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Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

Financing of the International Residual Mechanism for Criminal Tribunals

Revised estimates for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for Criminal Tribunals: effect of changes in rates of exchange and inflation

Report of the Secretary-General

Summary

A preliminary recosting is reflected in the budgets for the biennium 2016-2017 for the International Criminal Tribunal for Rwanda ([A/70/448](#)), the International Tribunal for the Former Yugoslavia ([A/70/397](#)) and the International Residual Mechanism for Criminal Tribunals ([A/70/378](#)).

To update the costing parameters, the proposed budgets are recosted before their adoption by the General Assembly. The present report provides the updated projections for inflation and the effect of the evolution of operational rates of exchange in 2015 on the proposed budgets for the biennium 2016-2017.



After recosting, the resource requirements for the biennium 2016-2017 as proposed by the Secretary-General would amount to \$1,774,600 gross for the International Criminal Tribunal for Rwanda, \$95,747,100 gross for the International Tribunal for the Former Yugoslavia and \$133,522,300 gross for the International Residual Mechanism.

1. To provide a comparable basis on which to analyse increases and decreases from one biennium to another, the proposed budgets for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for Criminal Tribunals are normally presented at the same price levels and rates of exchange as are used in the current budgets. At the same time, the proposed budgets contain provisions for anticipated adjustments owing to inflation and to changes in the rates of exchange. These are isolated and presented separately in the column headed “recosting” in tables in the proposed budgets. The budgets are subsequently recosted three times in the biennial cycle, as follows:

(a) The first recosting is contained in the present report, which is submitted to the General Assembly for the purpose of updating the resource requirements in the proposed budget before an initial appropriation is approved;

(b) The second will be reflected in the revised estimates included in the first performance report on the budget, submitted by the Secretary-General at the end of the first year of the biennium, in connection with the approval of a revised appropriation;

(c) The third will be included in the second performance report, submitted at the end of the second year of the biennium, in connection with the approval of the final appropriation.

2. As indicated in the proposed budgets for the biennium 2016-2017 for the International Criminal Tribunal for Rwanda ([A/70/448](#), para. 15), the International Tribunal for the Former Yugoslavia ([A/70/397](#), para. 12) and the International Residual Mechanism ([A/70/378](#), para. 18), the proposed budgets are recosted in line with the standard regular budget recosting methodology. In line with paragraph 3 of section IX of resolution 69/274 A, forward exchange rates have been used for this recosting for currencies for which an active forward rate exists. For the Tanzanian shilling, the latest operational rate was used, given that no active market with forward rates exists. Adjustments to the vacancy rates are based on the average realized vacancy rates from January to October 2015. For the International Tribunal for the Former Yugoslavia, the rates are 4.2 per cent for the Professional and higher categories and 0.5 per cent for the General Service and related categories. For the Mechanism (The Hague branch), the rates are 14.2 per cent for the Professional and higher categories and 2.4 per cent for the General Service and related categories. For the Mechanism (Arusha branch), the rates are 7.4 per cent for the Professional and higher categories and 8.9 per cent for the General Service and related categories.

3. The recommendations of the Advisory Committee on Administrative and Budgetary Questions amount to decreased requirements totalling \$788,100 (see [A/70/600](#)). While the General Assembly has yet to take action on those recommendations, the proposed budgets have been recosted, applying the Committee’s recommendations, to allow Member States to have a more comprehensive picture of the overall level of estimates when determining the appropriations for the biennium. This is, however, without prejudice to decisions yet to be made on the recommendations.

4. A summary of the results of the recosting based on the parameters described herein is provided in the table.

Summary of recosting of the proposed budgets for the biennium 2016-2017

(Thousands of United States dollars)

Proposed budget (gross)	Recosting						Estimated initial appropriation (gross)
	Adjustments recommended by the Advisory Committee	Proposed budget plus the Advisory Committee's adjustments	Exchange rate	Inflation	Vacancy	Total	
(1)	(2)	(3)=(1+2)	(4)	(5)	(6)	(7)=(4+5+6)	(8)=(3+7)
International Criminal Tribunal for Rwanda							
2 628.2	(328.4)	2 299.8	(477.3)	(47.9)	–	(525.2)	1 774.6
International Tribunal for the Former Yugoslavia							
113 098.7	(26.6)	113 072.1	(16 253.0)	(998.0)	(74.0)	(17 325.0)	95 747.1
International Residual Mechanism							
150 688.5	(433.1)	150 255.4	(25 747.8)	(1 162.4)	10 177.1	(16 733.1)	133 522.3

5. The proposed revised parameters to be applied for the first recosting in the biennial cycle compared with the assumptions applied in the preliminary recosting included in the proposed budgets are set out in three schedules:

Schedule I. Rates of exchange relative to the United States dollar and annual rates of inflation by duty station for the Tribunals and the Mechanism;

Schedule II. Post adjustment multipliers by duty station;

Schedule III. Annual cost-of-living adjustments by duty station (General Service).

