

**General Assembly**

Distr.: General
16 December 2004

Original: English

Fifty-ninth session

Agenda item 130

Financing of the United Nations Mission in Ethiopia and Eritrea

**Performance report on the budget of the United Nations
Mission in Ethiopia and Eritrea for the period from
1 July 2003 to 30 June 2004**

Report of the Secretary-General

Contents

	<i>Paragraphs</i>	<i>Page</i>
I. Introduction	1–2	3
II. Mandate performance	3–6	3
III. Resource performance.		8
A. Financial resources		8
B. Other income and adjustments.		9
C. Expenditure for contingent-owned equipment: major equipment and self-sustainment		9
IV. Analysis of variances	7–18	10
V. Actions to be taken by the General Assembly.	19	12

Summary

The present report contains the performance report on the budget of the United Nations Mission in Ethiopia and Eritrea (UNMEE) for the period from 1 July 2003 to 30 June 2004.

The total expenditure for UNMEE for the period from 1 July 2003 to 30 June 2004 has been linked to the Mission's objective through a number of results-based frameworks, grouped by components, namely, political, military and support.

Performance of financial resources

(Thousands of United States dollars. Budget year is from 1 July 2003 to 30 June 2004.)

Category	Apportionment	Expenditure	Variance	
			Amount	Percentage
Military and police personnel	99 035.3	94 115.2	4 920.1	5.0
Civilian personnel	28 314.9	34 311.3	(5 996.4)	(21.2)
Operational requirements	61 049.8	55 173.7	5 876.1	9.6
Gross requirements	188 400.0	183 600.2	4 799.8	2.5
Staff assessment income	3 832.5	4 577.3	(744.8)	(19.4)
Net requirements	184 567.5	179 022.9	5 544.6	3.0
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	188 400.0	183 600.2	4 799.8	2.5

Human resources incumbency performance

Category	Approved ^a	Actual (average)	Vacancy rate (percentage) ^b
Military observers	220	214	2.8
Military contingents	3 980	3 823	4.0
International staff	256	243	5.0
National staff	273	257	6.0
United Nations Volunteers	82	79	3.8

^a Represents the highest level of authorized strength.

^b Based on monthly incumbency and approved monthly strength.

The actions to be taken by the General Assembly are set out in section V of the present report.

I. Introduction

1. The budget for the maintenance of the United Nations Mission in Ethiopia and Eritrea (UNMEE) for the period from 1 July 2003 to 30 June 2004 was set out in the report of the Secretary-General of 18 December 2002 (A/57/673) and amounted to \$198,355,200 gross (\$194,522,700 net). It provided for 220 military observers, 3,980 military contingent personnel, 256 international staff, 282 national staff and 88 United Nations Volunteers. The Advisory Committee on Administrative and Budgetary Questions, in paragraph 65 of its report dated 8 April 2003 (A/57/772/Add.8), recommended that the General Assembly appropriate \$188,400,000 gross for the period from 1 July 2003 to 30 June 2004.

2. The General Assembly, by its resolution 57/328 of 18 June 2003, appropriated an amount of \$188,400,000 gross (\$184,500,000 net) for the maintenance of the Mission for the period from 1 July 2003 to 30 June 2004. The total amount has been assessed on Member States.

II. Mandate performance

3. The mandate of UNMEE was established by the Security Council in its resolutions 1312 (2000) and 1320 (2000) and further adjusted by the Council in its resolution 1430 (2002). The mandate for the performance period was provided by the Council in its resolutions 1466 (2003), 1507 (2003) and 1531 (2004).

4. The Mission is mandated to help the Security Council achieve an overall objective, namely, a peaceful settlement of the dispute between Ethiopia and Eritrea.

5. Within this overall objective, the Mission has, during the performance report period, contributed to a number of accomplishments by delivering related key outputs, shown in the frameworks below. These frameworks are grouped by components: political, military and support.

6. The 2003/04 period is the first period for which the Mission was able to assess its performance against the planned results-based frameworks set out in the 2003/04 budget. The performance report compares the actual indicators of achievement, the extent to which actual progress has been made during the period against the expected accomplishments, with the planned indicators of achievement, and compares the actually completed outputs with the planned outputs.

