



General Assembly

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Agenda item 132 (a)

Financing of the activities arising from

Security Council resolution 687 (1991):

United Nations Iraq-Kuwait Observation Mission

Financing of the United Nations Iraq-Kuwait Observation Mission

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on interim financing of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) for the four-month period from 1 July to 31 October 2003 (A/57/811). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. At its winter session in 2003, the Advisory Committee had before it a proposed budget for UNIKOM for the period from 1 July 2003 to 30 June 2004. However, owing to the circumstances prevailing in the region, the basis for the formulation of that budget was no longer relevant, and the Committee decided not to issue a report on UNIKOM at that time, but to revert to the matter when the situation had been clarified (see A/57/772, para. 6).

3. The Advisory Committee recalls that in April 2003 the Security Council concurred with the recommendation of the Secretary-General that UNIKOM should be maintained for a further three months until 6 July 2003, by which date the Council would review the question again (see S/2003/400). As indicated in paragraph 3 of the report of the Secretary-General (A/57/811), pending a decision by the Security Council on the future of UNIKOM, interim financing arrangements will be required for the four-month period from 1 July to 31 October 2003. During that period, a revised budget proposal for the period from 1 July 2003 to 30 June 2004 is to be prepared for submission to the General Assembly for its review during the main part of its fifty-eighth session.

4. In paragraph 5 of the report of the Secretary-General (A/57/811), the General Assembly is requested to appropriate the amount of \$12 million for the four-month

period from 1 July to 31 October 2003, including the amount of \$8 million, representing two thirds of the cost, to be funded through voluntary contributions from the Government of Kuwait, and to apportion the amount of \$4 million among Member States.

5. During its meeting with the representatives of the Secretary-General, the Advisory Committee was informed that the existing cash available in the UNIKOM Special Account was \$46.2 million as at 14 May 2003. Under the circumstances, the Committee recommends that, in lieu of an appropriation, commitment authority be granted to use the available cash balance to cover the requirements for the maintenance of the Mission for the four-month period from 1 July to 31 October 2003.

6. The Advisory Committee stated its intention, in paragraph 6 of its report of 4 April 2003 (A/57/772), to issue a report on the Secretary-General's performance report for UNIKOM for the period from 1 July 2001 to 30 June 2002 (A/57/665) before the end of May 2003 together with recommendations on how to deal with requirements for the period after 1 July 2003. However, in view of the fact that a revised budget proposal is to be submitted to the General Assembly at the main part of its fifty-eighth session, the Committee will issue its report on the financial performance report in conjunction with its report on the revised budget.
