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Agenda item 140ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF
THE UNITED NATIONS PEACEKEEPING OPERATIONSPeacekeeping Reserve FundReport 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, which provides information on the status of the Peacekeeping Reserve Fund (A/51/778). During its consideration of the report, the Committee met with representatives of the Secretary-General who provided additional information.
2. The Advisory Committee recalls that the General Assembly, in its resolution 47/217 of 23 December 1992, created a Peacekeeping Reserve Fund as a cash-flow mechanism to ensure the rapid response of the Organization to the needs of peacekeeping operations, and decided that the level of the Fund should be \$150 million. Funding was to be provided by the transfers of balances of an initial amount of \$59 million from the special accounts for the United Nations Transition Assistance Group (UNTAG) and the United Nations Iran-Iraq Military Observer Group (UNIIMOG). Residual amounts were to be transferred as soon as the special accounts for both operations were closed. However, the major portion required to provide the full \$150 million was to be financed from the amount retained in the General Fund pursuant to General Assembly resolution 42/216 A of 21 December 1987.
3. As indicated in paragraph 3 of the report of the Secretary-General, with regard to the status of the Reserve Fund, as at 31 March 1996 the Fund had a balance of \$94.7 million. Total receipts consisted of transfers from UNTAG (\$47.0 million), UNIIMOG (\$17.3 million), and the General Fund (\$25.0 million), interest income (\$5.1 million) and a voluntary contribution (\$351,989). An amount of \$60.7 million was still due to the Reserve Fund, consisting of funds to be transferred from the United Nations General Fund (\$57.6 million), UNTAG (\$2.2 million) and UNIIMOG (\$903,071). The Advisory Committee was informed on

18 March 1997 that an additional amount of approximately \$4.87 million in interest income had increased the current balance of the Fund to \$99.7 million.

4. As indicated in paragraph 4 of the Secretary-General's report, loans made to six peacekeeping missions have been repaid to the Reserve Fund in full. Details have been provided in annex II A to that report.

5. The Advisory Committee points out that the General Assembly still has to address the issue of imputation of interest income (see General Assembly resolution 47/217, para. (j), and A/50/976, para. 12).

6. The Advisory Committee notes that, by paragraph (e) of its resolution 47/217, the General Assembly decided that Member States' initial shares in the Peacekeeping Reserve Fund should be calculated on the basis of the ad hoc apportionment as set out in its resolution 45/247 of 21 December 1990. The Committee also notes that, by paragraph (g) of resolution 47/217, the Assembly decided that Member States joining after the adoption of resolution 47/217 and which did not have a claim to a share in the Fund should contribute to the Fund. In this connection, the Committee draws attention to its comments in its previous report (A/50/976), in which it had (a) stressed the mandatory nature of the assessment of new Members to fund the Reserve Fund, and (b) stated that shares of the original founding Members should be recalculated as new assessments were credited to the Fund on the basis of the apportionment set out in Assembly resolution 45/247.

7. The Advisory Committee notes that the amounts listed in annex III to the report of the Secretary-General (A/51/778), which were to the credit of Czechoslovakia were, by agreement of the two successor States, divided between the Czech Republic and Slovakia; these two States can thus be said to have a claim to share in the Fund. The Committee also notes the information contained in paragraph 9 of the report of the Secretary-General, listing the Member States for which the General Assembly, by its decision 47/456 of 23 December 1992, set rates of assessment, and the related report of the Fifth Committee (A/47/833).

8. The actions to be taken by the General Assembly are indicated in paragraph 11 of the report of the Secretary-General. With regard to paragraph 11 (b), the Advisory Committee believes that it was the Assembly's intention that resolution 47/217 should apply to all Member States. Accordingly, the Committee recommends that the Assembly confirm this intention and decide that the five Member States listed in paragraph 8 of the Secretary-General's report should contribute to the Fund in accordance with the scale of apportionment for peacekeeping operations in effect on the date of their first assessment for United Nations peacekeeping operations.
