



## General Assembly

Distr.: General  
23 November 1999

Original: English

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### **Fifty-fourth session**

Agenda item 119

### **Programme budget for the biennium 1998-1999**

## **Second performance report**

### **Report of the Secretary-General**

#### *Summary*

The present report provides an estimate of the anticipated final level of expenditures, changes in parameters for inflation and exchange rates and cost-of-living adjustments compared with the assumptions made in the first performance report, which was reviewed by the General Assembly at its fifty-third session (A/53/693) and which formed the basis for the revised appropriations and estimate of income for 1998-1999.

The revised requirements under the expenditure sections amount to \$2,488.3 million, a decrease of \$41.6 million. The revised estimate under income sections amounts to \$356.4 million, a decrease of \$6.3 million.

In the light of the chronic cash shortage of the Organization, the Secretary-General seeks the concurrence of the General Assembly to temporarily suspend the provisions of financial regulations 4.3, 4.4 and 5.2 (d) in respect of surpluses arising at the end of the financial period 1998-1999.

## I. Introduction

1. The purpose of the second performance report is to provide an estimate of the anticipated final level of expenditures and income for the current biennium. The estimate is based on actual expenditures for the first 20 months, projected requirements for the last 4 months, changes in inflation and exchange rates and cost-of-living adjustments as compared with the assumptions made in the first performance report, which was reviewed by the General Assembly at its fifty-third session (A/53/693) and which formed the basis for the revised appropriations and estimate of income for the biennium 1998-1999. The estimates proposed in this second performance report represent a decrease of \$35.3 million compared with the revised appropriations and estimates of income approved by the General Assembly in its resolutions 53/215 A to C of 18 December 1998 and 53/219 of 7 April 1999, as follows:

	<i>Revised appropriation</i>	<i>This report</i>	<i>Increase (decrease)</i>	<i>Percentage</i>
	<i>(Millions of United States dollars)</i>			
Expenditure	2 529.9	2 488.3	(41.6)	1.6
Income	362.7	356.4	(6.3)	1.7
Net	2 167.2	2 131.9	(35.3)	1.6

2. The net requirement of \$35.3 million is composed of the following:

	<i>Millions of United States dollars (rounded)</i>
<i>1. Increases</i>	
(a) Commitments entered into under the provisions of resolution 52/223 of 22 December 1997 on unforeseen and extraordinary expenses	4.2
(b) Commitments arising from the administrative and programme budget implications of Commission on Human Rights resolution 1999/S-4/1 (E/1999/L.59) endorsed by the Economic and Social Council in its decision 1999/293	0.6
<b>Total</b>	<b>4.8</b>
<i>2. Reductions</i>	
(a) Changes in exchange rate assumptions	(17.2)
(b) Changes in inflation assumptions	(2.0)
(c) Variations in posts and common staff costs	(12.3)
(d) Adjustments to objects of expenditure other than posts, based on actual anticipated requirements	(14.9)
(e) Decrease in income	6.3
<b>Total</b>	<b>(40.1)</b>
<b>Net decrease</b>	<b>(35.3)</b>

3. In view of the chronic cash shortage of the Organization, the concurrence of the General Assembly is sought to suspend the provisions of financial regulations 4.3, 4.4 and 5.2 (d) in respect of surpluses arising at the end of the financial period 1998-1999.

4. Schedules 1 to 9 provide additional information on changes in requirements and revised budget assumptions, including rates of exchange and cost of living. The titles of the schedules follow:

- Schedule 1. Summary of projected expenditures by section and main determining factors
- Schedule 2. Summary of projected expenditures by main objects of expenditure and main determining factors
- Schedule 3. Summary of projected expenditures by section/main objects of expenditure and main determining factors
- Schedule 4. Rates of exchange and inflation by duty station
- Schedule 5. United Nations operational rates of exchange for 1999
- Schedule 6. Post adjustment multipliers for 1999 applicable to staff in the Professional category and above
- Schedule 7. Changes in General Service salaries
- Schedule 8. Average vacancy rates by section
- Schedule 9. Compensation paid to staff as a result of judgements of the United Nations Administrative Tribunal, by section

## II. Expenditure sections

5. Summarized below are the overall changes under the expenditure sections (in millions of United States dollars):

<i>1998-1999 revised appropriations</i>	<i>Rates of exchange</i>	<i>Inflation</i>	<i>Commitment authority and unforeseen and extraordinary expenses</i>	<i>Other changes</i>	<i>Revised estimates</i>
2 529.9	(17.2)	(2.0)	4.8	(27.2)	2 488.3

### A. Rates of exchange and inflation (decrease of \$19.2 million)

6. The total decrease is attributable to the more favourable rate of exchange of the United States dollar in relation to most other relevant currencies (decrease of \$17.2 million) and to minor unanticipated inflationary increases and decreases, mainly under post costs (decrease of \$2.0 million). The distribution of the \$19.2 million of exchange rate and inflation changes by duty station is shown in table 1.

