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FINANCING OF THE UNITED NATIONS OBSERVER GROUP IN CENTRAL AMERICA

Report of the Advisory Committee on Administrative  
and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Observer Group in Central America (ONUCA) (A/45/833). During its consideration of the item, representatives of the Secretary-General provided additional information to the Advisory Committee.
2. The observations and recommendations of the Advisory Committee on ONUCA are contained in paragraphs 11 to 14 below. In its consideration of the report, the Committee bore in mind the request of the General Assembly in paragraph 7 of its resolution 44/44 of 7 December 1989 that the Secretary-General should take all necessary action to ensure that the Group is administered with the maximum of efficiency and economy, bearing in mind the relevant observations contained in the report of the Advisory Committee (A/44/246/Add.2). In this connection, the Committee also recalled Security Council resolution 675 (1990) on the renewal of ONUCA, in which the need to continue to monitor expenditures carefully during this period of increasing demands on peace-keeping resources was noted.
3. ONUCA was established by Security Council resolution 644 (1989) of 7 November 1989; its mandate has since been extended, most recently by Security Council resolution 675 (1990) of 5 November 1990, for a further period of six months until 7 May 1991.
4. The Secretary-General states in paragraph 10 of his report that assessments totalling \$56,908,988 had been apportioned among Member States in respect of ONUCA for the period from inception to 7 November 1990, of which \$51,802,172 had been received as at 30 November 1990, resulting in unpaid assessed contributions of \$5,106,816.

5. In response to the appeal for voluntary contributions to ONUCA made by the General Assembly in paragraph 6 of resolution 44/44, the Secretary-General had received contributions in the form of services and supplies provided by one Government amounting to \$2,640,000, of which \$1,425,000 was included in the cost estimates covering the mandate periods from 7 November 1989 to 7 May 1990 (\$674,500), and from 7 May to 7 November 1990 (\$750,500). Two other Governments provided services and supplies budgeted for \$138,000 in the cost estimates for the period from 7 November 1989 to 7 May 1990, as well as voluntary contributions in kind not budgeted for.
6. In section VI and annex V of his report, the Secretary-General indicates that the revised cost estimate for the period from 7 November 1990 to 7 May 1991 amounts to \$19,421,200 gross (\$19,829,600 net) with supplementary information thereon in annex VI. In this connection, the Secretary-General notes that the cost estimate for the above-mentioned period takes into consideration a reduction of approximately 40 per cent (from 260 to 158) in the number of military observers beginning 15 December 1990 as proposed by the Secretary-General in his report of 26 October 1990 to the Security Council. 1/
7. In section VII of his report, the Secretary-General indicates that, should the Security Council decide to renew the mandate of ONUCA beyond 7 May 1991, and assuming continuance of its existing responsibilities, the cost would be in the order of \$2,730,000 gross (\$2,633,000 net) per month from 7 May 1991 onwards. The cost estimate for the six-month period from 7 May to 7 November 1991, as compared with the cost estimate for the period from 7 November 1990 to 7 May 1991, is summarized in annex V of the Secretary-General's report, with supplementary information thereon in annex VI.
8. The Secretary-General states in section VIII of his report that full reimbursement to troop-contributing States in accordance with the standard rates of reimbursement have been made on a current basis to the Governments of those States.
9. The Secretary-General notes in paragraph 19 of his report that, as at 30 November 1990, it is projected that there will be an unencumbered balance of \$7,032,900 gross (\$6,824,900 net) from the resources provided to ONUCA since its inception, taking into account credits of \$10,219,300 gross (\$9,989,800 net) given to Member States against their assessments for the mandate period from 7 May to 7 November 1990, in accordance with the recommendations of the Advisory Committee at its Spring 1990 session. The Secretary-General recommends that no action be taken in respect of the projected unencumbered balance at this time, bearing in mind that assessed contributions amounting to \$5,106,816 remained unpaid as at 30 November 1990 for the mandate periods ending 7 November 1990 and that no assessments have been made for the current period.

Observations and recommendations of the Advisory Committee

10. Considering that over 90 per cent of the assessed contributions to ONUCA for the period from its inception to 7 November 1990 have been received as at 30 November 1990, as indicated in paragraph 4 above, and that assessments for the

mandate period beginning 7 November 1990 will be made by the General Assembly at its current session, the Advisory Committee sees no reason why the entire unencumbered balance of \$7,032,900 gross (\$6,824,900 net) should be retained to provide for the non-payment of assessments of \$5,106,816 and any subsequent commitments. In the circumstances, the Committee recommends that not more than \$5,106,816 of the unencumbered balance be retained to meet the shortfall in assessed contributions and that \$1,718,000 be credited to Member States against assessed contributions for the mandate period from 7 November 1990 to 7 May 1991.

11. The Advisory Committee notes that the expenditures of ONUCA have decreased substantially from its inception to the current mandate period and are projected to decrease further, while the civilian staff costs doubled in proportion to the total cost estimate and continue to remain at a high level. In this connection, the Committee was not fully convinced of the need to maintain 17 Professional posts, including 2 D-2, 1 D-1 and 5 P-5 posts in 1990/1991, as proposed in annex VIII of the Secretary-General's report, while the requirements of ONUCA appear to decrease further in 1991. The Committee therefore recommends that the staffing table of ONUCA be kept under constant review, bearing in mind the request of the General Assembly in resolution 44/44 to ensure that the Group is administered with the maximum of efficiency and economy.

12. Subject to its observations and taking into account paragraphs 10 and 11 above, the Committee recommends that the General Assembly approve the estimates of the Secretary-General for ONUCA in the amount of \$19,410,200 gross (\$18,829,600 net) for the mandate period from 7 November 1990 to 7 May 1991 (para. 6 above).

13. Subject to the decision to be taken by the Security Council on the renewal of ONUCA after 7 May 1991, requirements for ONUCA for the period from 7 May to 7 November 1991 should not exceed \$16,380,100 gross (\$15,798,100 net). On that basis, the Advisory Committee recommends that the General Assembly approve commitment authority up to the level of \$2,730,016 gross (\$2,633,016 net) per month for the six-month period beginning 7 May 1991.

14. The Committee further recommends that the Secretary-General should be permitted the usual flexibility to transfer credits between items of expenditure, should that be necessary in the interest of good management and efficiency.

#### Notes

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