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LETTER DATED 28 NOVEMBER 1979 FROM THE SECRETARY-GENERAL TO GOVERNMENTS OF ALL STATES MEMBERS OF THE UNITED NATIONS AND MEMBERS OF THE SPECIALIZED AGENCIES, CONTAINING A FURTHER APPEAL FOR VOLUNTARY CONTRIBUTIONS FOR THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCE IN CYPRUS

I should be most grateful if you would bring to the urgent attention of your Government this further appeal which I am addressing to all States Members of the United Nations or members of specialized agencies in order to obtain additional voluntary contributions for the United Nations Peace-keeping Force in Cyprus (UNFICYP).

The importance of UNFICYP has been emphasized time and again by the Security Council, and the stationing of the Force in the island has been repeatedly extended by it. In its resolution 451 (1979) of 15 June 1979, 1/ the Council, noting my report of 31 May, decided to extend the stationing of the Force in Cyprus for a further period ending 15 December 1979 and requested me to continue my mission of good offices. I have reported to the Council that the continued presence of UNFICYP remains indispensable and that, in helping to maintain calm in the island, UNFICYP also facilitates the continued search for a peaceful settlement.

This search, as I reported to the General Assembly on 8 November 1979 (A/34/620), produced distinct progress on 19 May when a 10-point agreement was reached at the high-level meeting held under my auspices in Nicosia. However, it has proved difficult to sustain the momentum generated at that time. The intercommunal talks, which were resumed in Nicosia on 15 June, had to be recessed on 22 June. During the recess, which still continues, I and my representatives have engaged in intensive consultations with all concerned with a view to resolving the difficulties that had arisen in the talks. I now hope to be in a position to reconvene the talks by the end of January 1980. Naturally, the maintenance of peaceful conditions in the island, which is the task of UNFICYP, is indispensable if this process is to have a reasonable chance of success.

I am however obliged to draw attention to the difficulties I face in maintaining the United Nations Peace-keeping Force in Cyprus, owing to the continuing deficit in the UNFICYP budget. The United Nations operation in Cyprus is financed in part by the troop-contributing Governments and in part by

1/ Circulated as S/RES/451 (1979).

Governments making voluntary contributions. But the voluntary contributions received have consistently fallen short of needs, resulting in an accumulated deficit for the period ending 15 June 1979 of more than \$62 million. Additionally, \$12.1 million, of which \$697,996 have been received, are required to meet that portion of the total cost of UNFICYP for the current six-month period ending 15 December 1979 that is normally financed by such contributions. This would leave costs of approximately \$22.4 million, based on past practice, to be met by the troop-contributing countries, a figure that included both certain reimbursable extra costs and the non-reimbursable regular costs incurred by them which these countries finance at their own expense (see annex). The Governments concerned have conveyed to me their growing and very serious concern over the disproportionate financial burden which they have been carrying and which has obliged some of them to review their commitments relating to their participation in UNFICYP. I am equally concerned at the inability of UNFICYP to meet its financial commitments in full and at the implications of this situation in regard to the continued functioning of this peace-keeping operation.

I consider it essential to rectify the serious financial situation confronting UNFICYP. Under existing arrangements, this can only be done by obtaining additional voluntary contributions to replenish the UNFICYP Special Account. I therefore urgently request Governments to consider increasing their contributions, or to begin making voluntary contributions if not made before. I also wish to express the hope that regular financial contributors to the UNFICYP Account will find it possible at least to maintain the level of their contributions. I now appeal to your Government to respond promptly and generously with a voluntary contribution to enable UNFICYP to carry out its important function.

(Signed) Kurt WALDHEIM
Secretary-General

Annex

FINANCIAL POSITION OF UNFICYP

Since 1964, 65 countries have made payments or pledges of voluntary contributions to support the United Nations operation in Cyprus. Contributions to the UNFICYP Special Account since the beginning of the operation, as well as the pledges and payments received so far for the period from 16 December 1978 to 15 June 1979, are listed in the attached table.

