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Administrative and budgetary questions

United Nations Office on Drugs and Crime: consolidated budget outline for 2006-2007

Report of the Executive Director

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* E/CN.7/2005/1.



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I. Introduction

1. This report is submitted by the United Nations Office on Drugs and Crime (UNODC) with the purpose of presenting a consolidated outline of all activities planned for 2006-2007 and the resources required for their implementation. At the same time, in accordance with Commission on Narcotic Drugs resolution 13 (XXXV) and article X of the Financial Rules of the Fund of the United Nations International Drug Control Programme (UNDCP), this report is to enable the Commission to review and endorse the budget outline for 2006-2007 of the Fund of UNDCP.

A. Strategic framework

2. The outline is structured in accordance with programme 13 of the United Nations strategic framework for the period 2006-2007 (A/59/6 (Prog. 13)), as approved by the Committee for Programme and Coordination. Within this strategic framework, the programme of work of UNODC is guided by the relevant conventions, declarations and resolutions of legislative bodies. In the strategic framework, the overall objective of UNODC is to secure the following outcomes: (a) Governments will be better equipped to fulfil and implement their obligations under the international treaties, in particular through effective judicial cooperation, prevention and countermeasures against illicit drug production, trafficking and abuse, human trafficking and other forms of organized crime, money-laundering, corruption and terrorism in all its forms and manifestations; (b) decisions by policy makers will be more evidence-based, relying on more extensive and intensive knowledge of issues related to illicit drugs, crime and terrorism; and (c) civil society and public opinion will be more firmly committed to action against illicit drug and crime problems, relying on greater awareness and understanding of the issues.

3. In 2006-2007, UNODC will aim to further rationalize its programme of work to ensure that resources and activities are in line with the vision contained in the United Nations Millennium Declaration (General Assembly resolution 55/2) and reflected in the strategic framework. Efforts will concentrate on integrating drugs, crime and corruption into the global agenda for peace, security and development by: (a) advocating a United Nations system-wide response to organized crime and corruption; (b) addressing the issue of HIV/AIDS in the multiple contexts of drugs, human trafficking and prison populations; (c) integrating drugs and crime into programmes of development aid and financial institutions; and (d) working more closely with the private sector. The reform of UNODC, outlined in the consolidated budget for 2004-2005 (E/CN.7/2003/20 and Add.1), will be continued in 2006-2007 concentrating on strengthening human resource management, an improved project cycle and result-based management. These objectives will also be reflected in the Secretary-General's programme narrative in his regular budget proposal for 2006-2007. Before their submission to the General Assembly, the relevant programme narratives of the regular budget proposal for 2006-2007 will be presented to the Commission and to the Commission on Crime Prevention and Criminal Justice for their comments.

4. In the strategic framework, the programme of work has three pillars.

1. Research, analysis and advocacy

5. The objective of this pillar is to increase knowledge and understanding of drug, crime and terrorism issues; to expand the evidence base for policy and operational decisions; and to increase support for the prevention and reduction of illicit drugs, crime and terrorism.

2. Normative work

6. The objective of this pillar is to assist States with the ratification and implementation of international treaties, the development of domestic legislation on drugs, crime and terrorism in all its forms and manifestations and the provision of secretariat and substantive services to the relevant treaty-based and governing bodies.

3. Technical assistance and advice

7. The objective of this pillar is to enhance the capacity of Member States to counteract illicit drugs, crime and terrorism; to reduce drug abuse, illicit drug production and drug trafficking, trafficking in human beings, money-laundering, corruption, terrorism in all its forms and manifestations and other forms of transnational organized crime; and to assist Member States, upon request, with the prevention and treatment of drug abuse and with domestic criminal justice issues, including criminal justice reform.

B. Budget overview

8. In terms of resource distribution, the outline distinguishes between programme of work and support requirements. It is important to note that, while the planned programme of work takes into account activities cutting across both the drugs and crime areas, the required resources will continue to be budgeted and accounted for under the two separate funds for drugs and crime. It is also important to note that the projected resource requirements for 2006-2007 are, at this stage, only an outline within which a detailed budget will be formulated in the second half of 2005 based on the final budget for 2004-2005 and the availability of firmer data for 2006-2007. To facilitate comparison between bienniums, the consolidated budget for 2004-2005 is adjusted to the strategic framework and is presented alongside the outline for 2006-2007. Table 1 provides an overview of budgetary requirements.

1. Crime programme (major projected changes in 2006-2007)

9. A \$52.2 million (275 per cent) increase is projected in the crime programme for 2006-2007 over 2004-2005 (for details see table 1). It is important to note that this projected increase is based primarily on planned project activities and the assumption that implementing capacity will be in place to launch these activities in time. This assumption will be critically examined again in the second half of 2005 when formulating the proposed budget for 2006-2007. The projected increase can be summarized under the following major programme initiatives and related support requirements planned for 2006-2007.

Table 1
Consolidated budget 2004-2005 and outline 2006-2007
(Thousands of United States dollars)

Region/programme	Drug programme			Crime programme			UNODC		
	Budget 2004-2005	Outline 2006-2007	Percentage change	Budget 2004-2005	Outline 2006-2007	Percentage change	Budget 2004-2005	Outline 2006-2007	Percentage change
	<i>a</i>	<i>b</i>	<i>c = (b-a)/a</i>	<i>d</i>	<i>e</i>	<i>f = (d-c)/d</i>	<i>g</i>	<i>h</i>	<i>i = (f-e)/e</i>
A. Programme of work									
<i>By strategic framework</i>									
1. Research, analysis and advocacy	8 090	10 158	26	-	1 192		8 090	11 350	40
2. Normative work	14 783	19 078	29	4 700	7 500	60	19 483	26 578	36
3. Technical assistance and advice	140 089	135 972	(3)	11 276	53 556	375	151 365	189 528	25
Total, A	162 962	165 208	1	15 976	62 248	290	178 938	227 456	27
<i>By region</i>									
Africa and the Middle East	14 755	16 018	9	1 335	22 055	1 552	16 091	38 073	137
South-East Asia and the Pacific	25 357	27 121	7	355	1 300	266	25 713	28 421	11
West and Central Asia	38 066	44 811	18	1 290	12 299	853	39 356	57 110	45
Central and Eastern Europe	3 973	4 116	4	165	1 275	673	4 138	5 391	30
Latin America and the Caribbean	49 616	39 648	(20)	2 650	16 020	505	52 266	55 668	7
Core programmes	19 094	21 394	12	7 380	6 499	(12)	26 474	27 893	5
Normative: Headquarters ^{a, b}	12 100	12 100	-	2 800	2 800	-	14 900	14 900	-
Total, A	162 962	165 208	1	15 976	62 248	290	178 938	227 456	27
B. Support									
Field offices	19 789	19 813	0	350	2 178	522	20 139	21 991	9
Headquarters	18 532	23 562	27	2 650	4 152	57	21 182	27 714	31
Agencies	4 640	4 600	(1)	-	2 600		4 640	7 200	55
Total, B	42 961	47 975	12	3 000	8 930	198	45 961	56 905	24
Grand total (A+B)	205 924	213 183	4	18 976	71 178	275	224 900	284 361	26