Component 1: political

Expected accomplishment 1.1: Progress towards final settlement of border dispute

<i>Planned indicators of achievement</i>	<i>Actual indicators of achievement</i>	
Increased dialogue with and between the parties to the conflict	Continued dialogue with each of the parties to the conflict in regular meetings/consultations with the head of Mission	
<i>Planned outputs</i>	<i>Completed (number or yes/no)</i>	<i>Remarks</i>
Facilitated negotiations, consultations and dialogue with the leaders of Ethiopia and Eritrea	110	60 meetings by the Special Representative of the Secretary-General and 50 by the Deputy Special Representatives of the Secretary-General in Asmara and Addis Ababa, with high-level political officials and religious leaders of both parties
	13	Field visits by the Special Representative of the Secretary-General to high-level community officials in the temporary security zone and its adjacent areas
	62	Letters to the host Governments on political matters
	16	Notes verbales to the diplomatic community
Regular meetings with government officials	100	50 meetings by the Special Representative of the Secretary-General 50 by the Deputy Special Representatives of the Secretary-General in Asmara and Addis Ababa
Regular briefings for the international community	200	<ul style="list-style-type: none"> 100 by the Special Representative of the Secretary-General 100 political working level
Political background materials and analyses	12	Background papers used as basis for substantive content of regular briefings
	4	Reports of the Secretary-General to the Security Council
Broadcasts of UNMEE Radio	104	52 programmes for Ethiopian audience in English and 3 local languages 52 programmes for Eritrean audience in English and 3 local languages
Weekly press briefings	50	Briefings In addition, 25 ad hoc press releases and 4 press statements
Maintained 6 community centres	2	4 outreach centres, 2 in each host country, were maintained until 18 September 2003, at which time the 2 in Eritrea were ordered closed. Plans to open a third centre in Eritrea were therefore shelved. The third centre in Ethiopia was opened on 29 October 2004
Field investigations	3	Unauthorized border crossings investigated

Expected accomplishment 1.2: Normalization of life in and around the temporary security zone

<i>Planned indicators of achievement</i>	<i>Actual indicators of achievement</i>	
Decrease in number of human rights violations in the temporary security zone and adjacent areas	Decrease of 56% from 88 in 2002/03 to 49 human rights violations reported within the temporary security zone and adjacent areas in 2003/04	
Increase in the number of internally displaced persons returning to the areas	1,042 persons returned, repatriated, or united with families in addition to 1,560 in 2002/03	
<i>Planned outputs</i>	<i>Completed (number or yes/no)</i>	<i>Remarks</i>
Reports on interviews of alleged human rights violations and repatriations	102	49 reports of human rights violations within the temporary security zone and adjacent areas involving 133 alleged victims 53 reports of cross-border incidents involving 94 individuals investigated In addition, 180 coordination meetings on human rights with United Nations and other organizations
Reports on family reunification cases	55	
Reports on interviews of internally displaced persons and repatriated people	20	Human rights fact-finding reports filed as a result of 85 monitoring visits; 9 sets of interviews with returning Ethiopian nationals and 2 sets of interviews with returning Eritrean nationals conducted In addition, monitored repatriation of 865 Ethiopian civilians and 156 Eritrean civilians
Support to reunification of families	Yes	21 individuals assisted Advocated for reunification of families in 8 meetings with the Ministries of Foreign Affairs
Support to victims of human rights violations	Yes	Intervention and advocacy with local military and civilian authorities, non-governmental organizations, and United Nations country teams, as well as with the Ministries of Foreign Affairs
Cleared land and roads	2 244	Kilometres of roads
	20	Pillar sites
	4 140 661	Square metres of land
Destroyed mines and unexploded ordnance	5 427	unexploded ordnance
	1 580	Mines
		During 55 unexploded ordnance tasks
Trained people in mine risk awareness	36 200	
Mine action reports and safety advisory bulletins issued	4	Mine action threat assessments
	3	Safety advisory bulletins
Mine incidents/accidents investigated	27	Preliminary investigation reports filed

