the recommendations of the Advisory Committee on part III.

59. Should no outcome be reached during the third resumed session, part II would then be subject to deferral for consideration together with part III of the programme budget at the subsequent main session, as is the current practice.

60. This scenario would also considerably shorten the consideration of part II by the General Assembly. In practice, it would mean that the formal and informal consultations would have to be finalized within a maximum of three and a half days to allow for the adoption of a resolution on the fifth day. Normally, the Committee would consider the Secretary-General's proposals and the reports of the Committee for Programme and Coordination and Advisory Committee over a longer period during the main session. The shortened time frame during the third resumed session would mean that the Fifth Committee may have to consider changing its current working methods. A shortened session may not allow the Committee sufficient time for interacting with programme managers on part II, thereby affecting its ability to consider or question the activities planned in the forthcoming budget period and to review the programme performance for the previous years.

B. Approving part II in the second resumed session

61. Under the scenario of the Fifth Committee approving part II in its second resumed session, the session of the Committee for Programme and Coordination and the second resumed session of the Fifth Committee would both have to be shifted, such that the Committee for Programme and Coordination would meet before the Fifth Committee. Again, the following two scenarios could be considered:

(a) The session of the Committee for Programme and Coordination could be held during May, and the second resumed session of the Fifth Committee could be held in June. The session of the Committee for Programme and Coordination would remain four weeks long, but would be held one month earlier, in May. As regards the Fifth Committee, instead of a four-week second resumed session in May, its session would be held over four weeks in June. The Fifth Committee could consider and approve part II of the proposed programme budget at its second resumed session before it concludes its work in June;

(b) Alternatively, the session of the Committee for Programme and Coordination could be held starting in mid-April and the second resumed session of the Fifth Committee could be held starting in mid-May. The length of both sessions would remain four weeks. The Fifth Committee could consider and approve part II of the proposed programme budget at its second resumed session before it concludes its work in mid-June.

62. Under such scenarios, arrangements would have to be put in place to ensure that programme budget documentation is available in all of the official languages of the United Nations for the smooth functioning of the session of the Committee for

Programme and Coordination, if held earlier, in April or May. The proposed programme budget would have to be issued in two phases, with documentation covering part I (if relevant) and part II issued earlier, to be available for the earlier session of the Committee, and part III issued subsequently. Implementation of this scenario may have implications for the issuance of related documentation in accordance with General Assembly resolution 47/202. The rush processing of the budget documentation (parts I and II) in March and April would collide with the processing of the peacekeeping reports for consideration by the Fifth Committee at its second resumed session. In addition, the corresponding reports of the Advisory Committee related to peacekeeping would also need to be rush processed. Part III documentation would also need to be prepared by the Secretariat while servicing the Committee for Programme and Coordination in its review of parts I and II. Once finalized, this documentation would also need to be processed by the Department for General Assembly and Conference Management. This would require the reprioritization of the Department's workload, which would likely result in extensive delays in the issuance of parliamentary documents for meetings of other intergovernmental bodies in the first half of the year.

63. Budgetary implications are envisaged under this scenario, related to the capacity to mitigate those delays and to produce the required documentation for the overall compressed schedule, including an earlier start date of the session of the Committee for Programme and Coordination.

64. In 2021, estimates totalling \$374,700 would be required under section 29, Management and support services, under subsection 29A, Department of Management Strategy, Policy and Compliance, to create surge capacity in the Office of Programme Planning, Finance and Budget for earlier processing and release of documentation in parallel to preparing for, servicing and following up on the session of the Committee for Programme and Coordination. Resources would also provide for surge capacity to enable the earlier preparation, review and submission of written responses in order to ensure that the session of the Fifth Committee on the peacekeeping budgets concludes on time.

65. It should be noted that no additional resources are proposed at this time for the secretariat of the Fifth Committee and the Committee for Programme and Coordination, the secretariat of the Advisory Committee or the Department for General Assembly and Conference Management in connection with the implementation of this scenario. However, any programme budget implication would be reviewed in the light of the experience and adjusted as may be required in subsequent budget proposals for section 1, Overall policymaking, direction and coordination, section 2, General Assembly and Economic and Social Council affairs and conference management, and subsection 29A, Department of Management Strategy, Policy and Compliance.

