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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Report of the Fifth Committee

Rapporteur: Mr. Santiago Wins (Uruguay)

I. Introduction

1. At its 3rd plenary meeting, on 19 September 2002, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-sixth session the item entitled "Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 54th to 57th, 59th and 60th meetings, on 13, 15, 20 and 21 May and 17 June 2002. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/56/SR.54-57, 59 and 60).

3. For its consideration of the item, the Committee had before it the following documents:

United Nations Logistics Base at Brindisi, Italy

Report of the Secretary-General on the financial performance of the United Nations Logistics Base at Brindisi for the period from 1 July 2000 to 30 June 2001 (A/56/760);

Report of the Secretary-General on the budget for the United Nations Logistics Base at Brindisi for the period from 1 July 2002 to 30 June 2003 (A/56/871);

Report of the Advisory Committee on Administrative and Budgetary Questions (A/56/887/Add.10);

Note by the Secretary-General on the approved budgetary requirements of each peacekeeping operation for the period from 1 July 2001 to 30 June 2002 (A/C.5/56/36/Rev.1);

Note by the Secretary-General concerning amounts to be apportioned in respect of each peacekeeping mission, including the prorated share of the support account for peacekeeping operations and financing of the United Nations Logistics Base at Brindisi, Italy, for the period 2002 to 2003 (A/C.5/56/45);

Field assets control system

Report of the Secretary-General on the progress in the implementation of the field assets control system: a module of the field mission logistics system (A/55/845);

Reports of the Advisory Committee on Administrative and Budgetary Questions (A/56/7¹ and A/56/887);

Instances for which the United Nations is entitled to restitution as the result of non-compliance with status-of-forces or other agreements

Report of the Secretary-General on instances for which the United Nations is entitled to restitution as the result of non-compliance with status-of-forces or other agreements (A/56/789);

Report of the Advisory Committee on Administrative and Budgetary Questions (A/56/887);

The concept of strategic deployment stocks and its implementation

Report of the Secretary-General on the concept of strategic deployment stocks and its implementation (A/56/870);

Report of the Advisory Committee on Administrative and Budgetary Questions (A/56/902);

Support account for peacekeeping operations

Report of the Secretary-General on the financial performance of the support account for peacekeeping operations for the period from 1 July 2000 to 30 June 2001 (A/56/882);

Report of the Secretary-General on the budget for the support account for peacekeeping operations for the period from 1 July 2002 to 30 June 2003 (A/56/885);

Report of the Advisory Committee on Administrative and Budgetary Questions (A/56/941);

Progress report on the write-off of contingent-owned equipment at liquidated missions

Note by the Secretary-General on the progress report on the write-off of contingent-owned equipment at liquidated missions (A/C.5/56/43);

¹ See *Official Records of the General Assembly, Fifty-sixth Session, Supplement No. 7*.

II. Consideration of proposals

A. Financing of the United Nations Logistics Base at Brindisi, Italy (draft resolution A/C.5/56/L.76)

4. At the 60th meeting, on 17 June, the representative of India and coordinator of informal consultations on this question introduced, on behalf of the Chairman, a draft resolution entitled "Financing of the United Nations Logistics Base at Brindisi, Italy" (A/C.5/56/L.76).

5. At the same meeting, the Committee adopted draft resolution A/C.5/56/L.76 without a vote (see para. 18, draft resolution I).

B. Progress in the implementation of the field assets control system: a module of the field mission logistics system (draft resolution A/C.5/56/L.77)

6. At the 60th meeting, on 17 June, the representative of Nepal, Vice-Chairman of the Committee and coordinator of informal consultations on this question, introduced a draft resolution entitled "Progress in the implementation of the field assets control system: a module of the field mission logistics system" (A/C.5/56/L.77).

7. At the same meeting, the Committee adopted draft resolution A/C.5/56/L.77 without a vote (see para. 18, draft resolution II).