^a Normative work is carried out mainly by the Division for Treaty Affairs, comprising the Treaty and Legal Affairs Branch, the Terrorism Prevention Branch and the secretariats of the Commission on Narcotic Drugs, the Commission on Crime Prevention and Criminal Justice and the International Narcotics Control Board.

^b The figures above represent all funding sources, including \$27.9 million from the regular budget—\$18.5 million for the drug programme and \$9.4 for the crime programme (see figure I).

(a) *Programme of work* (\$46.3 million total projected increase)

10. *Research, analysis and advocacy* (\$1.2 million increase). This comprises new initiatives covering crime data collection capacity among national and regional partners in Africa and the Middle East (\$0.9 million) and a World Crime Report (\$0.3 million).

11. *Normative work* (\$2.8 million increase), mainly to strengthen the legal regime against terrorism.

12. *Technical assistance and advice* (\$42.3 million increase), which is the result of: (a) a large anti-corruption project in Nigeria at an estimated cost of \$16.4 million in 2006-2007; (b) projects in Afghanistan to support criminal justice reforms, prison rehabilitation and the development of appropriate judicial capacity for the prosecution of major drug and organized criminal offences estimated at \$9.6 million for 2006-2007; (c) projects estimated at \$7.4 million for 2006-2007 in Argentina and Brazil covering urban security initiatives focused on crime prevention through social programmes; (d) an estimated increase of \$4.1 million over 2004-2005 in criminal justice reform projects in Africa (\$1.8 million) and Latin America (\$2.3 million); (e) an estimated increase of \$3 million over 2004-2005 in all regions for existing and new projects in the interdiction of trafficking in human beings; and (f) new anti-corruption projects in Central Asia estimated at \$1.8 million for 2006-2007.

13. It is expected that all these increased programme activities will be funded from voluntary earmarked sources. Projects in Afghanistan have already secured substantial funding, with \$6.8 million received from one major donor. Negotiations are well advanced in funding the Nigeria project, while the projects in Argentina and Brazil are expected to be cost-shared by the Governments concerned. A number of existing projects on combating terrorism, human trafficking and corruption and in the criminal justice reform sector have already attracted much greater funding than was conservatively estimated in the preparation of the 2004-2005 budget.

(b) *Support* (\$5.9 million total projected increase)

14. The proposed \$46.3 million increase in the crime programme should generate approximately \$5.2 million (11 per cent) in additional programme support income (PSI) in 2006-2007, which will be used to strengthen the support infrastructure without which the proposed programme of work cannot be implemented. This PSI, complemented by an additional \$0.7 million of general-purpose funds (GPF), for a total increase of \$5.9 million (198 per cent) in support requirements is projected for 2006-2007 over 2004-2005 for the crime programme. It is important to note that even with this level of increase in support requirements the overall ratio between programme and support will improve from 84:16 in 2004-2005 to 88:12 in 2006-2007. In other words, resource allocation in the crime programme during 2006-2007 will be 4 per cent more towards programme implementation rather than support or overheads.

2. Drug programme (major projected changes in 2006-2007)

15. In the drug programme, an overall \$7.3 million (4 per cent) budget increase is foreseen for 2006-2007, as follows.

(a) *Programme of work increases* (\$2.2 million total projected increase)

16. *Research, analysis and advocacy* (\$2.1 million increase). This comprises new initiatives totalling \$1.5 million covering drug data collection capacity among national and regional partners in Africa and the Middle East (\$0.9 million) and cannabis cultivation surveys in North and West Africa (\$0.6 million) are envisaged. With the introduction of revised salary scales after the 2004-2005 budget was formulated and the continued weakness of the United States dollar against the euro, it is expected that operating costs for core programmes based at headquarters in Vienna will increase by \$0.6 million.

17. *Normative work* (\$4.3 million increase). Strengthening legal assistance, development and harmonization of legislative capacities in Afghanistan, the Islamic Republic of Iran, Pakistan and other Central Asian nations will require an additional \$3.2 million. In South-East Asia and the Pacific additional resources will be required to build on the achievements of existing legal assistance support (\$0.6 million). It is expected that, given the revised salary scales and the continued weakness of the dollar against the euro, operating costs for core programmes will increase by \$0.5 million.

18. *Technical assistance and advice* (\$4.1 million decrease). A major decrease of \$10 million is projected for Latin America, mainly in prevention, treatment and rehabilitation and in sustainable livelihood programme activities, based on the trend that, while many ongoing projects in these areas are expected to be completed in 2004-2005, the same programme level may not be sustainable in 2006-2007 through new projects likely to attract sufficient funding. This decrease will be offset by \$3.3 million increases in Afghanistan and other Central Asian countries with initiatives focused on the prevention of HIV/AIDS, drug abuse counselling, treatment and rehabilitation services and sustainable livelihoods. Increases of \$1.6 million are also required mainly in counternarcotic enforcement activities in South-East Asia and the Pacific region. Lastly, an increase of \$1 million is projected in the new "container control" initiative planned under the core programme.

19. It is expected that the total projected net increase of \$2.2 million (1 per cent) in the drug programme of work will be funded from voluntary earmarked sources based on past and current contribution patterns.

