



General Assembly

Distr.: General
24 June 2020

Original: English

Seventy-fifth session

Item 141 of the preliminary list*

Proposed programme budget for 2021

Request for a subvention to the United Nations Institute for Disarmament Research resulting from the recommendations of the Board of Trustees of the Institute

Second report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for 2021

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the note by the Secretary-General ([A/75/83](#)) on the request for a subvention to the United Nations Institute for Disarmament Research (UNIDIR) resulting from the recommendations of the Board of Trustees of the Institute. The Committee also had before it an advance version of the note by the Secretary-General transmitting the annual report of the Director of UNIDIR on the activities of the Institute for the period from January to December 2019 and the proposed programme of work and financial plan for 2020 and 2021 ([A/75/134](#)). During its consideration of the note by the Secretary-General, the Committee received additional information and clarifications from the Director of the Institute and other representatives of the Secretary-General, concluding with written responses dated 16 June 2020.

II. Proposed change of process to request a regular budget subvention to the Institute

2. In his note on the request for a subvention to UNIDIR, the Secretary-General indicates that the process of requesting a subvention from the regular budget to UNIDIR comprises two mechanisms: the first is the proposed programme budget for section 4, Disarmament; and the second is his note requesting a regular budget subvention to UNIDIR. He considers the process to be duplicative and proposes that the Institute's annual subvention request be submitted henceforth only as part of the proposed programme budget for section 4, Disarmament, and that the annual note by the Secretary-General requesting a regular budget subvention to UNIDIR be discontinued. Should the General Assembly approve his proposals, the new process would start in 2021 with the request for the subvention for 2022.

* [A/75/50](#).



3. Upon enquiry, the Advisory Committee was provided with further information on the proposed process and how it would be implemented, including additional details on the changes as compared with the current process and how the existing mandates would be adhered to, as well as further information on how the process would function should there be a proposal to increase the subvention. The additional information provided to the Committee is attached as annex I to the present report. **The Advisory Committee recommends that the General Assembly approve the Secretary-General's proposal to submit the UNIDIR subvention request via the proposed programme budget, section 4, Disarmament.**

III. Request for a regular subvention to the Institute for 2021

4. The request for a subvention to UNIDIR for 2021 is presented in the note by the Secretary-General (A/75/83) in accordance with section IV, paragraph 2, of General Assembly resolution 60/248, in which the Assembly endorsed the proposal that the request for a subvention to UNIDIR be submitted for review and approval by the Assembly on a biennial basis in the context of its consideration of the proposed programme budget for the related biennium. In accordance with resolution 72/266 A, beginning with the programme budget for 2020, the budget period has been changed from biennial to annual on a trial basis. The Secretary-General is requesting the General Assembly to approve a subvention to UNIDIR of \$276,200 (before recosting) from the regular budget of the United Nations for 2021, at the same level as the regular budget subvention to UNIDIR approved for 2020.

5. The Advisory Committee notes that the request is consistent with what is contained in the proposed programme budget for 2021 (see A/75/6 (Sect. 4), para. 4.114), which includes a provision of \$276,200 (before recosting) for the United Nations subvention to UNIDIR for 2021 under section 4, Disarmament, subprogramme 1, Multilateral negotiations and deliberations on disarmament and arms limitation. The supplementary information (table S.4.3) indicates that the provision is included under subprogramme 1, Multilateral negotiations and deliberations on disarmament and arms limitation, and the object of expenditure "fellowships, grants and contributions". The Secretary-General states that the proposed amount reflects the recurrent provision for the Institute, as approved by the General Assembly in its resolution 74/263, and is in accordance with the annex, article VII, paragraph 2, of Assembly resolution 39/148 H. In its first report on the proposed programme budget for 2021, the Committee is recommending approval of the proposals of the Secretary-General for non-post resources under section 4, Disarmament (A/75/7).

6. Under section IV of General Assembly resolution 44/201 B, entitled "Subvention from the regular budget to the United Nations Institute for Disarmament Research", the Secretary-General is required to report annually to the Assembly on the situation of the Institute. The current note by the Secretary-General requesting a subvention to UNIDIR for 2021 (A/75/83) does not include, as in previous years, a summary of the financial situation of the Institute or the related annexes. The Advisory Committee was informed that the information on the situation of the Institute was included in the annual report of the Director of UNIDIR (A/75/134), which was being submitted earlier than in previous years to allow the Committee to consider both items at the same time (see also annex I to the present report). **The Advisory Committee trusts that the annual report of the Director of UNIDIR will henceforth continue to be provided at the same time as the proposed programme budget in order to ensure that information on the financial situation of the Institute is available to the Advisory Committee when it considers the request for a subvention to UNIDIR.**

7. In annex V to the annual report of the Director of UNIDIR ([A/75/134](#)), it is indicated that total revenue for 2021 is estimated at \$5,538,000, from the following sources: pledged contributions receivable in 2021 (\$619,000); voluntary contributions (\$4,467,000); other transfers and allocations (\$340,000), which includes the 2021 portion of the subvention from the United Nations regular budget; investment income (\$90,000); and other revenue (\$22,000). It is further indicated in the report that the estimated expenses for 2021 would amount to \$5,204,000, leaving an estimated surplus of \$334,000 in 2021. Upon enquiry, the Advisory Committee was provided with data on actual revenue and expenses for a period of five years, from 2015 to 2019 (see annex II to the present report). The data provided indicate that the actual revenue of UNIDIR in 2019 amounted to \$4,992,000 against total expenditure of \$4,732,000, leaving a surplus of \$260,000. For 2020, total revenue is projected at \$6,338,000, while total expenses are estimated at \$5,648,000, with an anticipated surplus¹ of \$690,000 by year end.