C. Instances for which the United Nations is entitled to restitution as the result of non-compliance with status-of-forces or other agreements (draft resolution A/C.5/56/L.84)

8. At the 60th meeting, on 17 June, the representative of Canada, Vice-Chairman of the Committee and coordinator of informal consultations on this question, introduced a draft resolution entitled "Instances for which the United Nations is entitled to restitution as the result of non-compliance with status-of-forces or other agreements" (A/C.5/56/L.84).

9. At the same meeting, the Committee adopted draft resolution A/C.5/56/L.84 without a vote (see para. 18, draft resolution III).

D. The concept of strategic deployment stocks and its implementation (draft resolution A/C.5/56/L.87)

10. At the 60th meeting, on 17 June, the representative of India and coordinator of informal consultations on this question introduced, on behalf of the Chairman, a draft resolution entitled "The concept of strategic deployment stocks and its implementation" (A/C.5/56/L.87).

11. At the same meeting, the Committee adopted draft resolution A/C.5/56/L.87 without a vote (see para. 18, draft resolution IV).

E. Support account for peacekeeping operations (draft resolution A/C.5/56/L.91)

12. At the 60th meeting, on 17 June, the representative of Canada, Vice-Chairman of the Committee and coordinator of informal consultations on this question, introduced a draft resolution entitled “Support account for peacekeeping operations” (A/C.5/56/L.91).

13. At the same meeting, the Committee adopted draft resolution A/C.5/56/L.91 without a vote (see para. 18, draft resolution V).

F. Write-off of contingent-owned equipment at liquidated missions (draft decision A/C.5/56/L.94)

14. At the 60th meeting, on 17 June, the Chairman of the Committee introduced a draft decision entitled “Write-off of contingent-owned equipment at liquidated missions” (A/C.5/56/L.94).

15. At the same meeting, the Committee adopted draft decision A/C.5/56/L.94 without a vote (see para. 19, draft decision I).

G. Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (draft decision A/C.5/56/L.95)

16. At the 60th meeting, on 17 June, the representative of Canada, Vice-Chairman of the Committee and coordinator of informal consultations on this question, introduced a draft decision entitled “Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations” (A/C.5/56/L.95).

17. At the same meeting, the Committee adopted draft decision A/C.5/56/L.95 without a vote (see para. 19, draft decision II).

III. Recommendations of the Fifth Committee

18. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolutions:

Draft resolution I

Financing of the United Nations Logistics Base at Brindisi, Italy

The General Assembly,

Recalling section XIV of its resolution 49/233 A of 23 December 1994,

Recalling also its decision 50/500 of 17 September 1996 on the financing of the United Nations Logistics Base at Brindisi, Italy, and its subsequent resolutions thereon, the latest of which was resolution 55/272 of 14 June 2001,

Having considered the reports of the Secretary-General on the financing of the United Nations Logistics Base² and the related reports of the Advisory Committee on Administrative and Budgetary Questions,³

Reiterating the importance of establishing an accurate inventory of assets,

1. *Notes with appreciation* the facilities provided by the Government of Italy to the United Nations Logistics Base at Brindisi, Italy;

2. *Takes note* of the reports of the Secretary-General on the financing of the United Nations Logistics Base;²

3. *Endorses* the observations and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;⁴

4. *Requests* the Secretary-General to consider using national professional officers to the extent possible, and to report on such efforts in the context of his next performance report;

5. *Reiterates* the need to implement, as a matter of priority, an effective inventory management standard, especially in respect of peacekeeping operations involving high inventory value;

Performance report for the period from 1 July 2000 to 30 June 2001

6. *Takes note* of the financial performance report of the United Nations Logistics Base for the period from 1 July 2000 to 30 June 2001;⁵

Budget estimates for the period from 1 July 2002 to 30 June 2003

7. *Approves* the cost estimates for the United Nations Logistics Base amounting to 14,293,200 United States dollars for the period from 1 July 2002 to 30 June 2003;

