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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Budget performance for the period from 1 July 2017 to 30 June 2018 and proposed budget for the period from 1 July 2019 to 30 June 2020 of the Regional Service Centre in Entebbe, Uganda

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2017/18	\$33,000,000
Expenditure for 2017/18	\$32,842,100
Unencumbered balance for 2017/18	\$157,900
Appropriation for 2018/19	\$31,438,900
Projected expenditure for 2018/19 ^a	\$31,438,900
Projected under-expenditure for 2018/19 ^a	\$0
Proposal submitted by the Secretary-General for 2019/20	\$35,708,300
Adjustment recommended by the Advisory Committee for 2019/20	(\$21,400)
Recommendation of the Advisory Committee for 2019/20	\$35,686,900

^a Estimates as at 28 February 2019.



I. Introduction

1. During its consideration of the financing of the Regional Service Centre in Entebbe, Uganda, the Advisory Committee on Administrative and Budgetary Questions met with representatives of the Secretary-General who provided additional information and clarification, concluding with written responses received on 12 April 2019. The documents reviewed and those used for background by the Committee are listed at the end of the present report. The Committee's comments and recommendations on cross-cutting issues related to peacekeeping operations, including those pertaining to the findings and recommendations of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2017 to 30 June 2018, can be found in its related report ([A/73/755](#)).

II. Budget performance report for the period from 1 July 2017 to 30 June 2018

2. By its resolution [71/293](#), the General Assembly appropriated an amount of \$33,000,000 gross (\$30,006,400 net) for the maintenance of the Regional Service Centre for the period from 1 July 2017 to 30 June 2018. Expenditures for the period totalled \$32,842,100 gross (\$29,874,600 net). The resulting unencumbered balance of \$157,900 in gross terms represents 0.5 per cent of the appropriation, reflecting the combined effect of higher-than-budgeted expenditures under civilian personnel (\$737,700, or 3.0 per cent) and lower-than-budgeted expenditures under operational costs (\$895,600, or 11.2 per cent). An analysis of variances is provided in section IV of the report of the Secretary-General on the budget performance of the Regional Service Centre for the period from 1 July 2017 to 30 June 2018 ([A/73/612](#)).

3. In his budget performance report, the Secretary-General indicates that, during the 2017/18 period, the amount of \$740,000 was redeployed from group III, operational costs, to group II, civilian personnel, to cover higher-than-budgeted expenditures for international staff owing to higher common staff costs and the lower-than-planned vacancy rate of 16.4 per cent compared with the budgeted rate of 20 per cent (*ibid.*, para. 32).

4. The comments of the Advisory Committee on the information presented in the budget performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2019 to 30 June 2020 ([A/73/764](#)) in the paragraphs below.

5. In considering the reports of the Secretary-General on the financing of the Regional Service Centre, the Advisory Committee also had before it the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2018 ([A/73/5 \(Vol. II\)](#)).

III. Information on performance for the current period

6. With respect to current and projected expenditures for the period from 1 July 2018 to 30 June 2019, the Advisory Committee was informed that, as at 28 February 2019, expenditures amounted to \$21,903,400. At the end of the current financial period, the estimated total expenditures would amount to \$31,438,900, reflecting full utilization of the appropriation for 2018/19.

7. The Advisory Committee was informed that, as at 28 February 2019, the incumbency for the Regional Service Centre for the period from 1 July 2018 to 30 June 2019 was as follows:

<i>Category</i>	<i>Approved 2018/19</i>	<i>Encumbered</i>	<i>Vacancy rate (percentage)</i>
International staff	131	111	15.3
National staff			
National Professional Officers	29	25	13.8
National General Service staff	240	212	11.7
United Nations Volunteers	6	5	16.7

8. The Advisory Committee was also informed that the cash position of the Regional Service Centre was \$1,363,000 as at 13 March 2019, which is insufficient to cover the three-month operating cash reserve of \$7,860,000. **Taking into account that the Regional Service Centre's budget is prorated among its client missions, and in reference to the assessed contributions to the budgets of its client missions, the Advisory Committee recalls that the General Assembly has repeatedly urged all Member States to fulfil their financial obligations, as set out in the Charter of the United Nations, on time, in full and without conditions.**

