

12. *Decides* that, in accordance with the provisions of its resolution 973 (X), there shall be set off against the apportionment among Member States, as provided for in paragraph 11 above, their respective share in the Tax Equalization Fund of the estimated staff assessment income of 223,290 dollars approved for the period from 23 October 1994 to 13 January 1995, inclusive; 188,316 dollars being the amount pertaining on a *pro rata* basis to the period ending 31 December 1994, and the balance, that is, 34,974 dollars, for the period from 1 to 13 January 1995, inclusive;

13. *Decides also* that there shall be set off against the apportionment among Member States, as provided for in paragraph 11 above, their respective share in the remaining unencumbered balance of 2,402,500 dollars gross (2,800,700 dollars net) in respect of the period from 22 September 1993 to 21 April 1994;

14. *Decides further*, with regard to the period beyond 13 January 1995, to authorize the Secretary-General to enter into commitments for the maintenance of the Observer Mission at a rate not to exceed 1,593,800 dollars gross (1,511,100 dollars net) per month for a period of six months, subject to the decision of the Security Council to extend the mandate of the Observer Mission beyond 13 January 1995, and that the said amount shall be apportioned among Member States in accordance with the scheme set out in the present resolution;

15. *Invites* voluntary contributions to the Observer Mission in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedure established by the General Assembly in its resolutions 43/230 of 21 December 1988, 44/192 A of 21 December 1989 and 45/258 of 3 May 1991;

16. *Decides* to include in the provisional agenda of its fiftieth session the item entitled "Financing of the United Nations Observer Mission in Liberia".

95th plenary meeting
23 December 1994

49/233. Administrative and budgetary aspects of the financing of the United Nations peace-keeping operations

The General Assembly,

Recalling its resolution 47/218 B of 14 September 1993 and its decision 48/472 B of 24 March 1994,

Having considered the reports of and notes by the Secretary-General⁹² and the related report of the Advisory Committee on Administrative and Budgetary Questions,⁹³

Reaffirming Article 17 of the Charter of the United Nations in respect of the role of the General Assembly in the consideration and approval of budgets of the Organization,

Reaffirming also the requirement of all Member States to fulfil promptly and in full their obligations as set out in the Charter,

Recognizing the detrimental effect of the withholding of assessed contributions on the administrative and financial functioning of the United Nations,

Recognizing also that late payment of assessed contributions adversely affects the short-term financial situation of the Organization,

Recognizing further the need to improve the management of peace-keeping operations,

Desiring to streamline the administrative and budgetary aspects of the financing of peace-keeping operations,

Reiterating the importance of continuous dialogue and transparency between the Organization and Member States aimed at improving current administrative and budgetary practices and procedures,

I

BUDGET CYCLES

Aware of the substantial workload for the General Assembly, the Advisory Committee on Administrative and Budgetary Questions and the Secretariat that has resulted from the current procedures for reviewing peace-keeping budgets,

1. *Endorses* the recommendation of the Advisory Committee on Administrative and Budgetary Questions, contained in paragraph 30 of its report,⁹² relating to financial periods for each peace-keeping operation;

2. *Decides*, in this regard, that the financial period for each peace-keeping operation shall be from 1 July to 30 June, and requests the Secretary-General to submit the necessary draft amendments to the Financial Regulations for approval by the General Assembly at its resumed forty-ninth session;

3. *Decides also* that for peace-keeping operations with budgetary requirements not subject to fluctuation there would be consideration and approval of a budget once a year;

4. *Decides further* that for other peace-keeping operations, budget estimates would be considered and approved by the General Assembly twice a year, that is, for the periods from 1 July to 31 December and from 1 January to 30 June;

5. *Requests* the Secretary-General to make every effort to introduce the procedures described in paragraphs 3 and 4 above as soon as possible and no later than 1 July 1996;

6. *Urges* the Secretary-General to submit, in the context of the consideration of peace-keeping budget estimates, the related performance report for each peace-keeping operation for the previous financial period, together with such supplementary, up-to-date financial performance data for the current period as are available, and requests him to ensure, to the extent possible, that reports are based on actual expenditure rather than projected data;