(b) *Support* (\$5.0 million total projected increase)

20. The increased requirement is all at headquarters and results mainly from the introduction of revised salary scales and the continued weakness of the dollar against the euro. Further explanations are provided under chapter III.C (paras. 55-61) below. It is important to note, however, that even with this level of increase in support requirements, the overall ratio between programme and support will remain at 78:22 in 2006-2007 as compared with 79:21 in 2004-2005. In other words, resource allocation will only shift by 1 per cent from programme to support.

3. Consolidated regional overview

21. Figure I provides an overview by region and shows the mix of funding between voluntary sources and the regular budget. In the projections for 2006-2007, it is assumed that funding from the regular budget will remain the same as 2004-2005 since the regular budget for 2006-2007 is yet to be proposed by the

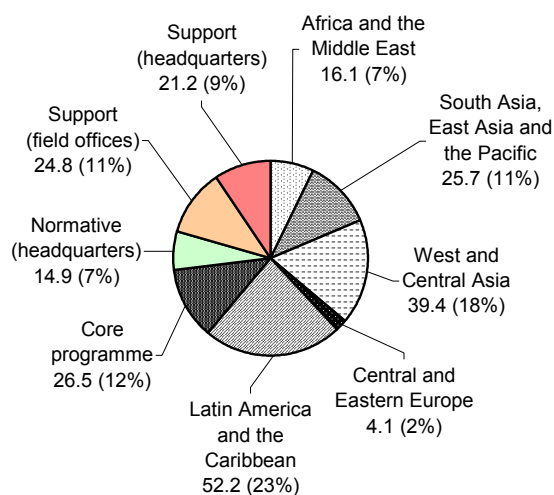
Secretary-General. As explained above, increases from voluntary sources in 2006-2007 are all expected from earmarked funds.

Figure I

Consolidated budget scenarios by region, 2004-2005 and 2006-2007

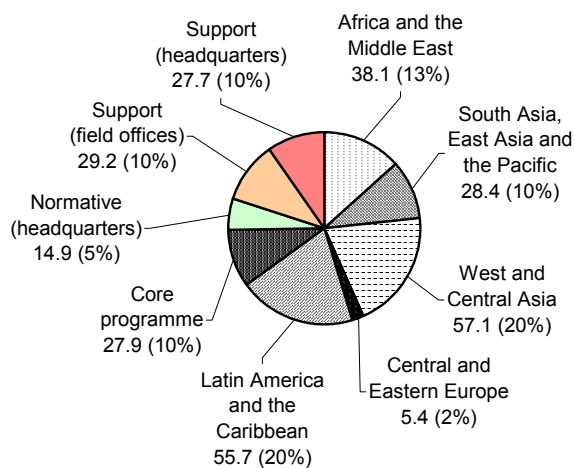
(Millions of United States dollars and percentage share of the total budget)

A. 2004-2005



Item	Voluntary sources		Regular budget		Total	
	\$m	%	\$m	%	\$m	%
Drugs	187.4	91	18.5	9	205.9	100
Crime	9.6	51	9.4	49	19.0	100
United Nations Office on Drugs and Crime	197.0	88	27.9	12	224.9	100

B. 2006-2007



Item	Voluntary sources		Regular budget		Total	
	\$m	%	\$m	%	\$m	%
Drugs	194.7	91	18.5	9	213.2	100
Crime	61.7	87	9.4	13	71.1	100
United Nations Office on Drugs and Crime	256.4	90	27.9	10	284.3	100
	30%		0%		26%	

22. In terms of regional distribution of resources, a major increase is proposed for Africa and the Middle East—from 7 per cent in 2004-2005 to 13 per cent in 2006-2007. This is in line with the wishes of Member States and will be achieved mainly through the major new crime programme initiatives mentioned above. West and Central Asia will also see a 2 per cent increase in its resource share for 2006-2007 as a result of existing and new initiatives in both its drugs and crime programmes. On the other hand, Latin America and the Caribbean will see a 3 per cent decline in 2006-2007 with the completion of major drug projects then. Owing to an overall expansion of the programme of work at the regional level, especially in the crime programme, the relative shares of the headquarters-based normative and core programmes are expected to decline in 2006-2007.

II. Programme of work

A. Budget overview by theme

23. Table 2 further breaks down the programme of work, under each of its pillars, into key thematic areas as identified in the strategic framework.

24. An overview by theme can be summarized as follows.

1. Research, analysis and advocacy

25. The major increase planned is in research and trend analysis to cover new initiatives in drug and crime data collection capacity among national and regional partners in Africa and the Middle East and for the world crime report. Other new initiatives planned under illicit drug crop monitoring are cannabis cultivation surveys in North and West Africa. New laboratory and scientific services are planned in South-East Asia and the Pacific, to improve forensic capabilities and to promote utilization of standardized laboratory data in the region.

2. Normative work

26. As was explained in paragraph 17 above, it is planned to strengthen legal assistance in Afghanistan, the Islamic Republic of Iran, Pakistan and other Central Asian nations and also in South-East Asia and the Pacific. The legal regime against terrorism will continue to be strengthened in line with relevant treaties and conventions.

(a) Global challenges

27. This constitutes the largest thematic sector. Major initiatives will focus on prevention of HIV/AIDS in Africa and the Middle East (\$4.3 million increase over 2004-2005); South-East Asia and the Pacific (\$2.5 million increase over 2004-2005) and West and Central Asia (\$2 million increase over 2004-2005). These increases will be offset by a \$0.3 million decrease in Latin America and the Caribbean, which will also see a \$6.2 million decrease in drug prevention, treatment and rehabilitation. The other major decrease in drug prevention, treatment and rehabilitation is planned for Africa and the Middle East. In sustainable livelihoods

Table 2
Consolidated budget 2004-2005 and outline 2006-2007 by theme^a
 (Thousands of United States dollars)