IV. Proposed budget for the period from 1 July 2019 to 30 June 2020

A. Mandate and planning assumptions

9. By its resolution [64/269](#), the General Assembly established the Regional Service Centre as a regional service centre. The Assembly subsequently decided, in resolution [69/307](#), to give the Regional Service Centre operational and managerial independence and requested the Secretary-General to submit a budget proposal for the 2016/17 period to be charged against the missions that the Centre supports. In resolution [72/286](#), the Assembly decided to consider at its seventy-third session the question of the financing of the Regional Service Centre.

10. In paragraphs 2 to 9 of his report, the Secretary-General set out the planned results and planning assumptions for the Regional Service Centre. It is stated that in the 2019/20 period, the Regional Service Centre will continue to provide human resources, finance, travel, transportation and movement control services, personnel and cargo transport, and information and communications technology support services to its client missions. It is proposed to expand the Regional Service Centre's full-service coverage to all special political missions based in Africa, including the United Nations Support Mission in Libya, the United Nations Office for West Africa and the Sahel, the Cameroon-Nigeria Mixed Commission and the United Nations Integrated Peacebuilding Office in Guinea-Bissau.

11. By its resolution [2444 \(2018\)](#), the Security Council provided for the termination of the mandate of one client, the Monitoring Group on Somalia and Eritrea, with effect from 16 December 2018, and the establishment of the Panel of Experts on Somalia. Upon enquiry as to the Panel of Experts on Somalia, the Advisory Committee was informed that the Regional Service Centre will provide human resources and finance functions for the Panel and report actual deliverables in the performance report. **The Advisory Committee notes that notwithstanding the Regional Service Centre's intent to provide human resources and finance functions for the Panel, the proposed budget does not contain a reference to the Panel of Experts on Somalia as a client mission of the Regional Service Centre. The Committee trusts that more information will be provided to the General Assembly at the time of its consideration of the present report.**

Structure of the Regional Service Centre

12. In paragraphs 10 to 13 of his report, the Secretary-General describes the structure of the Regional Service Centre, which was reorganized in the 2018/19 period pursuant to General Assembly resolution [72/286](#). For the 2019/20 period, it is proposed to rename the Regional Information and Communications Technology Service as the Regional Field Technology Service, in line with the guidance on mission support structures whereby existing information and communications technology sections have been reprofiled into field technology sections or services. The Advisory Committee discusses the proposed changes to the names of organizational units in its cross-cutting report on peacekeeping operations ([A/73/755](#)).

Scalability model

13. The Secretary-General indicates in his report that the Regional Service Centre has developed a revised scalability model as requested by the Advisory Committee (see [A/72/789/Add.9](#)) and endorsed by the General Assembly in resolution [72/286](#). The proposed revised model focuses on the transactional elements of the Regional Service Centre and takes into account a full-time equivalent analysis based on time efforts per transactions and projected annual volumes, considering the authorized headcount for the client missions expected in the 2019/20 period. The Secretary-General also indicates in his report that the scalability model was updated and refined to reflect the functions performed by the Regional Service Centre for its client missions, the number of full-time client missions, the derivation of a multiplier, the projected volume of transactions and the work-time effort “weighted average minutes per transaction” for each transaction. In order to arrive at a calculation for the full-time equivalent required for each service, the total annual volume was determined in relation to the average processing time per transaction. The total time was then divided by the number of productive days per year (203 days) and the number of productive hours per day (6 hours). The scalability model results in 268 recommended transactional staff for the 2019/20 period vis-à-vis the approved 270 posts in the 2018/19 period, representing an overall reduction of two posts ([A/73/764](#), paras. 31 to 43). **The Advisory Committee notes the revised scalability model developed by the Regional Service Centre and trusts that it will continue to be refined and consistently applied in subsequent budget proposals.**

