



Finance Committee

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Implementation of the budget for the financial period 2015-2016

Report of the Secretary-General

I. Introduction

1. The present report presents and analyses the budget performance of the International Seabed Authority for the biennium 2015-2016.
2. In July 2014, at its twentieth session, the Assembly of the Authority approved the amount of \$15,743,143 as the budget of the Authority for the financial period 2015-2016 (see [ISBA/20/A/12](#)).

II. Budget performance report for 2015-2016

3. As shown in the budget performance report for 2015-2016 (see annex), after the miscellaneous income derived from the overhead charges for the supervision and management of exploration contracts for that period has been credited, the total expenditure stands at \$15,627,493, representing 99.3 per cent of the total budget (\$15,743,143).
4. The present report is divided into two parts, following the presentation format for the budget for the financial period 2015-2016, as follows:
 - (a) Part 1: Administrative expenses of the secretariat:
 - (i) Section 1: Staff, temporary assistance, consultants and ad hoc expert groups;
 - (ii) Section 2: Official travel;
 - (iii) Section 3: Operating expenses;
 - (iv) Section 4: Building management;
 - (b) Part 2: Conference-servicing costs of the Authority.



A. Part 1: Administrative expenses of the secretariat

5. The budget available for part 1 for 2015-2016 was \$12,811,400, which represented 81.38 per cent of the total budget. After transfers between sections, the budget for part 1 was \$12,388,400, and the total expenditure was \$12,273,638, resulting in underspending of \$114,762, or 0.7 per cent of the budget.

6. As a result of the implementation of the International Public Sector Accounting Standards, a new line of expenditure appears in the financial statements of the Authority. Owing to the non-monetary nature of the expenditure, meaning that the Authority does not have to pay for it, that line of expenditure is not reported in the budget implementation report. However, it shows the depreciation of fixed assets, which appears in the accounts of the Authority in the amount of \$99,069. The depreciation is deducted from the available surplus of the budget. The net surplus after depreciation is \$16,538, as shown in the budget performance report annexed hereto.

7. As disclosed in the audited financial statements, miscellaneous income representing the unused part of the contractor application processing fees is used to reduce the expenses relating to the processing of contract applications.

8. After taking into account the credits from miscellaneous income of \$112,866, the total expenditure for the biennium was \$15,627,493, resulting in an underexpenditure of \$115,607, or 0.7 per cent of the budget.

B. Part 2: Conference-servicing costs of the Authority

9. The budget available for conference services was \$2,931,700, representing 18.6 per cent of the overall budget.

10. As disclosed in the audited financial statements, the conference-servicing costs were reduced by miscellaneous income of \$112,866 relating to supporting the processing of the contract with the Government of the Republic of Korea.

11. Before the miscellaneous income was credited to reduce the conference-servicing costs, the expenditure for part 2 was \$3,466,721, resulting in overspending by \$112,021. After the miscellaneous income of \$112,866 was credited to reduce expenses, the total expenditure for part 2 was \$3,353,855, resulting in underexpenditure of \$845.

Annex

Budget performance report for 2015-2016

(United States dollars)

Part/ section	Object of expenditure	2015-2016 approved budget	Transfers approved by the Secretary- General from section to section and within sections	Budget after reallocations	2015 expenditure	2016 expenditure	2015-2016 total	Balance	Total expenditure/ approved budget (percentage)
					(as at 31 December 2015)	(as at 31 December 2016)	expenditure (as at 31 December 2016)		
1.	Administrative expenses of the secretariat								
1.1	Administrative expenses	9 965 000	(339 820)	9 625 180	4 596 939	5 056 099	9 653 039	(27 859)	100.4
	Established posts	6 081 200	(778 820)	5 302 380	2 619 212	2 672 498	5 291 710	10 670	100.0
	General temporary assistance	30 000		30 000	2 611	6 711	9 322	20 678	31.1
	Overtime	31 600		31 600	20 998	19 996	40 994	(9 394)	129.7
	Consultants	315 000		315 000	178 124	350 841	528 965	(213 965)	167.9
	Promotion and encouragement of marine scientific research	100 000	(50 000)	50 000	6 220	101	6 321	43 679	12.6
	Ad hoc expert groups	570 900		570 900	270 084	94 512	364 596	206 304	63.9
	Central data repository	130 000	375 000	505 000	45 000	500 455	545 455	(40 455)	108.0
	Common staff costs	2 706 300	114 000	2 820 300	1 454 689	1 410 985	2 865 674	(45 374)	101.6
1.2	Official travel	480 100	(45 000)	435 100	168 528	209 657	378 185	56 915	86.9
	Official travel	480 100	(45 000)	435 100	168 528	209 657	378 185	56 915	86.9
1.3	Operating expenses	1 489 400	(21 000)	1 468 400	689 911	799 312	1 489 223	(20 823)	101.4
	Communications	200 700		200 700	69 066	53 669	122 735	77 964	61.2
	External printing	100 000		100 000	18 026	6 193	24 219	75 781	24.2
	Training	63 000	2 300	65 300	18 457	39 420	57 877	7 423	88.6
	Library books	136 000		133 000	68 235	67 944	136 179	(179)	100.1
	Official hospitality	22 000		22 000	11 874	18 678	30 552	(8 552)	138.9
	Acquisition of furniture and equipment	262 700		262 700	184 920	188 170	373 090	(110 390)	142.0
	Rental and maintenance of furniture and equipment	23 000		23 000	15 738	14 258	29 996	(6 996)	130.4
	Supplies and materials	80 300	12 000	92 300	50 540	49 959	100 499	(8 199)	108.9
	Miscellaneous services	109 600	(12 000)	97 600	40 725	49 414	90 139	7 461	92.4
	Information technology	171 500	(21 000)	150 500	65 353	146 632	211 985	(61 485)	140.9

<i>Part/ section</i>	<i>Object of expenditure</i>	<i>2015-2016 approved budget</i>	<i>Transfers approved by the Secretary- General from section to section and within sections</i>	<i>Budget after reallocations</i>	<i>2015 expenditure (as at 31 December 2015)</i>	<i>2016 expenditure (as at 31 December 2016)</i>	<i>2015-2016 total expenditure (as at 31 December 2016)</i>	<i>Balance</i>	<i>Total expenditure/ approved budget (percentage)</i>
	Audit fees	34 600	(2 300)	32 300	17 300	15 000	32 300		100.0
	United Nations common system	166 000		166 000	70 346	89 442	159 788	6 212	96.3
	International Public Sector Accounting Standards	120 000		120 000	59 330	60 533	119 863	137	99.9
1.4	Building management	876 900	(17 180)	859 720	354 131	399 061	753 192	106 528	87.6
	Building management	876 900	(17 180)	859 720	354 131	399 061	753 192	106 528	87.6
	Subtotal part 1	12 811 400	(423 000)	12 388 400	5 809 509	6 464 129	12 273 638	114 762	99.2
2	Conference-servicing costs of the Authority								
	Conference services	2 931 700	423 000	3 354 700	1 887 955	1 465 900	3 353 855	845	100.0
	Subtotal part 2	2 931 700	423 000	3 354 700	1 887 955	1 465 900	3 353 855	845	100.0
	Total (former format)	15 743 100		15 743 100	7 697 464	7 930 029	15 627 493	115 607	99.3
3	Non-monetary charges								
	Fixed assets depreciation						99 069	(99 069)	
	Subtotal part 3						99 069	(99 069)	
	Total after depreciation			15 743 100			15 735 819	16 538	