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FINANCING OF THE UNITED NATIONS EMERGENCY FORCE ESTABLISHED  
PURSUANT TO SECURITY COUNCIL RESOLUTION 340 (1973)

Report of the Advisory Committee on Administrative and Budgetary  
Questions to the General Assembly at its twenty-eighth session

1. In document A/9285 the Secretary-General submits to the General Assembly for its approval budget estimates totalling \$30 million for the organization, operation and maintenance of a United Nations Emergency Force of 7,000, all ranks, for a period of six months beginning on 25 October 1973. He also requests General Assembly authority to enter into commitments for this Force at a rate not to exceed \$5 million a month for the period 25 April to 31 October 1974 should it be necessary to continue the Force beyond the initial six-month period. In paragraph 2 of his report the Secretary-General recalls that the operations of the Force have been undertaken pursuant to Security Council resolution 340 (1973) of 25 October 1973, and that by resolution 341 (1973) of 27 October 1973 the Security Council approved a report (S/11052/Rev.1) in paragraph 7 of which the Secretary-General stated, with respect to the method of financing the Force, that: "The costs of the Force shall be considered as expenses of the Organization to be borne by the Members in accordance with Article 17, paragraph 2, of the Charter".

2. In the following paragraphs the Advisory Committee submits its observations and recommendations on the report by the Secretary-General. 1/

GENERAL CONSIDERATIONS

3. The Advisory Committee considered whether it is implicit in the wording of Article 17, paragraph 2, of the Charter that the expenses of the Force, as

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1/ Fundamental differences of opinion as to principles in regard to UNEF having been expressed in the Advisory Committee, the interpretation of the Committee's competence contained in the last paragraph of the preface to the Committee's first report on the proposed programme budget for the biennium 1974-1975 (Official Records of the General Assembly, Twenty-eighth Session, Supplement No. 8 (A/9008)) applies mutatis mutandis to the present report.

"expenses of the Organization", should be provided for within the regular budget of the United Nations. The Committee concluded that these expenses could be provided for either within the regular budget or in a special account. In the Committee's opinion, a special account presents several distinct advantages. Thus, a special account will be necessary if the General Assembly also decides to invite voluntary contributions towards the expenses of the Force. Otherwise such contributions will have to be credited to the General Fund pursuant to regulation 7.1 of the Financial Regulations of the United Nations. Moreover, whilst a special account would not preclude the apportionment of expenses in the manner laid down in the regular scale of assessment, it would be compatible with the adoption of a special scale of assessment were the General Assembly to decide that different criteria such as the principles laid down in General Assembly resolution 1874 (S-IV) were appropriate. The precedents of earlier peace-keeping operations also argue in favour of the establishment of a special account.

4. In the preceding paragraph the Committee referred to the possibility that the General Assembly may decide to invite voluntary contributions which would help meet the expenses of the Force. Such contributions could be in cash or in kind (rations, stores, transportation equipment, free airlift facilities); moreover, countries contributing contingents could waive in whole or in part any reimbursement of extra and extraordinary expenses that the General Assembly may allow.

5. Irrespective of the method of apportionment to be decided by the General Assembly and of whether voluntary contributions are invited, early payment will be of paramount importance to ensure that the Secretary-General can meet the expenses of the Force. In paragraph 8 of his report (A/9285) the Secretary-General draws attention to the urgent necessity of providing immediate cash resources - for which the Secretary-General suggests cash advances from Member States which are in a position to make such advances - inasmuch as there are now no cash balances either in the Working Capital Fund or in other accounts under the Secretary-General's control. The Advisory Committee recommends that the General Assembly include an appropriate provision in the resolution on the financing of the Emergency Force.

#### COST ESTIMATES FOR THE PERIOD 25 OCTOBER 1973-24 APRIL 1974

6. The Secretary-General estimates the cost of the Force during the first six months of its existence at \$30 million, including \$10.3 million for administrative and operational costs and \$19.7 million for reimbursement of extra and extraordinary costs to Governments providing contingents. A breakdown by section and chapter is provided in annex I to the report of the Secretary-General (A/9285).

Part I. Administrative and operational costs

Section 1. Military personnel

7. This section, though entitled "Military personnel", in actual fact deals only with the cost of transporting contingents to the mission area. The Advisory Committee was informed that the Secretary-General has made no provision under this section because he expects that all the initial transportation of contingents (including equipment) will be provided by certain Member States at no cost to the United Nations.

Section 2. Operational expenses

8. Under chapter I the Secretary-General has included \$1.9 million for the purchase of motor transport, heavy mobile equipment and miscellaneous operational equipment. The Secretary-General informed the Advisory Committee that if all the approximately 1,500 vehicles which the Force will require were to be purchased, their cost would amount to \$7.5 to \$10 million. The Secretary-General's estimate of \$1.9 million assumes that a considerable number of vehicles will be provided by Governments either free of charge or on a rental basis. So far, however, no offers have been received, and contingents have been requested to bring their own vehicles with them; the resultant diversity of equipment models, if allowed to continue, will create maintenance difficulties and add to maintenance costs.

9. The estimate under chapter II consists of \$1.5 million for the maintenance and operation of motor transport, and \$1 million for the operation and rental of aircraft. The former amount has been calculated on the basis of approximately \$35 per man per month, derived from experience of maintaining and operating equipment in previous peace-keeping operations. The estimate for operating and renting aircraft is based on the assumption that the Force may require six light aircraft and two aircraft of larger capacity for the movement of passengers and cargo and provides for logistics-support shuttle service from outside the mission area.

