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**Contribution by the Secretariat**

Preparation of the draft biennial Budget of the Union for 2022-2023

1 This document presents the status of the draft biennial Budget for the years 2022-2023, which has been prepared on the basis of Decision 5 (Rev. Dubai, 2018) and associated guidelines. Expenses and revenue are balanced without withdrawal from the Reserve Account.

**Background**

2 In accordance with number 100 of Article 5 of the Convention, a biennial draft budget covering the expenses of the Union has been prepared and will be submitted to Council after consultation with the Coordination Committee, ensuring that all possible economies are made and taking into account the financial limits laid down by the Plenipotentiary Conference.

3 By Decision 5 (Rev. Dubai, 2018) on revenue and expenses for the Union for the period 2020-2023, the Plenipotentiary Conference established the framework and the directives under which the budget of the Union for 2022-2023 has been elaborated.

**Revenue and Expenses estimates - Overview**

4 **Table 1** on the next page presents the planned expenses by sector for 2022-2023. The draft budget is based on the programme of activities of the Union, which includes three major events, the Plenipotentiary Conference (PP22) in 2022 and the World Radiocommunication Conference (WRC23) in 2023 that are covered by the 2022-2023 budget. As for the World Telecommunication Standardization Assembly, originally foreseen in 2020 and postponed to 2022, it will be funded by differed funding from the 2020-2021 budget. Finally, appropriations amounting to KCHF 840 have been included in the 2022-2023 budget to cover the COVID19 recurring expenses.

**Table 1**

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5 The value of the contributory unit of Member States has been maintained at CHF 318,000 as per Decision 5 (Rev. Dubai, 2018), i.e. zero nominal growth since the year 2006.

6 Revenue and expenses are balanced at **CHF 326.19 million**. In comparison with the
2020-2021 budget, the draft budget for 2022-2023 is lower by CHF 5.83 million. As compared to the financial plan, the 2022-2023 draft budget is lower by 3.77 million. In order to achieve a balanced budget, strong efficiency measures have been applied.

7 **Table 2** provides the revenue forecast for 2022-2023. The main decrease is for cost recovery revenue.

**Table 2**



8 As indicated in **Table 3** on the next page, the increase in assessed contributions is mainly on account of the increase in Associates for the ITU-T. The decrease in Sector Members for the ITU-R and ITU-D is compensated by a corresponding increase for Sector Members for the ITU-T.

**Table 3**



9 **Table 4** belowprovides the breakdown ofcost recovery revenue for 2022-2023. The significant decrease in the sales of publications is on account of reduced programme of publications for the ITU-R Sector. It is partially compensated by an increase in the cost recovery for the satellite network filings (SNF).

**Table 4**



10 As presented in **Table 5** below, the other revenue shows an increase of CHF 0.2 million while the savings from budget implementation have been increased by CHF 0.84 million to cover the COVID19 recurring expenses.

**Table 5**



11 The draft budget under the Results-based budgeting format will be presented to Council at its 2021 session. Linkage with the Goals and Objectives of the Strategic Plan for the Union for 2020-2023 necessitates various cost allocations which are on-going.

12 A 5 per cent vacancy rate is applied as this was the case for previous budgets, which results from an assessed combination of recruitment delays, part-time staff and leave without pay. The implementation of the vacancy rate will be a significant challenge in the management of vacant positions and the recruitment process.

13 Table 6 below presents a comparison of the total numbers of budgeted posts since 2012-2013 and until 2022-2023.

**Table 6**



14 The 2022-2023 budget is based on the conditions of employment that prevailed on 1 May 2020. It will be re-costed to reflect the conditions of employment as of 1 January 2021.

15 As of 1 December 2020, the anticipated 2020 budget implementation surplus is estimated at CHF 1 million. A significant portion of the savings achieved in the 2020 budget implementation (travel, fellowships, etc.) has been offset by a CHF 7.2 million shortfall in revenue mainly on account of a decrease in the cost recovery revenue. The unplanned COVID19 expenses for 2020 are expected to amount to some CHF 1.7 million and resulted in a decrease in the anticipated 2020 budget implementation surplus.

16 **Annex 1** provides the breakdown of the 2022-2023 budget by Sector and section.

17 **Annex 2** provides the estimated volume of documentation (translation, text processing and reprography) for 2022-2023.

**ANNEX 1**

**Draft budget 2022-2023 – Breakdown of expenses by Sector and Section**

**Table A**



**Table B**



**Table C**



**Table D**



**ANNEX 2**

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