Financing of the cost estimates

8. *Decides* to apply the unencumbered balance of 1,562,400 dollars and other income of 643,000 dollars in respect of the financial period ended 30 June 2001 to the resources required for the period from 1 July 2002 to 30 June 2003;

9. *Also decides* that the decrease in the staff assessment income of 148,100 dollars shall be set off against the unencumbered balance in respect of the financial period ended 30 June 2001 referred to in paragraph 8 above;

10. *Further decides* to prorate the balance of 12,087,800 dollars among the individual active peacekeeping operation budgets to meet the financing requirements of the United Nations Logistics Base for the period from 1 July 2002 to 30 June 2003;

11. *Decides* to set off against the balance referred to in paragraph 10 above the estimated staff assessment income of 1,077,000 dollars for the period from

² A/56/760 and A/56/871.

³ A/56/887 and Add.10.

⁴ A/56/887/Add.10.

⁵ A/56/760.

1 July 2002 to 30 June 2003, to be prorated among the individual active peacekeeping operation budgets;

12. *Also decides* to consider during its fifty-seventh session the question of the financing of the United Nations Logistics Base.

Draft resolution II

Progress in the implementation of the field assets control system: a module of the field mission logistics system

The General Assembly,

Having considered the report of the Secretary-General on progress in the implementation of the field assets control system: a module of the field mission logistics system⁶ and the related reports of the Advisory Committee on Administrative and Budgetary Questions,⁷

1. *Takes note* of the report of the Secretary-General on progress in the implementation of the field assets control system: a module of the field mission logistics system⁶ and endorses the observations of the Advisory Committee on Administrative and Budgetary Questions contained in its reports;⁷

2. *Requests* the Secretary-General to provide an update on the implementation of the field assets control system to the General Assembly at its fifty-seventh session.

Draft resolution III

Instances for which the United Nations is entitled to restitution as the result of non-compliance with status-of-forces or other agreements

The General Assembly,

Having considered the report of the Secretary-General on instances for which the United Nations is entitled to restitution as the result of non-compliance with status-of-forces or other agreements⁸ and the related report of the Advisory Committee on Administrative and Budgetary Questions,⁹

1. *Takes note* of the information contained in the report of the Secretary-General;⁸

2. *Recalls* its resolution 55/12 of 1 November 2000;

3. *Requests* the Secretary-General to report further to the General Assembly on the issues raised in his report that relate to the Federal Republic of Yugoslavia.

⁶ A/55/845.

⁷ *Official Records of the General Assembly, Fifty-sixth Session, Supplement No. 7 (A/56/7)*, chap. I, paras. 95-102, and A/56/887, para. 63.

⁸ A/56/789.

⁹ A/56/887, paras. 30-31.

Draft resolution IV

The concept of strategic deployment stocks and its implementation

The General Assembly,

Having considered the report of the Secretary-General on the concept of strategic deployment stocks and its implementation¹⁰ and the related report of the Advisory Committee on Administrative and Budgetary Questions,¹¹

1. *Requests* the Secretary-General to take fully into consideration the provisions of its resolution 55/247 of 12 April 2001 on procurement reform in the implementation of the present resolution;

2. *Also requests* the Secretary-General to report on an annual basis to the General Assembly on the award of contracts for procurement for the strategic deployment stocks to all Member States, in particular to developing, least developed and African countries and countries with economies in transition;

3. *Endorses* the concept and implementation of the strategic deployment stocks for one complex mission;

4. *Also endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,¹¹ and requests the Secretary-General to ensure their full implementation;

5. *Approves* 141,546,000 United States dollars for the strategic deployment stocks, taking into account the reserve at the United Nations Logistics Base at Brindisi as of 30 April 2002 that meets the requirements of the strategic deployment stocks;

