

Sixth report

General Assembly resolution on unforeseen and extraordinary expenses

[Original: English]

[7 December 1989]

1. In its first report on the proposed programme budget for the biennium 1990-1991, the Advisory Committee on Administrative and Budgetary Questions stated its belief that the time had come for a re-examination of the provisions of the General Assembly resolution on unforeseen and extraordinary expenses and requested that it be provided with an analysis at its fall 1989 session of that resolution, as currently formulated, vis-à-vis recent developments and current requirements. 1/ In paragraph 26 of its report to the Assembly concerning United Nations peace-keeping operations (A/44/725), the Advisory Committee stated that it agreed in principle that, in respect of unforeseen and extraordinary expenses, the level of commitment authority provided to it should be increased. The Committee stated further that it intended to revert to the matter upon receipt of the analysis that it requested from the Secretary-General.

2. The Advisory Committee, having received the information it requested from the Secretary-General, now submits, in the paragraphs below, its observations and recommendations on the resolution on unforeseen and extraordinary expenses for the biennium 1990-1991. A possible text of a draft resolution on unforeseen and extraordinary expenses for the biennium 1990-1991 is also included as an annex to the present report.

3. Over the years, the attention of the Advisory Committee has been drawn to a number of anomalies and other difficulties that exist with regard to what has become the standard text for the resolution on unforeseen and extraordinary expenses.

4. In paragraph 1 (a) of General Assembly resolution 42/227 of 21 December 1987, the Assembly authorized the Secretary-General to enter into commitments without the prior concurrence of the Advisory Committee for:

"Such commitments, not exceeding a total of \$US 2 million in any one year of the biennium 1988-1989, as the Secretary-General certifies relate to the maintenance of peace and security."

5. The Advisory Committee understands that the level of \$2 million is derived from General Assembly resolution 68 (I) of 14 December 1946. It is obvious that this figure needs to be updated, particularly in view of the recent expansion of the good offices and peace-keeping function of the United Nations. The initiatives by the Secretary-General in the exercise of his good offices function, and for which commitments were entered into on his own authority, have increased in recent years both in number and in cost from a total of \$804,300 for four activities in 1986 to a total of \$1,664,000 for nine activities in 1988. Thus far in 1989, commitments have totalled \$1,835,800 for six activities.

6. Furthermore, the magnitude of the requirements for the good offices function of the Secretary-General, giving rise to commitments entered into on his own authority, has significantly increased over the past few years reaching an average of \$306,000 thus far in 1989. It should be noted, in this connection, that those initiatives which immediately preceded the launching of a peace-keeping or good offices operation, for which the concurrence of the Advisory Committee was ultimately sought, involved high costs. For example, good offices exercised by the the Secretary-General's Representative on the Settlement of the Situation Relating to Afghanistan (\$423,500) prior to the launching of the United Nations Good Offices Mission in Afghanistan and Pakistan; the Technical Survey Mission to Namibia (\$285,000), which preceded the launching of the United Nations Transition Assistance Group, and initial commitments for that Group (\$450,000); and initial commitments for the United Nations Observer Mission to Verify the Electoral Process in Nicaragua (\$540,300), which were later subsumed in the commitment authorized by the Advisory Committee for that Observer Mission.

7. Under the circumstances, the Advisory Committee recommends that the Secretary-General should be allowed to enter into commitments, on his own authority, in amounts not exceeding a cumulative total of \$3 million in any one year of a biennium.

8. The Advisory Committee is of the opinion that the provisions relating to the International Court of Justice (see General Assembly resolution 42/227, para. 1 (b)), as well as that covering commitments for interorganizational security measures (*ibid.*, para. 1 (c)), are sufficient and can remain unchanged.

9. For reasons of clarity, the Advisory Committee recommends rewording paragraph 1 of General Assembly resolution 42/227, as shown in the annex to the present report; this redrafting implies no substantive change.

10. The Advisory Committee has no difficulty with the existing text of paragraph 2 of General Assembly resolution 42/227. In this connection, the Committee points out that the treatment of such supplementary estimates as may arise from the implementation of the resolution on unforeseen and extraordinary expenses continues to be governed by the provisions of Assembly resolution 41/213 of 19 December 1986 and the annexes thereto. The Advisory Committee also stresses the need for full compliance with the Financial Regulations and Rules of the United Nations, especially financial rule 103.10.

11. The Advisory Committee has a number of difficulties with regard to the text of paragraph 3 of General Assembly resolution 42/227 on unforeseen and extraordinary expenses, by which the Assembly:

"Decides that if, as a result of a decision of the Security Council, commitments relating to the maintenance of peace and security should arise in an estimated total exceeding \$10 million either before the forty-third session or between the forty-third and forty-fourth sessions of the General Assembly, a special session of the Assembly shall be convened by the Secretary-General to consider the matter."

12. In the first place, it is unclear from the above-cited text whether the limit of \$10 million is for each decision of the Security Council or whether it refers to a cumulative total for the period in question. The Advisory Committee understands that in recent years the practice has been for this provision to be interpreted as

imposing a limit based upon a cumulative total. Thus, for a particular period, if the total of commitments entered into amounts, for example, to \$9.8 million, and additional commitments relating to a subsequent decision of the Council are estimated at \$300,000, it would be necessary to call a special session of the General Assembly "to consider the matter", that is, the \$300,000. It appears to the Committee that this is not a workable situation and that difficulties in the past have only been avoided through a combination of fortuitous circumstances and efficient management by the Secretary-General.

