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LETTER DATED 29 DECEMBER 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 495 (1981) of 14 December 1981, the Council, noting my report of 1 December 1981 (S/14778), decided to extend the stationing of the Force in Cyprus for a further period ending 15 June 1982 and requested me to continue my mission of good offices.

I have reported to the Council that the presence of UNFICYP in the island continues to remain necessary both in helping to maintain calm and in creating the conditions in which the search for a peaceful settlement can best be pursued. I have also noted that the intercommunal talks have continued in a constructive manner and that the evaluation paper submitted to the parties on my behalf may have marked the beginning of a new and fruitful phase in the long search for a negotiated settlement of the Cyprus problem. 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 feel obliged, however, 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 Council, I indicated that the last payment to the troop-contributing Governments in respect of their claims, which represent in some cases only a fraction of the actual costs incurred by them in maintaining their contingents, was made in April 1981 and met those claims only up to July 1976. 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. Moreover, the rate of

accumulation of the resulting deficit has been growing, since voluntary contributions have been running for the past five years at an average of \$9 million per six-month period, while expenses during the same five years have increased from \$11 to \$14 million for a six-month period. The accumulated deficit for the period ending 15 June 1981 is more than \$79 million. Additionally, nearly \$15 million, of which \$2,867,456 have been received, are required to meet that portion of the total cost of UNFICYP for the six-month period ending 15 December 1981 that is normally financed by voluntary contributions. This would leave costs of approximately \$36.2 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. I, therefore, urgently request Governments, once again, to consider increasing their contributions or to begin making voluntary contributions, if not made before, in order to replenish the UNFICYP Special Account. I also wish to express the hope that the 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.

(Signed) Kurt WALDHEIM
Secretary-General

Annex

FINANCIAL POSITION OF THE UNITED NATIONS PEACE-KEEPING FORCE IN CYPRUS

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 December 1980 to 15 June 1981, 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 \$36.2 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 1981 would total approximately \$50.9 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	36.2
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	14.7
Total costs	<u>50.9</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 1 December 1981 (S/14778, sect. VI).

The voluntary contributions received from Governments have not been sufficient to cover these costs. Moreover, the rate of accumulation of the resulting deficit has been growing, since voluntary contributions have been running for the past five years at an average of \$9 million per six-month period, while expenses during the same five years have increased from \$11 to \$14 million for a six-month period. The accumulated deficit from the inception of the operation through 15 June 1981 now stands at \$79.7 million, as compared to the deficit of \$73.2 million about six months ago, as indicated in my letter to you of 18 June 1981 (S/14554). Thirteen contributions, amounting to \$2,867,456, have been received so far towards that portion of the costs of maintaining the operation during the six-month period ending 15 December 1981 (that is, \$14.7 million) which is to be financed by voluntary contributions.

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

(in United States dollar equivalent)

<u>Country</u>	<u>39th period</u> <u>16/12/80 to</u> <u>15/6/81</u>	<u>Total</u> <u>pledges</u>	<u>Payments</u> <u>received</u>	
AUSTRALIA	-	2 419 889	2 419 889	a/
AUSTRIA	125 000	3 315 000	3 315 000	a/ b/ i/
BAHAMAS	1 000	2 000	2 000	i/
BARBADOS	1 000	1 000	1 000	
BELGIUM	-	3 578 396	3 578 396	
BOTSWANA	-	500	500	
CANADA	-	-	-	a/
CYPRUS	-	2 766 359	2 766 359	
DEMOCRATIC KAMPUCHEA	-	600	600	e/
DENMARK	118 620	4 225 073	4 225 073	a/ b/
FINLAND	-	900 000	900 000	b/
GERMANY, FEDERAL REPUBLIC OF	515 229	20 065 229	20 065 229	i/
GHANA	-	76 897	76 897	
GREECE	375 869	17 725 869	17 725 869	i/
GUYANA	-	11 812	11 812	
ICELAND	3 750	62 907	62 907	i/
INDIA	5 000	55 000	55 000	i/
IRAN	-	144 500	94 500	
IRAQ	-	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	500	31 533	31 533	i/
JAPAN	-	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	

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<u>Country</u>	<u>39th period</u>		<u>Total</u> <u>pledges</u>	<u>Payments</u> <u>received</u>	
	<u>16/12/80 to</u> <u>15/6/81</u>				
LUXEMBOURG	4 701		106 507	106 507	i/
MALAWI	-		5 590	5 590	
MALAYSIA	-		7 500	7 500	
MALTA	-		1 820	1 820	
MAURITANIA	-		4 370	4 370	
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		6 783 265	6 783 265	i/
OMAN	-		8 000	8 000	
PAKISTAN	-		44 791	44 791	
PHILIPPINES	300		12 100	12 100	
QATAR	-		21 000	21 000	
REPUBLIC OF KOREA	-		16 000	16 000	
SENEGAL	-		4 000	-	
SIERRA LEONE	-		46 425	46 425	
SINGAPORE	500		8 500	8 500	i/
SOMALIA	-		1 000	1 000	
SWEDEN	200 000		6 720 000	6 720 000	a/ b/
SWITZERLAND	-		5 086 920	5 086 920	
THAILAND	500		3 000	3 000	i/
TOGO	-		1 020	-	
TRINIDAD AND TOBAGO	-		2 400	2 400	
TURKEY	-		1 839 253	1 839 253	
UNITED ARAB EMIRATES	10 000		20 000	20 000	
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND	1 901 063		60 181 074	60 181 074	c/ a/ b/ i/
UNITED REPUBLIC OF CAMEROON	2 669		16 236	16 236	i/

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<u>Country</u>	<u>39th period</u> <u>16/12/80 to</u> <u>15/6/81</u>	<u>Total</u> <u>pledges</u>	<u>Payments</u> <u>received</u>
UNITED REPUBLIC OF TANZANIA	-	7 000	7 000
UNITED STATES OF AMERICA	4 500 000	135 900 000 d/	128 221 177
URUGUAY	-	5 000	5 000
VENEZUELA	-	18 000	18 000
VIET NAM	-	4 000	4 000 g/
YUGOSLAVIA	-	40 000	40 000
ZAIRE	-	30 000	30 000
ZAMBIA	-	38 000	28 000
Total	<u>8 070 701</u>	<u>285 179 698</u>	<u>277 399 838</u>

a/ Indicative figures over a six-month period of the costs absorbed by Governments providing contingents are as follows: Australia \$500,000, Austria \$1.9 million, Canada \$10.7 million, Denmark \$650,000, Sweden \$3.5 million and United Kingdom \$19.0 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 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 June to 15 December 1981: Austria \$125,000, Bahamas \$1,000, Germany, Federal Republic of, \$515,230, Greece \$316,899, Iceland \$3,750, India \$5,000, Jamaica \$500, Luxembourg \$4,700, Norway \$305,000, Singapore \$500, Thailand \$500, United Kingdom \$1,586,708 and United Republic of Cameroon \$2,669.