14. The Advisory Committee recalls that the previous scalability model reflected efficiency gains of 5 per cent ([A/72/789/Add.9](#), para. 17). Regarding efficiency gains of the proposed revised model, the Committee was informed upon enquiry that in addition to the proposed reduction of two posts, efficiencies are expected from the deployment of the Umoja travel solution and the expected reduction in ticket prices. The Committee was also informed that the Regional Service Centre is in the process of finalizing a new solicitation process for its travel management contracts, while utilizing an audit process to review tickets, and accessing the travel management system to monitor the cost of tickets issued by travel agencies. **The Advisory Committee trusts that updated information on efficiency gains will be included in the next report of the Secretary-General.**

Environmental management

15. In his report, the Secretary-General indicates that in the 2019/20 period, the Regional Service Centre will continue to implement the Department of Operational Support’s environmental strategy for field missions, including the electronic data storage system initiative. The Regional Service Centre also plans to upgrade the field remote infrastructure monitoring system as a measure to reduce its environmental footprint. Additionally, the Regional Field Technology Service will support efforts to

explore the potential benefits of regional environmental initiatives, including ways to harness renewable energy (A/73/764, paras. 24 to 26). The Advisory Committee notes from information provided to it that a five per cent reduction in operational costs is expected from the upgrading of the field remote infrastructure monitoring system. Upon enquiry, the Committee was informed that the expected savings from this project would amount to \$96,500. **The Advisory Committee notes the expected efficiencies and trusts that an update on environmental measures will be provided in the next report of the Secretary-General.**

East Africa corridor project

16. In its most recent report, the Advisory Committee recommended that the General Assembly request the Secretary-General to provide more information on the East Africa corridor project in his next report, including on the status of implementation, resources utilized and results achieved (A/72/789/Add.9, para. 9). In section V of his report, the Secretary-General indicates that the project was jointly resourced by staff from the Transportation and Movements Integrated Control Centre, the Regional Service Centre, the Regional Procurement Office and various mission stakeholders. It is stated that the project closed on 8 November 2018 and achieved key benefits, including the development of a web-based inbound delivery tracking tool and the development of an interactive regional surface network map, and demonstrated cost and delivery time savings. Upon enquiry, the Committee was informed that, in the 2020/21 budget proposal, future roles and responsibilities of the Strategic Air Operations Centre, the Transportation and Movements Integrated Control Centre and proposed Global Procurement Support Section will be proposed with the aim of demonstrating opportunities for improvements, including lessons learned from the project. **The Advisory Committee is of the view that the report should have included detailed information on the results achieved and lessons learned from the East Africa corridor project. The Committee trusts that the Secretary-General will provide this information to the General Assembly at the time of its consideration of the present report, and also include it in his next report.**

B. Resource requirements

17. The proposed budget for the Regional Service Centre for the period from 1 July 2019 to 30 June 2020 amounts to \$35,708,300, representing an increase of \$4,269,400, or 13.6 per cent, compared with the appropriation for 2018/19. This reflects proposed increases under civilian personnel and operational costs as elaborated below. Detailed information on the financial resources proposed and an analysis of variances is provided in sections II and III of the proposed budget (A/73/764).

1. Civilian personnel

<i>Category</i>	<i>Approved 2018/19</i>	<i>Proposed 2019/20</i>	<i>Variance</i>
Posts			
International staff	131	131	–
National Professional Officers	29	29	–
National General Service	240	238	(2)
United Nations Volunteers	6	6	–
Total	406	404	(2)

18. The proposed resources for civilian personnel for 2019/20 amount to \$28,118,300, representing an increase of \$4,163,600, or 17.4 per cent, compared with the appropriation for 2018/19. The proposed increase is mainly attributable to increased requirements under international staff (\$3,699,900 or 22.0 per cent) owing to the application of a lower vacancy rate, the reinstatement of one P-5 post salary and updated standard salary costs (A/73/764, para. 93).