13. In the opinion of the Advisory Committee, what should determine the need to convene the General Assembly is the size of the operation or activity decided upon by the Security Council and not the fact that any amount, large or small, when added to an amount that has already been committed, happens to create a cumulative total in excess of a particular limit.

14. In this connection, it should be borne in mind that commitment authority sought by the Secretary-General as the result of Security Council decisions relates to start-up costs; estimates related to ongoing costs and a performance report on commitments, for which a subsequent appropriation is sought, are submitted to the General Assembly by the Secretary-General at the earliest feasible opportunity.

15. If it is considered desirable to maintain the current practice of considering the limit a cumulative amount, then the new level would have to be much higher than an amount which relates to a single decision by the Security Council. In the latter case, the Advisory Committee recommends that the amount should be maintained at \$10 million; in other words, action would be required by the General Assembly in those cases where a decision of the Security Council results in the need for the Secretary-General to enter into commitments relating to the maintenance of peace and security in an amount exceeding \$10 million, in respect of that decision.

16. The remaining difficulties have to do with the need for certain clarifications in the above-cited text of paragraph 3 of General Assembly resolution 42/227 (see para. 11 above).

17. The first area for clarification concerns whether or not the resolution on unforeseen and extraordinary expenses is operative during those times when the General Assembly is actually in session. In the opinion of the Advisory Committee, there is nothing to prevent the Secretary-General from entering into commitments under the authority of the resolution on unforeseen and extraordinary expenses even when the Assembly is in session. In other words, this resolution is not implemented only when the Assembly is not in session. There may be a variety of reasons that would require the Secretary-General to need to enter into commitments on an urgent basis prior to requesting an appropriation from the Assembly (see para. 14 above). The text of paragraph 3 of Assembly resolution 42/227 should be refined so as to make this clear.

18. In addition, the above-cited text of paragraph 3 of General Assembly resolution 42/227 (see para. 11), does not take into account the practice that has developed of suspending the session of the Assembly and reconvening it just before the opening of the new session. The result of this practice is that the actual interval between sessions is of very limited duration and, consequently, in most cases, to convene the Assembly would be to resume the session rather than convene a special session.

19. In paragraph 3 of the draft resolution annexed to the present report, an attempt is made to meet the concerns raised in paragraphs 11 to 18 above, by providing that any time in the biennium that a decision of the Security Council results in the need for the Secretary-General to enter into commitments relating to the maintenance of peace and security in an amount exceeding \$10 million in respect of that decision, then the matter must be brought to the General Assembly if the Assembly is in session. If the Assembly is suspended or not in session, a resumed or special session of the Assembly must be convened by the Secretary-General to consider the matter.

20. For the reasons given in paragraph 13 above, the Advisory Committee does not believe that the elimination of a cumulative limit in paragraph 3 of the draft resolution (see annex) should pose a problem. However, the Advisory Committee intends to keep the matter under review with the aim of determining whether a cumulative limit should be imposed in addition to the limit "per decision" recommended by the Committee.

Notes

1/ See Official Records of the General Assembly, Forty-fourth Session, Supplement No. 7 and corrigenda (A/44/7 and Corr.1 and 2), para. 79.

ANNEX

Text recommended by the Advisory Committee on Administrative and Budgetary Questions for the draft resolution on unforeseen and extraordinary expenses for the biennium 1990-1991

The General Assembly

1. Authorizes the Secretary-General to enter into commitments in the biennium 1990-1991 to meet unforeseen and extraordinary expenses arising either during or subsequent to that biennium, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions and subject to the Financial Regulations of the United Nations and the provisions of paragraph 3 below, provided that the concurrence of the Advisory Committee shall not be necessary for:

(a) Such commitments, not exceeding a total of \$US 3 million in any one year of the biennium 1990-1991, as the Secretary-General certifies relate to the maintenance of peace and security;

(b) Such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by:

(i) The designation of ad hoc judges (Statute of the Court, Article 31), not exceeding a total of \$250,000;

(ii) The appointment of assessors (Statute, Article 30), or the calling of witnesses and the appointment of experts (Statute, Article 50), not exceeding a total of \$75,000;

(iii) The holding of sessions of the Court away from The Hague (Statute, Article 22), not exceeding a total of \$100,000;

(c) Such commitments, in an amount not exceeding \$300,000, in the biennium 1990-1991, as the Secretary-General certifies are required for interorganizational security measures pursuant to section IV of General Assembly resolution 36/235 of 18 December 1981;

2. Resolves that the Secretary-General shall report to the Advisory Committee on Administrative and Budgetary Questions and to the General Assembly at its forty-fifth and forty-sixth sessions all commitments made under the provisions of the present resolution, together with the circumstances relating thereto, and shall submit supplementary estimates to the Assembly in respect of such commitments;

3. Decides that, for the biennium 1990-1991, if a decision of the Security Council results in the need for the Secretary-General to enter into commitments relating to the maintenance of peace and security in an amount exceeding \$10 million in respect of that decision, the matter shall be brought to the General Assembly or, if the Assembly is suspended or not in session, a resumed or special session of the Assembly shall be convened by the Secretary-General to consider the matter.