Theme/programme	Drug programme			Crime programme			UNODC		
	Budget	Outline	Percentage	Budget	Outline	Percentage	Budget	Outline	Percentage
	2004-2005	2006-2007	change	2004-2005	2006-2007	change	2004-2005	2006-2007	change
	a	b	c = (b-a)/a	d	e	f = (d-c)/d	g	h	i = (f-e)/e
A. Programme of work									
1. Research, analysis and advocacy									
(a) Research and trend analysis	3 635	4 982	37	-	1 192		3 635	6 174	70
(b) Illicit drug crop monitoring	2 581	2 848	10	-	-		2 581	2 848	10
(c) Laboratory and scientific services	1 874	2 328	24	-	-		1 874	2 328	24
Total, A.1	8 090	10 158	26	-	1 192		8 090	11 350	40
2. Normative work									
(a) Legal assistance	1 256	5 280	320	-	-		1 256	5 280	320
(b) Terrorism prevention	-	-		1 900	4 700	147	1 900	4 700	147
(c) Normative: headquarters	12 100	12 100	-	2 800	2 800	-	14 900	14 900	-
(d) Information technology services	1 427	1 698	19				1 427	1 698	19
Total, A.2	14 783	19 078	29	4 700	7 500	60	19 483	26 578	36
3. Technical assistance and advice									
(a) Global challenges									
(i) HIV/AIDS	15 124	23 576	56				15 124	23 576	56
(ii) Prevention treatment and rehabilitation	32 936	23 872	(28)				32 936	23 872	(28)
(iii) Crime prevention		-		-	7 400		-	7 400	
(iv) Sustainable livelihoods	40 389	34 337	(15)				40 389	34 337	(15)
Subtotal, 3 (a)	88 449	81 785	(8)	-	7 400		88 449	89 185	1
(b) Anti-trafficking									
(i) Counternarcotics enforcement	47 196	49 664	5				47 196	49 664	5
(ii) Anti-organized crime				3 980	3 981	0	3 980	3 981	0
(iii) Anti-human-trafficking				3 111	6 238	101	3 111	6 238	101
Subtotal, 3 (b)	47 196	49 664	5	7 091	10 219	44	54 287	59 884	10
(c) Rule of Law									
(i) Anti-corruption				680	19 908	2 828	680	19 908	2 828
(ii) Anti-money-laundering	4 444	4 523	2				4 444	4 523	2
(iii) Criminal justice reform				3 505	16 028	357	3 505	16 028	357
Subtotal, 3 (c)	4 444	4 523	2	4 185	35 937	759	8 630	40 460	369
Total, A.3	140 089	135 972	(3)	11 276	53 556	375	151 366	189 528	25
Total, A	162 963	165 208	1	15 976	62 248	290	178 939	227 456	27
B. Support									
Field offices	19 789	19 813	0	350	2 178	522	20 139	21 991	9
Headquarters	18 532	23 562	27	2 650	4 152	57	21 182	27 714	31
Agencies	4 640	4 600	(1)	-	2 600		4 640	7 200	55
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Grand total (A+B)	205 924	213 183	4	18 976	71 178	275	224 900	284 361	26

^a The figures above represent all funding sources, including \$27.9 million from the regular budget—\$18.5 million for the drug programme and \$9.4 million for the crime programme (see figure I).

also, a \$6 million decrease is projected for 2006-2007, mostly in Latin America. These projected decreases are based on the trend that, while many ongoing projects in these areas are expected to be completed in 2004-2005, the same programme level may not be sustainable in 2006-2007 through new projects likely to attract sufficient funding. However, in the crime programme Latin America and the Caribbean will see, for the reasons given above, a \$7.4 million planned increase in crime prevention.

(b) Anti-trafficking

28. While anti-trafficking is projected to decline by 3 per cent in terms of resource share, in absolute terms it is expected to increase by \$5.6 million in 2006-2007 as compared with 2004-2005. This reflects a planned increase of \$3 million in all regions for existing and new projects in the interdiction of trafficking in human beings. Increases of \$2.6 million in counternarcotic enforcement activities are also planned mainly for South-East Asia and the Pacific (\$1.6 million) and the new "container control" initiative planned under the core programme (\$1 million).

(c) Rule of law

29. In terms of a thematic distribution of resources, a major increase is projected under rule of law from 4 per cent in 2004-2005 to 14 per cent in 2006-2007 (see figure II) reflecting, principally: (a) the anti-corruption initiatives planned in Nigeria and Central Asia; and (b) the criminal justice reform initiatives planned for Afghanistan, Africa and the Middle East and Latin America and the Caribbean. Increases are foreseen for anti-money-laundering activities in Africa and the Middle East (\$0.2 million) and in Latin America and the Caribbean (\$0.2 million).

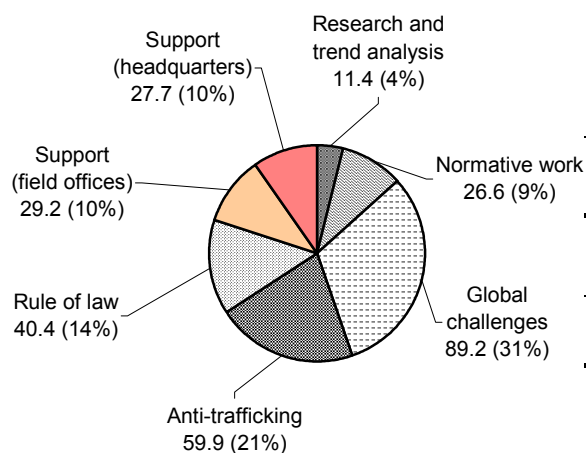
30. UNODC will aim to accomplish the following under the three pillars of the strategic framework.

B. Research, analysis and advocacy (\$11.4 million)

31. UNODC will: (a) provide timely and accurate statistics and analyses of the world drug and crime problems; (b) expand the evidence base for policy-making; (c) provide drug testing and forensic expert services; (d) evaluate projects, programmes and the impact of interventions; (e) develop strategic planning and analysis; (f) achieve a better balance between prevention and enforcement in programme planning and project development; (g) conduct policy dialogues with donor Governments, Member States, international organizations and private sector entities to mobilize resources; (h) reach out to civil society, non-governmental organizations and international media; (i) carry out targeted advocacy and communication activities, with emphasis on the media; and (j) coordinate with other United Nations agencies on issues related to drugs, crime and terrorism in all its forms and manifestations.