6. *Decides*, subject to the provisions contained in paragraph 7, to credit Member States with their respective share of the cash balance of 95,978,945 dollars from the United Nations Protection Force, the United Nations Confidence Restoration Operation in Croatia, the United Nations Preventive Deployment Force and the United Nations Peace Forces Headquarters and 45,567,055 dollars from the United Nations Mission in Haiti to fund the strategic deployment stocks;

7. *Decides*, on an exceptional and ad hoc basis and without prejudice to Article 17 of the Charter of the United Nations, unless notified otherwise by a Member State within forty-five days of the issuance of the notification by the Secretary-General of the apportionment of the respective shares of the cash balances in the accounts referred to in paragraph 6, to effect the transfer of the cash balances referred to in paragraph 6 to the account of the United Nations Logistics Base at Brindisi for the purpose of financing the strategic deployment stocks;

8. *Also decides*, on an exceptional and ad hoc basis and without prejudice to Article 17 of the Charter of the United Nations, that a Member State that does not select the option referred to in paragraph 7 will be assessed its respective share of the 141,546,000 dollars as a one-time requirement according to the levels as at 1 July 2002, as set out in General Assembly resolution 55/235 of 23 December 2000, as adjusted by the Assembly in its resolution 55/236 of the same date, taking into

¹⁰ A/56/870.

¹¹ A/56/902.

account the scale of assessments for 2002, as set out in its resolution 55/5 B of the same date, payment to be made in a manner of the Member State's choosing to include, inter alia, any combination of the cash balances referred to above and/or new funds, to cover its assessed share of 141,546,000 dollars;

9. *Further decides*, on an exceptional basis, that in the absence of a direct transfer to the strategic deployment stocks, the respective share of the credits from the liquidated missions will be credited to those Member States once their assessed contribution is received;

10. *Decides* that the provisions of paragraph 8 will also apply to Member States that have no share in any of the unencumbered balances referred to in paragraph 6;

11. *Authorizes* the Secretary-General, on an exceptional and ad hoc basis, following the application of Member States' cash transfers in accordance with paragraphs 7 and 8, to transfer a portion of the interest income from the Peacekeeping Reserve Fund, taking into account the provisions of General Assembly resolution 51/218 E of 17 June 1997, so as to make available to the account of the United Nations Logistics Base at Brindisi a total of 141,546,000 dollars inclusive of Member States' contributions, to establish the strategic deployment stock programme;

12. *Requests* the Secretary-General to report to the General Assembly at its fifty-seventh session on the expenses incurred in the implementation of the strategic deployment stocks, and decides to review the financing arrangements after consideration of the report of the Secretary-General;

13. *Endorses* the recommendation contained in paragraph 23 of the report of the Advisory Committee on Administrative and Budgetary Questions¹¹ pertaining to the scope of the start-up phase of peacekeeping operations that includes the implementation of the strategic deployment stocks stockpile;

14. *Also endorses* the replenishment policy set out in paragraphs 24 to 27 of the report of the Secretary-General;¹⁰

15. *Further endorses* the Advisory Committee's interpretation of General Assembly resolution 49/233 A of 23 December 1994, as outlined in paragraphs 22 to 25 of its report;¹¹

16. *Requests* the Secretary-General to report to the General Assembly all expenses incurred on the activation of the strategic deployment stocks and to propose a course of action to be taken by the Assembly on the financing of peacekeeping expenses, in the event the Security Council does not approve the mandate to establish a peacekeeping operation that has been initiated under the commitment authority;

17. *Regrets* the delay in the liquidation of closed peacekeeping missions and the reimbursement of the respective shares to the Member States;

18. *Requests* the Secretary-General to ensure the expeditious liquidation of closed peacekeeping missions and the crediting of Member States following the liquidation of such missions and to submit a report thereon to the General Assembly at its resumed fifty-seventh session;

19. *Also requests* the Secretary-General to report on an annual basis to the General Assembly on the implementation of the strategic deployment stocks within the context of his report on the United Nations Logistics Base at Brindisi.

