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FIFTH COMMITTEE
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at 10 a.m.
New York

SUMMARY RECORD OF THE 56th MEETING

Chairman: Mr. TEIRLINCK (Belgium)

later: Mr. BARIMANI (Islamic Republic of Iran)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and
Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.25 a.m.

AGENDA ITEM 132: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)
(A/49/717 and Corr.1 and 2 and A/49/778)

1. Miss ARAGON (Philippines), speaking on behalf of the Group of 77 and China, said that the support account for peace-keeping operations had been established in January 1990 to rationalize the use of overload posts already funded from peace-keeping operations. In effect the aim had been to provide the Secretariat with a means of establishing posts at Headquarters in a more flexible manner. That purpose should be maintained, as should the current methodology of funding the posts on the basis of 8.5 per cent of the civilian component costs of each peace-keeping operation.

2. The Group of 77 and China had taken note of the definition of core and non-core activities and concurred with the Advisory Committee's view that any attempt to set criteria for the funding of core and non-core posts by the regular budget and support account might lead to endless political controversy. Current procedures for the approval of the regular budget should be followed, and it was not appropriate to consider regular budget posts in the context of the support account. The Group of 77 and China therefore fully agreed with ACABQ that the programme budget must be determined on the basis of proposals of the Secretary-General submitted in accordance with the Financial Regulations and General Assembly resolution 41/213.

3. Resources for the support account must be used for the purposes for which they were authorized, in accordance with the Financial and Staff Regulations and Rules. She agreed with ACABQ that there was a need to maintain the concept of the support account and to restore simplicity to procedures for approval of support account expenditures with the aim of giving the Secretary-General the capacity to respond quickly and effectively to requirements for the backstopping of peace-keeping operations at Headquarters. Control and monitoring by Member States should not turn into micromanagement of support account activities.

4. The Group of 77 and China endorsed the Advisory Committee's observations and recommendations (A/49/904, paras. 24-28) on resource requirements to be charged to the support account to December 1995. Those delegations shared the Controller's concern regarding the difficulty of recruiting staff because staff resources for temporary posts had been authorized as general temporary assistance, and noted that the unencumbered balances in the support account could be attributed to that situation. She agreed with the representative of Norway that present funding arrangements for temporary posts ran counter to good budgetary practice, and welcomed the Advisory Committee's intention to seek to ensure that the use of general temporary assistance was consistent with the purposes for which it was intended.

5. Miss PEÑA (Mexico) said that her delegation agreed with the Advisory Committee's conclusions and recommendations. The rationale for the support

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account, as a means of providing the Secretariat with flexibility in backstopping peace-keeping operations, remained valid. She agreed that the General Assembly, rather than seeking to identify core and non-core activities in respect of each post funded from the support account, should refocus on the fundamental objective of the account with a view to improving the use of resources.

6. Accordingly her delegation endorsed the Advisory Committee's recommendations (A/49/904, para. 22) to the effect that the support account should continue to be funded on the basis of 8.5 per cent of the civilian component; that the Advisory Committee should consider specific requests for variations of posts and other resources from previously approved levels, and report thereon to the General Assembly on the actions it had taken vis-à-vis the support account, a procedure which was consistent with General Assembly resolution 49/233; and that requests under the support account should be justified not only on the basis of workload and operational need but also in the context of the totality of resources available to the unit or programme concerned.

7. Her delegation shared the view of the Advisory Committee regarding restoration of the original procedure for approval of support account expenditures, and agreed that the new arrangements proposed should become effective on 1 January 1996, to which end it was essential for the Advisory Committee to be given appropriate information on the support account, including unencumbered balances. Lastly, she endorsed the arrangements proposed by the Advisory Committee (A/49/904, paras. 24-28) with respect to resource requirements for 1995.

8. Mr. HANSON (Canada) said that it was regrettable that debate on the support account had lasted so long without any conclusion being reached. His delegation had always supported the Secretary-General's proposals in connection with the support account, and was very concerned at the inadequate support given to peace-keeping operations, particularly in terms of personnel. It was not surprising that much of the information required by the Fifth Committee and ACABQ arrived late and was of inadequate quality.