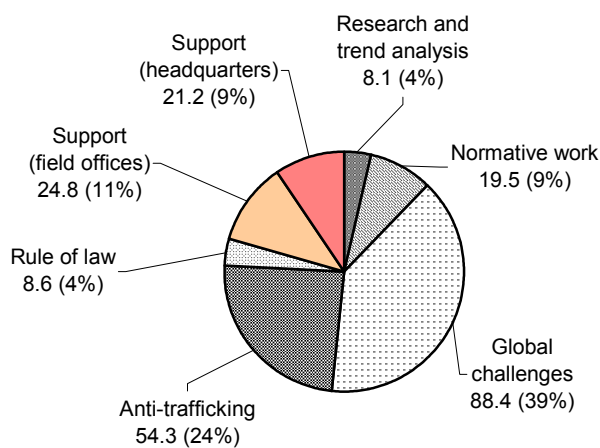
Figure II
Consolidated budget scenarios by theme, 2004-2005 and 2006-2007
(Millions of United States dollars)

A. 2004-2005



Item	Voluntary sources		Regular budget		Total	
	\$m	%	\$m	%	\$m	%
Drugs	187.4	91	18.5	9	205.9	100
Crime	9.6	51	9.4	49	19.0	100
United Nations Office on Drugs and Crime	197	88	27.9	12	224.9	100

B. 2006-2007



Item	Voluntary sources		Regular budget		Total	
	\$m	%	\$m	%	\$m	%
Drugs	194.7	91	18.5	9	213.2	100
Crime	61.7	87	9.4	13	71.1	100
United Nations Office on Drugs and Crime	256.4	90	27.9	10	284.3	100
	30%		0%		26%	

C. Normative work (\$26.6 million)

32. For ensuring the achievement of its expected accomplishments, UNODC will focus its efforts on: (a) providing specialized legal and related advice and services to Member States and for UNODC activities pertaining to the promotion of the ratification and implementation of the treaties and conventions on drugs, crime and terrorism; (b) develop and promote tools and best practices for and provide specialized training in international cooperation pertaining to the ratification and implementation of the treaties and conventions on drugs, crime and terrorism; (c) provide substantive and technical services, including necessary documentation, for the intergovernmental bodies, including the conferences of the parties, dealing with drugs, crime and terrorism issues; and (d) provide necessary substantive and secretariat support for the work of the International Narcotics Control Board.

D. Technical assistance and advice (\$189.5 million)

33. UNODC expects that enhanced implementation will result in the strengthened capacity of Member States: (a) to deliver policies, strategies and actions in line with the drug control conventions and the Political Declaration adopted by the General Assembly at its twentieth special session (resolution S-20/2, annex) devoted to countering the world drug problem in the six key areas of drug demand reduction; the production of, trafficking in and abuse of amphetamines; the control of precursors; judicial cooperation; money-laundering; and the elimination of illicit crops; (b) to reduce the main forms of transnational organized crime, including drug trafficking, human trafficking and money-laundering; (c) to reduce the main forms of corruption; (d) to implement the conventions and protocols related to terrorism; and (e) to pursue criminal justice reform in accordance with United Nations standards and norms in crime prevention and criminal justice. To achieve these objectives, the programme of work, under this pillar, will be undertaken within the following three main themes.

1. Global challenges (\$89.2 million)

34. This thematic sector comprises activities related to: (a) the programme on HIV/AIDS; (b) programme on prevention, treatment and rehabilitation; and (c) the programme on sustainable livelihoods.

35. UNODC will assemble evidence-based best practices developed in previous bienniums, assess their appropriateness for replication in different sociocultural situations, produce practical guides and tools for policy and programme development and strengthen regional and national capacities for the application of such models and approaches. Regarding HIV/AIDS, projects will focus on prevention and treatment among youth, injecting drug users, in prison settings and as they relate to trafficking in persons. Particular importance will be accorded to scaling up existing prevention programmes in countries where the use of drug injection represents a major route of HIV transmission. The programme will also conclude the development of best practice in three additional fields, namely the prevention of abuse of amphetamine-type stimulants and the use of media and alternative activities in prevention.

36. Treatment and rehabilitation activities promote effective methods for drug-dependent people to regain control of their lives and to become positive and productive members of society. In this regard, UNODC will further develop an international network of drug treatment and rehabilitation resource centres in all regions with a view to facilitating dissemination of knowledge and capacity-building. In 2006-2007, the development of best practice materials will focus on: (a) the role of treatment and rehabilitation services in HIV/AIDS prevention and care; (b) a training package; and (c) treatment for young people, stimulant abusers and drug-abusing offenders. UNODC will also assist Member States in the development of their capacity to monitor patterns and trends in drug abuse and encourage the adoption of methodologically sound and comparable indicators of drug abuse. In so doing, the Global Assessment Programme on Drug Abuse supports the development of expert technical networks at both the national and the regional level and facilitates the development of structures to allow evidence-based demand reduction responses to be designed and adopted. This will enable UNODC to monitor the progress of Member States in relation to the goals and targets of the twentieth special session.

37. With regard to sustainable livelihoods, UNODC will continue building technical, data-collection and situation analysis capacity. UNODC will also, in close coordination with partner organizations, assist Member States in the identification and implementation of sustainable livelihood projects—both in urban settings and rural areas—aimed at preventing uncivil behaviour, such as drug trafficking, human trafficking and other types of crime. Emphasis will be placed on building partnerships that will incorporate sustainable livelihood strategies into the broader development programmes of Governments, multilateral development banks and bilateral donors.

2. Anti-trafficking (\$59.9 million)

38. This thematic sector comprises activities related to: (a) the programme on counternarcotics enforcement; (b) the anti-organized crime programme; and (c) the anti-human-trafficking programme.

39. With regard to the counternarcotics enforcement programme, UNODC will promote an intelligence-led approach to law enforcement, provide technical equipment in support of operations, train officers in best practice procedures and promote the use of specialized and modern investigation and interdiction techniques. A major new initiative is the “container control” programme, which is to be subject of a pilot programme on three continents aimed at preventing the growing misuse of commercial containers in illicit drug trafficking and organized crime. UNODC will also continue to provide Governments with the latest global trends in illicit drug trafficking through an annual report on global trends, four region-specific trend papers and a biannual report on current and significant drug seizures.