19. A total of 404 posts and positions are proposed for the 2019/20 period, reflecting the proposed abolishment of 2 national General Service posts (A/73/764, para. 59). **The Advisory Committee has no objection to the proposed abolishments.**

Vacancy rates and vacant posts

20. The table below provides a summary of the vacancy rates for civilian personnel, including: (a) for 2017/18, the budgeted and actual average vacancy rates; (b) for 2018/19, the budgeted rate, the actual average rate for the 8-month period between 1 July 2018 and 28 February 2019, and the actual rate as at 28 February 2019; and (c) the vacancy factor applied in estimating the requirements for 2019/20. The Advisory Committee notes that the 2019/20 proposed vacancy rates are lower than both the actual average rate for the 8-month period between 1 July 2018 and 28 February 2019 and the actual rate as at 28 February 2019 for international staff, both categories of national staff and United Nations Volunteers.

Vacancy rates

(Percentages)

	2017/18		2018/19		2019/20	
	Budgeted	Actual	Budgeted	Actual average vacancy rate from 1 July 2018 to 28 February 2019	Actual vacancy rate as at 28 February 2019	Proposed vacancy rate
International staff	20.0	16.4	14.9	16.0	15.3	13.0
National Professional Officers	50.0	22.6	19.4	17.2	13.8	10.0
National General Service staff	6.0	18.1	15.0	15.8	11.7	10.0
United Nations Volunteers	50.0	37.5	10.0	16.7	16.7	10.0

21. Upon enquiry, the Advisory Committee was informed that a total of 46 posts were vacant as at 11 April 2019, comprising 18 international posts (1 P-5, 6 P-4, 10 P-3 and 1 FS) and 28 national posts (4 National Professional Officers and 24 national General Service). Ten of the posts had been vacant for more than two years.

22. **The Advisory Committee recalls the General Assembly's request, expressed consistently in its resolutions on peacekeeping budgets, that the Secretary-General ensure that vacant posts be filled expeditiously (A/71/836, para. 108). The Committee also reiterates its view that budgeted vacancy rates should be based, as much as possible, on actual vacancy rates. In cases where the proposed budgeted rates differ from the actual rates at the time of budget preparation, clear justification should be provided in related budget documents for the rates used (A/70/742, para. 45). The Committee stresses again that the continuing requirement for posts that have been vacant for two years or longer should be reviewed and the posts either proposed for retention with rejustification or abolishment in subsequent budget proposals (A/69/839 para. 67; see also resolution 66/264).**

23. **The Advisory Committee recommends approval of the Secretary-General's proposals for civilian personnel.**

2. Operational costs

(United States dollars)

	<i>Apportioned 2018/19</i>	<i>Proposed 2019/20</i>	<i>Variance</i>
Operational costs	\$7 484 200	\$7 590 000	\$105 800

24. The proposed resources for operational costs for 2019/20 amount to \$7,590,000, representing an increase of \$105,800, or 1.4 per cent, compared with the appropriation for 2018/19. The proposed increase is mainly attributable to increased requirements under facilities and infrastructure (\$228,400, or 11.0 per cent) and ground transportation (\$72,400, or 89.1 per cent), partially offset by decreased requirements under other supplies, services and equipment (\$210,000, or 34.1 per cent) ([A/73/764](#), paras. 97, 98 and 100).

Consultants and consulting services

25. The Secretary-General includes, in his report, a request for \$155,400 under consultants, representing an increase of \$15,400, or 11.0 per cent, compared with the 2018/19 apportionment. The Advisory Committee notes, from information provided to it, that for the 2017/18 period, expenditure amounted to \$1,000 against the apportionment of \$135,700. For the current period, expenditure as at 28 February 2019 under individual consultants amounted to \$14,600 against the apportionment of \$140,000. **Taking into account the expenditure pattern, the Advisory Committee recommends a reduction of 10 per cent under individual consultants, amounting to \$9,000.**

