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Chair: Mr. Taalas (Finland)
Chair of the Advisory Committee on Administrative and Budgetary Questions: Mr. Ruiz Massieu

Contents

Tribute to the memory of Alan Shaw, representative of the United Kingdom of Great Britain and Northern Ireland in the Fifth Committee

Organization of work

Agenda item 116: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(b) Appointment of members of the Committee on Contributions (*continued*)

Agenda item 154: Financing of the United Nations Integrated Mission in Timor-Leste

Agenda item 162: Financing of the United Nations Supervision Mission in the Syrian Arab Republic

Agenda item 147: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Closed peacekeeping missions

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The meeting was called to order at 10.10 a.m.

Tribute to the memory of Alan Shaw, representative of the United Kingdom of Great Britain and Northern Ireland in the Fifth Committee

1. **The Chair** and **Ms. Kitsell** (United Kingdom) led the tributes to the memory of Alan Shaw.
2. *At the invitation of the Chair, the members of the Committee observed a minute of silence.*

Organization of work (A/C.5/68/L.36)

3. **The Chair** drew attention to the proposed tentative and provisional programme of work of the Committee for the second part of the resumed sixty-eighth session, established on the basis of the note by the Secretariat on the status of preparedness of documentation (A/C.5/68/L.36). It would be adjusted as necessary in the course of the session.

4. **Ms. Rios Requena** (Plurinational State of Bolivia), speaking on behalf of the Group of 77 and China, said that the draft programme of work should be adjusted according to the availability of the relevant documents and the progress of the Committee's deliberations. The Group remained concerned that important reports had been issued late or had not yet been issued. Vast resources were available to ensure the timely submission of reports to the Advisory Committee on Administrative and Budgetary Questions and to Member States, and measures should be taken to guarantee the efficient use of those resources. The Committee should hold a meeting with the Chair of the Advisory Committee and representatives of the Secretariat to discuss the issue during the current part of the resumed session.

5. The Secretary-General's report on the results of the revised survey to establish the standard rate of reimbursement to troop-contributing countries, as approved by the General Assembly in its resolution 67/261 on the report of the Senior Advisory Group on rates of reimbursement to troop-contributing countries (A/68/813) would provide the General Assembly with all the necessary elements for a decision on the issue of troop costs, which was necessary to ensure the sustainability of the United Nations peacekeeping partnership. The survey results clearly demonstrated the gap between the current reimbursement rate and the financial costs borne by troop-contributing countries. It was high time for the Assembly to increase the standard rate of reimbursement.

6. The Committee's workload for the current part of the resumed session was considerable and demanding. Adequate time would have to be allocated for the careful consideration of all the administrative and budgetary aspects of financing peacekeeping operations, including cross-cutting issues, the support account and close peacekeeping missions, while ensuring that deliberations were concluded in a timely manner. The question of inter-mission cooperation and its impact on peacekeeping budgets and administration was one issue that the Group would be following closely. Other key areas included comprehensively addressing the systemic and unresolved issues faced by troop-contributing countries, including their under-representation in the relevant Secretariat departments; exploring options for a fair solution to the issue of unpaid assessments, accounts payable and other liabilities of closed peacekeeping missions in order to settle outstanding claims in missions with a cash deficit; ensuring that the formulation, presentation and approval of peacekeeping budgets were done on the basis of the missions' mandates and the real situation on the ground, rather than as an arbitrary, across-the-board cost-cutting exercise; and assessing the progress made and challenges faced in the implementation of the global field support strategy.

7. **Ms. Coto-Ramírez** (Costa Rica), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that the proposed programme of work included issues of great interest to CELAC, including troop costs, the financing of United Nations peacekeeping operations, in particular the United Nations Stabilization Mission in Haiti, and the estimates in respect of special political missions. The question of inter-mission cooperation was one of the cross-cutting issues that CELAC would examine closely, with a view to increasing transparency.

8. Given the growing diversity and complexity of United Nations peacekeeping operations, the General Assembly must take a decision on increasing the rates of reimbursement to troop-contributing countries, in line with the findings of the survey conducted pursuant to its resolution 67/261. CELAC was concerned about the recent trend of considering peacekeeping budgets as a compact, and stressed the principle that each peacekeeping operation must have a stand-alone budget, planned and approved according to its mandate and specific needs.

9. Lastly, she reiterated that the Secretariat must take the necessary remedial action to respond to Member States' repeated demands for the timely submission of reports in all official languages, in accordance with the rules of procedure of the General Assembly. The Committee should hold a meeting with the Chair of the Advisory Committee and Secretariat officials in order to hear their thoughts on the matter.