40. UNODC supports Member States in their efforts to implement the provisions of the United Nations Convention against Transnational Organized Crime (General Assembly resolution 55/25, annex I), and will continue to offer advisory services to Member States to draft, review and revise legislation in line with the Convention. Technical assistance will include law enforcement capacity-building, training of

relevant officers, the creation of specialized units to address specific forms of crime and the strengthening of victim services and witness protection.

41. A related and important part of the programme of work will be the development and exchange of reliable information on the nature, scope and trends of transnational organized crime, in particular on human trafficking and migrant smuggling. In all these areas, UNODC will actively promote coordination and close cooperation with other international organizations and enhanced inter-agency, cross-border and regional cooperation.

3. Rule of law (\$40.4 million)

42. This thematic sector comprises activities related to the programmes on: (a) anti-corruption; (b) anti-money-laundering; and (c) criminal justice reform.

43. These programmes seek to improve laws and structures to curb corruption and money-laundering and to bring the perpetrators of crime to justice. United Nations standards and norms, best practices, toolkits, manuals and legal databases will be utilized to control and prevent crime in vulnerable countries, including countries with economies in transition, developing countries and post-conflict countries.

44. In line with the provisions of the United Nations Convention against Corruption (General Assembly resolution 58/4), ensuring that a preventive framework is in place in societies severely affected by corruption will be the foundation for all technical assistance activities. These activities will essentially seek to support national anti-corruption policies and mechanisms, strengthen judicial integrity and capacity, promote integrity in the public and private sectors, confiscate the proceeds of corruption and facilitate the recovery of illicit assets.

45. UNODC will assist Governments in their fight against money-laundering and the financing of terrorism, providing expert advice and technical assistance to ratify, legislate and implement the relevant requirements of United Nations instruments as well as other relevant international standards. UNODC will also help Governments to set up financial intelligence units, develop and disseminate computer-based training programmes for law enforcement officials and support the development of regional cooperation.

46. UNODC will concentrate on restoring criminal justice systems in post-conflict countries and on integrating law reform, juvenile justice, correctional services, restorative justice and victim support schemes. This will require the rehabilitation of infrastructure and the training of judiciary officials, prosecutors, police, correctional officers, defence lawyers and welfare officers. Good practices related to the use of alternative measures and non-custodial sentences and criminal justice management, including the use of criminal justice statistics, will be promoted. UNODC will encourage the exchange of knowledge and experience among developing countries.

III. Fund of the United Nations International Drug Control Programme

A. Overview

47. This chapter presents the proposed 2006-2007 outline of the Fund of UNDCP.

48. The 2006-2007 outline proposed for the Fund of UNDCP amounts to \$194.7 million, an increase of \$7.3 million (4 per cent), as compared with its 2004-2005 budget. The outline is allocated in accordance with the categories identified in the harmonized budget model, distinguishing between programme, programme support and management and administration, and in line with the strategic framework and the consolidated programme of work of UNODC described above. It is based on current best estimates of overall voluntary funded income trends as well as on the current standard salary costs and estimated inflation rates and exchange rates established by United Nations Headquarters.

49. Table 3 provides a summary of resource requirements of the drug programme expected to be funded from voluntary sources.

50. The explanations for the total projected net increase of \$7.3 million (4 per cent) have been provided in paragraphs 15-20 above. It is expected that this modest increase will be funded from voluntary sources financing the Fund of UNDCP, based on past and existing contribution patterns. A further breakdown of these resource requirements follows.

B. Programme of work

51. The priorities and strategy needed, by theme and region, to accomplish the outline programme of work have been outlined above. An important distinction, however, is recognized in the programme of work under the Fund of UNDCP. This is between technical cooperation and core programme activities. Technical cooperation activities are carried out through time-bound projects implemented mainly at the field level. Core activities, on the other hand, are ongoing in nature owing to continuing mandates and global in range, requiring implementation from headquarters.

Table 3

Fund of UNDCP: resource requirements 2004-2005 and outline 2006-2007^a

(Thousands of United States dollars)

<i>Item</i>	<i>Budget 2004-2005</i>	<i>Changes</i>		<i>Outline 2006-2007</i>
		<i>Amount</i>	<i>Percentage</i>	
A. Programme of work				
<i>By strategic framework</i>				
1. Research, analysis and advocacy	4 690	2 068	44	6 758
2. Normative work	2 583	4 295	166	6 878
3. Technical assistance and advice	138 189	(4 117)	(3)	134 072
Total, A	145 462	2 246	2	147 708

Item	Budget	Changes		Outline
	2004-2005	Amount	Percentage	2006-2007
By region				
Africa and the Middle East	14 755	1 263	9	16 018
South and East Asia and the Pacific	25 357	1 764	7	27 121
West and Central Asia	38 066	6 745	18	44 811
Central and Eastern Europe	3 973	143	4	4 116
Latin America and the Caribbean	49 616	(9 968)	(20)	39 648
Core programmes	13 694	2 300	17	15 994
Total, A	145 462	2 246	2	147 708
B. Support				
Field offices	19 789	24	0	19 813
Headquarters	17 496	5 026	29	22 522
Agencies	4 640	(40)	(1)	4 600
Total, B	41 925	5 010	12	46 935
Grand total (A+B)	187 387	7 256	4	194 643

^a The figures above represent only voluntary funding sources. They exclude \$18.5 million from the regular budget. This accounts for the difference in figures between this table and those in tables 1 and 2 under the drug programme.

1. Technical cooperation programme

52. Table 4 provides a thematic and regional overview of the proposed outline for 2006-2007 as compared with the budget for 2004-2005 for technical cooperation activities. The reasons for the major changes projected in 2006-2007 have been noted in paragraphs 25-29 above. Overall no increase is projected.

