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Fifty-eighth session Agenda item 137

Financing of the United Nations Peacekeeping Force in Cyprus

Report of the Fifth Committee

Rapporteur: Mr. Fouad Rajeh (Saudi Arabia)

I. Introduction

1. At its 2nd plenary meeting, on 19 September 2003, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-eighth session the item entitled "Financing of the United Nations Peacekeeping Force in Cyprus" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 40th, 41st and 51st meetings, on 3 and 4 May and on 3 June 2004. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/58/SR.40, 41 and 51).

3. For its consideration of the item, the Committee had before it the following documents:

(a) Report of the Secretary-General on the performance of the budget of the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2002 to 30 June 2003 (A/58/631);

(b) Report of the Secretary-General on the budget for the Force in Cyprus for the period from 1 July 2004 to 30 June 2005 (A/58/644 and Corr.1);

(c) Report of the Secretary-General on the overview of the financing of the United Nations peacekeeping operations: budget performance for the period from 1 July 2002 to 30 June 2003 and budget for the period from 1 July 2004 to 30 June 2005 (A/58/705);

(d) Report of the Secretary-General on strengthening the security and safety of United Nations operations, staff and premises (A/58/756);

04-37577 (E) 090604 * **0437577*** (e) Related reports of the Advisory Committee on Administrative and Budgetary Questions (A/58/758, A/58/759 and Add.4).

II. Consideration of draft resolution A/C.5/58/L.77

4. At the 51st meeting, on 3 June, the Committee had before it a draft resolution entitled "Financing of the United Nations Peacekeeping Force in Cyprus" (A/C.5/58/L.77), which was submitted by the Chairman on the basis of informal consultations coordinated by the representative of Australia.

5. At the same meeting, the Committee adopted draft resolution A/C.5/58/L.77 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the United Nations Peacekeeping Force in Cyprus

The General Assembly,

Having considered the reports of the Secretary-General on the financing of the United Nations Peacekeeping Force in Cyprus¹ and the related reports of the Advisory Committee on Administrative and Budgetary Questions,²

Recalling Security Council resolution 186 (1964) of 4 March 1964, regarding the establishment of the United Nations Peacekeeping Force in Cyprus, and the subsequent resolutions by which the Council extended the mandate of the Force, the latest of which was resolution 1517 (2003) of 24 November 2003,

Recalling also its resolution 47/236 of 14 September 1993 on the financing of the Force for the period beginning 16 June 1993 and its subsequent resolutions and decisions thereon, the latest of which was resolution 57/332 of 18 June 2003,

Reaffirming the general principles underlying the financing of United Nations peacekeeping operations as stated in General Assembly resolutions 1874 (S-IV) of 27 June 1963, 3101 (XXVIII) of 11 December 1973 and 55/235 of 23 December 2000,

Noting with appreciation that voluntary contributions have been made to the Force by certain Governments,

Noting that voluntary contributions were insufficient to cover all the costs of the Force, including those incurred by troop-contributing Governments prior to 16 June 1993, and regretting the absence of an adequate response to appeals for

¹ A/58/631, A/58/644 and Corr.1, A/58/705 and A/58/756.

² A/58/758, A/58/759 and Add.4.

voluntary contributions, including that contained in the letter dated 17 May 1994 from the Secretary-General to all Member States,³

Mindful of the fact that it is essential to provide the Force with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolutions of the Security Council,

1. *Takes note* of the status of contributions to the United Nations Peacekeeping Force in Cyprus as at 15 April 2004, including the contributions outstanding in the amount of 15.7 million United States dollars, representing some 7 per cent of the total assessed contributions, notes with concern that only thirty-eight Member States have paid their assessed contributions in full, and urges all other Member States, in particular those in arrears, to ensure payment of their outstanding assessed contributions;

2. *Expresses its appreciation* to those Member States which have paid their assessed contributions in full, and urges all other Member States to make every possible effort to ensure payment of their assessed contributions to the Force in full;

3. *Expresses concern* at the financial situation with regard to peacekeeping activities, in particular as regards the reimbursements to troop contributors that bear additional burdens owing to overdue payments by Member States of their assessments;

4. *Also expresses concern* at the delay experienced by the Secretary-General in deploying and providing adequate resources to some recent peacekeeping missions, in particular those in Africa;

5. *Emphasizes* that all future and existing peacekeeping missions shall be given equal and non-discriminatory treatment in respect of financial and administrative arrangements;

6. *Also emphasizes* that all peacekeeping missions shall be provided with adequate resources for the effective and efficient discharge of their respective mandates;

7. *Reiterates its request* to the Secretary-General to make the fullest possible use of facilities and equipment at the United Nations Logistics Base at Brindisi, Italy, in order to minimize the costs of procurement for the Force;

8. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,⁴ and requests the Secretary-General to ensure their full implementation;

9. *Requests* the Secretary-General to take all necessary action to ensure that the Force is administered with a maximum of efficiency and economy;

10. Also requests the Secretary-General, in order to reduce the cost of employing General Service staff, to continue efforts to recruit local staff for the Force against General Service posts, commensurate with the requirements of the Force;

³ S/1994/647.

