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**FINANCIAL STATUS OF THE
COMMISSION'S PROGRAMMES**

Note by the Executive Secretary

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I. REGULAR BUDGET

1. In accordance with General Assembly resolution 3043 (XXVII) of 19 December 1972, the regular budget of the Economic and Social Commission for Western Asia is prepared and approved on a biennial basis.

2. For the biennium 1994-1995, the initial appropriations approved by the General Assembly in its resolution 48/231 of 23 December 1993 on the programme budget for the biennium 1994-1995, under section 27, Economic and Social Commission for Western Asia, amounted to US\$ 38,226,600.

Allocation of resources

3. For the first year of the biennium 1994-1995, the General Assembly approved a total of 104 Professional and 186 General Service posts for ESCWA.

4. The allotments issued for the first year of the biennium 1994-1995, with the expenditure and the balances by programme, were as follows:

Section 27. Economic and Social Commission for Western Asia

Code	Subprogramme ^{a/}	Number of posts		In United States dollars		
		P	GS	Allotments	Expenditure	Balance
010	Policy Making Organs	-	-	39 700	26 802	12 898
110	Executive Direction and Management	9	11	1 426 600	1 296 083	130 517
210	Food and Agriculture	6	5	755 200	772 394	(17 194)
240	Development Issues and Policies	6	4	811 200	586 720	224 480
270	Environment	2	2	288 700	227 284	61 416
290	Human Settlements	4	2	494 800	396 852	97 948
330	Industrial Development	7	4	834 200	618 298	215 902
340	International Trade and Development Finance	2	2	299 900	133 518	166 382
460	Natural Resources	4	5	712 000	330 781	381 219
480	Population	7	4	854 700	554 554	300 146
510	Public Administration and Finance	3	-	241 200	209 552	31 648
520	Science and Technology	3	2	376 900	264 650	112 250
530	Social Development	4	2	493 400	293 302	200 098
533	Women and Development	2	2	328 600	295 410	33 190
540	Statistics	5	8	811 600	694 109	117 491
550	Transport and Communications	5	4	693 500	471 924	221 576

Section 27. (continued)

Code	Subprogramme ^{a/}	Number of posts		In United States dollars		
		P	GS	Allotments	Expenditure	Balance
650	Energy	5	2	568 400	290 606	277 794
710	Conference Services	12	25	1 745 900	1 772 651	(26 751)
770	Information Services	1	1	50 900	31 139	19 761
780	Library Services	1	6	230 900	194 770	36 130
790	Management of Technical Cooperation Activities	2	2	274 100	253 396	20 704
800	Administration and Common Services	14	93	6 379 200	6 001 541	377 659
850	Staff training activities	-	-	44 000	32 109	11 891
	Subtotals	104	186	18 755 600	15 748 445	3 007 155

^{a/} The titles cited under this heading are those of the subprogrammes before the restructuring of ESCWA since the allotment account codes have not been assigned according to restructured subprogrammes and sections.

5. In addition to the resources detailed above, the Food and Agriculture Organization of the United Nations (FAO) contributed three posts to the ESCWA Food and Agriculture subprogramme.

6. Below is the breakdown by major area of expenditure of the US\$ 15,748,445 expended during the first year of the biennium 1994-1995.

Staff and other personnel costs	US\$ 12,783,028
Consultants' fees and travel	132,245
Overtime and night differential	33,350
Ad hoc expert group meetings	98,252
Travel on official business	223,861
Contractual services	83,248
General operating expenses	1,841,404
Supplies and materials	258,240
Acquisitions	294,817
Total	<u>US\$ 15,748,445</u>

Section 15. Transnational Corporations

Code	Subprogramme	Number of posts		In United States dollars		
		P	GS	Allotments	Expenditure	Balance
492	United Nations Centre on Transnational Corporations	1	1	188 300	224 574	(36 274)
	Subtotals	1	1	188 300	224 574	(36 274)