Table 4

Fund of UNDCP: technical cooperation budget 2004-2005 and outline 2006-2007

(Thousands of United States dollars)

Item	Budget 2004-2005	Changes		Outline 2006-2007
		Amount	Percentage	
Technical cooperation				
1. Research, analysis and advocacy				
(a) Research and trend analysis	-	870		870
(b) Illicit drug crop monitoring	1 318	89	7	1 408
(c) Laboratory and scientific services	-	369		369
Total, 1	1 318	1 328	101	2 647
2. Normative work				
Legal assistance	-	3 779		3 779
Total, 2	-	3 779		3 779

Item	Budget 2004-2005	Changes		Outline 2006-2007
		Amount	Percentage	
3. Technical assistance and advice				
(a) Global challenges				
(i) HIV/AIDS	14 090	8 286	59	22 376
(ii) Prevention, treatment and rehabilitation	30 066	(9 042)	(30)	21 024
(iii) Sustainable livelihoods	40 389	(6 052)	(15)	34 337
Subtotal, 3 (a)	84 545	(6 808)	(8)	77 737
(b) Anti-trafficking				
Counternarcotics enforcement	45 905	1 252	3	47 156
Subtotal, 3 (b)	45 905	1 252	3	47 156
(c) Rule of law				
Anti-money-laundering	-	395		395
Subtotal, 3 (c)	-	395		395
Total, 3	130 449	(5 161)	(4)	125 288
Total	131 768	(54)	-	131 714
<i>By region</i>				
Africa and the Middle East	14 755	1 263	9	16 018
South and East Asia and the Pacific	25 357	1 764	7	27 121
West and Central Asia	38 066	6 745	18	44 811
Central and Eastern Europe	3 973	143	4	4 116
Latin America and the Caribbean	49 616	(9 968)	(20)	39 648
Total	131 768	(54)	-	131 714

2. Core programme

53. In their financial report and audited financial statements of the Fund of UNDCP for the biennium ended 31 December 2003 (A/59/5/Add.9), the Board of Auditors recommend that the Advocacy Section, shown as a core programme, should be reclassified as a support function. Accordingly, an adjustment of \$1.4 million, reflecting the cost of the Advocacy Section, is made in all tables in this report by transferring this amount from the core to support budgets. This adjustment will be fully reflected in the final budget for 2004-2005 and the initial budget for 2006-2007 to be considered by the Commission at the end of 2005.

54. As shown in table 5, an overall increase of \$2.3 million (17 per cent) is proposed in the 2006-2007 outline over the 2004-2005 budget (adjusted for the Advocacy Section, as explained in para. 53 above). Of this increase \$1 million is related to the new container control initiative, the main purpose of which is explained in paragraph 39 above. The remaining proposed increase of \$1.3 million is explained as follows: the initial budget for the biennium 2004-2005 took into account the content of the submission of the Secretary-General of the regular programme budget, which included an additional P-3 position for the Laboratory and Scientific Section. During the intergovernmental budget review process this additional position was rejected. Therefore, the cost of this post is being borne by the Fund of UNDCP and is reflected as an increase in the outline for 2006-2007. In addition, two more posts (one P-3 and one GS (Other level) post) under the illicit crop monitoring programme carrying out essential remote sensing work are added

in the outline of the Fund for 2006-2007. Lastly, the outline reflects increased headquarters costs resulting from the introduction of revised salary scales after the 2004-2005 budget was formulated and the continued weakness of the dollar against the euro. All these adjustments will be fully taken into account in the preparation of the final budget for 2004-2005 and the initial budget for 2006-2007 to be considered by the Commission at the end of 2005.

Table 5

Fund of UNDCP: core programme budget 2004-2005 and outline 2006-2007

(Thousands of United States dollars)

Item	Budget 2004-2005	Changes		Outline 2006-2007
		Amount	Percentage	
Core programme				
1. Research, analysis and advocacy				
(a) Research and trend analysis	1 835	477	26	2 312
(b) Illicit drug crop monitoring	1 063	177	17	1 240
(c) Laboratory and scientific services	474	85	18	559
Total, 1	3 372	739	22	4 111
2. Normative work				
(a) Legal advisory services	1 156	244	21	1 400
(b) Information technology services	1 427	271	19	1 698
Total, 2	2 583	515	20	3 098
3. Technical assistance and advice				
(a) Global challenges				
(i) HIV/AIDS	1 034	166	16	1 200
(ii) Prevention, treatment and rehabilitation	1 770	(22)	(1)	1 748
Subtotal, 3 (a)	2 804	144	5	2 948
(b) Anti-trafficking				
Counter-narcotics enforcement	691	1 217	176	1 908
Subtotal, 3 (b)	691	1 217	176	1 908
(c) Rule of law				
Anti-money-laundering	4 244	(316)	(7)	3 928
Subtotal, 3 (c)	4 244	(316)	(7)	3 928
Total, 3	7 739	1 045	13	8 784
Total	13 694	2 299	17	15 994

C. Support budget

55. Support requirements for 2006-2007 are projected at \$46.9 million, an increase of \$5 million (13 per cent) as compared with the budget for 2004-2005 (see table 6), \$3.4 million of which is related to revised standard salary costs, issued by United Nations Headquarters after the initial budget for 2004-2005 had been prepared, as well as to the continuing weakness of the dollar against the euro. The balance of the proposed increase, \$1.6 million, is explained in paragraphs 56 and 57 below.

56. In paragraph 308 of his report of 17 September 2003 (E/CN.7/2003/20), the Executive Director indicated that any revision resulting from the new working arrangement with the United Nations Development Programme (UNDP) would be reported to the Commission. As a first step, UNDP introduced with effect from 1 January 2004 the activity-based universal price list (UPL) for reimbursement for services at the field level. UNODC signed an agreement with UNDP in this regard. The actual impact of the introduction of UPL is currently not known because the new enterprise resource planning system (Atlas), introduced by UNDP in 2004, cannot yet report on these charges. However, in addition to these charges UNDP is also requiring a management fee of 3 per cent on all UNODC project expenditures reported through Atlas. Current estimates indicate that these measures will cost UNODC an additional \$1.6 million in 2006-2007 and this is reflected in the outline projections.

57. With a view to minimizing its overhead costs for services provided by UNDP, UNODC is, however, currently exploring possibilities for amending its administrative procedures through, for example, the opening of bank accounts in major field duty stations, administrative handling of all non-staff field office activities by the offices themselves and financial reporting through ProFi. The Commission will be informed in the course of 2005 about the impact of the introduction of the new UNDP charges, as well as on the outcome of the planned change in administrative procedures by UNODC in its submission of the consolidated final budget for 2004-2005 and initial budget for 2006-2007.