Component 2: military

Expected accomplishment 2.1: Successful maintenance of temporary security zone in a demilitarized State

<i>Planned indicators of achievement</i>	<i>Actual indicators of achievement</i>	
Zero violations of Agreement on Cessation of Hostilities	No serious violations inside the temporary security zone and its adjacent area No hostilities between the parties	
<i>Planned outputs</i>	<i>Completed (number or yes/no)</i>	<i>Remarks</i>
Air and land patrols, and static observation posts	2 646	Air patrol hours (31.5 hours per MI-8 helicopter per month, 7 MI-8 helicopters for 12 months)
	52 560	Military observer mobile patrol days (4 United Nations military observers per patrol, 2 patrols per post per day, 18 posts for 365 days)
	216 080	Troop foot patrol days (8 troops per patrol x 2 patrols per post per day x 37 posts x 365 days)
	102 200	Troop-manned static observation post days (8 troops per static observation post x 35 observation posts x 365 days)
	789	Challenge inspections
Military Coordinating Committee (MCC) meetings with parties	8	In addition, 5 sector MCC meetings held (a new concept started in 2004)
Demined areas, including future boundary pillar sites	Yes	Reported under political component, expected accomplishment 1.2
Investigations of special incidents by patrols/teams	540	Minor violations, including field investigations and violations reports

Component 3: support

Expected accomplishment 3.1: Increased efficiency and effectiveness in supporting the Mission

<i>Planned indicators of achievement</i>	<i>Actual indicators of achievement</i>	
Survey indicates increased level of client satisfaction with support provided to all components	Evidenced by the positive feedback communicated to the Administration in writing and verbally during various meetings with the military and political staff	
<i>Planned outputs</i>	<i>Completed (number or yes/no)</i>	<i>Remarks</i>
39 premises maintained (offices, team sites, container complexes and camps)	46	In addition, maintained 25 parcels of land provided free of charge
Maintenance of staff officer training camp with 127 officers	Yes	
55 personnel in level II medical facility in staff officers camp	Yes	1 level II military medical facility (hospital) staffed by 56 personnel provided in-patient and out-patient services to 2,675 patients In addition, 1 level I civilian medical facility staffed by 9 personnel provided out-patient services to 2,588 patients

<i>Planned outputs</i>	<i>Completed (number or yes/no)</i>	<i>Remarks</i>
2 water treatment plants maintained	2	
5 fixed-wing aircraft operated	3	2 AN-24 (replacements for 2 AN-26) and 1 HS-25 1 C-160-M reserved for medical evacuations and an additional standby aircraft (the IL-176-C) not utilized
10 helicopters operated	10	
53,000 passengers	43 808	34,441 flown by helicopter 9,367 flown by fixed-wing aircraft
640,500 kg of cargo transported via air	1 157 890	Higher number owing to operational requirements in support of redeployment/repatriation of contingents
2,097,400 kg of cargo transported via road	5 594 798	Higher number owing to operational requirements in support of redeployment/repatriation of contingents
12,300 military personnel rotated	10 369	Troop rotations — one way
	476	Military observers rotations — one way
677,500 kg of baggage to be transported during rotation of military personnel	1 054 096	Higher number owing to movement of baggage for the unplanned repatriation of one demining contingent as well as relocation of troops from Sector East to Sector West
434 United Nations-owned vehicles maintained	485	United Nations-owned vehicles, including 10 trailers
15 major contracts managed	23	13 of these relate to the supply of fuel
Issue purchase orders with an estimated value at \$53,763,700	\$28 million	Sum of 708 purchase orders issued. \$53.7 million represented total allotment provided to the field
Maintained medical evacuation capability	Yes	
Communication and information technology support services daily during the year	Yes	28 satellite terminals support 20 Mission sites with voice data connectivity, including connectivity to inter-mission and United Nations Headquarters locations 1,033 desktops, 331 laptops, 670 printers, 73 digital scanners, 98 servers in 20 locations supported, maintained and repaired 5 more team sites provided with network and Internet access through additional satellite bandwidth In addition, the high frequency/global positioning system vehicle tracking system introduced

III. Resource performance

A. Financial resources

(Thousands of United States dollars. Budget year is from 1 July 2003 to 30 June 2004.)

