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Financing of the United Nations peacekeeping forces in the Middle East: United Nations Interim Force in Lebanon

Budget for the United Nations Interim Force in Lebanon for the period from 1 July 2004 to 30 June 2005

Report of the Secretary-General

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Summary

The present report contains the budget for the United Nations Interim Force in Lebanon (UNIFIL) for the period from 1 July 2004 to 30 June 2005, which amounts to \$94,741,200.

The budget provides for the maintenance of 2,000 military contingents, 124 international staff and 348 national staff.

The total resource requirements for the Force for the financial period from 1 July 2004 to 30 June 2005 have been linked to the mission's objective through a number of results-based frameworks, grouped by two components: operations; and support. The human resources of the mission in terms of number of personnel have been attributed to the individual components, with the exception of the mission's executive direction and management, which can be attributed to the mission as a whole. The financial resources for operational items have been linked to the support component by quantifying outputs for expenditure classes under operational costs.

Financial resources

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

Category	Expenditures (2002/03)	Apportionment (2003/04)	Cost estimates (2004/05)	Variance	
				Amount	Percentage
Military and police personnel	51 098.7	40 521.4	40 637.0	115.6	0.3
Civilian personnel	34 835.0	28 106.8	33 999.5	5 892.7	21.0
Operational costs	21 663.0	21 371.8	20 104.7	(1 267.1)	(5.9)
Gross requirements	107 596.8	90 000.0	94 741.2	4 741.2	5.3
Staff assessment income	4 520.2	3 799.1	5 014.4	1 215.3	32.0
Net requirements	103 076.6	86 200.9	89 726.8	3 525.8	4.1
Voluntary contributions in-kind (budgeted)	—	—	—	—	—
Total requirements	107 596.8	90 000.0	94 741.2	4 741.2	5.3

Human resources

	<i>Military contingents^a</i>	<i>International staff</i>	<i>National staff^b</i>	<i>Total</i>
Executive direction and management				
Approved 2003/04	—	6	5	11
Proposed 2004/05	—	6	5	11
Components				
Operations				
Approved 2003/04	2 000	—	—	2 000
Proposed 2004/05	2 000	—	—	2 000
Support				
Approved 2003/04	—	118	300	418
Proposed 2004/05	—	118	343	461
Total				
Approved 2003/04	2 000	124	305	2 429
Proposed 2004/05	2 000	124	348	2 472
Net change	—	—	43	43

^a Represents highest level of authorized/proposed strength.

^b Includes national officers and national General Service staff.

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

I. Mandate and planned results

1. The mandate of the United Nations Interim Force in Lebanon (UNIFIL) was established by Security Council resolutions 425 (1978) and 426 (1978). The most recent continuation of the mandate was provided by the Security Council in its resolution 1496 (2003) of 31 July 2003.
2. The Force is mandated to help the Security Council achieve an overall objective, namely, to maintain international peace and security.
3. Within this overall objective, during the budget period the Force will contribute to a number of expected accomplishments by delivering related key outputs shown in the frameworks below. These frameworks are grouped by two components, operations and support, which reflect rather than determine the common programmatic nature of the expected accomplishments and outputs contained in these components.
4. The expected accomplishments would lead to the fulfilment of the Security Council's objective within the time frame of the mission, while the indicators of achievement show a measurement of progress towards such accomplishments during the budget period. Under the human resources entry for the mission, the number of personnel have been attributed to the individual components, except in the case of the mission's executive direction and management, which are attributed to the mission as a whole. The financial resources for operational items have been linked to the support component by quantifying outputs for expenditure classes under operational costs. Variances in the number of personnel, compared to the budget for 2003/04, including reclassifications, have been explained under the respective components.
5. UNIFIL headquarters, which houses the offices of the Force Commander and the Chief Administrative Officer, is based in Naqoura, some kilometres from the Blue Line and 90 kilometres from Beirut. The Force's liaison, administrative and procurement office (UNIFIL House) is located in Beirut. All travel of personnel and transport of goods and services between these locations is operated by the Force.

Executive direction and management

6. Overall direction and management are to be provided by the office of the Force Commander.

Table 1
Human resources: Executive direction and management

	International staff								National staff ^a	United Nations Volunteers	Total
	USG -ASG	D-2 -D-1	P-5 -P-4	P-3 -P-1	Field Service	General Service	Security Service	Subtotal			
Office of the Force Commander											
Approved 2003/04	1	1	2	—	—	2	—	6	5	—	11
Proposed 2004/05	1	1	2	—	—	2	—	6	5	—	11
Net change	—	—	—	—	—	—	—	—	—	—	—

^a Includes national officers and national General Service staff.

7. The present budget proposes the reclassification of a national General Service staff post to a national Professional Officer post (Associate Political Affairs Officer) for the office of the Force Commander. Prior to the withdrawal of the Israel Defense Forces from southern Lebanon in May 2000, only international staff were permitted to liaise with Israeli authorities for the operational and security aspects of the Force. Following the withdrawal and the relocation of staff from Israel to Lebanon, UNIFIL reduced the staff of the Political Affairs Office by three international staff (see A/56/893, annex II). As a result of the new circumstances that have evolved, UNIFIL now requires extensive interactions with the Lebanese Government and non-government authorities, for which staff at the national officer level are the most suitable.