Table 6

Fund of UNDCP: support budget 2004-2005 and outline 2006-2007

(Thousands of United States dollars)

<i>Item</i>	<i>Budget 2004-2005</i>	<i>Changes</i>		<i>Outline 2006-2007</i>
		<i>Amount</i>	<i>Percentage</i>	
Programme support	27 637	2 049	7	29 686
Management and administration	9 648	3 001	31	12 649
Agencies	4 640	(40)	-	4 600
Total	41 925	5 010	13	46 935

1. Programme support

58. The projected \$2.1 (7 per cent) increase in 2006-2007 reflects the following main elements: \$1.0 million relates to salary and exchange rate cost increases at headquarters, as explained in paragraph 55 above; the balance of \$1.1 million comprises the followings items: (a) a further strengthening of the field office network's security, already started in 2004-2005, to ensure compliance with the minimum operating security standards at all duty stations; (b) the P-2 position in the Regional Office in Moscow is abolished and replaced by two National Programme Officer positions; and (c) eight Local Level service staff have been added to strengthen seven field offices. A detailed report on these initiatives will be submitted in the context of the final budget for 2004-2005 and initial budget for 2006-2007.

59. With regard to programme support at headquarters, no changes in the staffing table are foreseen at this stage.

2. Management and administration

60. The projected \$3.0 million (31 per cent) increase in 2006-2007 reflects the following main elements: \$2.4 million relates to salary and exchange rate cost increases, as explained in paragraph 55 above. The balance of \$0.6 million is required mainly for the post of Deputy Spokesperson, at the P-5 level, omitted in the initial budget for 2004-2005, and an additional General Service post to accommodate the conversion of two part-time staff sharing one post to two 80 per cent contracts. A detailed report on these changes will be submitted in the context of the final budget for 2004-2005 and initial budget for 2006-2007.

3. Agencies

61. Given that the total projected programme of work for 2006-2007 will not increase, no overall increase is envisaged in the sharing of support costs with other implementing agencies.

IV. Crime Prevention and Criminal Justice Fund

62. A budget overview of the crime programme has been provided in chapter I.B.1 above. This overview shows total resource requirements from both voluntary sources and the United Nations regular budget. A \$52.2 million increase is projected for the crime programme in 2006-2007 over 2004-2005. This increase is explained in paragraphs 9-14 above. It is expected that the increase will be funded from voluntary sources under the Crime Prevention and Criminal Justice Fund (CPCJ). Table 7 provides an overview of the 2004-2005 budget and 2006-2007 outline for the CPCJ Fund.

Table 7

CPCJ Fund: resource requirements 2004-2005 and outline 2006-2007^a

(Thousands of United States dollars)

Item	Budget	Changes		Outline
	2004-2005	Amount	Percentage	2006-2007
A. Programme of work				
By strategic framework				
1. Research, analysis and advocacy	-	1 192		1 192
2. Normative work	700	2 800	400	3 500
3. Technical assistance and advice	7 576	42 281	558	49 856
Total, A	8 276	46 273	559	54 548
By region				
Africa and the Middle East	1 335	20 720	1 552	22 055
South-East Asia and the Pacific	355	945	266	1 300
West and Central Asia	1 290	11 009	853	12 299
Central and Eastern Europe	165	1 110	673	1 275
Latin America and the Caribbean	2 650	13 370	505	16 020
Core programmes	2 480	(881)	(36)	1 599
Total, A	8 276	46 273	559	54 548

<i>Item</i>	<i>Budget 2004-2005</i>	<i>Changes</i>		<i>Outline 2006-2007</i>
		<i>Amount</i>	<i>Percentage</i>	
B. Support				
Field offices	350	3 280	937	3 630
Headquarters	750	250	33	1 000
Agencies	200	2 400	1 200	2 600
Total, B	1 300	5 930	456	7 230
Grand total (A+B)	9 576	52 203	545	61 778

^a The figures above represent only voluntary funding sources. They exclude \$9.4 million from the regular budget. This accounts for the difference in figures between this table and those in tables 1 and 2 under the crime programme.

Annex

Draft resolution on the Fund of the United Nations International Drug Control Programme for adoption by the Commission on Narcotic Drugs

1. The proposed 2006-2007 outline for the Fund of the United Nations International Drug Control Programme is covered in the report of the Executive Director on the consolidated budget outline for 2006-2007 for the United Nations Office on Drugs and Crime (E/CN.7/2005/8), submitted in accordance with Commission on Narcotic Drugs resolution 13 (XXXV) and article X of the Financial Rules of the Fund. The report of the Advisory Committee on Administrative and Budgetary Questions on the consolidated budget outline for 2006-2007 for the United Nations Office on Drugs and Crime is contained in document E/CN.7/2005/9.

2. The following draft resolution, to be recommended to the Commission on Narcotic Drugs for adoption, summarizes the main issues contained in the report of the Executive Director with regard to the budget of the Fund of UNDCP:

*Outline for 2006-2007 for the Fund of the United Nations
International Drug Control Programme*

The Commission on Narcotic Drugs,

Bearing in mind the administrative and financial functions entrusted to it by the General Assembly in its resolution 46/185 C, section XVI, paragraph 2, of 20 December 1991,

Having considered the report of the Executive Director of the United Nations Office on Drugs and Crime containing the consolidated budget outline for 2006-2007 for the Fund of the United Nations International Drug Control Programme,¹

Taking into consideration the report of the Advisory Committee on Administrative and Budgetary Questions relating to the consolidated budget outline for 2006-2007 for the Fund of the United Nations International Drug Control Programme,²

1. *Takes note* of the consolidated budget outline for 2006-2007, totalling 194,643,000 United States dollars, for the Fund of the United Nations International Drug Control Programme, in the following areas:

¹ E/CN.7/2005/8.

² E/CN.7/2005/9.

<i>Item</i>	<i>United States dollars</i>
<i>Programme</i>	
Core programme	15 994 000
Technical cooperation programme	131 714 000
<i>Programme support</i>	
Field offices	19 813 000
Headquarters	9 873 000
<i>Management and administration</i>	12 649 000
<i>Agencies</i>	4 600 000
Total outline	194 643 000

2. *Considers* that the proposed outline provides a basis for the submission of the proposed initial budget for 2006-2007 by the Executive Director of the United Nations Office on Drugs and Crime.