Official travel

26. The proposed resources for official travel amount to \$273,000, representing a decrease of \$9,000, or 3.2 per cent, compared with the apportionment for 2018/19. The requested resources include an amount of \$86,000 for training travel. From information provided to it, the Advisory Committee notes that for the 2017/18 period, expenditure amounted to \$41,200 against the apportionment of \$86,000. For the current period, expenditure as at 28 February 2019 amounted to \$6,900 against the apportionment of \$86,000. Upon enquiry, the Committee was informed that during the 2017/18 period, the Regional Service Centre leveraged the training activities being conducted at its Regional Training and Conference Centre by other missions and offices, thereby including a significant number of Regional Service Centre personnel for local training rather than funding travel for external training. **The Advisory Committee commends the leveraging by the Regional Service Centre of training activities at its Regional Training and Conference Centre, so as to include more Regional Service Centre personnel in training activities as well as to minimize travel costs. Nonetheless, the Committee considers that the proposed level of travel resources may not be fully justified, given the expenditure pattern, and therefore recommends a 10 per cent reduction in training travel, in the amount of \$8,600.**

Communications and information technology

27. Under communications and information technology, the Secretary-General requests a provision in the amount of \$4,164,600, at the same level as the 2018/19 apportionment, including the amount of \$76,800 for spare parts. The Advisory Committee notes from information provided to it that under spare parts, expenditure for the current period as at 28 February 2019 amounted to \$5,700 against the apportionment of \$208,200. **Taking into account the underexpenditure in the**

current period under spare parts, the Advisory Committee recommends a reduction of five per cent, or \$3,800.

28. Subject to its recommendations in paragraphs 25, 26 and 27 above, the Advisory Committee recommends approval of the Secretary-General's proposals for operational costs.

V. Conclusion

29. The actions to be taken by the General Assembly regarding the financing of the Regional Service Centre for the period from 1 July 2017 to 30 June 2018 are indicated in section V of the performance report ([A/73/612](#)). **The Advisory Committee recommends that the unencumbered balance of \$157,900 with respect to the period from 1 July 2017 to 30 June 2018, as well as other revenue/adjustments amounting to \$760,200 for the period ended 30 June 2018, be credited to Member States.**

30. The actions to be taken by the General Assembly in connection with the financing of the Regional Service Centre for the period from 1 July 2019 to 30 June 2020 are indicated in section IV of the proposed budget ([A/73/764](#)). **Subject to its observations and recommendations above, the Advisory Committee recommends that the General Assembly:**

(a) **Appropriate the amount of \$35,686,900 for the maintenance of the Regional Service Centre in Entebbe, Uganda, for the 12-month period from 1 July 2019 to 30 June 2020;**

(b) **Prorate the amount in subparagraph (a) among the budgets of the Centre's active client peacekeeping operations and against the programme budget for 2020;**

(c) **Take note of the requirements for the proposed programme budget for the period from 1 January to 31 December 2020 for the share of client special political missions of the Regional Service Centre to meet the financing requirements of the Regional Service Centre for the period from 1 July 2019 to 30 June 2020.**

Documentation

- Report of the Secretary-General on the budget performance of the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2017 to 30 June 2018 ([A/73/612](#))
- Report of the Secretary-General on the budget for the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2019 to 30 June 2020 ([A/73/764](#))
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2017 to 30 June 2018 ([A/73/5 \(Vol. II\)](#))
- Report of the Advisory Committee on Administrative and Budgetary Questions on the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations and report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2017 ([A/72/850](#))
- Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2018 ([A/73/750](#))
- Report of the Secretary-General on the overview of the financing of United Nations peacekeeping operations: budget performance for the period from 1 July 2017 to 30 June 2018 and budget for the period from 1 July 2019 to 30 June 2020 ([A/73/776](#))
- Report of the Advisory Committee on Administrative and Budgetary Questions on the budget performance for the period from 1 July 2016 to 30 June 2017 and proposed budget for the period from 1 July 2018 to 30 June 2019 of the Regional Service Centre in Entebbe, Uganda ([A/72/789/Add.9](#))
- General Assembly resolution [72/286](#)