7. The total expenditure of US\$ 224,574 in section 15 above is broken down as follows:

Staff and other personnel costs	US\$ 214,203
Travel on official business	<u>10,371</u>
Total	<u>US\$ 224,574</u>

Section 12. Regular Programme of Technical Cooperation
(Regional and Subregional Advisory Services)

Code	Subprogramme	In United States dollars		
		Allotments	Expenditure	Balance
211	Food and Agriculture	189 200	26 857	162 343
241	Development Issues and Policies	189 100	9 641	179 459
271	Environment	183 900	68 368	115 532
331	Industrial Development	185 900	118 504	67 396
461	Natural Resources	330 100	219 520	110 580
521	Science and Technology	184 000	170 211	13 789
531	Social Development and Humanitarian Affairs	183 800	28 840	154 960
541	Statistics	367 400	313 044	54 356
551	Transport and Communications	178 600	139 950	38 650
651	Energy	186 800	133 909	52 891
801	Administration and Common Services	205 400	53 482	151 918
	Subtotals	2 384 200	1 282 326	1 101 874

8. The expenditure of US\$ 1,282,326 in section 12 above is broken down as follows:

Staff and other personnel costs	US\$ 1,100,384
Travel on official business	<u>181,942</u>
Total	<u>US\$ 1,282,326</u>

	Number of posts		In United States dollars		
	P	GS	Allotments	Expenditure	Balance
Total resources under the regular budget allotted for the first year of the biennium 1994-1995, actual total expenditure and related balance	105	187	21 328 100	17 255 345	4 072 755

II. EXTRABUDGETARY RESOURCES

A. Introduction

9. This chapter on the financial status of the extrabudgetary resources of the Economic and Social Commission for Western Asia (ESCWA) covers the first year of the biennium 1994-1995 ended 31 December 1994. The accounts reported on relate to all extrabudgetary resources from different contributors in support of activities financed from the regular budget. Excluding the Trust Fund for ESCWA Regional Activities, these resources amounted to US\$ 750,429.

10. This chapter summarizes extrabudgetary resources for ESCWA activities during 1994 in financial terms. After a brief overview of the activities and financial situation of the Commission as a whole, the remaining sections provide financial information relating to the major sources of extrabudgetary funds. Annex I to this chapter provides a consolidated statement of expenditure covering all extrabudgetary funds for the first year of the biennium 1994-1995. Annex II to this chapter shows the combined status of trust funds for the first year of the biennium 1994-1995.

B. Overview

11. The increasingly serious financial crisis faced by the United Nations in recent years continued during the year 1994. This is clearly reflected in the decreasing amounts allocated to ESCWA by the major sources of extrabudgetary funds.

12. The major sources of extrabudgetary funds for the past four bienniums have been the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations Environment Programme (UNEP), the United Nations Development Fund for Women (UNIFEM), the Government of France and the Arab Gulf Programme for United Nations Development Organizations

(AGFUND). In addition, the Food and Agriculture Organization of the United Nations (FAO) supported ESCWA by financing three posts.

13. It should be noted that, in spite of the Commission's efforts, there has been a steady decline in the level of extrabudgetary resources available to ESCWA. The Commission, however, will continue its efforts to raise voluntary contributions for extrabudgetary financing of the programme of work, and of studies on advisory services requested by member States.

C. History of activities

1. United Nations Development Programme

14. The financial support of UNDP for ESCWA activities dates from 1979. The contributions have been utilized to finance projects in the fields of planning and training; finance and banking; natural resources; statistics, surveys and censuses; and transport, communications and maritime activities.

15. In 1994, contributions of US\$ 112,590 from UNDP were utilized to finance the following projects in the ESCWA region:

- (a) Financing the regional project on the Arab Declaration on Social Development;
- (b) Establishing engineering infrastructure industries;
- (c) Providing a fellowship in planning;
- (d) Initiating a "Start Your Own Business" training programme for the occupied Palestinian territories.

