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Agenda item 124 (a)

Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Report of the Fifth Committee

Rapporteur: Mr. Tammam **Sulaiman** (Syrian Arab Republic)

I. Introduction

1. At its 3rd plenary meeting, on 15 September 1998, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-third session the item entitled "Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission" and to allocate it to the Fifth Committee.
2. The Fifth Committee considered the item at its 55th, 56th and 62nd meetings, on 10, 11 and 27 May 1999. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/53/SR.55, 56 and 62).
3. For its consideration of the item, the Committee had before it the reports of the Secretary-General on the financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission (A/53/782 and A/53/817) and the related reports of the Advisory Committee on Administrative and Budgetary Questions (A/53/895 and Add.2).

II. Consideration of draft resolution A/C.5/53/L.60

4. At the 62nd meeting, on 27 May, the representative of the Republic of Korea and coordinator of the informal consultations on item 124 (a), on behalf of the Chairman,

introduced a draft resolution entitled "Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission" (A/C.5/53/L.60).

5. At the same meeting, the Committee adopted draft resolution A/C.5/53/L.60 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

The General Assembly,

Having considered the reports of the Secretary-General on the financing of the United Nations Iraq-Kuwait Observation Mission¹ and the related reports of the Advisory Committee on Administrative and Budgetary Questions,²

Recalling Security Council resolutions 687 (1991) of 3 April 1991 and 689 (1991) of 9 April 1991, by which the Council decided to establish the United Nations Iraq-Kuwait Observation Mission and to review the question of its termination or continuation every six months,

Recalling also its resolution 45/260 of 3 May 1991 on the financing of the Observation Mission and its subsequent resolutions and decisions thereon, the latest of which was resolution 52/238 of 26 June 1998,

Reaffirming that the costs of the Observation Mission that are not covered by voluntary contributions are expenses of the Organization to be borne by Member States in accordance with Article 17, paragraph 2, of the Charter of the United Nations,

Recalling its previous decisions regarding the fact that, in order to meet the expenditures caused by the Observation Mission, a different procedure is required from that applied to meet expenditures of the regular budget of the United Nations,

Taking into account the fact that the economically more developed countries are in a position to make relatively larger contributions and that the economically less developed countries have a relatively limited capacity to contribute towards such an operation,

Bearing in mind the special responsibilities of the States permanent members of the Security Council, as indicated in General Assembly resolution 1874 (S-IV) of 27 June 1963, in the financing of such operations,

Expressing its appreciation for the substantial voluntary contributions made to the Observation Mission by the Government of Kuwait and the contributions of other Governments,

Mindful of the fact that it is essential to provide the Observation Mission with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolutions of the Security Council,

¹ A/53/782 and A/53/817.

² A/53/895 and Add.2.

1. *Takes note* of the status of contributions to the United Nations Iraq-Kuwait Observation Mission as at 30 April 1999, including the contributions outstanding in the amount of 9.8 million United States dollars, representing some 4 per cent of the total assessed contributions from the inception of the Mission to the period ending 30 April 1999, notes that some 21 per cent of the Member States have paid their assessed contributions in full, and urges all other Member States concerned, in particular those in arrears, to ensure the payment of their outstanding assessed contributions;

2. *Expresses its continued appreciation* of the decision of the Government of Kuwait to defray two thirds of the cost of the Observation Mission, effective 1 November 1993;

3. *Expresses concern* about the financial situation with regard to peacekeeping activities, in particular as regards the reimbursement of troop contributors, which bear additional burdens owing to overdue payments by Member States of their assessments;

4. *Expresses its appreciation* to those Member States which have paid their assessed contributions in full;

5. *Urges* all other Member States to make every possible effort to ensure payment of their assessed contributions to the Observation Mission in full and on time;

6. *Endorses* the observations and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;³

7. *Requests* the Secretary-General to take all necessary action to ensure that the Observation Mission is administered with a maximum of efficiency and economy;

8. *Also requests* the Secretary-General, in order to reduce the cost of employing General Service staff, to continue efforts to recruit local staff for the Observation Mission against General Service posts, commensurate with the requirements of the Mission;