**Table 1**  
**Exchange rate and inflation changes by duty station**

(Millions of United States dollars)

<i>Duty station</i>	<i>Rate of exchange</i>	<i>Inflation</i>	<i>Total</i>
New York	0.0	(3.0)	(3.0)
Geneva	(5.1)	(0.3)	(5.4)
Vienna	(1.1)	(0.4)	(1.5)
Santiago	(3.1)	0.5	(2.6)
Addis Ababa	(3.2)	2.3	(0.9)
Beirut	0.1	(0.3)	(0.2)
Nairobi	(1.6)	0.7	(0.9)
Bangkok	2.3	(2.7)	(0.4)
Other	(4.3)	2.3	(2.0)
Staff assessment	(1.1)	(1.1)	(2.2)
<b>Total<sup>a</sup></b>	<b>(17.2)</b>	<b>(2.0)</b>	<b>(19.2)</b>

<sup>a</sup> Rounded.

7. In estimating the effect of exchange rate fluctuations in 1999, the Secretariat applied the average 1999 rates actually experienced from January to the latest available month (November). Details of assumed and actual rates of exchange for all duty stations may be found in schedules 4 and 5.

8. With regard to inflation, the adjustments are based on the latest available information on consumer price indices as well as adjustments resulting from differences in actual post adjustment indices for staff in the Professional category and above and actual cost-of-living adjustments of salary scales for staff in the General Service and related categories compared with the assumptions made in the revised appropriations.

9. The reduction of \$17.2 million reflects the continuing favourable rates of exchange of the United States dollar against other currencies that have been experienced in 1999 as compared with the budgeted exchange rates of November 1998. It may be recalled that in the first performance report it was reported that for the most part, favourable average operational rates of exchange were experienced in 1998. That trend has continued during 1999. Notably, whereas a rate of 1.46 Swiss francs to the dollar was assumed in the revised appropriations, representing the operational rate of exchange in November 1998, the average rate calculated for 1999, based on actual experience through November 1999, is SwF 1.49 to the dollar, representing a variance of 2.0 per cent. With regard to the Austrian schilling, the average for 1999 is S 12.82 to the dollar compared with S 12.45 assumed in the revised appropriations, a variance of 2.9 per cent. Figures 1 to 4 depict the performance of the Swiss franc and the Austrian schilling against the United States dollar based on actual monthly rates for January to November 1999 and projected for December 1999, as well as of the Chilean peso and the Ethiopian birr.





10. As concerns post costs, decreases totalling \$4.5 million (net of staff assessment) reflect slightly lower post adjustment indices and slightly higher cost-of-living adjustments than anticipated for a number of duty stations. A summary of the increases and decreases by duty station for inflation-related changes to posts are shown in table 2. Further details may be found in schedule 6, which contains information on the evolution of post adjustment indices by duty station and a comparison of the assumed and actual indices, and schedule 7, which provides information by duty station on cost-of-living increases for staff in the General Service and related categories.

Table 2  
**Increases and decreases by duty station for inflation-related changes to posts**

<i>Duty station</i>	<i>Increase/(decrease)</i> <i>(Millions of United States dollars)</i>
New York	0.37
Geneva	(0.02)
Vienna	(0.03)
Santiago	0.76
Addis Ababa	2.35
Beirut	(0.16)
Nairobi	1.12
Bangkok	(2.30)
Others	2.45
<b>Net</b>	<b>4.54</b>

11. Regarding the revised inflation rates for objects of expenditure other than posts, the revised rates for 1999 are, in the majority of cases, the same as or lower than had been foreseen in the revised appropriations. The net effect is a reduction of \$6.5 million in the rates of inflation for non-post items. Schedule 4 also contains details of the revised inflation rates by duty station for non-post objects of expenditure.