9. The Advisory Committee's recommendation that the Fifth Committee should defer action on the conversion of the remaining positions funded from general temporary assistance to temporary posts until September 1995 meant in practical terms that a decision would be delayed until December 1995. Since the funding related to 1995 the Secretariat would continue to have serious difficulty in filling the posts.

10. Regarding the Advisory Committee's comments on the redeployment of 10 posts from the Finance Management and Support Service, Department of Peace-keeping Operations, to the Peace-keeping Financing Division of the Department of Administration and Management, the Secretary-General clearly had the right, as chief administrative officer, to move financial staff from one unit to another. Since the move was intended to improve the efficiency of budget preparation, his delegation could not support the Advisory Committee's recommendation in that regard. With respect to the recommendation in paragraph 22 (b) of the ACABQ

report (A/49/904), there was no reason for the General Assembly to give decision-making powers to a technical and advisory committee.

11. It would be preferable to take a more strategic approach to the support account issue. Rather than focusing on posts and workload statistics, the emphasis should be on inputs and outputs. The input, of 8.5 per cent of the civilian component, was adequate. The outputs included the information provided to ACABQ and the Fifth Committee.

12. The growth in peace-keeping had severely tested the Organization's ability to administer peace-keeping operations, essentially because of lack of adequate resources and inefficient procedures in the Secretariat.

13. His delegation would welcome a review by the Office of Internal Oversight Services, Board of Auditors or Joint Inspection Unit of the efficiency and effectiveness of support account activities. Once the peace-keeping budget cycle had been regularized, the Secretary-General should present an annual budget for the support account contemporaneously with the other peace-keeping budgets.

14. Mr. KUZNETZOV (Russian Federation) supported the approach outlined in the Secretary-General's report (A/49/717) and agreed that United Nations peace-keeping capabilities should be strengthened. The concept of the support account had proved to be viable and efficient and his delegation saw no reason to modify the current system. However, certain adjustments had to be made in order to reflect changing conditions. To that end he wished to see clearer and more detailed criteria for using the support account and a tightening up of the procedures used by the Secretariat in administering it. He was sure that over time the Secretariat would refine its administrative procedures and take into account any observations made by Member States.

15. His delegation endorsed the recommendations contained in paragraphs 22 and 23 of the Advisory Committee's report and would be prepared to return to the issue in the light of the proposed analysis of the operation of the support account if the proposal was adopted.

16. Mr. TAKASU (Controller) said that in 1994 the Secretary-General had taken a number of initiatives to improve the Secretariat's capacity in the area of financing peace-keeping operations, in particular by establishing clearer areas of responsibility. In that connection full responsibility for accounting and budgeting with respect to peace-keeping had been assigned to the Office of Programme Planning, Budget and Accounts. The Department of Peace-keeping Operations was fully responsible for operational requirements. In accordance with that streamlining of responsibilities, it had been decided to transfer 10 support account posts from the Department of Peace-keeping Operations to the Department of Administration and Management.

AGENDA ITEM 116: FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCES IN THE MIDDLE EAST: (continued)

- (a) UNITED NATIONS DISENGAGEMENT OBSERVER FORCE (continued) (A/49/533/Add.1 and A/49/785/Add.1)
- (b) UNITED NATIONS INTERIM FORCE IN LEBANON (continued) (A/49/644/Add.1 and A/49/785/Add.1)

17. Mr. TAKASU (Controller) recalled that the United Nations Disengagement Observer Force (UNDOF) had been established in 1974, and that its mandate had subsequently been renewed for six-month periods, with the current period expiring at the end of November 1995. The General Assembly had already taken action to permit continued funding of UNDOF.

18. The performance report for UNDOF for the period 1 December 1993 to 30 November 1994 reflected an overall saving of \$805,000 gross, mainly as a result of savings in transport, accommodation and equipment. There was an unencumbered balance of \$891,000 net, to be credited to Member States at the time of the next assessment.

