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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 2018 to 30 June 2019 and proposed budget for the period from 1 July 2020 to 30 June 2021 for the Regional Service Centre in Entebbe, Uganda

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2018/19	\$31,438,900
Expenditure for 2018/19	\$31,436,100
Unencumbered balance for 2018/19	\$2,800
Appropriation for 2019/20	\$35,386,900
Projected expenditure for 2019/20 ^a	\$35,386,900
Projected underexpenditure for 2019/20 ^a	\$0
Proposal submitted by the Secretary-General for 2020/21	\$37,637,600
Adjustment recommended by the Advisory Committee for 2020/21	(\$258,400)
Recommendation of the Advisory Committee for 2020/21	\$37,379,200

^a Estimates as at 29 February 2020.



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 9 April 2020. The comments and recommendations of the Advisory Committee on cross-cutting issues related to peacekeeping operations are contained in its report ([A/74/737](#)), and those pertaining to the findings and recommendations of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2018 to 30 June 2019, can be found in its related report ([A/74/806](#)).

II. Budget performance report for the period from 1 July 2018 to 30 June 2019

2. By its resolution [72/286](#) and its decision 72/558, the General Assembly appropriated an amount of \$31,438,900 gross (\$28,546,500 net) for the maintenance of the Regional Service Centre for the period from 1 July 2018 to 30 June 2019. Expenditure for the period totalled \$31,436,100 gross (\$28,350,600 net), for a budget implementation rate of approximately 100 per cent. The resulting unencumbered balance of \$2,800, in gross terms, represents 0.0 per cent, when rounded, of the overall level of resources approved for the period.

3. The unencumbered balance of \$2,800 reflects the combined effect of higher-than-budgeted expenditure under civilian personnel (\$2,439,100, or 10.2 per cent) and lower-than-budgeted expenditure under operational costs (\$2,441,900, or 32.6 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 2018 to 30 June 2019 ([A/74/594](#)).

III. Information on performance for the current period

4. With regard to current and projected expenditure for the period from 1 July 2019 to 30 June 2020, the Advisory Committee was informed that, as at 29 February 2020, expenditure amounted to \$21,677,800. At the end of the financial period, the estimated total expenditure would equal the appropriation of \$35,386,900, resulting in projected full utilization of the approved resources.

5. The Advisory Committee was informed that the cash position of the Regional Service Centre was \$4,628,000 as at 3 March 2020, which was insufficient to cover the three-month operating cash reserve of \$8,847,000. **Taking into account that the budget of the Regional Service Centre 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 2020 to 30 June 2021

A. Mandate and planning assumptions

6. By its resolution [64/269](#), the General Assembly established the Centre as a regional service centre. The Assembly subsequently decided, in its resolution [69/307](#), to give the 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 supported. In paragraphs 2 to 11 of his report on the budget for the Centre for the period from 1 July 2020 to 30 June 2021 ([A/74/717](#)), the Secretary-General sets out the planned results and planning assumptions for the Centre. In paragraph 10, he states that, pending a decision by the Assembly on the global service delivery model, the Centre will remain adaptive, focusing on the continuous improvement of services to its clients by leveraging lessons learned from prior years.

Scalability model

7. The Secretary-General indicates in the budget proposal that the revised scalability model utilized in 2019/20 will continue to serve as the basis for budget formulation in 2020/21. The model focuses on the core transactional and direct service delivery component of the Regional Service Centre's service lines in the administrative service areas of human resources, finance and travel, excluding relevant offices of chiefs and non-transactional offices. It therefore excludes executive direction and management, the Client Services Section, the regional information and communication technology services component and the transportation and movements integrated control component. The Advisory Committee was informed, upon enquiry, that the staffing level of the Communications Unit was not based on the model, because the Unit's functions were strategic rather than transactional in nature. The model takes into account a full-time-equivalent analysis based on time efforts per transaction and on annual volumes, as well as the authorized headcount for the client entities expected in 2020/21. Based on that methodology, the model results in 268 proposed positions for 2020/21, with no net reduction in the level authorized for 2019/20 (*ibid.*, paras. 32–33 and 43).