7. *Decides* that the assessments on Member States of appropriations approved by the General Assembly for peace-keeping operations are subject to the approval of mandates by the Security Council;

8. *Requests* the Secretary-General to submit twice a year to the General Assembly for information purposes a table summarizing the proposed budgetary requirements of each peace-keeping operation for the period 1 July to 30 June, including a breakdown of expenditure by major line item and the aggregate total resource requirement;

II

CONTINGENT-OWNED EQUIPMENT

Recognizing the problems of the current system pertaining to the determination of the value of contingent-owned equipment and the consequent delay in reimbursement to States providing troops and equipment,

Reiterating the importance of finding an early and viable solution to this problem with a view to ensuring the continued participation of Member States in peace-keeping operations, and welcoming the efforts of the Secretariat in this regard,

⁹² A/48/421 and Add.1, A/48/622, A/48/707, A/48/912, A/48/945 and Corr.1, A/49/557 and A/49/717 and Corr.1 and 2.

⁹³ A/49/664 and Add.1.

1. *Endorses* the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions contained in paragraphs 104 to 110 of its report⁸² on the procedures relating to the reimbursement for contingent-owned equipment;

2. *Authorizes* the Secretary-General to proceed with the project outlined in the annex to the present resolution, which is aimed at setting comprehensive standards for each category of equipment, as well as establishing rates of reimbursement, on the understanding that Member States, in particular troop-contributing countries, will be invited by the Secretary-General to participate in the process, and that proposals for establishing new rates of reimbursement will be submitted to the General Assembly for approval;

3. *Invites* Member States to contribute voluntarily to participation in the above-mentioned process, and requests the Secretary-General to make every effort to meet any expenditure required from within existing budgetary resources;

III

DEATH AND DISABILITY BENEFITS

Taking note of the proposals of the Secretary-General contained in paragraphs 70 and 71 of his report⁸⁴ on revising the current arrangements for compensation for death and disability, and the related comments of the Advisory Committee on Administrative and Budgetary Questions,⁸⁵

Expressing deep concern at the delay in the settlement of claims in respect of death and disability,

Noting with concern that the report of the Secretary-General did not provide the Advisory Committee with sufficient information to allow it to make informed recommendations in this respect,

Taking note of the views expressed by Member States,

1. *Decides* that underlying any system of compensation for death and disability should be the need for:

(a) Equal treatment of Member States;

(b) Compensation to the beneficiary that is not lower than reimbursement by the United Nations;

(c) Simplification of administrative arrangements to the extent possible;

(d) Speedy settlement of claims for death and disability;

2. *Requests* the Secretary-General to submit concrete proposals, based on the principles contained in paragraph 1 above, on possible revisions to the current compensation arrangements and, in doing so, to include detailed information on the administrative and financial implications of, *inter alia*, the following options:

(a) Current arrangements with a reasonable minimum level of compensation payable for death and disability;

(b) A system of compensation featuring standardized rates of reimbursement for death and disability;

(c) A uniform global insurance scheme to cover all troops;

(d) The proposals submitted by the Secretary-General in paragraph 71 of his report;

3. *Also requests* the Secretary-General to submit to the General Assembly for its consideration, through the Advisory Committee on Administrative and Budgetary Questions, the proposals mentioned in paragraph 2 above by 31 May 1995;

IV

FINANCIAL AUTHORITY

Reaffirming the necessity to provide peace-keeping operations with adequate financial resources, especially in their start-up and expanded phases, to enable the timely, full and effective implementation of their mandates in accordance with the relevant resolutions of the Security Council,

Mindful that the expenditure incurred for start-up costs or expanded activities of peace-keeping operations in recent years has, on occasion, exceeded the current levels of commitment authority granted to the Secretary-General and to the Advisory Committee on Administrative and Budgetary Questions,