19. Turning to the United Nations Interim Force in Lebanon (UNIFIL), he said that the financial performance report before the Committee covered the period 1 February 1994 to 31 January 1995. The current mandate expired at the end of July 1995, but should it be extended the General Assembly had given approval for continuation of the operation. The performance report indicated overall savings of \$1.7 million gross, due to lower transport and civilian and military personnel costs than anticipated. The report also indicated that UNIFIL was suffering from a very high level of outstanding assessments, and a very low level of cash. Full reimbursement of troop costs had been made to 31 January 1995, with only partial reimbursement thereafter.

AGENDA ITEM 118: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991)

- (a) UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (A/49/863, A/49/902)

20. MR. TAKASU (Controller), introducing the report of the Secretary-General contained in document A/49/863, recalled that two thirds of the costs of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) was borne by the Kuwaiti Government on a monthly basis, while the remaining one third was based on assessed contributions from Member States. For the one-year financial period November 1993-October 1994, the original cost estimate had been \$70 million gross. Actual expenditure had been \$58.8 million, leaving an unencumbered balance of \$11.1 million. Of that amount \$7.8 million had already been credited to Member States and to the Kuwaiti Government against their assessments for 1994. That balance was attributable, on the one hand, to savings in air operations, transport operations, military personnel costs and civilian personnel costs and, on the other, to the generous contribution of the Government of Kuwait for various rental engineering equipment. The Ministry of Public Health of Kuwait had, in addition, been donating medical care and the treatment of personnel, amounting to 24,773 Kuwaiti dinar. On behalf of the

Secretary-General, he expressed appreciation to the Kuwaiti Government for its generous contribution.

21. For the period 1 November 1994-30 June 1995, the cost estimate was \$43.7 million, or \$5.46 million per month, compared with the Advisory Committee's recommendation of \$43 million or \$5.3 million per month. For the period 1 July 1995 to 30 June 1996, the cost estimate was \$63.9 million, or a monthly figure of \$5.3 million. The Advisory Committee had recommended for that period a total of \$60 million, or \$5 million gross per month. The report of the Secretary-General also provided information concerning the structure of the mission and a number of assumptions used for calculations. The cost parameters were basically the same except with respect to civilian personnel costs and vehicle establishment which had decreased due to the provision by the Kuwaiti Government. He drew attention to the recent relocation of the Doha logistics base and staff accommodation within the newly established UNIKOM support centre situated near Kuwait City.

22. Mr. AL-WAZZAN (Kuwait) expressed satisfaction at the clarity and precision of the report of the Controller. He said that the support centre would enable UNIKOM in general to operate more efficiently. He wished to inform the Committee that, apart from providing two thirds of the budget of the United Nations Iraq Kuwait Observation Mission, the Iraqi Government also made additional voluntary contributions.

23. Mr. Barimani (Islamic Republic of Iran), Vice-Chairman, took the Chair.

AGENDA ITEM 120: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN EL SALVADOR (continued) (A/49/518/Add.1-2, A/49/458/Add.1)

24. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Observer Mission in El Salvador (ONUSAL) (A/49/518/Add.1-2), stated that, while that mission had been successfully completed, it was still necessary to terminate it from a financial point of view. He highlighted the figure of \$270,400, representing savings for the period 1 June-30 November 1994. The cost estimate for the period 1 December 1994-30 April 1995 had been \$5.2 million gross, including a phased-out deployment. The cost estimate for liquidation of the mission covering the period 1-31 May 1995 was \$113,300 gross. Those figures were to be compared with the recommendations made by the Advisory Committee which were as follows: from 1 June-30 November 1994, an appropriation of \$11.7 million gross; for December 1994-30 April 1995, an appropriation of just over \$4.6 million. For the month of May, the Advisory Committee had approved the amount requested. Financing of the mission could not yet be concluded since a number of payments were yet to be made. Furthermore, a number of assessments remained outstanding. The General Assembly had deferred the issue for some time and no assessment had been made since 1 June 1994. The figure of \$11.7 million relating to 1 June-30 November 1994 had not yet been assessed. In total, over \$17 million remained to be assessed. ONUSAL was therefore having great difficulty in finalizing the mission. In order to meet cash requirements, it would be necessary to make transfers from the Peace-keeping Reserve Fund. It was to be hoped that the General Assembly would take prompt action on the issue.