⁴ A/58/759/Add.4.

Financial performance report for the period from 1 July 2002 to 30 June 2003

11. *Takes note* of the report of the Secretary-General on the financial performance of the Force for the period 1 July 2002 to 30 June 2003;⁵

Budget estimates for the period from 1 July 2004 to 30 June 2005

12. Decides to appropriate to the Special Account for the United Nations Peacekeeping Force in Cyprus the amount of 51,992,200 dollars for the period from 1 July 2004 to 30 June 2005, inclusive of 47,240,400 dollars for the maintenance of the Force, 2,176,900 dollars for strengthening the security and safety of the staff and premises of the Force,⁶ 2,105,100 dollars for the support account for peacekeeping operations and 469,800 dollars for the United Nations Logistics Base;

Financing of the appropriation

13. *Notes with appreciation* that a one-third share of the net appropriation, equivalent to 16,444,900 dollars, will be funded through voluntary contributions from the Government of Cyprus and the amount of 6.5 million dollars from the Government of Greece;

14. Decides to apportion among Member States the amount of 29,047,300 dollars at a monthly rate of 2,420,608 dollars, in accordance with the levels set out in General Assembly resolution 55/235, as adjusted by the General Assembly in its resolution 55/236 of 23 December 2000 and updated in resolution 58/256 of 23 December 2003, taking into account the scale of assessments for 2004 and 2005, as set out in its resolution 58/1 B of 23 December 2003, subject to a decision of the Security Council to extend the mandate of the Force;

15. Decides also that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraph 14 above, their respective share in the Tax Equalization Fund of 2,657,500 dollars, comprising the estimated staff assessment income of 2,323,800 dollars approved for the Force, the prorated share of 307,200 dollars of the estimated staff assessment income approved for the support account and the prorated share of 26,500 dollars of the estimated staff assessment income approved for the United Nations Logistics Base;

16. Decides further that, for Member States that have fulfilled their financial obligations to the Force, there shall be set off against their apportionment, as provided for in paragraph 14 above, their respective share of the unencumbered balance and other income in the amount of 1,005,879 dollars for the financial period ended 30 June 2003, in accordance with the levels set out in General Assembly resolution 55/235, as adjusted by the Assembly in its resolutions 55/236 and 57/290 A of 20 December 2002, taking into account the scale of assessments for 2003, as set out in its resolutions 55/5 B of 23 December 2000 and 57/4 B of 20 December 2002;

17. *Decides* that, for Member States that have not fulfilled their financial obligations to the Force, there shall be set off against their outstanding obligations their respective share of the unencumbered balance and other income in the amount

⁵ A/58/631.

⁶ Resolution 58/___.

of 1,005,879 dollars in respect of the financial period ended 30 June 2003, in accordance with the scheme set out in paragraph 16 above;

18. *Decides also*, that the increase in the estimated staff assessment income of 85,500 dollars in respect of the financial period ended 30 June 2003 shall be added to the credits from the amount referred to in paragraphs 16 and 17 above, and that the respective shares of Member States therein shall be applied in accordance with the provisions of those paragraphs, as appropriate;

19. *Decides further*, taking into account its voluntary contribution for the financial period ended 30 June 2003, that one third of other income in the amount of 641,666 dollars in respect of the financial period ended 30 June 2003 shall be returned to the Government of Cyprus;

20. *Decides* that, taking into account its voluntary contribution for the financial period ended 30 June 2003, the prorated share of other income in the amount of 286,055 dollars in respect of the financial period ended 30 June 2003 shall be returned to the Government of Greece;

21. *Decides also* to continue to maintain as separate the account established for the Force for the period prior to 16 June 1993, invites Member States to make voluntary contributions to that account, and requests the Secretary-General to continue his efforts in appealing for voluntary contributions to the account;

22. *Emphasizes* that no peacekeeping mission shall be financed by borrowing funds from other active peacekeeping missions;

23. *Encourages* the Secretary-General to continue to take additional measures to ensure the safety and security of all personnel under the auspices of the United Nations participating in the Force;

24. *Invites* voluntary contributions to the Force in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedures and practices established by the General Assembly;

25. *Decides* to include in the provisional agenda of its fifty-ninth session the item entitled "Financing of the United Nations Peacekeeping Force in Cyprus".