1. *Decides* that, if a decision of the Security Council relating to the start-up phase or expansion phase of peace-keeping operations results in the need for expenditure, the Secretary-General is authorized, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions and subject to the Financial Regulations of the United Nations and the provisions in paragraph 2 below, to enter into commitments not to exceed 50 million United States dollars per decision of the Security Council; the cumulative total of outstanding commitment authority, in respect of the start-up or expansion phase of peace-keeping operations, not to exceed 150 million dollars at any one time; however, appropriation by the General Assembly of any outstanding commitments shall automatically restore the balance of the limit of 150 million dollars to the extent of the amount appropriated;

2. *Decides also* that, if a decision of the Security Council results in the need for the Secretary-General to enter into commitments for the start-up or expansion phase of peace-keeping operations in an amount exceeding 50 million dollars per decision of the Security Council, or exceeding the total of the 150 million dollars referred to above, the matter shall be brought to the General Assembly, as soon as possible, for a decision on commitment authority and assessment;

3. *Decides further* that the question of assessment of an appropriate amount of the costs relating to the start-up and expansion phases of peace-keeping operations shall be considered by the General Assembly at its fiftieth session in the light of the experience gained from the implementation of the present resolution;

4. *Resolves* that the Secretary-General and the Advisory Committee shall report to the General Assembly on any exercise of the commitment authority given under the provisions of the present resolution, together with the circumstances relating thereto, in the context of the next report submitted to the Assembly on the financing of the relevant peace-keeping operation;

V

HOST COUNTRY AGREEMENTS

1. *Takes note* of Security Council resolution 868 (1993) of 29 September 1993, and recalls General Assembly resolution 48/42 of 10 December 1993;

⁸⁴ A/48/945 and Corr.1.

⁸⁵ A/49/664, paras. 88-90.

2. *Endorses* the views of the Secretary-General⁹⁶ and the Advisory Committee on Administrative and Budgetary Questions⁹⁷ on the necessity of securing host country agreements prior to mission deployment;

3. *Requests* the Secretary-General to include in his reports to the General Assembly on the financing of each peace-keeping operation or mission information related to the status of the negotiation of the host country agreement and its implementation in so far as it relates to the administration of the peace-keeping operation;

4. *Encourages* Member States to meet all their obligations under host country agreements;

VII

INTERNATIONAL CONTRACTUAL PERSONNEL

Noting with deep concern the issues raised by the Advisory Committee on Administrative and Budgetary Questions in paragraphs 69 to 71 of its report,⁸²

Noting the information provided by the representatives of the Secretary-General on the use of international contractual personnel,

1. *Endorses* the comments of the Advisory Committee on Administrative and Budgetary Questions contained in paragraph 69 of its report;

2. *Notes* that the thorough and independent investigation and evaluation of the use of international contractual personnel in the United Nations Protection Force, called for by the Advisory Committee in paragraph 72 of its report, is currently being carried out by the Office of Internal Oversight Services, and requests that the results of this study be submitted to the General Assembly in order to enable it to take a decision on this issue at its resumed forty-ninth session;

3. *Decides* that, pending the outcome of the investigation and evaluation and the decision by the General Assembly referred to in paragraph 2 above, the pilot project for the use of international contractual personnel shall not be extended beyond the United Nations Protection Force;

4. *Requests* the Secretary-General to provide it, at its resumed forty-ninth session, with a report on the steps taken to address the concerns expressed by the Advisory Committee;

VII

LIQUIDATION

Recalling its resolution 48/240 B of 29 July 1994 on the financing of the United Nations Operation in Mozambique, and its decision 48/496 of the same date on the financing of the United Nations peace-keeping operations,

1. *Endorses* the proposals of the Secretary-General for the disposition of assets following liquidation of peace-keeping operations or other missions, and the recommendations of the Advisory Committee on Administrative and Budgetary Questions regarding efforts to be made to obtain from the relevant Government its agreement to compensate the United Nations for residual value of any surplus assets installed in the country in accordance with paragraph 110 (d) of the report of the Secretary-General,⁹⁸ or General Assembly approval for those assets which would be considered as contributions;

2. *Requests* the Secretary-General to report to the General Assembly, no later than 31 March 1995, on the feasibility of procedures for valuation and transfer of costs for assets to be redeployed from a peace-keeping operation during its liquidation phase to other peace-keeping operations or other United Nations bodies, and for reimbursement to the special account for the liquidating operation as expeditiously as possible;