8. The Advisory Committee notes that reference is made in the performance report to large backlogs of rest and recuperation absences from previous periods, absences for which corresponding travel requests were not submitted ([A/74/594](#), expected achievement 2.2). Upon enquiry as to the impact of the backlogs on the scalability model, the Committee was informed that the backlogs were not factored into the model because they could not be accurately forecast. The Committee was further informed that dependency allowance reviews and other seasonal activities, as well as staff turnover, which was difficult to predict, could not be built into the model. **The Advisory Committee welcomes the ongoing refinement of the scalability model and encourages the Regional Service Centre to continue these efforts.**

B. Resource requirements

Financial resources

(Thousands of United States dollars)

Category	Expenditure (2018/19)	Apportionment ^a (2019/20)	Cost estimates (2020/21)	Variance	
				Amount	Percentage
Civilian personnel	26 393.8	27 818.3	30 203.0	2 384.7	8.6
Operational costs	5 042.3	7 568.6	7 434.6	(134.0)	(1.8)
Gross requirements	31 436.1	35 386.9	37 637.6	2 250.7	6.4

Note: Detailed information on the financial resources proposed and an analysis of variances are provided in sections II and III of the proposed budget.

^a In its resolution 73/309, the General Assembly appropriated \$35,386,900 for the maintenance of the Regional Service Centre for the period from 1 July 2019 to 30 June 2020 and decided that the amount of \$33,044,400 was to be prorated among the budgets of client peacekeeping missions and that the amount of \$1,424,400 was to be charged against the appropriation for the programme budget for 2020 under section 3, Political affairs, as approved by the Assembly in its resolutions 73/279 A and 73/279 B.

1. Civilian personnel

Category	Approved 2019/20	Proposed 2020/21	Variance
Posts			
International staff	131	127	(4)
National staff ^a	267	271	4
United Nations Volunteers	6	6	—
Total	404	404	—

^a Includes National Professional Officers and national General Service Staff.

9. The proposed resources for civilian personnel for 2020/21 amount to \$30,203,000, representing an increase of \$2,384,700, or 8.6 per cent, compared with the apportionment for 2019/20. The proposed increase is attributable to: (a) increased requirements under national staff, in part owing to the increase in national salaries with effect from 1 September 2019 and the application, for national staff in 2020/21, of a higher step and a lower vacancy rate of 8 per cent, compared with the 10 per cent approved vacancy rate for 2019/20; and (b) increased requirements under international staff, attributable primarily to the impact of higher salaries for international staff based on a revised salary scale in 2020/21, the application of a higher percentage of 88.7 per cent for common staff costs for 2020/21 and a lower proposed vacancy rate of 11 per cent for 2020/21 compared with the 13 per cent approved vacancy rate for 2019/20 (A/74/717, paras. 87–88).

Recommendations on posts and positions

10. A total of 404 posts and positions are proposed for 2020/21, the same as the total approved for 2019/20. The staffing proposals for 2020/21 reflect the proposed nationalization of four international Professional posts and one international United Nations Volunteer position, as well as 10 redeployments.

Proposed nationalizations

11. It is proposed that the following posts and positions be nationalized: (a) one post of Administrative Officer (P-2) in the Systems, Quality Assurance and Performance Reporting Unit, in the same unit; (b) one post of Human Resources Officer (P-3) in the onboarding and separation service line, redeployed to the international benefits and payroll service line; (c) one post of Finance Officer (P-3) in the national benefits and payroll service line, redeployed to the Accounts Unit; (d) one post of Finance Officer (P-3) in the vendors service line, redeployed to the cashier service line; and (e) one international position of United Nations Volunteer in the Strategic Planning Unit, in the same unit (*ibid.*, para. 16).