10. **Ms. Pacunega Manano** (Uganda), speaking on behalf of the Group of African States, said that the field trip undertaken by the Committee in February 2014 had given delegations an opportunity to understand the harsh environments peacekeeping missions were operating in and the many challenges they faced. The trip had demonstrated that in order for missions to be able to implement their mandates effectively, they needed the full support of Member States, rather than arbitrary budget cuts. Therefore, the performance report and budget proposal for each peacekeeping mission before the Committee should be given due consideration, taking into account the mission's specific mandate and unique circumstances on the ground. The Group would not agree to consider all the budget proposals as a package.

11. The Group would look carefully at the performance of and proposals for all active peacekeeping operations and United Nations support to African Union missions, and the performance of the Regional Service Centre in Entebbe, Uganda. It would also follow closely issues outlined in the Board of Auditors' reports, including, but not limited to, those related to budget formulation and implementation; the implementation of the International Public Sector Accounting Standards (IPSAS); the global field support strategy; and follow-up of a number of the Board's previous recommendations. Other top priorities were the implementation of General Assembly resolution 67/261 on the report of the Senior Advisory Group to consider rates of reimbursement to troop-contributing countries and other related issues, the reports on contingent-owned equipment, and the financing of special political missions.

12. With regard to the rates of reimbursement for troop-contributing countries, she recalled that, during the Committee's discussions on the matter in 2013, the balanced approach of the recommendations contained in the report of the Senior Advisory Group (A/C.5/67/10) had been used to impose penalties on countries for absent or non-functional major

equipment. It was now only fair that the General Assembly should approve a new rate of personnel reimbursement, based on the outcomes of the revised survey methodology recommended by the Senior Advisory Group, with a view to matching the rate to the actual costs incurred by troop-contributing countries, bearing in mind the enormous sacrifices made in deploying troops to peacekeeping operations.

13. The Committee faced a heavy workload during the current part of its resumed session, but hard work, dedication, frankness and transparency in its deliberations would facilitate the timely conclusion of its work. The Group wished to discourage recourse to negotiations in small configurations behind closed doors.

14. **Mr. Vrailas** (Observer for the European Union), speaking also on behalf of the candidate countries Iceland, Montenegro, Serbia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Bosnia and Herzegovina; and, in addition, Georgia, the Republic of Moldova and Ukraine, said that the European Union attached great importance to peacekeeping operations, a core task of the United Nations, and would continue to do what was necessary to ensure that those operations were effective and served the needs of maintaining peace and security. The European Union recognized the commitment and sacrifice of peacekeeping personnel, and paid tribute to those who had lost their lives while serving in United Nations missions. Its member States actively supported and participated in such missions, and contributed almost 37 per cent of the total peacekeeping budget. They therefore wished to continue improving the efficiency and effectiveness of peacekeeping operations and their support activities, and to ensure that they received adequate financing to implement their mandates.

15. The total proposed budget for peacekeeping missions for 2014/15 provided only a partial view of overall needs, which were expected to reach a record high exceeding \$8 billion. Against a backdrop of ongoing budgetary constraints in European Union member States, strict budgetary discipline must continue to be exercised to ensure that resources were used effectively, efficiently and in an accountable and transparent manner.

16. His delegation looked forward to the Committee's consideration of the recommendations of the Working Group on Contingent-Owned Equipment. It also looked

forward to discussing the progress made in the implementation of resolution 67/261 on rates of reimbursement to troop-contributing countries in the light of the recent survey of a sample group of 10 troop- and police-contributing countries, and reaching a constructive outcome that would preserve the balance struck by the Senior Advisory Group and consolidate the peacekeeping partnership.

17. As the global field support strategy entered the final implementation phase, it would be important to ensure that the strategy led to improved delivery of services in the field, economies of scale, savings and strengthened accountability. It should also be aligned with other United Nations system-wide business processes, including the Umoja enterprise resource planning system, the Inspira talent management system and IPSAS.

18. Preventing and tackling sexual exploitation and abuse by United Nations personnel remained a matter of high priority. While the general downward trend was encouraging, his delegation was concerned about the number of allegations still being received, particularly as there appeared to have been an increase in 2013. The zero-tolerance policy must therefore continue to be implemented and he welcomed the efforts undertaken by the Organization in that regard.

19. Urgent efforts should be made to find a sustainable solution to the long-standing problem of closed missions with cash deficits. All cash surpluses from closed missions should be returned to the Members States, and all Member States should pay their assessed contributions.

