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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

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 the financing of the United Nations Iraq-Kuwait Observation Mission (UNIKOM), the mandate of which expired on 6 October 2003 (A/59/614). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The report of the Secretary-General provides details on the final disposition of the assets of UNIKOM, as indicated in paragraph 15 of the report of the Advisory Committee on the financial performance of UNIKOM for the period from 1 July 2002 to 30 June 2003 (A/58/759/Add.12). The inventory value of the Mission's assets as at 3 July 2003 amounted to \$23,916,500, categorized into three groups, in accordance with United Nations Financial Regulation 5.14.

3. Group I includes assets with an inventory value of \$12,643,400 (52.9 per cent), which were transferred to other missions or to the United Nations Logistics Base at Brindisi, Italy. These assets were identified as meeting the requirements of peacekeeping operations or other United Nations activities funded from assessed contribution and were grouped into the 15 categories of equipment presented in standard peacekeeping operation budgets. From the supplementary information provided, the Advisory Committee notes that a large share of these assets were transferred to the United Nations Mission in Liberia (UNMIL) (\$8,134,800), the United Nations Assistance Mission for Iraq (UNAMI) (\$2,199,600) and the United Nations Assistance Mission in Afghanistan (UNAMA) (\$1,380,800). The remaining assets were distributed to the United Nations Logistics Base (\$435,700), the United

Nations Mission for the Referendum in Western Sahara (MINURSO) (\$212,800), the United Nations Mission in Ethiopia and Eritrea (UNMEE) (\$158,300), the United Nations Disengagement Observer Force (UNDOF) (\$54,800), the United Nations Operation in Côte d'Ivoire (UNOCI) (\$53,000), the United Nations Interim Force in Lebanon (UNIFIL) (\$5,100), the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) (\$2,300) and United Nations Headquarters (\$6,200).

4. Group II includes assets with an inventory value of \$3,743,700 (15.6 per cent), which were sold at depreciated value to the offices, programmes and agencies of the United Nations, international and non-governmental organizations (\$95,000) and private companies and individuals (\$3,648,700). The proceeds of the sale, amounting to \$496,300, were credited as miscellaneous income to the UNIKOM Special Account.

5. Group III includes the remaining assets, representing an inventory value of \$7,529,400 (31.5 per cent). These assets were written off as a result of loss (\$2,982,700), normal wear (\$2,694,800), no longer being economical to recover (\$1,662,900), accidents (\$48,000) and damage (\$14,400). Assets with an inventory value (\$126,600) were stolen. The Advisory Committee notes that the written-off assets included accommodation equipment, communications equipment, data-processing equipment, field defence equipment, generators, medical equipment, observation equipment, office equipment, petrol tank plus metering equipment, prefabricated buildings, refrigeration equipment, security equipment, vehicular equipment, water and septic tanks, water purification equipment and a variety of miscellaneous equipment ranging from audio equipment to sea containers.

6. The Advisory Committee was somewhat surprised to note that no donations were made to the Government of Kuwait. Upon request, the Committee was informed that a large number of assets that could have been donated had been so severely damaged during hostilities as to render them unusable and they were therefore written-off. A further 1,823 assets were lost or missing, also as a result of hostile action, while another 575 assets had to be abandoned where they stood as they were uneconomical to recover. It should be noted that UNIKOM headquarters had been moved to the demilitarized zone on the Iraq side of the border and that it too had been destroyed. The buildings used by UNIKOM in Kuwait were handed back to the Government of Kuwait, but this could not be considered a donation since they were owned by the Government.

7. The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General (A/59/614).