10. The estimate of \$750,000 for miscellaneous supplies and services under chapter III has been calculated, on the basis of experience in other peace-keeping operations, at \$18 per man per month. The estimate for chapter IV (\$100,000) covers all communication expenditures, other than acquisition of equipment, both at Headquarters and at all field offices, including the mission area.

11. The Secretary-General has informed the Advisory Committee that the estimate of \$250,000 for freight, cartage and express under chapter V (based at approximately \$6 per man per month) assumes that some supplies and equipment will be moved free of charge. In this connexion the Advisory Committee recommends that the Secretary-General explore the possibility of obtaining free space from scheduled air carriers serving cities in the vicinity of the mission area.

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### Section 3. Rental of premises

12. The amount of \$300,000 under this section provides for the rental on an ad hoc basis of office and other accommodation at various locations in the mission area. The Advisory Committee is of the view that Governments in the area can be expected to provide such accommodation on a rent-free basis; it recommends that the Secretary-General initiate the necessary discussions with them.

### Section 4. Rations

13. The estimate of \$2 million for rations has been calculated for a force of 7,000 men for 180 days on the basis of \$1.60 per man per day. The daily average is based on recent experience in other peace-keeping missions. Bearing in mind that the force will only gradually be built up to its full strength of 7,000 men, and on the assumption that bulk buying - perhaps with the help of Governments - could lead to lower unit costs, the Advisory Committee expects savings under this section.

### Section 5. Non-military personnel

14. The estimate of \$1.5 million under the four constituent chapters of the section has been arrived at after applying a 10 per cent delayed-recruitment deduction. It is based on the addition of a total of 8 Professional and 17 General Services posts in New York (in the Offices of the Secretary-General, the Office of General Services and the Office of Financial Services), the recruitment of the commander of the Force, the detailing to the field of 13 Professional, 20 General Service and 45 Administrative and Technical Services staff, and the recruitment of local staff in the mission area. The estimate includes \$400,000 for the travel and subsistence (at approximately \$20 a day for six months) of the internationally recruited staff.

15. As stated in paragraph 11 above, some savings in transportation costs would arise if air carriers serving cities in the vicinity of the mission area were, to the extent possible, to provide free passage to United Nations personnel detailed to the Force.

16. To the extent that the staff assigned to UNEF will not be replaced during their absence from their regular posts or will be replaced for only part of the time, some economies will accrue under the regular budget of the United Nations.

### Section 6. Miscellaneous and contingencies

17. The Advisory Committee was informed that the estimate of \$1 million under this section is designed to cover price increases in supplies and services, the effects of possible currency realignments and other unforeseeable operational costs.

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Part II. Reimbursement of extra and extraordinary costs to Governments providing contingents

18. The estimate of \$19.7 million under part II is broken down into \$18.5 million under section 7 for pay and allowances (computed at an average rate of \$440 per man per month for six months); \$1 million under section 8 for reimbursement to Governments for supplies, materials and equipment furnished by them to their contingents; and \$200,000 for death and disability awards.

19. The Advisory Committee was informed that the average of \$440 per man per month used by the Secretary-General in estimating requirements under section 7 is a tentative figure and that negotiations are now taking place with the Governments of States listed in paragraph 2 of the note by the President of the Security Council dated 2 November 1973 (S/11072). Preliminary information suggests a range of between \$200 per man per month and nearly four times that amount.

20. The question of what constitutes reimbursable extra and extraordinary costs has been the subject of discussion in the General Assembly, which led to the adoption of several resolutions (1001 (ES-I) of 7 November 1956, 1089 (XI) of 21 December 1956, 1151 (XII) of 22 November 1957, 1575 (XV) of 20 December 1960). However, no uniform definition was ever laid down. The Secretary-General informed the Advisory Committee that what is an extra and extraordinary cost for one Government is not necessarily so for another. In practice, therefore, the determination of reimbursable costs has been based on negotiations between the Secretary-General and the individual Governments providing contingents.

21. The Advisory Committee appreciates that for a variety of reasons, considerable variations can be expected between the pay and allowances, conditions of service, and various requirements of the armed forces of individual Member States. At the same time, a high rate of reimbursement to Governments providing contingents leads to larger costs for the Force, as witness the fact that section 7 accounts for nearly two thirds of the estimates submitted by the Secretary-General.

22. In paragraph 4 above the Advisory Committee has suggested that Governments providing contingents might voluntarily waive in whole or in part reimbursement of their extra and extraordinary expenses.

23. Independently of such voluntary action by Governments, however, and bearing in mind the lack of a uniform definition of extra and extraordinary costs, the General Assembly may wish to review in the light of the present situation the question of reimbursement of such expenses, including the formulation and introduction of standardized cost factors, with a view to obviating wide discrepancies between the payments made to different participating Governments. The application of such criteria together with voluntary waiver of costs by Governments could lead to substantial savings under part II.

Conclusions on the cost estimates

24. On the basis of its analysis of the estimate for UNEF, the Advisory Committee concluded that savings can be expected under certain sections but that under other sections the Secretary-General has taken a very conservative view of potential requirements. Furthermore no provision has been made for the repatriation of contingents and other costs of liquidating the Force, and for the rotation of contingents. In the circumstances, and subject to such decision as the General Assembly may wish to take in the matter of reimbursement of extra and extraordinary costs to Governments providing contingents, the Advisory Committee recommends acceptance of the Secretary-General's estimate in the amount of \$30 million for the costs of UNEF during the six-month period from 25 October 1973 to 24 April 1974.

25. On the same assumptions, the Committee recommends that the General Assembly authorize the Secretary-General to enter into commitments for the Force at a rate not to exceed \$5 million per month during the period 25 April to 31 October 1974 inclusive should the Security Council decide to continue the Force beyond the initial period of sixth months.

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