20. Lastly, he agreed that the issue of the late submission of documents required a structural and holistic response based on a broader assessment of the calendar of meetings and the timing of documentation coming before both the Fifth Committee and the Advisory Committee.

21. **Mr. Yamazaki** (Japan) said that, given that it would have to tackle a number of difficult issues during the current part of the resumed session, the Committee should maintain its productive working habits in order to conclude its work on the scheduled end date. As the leading body demanding organizational efficiency, the Committee should demonstrate that it could finish its business on time.

22. While Member States should be prepared to provide adequate capacity and resources to ensure the successful implementation of peacekeeping mandates, the need for efficient, effective and accountable management of peacekeeping operations could not be overemphasized, particularly in the light of the difficult financial situation faced by many Member States, including Japan. Similarly, experience had shown that having redundant resources that were not properly managed would not lead to effective operations or the long-term sustainability of the Organization. The Committee should reach an agreement on budget levels that would neither exceed nor fall short of each mission's requirements, by examining the levels of civilian staff and operational costs, and the success of efficiency measures.

23. It was regrettable that the overall picture for the 2014/15 peacekeeping budget would not become clear until the main part of the sixty-ninth session of the General Assembly, owing to the fact that the commitment authority requested for the United Nations Mission in South Sudan (UNMISS) was for six months only and that amounts requested for the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA) had not been included in the projections. Moreover, the results of the survey regarding the rates of reimbursement to troop-contributing countries had not yet been presented as a budgetary request. The potential increase in troop reimbursement costs, together with other requests, could lead to a total peacekeeping operations budget for 2014/15 that would greatly exceed \$8 billion. The Committee must therefore strike a delicate balance between fair reimbursement for troops deployed to peacekeeping missions and the financial sustainability of all peacekeeping operations. Member States should carefully assess the requirements of current peacekeeping operations, particularly those that were in the drawdown or closure phases, in a reasonable and practical manner.

24. **Mr. Lieberman** (United States of America) said that greater peacekeeping demands in the previous year had led to the creation of new missions and the expansion of existing ones. The cost of those demands, together with the potential changes in reimbursement rates to troop-contributing countries, would have significant financial implications at a time of continuing austerity. While the Secretary-General had identified some savings and Security Council decisions

on the downsizing of certain missions had reduced other costs, all of those savings were offset by increased requirements in Mali and Somalia. Moreover, the substantial requirements associated with the situation in South Sudan and the new mission in the Central African Republic were not included in the Secretary-General's budget request, meaning that the actual requirements for 2014/15 would exceed \$8 billion. The Committee should therefore scrutinize the Secretary-General's requests closely to ensure that the budgets reflected actual requirements, were driven by realistic planning assumptions, incorporated prudent planning initiatives and reflected real resource constraints.

25. While his delegation understood the concerns expressed by many troop-contributing countries, all delegations should understand the fiscal realities faced by many Member States, including his country. The effectiveness of peacekeeping operations should also continue to be improved, including through the implementation of reforms such as the global field support strategy and the Senior Advisory Group's recommendations, and maintenance of the highest performance standards. Performance was critical to maintaining support for and the credibility of United Nations peacekeeping operations and to give the general public confidence that their best interests and protection were paramount. His delegation continued to support stronger measures to combat sexual exploitation and abuse by United Nations peacekeepers and would press for further accountability on those issues. It also supported strengthened oversight to prevent and detect corruption, fraud and abuse.

26. Lastly, he expressed concern about the late issuance of documents, particularly the Advisory Committee's reports. Given the heavy workload before the Committee, time was of the essence. He therefore hoped that the availability of documentation would improve so that the Committee could devote adequate time to the consideration of all the reports on the programme of work.

27. **Mr. Warraich** (Pakistan), recognizing the dedication and bravery of United Nations peacekeepers and paying tribute to those that had died in the service of humanity, said that his country, as a committed participant in United Nations peacekeeping missions, had a vital stake in ensuring the effectiveness and success of the Committee's deliberations on the very important issues before it. His country's contribution to international peace and security was its 50 years of

experience and expertise in peacekeeping operations in the field, and its sustained involvement in policy decisions at Headquarters.

28. The Committee had a collective responsibility to undertake its work in a transparent and inclusive manner. A lack of openness in negotiations bred mistrust, led to delayed decisions and had a negative impact on the work of the Committee. His delegation would therefore work to ensure an open, transparent and inclusive decision-making process that would allow the Committee to address the long-standing issue of standard reimbursement rates to troop-contributing countries and provide peacekeeping missions with resources that were commensurate with their mandates.

