



Economic and Social Council

Distr.: Limited
13 July 2009

Original: English

For information

United Nations Children's Fund

Executive Board

Second regular session 2009

14-16 September 2009

Item 7 of the provisional agenda*

Report on funds allocated from regular resources to cover overexpenditures for completed projects financed from other resources

Summary

The present report summarizes expenditures in excess of commitments for completed projects financed from other resources for which no additional support has been forthcoming. The amount of \$3,835,512 from regular resources will be used to cover these overexpenditures.

* E/ICEF/2009/16.

Background

1. Executive Board decision 1988/11 H (E/ICEF/1988/13) established the following policy on expenditures in excess of commitments:

The financial implementation of supplementary-funded programmes should remain within the funded amounts. However, during the implementation, because of exchange rate fluctuations or other price increases that are out of UNICEF control, the resource needs may exceed those of the original project budget. In such cases, the donor(s) will be approached for additional support. If the additional support is not forthcoming, the project will be phased out and any overexpenditure will be allocated from general resources. The secretariat will report each case to the Executive Board specifying the amount in United States dollars, the assisted country to which it relates, and the explanation of overexpenditures.

2. A breakdown, by area or country programme, of expenditures in excess of commitments, totalling \$3,835,512, is provided in paragraph 6. The allocation of regular resources for this amount will allow UNICEF to finalize the accounting for other resources for the period to 31 December 2007.

3. Of the total \$3.8 million, \$2.3 million relates to regular other resources and \$1.5 million to other resources for emergencies. A total of \$2.8 million is attributable to contributions that have been reduced or cancelled or have decreased in value due to exchange rate fluctuations between pledge and payment dates and \$1 million is attributable to primarily price increases out of UNICEF control.

4. UNICEF is aware of its financial management imperative to ensure effective, efficient and economic use of the resources contributed by its donors, and has ensured that financial management policy, procedures and systems minimize risk that expenditures in excess of commitments will be incurred. In recent years, the organization has clarified accountabilities for implementation and monitoring, while enhancing financial reporting. UNICEF makes every effort to avoid expending in excess of commitments, and approaches donors for additional support when such cases arise as a result of the variable environments in which it operates. UNICEF will continue actively to seek to minimize overexpenditures; nevertheless, as noted by the Executive Board, there are factors that give rise to such overexpenditures that are beyond UNICEF control.

5. This latest report on expenditures in excess of commitments demonstrates progress achieved in recent years by UNICEF in the timely management and closure of contributions to other resources. The period between contribution expiry and final accounting activities has, with this report, been reduced to an optimal minimum.

6. The table below indicates the regular resource funding needed to cover expenditures in excess of commitments, totalling \$3,835,512 for 51 programmes.

| <i>Area/country of assistance/programme</i> | <i>Overexpenditures (In United States dollars)</i> |
|---|--|
| Afghanistan | 12 632 |
| Albania | 1 269 |
| Angola | 168 836 |
| Benin | 16 503 |
| Bosnia and Herzegovina | 23 716 |
| Brazil | 6 984 |
| Burundi | 335 728 |
| Cambodia | 6 047 |
| Cameroon | 4 020 |
| Chad | 8 673 |
| Colombia | 1 441 |
| Côte d'Ivoire | 113 278 |
| Democratic People's Republic of Korea | 87 315 |
| Democratic Republic of the Congo | 267 335 |
| Djibouti | 3 492 |
| Eritrea | 1 886 |
| Ethiopia | 42 412 |
| Gabon | 11 585 |
| Guatemala | 8 072 |
| Guinea-Bissau | 1 375 |
| Haiti | 3 922 |
| India | 357 140 |
| Indonesia | 3 910 |
| Iraq | 4 560 |
| Kenya | 527 752 |
| Lebanon | 14 878 |
| Liberia | 30 572 |
| Madagascar | 51 975 |
| Malawi | 344 672 |
| Maldives | 1 103 |
| Mauritania | 1 072 |
| Moldova | 4 808 |
| Mozambique | 139 414 |
| Myanmar | 11 579 |
| Nigeria | 6 236 |
| Pakistan | 1 019 |
| Peru | 2 325 |
| Philippines | 4 340 |
| Senegal | 7 583 |

| <i>Area/country of assistance/programme</i> | <i>Overexpenditures (In United States dollars)</i> |
|--|--|
| Somalia | 5 524 |
| Sri Lanka | 53 520 |
| Sudan | 75 367 |
| Swaziland | 21 067 |
| Tajikistan | 5 305 |
| Uganda | 254 772 |
| Yemen | 2 366 |
| Zimbabwe | 43 484 |
| UNICEF Office of Emergency Programmes | 392 478 |
| UNICEF Programme Division | 108 507 |
| Regional Office for Central and Eastern Europe and the Commonwealth of Independent States | 184 259 |
| Regional Office for West and Central Africa | 47 404 |
| Total | 3 835 512 |