Draft resolution V

Support account for peacekeeping operations

The General Assembly,

Recalling its resolutions 45/258 of 3 May 1991, 47/218 A of 23 December 1992, 48/226 A of 23 December 1993 and 56/241 of 24 December 2001, its decisions 48/489 of 8 July 1994, 49/469 of 23 December 1994 and 50/473 of 23 December 1995 and other relevant resolutions of the General Assembly,

Having considered the reports of the Secretary-General on the financial performance of the support account for peacekeeping operations for the period from 1 July 2000 to 30 June 2001¹² and on the budget for the support account for peacekeeping operations for the period from 1 July 2002 to 30 June 2003,¹³ as well as the related report of the Advisory Committee on Administrative and Budgetary Questions,¹⁴

Recognizing the importance of the United Nations being able to respond and deploy rapidly to a peacekeeping operation upon the adoption of a Security Council mandate,

Recognizing also the need for adequate support during all phases of peacekeeping operations, including the liquidation and termination phases,

1. *Takes note* of the reports of the Secretary-General,^{12,13} notes with appreciation the introduction of results-based budgeting format to the support account, and requests that further improvements be made in the results-based budgeting format, taking into account the recommendations of the Advisory Committee on Administrative and Budgetary Questions in paragraphs 8 to 15 of its report;¹⁴

2. *Reaffirms* the need for effective and efficient administration and financial management of peacekeeping operations, and urges the Secretary-General to continue identifying measures to increase the productivity and efficiency of the support account;

3. *Affirms* the need for adequate funding for the backstopping of peacekeeping operations, as well as the need for justification for that funding in support account budget submissions;

4. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions, subject to the provisions of the present resolution;

¹² A/56/882.

¹³ A/56/885.

¹⁴ A/56/941.

5. *Requests* the Secretary-General to develop a coherent policy on gender mainstreaming in all of the Organization's peacekeeping activities, to submit, if necessary, a request on this issue in the light of that policy, and to report thereon to the General Assembly at its fifty-seventh session;

6. *Decides* to review the proposal for the D-1 post of Chief of the Communications and Information Technology Service, outlined in paragraph 34 of the report of the Secretary-General at its fifty-seventh session;

7. *Approves* the request for two information officer posts at the P-4 level, as outlined in paragraph 71 of the report of the Secretary-General;

8. *Requests* the Secretary-General to implement fully the formula approved in General Assembly resolution 55/273 of 14 June 2001 with regard to the resident auditor posts and to present information on the employment of such resident auditors in a consolidated manner in future support account reports;

9. *Notes with concern* the high level of resources for consultants and travel in the report of the Secretary-General on the support account, especially in view of the large number of new posts proposed, and requests the Secretary-General to ensure the full and efficient use of "in house" United Nations expertise before projecting resource needs for consultants within the support account submission;

10. *Requests* the Secretary-General to submit a report to the General Assembly at its fifty-seventh session on the feasibility of consolidating the accounts of the different peacekeeping operations, in addition to the current practice of reporting, budgeting and financing of peacekeeping operations, in accordance with the existing financial rules and regulations of the United Nations;

11. *Decides* to review, at the resumed part of its fifty-eighth session, the existing posts approved in its resolutions 55/238 of 23 December 2000 and 56/241 of 24 December 2001 and in the present resolution, in order to consider their justification, taking into account the ongoing evaluation by the Office of Internal Oversight Services on the impact of recent restructuring of the Department of Peacekeeping Operations on its backstopping of peacekeeping operations performance;

12. *Decides* to maintain, for the period from 1 July 2002 to 30 June 2003, the funding mechanism for the support account used in the current period, from 1 July 2001 to 30 June 2002, as approved in paragraph 3 of its resolution 50/221 B of 7 June 1996;