29. **Mr. Kisoka** (United Republic of Tanzania), paying tribute to the civilians and troops, men and women, who had died in the service of humanity in peacekeeping missions, said that his delegation would focus on the budgetary and administrative aspects of peacekeeping operations and other issues related to United Nations and African Union missions. It would also follow discussions related to the oversight issues raised by the Board of Auditors and the proposals for financing special political missions. Given the Committee's heavy workload, he urged Member States to engage in constructive, inclusive and transparent discussion of those issues within the allotted time.

30. He expressed thanks to the Department of Peacekeeping Operations and the Department of Field Support, as well as the relevant field offices, for facilitating the Committee's field trip in February 2014, and said that the experience would inform the Committee's decision-making processes.

31. **The Chair** said he took it that the Committee wished to approve the proposed programme of work on the understanding that it would be adjusted by the Bureau as necessary during the course of the session.

32. *It was so decided.*

Agenda item 116: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(b) Appointment of members of the Committee on Contributions (*continued*) (A/68/102/Add.2)

33. **The Chair** drew the Committee's attention to a note by the Secretary-General (A/68/102/Add.2) informing the General Assembly of the resignations of

Mr. Sun Xudong (China) and Mr. Thomas David Smith (United Kingdom of Great Britain and Northern Ireland) from the Committee on Contributions and requesting the General Assembly to appoint two persons to fill the vacancies for the remaining periods of the terms of office, which would both expire on 31 December 2014.

34. The Government of China had nominated Mr. Fu Daopeng, whose candidature had been endorsed by the Group of Asia-Pacific States, to fill the vacancy arising from the resignation of Mr. Sun Xudong. The Government of the United Kingdom had nominated Mr. Kunal Khatri, whose candidature had been endorsed by the Group of Western European and Other States, to fill the vacancy arising from the resignation of Mr. Smith. He took it that the Committee wished to recommend the appointment of those candidates by acclamation.

35. *Mr. Fu Daopeng (China) and Mr. Khatri (United Kingdom) were recommended by acclamation for appointment to the Committee on Contributions for terms of office beginning on the date of appointment by the General Assembly and expiring on 31 December 2014.*

Agenda item 154: Financing of the United Nations Integrated Mission in Timor-Leste ([A/68/607](#) and [A/68/782/Add.2](#))

Agenda item 162: Financing of the United Nations Supervision Mission in the Syrian Arab Republic ([A/68/597](#), [A/68/597/Corr.1](#) and [A/68/782/Add.1](#))

36. **Ms. Casar** (Controller), introducing the report of the Secretary-General on the budget performance of the United Nations Integrated Mission in Timor-Leste (UNMIT) for the period from 1 July 2012 to 30 June 2013 ([A/68/607](#)), said that the actions to be taken by the General Assembly in respect of the financing of UNMIT were set out in paragraph 69.

37. Introducing the Secretary-General's report on the budget performance of the United Nations Supervision Mission in the Syrian Arab Republic (UNSMIS) for the period from 1 July 2012 to 30 June 2013 ([A/68/597](#) and [A/68/597/Corr.1](#)), she said that the actions to be taken by the Assembly were to appropriate and assess the amount of \$6,530,100 previously authorized by the Advisory Committee for UNSMIS for that period.

38. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the budget performance of UNMIT for the period from 1 July 2012 to 30 June 2013 ([A/68/782/Add.2](#)), said that, during its consideration of the Secretary-General's report ([A/68/607](#)), the Advisory Committee had been informed that during the liquidation period of the Mission, the majority of its assets had been disposed of through transfers to other United Nations offices and peacekeeping missions, donations and sale. Some had been destroyed. In the interest of budgetary transparency and accuracy, the Advisory Committee recommended that more detailed information on the transfer of non-expendable assets to other United Nations offices or peacekeeping missions or to the reserve should be reflected in the budget performance reports of peacekeeping missions.

39. The Advisory Committee noted that the net shortfall in cash as at 30 June 2013 amounted to \$1,417,700, which meant that the credits due to Member States, amounting to \$11,981,900, could not be made available. The Advisory Committee recommended that consideration of the amounts due to Member States should be deferred until the consideration of the Mission's final performance report.