Category	Apportionment (1)	Expenditure (2)	Variance	
			Amount (3) = (1) - (2)	Percentage (4) = (3) ÷ (1)
Military and police personnel				
Military observers	7 257.9	7 353.5	(95.6)	(1.3)
Military contingents	91 777.4	86 761.7	5 015.7	5.5
Civilian police	—	—	—	—
Formed police units	—	—	—	—
Subtotal	99 035.3	94 115.2	4 920.1	5.0
Civilian personnel				
International staff	24 282.2	30 459.9	(6 177.7)	(25.4)
National staff	1 257.5	1 097.5	160.0	12.7
United Nations Volunteers	2 775.2	2 753.9	21.3	0.8
Subtotal	28 314.9	34 311.3	(5 996.4)	(21.2)
Operational costs				
General temporary assistance	—	—	—	—
Government-provided personnel	—	—	—	—
Civilian electoral observers	—	—	—	—
Consultants	—	—	—	—
Official travel	850.0	893.9	(43.9)	(5.2)
Facilities and infrastructure	18 488.8	19 255.1	(766.3)	(4.1)
Ground transportation	3 063.2	2 923.8	139.4	4.6
Air transportation	20 715.0	16 177.4	4 537.6	21.9
Naval transportation	—	—	—	—
Communications	6 378.0	5 681.8	696.2	10.9
Information technology	1 365.8	1 016.5	349.3	25.6
Medical	2 824.4	2 298.9	525.5	18.6
Special equipment	1 819.6	1 644.3	175.3	9.6
Other supplies, services and equipment	5 545.0	5 282.0	263.0	4.7
Quick-impact projects	—	—	—	—
Subtotal	61 049.8	55 173.7	5 876.1	9.6
Gross requirements	188 400.0	183 600.2	4 799.8	2.5
Staff assessment income	3 832.5	4 577.3	(744.8)	(19.4)
Net requirements	184 567.5	179 022.9	5 544.6	3.0
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	188 400.0	183 600.2	4 799.8	2.5

B. Other income and adjustments

(Thousands of United States dollars)

<i>Category</i>	<i>Amount</i>
Interest income	1 566.0
Other/miscellaneous income	408.0
Voluntary contributions in cash	—
Prior-period adjustments	7.0
Savings on or cancellation of prior-period obligations	13 403.7
Total	15 384.7

C. Expenditure for contingent-owned equipment: major equipment and self-sustainment

(Thousands of United States dollars)

<i>Category</i>	<i>Expenditure</i>
Major equipment	
Military contingents	
Major equipment	19 808.9
Self-sustainment	
Facilities and infrastructure	
Catering (kitchen facilities)	1 129.4
Office equipment	786.4
Electrical	995.5
Minor engineering	712.7
Laundry and cleaning	985.2
Tentage	450.2
Accommodation	869.6
Miscellaneous general stores	1 742.1
Unique equipment	—
Field defence stores	2.1
Communications	
Communications	3 104.0
Medical	
Medical services	2 055.7
Special equipment	
Explosive ordnance disposal	324.9
Observation	1 256.4
Identification	3.2
Nuclear, biological and chemical protection	—
Subtotal	14 417.4
Total	34 226.3

<i>Mission factors</i>	<i>Percentage</i>	<i>Effective date</i>	<i>Last review date</i>
A. Applicable to Mission area			
Extreme environmental condition factor	0.7	1 July 2001	12 July 2002
Intensified operational condition factor	3.0	1 July 2001	12 July 2002
Hostile action/forced abandonment factor	1.9	1 July 2001	12 July 2002
B. Applicable to home country			
Incremental transportation factor	0.25-3.50		

IV. Analysis of variances¹

	<i>Variance</i>	
Military contingents	\$5 015.7	5.5%

7. The unspent balance under this heading was due primarily to reduced reimbursements for contingent-owned equipment owing to the non-provision of some equipment originally included in signed memorandums of understanding and a decrease in payments to one contingent for equipment no longer in use for demining effective December 2003.