## **B. Commitment authority and unforeseen and extraordinary expenses (increase of \$4.8 million)**

12. Under the terms of resolution 52/223, the Secretary-General is authorized, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, to enter into commitments to meet unforeseen and extraordinary expenses, provided that the concurrence of the Committee shall not be necessary for such commitments, not exceeding a total of \$5 million in any one year, as the Secretary-General certifies relate to the maintenance of peace and security; such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by a number of situations in the Court as prescribed in paragraph 1 (b) of the resolution; and such commitments, not exceeding a total of \$500,000, as the Secretary-General certifies are required for inter-organizational security measures.

13. Under the provisions of resolution 52/233, commitments in the amount of \$4,216,500 have been entered into as follows:

- (a) Certified by the Secretary-General as relating to the maintenance of peace and security (\$4,037,900);
  - (b) Certified by the President of the International Court of Justice as relating to unforeseen expenses relating to the Court (\$178,600).
14. These expenses relate to budget sections 3 and 5 as follows:
- (a) Certified by the Secretary-General as relating to the maintenance of peace and security;

### Section 3. Peacekeeping operations and special missions (\$4,037,900)

<i>United States dollars</i>		
i.	Special Envoy of the Secretary-General for the Democratic Republic of the Congo Peace Process (S/1999/379 and S/1999/380)	259 900
ii.	Security Council panels to make recommendations to the Council on the full implementation of all relevant Security Council resolutions regarding Iraq (S/1999/100)	331 100
iii.	Support to the Arusha peace talks to help bring about a peaceful settlement in Burundi (S/1998/968 and S/1998/969)	262 000
iv.	Expert studies on ways of tracing violations of the measures regarding arms trafficking, oil supply and diamond trade, as well as movement of UNITA funds (S/1999/147 and S/1999/168)	93 400
v.	Special Envoy of the Secretary-General in Baghdad (S/1998/213 and S/1998/214)	209 800
vi.	Mission to discuss with the Government of Indonesia concrete steps to allow the peaceful implementation of the ballot result in East Timor (S/1999/946)	75 000
vii.	United Nations Peace-building Support Office in Guinea-Bissau (S/1999/232, S/1999/233 and Security Council resolution 1233 (1999))	2 147 200
viii.	United Nations Office in the Democratic Republic of the Congo	314 200
ix.	United Nations information-gathering mission to Liberia	43 900
x.	Personal Representative of the Secretary-General in East Timor	301 400

- (b) Certified by the President of the International Court of Justice as relating to unforeseen expenses of the Court.

### Section 5. International Court of Justice (\$178,600)

Payment of fees and travel costs of ad hoc judges for the cases concerning:

<i>United States dollars</i>		
i.	Fisheries jurisdiction (Spain v. Canada)	19 000
ii.	Request for interpretation of the Judgment of 11 June 1998 in the case concerning the land and maritime boundary between Cameroon and Nigeria (Cameroon/Nigeria)	33 000
iii.	Legality of use of force (Yugoslavia/Italy)	12 500
iv.	Legality of use of force (Yugoslavia/Spain)	16 000
v.	Legality of use of force (Yugoslavia/Netherlands)	1 800
vi.	Legality of use of force (Yugoslavia/Germany)	1 800
vii.	Legality of use of force (Yugoslavia/France)	1 800

		<i>United States dollars</i>
viii.	Legality of use of force (Yugoslavia/United Kingdom of Great Britain and Northern Ireland)	1 800
ix.	Legality of use of force (Yugoslavia/United States of America)	1 800
x.	Legality of use of force (Yugoslavia/Belgium)	9 100
xi.	Legality of use of force (Yugoslavia/Canada)	25 000
xii.	Application of the Convention on the Prevention and Punishment of the Crime of Genocide (Bosnia and Herzegovina/Yugoslavia)	55 000

15. In addition, in connection with the administrative and programme budget implications of Commission on Human Rights resolution 1999/S-4/1 contained in document E/1999/L.59 as endorsed by the Economic and Social Council in its decision 1999/293, commitments of \$553,500 have been incorporated into the present report.

### **C. Post incumbency and other changes (decrease of \$27.2 million)**

16. Schedule 2 provides, among other things, details of post incumbency and other changes by main object of expenditure. Included under this heading are: (a) differences between actual average salary and common staff costs compared with the standards included in the revised appropriations; (b) differences between realized vacancy rates compared with those assumed in the revised appropriations; and (c) adjustments to objects of expenditure other than posts based on actual and anticipated requirements to the end of the biennium.

17. Total changes under this heading amount to a net reduction of \$27,188,500, of which approximately \$25.1 million (92 per cent) is attributable to staff-related objects of expenditure and the remaining \$2.1 million (8 per cent) to non-staff objects of expenditure.