2. United Nations Population Fund

16. The contributions of UNFPA to ESCWA activities started in the year 1975. During 1994, contributions of US\$ 329,335 from UNFPA were utilized to finance projects in the ESCWA region related to population and demography, as follows:

- (a) The Arab Population Conference;
- (b) The technical support services team.

3. United Nations Development Fund for Women

17. The cooperation between UNIFEM and ESCWA dates from 1978. In 1994, contributions of US\$ 51,620 from UNIFEM were utilized to finance the following projects in the ESCWA region to further the development of women:

- (a) Preparation for the Fourth World Conference on Women;

(b) Participation of Arab women in industry in Western Asia (five case-studies);^{1/}

(c) Diffusion of biogas technology in the People's Democratic Republic of Yemen: development of rural women in Al-Habeel village;

(d) Support of Arab associations for women and development;

(e) ESCWA development initiatives.

4. United Nations Environment Programme

18. UNEP contributions to ESCWA were initiated in 1990. In 1994, contributions of US\$ 75,334 from UNEP were utilized to finance a project for assessing water resources in the ESCWA region using remote sensing techniques. An amount of US\$ 22,000 was also allocated for strengthening environmental planning and management capabilities.

5. Government of France

19. The support of the Government of France for the programmes of ESCWA, dating from 1980, has focused on support of the regular budget. Contributions have been made in two forms, namely the provision of both experts and funds for ESCWA to undertake certain activities related to agriculture, natural resources, human settlements, the environment, industries, micro-electronics and statistics.

20. In 1994, contributions of US\$ 25,656 from the Government of France were utilized to finance the following:

(a) Collection, harmonization and assessment of national data;

(b) Micro-electronics and informatics in Western Asia;

(c) The Autonomous Village project.

6. Arab Gulf Programme for United Nations Development Organizations

21. AGFUND contributions to ESCWA started in 1989 and have been utilized for Regional Household Surveys, Arab community development and participation of women in community development. During 1994, US\$ 31,862 were utilized to finance the following projects:

(a) Regional Household Survey Project;

(b) Arab Declaration on Social Development.

^{1/} A study on the subject was originally issued in Arabic under the symbol E/ESCWA/SD/1994/1 - E/ESCWA/ID/1994/5. The English version will be issued under the symbol E/ESCWA/SD/1994/1/Rev.1 - E/ESCWA/ID/1994/5/Rev.1.

Annex I

**STATEMENT OF EXPENDITURE COVERING ALL EXTRABUDGETARY
FUNDS FOR THE YEAR 1994**

	<u>1994</u>
1. United Nations Development Programme	US\$ 112 590
2. United Nations Population Fund	329 335
3. United Nations Development Fund for Women	51 620
4. United Nations Environment Programme	75 334
5. Arab Gulf Programme for United Nations Development Organizations	31 862
6. Friedrich Ebert Stiftung	10 879
7. Islamic Development Bank	3 000
8. United Nations Relief and Works Agency for Palestine Refugees in the Near East	12 838
9. United Nations Office at Vienna	26 956
10. Government of France	25 656
11. Islamic Foundation for Science, Technology and Development	4 342
12. Arab Fund for Economic and Social Development	19 297
13. Arab Women Center for Training and Research	29 828
14. United Nations Fund on Disability	12 540
15. Welfare Association, Geneva	<u>4 352</u>
Total	<u>US\$ 750 429</u>

Annex II

**UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA
 COMBINED STATUS OF TRUST FUNDS FOR THE YEAR 1994**

(In United States dollars)