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AGENDA ITEM 125: FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCE IN CYPRUS (continued) (A/49/590/Add.1, A/49/781/Add.1)

25. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Peace-keeping Force in Cyprus (UNFICYP) (A/49/590/Add.1), drew attention to the performance report covering the period 16 June-31 December 1994. That period represented an extension of the mandate for slightly over six months to coincide with the end of the political mandate. Even though no action had been taken to increase the cost estimate, the performance report reflected a net savings of \$249,900 gross, for overexpenditures in certain areas such as military personnel, air operations and miscellaneous services had been offset by savings in others such as civilian personnel, transport and accommodation. With respect to the report of the Advisory Committee (A/49/781/Add.1), he noted that the Advisory Committee recommended that, in future, financial performance reports should be submitted only after conclusion of the period in question (A/49/781/Add.1, para. 5) and that it was not recommending any change in the level of appropriations at that time.

AGENDA ITEM 126: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN GEORGIA (continued) (A/49/429/Add.3, A/49/766/Add.1)

26. Mr. TAKASU (Controller), introducing the report of the Secretary-General (A/49/429/Add.3), said that it contained two performance reports and the budget of the United Nations Observer Mission in Georgia (UNOMIG). The first, covering the period 1 April to 30 June 1994, reflected an unencumbered balance of \$89,200 gross, due to decreases in the rental of premises, transport operations and commercial flights. The second, covering the period 1 July 1994-13 January 1995, reflected an unencumbered balance of \$3,280,600 gross resulting from savings under civilian personnel costs, transport and air operations, communications and other equipment arising, inter alia, from delays in the deployment of personnel and in procurement. The budget, which covered a period of 11.6 months (from 14 July 1995 to 30 June 1996) and amounted to \$16.1 million gross, provided for a strength of 135 military observers. Outstanding contributions stood at over \$4 million. However, the Government of Switzerland had made a contribution of \$681,000 for support activities of special envoys or missions. He noted that the Advisory Committee was recommending acceptance of the proposals contained in paragraph 85 of the Secretary-General's report (A/49/766/Add.1, para. 19).

AGENDA ITEM 129: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN LIBERIA (continued) (A/49/571/Add.2, A/49/786/Add.1)

27. Mr. TAKASU (Controller) said that since the establishment of the United Nations Observer Mission in Liberia (UNOMIL) in 1993, the Security Council had taken a series of actions to extend the latter's mandate. The current mandate would run to 30 June 1995. By its resolution 49/232 the General Assembly had appropriated \$17.5 million gross for the period 22 April-22 October 1994 and \$4.3 million gross for the period from 23 October 1994-13 January 1995, and had authorized the Secretary-General to enter into commitments, should the Security Council extend the mandate beyond 13 January 1995, at a rate of up to \$1.6 million gross per month, with assessment. For the period 14 April-

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31 December 1995, the cost estimate was approximately \$12.2 million gross or an average monthly cost of \$1.4 million gross. For the six-month period 1 January-30 June 1996, the cost estimate was \$8 million gross or \$1.3 million per month on average. Assessed contributions outstanding amounted to \$9.4 million. Therefore UNOMIL would have to borrow from the Peace-keeping Reserve Fund. He drew attention to the recommendations contained in paragraph 45 of the Secretary-General's report to the General Assembly and noted that the Advisory Committee was recommending an appropriation of \$8.5 million gross for maintenance of the mission for the period 14 January-30 June 1995 (A/49/796/Add.1, para. 17). Should the Security Council extend the mandate to the end of the year, a further appropriation of \$8.5 million would be required.

AGENDA ITEM 131: FINANCING OF THE UNITED NATIONS MILITARY LIAISON TEAM IN CAMBODIA (continued) (A/49/521, A/49/913)

28. Mr. TAKASU (Controller) said that the mandate of the United Nations Military Liaison Team in Cambodia (UNMLTC) had formally expired on 15 May 1994. The financial performance report for the period 15 November 1993-15 May 1995 reflected overall savings of \$293,900 gross due to lower costs for military personnel, civilian personnel and communications (A/49/521, para. 8). It was recommended that those savings be apportioned among Member States in accordance with the Financial Regulations of the United Nations.

The meeting rose at 11.35 a.m.