18. In section IV, paragraphs 18 and 19, of General Assembly resolution 53/214 of 18 December 1998, the Secretary-General was requested to reflect the impact of average vacancy rates in changes related to salaries and common staff costs for each budget section and to provide an explanation when average vacancy rates are higher than the level approved by the General Assembly. With respect to the former, the column entitled "post incumbency and other changes" of schedules 1 to 3 responds to this request. It should be noted that changes reflected under that column for the expenditure group "post" reflect the effects of both the differences between budgeted and actual vacancy rates as well as the effects of changes in the actual grade/step levels vis-à-vis budgeted rates.

19. As concerns the budgeted vacancy rate, for the first year of the biennium, in accordance with the first performance report and based on experience in 1998, the rate applied for that year was 10 per cent for the Professional category and above and 2.5 per cent for General Service. For the second year of the biennium, however, the budgeted vacancy rate was maintained at 5 per cent for Professionals and 2.5 per cent for General Service, as was originally approved for the initial appropriation.

20. On the basis of experience in January to September of the second year of the biennium, the 1999 realized level of vacancies amount to 9 per cent for the Professional category and above and 1.8 per cent for the General Service category. Further information by budget section on the evolution of actual average vacancy rates under the regular budget as at 31 December 1998 and 31 May and 30 September 1999 is included in schedule 8.

21. As shown in schedule 8, in a number of sections the average vacancy rate for 1999 to date is higher than the budgeted level approved by the General Assembly. This is attributable to a number of factors including, but not limited to, delays in recruitment, appointment and/or promotion to posts; separations; and placements of internal candidates in vacancies at a higher level which consequently results in vacancies at the lower level.

22. As mentioned above, there has been some improvement in the actual average vacancy rate for 1999 as compared with 1998. However, despite significant improvement compared with the levels experienced in the biennium 1996-1997, a need remains for further efforts in this area. As a review of schedule 8 would indicate, the average vacancy levels are not consistent across individual sections nor across duty stations. In a number of budget sections, for example, sections 1A, 1B, 12, 13, 18, 23 and 24, the average vacancy rate for 1999 has been significantly below the level approved by the General Assembly for the Professional category and above, while in others the vacancy rate has been higher. In other words, the high vacancy problem is not a general one but rather is concentrated in a limited number of exceptionally high-vacancy sections. In the latter case, higher-than-budgeted vacancy levels have been experienced in a variety of sections, which may be categorized as follows:

(a) Those small sections not considered problematic with a low authorized post base in which a marginal number of vacancies would generate a vacancy rate in excess of the budgeted level. For example, 1 vacant post out of an authorized number of 12 in section 8 would generate a vacancy rate of 8 per cent. Similarly under section 2B, 4 vacant posts against an authorized staffing table of 28 would lead to a vacancy rate of 14.3 per cent;

(b) Those larger sections requiring specific attention. For example, in just five sections — 2A, 7A, 11A, 16 and 20 — the realized vacancy rates as at 30 September 1999 were significantly recorded at 11.8, 11.1, 15.9, 28.2 and 15.5 per cent respectively. In terms of absolute numbers, the combined number of vacant posts for just these five sections (158) account for more than half of the total number of vacant posts (293), although those sections represent only 26 per cent of the total number of posts budgeted. The variation between the budgeted and realized vacancy rates for those sections reflects normal attrition and retirements that have not been compensated for by recruitment activity of a similar magnitude or speed to address those situations.

23. There is no single, simple solution to address these most significantly affected areas, although recognition of the concentrated nature of the problem should permit a response focused on the particular areas of concern. However, efforts continue to be made across the Organization to address the overall issue under the auspices of human resources management reform. Notably, as reflected in the report of the Secretary-General on human resources management reform (A/53/414, para. 22), changes in the existing procedures will help in reducing the time required for recruitment and placement by removing unnecessary procedures that add no value to the current process; for example, elimination of pre-review letters and of collateral review of candidates who did not apply for a vacancy, and the need to reconfirm the classification level of a post prior to the issuance of a vacancy announcement. In addition, as reflected in the report of the Secretary-General on the post structure of the Secretariat (A/53/955), work is ongoing with programme managers to analyse human resources trends within specific departments/offices in order to forecast vacancies and address them accordingly.