	<i>Variance</i>	
International staff	(\$6 177.7)	(25.4%)

8. The additional requirements under this heading were attributable to the following: (a) A much lower actual vacancy rate than budgeted: the initial cost estimates were based on a vacancy rate of 21 per cent of the authorized strength (or an incumbency of 226 staff as at 30 September 2002, inclusive of a vacancy rate of 10 per cent); the actual average vacancy rate was 5 per cent of the authorized strength of 256; (b) Higher actual costs than budgeted: provision was made for 75 per cent (or 169) of the budgeted posts on the basis of the lower cost parameters applicable to appointments of limited duration; in effect, only 105 posts were encumbered by staff on appointments of limited duration.

	<i>Variance</i>	
National staff	\$160.0	12.7%

9. The unspent balance resulted from the recruitment of staff at lower grade levels than budgeted.

¹ Resource variance amounts are expressed in thousands of United States dollars.

	<i>Variance</i>	
Official travel	(\$43.9)	(5.2%)

10. Additional requirements related primarily to within Mission travel to erect hard-wall units for troops and other accommodation facilities in different sectors and to support the redeployment of military observers to various locations as well as the relocation of contingent personnel to Barentu.

	<i>Variance</i>	
Facilities and infrastructure	(\$766.3)	(4.1%)

11. The additional requirements under this heading were due primarily to the purchase of prefabricated shelters to provide requested hard-wall accommodations for one contingent and for the erection of additional facilities at Barentu, as well as a new office for Integrated Support Services at the logistics base and a guesthouse at Shilalo.

	<i>Variance</i>	
Ground transportation	\$139.4	4.6%

12. The unutilized balance was due primarily to reduced consumption of petrol, oil and lubricants and lower actual cost for local insurance of United Nations-owned and contingent-owned vehicles.

	<i>Variance</i>	
Air transportation	\$4 537.6	21.9%

13. The unutilized balance under this heading resulted primarily from lower actual costs under revised contractual arrangements for rental and operation of helicopters and to lower usage of fuel than anticipated. Fuel consumption was lower than estimated owing to the utilization of 2,771 fewer helicopter flying hours and 899 fewer fixed-wing flying hours, resulting from reduced requirements for medical evacuations and the non-utilization of the C-160-M and the standby IL-76 heavy cargo transport aircraft.

	<i>Variance</i>	
Communications	\$696.2	10.9%

14. The unspent balance was due primarily to the lower actual requirements for reimbursement to troop-contributing countries for equipment provided under self-sustainment owing to a revision of requirements based on actual average strength instead of the authorized strength.

	<i>Variance</i>	
Information technology	\$349.3	25.6%

15. The unutilized balance represented primarily the Mission's provision for its share of software costs under a licensing agreement with one vendor, for which negotiations were not concluded during the reporting period.

	<i>Variance</i>	
Medical	\$525.5	18.6%

16. The unutilized balance resulted mainly from actual lower costs for evacuations than budgeted owing to the use of Mission air assets or commercial international flights for medical evacuations/repatriations.

	<i>Variance</i>	
Special equipment	\$175.3	9.6%

17. The unutilized balance was due primarily to lower actual requirements for reimbursement to troop-contributing countries for contingent-owned equipment provided under self-sustainment owing to a revision of requirements based on the lower actual average strength instead of the authorized strength.

	<i>Variance</i>	
Other supplies, services and equipment	\$263.0	4.7%

18. The unutilized balance was due primarily to lower actual requirements for freight and related costs owing to the receipt of fewer shipments of ex-mission stocks from downsizing missions or other items from Brindisi.

V. Actions to be taken by the General Assembly

19. The actions to be taken by the General Assembly in connection with the financing of UNMEE are:

(a) To decide on the treatment of the unencumbered balance of \$4,799,800 with respect to the period from 1 July 2003 to 30 June 2004;

(b) To decide on the treatment of other income/adjustments for the period ended 30 June 2004 amounting to \$15,384,700 from interest income (\$1,566,000), other/miscellaneous income (\$408,000) and savings on or cancellation of prior-period obligations (\$13,403,700).