12. The Advisory Committee recalls that, by its resolution [72/286](#), the General Assembly urged the Secretary-General to continue the implementation of the nationalization plan. **The Advisory Committee welcomes the proposed nationalizations and encourages the Regional Service Centre to continue implementing its nationalization plan.**

Proposed redeployments

13. It is proposed that 10 posts and positions be redeployed, including those of the Communications Unit (1 P-4, 1 Field Service, 1 National Professional Officer, 1 national General Service and 2 United Nations Volunteer), which would be redeployed to the Office of the Chief (*ibid.*, paras. 60 and 64). Upon enquiry, the Advisory Committee was informed that the Unit had previously been located in the Office of the Chief; in 2017/2018, it had been placed in the client services pillar, which dealt with client management in the human resources, finance and travel areas. It subsequently became apparent that the skills required for client management were not available in the Unit, and staff with the required client management experience were recruited for the pillar. It was therefore proposed that the Unit be redeployed to the Office of the Chief, to handle branding and messaging for the Regional Service Centre. The Unit drafted and developed materials and information for internal and external stakeholders and managed the Centre's digital presence on various platforms. To ensure uniformity in its messaging and communication, the Unit produced guides, fact sheets and infographics for the Centre's service lines to explain processes to staff in missions. In addition, training and workshops were organized for the service lines to highlight the importance of communication and empower service lines to better present information to clients.

14. **The Advisory Committee is not convinced by the justifications presented for the proposed redeployment of the Communications Unit, and trusts that more information will be provided to the General Assembly at the time of its consideration of the present report.**

Vacancy rates

15. The table below provides a summary of the vacancy rates for civilian personnel in 2018/19 and 2019/20, as well as those proposed for 2020/21. In paragraphs 81 and 82 of the budget proposal, the Secretary-General states that the cost estimates for the period from 1 July 2020 to 30 June 2021 take into account the following vacancy factors: 11 per cent for international staff, 8 per cent for national Professional staff, 8 per cent for national General Service staff and 0 per cent for international United Nations Volunteer positions. A 50 per cent vacancy rate is applied to four new proposed posts of National Professional Officer for 2020/21. The Advisory Committee notes the lack of justification for the application of rates that differ from the actual vacancy rates during the current period, such as the proposed rate of 11 per

cent for international staff, compared with the actual rate of 16 per cent and the actual average rate of 18 per cent as at 29 February 2020.

Category	Actual 2018/19	Approved 2019/20	Actual 31 January 2020	Actual 29 February 2020	Actual average 29 February 2020	Proposed 2020/21
Civilian personnel						
International staff	16.0	13.0	17.6	16.0	18.0	11.0
National staff						
National Professional Officers	13.8	10.0	10.3	13.8	12.5	8.0
National General Service staff	13.3	10.0	10.5	10.1	10.9	8.0
United Nations Volunteers	16.7	10.0	16.7	16.7	31.3	—

16. The Advisory Committee reiterates its view that proposed vacancy rates should be based, as much as possible, on actual rates. In cases in which the proposed rates differ from actual rates, clear justification should be provided systematically in the proposed budget and related documents (see [A/73/755/Add.14](#), para. 22, and [A/70/742](#), para. 45).

Vacant posts

17. Upon enquiry, the Advisory Committee was informed that 50 posts were vacant as at 30 January 2020, including 2 (1 P-5 and 1 P-4, in the Transportation and Movements Integrated Control Centre) that had been vacant for more than two years. In paragraph 80 of the budget proposal, the Secretary-General indicates that the posts are vacant pending the completion of a comprehensive study on the roles and responsibilities of the Strategic Air Operations Centre, the Transportation and Movements Integrated Control Centre and the Global Procurement Support Section. A detailed proposal based on the outcome of the study, expected to have been completed by the end of March 2020, will be made to the General Assembly in the context of the 2021/22 budget proposal.

18. The Advisory Committee recalls the request of the General Assembly, 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 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/73/755/Add.14](#), para. 22, and [A/69/839](#), para. 67; see also Assembly resolution [66/264](#)). The Committee trusts that detailed justifications for the retention of these posts will be provided to the Assembly during its consideration of the present report.