	Trust Fund for ESCWA Regional Activities ^{a/}	Government of France	Total
I. Statement of assets, liabilities and unencumbered fund balance			
<u>Assets</u>			
- Cash	136 951	123 436	260 387
- Accounts receivable	849	916	1 765
- Due from United Nations General Fund	5 749	—	5 749
- Deferred charges/other assets	—	—	—
Total assets	143 549	124 352	267 901
<u>Liabilities</u>			
- Accounts payable	34 123	—	34 123
- Unliquidated obligations	11 000	11 531	22 531
- Reserve for repatriation grant	—	—	—
- Due to United Nations General Fund	—	6 904	6 904
Total liabilities	45 123	18 435	63 558
<u>Unencumbered fund balance</u>			
- Balance available as of 1 January 1994	126 156	131 677	257 833
- Add: net excess of income over expenditure (see below)	(27 730)	(25 760)	(53 490)
- Balance available Total liabilities and unencumbered fund balance as of 31 December 1994	98 426	105 917	204 343
	143 549	124 352	267 901

Annex II (continued)

	Trust Fund for ESCWA Regional Activities ^{a/}	Government of France	Total
II. Statement of income and expenditure			
<u>Income</u>			
- Contributions	—	—	—
- Interest income	2 827	3 231	6 058
- Miscellaneous income	1 456	—	1 456
- Income from pledged contribution	—	—	—
Total income	4 283	3 231	7 514
<u>Expenditure</u>			
- Staff and other personnel costs	24 000	846	24 846
- Travel	4 330	7 866	12 196
- Contractual services	—	—	—
- Fellowships, scholarships, other expenditure	—	15 000	15 000
- Acquisitions	—	-	-
- Operating expenses	—	1 944	1 944
- Programme support costs	3 683	3 335	7 018
Total expenditure	32 013	28 991	61 004
Excess of income over expenditure	(27 730)	(25 760)	(53 490)

Note: A dash (—) indicates the amount is nil or negligible.

^{a/} Provisional statement.

III. TRUST FUND FOR ESCWA REGIONAL ACTIVITIES

A. Background

22. In its review of the programme of work at its second session, the Commission noted that the level of resources provided by the regular programme budget was inadequate to meet the programme needs, particularly for the great number of projects requested for the region; the provision of extrabudgetary resources was therefore necessary for the successful implementation of the Commission's programme of work. In the operative paragraph of its resolution 11 (II) of 9 May 1975 on the Voluntary Fund, the Commission decided to authorize the Chairman of the second session and the Executive Secretary to hold urgent consultations with member States with a view to exploring the best and speediest ways of establishing an additional fund financed from voluntary contributions for the extrabudgetary financing of the Commission's work programmes and for meeting requests by member States for studies and advisory services.

23. In paragraphs 1 and 2 of its resolution 33 (III) of 14 May 1976 on the establishment of a voluntary fund, the Commission decided to establish a voluntary fund and called upon the Executive Secretary to utilize the resources of the fund to finance the greatest possible amount of services in the fields of economic and social development in favour of the least developed member States of the Commission.

24. At its fourth session, in paragraph 2 of its resolution 45 (IV) of 28 April 1977 on the financial status of the Commission's programmes and the strengthening of the Voluntary Fund, the Commission urged member States to make voluntary contributions towards the general financing of its programmes or the financing of specific projects. In paragraph 4 of that resolution, the Commission called upon the Executive Secretary to submit a financial statement of the Voluntary Fund for its approval at each session. This chapter and the annex thereto are in response to that request.

B. Contributions

25. In response to the above-mentioned resolution 33 (III), the Voluntary Fund (subsequently the Trust Fund for ESCWA Regional Activities) was established by the Secretary-General. The contributions amounted to a total of US\$ 1,008,864. The status of contributions received from 1975 to 31 December 1994 is presented below.