VIII

MISSION SUBSISTENCE ALLOWANCE

1. *Endorses* the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions as contained in paragraphs 80 to 85 of its report⁸² concerning mission subsistence allowance;

2. *Requests* the Secretary-General to review the entitlements of staff assigned to field missions, including the purpose of and basis for the establishment of mission subsistence allowance, and to submit a report thereon to the General Assembly at its fiftieth session;

IX

REVIEW BY THE OFFICE OF INTERNAL OVERSIGHT SERVICES

Requests the Secretary-General to entrust the Office of Internal Oversight Services to undertake, without prejudice to its programme of work, an inspection of the units within the Secretariat responsible for logistical, operational and administrative arrangements in peace-keeping and other field operations, with a view to identifying problems and recommending measures to enhance the efficient utilization of resources, and to report thereon to the General Assembly at its resumed forty-ninth session;

X

OVERSIGHT

Welcoming the initiatives of the Secretary-General to enhance oversight of peace-keeping operations, as described in his report⁹⁴ submitted in response to the report of the Advisory Committee on Administrative and Budgetary Questions,⁹⁸

Having considered the financial report and audited financial statements for the biennium ended 31 December 1993 and report of the Board of Auditors on the United Nations peace-keeping operations,²⁴

Having also considered the report of the Advisory Committee,⁹³ as well as the introductory statement of its Chairman,⁹⁹

1. *Endorses* the proposal that some peace-keeping operations may require a resident audit function, encourages the Secretary-General to include in future peace-keeping budget submissions for such peace-keeping operations proposals for resident auditor posts, with full justification, as necessary, and requests him to take appropriate measures to ensure functional independence of the auditors in the conduct of their duties in accordance with paragraph 56 of the report of the Advisory Committee on Administrative and Budgetary Questions;³

2. *Requests* the Secretary-General to examine alternative methods for enhancing the audit functions in those peace-keeping operations which will not have resident auditors, and their relative costs, and to make proposals to the General Assembly for its consideration no later than at its fiftieth session;

⁹⁶ A/48/945 and Corr.1, paras. 105 and 106.

⁹⁷ A/49/664, para. 114.

⁹⁸ A/47/990.

⁹⁹ See A/C.5/49/SR.25.

3. *Endorses* the comments and recommendations of the Advisory Committee with respect to the concepts of a roving finance officer and a management review officer, and requests the Secretary-General to clarify further those concepts, as well as the accountability of programme managers, in a report to be submitted to the General Assembly no later than at its fiftieth session;

XI

PEACE-KEEPING RESERVE FUND

Having considered the proposals of the Secretary-General contained in paragraphs 37 to 41 of his report⁸⁴ and of the Advisory Committee on Administrative and Budgetary Questions contained in paragraphs 15 to 19 of its report,⁸²

1. *Decides* to maintain the Peace-keeping Reserve Fund at its present level at the present stage;

2. *Recalls* its resolution 47/217 of 23 December 1992, and decides to limit the utilization of the Peace-keeping Reserve Fund to the start-up phase of new peace-keeping operations, to the expansion of existing ones or to unforeseen and extraordinary expenditures related to peace-keeping;

3. *Strongly urges* all Member States to make every possible effort to ensure full and timely payment of their assessed contributions for peace-keeping operations, so as to improve the cash-flow situation by enabling replenishment of the relevant reserves;

XII

ROTATION OF TROOPS

1. *Underlines* that responsibility for the duration of tours of duty of contingents assigned to peace-keeping operations is an operational matter that lies primarily with troop-contributing Governments;

2. *Takes note* of the observations of the Advisory Committee on Administrative and Budgetary Questions in paragraph 77 of its report⁸² regarding the advisability of extending the duration of duty and the timing of rotation of military personnel serving in peace-keeping operations, and the views expressed by Member States;

3. *Requests* the Secretary-General, given the operational implications of the question of the tours of duty of contingents, to submit the report referred to in paragraph 77 of the report of the Advisory Committee to the Special Committee on Peace-keeping Operations;