6. The estimated decreased requirements of \$477,300 for the International Criminal Tribunal for Rwanda, of \$16,253,000 for the International Tribunal for the Former Yugoslavia and of \$25,747,800 for the International Residual Mechanism in respect of exchange rate fluctuations reflect the strengthening of the United States dollar against the euro and the Tanzanian shilling. In the present recosting, the forward rate of exchange (contracted in December 2015) has been used as the basis for recosting for the euro, while the December 2015 rate has been used for the Tanzanian shilling.

7. With respect to inflation, consideration is given to a series of parameters, including updated projections for inflation at the different duty stations. In the case of the salaries of Professional staff, while base salaries are not affected by exchange rates, given that they are denominated in United States dollars, the post-adjustment component moves in response to changes in both inflation and exchange rates, and adjustments are triggered by movements in post-adjustment multipliers approved by the International Civil Service Commission. As to General Service salary and non-post requirements, changes are attributable to projected rates of inflation relative to those originally estimated. It should be noted that updated rates of inflation for the biennium 2016-2017 are calculated against the realized level of inflation in 2015.

8. For the International Criminal Tribunal for Rwanda, the estimated reduced requirements of \$47,900 owing to inflation reflect the effect of reductions under non-post objects of expenditure (\$45,600) and staff assessment (\$2,300). For the International Tribunal for the Former Yugoslavia, the estimated reduced requirements of \$998,000 reflect the net effect of reductions under General Service

salaries (\$458,900), non-post objects of expenditure (\$764,400) and staff assessment (\$118,000), partly offset by additional requirements under Professional salaries (\$343,300). Lastly, for the International Residual Mechanism, the estimated reduced requirements of \$1,162,400 reflect the net effect of reductions under non-post objects of expenditure (\$3,394,900), partly offset by increases under Professional salaries (\$976,800), General Service salaries (\$1,166,500) and staff assessment (\$89,200).

9. In summary, after recosting, the resource requirements for the biennium 2016-2017 as proposed by the Secretary-General, and taking into consideration the recommendations of the Advisory Committee, would amount to \$1,774,600 for the International Criminal Tribunal for Rwanda, \$95,747,100 for the International Tribunal for the Former Yugoslavia and \$133,522,300 for the International Residual Mechanism.

Schedules

Schedule I

Rates of exchange relative to the United States dollar and annual rates of inflation by duty station for the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism

Duty station (currency)	Rates of exchange 2016-2017		Rates of inflation applicable to non-post objects of expenditure						
			Proposed budget			Present report			
	Proposed budget	Present report ^a	2015 ^b	2016 ^c	2017 ^c	2014 ^d	2015 ^d	2016 ^c	2017 ^c
The Hague (euro)	0.787	0.938	1.3	1.5	1.4	0.3	0.4	1.2	1.4
Arusha (Tanzanian shilling)	1 676.000	2 156.310	8.4	7.4	7.7	6.1	7.0	6.9	6.4
New York (United States dollar)	1.000	1.000	2.3	2.3	2.3	1.6	0.3	1.6	2.3

^a Based on the forward rate of exchange for The Hague and the December 2015 rate of exchange for Arusha.

^b 2014-2015 revised rates.

^c Projected.

^d Final 2014-2015 estimates.

Schedule II

Post adjustment multipliers by duty station

Duty station	Proposed budget			Present report			
	2015 ^a	2016	2017	2014 ^b	2015 ^b	2016	2017
The Hague	48.20	51.30	51.30	56.13	34.62	28.00	28.64
Arusha	53.50	62.20	69.50	53.22	47.58	43.47	44.53
New York	66.70	69.00	71.50	68.40	66.70	64.90	65.45

^a Revised 2014-2015 appropriation.

^b Final 2014-2015 estimates.

Schedule III

Annual cost-of-living adjustments by duty station (General Service)

(Percentage)

<i>Duty station</i>	<i>Proposed budget</i>			<i>Present report</i>		
	<i>2015^a</i>	<i>2016^b</i>	<i>2017^b</i>	<i>2015^c</i>	<i>2016^b</i>	<i>2017^b</i>
The Hague	1.3	1.5	1.4	—	1.2	1.4
Arusha	8.4	7.4	7.7	13.4	6.9	6.4
New York	2.3	2.3	2.3	0.2	—	—

^a Revised 2014-2015 appropriation.^b Projected.^c Actual.