19. The Advisory Committee recommends the approval of the proposals of the Secretary-General for civilian personnel.

2. Operational costs

(United States dollars)

	Apportioned 2019/20	Proposed 2020/21	Variance
Operational costs	7 568 600	7 434 600	(134 000)

20. The proposed decrease is attributable mainly to decreased requirements under communications and information technology (\$218,900, or 5.3 per cent) and ground

transportation (\$66,600, or 43.3 per cent), offset in part by increased requirements under facilities and infrastructure (\$130,800, or 5.7 per cent) (A/74/717, paras. 90–92).

21. The Advisory Committee notes from information provided to it that, for some objects of expenditure, while underexpenditure was recorded in 2018/19 and the first eight months of 2019/20, resources for 2020/21 are proposed at levels similar to or higher than those of the prior periods. **Taking into account the pattern of expenditure in the current and performance periods, the Advisory Committee is not convinced by the justifications provided for the following proposed levels of resources:**

(a) Consultants: the proposed resources amount to \$146,400, compared with expenditure of \$102,600 in 2018/19 and no expenditure in the current period as at 29 February 2020. **The Advisory Committee recommends a reduction of 10 per cent, or \$14,600, in the proposed resources for consultants;**

(b) Official travel: the amount of \$270,300 is proposed for official travel, compared with expenditure of \$208,400 in 2018/19 and \$79,800 in the current period as at 29 February 2020. The proposed resources include the amount of \$77,400 for training travel, for which expenditure amounted to \$29,400 in 2018/19 and \$6,800 in the current period as at 29 February 2020. **The Advisory Committee recommends a reduction of 20 per cent, or \$54,100, in the proposed resources for official travel;**

(c) Facilities and infrastructure: the proposed resources amount to \$2,431,300, compared with the approved resources of \$2,300,500 for 2019/20, representing an increase of \$130,800, with underexpenditure reflected in a number of categories. **The Advisory Committee recommends a reduction of 5 per cent, or \$121,600, in the proposed resources for facilities and infrastructure;**

(d) Other supplies, services and equipment: the proposed resources amount to \$454,100, with underexpenditure reflected in a number of categories, such as other freight and related costs, under which \$127,800 is proposed, compared with expenditure of \$27,800 in 2018/19 and \$8,800 in the current period as at 29 February 2020. **The Advisory Committee recommends a reduction of 15 per cent, or \$68,100, in the proposed resources for other supplies, services and equipment.**

22. **Subject to its recommendations in paragraph 21 above, the Advisory Committee recommends the approval of the proposals of the Secretary-General for operational costs.**

V. Conclusion

23. The actions to be taken by the General Assembly regarding the financing of the Regional Service Centre for the period from 1 July 2018 to 30 June 2019 are indicated in section V of the performance report (A/74/594). **The Advisory Committee recommends that the unencumbered balance of \$2,800 with respect to the period from 1 July 2018 to 30 June 2019, as well as other revenue/adjustments amounting to \$162,600 for the period ended 30 June 2019, be credited to Member States.**

24. The actions to be taken by the General Assembly with respect to the financing of the Regional Service Centre for the period from 1 July 2020 to 30 June 2021 are indicated in section IV of the proposed budget (A/74/717). **Subject to its observations and recommendations above, the Advisory Committee recommends that the General Assembly:**

(a) **Appropriate the amount of \$37,379,200 for the maintenance of the Regional Service Centre for the 12-month period from 1 July 2020 to 30 June 2021;**

(b) **Prorate the amount in subparagraph (a) among the budgets of the Centre's active client peacekeeping operations and against the programme budget for 2021;**

(c) **Take note of the requirements for the proposed programme budget for the period from 1 January to 31 December 2021 for the share of client special political missions of the Centre to meet the financing requirements of the Centre for the period from 1 July 2020 to 30 June 2021.**