8. **The Advisory Committee recommends that the General Assembly approve a subvention to UNIDIR of \$276,200 (before recosting) from the regular budget of the United Nations for 2021, the provision for which has been included under section 4, Disarmament, of the proposed programme budget for 2021.**

¹ The funds are earmarked in accordance with funding agreements with donors, which do not run on a calendar year basis.

Annex I

Additional information on the proposed process for requesting a subvention to the United Nations Institute for Disarmament Research

1. The following additional information on the proposed process for requesting a subvention to the United Nations Institute for Disarmament Research (UNIDIR) was provided by the United Nations Secretariat.
2. According to article III of the statute of UNIDIR, as approved by the General Assembly in its resolution [39/148 H](#), the Board of Trustees of the Institute shall recommend, if it considers necessary, a subvention from the regular budget of the United Nations. It is stipulated in paragraph 3 of article VIII of the statute that a recommendation by the Board for a subvention from the regular budget shall be transmitted by the Secretary-General to the General Assembly for approval.
3. The Board meets twice a year (in January and June). The recommendations of the Board are transmitted to the General Assembly through the report of the Secretary-General on the work of the Advisory Board on Disarmament Matters, which is issued in July each year (the latest one being [A/74/247](#)) and subsequently considered by the First Committee of the General Assembly. Upon its consideration of the recommendations of the Advisory Board, should the First Committee recommend to the Assembly the adoption of a resolution containing decisions that would entail additional expenditures, the Secretariat would present cost estimates in the form of a statement of budgetary implications. That procedure would not change.
4. In addition, in section IV, paragraph 2, of its resolution [60/248](#), the General Assembly endorsed the proposal that the request for a subvention to the Institute be submitted for review and approval by the Assembly on a biennial basis in the context of its consideration of the proposed programme budget for the related biennium. The proposed programme budget for section 4, Disarmament, which is issued between March and April, has therefore included a provision for subvention consistent with General Assembly resolutions and decisions. Pursuant to resolution [72/266 A](#), in which the Assembly approved the proposed change from a biennial to an annual budget period on a trial basis, a request for a subvention was made for 2020, and is now being made for 2021. That would not change in the revised procedure proposed by the Secretary-General.
5. Furthermore, the Advisory Committee had observed, as referred to in its report [A/45/7/Add.5](#) of 7 November 1990, that, notwithstanding the inclusion of that amount into the programme budget, a formal request for a subvention would have to be made to the General Assembly. The Secretary-General has since then issued a separate note on the request for a subvention to UNIDIR, which has included the same provision as reflected under section 4 of the proposed programme budget. That note is therefore duplicative, and he has proposed that it be discontinued.
6. Finally, the request from the General Assembly to the Secretary-General, in its resolution [44/201 B](#), to report annually to the Assembly on the situation of the Institute, will continue to be fulfilled through the annual report of the Director of the Institute on the activities of the Institute. It should be noted that the report of the Director has been submitted earlier in 2020 than in previous years, so that the Advisory Committee could consider it at the same time as it considers section 4 of the proposed programme budget for 2021.
7. As explained above, the only procedural change proposed by the Secretary-General, with a view to streamlining the process, is the discontinuation of his note on a request for subvention from the regular budget to the Institute. The discontinuation of the note by the Secretary-General will not affect adherence to any existing mandates.

Annex II

Revenue and expenses for the period 2015–2019 and projected revenue and expenses for 2020 and 2021

(United States dollars)

	2015 (source: A/71/162)	2016 (source: A/72/154)	2017 (source: A/73/256)	2018 (source: A/74/180)	2019	2020 projected	2021 projected
Revenue							
Voluntary contributions	2 402 672	2 777 747	2 765 479	6 921 487	4 445 184	5 825 000	5 086 000
Other transfers and allocations	524 109	440 000	332 862	487 295	371 442	372 000	340 000
Other revenue	29 564	37 455	23 590	1 004	2 750	34 000	22 000
Investment revenue	11 308	27 443	58 308	104 792	172 867	107 000	90 000
Total, revenue	2 967 653	3 282 645	3 180 239	7 514 578	4 992 243	6 338 000	5 538 000
Expenses							
Employee salaries, allowances and benefits	1 426 943	1 193 358	1 143 550	1 364 602	1 637 807	1 972 000	1 562 000
Non-employee compensation and allowances	176 117	576 352	565 553	907 996	1 804 854	2 063 000	1 851 000
Grants and other transfers	39 026	0	80 000	116 669	275 708	783 000	889 000
Supplies and consumables	0	986	1 703	3 357	1 293	1 000	1 000
Travel	100 869	216 110	179 862	242 848	343 481	250 000	309 000
Other operating expenses ^a	220 697	114 785	233 107	368 020	413 541	579 000	592 000
Programme support costs ^b	110 193	79 371	105 765	140 299	255 964	0	0
Total, expenses	2 073 845	2 180 962	2 309 540	3 143 791	4 732 648	5 648 000	5 204 000

^a Includes foreign exchange losses presented as a separate line (“other expenses”) in [A/74/7/Add.9](#) for the period 2015–2018.

^b As at 1 January 2020, reimbursable administrative support services provided by the United Nations Office at Geneva to the United Nations Institute for Disarmament Research are no longer recovered through programme support costs but through the memorandum of understanding referred to in paragraph 42 of the report of the Director of the Institute.