40. Turning to the report of the Advisory Committee on the budget performance of UNSMIS for the period from 1 July 2012 to 30 June 2013 ([A/68/782/Add.1](#)), he said that, as the Mission's assets had been disposed of during its liquidation period in a similar manner to those of UNMIT, the Advisory Committee reiterated the same recommendation for more detailed information to be reflected in the reports. The Advisory Committee also noted the amount of \$10 million borrowed by UNSMIS from the Peacekeeping Reserve Fund and recommended strict compliance with General Assembly resolution [47/217](#) on that subject. It also recommended that the Assembly should accept the proposals contained in paragraph 32 of the Secretary-General's report ([A/68/597](#)).

41. Lastly, in response to the comments made by many delegations during the discussion of the organization of work, he said that he and the secretariat of the Advisory Committee would welcome a meeting with Committee members and representatives of the Secretariat during the second part of the resumed session to address the matter of late documentation.

Agenda item 147: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Closed peacekeeping missions (A/68/666 and A/68/837)

42. **Ms. Casar** (Controller), introducing the Secretary-General's report on the updated financial position of closed peacekeeping missions as at 30 June 2013 (A/68/666), said that, pursuant to General Assembly resolution 65/293, the Secretary-General had made proposals in his reports on the updated financial position of closed peacekeeping missions as at 30 June 2011 (A/66/665) and as at 30 June 2012 (A/67/739) to address the issue of outstanding amounts due to Member States from closed peacekeeping missions. In addition, the Secretary-General was refining a scenario, considered by the Committee at the sixty-seventh session, to use the total cash available of \$88.4 million to reimburse each Member State 55 per cent of the amount owed to it.

43. The Secretary-General recognized that the liquidity of active peacekeeping operations was not directly linked to the issue of cash surpluses in closed missions. However, it was suggested that the Assembly should authorize temporary borrowing between active peacekeeping missions, which was not currently permitted, within a total loan limit of \$100 million, representing 1.3 per cent of the total approved resources for peacekeeping operations, subject to limitations as authorized. As an alternative, it was proposed that a working capital fund should be established to address the cash requirements of active peacekeeping operations, which would require an amendment to the Financial Regulations and Rules of the United Nations to be submitted for the Assembly's approval.

44. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/68/837), said that, as the Assembly had twice decided to defer consideration of the Secretary-General's reports on the financial position of closed peacekeeping missions and the related reports of the Advisory Committee, the Advisory Committee reiterated all of its observations and recommendations on the proposals contained in the Secretary-General's previous reports (A/66/665 and A/67/739) so that the Assembly would have an opportunity to examine them in conjunction with the

observations and recommendations set out in the Advisory Committee's current report.

45. The Advisory Committee had taken note of the Secretary-General's proposal to utilize the available cash balances, amounting to \$88.4 million, in order to partially settle the amounts due to Member States. However, the Advisory Committee was of the view that, while such action could help to mitigate the long-outstanding issue of unpaid claims to troop-contributing countries, it would still entail using surpluses that, in principle, should be returned in full to Member States.

46. As for the Secretary-General's proposal to authorize borrowing between active missions, the Advisory Committee believed that it could be an inducement to the late payment of assessed contributions. Furthermore, the Advisory Committee remained of the view that the proposal still did not address its reservations with regard to utilizing resources due to Member States that had paid their assessed contributions in full in order to cover the financial obligations of Member States that had not paid their assessed contributions in a timely manner.

47. Lastly, the Advisory Committee underscored that recommendations that it had made but that had not been endorsed by the General Assembly should not be cited as justification for the Secretary-General's proposals.

48. **Ms. Rios Requena** (Plurinational State of Bolivia), speaking on behalf of the Group of 77 and China, said that the Group remained concerned by the cash deficit situation in several closed peacekeeping missions owing to the non-payment of arrears by some Member States, which in turn had resulted in the United Nations owing substantial, long-outstanding dues to troop-contributing countries that had met their financial obligations to the Organization.

49. While all Member States should pay their assessed contributions in full, on time and without conditions, a viable solution must be found to the issue of outstanding payments to troop-contributing countries for closed peacekeeping missions, regardless of the cash deficit problems of those missions.

50. In its resolution 65/293, the General Assembly had requested the Secretary-General to submit for its consideration and approval concrete proposals and alternatives to address the issue of outstanding amounts due to Member States from closed peacekeeping

missions that were in net cash deficit. While the Group welcomed the Secretary-General's proposal, anything other than the full payment of those amounts to troop-contributing countries was not feasible, given that they had been outstanding for so long. However, the Group did concur with the Secretary-General on the importance of addressing the cash requirements of peacekeeping operations, which should be taken into account when considering a lasting solution to the issue of outstanding payments.

The meeting rose at 11.30 a.m.