

## UNITED NATIONS

### SECURITY COUNCIL



Distr. GENERAL

S/12928 16 November 1978 ENGLISH

ORIGINAL: ENGLISH/FRENCH/

SPANISH

LETTER DATED 10 NOVEMBER 1978, 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. Most recently, in its resolution 430 (1978) of 16 June 1978, 1/the Council noted my report of 31 May 1978 and decided to extend the stationing of the Force in Cyprus for a further period ending 15 December 1978. In the report, I had pointed out that in the light of the situation on the ground and of political developments, the continued presence of UNFICYP remained indispensable and that in helping to maintain calm in the island, UNFICYP also facilitated the continued search for a peaceful settlement.

This decision has to be viewed in the context of my continuing efforts, pursuant to the mission of good offices entrusted to me by the Security Council, to clear the way to meaningful negotiations between the two communities in order to achieve an agreed, just and lasting settlement of the Cyprus problem. In my view, the maintenance of peaceful conditions in Cyprus is an essential requirement for overcoming the difficulties that have been encountered in activating an effective negotiating process.

In this connexion, I am 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 Governments making voluntary contributions. But the voluntary contributions received have

<sup>1/</sup> Circulated as S/RES/430 (1978).

consistently fallen short of needs, resulting in an accumulated deficit for the periods ending 15 June 1978 of more than \$52 million. Additionally, \$11.4 million, of which \$2.2 million has been received, are required to meet that portion of the total cost of UNFICYP for the current six-month period ending 15 December 1978 that is normally financed by such contributions. This would leave costs of approximately \$17.7 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). The Governments concerned have conveyed to me their growing and very serious concern over the disproportionate financial burden they have been carrying 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.

(<u>Signed</u>) 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 1977 to 15 June 1978, 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 of some \$17.7 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 1978 would total approximately \$29.1 million, estimated as follows:

|    | \$ (million   | ons)                  |
|----|---|-----------------------|
| ı. | (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  | 7                     |
| 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 | <b>L</b> <sub>4</sub> |
|    | Total costs   | <u>_</u>              |

S/12928 English Annex Page 2

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 1978 (S/12723, 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 1978 now stands at \$52.3 million, as compared to the deficit of \$50.2 million about eight months ago, as indicated in my letter to you of 23 March 1978. Ten payments and two pledges, amounting to \$2,184,339, have been received so far towards that portion of the costs of maintaining the operation during the current six-month period ending 15 December 1978 (that is, \$11.4 million) that are 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 July 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 peacekeeping operation.

# PLEDGES AND PAYMENTS TO THE UNFICYP SPECIAL ACCOUNT FOR THE PERIOD 27 MARCH 1964-15 JUNE 1978 AS AT 6 NOVEMBER 1978

(In United States dollar equivalent)

| Country   | 33rd period<br>16/12/77 to<br>15/6/78 | Total<br>pledges                                   | Payments<br>received  |
|---|---------------------------------------|--|---|
| AUSTRALIA<br>AUSTRIA<br>BELGIUM<br>BOTSWANA<br>CANADA     | 50 000<br><br>-<br>-<br>-             | 2 169 875<br>2 440 000<br>2 771 799<br>500         | 2 169 875 <u>a/ h/</u><br>2 440 000 <u>a/ b/</u><br>2 771 799<br>500<br>- <u>a/</u> |
| CYPRUS DEMOCRATIC   | 150 000                               | 1 966 359  | 1 966 359 <u>h</u> /  |
| KAMPUCHEA<br>DENMARK<br>FINLAND<br>GERMANY, FEDERAL       | 120 000<br>-                          | 600<br>3 525 000<br>900 000                        | 600 <u>e/</u><br>3 525 000 <u>a/ b/</u><br>900 000 <u>b/</u>                        |
| REPUBLIC OF   | 500 000                               | 17 000 000   | 17 000 000 <u>h</u> /   |
| GHANA<br>GREECE<br>GUYANA<br>ICELAND<br>INDIA             | 11 310<br>400 000<br>-<br>2 750       | 76 897<br>15 350 000<br>11 812<br>44 407<br>20 000 | 76 897<br>15 350 000<br>11 812<br>44 407 <u>h</u> /<br>20 000                       |
| IRAN<br>IRAQ<br>IRELAND<br>ISRAEL<br>ITALY                | 5 500<br>5 000<br><del>-</del><br>-   | 94 500<br>25 000<br>50 000<br>26 500<br>5 581 645  | 94 500 <u>h</u> /<br>25 000 <u>h</u> /<br>50 000<br>26 500<br>5 547 128             |
| IVORY COAST<br>JAMAICA<br>JAPAN<br>KUWAIT<br>LAO PEOPLE'S | -<br>200 000<br>20 000                | 60 000<br>29 137<br>2 240 000<br>40 000            | 60 000<br>29 137<br>2 240 000 <u>n</u> /<br>40 000                                  |
| DEMOCRATIC REPUBLIC                                       | -                                     | 1 500  | 1 500 <u>f</u> /  |