66. In addition, in this scenario, the Fifth Committee may have to adapt its working methods as it would have to consider not only the peacekeeping budgets but also the report of the Committee for Programme and Coordination and part II of the programme budget (in addition to part I, when relevant) within an extremely compressed time frame, in order not to compromise the timely approval of the peacekeeping budget before the commencement of the new fiscal year. This scenario is likely to constrain the ability of the Committee to interact with programme managers, as significantly less time would be allotted for informal consultations on the activities planned in the forthcoming budget period and for reviewing the programme performance for previous years. In the scenario in which the Fifth Committee concludes at the end of June, the Secretariat would have very little time to start the new fiscal year operations and may have to make changes to its processes.

67. As indicated in paragraph 58 above, also in this scenario, action by the Fifth Committee on the report of the Committee for Programme and Coordination in the first week of July would not only precede the consideration by the Economic and Social Council thereof, in late July, but would also be a departure from the General Assembly's decisions on the annual budget in its resolution 72/266 A, in that the programme budget document would be introduced in two different sessions to the General Assembly. It would also mean that the Assembly would adopt a part of the document before it had received the recommendations of the Advisory Committee on part III.

68. Similar to other scenarios that involve the early approval of the programme plan, cases in which the Committee for Programme and Coordination recommends consideration of specific programmes by other Main Committees could be handled as outlined in paragraph 49 above.

69. Should no outcome be reached during the second resumed session, parts I and II of the programme budget would then be subject to deferral for consideration, together with part III of the programme budget, at the subsequent main session, as is the current practice.

70. The implementation of any of the scenarios involving the early approval of part II of the proposed programme budget would mean a departure from the decisions of the General Assembly on the annual budget cycle and format, as reflected in Assembly resolution 72/266 A. It would introduce a new element to the programme budget process in that the General Assembly has not explicitly decided that the Advisory Committee could consider the resource requirements only once the General Assembly has approved the programmatic aspects. The intergovernmental review process would also be impacted, in particular, the timing for the consideration, by the Economic and Social Council and other Main Committees, of the conclusions and recommendations of the Committee for Programme and Coordination on part II. The Fifth Committee may also be limited by time in its ability to interact with programme managers on the activities planned and the review of programme performance. In addition, an early session of the Committee for Programme and Coordination would shorten the time available for the preparation of the proposed programme budget and would potentially have an impact on the quality and timeliness of documentation. Budgetary implications may arise in connection with meeting services, increased capacity to make documentation available or additional staff to support the process.

IV. Conclusion

71. The current process, described in subsections II.C and II.F of the present report, shows that the decisions contained in General Assembly resolution 72/266 A are being implemented without impacting the timing or mandates of the Committee for Programme and Coordination, the Advisory Committee, the Economic and Social Council, the Fifth Committee or the other Main Committees of the General Assembly. It also does not change the timelines for producing documentation or servicing meetings. Further, it should be noted that the current process adheres and does not create any disruption to the existing calendar of meetings. It also maintains the format and presentation of the proposed programme budget document stipulated in Assembly resolution 72/266 A.

72. Any of the scenarios requiring the approval of part II (and part I if relevant) before the Advisory Committee makes its recommendations on the related budget would involve considerable adjustments to many aspects, as described in section III of the present report.

73. The annual budget has entered only its second year of implementation. Several improvements have already been made to the content, in response to requests from Member States. In its resolution [72/266 A](#), the General Assembly called for a review of changes to the budgetary cycle in 2022, following the completion of the first full budgetary cycle.

74. Therefore, the optimal arrangement would be to maintain the current process until the aforementioned review, in 2022, but with the addition of a procedure by which to inform the Advisory Committee of resource implications that may result from the recommendations of the Committee for Programme and Coordination.

V. Action to be taken by the General Assembly

75. **The General Assembly is requested to take note of the present report.**
