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LETTER DATED 5 JUNE 1981 FROM THE SECRETARY-GENERAL TO GOVERNMENTS
OF ALL STATES MEMBERS OF THE UNITED NATIONS OR 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 the 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 486 (1981) of 4 June 1981, the Council, noting my report of 27 May 1981 (S/14490), decided to extend the stationing of the Force in Cyprus for a further period ending 15 December 1981 and requested me to continue my mission of good offices.

I have reported to the Council that the continued presence of UNFICYP remains necessary both in helping to maintain calm in the island and in creating the conditions in which the search for a peaceful settlement can best be pursued. I further reported that, within the framework of my mission of good offices, the intercommunal talks have continued in Cyprus over the last few months in a generally constructive atmosphere. A more intensive pace of these deliberations is planned as from the beginning of July, following elections in both parts of the island. The maintenance of peaceful conditions, which is the task of UNFICYP, is indispensable if the talks are 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. In my report to the Security Council I indicated that I have been able to implement some of the recommendations of the Secretariat Survey Team aimed at achieving economies in the running of this peace-keeping operation. UNFICYP is financed in part by the troop-contributing Governments and in part by Governments making voluntary contributions. These contributions have consistently fallen short of needs, resulting in an accumulated deficit for the period ending 15 December 1980 of more than \$73 million. Additionally, \$14 million, of which \$2,715,321 have been received, are required to meet that portion of the total cost of UNFICYP for the six-month period ending 15 June 1981 that is normally

81-16389

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S/14554
English
Page 2

financed by voluntary contributions. This would leave costs of approximately \$34.5 million, based on past practice, to be met by the troop-contributing countries, a figure that includes both certain reimbursable extra costs and the non-reimbursable regular costs incurred by them which these countries finance at their own expense (see annex).

I consider it essential to make every possible effort to rectify the serious financial situation confronting UNFICYP. Under existing arrangements, this has been 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.

Accept, Sir, the assurances of my highest consideration.

(Signed) Kurt WALDHEIM
Secretary-General

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Annex

FINANCIAL POSITION OF UNFICYP

Since 1964, 67 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 June 1980 to 15 December 1980, 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 \$34.5 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 June 1981 would total approximately \$49.3 million, estimated as follows:

	\$
	(in millions)
1. (a) Regular troops' pay and allowances and normal matériel costs;	
(b) Certain extra and extraordinary costs of the troop-contributing Governments that are financed directly by them	34.5
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>14.8</u>
Total costs	<u>49.3</u>

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 27 May 1981 (S/14490, sect. VI).

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S/14554
English
Annex
Page 2

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 December 1980 now stands at \$73.2 million, as compared to the deficit of \$68.7 million about six months ago, as indicated in my letter to you of 24 December 1980 (S/14324). Seven contributions, amounting to \$2,715,321, have been received so far towards that portion of the costs of maintaining the operation during the six-month period ending 15 June 1981 (that is, \$14.8 million) which is to be financed by voluntary contributions.

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PLEDGES AND PAYMENTS TO THE UNFICYP SPECIAL ACCOUNT FOR THE
 PERIOD 27 MARCH 1964 TO 15 DECEMBER 1981 AS AT 1 JUNE 1981

(in United States dollar equivalent)

<u>Country</u>	<u>38th period 16/6/80 to 15/12/80</u>	<u>Total pledges</u>	<u>Payments received</u>
AUSTRALIA	50 000	2 419 889	2 419 889 a/
AUSTRIA	125 000	3 190 000	3 190 000 a/ b/ i/
BAHAMAS	500	1 000	1 000
BARBADOS	-	-	- i/
BELGIUM	-	3 355 146	3 355 146
BOTSWANA	-	500	500
CANADA	-	-	- a/
CYPRUS	175 000	2 766 359	2 766 359
DEMOCRATIC KAMPUCHEA	-	600	600 e/
DENMARK	110 606	4 106 453	4 106 453 a/ b/
FINLAND	-	900 000	900 000 b/
GERMANY, FEDERAL REPUBLIC OF	525 000	19 550 000	19 550 000
GHANA	-	76 897	76 897
GREECE	400 000	17 350 000	17 350 000 i/
GUYANA	-	11 812	11 812
ICELAND	3 000	59 157	59 157
INDIA	5 000	50 000	50 000
IRAN	-	144 500	94 500
IRAQ	5 000	50 000	50 000
IRELAND	-	50 000	50 000 h/
ISRAEL	-	26 500	26 500
ITALY	-	6 581 645	6 547 128
IVORY COAST	-	60 000	60 000
JAMAICA	-	31 033	31 033 i/
JAPAN	200 000	3 240 000	3 240 000
KUWAIT	-	115 000	115 000
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	5 548	101 806	101 806
MALAWI	-	5 590	5 590
MALAYSIA	-	7 500	7 500
MALTA	-	1 820	1 820
MAURITANIA	-	4 370	4 370

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<u>Country</u>	<u>38th period 16/6/80 to 15/12/80</u>	<u>Total pledges</u>	<u>Payments received</u>
MOROCCO	--	20 000	20 000
NEPAL	--	800	800
NETHERLANDS	-	2 518 425	2 518 425
NEW ZEALAND	--	71 137	71 137
NIGER	--	2 041	2 041
NIGERIA	--	10 800	10 800
NORWAY	305 000	6 478 265	6 478 265 <u>i/</u>
OMAN	--	8 000	8 000
PAKISTAN	300	41 791	41 791
PHILIPPINES	--	11 800	11 800
QATAR	--	21 000	21 000
REPUBLIC OF KOREA	--	16 000	16 000
SENEGAL	--	4 000	--
SIERRA LEONE	--	46 425	46 425
SINGAPORE	500	8 000	8 000 <u>i/</u>
SOMALIA	--	1 000	1 000
SWEDEN	200 000	6 520 000	6 520 000 <u>a/ b/</u>
SWITZERLAND	248 538	5 086 920	5 086 920
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	2 022 637	58 280 011 <u>c/</u>	58 280 011 <u>a/ b/ i/</u>
UNITED REPUBLIC OF CAMEROON	--	13 567	13 567
UNITED REPUBLIC OF TANZANIA	--	7 000	7 000
UNITED STATES OF AMERICA	4 500 000	131 400 000 <u>d/</u>	123 721 177
URUGUAY	--	2 500	2 500
VENEZUELA	2 500	18 000	18 000
VIET NAM	--	4 000	4 000 <u>g/</u>
YUGOSLAVIA	--	40 000	40 000
ZAIRE	--	30 000	30 000
ZAMBIA	--	38 000	28 000
Total	8 884 129	276 880 247	269 100 387

(Foot-notes on following page)

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(Foot--notes to table)

a/ Indicative figures over a six-month period of the costs absorbed by Governments providing contingents (see above, annex, p. 2, item 1 of tabulation) are as follows: Australia \$500,000, Austria \$1.9 million, Canada \$9.1 million, Denmark \$600,000, Sweden \$3.5 million and United Kingdom \$18.9 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 the contributions of other Governments.

e/ Contributions received in 1964.

f/ Contributions received in 1967.

g/ Contributions received in 1964-1966.

h/ The Irish Government has recently informed that it has absorbed claims in the amount of \$1,985,971 in respect of costs incurred during the period July 1971 to October 1973 as a result of the participation of the Irish contingent in UNFICYP.

i/ The following additional pledges or payments have been received for the period from 16 December 1980 to 15 June 1981: Austria \$125,000, Barbados \$1,000, Greece \$375,869, Jamaica \$500, Norway \$305,000, Singapore \$500 and United Kingdom \$1,907,452.