XIII

STANDARDIZATION OF THE BUDGET PROCESS AND FORMAT

1. *Endorses* the observations made by the Advisory Committee on Administrative and Budgetary Questions in paragraphs 41 to 47 of its report,⁸²

2. *Endorses also* the proposals of the Secretary-General on the improvements to the budget format, as summarized in paragraph 41 of the report of the Advisory Committee, and calls upon the Secretary-General to prepare all future peace-keeping budgets accordingly;

3. *Welcomes* the development of the *Standard Cost Manual*, to be made available to Member States before 1 May 1995, and the modifications proposed by the Secretary-General, including standardized costing, ratios and variance analysis;

4. *Requests* the Secretary-General to provide it with a mock-up budget for a single peace-keeping operation, based on the above-mentioned *Standard Cost Manual*, for its consideration, taking into account the comments of the Advisory Committee and the views expressed by Member States;

5. *Requests* the Advisory Committee to review the proposed *Standard Cost Manual* and the mock-up budget by 31 August 1995, with a view to submitting its views on them to the General Assembly at its fiftieth session;

XIV

START-UP KITS

Welcoming with appreciation the establishment at Brindisi, Italy, of the first permanent United Nations logistics base to support peace-keeping operations, the premises of which have been put at the disposal of the Organization at no cost,

Endorses the request of the Advisory Committee on Administrative and Budgetary Questions for a detailed report, including further information regarding the financial and personnel arrangements, cost parameters, legislative justification, issues of ownership and inventory control of stocked equipment, accounting procedures and alternatives for mission start-up kits, as well as the use of the Brindisi logistics base for storage and maintenance, to be submitted to the General Assembly before the end of its forty-ninth session.

95th plenary meeting
23 December 1994

ANNEX

Project plan and time-line for reform of methodology and procedures for determining reimbursements to troop-contributing countries for contingent-owned equipment

Standardization project plan

In order to simplify the process of reimbursement for contingent-owned equipment, and thereby reduce the lead-time associated with the payment of claims, the following project intends to standardize the equipment for which reimbursement will be authorized and to identify appropriate rates of reimbursement for such equipment. This effort will be undertaken in five phases.

(a) *Phase I (1 January-14 March 1995)*. The Secretariat will prepare draft guidelines on the types of items to be included as standards for contingent-owned equipment, such as systems (aircraft, vehicles, etc.); major repairable equipment (generators, communications equipment, etc.); and other equipment and consumables (tentage, mess gear, paper, etc.) for which reimbursement shall be authorized when deployed in connection with a battalion of troops or specialized companies such as medical, signals, aviation support, logistics, communications, etc. Pursuant to the guidelines provided, Member States will provide comments and recommendations which will be consolidated and presented to the phase II working group. Member States will be asked to provide their comments and recommendations and notify the United Nations of their intent to participate in the phase II working group no later than 10 February 1995.

(b) *Phase II (15 March-14 May 1995)*. A review of the comments and recommendations of Member States will be conducted by the Secretariat in order to provide a consolidated working paper to the representatives of Member States participating in the phase II working group. Consultations with and among representatives of Member States will form the basis for the development of a single comprehensive document identifying those standard requirements for which reimbursement will be authorized.

(c) *Phase III (17 May-15 June 1995)*. A fixed scale will be developed identifying annual reimbursement rates for each of the systems (with appropriate adjustment factors being applied according to the source of maintenance support provided, for example, a wet lease/dry lease concept), authorized as a result of the phase II working group consolidation by selected financial analysts of participating Member States. This phase will

also result in the development of a single flat rate of reimbursement for all other equipment and consumables.

(d) *Phase IV.* This phase will involve implementation, at Headquarters and in field missions, of this revised reimbursement procedure, including specifically the distribution of a note verbale by 15 July 1995 initiating revised reimbursement procedures for contingent-owned equipment,

implementation of revised budgeting practices incorporating new reimbursement rates for contingent-owned equipment in budgets prepared after 1 August 1995 and development of automated systems to process claims for reimbursement.

(e) *Phase V.* This phase will involve a periodic review and update of the phase II and phase III standards to be completed on a triennial basis, with the first review scheduled for March 1998.