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BUDGETARY AND FINANCE COMMITTEE

Thirty-third session

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Item 10 of the agenda of the Budgetary and Finance Committee

ADOPTION OF THE REPORT OF THE BUDGETARY AND FINANCE
COMMITTEE TO THE GOVERNING COUNCIL

Draft report of the Budgetary and Finance Committee

Rapporteur: Ms. MKHONZA Adelaide Phindile (Swaziland)

Addendum

Chapter I. MATTERS REFERRED TO THE COMMITTEE BY THE COUNCIL

A. Programme planning: Fourth Programming Cycle

1. Special Programme Resources

1. For its consideration of item 5 (a) of the Council's agenda, the Committee had before it a note by the Administrator, contained in document DP/1986/78.
2. In submitting the proposal for the use of Special Programme Resources during the fourth cycle in document DP/1986/2, the Administrator had indicated that he had initially intended to request at the thirty-fourth session of the Council, to be held in June 1987, the authority to carry forward to the fourth cycle any amount of third cycle Special Programme Resources (SPR) funds committed, but unspent, at 31 December 1986. He stated, however, that this procedure would have resulted in a six-month hiatus period, from January to June 1987, during which expenditures would be incurred against commitments

made in the six-month period without formal authority. For this reason, he stated that the matter would be brought to the Governing Council at this time. The Administrator had, in addition, proposed in DP/1986/78 that the uncommitted and unallocated balance of third cycle SPR funds also be carried forward to the fourth cycle, along with SPR funds committed, but unspent, during the course of the third cycle. It was estimated that the balance of uncommitted and unallocated third cycle SPR funds would be in the range of \$1 to \$4 million.

Summary of the discussions in the Committee

3. Members agreed in principle with the recommendation of the Administrator. One member asked whether anything hindered the use of fourth cycle resources as of 1 January 1987. Another member asked whether, when allocations were brought forward from the third to the fourth cycle, the resources remained committed under the same earmarkings. In this connection, another member asked whether any legal impediments existed to carrying over uncommitted resources in the third cycle to the pool of unallocated resources of the SPR in the fourth cycle, where they could be redistributed as necessary. One member asked why there were unallocated resources and questioned the practice of carrying over unallocated resources from one cycle to the next. Another member considered that more complete information was required than that provided in the document. A number of members emphasized that the allocations approved by decision 86/8 constituted notional planning figures and that a number of delegations at the time had emphasized the need for increased resources for such activities as Technical Co-operation among Developing Countries (TCDC), the Programme for Assistance to the Palestinian People, and the Decade for Transport in Asia. One member noted that paragraph 4 of DP/1986/78 should contain specific reference to TCDC. Other members noted that the document before the Committee touched solely on the

issue of the transfer of resources from the third to the fourth cycle and that the issue of the overall allocation of resources by main categories should not be considered at this time. It was noted that the possibility of further resources being allocated as required remained in the hands of the Council.

Response of the administration

4. The Director of the Planning and Co-ordination Office stated that traditionally, the Administrator had asked the Governing Council to carry over unbudgeted allocations from one cycle to the next. He was in this case also requesting the Council to carry over unallocated amounts, which were likely to amount to between \$1 and \$4 million. He noted that nothing hindered the utilization of resources made available under the fourth cycle as of 1 January 1987. Regarding the transfer of resources from one cycle to the next, he stated that allocations approved under a particular earmarking would be transferred to the same earmarking in the following year. Those resources which had not been allocated in the third cycle would be transferred to the pool of unallocated resources of the SPR in the fourth cycle. He noted that unallocated balances were unavoidable, since a number of items covered by the SPR, such as emergency relief, could not be planned. The Associate Administrator suggested that with regard to the overall allocation of resources in the fourth cycle, members should examine earmarkings, carry-overs and their utilization in June 1988, at that time they might wish to propose certain transfers between existing earmarkings.