13. *Reaffirms* the need for the Secretary-General to ensure that delegation of authority to the Department of Peacekeeping Operations and field missions is in strict compliance with relevant resolutions and decisions and the relevant rules and procedures of the General Assembly on this matter;

14. *Takes note of* the status of recruitment of the 91 additional posts approved for the Department of Peacekeeping Operations in its resolution 56/241, and requests an update at its fifty-seventh session;

15. *Reiterates its concern* over the imbalance in the geographical representation of Member States in the Department of Peacekeeping Operations, and urges the Secretary-General to take immediate measures to improve the

representation of underrepresented and unrepresented Member States in future recruitment;

16. *Requests* the Secretary-General to use, in future reports of the Department of Peacekeeping Operations, the term “the recommendations of the Advisory Committee that were adopted by the General Assembly” instead of the current term;

17. *Also requests* the Secretary-General to provide, in future reports on the financing of the support account, an annex containing information on the status of implementation of relevant adopted recommendations of the Advisory Committee and other oversight bodies;

18. *Reiterates* the need to develop a methodology and monitoring system to evaluate the results of training in peacekeeping and related areas, as recommended in paragraph 30 of the report of the Advisory Committee, and to report thereon to the General Assembly through the Special Committee for Peacekeeping at its fifty-seventh session;

Performance report for the period 1 July 2000 to 30 June 2001

19. *Approves* the additional requirements of 2,136,200 United States dollars for the period from 1 July 2000 to 30 June 2001;

20. *Decides* to apply other income of 2,264,000 dollars, from interest income in the amount of 1,699,000 dollars, miscellaneous income in the amount of 24,000 dollars and savings on, or cancellation of, prior period obligations in the amount of 541,000 dollars for the period from 1 July 2000 to 30 June 2001, against this amount;

21. *Approves* an increase of 741,000 dollars in respect of income from staff assessment for the period from 1 July 2000 to 30 June 2001;

Budget estimates for the period 1 July 2002 to 30 June 2003

22. *Approves* the support account requirements in the amount of 100,896,200 dollars gross for the period from 1 July 2002 to 30 June 2003, including 687 continuing and 15 new temporary posts and their related post and non-post requirements;

23. *Also approves* an estimate of 13,739,300 dollars in respect of income from staff assessment for the period from 1 July 2002 to 30 June 2003;

Financing of requirements for the support account for peacekeeping operations

24. *Decides* that requirements for the support account for peacekeeping operations for the period from 1 July 2002 to 30 June 2003 shall be financed as follows:

(a) The balance of other income for the period from 1 July 2000 to 30 June 2001, 127,800 dollars, over additional requirements for the same period to be applied to the amount of 100,896,200 dollars;

(b) The balance of 100,768,400 dollars to be prorated among the budgets of the active peacekeeping operations for the period from 1 July 2002 to 30 June 2003;

25. *Decides also* that, in accordance with the provisions of General Assembly resolution 973 (X) of 15 December 1955, there shall be set off against the prorated requirements provided for above prorated amount totalling 14,480,300 dollars, being the estimated staff assessment income for the period from 1 July 2002 to 30 June 2003 and the increase in staff assessment income for the period from 1 July 2000 to 30 June 2001.

19. The Fifth Committee also recommends to the General Assembly the adoption of the following draft decisions:

Draft decision I

Write-off of contingent-owned equipment at liquidated missions

The General Assembly,

Having considered the progress report of the Secretary-General on the write-off of contingent-owned equipment at liquidated missions,¹⁵

Requests the Secretary-General to continue intensifying his efforts so as to finalize the write-off claims in liquidated missions by December 2002 and to submit a final report to the General Assembly at its resumed fifty-seventh session.

Draft decision II

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

The General Assembly decides to request the Secretary-General to suggest measures that would better streamline the policy guidelines related to the temporary duty assignment of staff in peacekeeping missions and to report thereon to the Assembly at its fifty-seventh session.

¹⁵ A/C.5/56/43.