In order to provide contingents for UNFICYP, the troop-contributing Governments divert from national duty troops and other resources at an ongoing cost to them presently estimated by them at \$22.4 million for each six-month period. This figure includes (a) the troops' regular pay and allowances and normal matériel expenses for which, under existing arrangements, the United Nations is not required by the troop contributors to reimburse them; these therefore constitute costs of maintaining the Force which are being financed directly by the troop-contributing Governments; and (b) certain extra and extraordinary costs that they incur in respect of UNFICYP for which, under existing arrangements, the troop contributors would be entitled to claim reimbursement from the United Nations, but which they have agreed to finance at their own expense, as a further contribution to the United Nations operation in Cyprus.

Including the above two elements of costs, the actual cost of financing the United Nations operation in Cyprus for the six-month period ending 15 December 1979 would total approximately \$34.5 million, estimated as follows:

	<u>\$ (million)</u>
(1) (a) Regular troops' pay and allowances and normal matériel costs, and	
(b) Certain extra and extraordinary costs of the troop-contributing Governments that are financed directly by them	22.4
(2) Direct costs to the United Nations which the Organization is required to meet (including the extra and extraordinary costs of Governments providing contingents for which they seek to be reimbursed), financed through voluntary contributions	<u>12.1</u>
Total costs.	34.5

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Voluntary contributions from Governments are required to finance the second of these cost elements, as indicated in the cost estimates included in my report to the Security Council of 31 May 1979 (S/13369, sect. VI).

The voluntary contributions received from Governments have not been sufficient to cover these costs. The accumulated deficit from the inception of the operation through 15 June 1979 now stands at \$62.2 million, as compared to the deficit of \$53 million about six months ago, as indicated in my letter to you of 31 May 1979. Ten payments, amounting to \$697,996, have been received so far towards that portion of the costs of maintaining the operation during the current six-month period ending 15 December 1979 (that is, \$12.1 million) that is to be financed by voluntary contributions.

As a result of the deficit, the bills presented by the troop-contributing Governments to the United Nations for reimbursement of extra and extraordinary costs have been met only to September 1975. The practical effect of this situation has been that, as indicated above, these Governments have continued to shoulder a disproportionate burden in providing contingents for this United Nations peace-keeping operation.

PLEDGES AND PAYMENTS TO THE UNFICYP SPECIAL ACCOUNT
 FOR THE PERIOD 27 MARCH 1964-15 JUNE 1979 AS AT
 26 NOVEMBER 1979

(in United States dollar equivalent)

<u>Country</u>	<u>35th period 16/12/78 to 15/6/79</u>	<u>Total pledges</u>	<u>Payments received</u>	
AUSTRALIA	-	2 219 875	2 219 875	a/
AUSTRIA	125 000	2 815 000	2 815 000	a/ b/ h/
BELGIUM	-	3 060 522	3 060 522	
BOTSWANA	-	500	500	
CANADA	-	-	-	a/
CYPRUS	150 000	2 266 359	2 266 359	h/
DEMOCRATIC KAMPUCHEA	-	600	600	e/
DENMARK	-	3 645 000	3 645 000	a/ b/
FINLAND	-	900 000	900 000	b/
GERMANY, FEDERAL REPUBLIC OF	-	17 500 000	17 500 000	
GHANA	-	76 897	76 897	
GREECE	400 000	16 150 000	16 150 000	
GUYANA	-	11 812	11 812	
ICELAND	3 000	50 157	50 157	h/
INDIA	5 000	35 000	35 000	h/
IRAN	-	144 500	94 500	
IRAQ	-	30 000	30 000	
IRELAND	-	50 000	50 000	
ISRAEL	-	26 500	26 500	
ITALY	200 000	6 181 645	6 147 128	
IVORY COAST	-	60 000	60 000	
JAMAICA	960	30 097	30 097	h/
JAPAN	150 000	2 590 000	2 590 000	h/
KUWAIT	25 000	90 000	90 000	
LAO PEOPLE'S DEMOCRATIC REPUBLIC	-	1 500	1 500	f/
LEBANON	-	3 194	3 194	
LIBERIA	-	13 321	11 821	
LIBYAN ARAB JAMAHIRIYA	-	50 000	50 000	
LUXEMBOURG	5 286	85 425	85 425	h/
MALAWI	-	5 590	5 590	
MALAYSIA	-	7 500	7 500	
MALTA	-	1 820	1 820	

