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LETTER DATED 20 OCTOBER 1989 FROM THE SECRETARY-GENERAL TO THE 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 have the honour to write to you about the financial situation of the United Nations Peace-keeping Force in Cyprus (UNFICYP). The preoccupation I have repeatedly expressed in this regard is very much shared by the Governments of the troop-contributing countries, whose own continued grave concern at the growing deficit in the UNFICYP Special Account was again expressed recently in the letter which they jointly addressed to me on 22 May 1989 (S/20650).

You will recall that, when it established UNFICYP in 1964, the Security Council authorized the Secretary-General to accept voluntary contributions towards meeting the costs of the Force. Despite repeated appeals, receipts from such contributions continue to fall far short of the expenditures for which the United Nations is responsible, even though the Organization's share is but a fraction of the total cost of maintaining UNFICYP. I am annexing a detailed presentation of the current financial situation.

As at 15 October 1989, the accumulated shortfall in the UNFICYP Special Account had reached \$174.8 million for the mandate periods ending 15 December 1989. As regards the current period, only \$2.0 million have been pledged or received against projected expenditure estimated at \$13.1 million. As you know, the burden of the serious deficit in the Force's account falls entirely on the handful of troop-contributing countries which are already absorbing over 71 per cent of the costs through their provision of contingents and whose claims the United Nations has been able to meet only up to June 1980. This places an unacceptable and wholly unfair financial burden on the Governments concerned.

The vital peace-keeping role of UNFICYP has been unanimously emphasized by the Security Council time and again. The Force has made, and continues to make, an indispensable contribution to international peace and security and to maintaining calm in Cyprus, a condition which is essential to my ongoing efforts to bring about a political settlement.

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Given the important role played by UNFICYP and the increasingly precarious financial situation in which it finds itself, I should be most grateful if you could convey to your Government my deep concern about this situation and my urgent appeal for a voluntary financial contribution. It is my hope that your Government will find it possible to respond generously to this appeal, so as to enable UNFICYP to continue to carry out the functions for which it was established.

(Signed) Javier PEREZ DE CUELLAR

Annex

**Financing and financial position of the United Nations
Peace-keeping Force in Cyprus**

In accordance with Security Council resolution 186 (1964) on the establishment of UNFICYP, the costs of the Force are being met by the Governments providing the contingents and by voluntary contributions received for this purpose by the United Nations. In addition, the Government of Cyprus provides, at no cost to the United Nations, areas for the headquarters, camps and other premises of UNFICYP.

Under existing arrangements, the troop-contributing Governments make available to the United Nations troops whose regular pay and allowances and normal matériel expenses they have agreed to pay themselves. In addition, these Governments have agreed to finance at their own expense, as a further contribution to the United Nations operation in Cyprus, certain extra and extraordinary costs that they incur in respect of UNFICYP. Both these cost elements currently amount to \$32.8 million for each six-month period. They represent 71.5 per cent of the total cost of maintaining UNFICYP.

The United Nations is responsible for financing entirely through voluntary contributions received from Governments (a) the operational expenditures (i.e. administrative and logistic support) incurred by UNFICYP and (b) certain extra and extraordinary costs incurred by the troop-contributing Governments for which they seek reimbursement. These expenditures amount to \$13.1 million for the six-month period ending 15 December 1989.

The cost of financing the United Nations operation in Cyprus for the six-month period ending 15 December 1989 is estimated, therefore, at \$45.9 million.

Since 1964, 76 countries have provided voluntary financial support to UNFICYP totalling \$417.6 million. However, the contributions received for each extension period have consistently fallen short of the amount required to meet the direct costs of the Force for which the United Nations is responsible. As a result, the shortfall in the UNFICYP Special Account as at 15 October 1989 for the mandate periods ending 15 December 1989 is estimated at \$174.8 million. The status of contributions received for the latest four mandate periods is shown in the attached table.

STATUS OF CONTRIBUTIONS TO THE UNFICYP SPECIAL ACCOUNT FOR THE
 LATEST FOUR MANDATE PERIODS AS AT 15 OCTOBER 1989

(In United States dollars equivalent)

Country	53rd	54th	55th	56th
	16/12/87 to 15/06/88	16/06/88 to 15/12/88	16/12/88 to 15/06/89	16/06/89 to 15/12/89
Antigua and Barbuda	-	-	250	250
Australia a/	50 000	50 000	50 000	50 000
Austria a/, b/	125 000	125 000	-	-
Bahamas	1 000	1 000	500	500
Barbados	500	500	-	-
Belgium	141 401	141 401	121 755	121 756
Canada a/	-	-	-	-
Cyprus	375 000	375 000	387 500	387 500
Denmark a/, b/	107 847	-	-	-
Finland a/	-	-	-	-
Germany, Federal Republic of	821 965	821 966	764 393	764 394
Greece	400 000	400 000	400 000	-
Iceland	4 519	4 520	4 394	4 394
India	5 000	5 000	-	-
Ireland a/	-	-	-	-
Italy	200 000	200 000	-	-
Jamaica	500	500	500	500
Japan	200 000	200 000	-	-
Luxembourg	3 987	3 988	-	-
Malaysia	-	-	2 500	2 500
Nigeria	1 250	1 250	-	-
Norway	305 000	305 000	305 000	-
Pakistan	1 500	1 500	1 500	1 500
Spain	44 521	44 522	65 268	65 269
Sweden a/, b/	-	-	-	-
Switzerland	616 165	616 166	632 911	632 911
Thailand	-	-	1 000	-
Togo	-	-	1 572	-
United Kingdom of Great Britain and Northern Ireland a/, b/	1 453 846	1 533 254	847 583	-
United States of America	2 812 000	4 500 000	2 812 000	-

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Country	53rd	54th	55th	56th
	16/12/87 to 15/06/88	16/06/88 to 15/12/88	16/12/88 to 15/06/89	16/06/89 to 15/12/89
Uruguay	1 000	1 000	-	-
Venezuela	2 500	2 500	-	-
Zaire	-	-	1 000	1 000
	<u>7 674 501</u>	<u>9 334 067</u>	<u>6 399 626</u>	<u>2 032 474</u>

a/ Indicates troop-contributing Governments. Indicative figures over a six-month period of the costs absorbed for providing contingents are as follows: Australia, \$500,000; Austria, \$1.9 million; Canada, \$10.7 million; Denmark, \$650,000; Ireland, \$64,000; and United Kingdom, \$19 million.

b/ Payment has been made or will be made by means of an offset against the Government's claims for reimbursement of costs.