24. With regard to changes to objects of expenditure other than posts, as indicated in schedule 2, a net reduction of \$14.9 million is anticipated attributable to increases under travel, furniture and equipment, improvement of premises and grants and contributions amounting to \$22.4 million, offset by significantly reduced requirements amounting to \$37.3 million under other staff costs, non-staff compensation, consultants and experts, contractual services, general operating expenses, hospitality, supplies and materials and other.

25. The net increase under travel (\$1.3 million) relates, among other things, to additional requirements for the Office of the Secretary-General in the light of heightened political conflicts in a number of areas of the world, for example, good offices missions of the Secretary-General and his staff to Kosovo and other areas in the Balkans region; travel to countries in Africa and to the International Tribunals for the Former Yugoslavia and Rwanda; travel of security officers and communications staff providing security coverage and communication and cryptographic support on trips undertaken by the Secretary-General; higher-than-expected audit travel to the regional commissions and the United Nations offices at Geneva, Vienna and Nairobi; assessment travel related to reporting on the situation in Srebrenica; special political missions arising from actions taken by the Security Council concerning the situation in Angola and the special envoys of the Secretary-General in the Balkans; additional requirements at the Economic Commission for Africa (ECA) relating to freelance interpreters, translators and other conference-servicing staff; and travel at ECA and the Economic Commission for Latin America and the Caribbean in response to increased requests from member States for the collection of data to conduct studies and provide advisory services under their programmes of work.

26. As concerns the net increase of \$12.5 million under furniture and equipment, it relates in part to the purchase of 13 high-end servers needed for the upgrade of Integrated Management Information System (IMIS) installations at duty stations, additional security and safety-related equipment and additional furniture and equipment connected with space configurations and renovations; the acquisition of additional office automation equipment related in particular to connectivity between the ECA headquarters and the five subregional development centres, multimedia requirements for the conference centre such as videoconferencing, broadcasting over the Internet and acquisition of network and portable printers, servers and computers; and the continuing upgrading of the work environment in the Department of General Assembly Affairs and Conference Services to ergonomic standards, the replacement of outmoded equipment and the upgrading of the printing and proofing system and equipment in the reproduction section.

27. The net increase in requirements related to improvements to premises is related to a range of non-deferrable projects at New York in particular year 2000 compliance for back-up generators, power distribution systems, heating/ventilation/air-conditioning systems and emergency lighting, repair of leaks in the First Basement, waterproofing of the North Balcony and health and safety modifications in compliance with relevant building codes. In addition, resources have been included for Nairobi for charges that were not able to be included at the closing of the 1996-1997 accounts.

28. As concerns the net increase under grants and contributions, this relates significantly to sections 1A and 1B. Under section 1A, the additional requirement relates exclusively to the United Nations share in the cost of the central secretariat of the United Nations Joint Staff Pension Board (\$1.0 million) and additional reimbursement from the United Nations for the biennium 1996-1997, relating to charges that were reflected at the final closing of the 1996-1997 accounts owing to late submission of invoices from the

secretariat of the Fund. As to section 1B, the additional requirements (\$4.3 million) at the United Nations Office at Vienna relate to the reduced reimbursement mainly from the translation and associated reproduction and distribution requirements of the United Nations Industrial Development Organization and to a lesser extent from the International Atomic Energy Agency.

29. The net decrease under other staff costs (\$12.8 million) is related primarily to reduced requirements under temporary assistance for meetings and general temporary assistance, particularly in the Department of General Assembly Affairs and Conference Services, as a result of better utilization of staff resources through shift adjustments; various factors related to the peacekeeping and special missions, notably reduced overlap for incoming and outgoing military observers, a lower unit rate for United Nations Volunteers than had been assumed and new positions approved, for example, relating to the mission in Afghanistan, that were not filled owing to the situation in the area; and decreased requirements to maintain membership in the after-service health insurance programme.

30. The net reduction under contractual services (\$3.4 million) relates in part to the Office of Legal Affairs, under which, despite efforts to accelerate the process of eliminating the backlog in the Treaty Series, there remain delays in external printing; decreased requirements with respect to proprietary software, database system products and utilization of specialized services pending the relocation of the archives and records management facility; greater use of internal reproduction services, for example, by the Department of Economic and Social Affairs and ECE; and less contractual translation.