Donors	Years of contribution	Amount contributed (United States dollar equivalent)	Pledged received (United States dollar)
The Government of Iraq	1975	300 000	—
The Arab Fund for Economic and Social Development	1975	144 000	—
The Kuwait Fund for Arab Economic Development	1975	144 000	—

Donors	Years of contribution	Amount contributed (United States dollar equivalent)	Pledged received (United States dollar)
The Government of Saudi Arabia	1975	300 000	—
The Government of Yemen	1980	5 864	—
The Iraqi Fund for External Development	1982	15 000	—
The Government of Qatar	1983	100 000	—
The Government of Lebanon	1994	—	<u>10 000</u>
Total contribution and pledged received since the establishment of the Fund		<u>1 008 864</u>	<u>10 000</u>

26. In paragraph 3 of its resolution 45 (IV), the Commission requested the Executive Secretary to invite member States of the Commission six months before the date scheduled for the holding of each session to determine the amount of their contributions towards the resources of the Fund.

27. In accordance with the procedure established by the Secretary-General and approved by the General Assembly, an annual pledging conference is held at United Nations Headquarters in New York, during which all States Members of the United Nations are requested to announce their contributions to all programmes and funds established in the United Nations, including the Trust Fund for ESCWA Regional Activities. A detailed account of ESCWA extrabudgetary resources including the Trust Fund is contained in chapter II.

28. Based on information received from the pledging conference held on 1 and 2 November 1994, the Government of Lebanon pledged the amount of US\$ 10,000 for the Trust Fund. The contribution of the Government of Lebanon was the first made since 1983.

C. Programme of activities financed from the Trust Fund

29. At its second session, the Commission, in its resolution 11 (II) of 9 May 1975, decided to explore ways of establishing a voluntary fund to serve as a source of revenue for the extrabudgetary financing of the Commission's programme of work and for meeting requests by member States for studies and advisory services. At its third session, the Commission, in paragraph 2 of its resolution 33 (III) of 14 May 1976, circumscribed the utilization of the resources of the Fund to the various fields of economic and social development in favour of the least developed States members of the Commission. At its seventh session, in its resolution 79 (VII) of 22 April 1980 on the strengthening of the Financial Contributions Account of the Economic Commission for Western Asia, the Commission expanded the area of activities to be financed from the resources of the Fund to include surveys and statistical research, analytical studies, training, consultant services, and all economic and social sectors and subsectors.

30. During the first year of the biennium 1994-1995, US\$ 28,330 were utilized as follows:

	<u>US dollars</u>
(a) Survey of socio-economic development projects in the occupied territories	6 000
(b) Building up the institutional infrastructure of the economy in the occupied Palestinian territories	5 000
(c) Environmentally sustainable energy efficient housing	4 000
(d) Industrial restructuring in the Republic of Yemen	2 330
(e) Assessment of water resources in the ESCWA region using remote sensing techniques	<u>11 000</u>
Total	<u><u>28 330</u></u>

Annex

**ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA
TRUST FUND FOR ESCWA REGIONAL ACTIVITIES**

PROVISIONAL STATEMENT FOR THE BIENNIUM 1994-1995
(In United States dollars)

I. Statement of income and expenditure for the first 12-month period of the biennium 1994-1995

Income		
	Bank interest	2 827
	Miscellaneous	<u>1 456</u>
	Total income	<u>4 283</u>
Expenditure		
	Salaries and other personnel costs	24 000
	Travel	<u>4 330</u>
	Subtotal	28 330
	Programme support costs	<u>3 683</u>
	Total expenditure	<u>32 013</u>
	Excess of income over expenditure	(27 730)

II. Statement of assets and liabilities for the first 12-month period of the biennium 1994-1995

Assets		
	Cash at bank	136 951
	Accounts receivable	849
	Due from United Nations General Fund	<u>5 749</u>
	Total assets	<u>143 549</u>
Liabilities		
	Unliquidated obligations	11 000
	Accounts payable	<u>34 123</u>
	Total liabilities	<u>45 123</u>
	Balance available 1 January 1994	126 156
	Add: Excess of income over expenditure	<u>(27 730)</u>
	Balance available 31 December 1994	<u>98 426</u>
	Total liabilities and Fund balance	<u>143 549</u>

