



UNAIDS/PCB(20)/07.15
1 May 2007

20th Meeting of the UNAIDS Programme Coordinating Board
Geneva, Switzerland
25-27 June 2007

Provisional agenda item 2:

2008-2009 Unified Budget and Workplan and Financial Report

Proposal to PCB for new discretionary authority for the Executive Director with respect to the programming and disbursement of funds received over the approved level of the budget

Additional documents for this item:

- i. 2008-2009 Unified Budget and Workplan (*UNAIDS/PCB(20)/07.3*)
- ii. Interim financial management information for the 2006-2007 biennium and financial update as at 30 April 2007 (*UNAIDS/PCB(20)/07.4*)
- iii. Mid-term Progress Report: 2006-2007 Unified Budget and Workplan (*conference room paper*)

Action required at this meeting - the Programme Coordinating Board is requested to:

See point 4 below

Cost implications for decisions: none

Background

1. Funds raised have tended to exceed the approved budget level on occasions in the past. By the very nature of the Joint Programme, there is a high degree of uncertainty as to what funds will be raised in any given year. In the past discrepancy has resulted in funds remaining idle, despite urgent substantive needs in the Joint Programme.
2. The problem has been discussed on a number of occasions in the PCB. To-date, the situation has been resolved on an *ad hoc* basis through the use of special PCB allocations. Examples have been investments for emerging and strategic activities against the epidemic, upgrading of security, information technology and those related to the new headquarters building.
3. There is, however, a need to adopt a more programmatic approach to this recurrent situation.

Proposal

4. The PCB may wish to consider granting the Executive Director some flexibility in programming use of funds in such situations, bearing in mind the need for transparency, accountability and governance control. In this context, the PCB is invited to consider the following proposal:

“That the Executive Director be given the discretion to programme and disburse funds received by way of contributions over and above the level of the approved UBW subject to the following conditions:

- a. The amount of funds to be programmed and disbursed under discretionary authority shall not exceed 10% of the approved budget;
- b. The funds shall be used only for activities in priority areas as set out in the Strategic Framework or for investments in, or support for, the Principal Outcomes and Key Outputs as identified in the Unified Budget and Workplan;
- c. The Executive Director shall submit his proposal for the use of the funds to all Members of the PCB through its Bureau, who will ensure its conformity with the above criteria. Any proposal shall be deemed approved if no written objection to the proposal is received by the Bureau within a period of 14 days from the date of notification of the proposal;
- d. The use of the funds under the Executive Director’s discretionary authority should be reported to the next session of the PCB;
- e. The PCB will review the experience with this procedure at the end of three years.”