| Country  | 33rd period<br>16/12/77 to<br>15/6/78 | Total<br>pledges                                    | Payments<br>received   |
|--|---------------------------------------|---|--|
| LEBANON<br>LIBERIA   | -                                     | 3 194<br>13 321                                     | 3 194<br>11 821  |
| LIBYAN ARAB<br>JAMAHIRIYA<br>LUXEMBOURG<br>MALAWI                | 4 509<br>-                            | 50 000<br>75 630<br>5 590                           | 50 000<br>75 630 <u>h</u> /<br>5 590                         |
| MALAYSIA<br>MALTA<br>MAURITANIA<br>MOROCCO<br>NEPAL              | -<br>-<br>-<br>-                      | 7 500<br>1 820<br>4 370<br>20 000<br>800            | 7 500<br>1 820<br>14 370<br>20 000<br>800                    |
| NETHERLANDS<br>NEW ZEALAND<br>NIGER<br>NIGERIA<br>NORWAY         | 219 901<br>-<br>-<br>-<br>299 539     | 2 298 524<br>51 697<br>2 041<br>10 800<br>4 930 280 | 2 298 524 <u>h/</u> 51 697 2 041 10 800 4 930 280 <u>h</u> / |
| OMAN<br>PAKISTAN<br>PHILIPPINES<br>QATAR<br>REPUBLIC OF KOREA    | -<br>1 000<br>7 000                   | 8 000<br>35 791<br>11 000<br>21 000<br>16 000       | 8 000<br>35 791<br>10 000<br>21 000<br>16 000                |
| SENEGAL<br>SIERRA LEONE<br>SINGAPORE<br>SOMALIA<br>SWEDEN        | -<br>500<br>-<br>200 000              | 4 000<br>46 425<br>7 500<br>1 000<br>5 520 000      | 46 425<br>7 500<br>1 000<br>5 520 000 <u>a</u> / <u>b</u> /  |
| SWITZERLAND<br>THAILAND<br>TOGO<br>TRINIDAD AND TOBAGO<br>TURKEY | 274 193<br>-<br>-<br>-                | 3 803 602<br>2 500<br>1 020<br>2 400<br>1 839 253   | 3 803 602 <u>h</u> /<br>2 500<br>-<br>2 400<br>1 839 253     |
| UNITED ARAB EMIRATES UNITED KINGDOM OF GREAT                     | -                                     | 10 000  | 10 000   |
| BRITAIN AND NORTHERN IRELAND UNITED REPUBLIC OF CAMEROON         | 918 333<br>3 460                      | 48 510 365 <u>c</u> /<br>13 567                     | 48 510 365 <u>a</u> / <u>b</u> /                             |
| UNITED REPUBLIC OF TANZANIA UNITED STATES OF                     | -                                     | 7 000   | 7 000  |
| AMERICA  | 4 550 000                             | 109 200 000 <u>a</u> /                              | 106 021 177  |

| Country    | 33rd period<br>16/12/77 to<br>15/6/78 | Total<br>pledges | Payments received |
|------------|---------------------------------------|------------------|-------------------|
| URUGUAY    | ~~                                    | 2 500            | 2 500             |
| VENEZUELA  | -                                     | 3 000            | 3 000             |
| VIET NAM   | •                                     | ½ 000            | 4 000 g/          |
| YUGOSLAVIA | _                                     | 40 000           | 40 000 -          |
| ZAIRE      | -                                     | 30 000           | 30 000            |
| ZAMBIA     | _                                     | 38 000           | 28 000            |
|            | 7 943 045                             | 231 079 021      | 227 848 161       |
|            |                                       |                  |                   |

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 \$0.3 million, Austria \$1.1 million, Canada \$5.2 million, Denmark \$0.4 million, Sweden \$2.6 million and the United Kingdom \$8.1 million.

 $<sup>\</sup>underline{b}/$  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.

 $<sup>\</sup>underline{d}$ / 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 and pledges have been received for the period from 16 June 1978 to 15 December 1978: Australia \$50,000; Cyprus \$150,000; Germany, Federal Republic of, \$500,000; Greece \$400,000; Iceland \$2,750; Iran \$50,000; Iraq \$5,000; Japan \$200,000; Luxembourg \$4,509; Netherlands \$219,901; Norway \$327,985 and Switzerland \$274,194.