9. *Decides* to appropriate to the Special Account for the United Nations Iraq-Kuwait Observation Mission the amount of 53,991,024 dollars gross (51,996,124 dollars net) for the maintenance of the Mission for the period from 1 July 1999 to 30 June 2000, inclusive of the amount of 2,686,445 dollars for the support account for peacekeeping operations and the amount of 526,779 dollars for the United Nations Logistics Base at Brindisi, a two-thirds share of this amount, equivalent to 34,664,080 dollars, to be funded through voluntary contributions from the Government of Kuwait, subject to the review by the Security Council with regard to the question of termination or continuation of the Mission;

10. *Decides also*, as an ad hoc arrangement, taking into consideration the funding through voluntary contributions from the Government of Kuwait of the two-thirds share of the cost of the Observation Mission, equivalent to 34,664,080 dollars, to apportion among Member States the amount of 19,326,944 dollars gross (17,332,044 dollars net), representing one third of the cost of the maintenance of the Mission for the period from 1 July 1999 to 30 June 2000, the said amount to be apportioned at a monthly rate of 1,610,579 dollars gross (1,444,337 dollars net), in accordance with the composition of groups set out in paragraphs 3 and 4 of General Assembly resolution 43/232 of 1 March 1989, as adjusted by the Assembly in its resolutions 44/192 B of 21 December 1989, 45/269 of 27 August 1991, 46/198 A of 20 December 1991, 47/218 A of 23 December 1992, 49/249 A of 20 July 1995, 49/249 B of 14 September 1995, 50/224 of 11 April 1996, 51/218 A to C of 18 December 1996 and 52/230 of 31 March 1998 and its decisions 48/472 A of 23 December 1993 and 50/451 B and 50/471 A of 23 December 1995, and taking into account the scale of assessments for the years 1999 and 2000, as set out in its resolution 52/215 A of 22 December 1997, subject to

³ A/53/895/Add.2.

the review by the Security Council with regard to the question of termination or continuation of the Mission;

11. *Decides further* that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraph 10 above, their respective share in the Tax Equalization Fund of the estimated staff assessment income of 1,994,900 dollars approved for the Observation Mission for the period from 1 July 1999 to 30 June 2000;

12. *Decides* that, taking into consideration the funding through voluntary contributions from the Government of Kuwait of the two-thirds share of the cost of the Observation Mission, for Member States that have fulfilled their financial obligations to the Mission there shall be set off against the apportionment, as provided for in paragraph 10 above, their respective share of the unencumbered balance of 1,339,300 dollars gross (1,028,100 dollars net), representing one third of the unencumbered balance of 3,395,500 dollars gross (3,084,300 dollars net) in respect of the period from 1 July 1997 to 30 June 1998;

13. *Decides also* that, for Member States that have not fulfilled their financial obligations to the Observation Mission, their share of the unencumbered balance of 1,339,300 dollars gross (1,028,100 dollars net) for the period from 1 July 1997 to 30 June 1998 shall be set off against their outstanding obligations;

14. *Decides further* that two thirds of the net unencumbered balance of 3,084,300 dollars, equivalent to 2,056,200 dollars, shall be returned to the Government of Kuwait;

15. *Expresses concern* that the Secretary-General has not submitted to the General Assembly at the main part of its fifty-third session the separate report on developments relating to the issue of overpayment of mission subsistence allowance and compensatory time off, including measures taken with respect to those responsible for the overpayment on the basis of the conclusion of the inquiry, as requested in paragraph 18 of Assembly resolution 52/238 of 26 June 1998, and requests the Secretary-General to submit that report to the Assembly no later than 30 June 1999;

16. *Invites* voluntary contributions to the Observation Mission in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedures and practices established by the General Assembly;

17. *Decides* to include in the provisional agenda of its fifty-fourth session, under the item entitled "Financing of the activities arising from Security Council resolution 687 (1991)", the sub-item entitled "United Nations Iraq-Kuwait Observation Mission".