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<u>Country</u>	<u>35th period 16/12/78 to 15/6/79</u>	<u>Total pledges</u>	<u>Payments received</u>	
MAURITANIA	--	4 370	4 370	
MOROCCO	--	20 000	20 000	
NEPAL	--	800	800	
NETHERLANDS	--	2 518 425	2 518 425	
NEW ZEALAND	--	51 697	51 697	
NIGER	--	2 041	2 041	
NIGERIA	--	10 800	10 800	
NORWAY	--	5 258 265	5 258 265	
OMAN	--	8 000	8 000	
PAKISTAN	--	38 791	38 791	
PHILIPPINES	250	11 250	11 250	<u>h/</u>
QATAR	--	21 000	21 000	
REPUBLIC OF KOREA	--	16 000	16 000	
SENEGAL	--	4 000	--	
SIERRA LEONE	--	46 425	46 425	
SINGAPORE	--	7 500	7 500	
SOMALIA	--	1 000	1 000	
SWEDEN	200 000	5 920 000	5 920 000	<u>a/ b/</u>
SWITZERLAND	256 024	4 333 820	4 333 820	<u>h/</u>
THAILAND	--	2 500	2 500	
TOGO	--	1 020	--	
TRINIDAD AND TOBAGO	--	2 400	2 400	
TURKEY	--	1 839 253	1 839 253	
UNITED ARAB EMIRATES	--	10 000	10 000	
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND	984 062	51 767 020	<u>c/</u> 51 767 020	<u>a/ b/</u>
UNITED REPUBLIC OF CAMEROON	--	13 567	13 567	
UNITED REPUBLIC OF TANZANIA	--	7 000	7 000	
UNITED STATES OF AMERICA	--	113 550 000	<u>d/</u> 110 371 177	
URUGUAY	--	2 500	2 500	
VENEZUELA	2 500	10 500	10 500	<u>h/</u>
VIET NAM	--	4 000	4 000	<u>g/</u>

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<u>Country</u>	<u>35th period 16/12/78 to 15/6/79</u>	<u>Total pledges</u>	<u>Payments received</u>
YUGOSLAVIA	-	40 000	40 000
ZAIRE	--	30 000	30 000
ZAMBIA	--	38 000	28 000
	<u>2,507,082</u>	<u>243,694,758</u>	<u>240,414,898</u>

a/ Indicative figures over a six-month period of the costs absorbed by Governments providing contingents (see above, annex, item 1 of tabulation) are as follows: Australia, \$300,000; Austria, \$1.6 million; Canada, \$6.8 million; Denmark, \$400,000; Sweden, \$3.5 million; and United Kingdom, \$9.8 million.

b/ Payment has been made or will be made by means of an offset against the government's claims for reimbursement of its costs.

c/ Maximum amount pledged.

d/ Maximum amount pledged. The ultimate contribution will be dependent on contributions of other Governments.

e/ Contributions received in 1964.

f/ Contributions received in 1967.

g/ Contributions received in 1964-1966.

h/ In addition, the following payments have been received for the period from 16 June to 15 December 1979: Austria, \$125,000; Cyprus, \$150,000; Iceland, \$3,000; India, \$5,000; Jamaica, \$936; Japan, \$150,000; Luxembourg, \$5,286; Philippines, \$250; Switzerland, \$256,024; and Venezuela, \$2,500.