31. Reduced requirements under general operating expenses (\$14.0 million) is attributable in large part to favourable terms of leases renegotiated with the United Nations Development Corporation; reduced utility costs as a result of energy-saving measures; lower than projected requirements for maintenance of data-processing equipment, renegotiated local contracts of furniture and equipment at ECA; reduced long-distance telephone charges made available by long-distance providers; and expanded use of Internet and reduced operating requirements projected for a number of peacekeeping operations and special missions. With regard to supplies and materials, the net reduction (\$4.5 million) relates largely to tighter controls on the purchase of such supply needs as photocopying and writing paper as well as lower requirements for data-processing supplies and supplies and maintenance parts in support of telecommunications and computer technology service activities.

32. The net reduction of \$2.6 million under non-staff compensation, consultants and experts, hospitality and other relates, among other things, to a reduction in the compensation requirements of the judges of the International Court of Justice; a net reduction in consultants and experts as a result of the greater use of in-house expertise in a number of sections; and reduced requirements for ad hoc experts as a result of lower than anticipated participation and hospitality requirements.

33. In the programme budget for the biennium 1998-1999 a uniform approach to the presentation of those costs for activities not borne entirely by the United Nations but shared by the Organization and other entities was applied. Consequently, in the present report the net requirements or United Nations share of the relevant activities under sections 1B, 27F, 29 and 30 are included in the above discussion of the final overall level of the 1998-1999 programme budget and are reflected accordingly in the accompanying schedules 1 to 3 for appropriation purposes.

34. At the same time, the final gross budget levels recommended for the separate net budgeted activities would be as follows: Joint Inspection Unit (\$7.8 million); International Civil Service Commission (\$10.6 million); the secretariats of the Consultative Committee on Administrative Questions (\$1.5 million); the Information Systems Coordination Committee (\$1.3 million) and the Consultative Committee on Programme and Operational Questions (\$0.8 million); conference services (\$3.9 million) and security and safety services (\$10.2 million) at the United Nations Office at Vienna; and inter-organizational security (\$4.1 million).

### III. Income sections

35. The total decrease under income sections amounts to \$6.3 million, which is broken down by section as follows:

<i>Income section</i>	<i>Approved estimates of income</i>	<i>Increase/ (decrease)</i>	<i>Revised estimates of income</i>
<i>(Millions of United States dollars)</i>			
1. Income from staff assessment	324.8	(10.1)	314.7
2. General income	33.6	4.0	37.6
3. Services to the public	4.3	(0.2)	4.1
<b>Total</b>	<b>362.7</b>	<b>(6.3)</b>	<b>356.4</b>

#### Income section 1. Income from staff assessment

36. The decrease in staff assessment income of \$10.1 million reflects the level of staff assessment disbursed under the related expenditure section combined with staff assessment realized in respect of the expenditure portion of income section 3.

#### Income section 2. General income

37. The net increase under income section 2 is attributable to a range of offsetting factors. The largest of these were an increase in income from rental of premises (\$3.4 million), bank interest (\$2.2 million) and contributions of non-member States and refund of prior years' expenditure (\$2.2 million), offset by reductions under reimbursement for services provided to specialized agencies and others (\$1.6 million), and miscellaneous income and other sources of income (\$2.2 million).

#### Income section 3. Services to the public

38. The decrease under income section 3 is due mainly to a larger reduction in gross revenues than in related expenses. Reduced profitability of philatelic items was partially offset by improved performance in the sales of publications, garage and newsstand operations.

### IV. Compensation arising from judgements of the United Nations Administrative Tribunal

39. In accordance with General Assembly resolution 52/220 of 22 December 1997, included in the final estimates of the anticipated level of expenditures for the biennium 1998-1999 are those expenditures related to compensation paid to staff as a result of judgements of the Administrative Tribunal. The specific amounts under each section are included in schedule 9.

## **V. Development Account**

40. In paragraph 24 of resolution 52/12 B of 19 December 1997, the General Assembly decided to establish a development account in the programme budget for the biennium 1998-1999. In its resolution 52/221 A of 22 December 1997, the Assembly appropriated an amount of \$13,065,000 for the Development Account under section 34 of the programme budget. In accordance with resolution 54/15 of 29 October 1999, all resources appropriated under section 34 for the biennium 1998-1999 have been transferred to a special multi-year account for supplementary development activities established in response to the resolution.

41. Financial performance in respect of the resources under the special account will be reported in the context of the audited financial accounts of the Organization for the biennium 1998-1999. Reports as to the implementation of the projects approved by the General Assembly in its resolutions 53/220 A of 7 April 1999 and 53/220 B of 8 June 1999 would be submitted to the General Assembly in accordance with relevant regulations and rules as requested in those resolutions.