8. National officers will liaise with official and unofficial parties in the area of operations on issues related to operational and security matters and will analyse and keep the Force Commander abreast of political and socio-economic developments.

Component 1: Operations

<i>Expected accomplishments</i>	<i>Indicators of achievement</i>
1.1 The parties fully respect the Blue Line	1.1.1 The ceasefire is maintained
<i>Outputs</i>	
<ul style="list-style-type: none"> • 127,750 mobile patrol days (5 troops per patrol, 2 patrols each from 35 operational positions for 365 days) • 127,750 troop manned observation post days (5 troops per post in 2 shifts at 35 operational positions for 365 days) • 540 air patrol hours along the Blue Line (11 hours per month per helicopter, for 4 helicopters) • Two reports of the Secretary-General to the Security Council 	
<i>Expected accomplishments</i>	<i>Indicators of achievement</i>
1.2 Normalization of the security authority of the Government of Lebanon in southern Lebanon	1.2.1 Increased presence of Lebanese authorities in southern Lebanon
<i>Outputs</i>	
<ul style="list-style-type: none"> • Weekly liaison meetings with the parties • Monthly high-level meetings with the parties on normalization of the situation in southern Lebanon • Mediation efforts on potential sources of conflict with the parties to diffuse tension as and when it occurs 	
<i>External factors</i>	
Parties concerned will cooperate and UNIFIL will be accorded full freedom of movement by all parties.	

Table 2
Human resources: Component 1, Operations

	<i>Total</i>
Military contingents	
Approved 2003/04	2 000
Proposed 2004/05	2 000
Net change	—

Component 2: Support

<i>Expected accomplishments</i>	<i>Indicators of achievement</i>
2.1 Effective and efficient logistical and administrative support to the mission	<p>2.1.1 The percentage of total inventory value awaiting write-off and disposal will be reduced from 11% as at 30 June 2003 to 2% as at 30 June 2005</p> <p>2.1.2 Reduction in the procurement cycle from 72 days to 65 days</p> <p>2.1.3 Settlement of payables within a maximum of 30 days in 2004-5</p>

Outputs

Service improvements

- Inventory management: General Services Section established an action plan aimed at interacting with asset managers on a daily basis; convened meetings of the Local Property Survey Board on a weekly basis to facilitate the processing of write-off cases within 30 days and coordinated the expeditious processing of cases referred to Headquarters Property Survey Board
- Procurement cycle: Integrated the acquisition plan with the budgetary process, including a joint monthly review of requirements with self accounting units; expedited the acquisition process by avoiding redundancies, using templates for contracts and agreement and establishing long-term agreements for frequently purchased goods and services; utilized red-flag method to identify bottlenecks in the acquisition process
- Settlement of payables: Assigned two additional staff members, formerly in the Procurement Section, to the Finance Section for matching invoices in the Vendor Payment Unit; reviewed and revised the certification procedure of invoices with certifying offices and ensured that payments are effected within one week from the time all required documentation is received

Military personnel

- Rotated 3,000 troops
- Rations petrol, oil and lubricants supplied to and stored at 44 military positions for 2,000 troops (average per month)

Civilian personnel

- 500 civilian staff contracts administered

Facilities and infrastructure

- Maintained and repaired 40 military positions comprising 1,000 prefabricated and 161 solid accommodation
- Repaired and maintained helipads in 20 locations
- Maintained total of 50 kilometres of access roads to various military positions
- Constructed 1 mess hall

Ground transportation

- 680 light and heavy vehicles, 51 trailers maintained in 6 locations

Air transportation

- 720 hours of helicopter flights, including 45 flight hours for operations and 15 flight hours for medical evacuation for each of the 4 helicopters

Component 2: Support*Expected accomplishments**Indicators of achievement***Communications**

- Supported 1 VSAT system at 1 location
- 10 telephone exchanges supported for 1,395 users

Information technology

- Supported 550 desktops, 75 laptops, 300 printers, 60 scanners in 10 locations
- Supported wide area network for 80 users

Medical

- 5 level I and 2 basic level hospitals

External factors

Suppliers are able to deliver goods and services as contracted. There will be stability in Lebanon.

Table 3
Human resources: Component 2, Support

	International staff								National staff ^a	United Nations Volunteers	Total
	USG -ASG	D-2 -D-1	P-5 -P-4	P-3 - P-1	Field Service	General Service	Security Service	Subtotal			
Division of Administration											
Approved 2003/04	—	1	8	12	76	21	—	118	300	—	418
Proposed 2004/05	—	1	8	12	76	21	—	118	343	—	461
Net change	—	—	—	—	—	—	—	—	43	—	43

^a Includes national officers and national General Service staff.

9. The present budget proposes the regularization of 45 individual special services agreements that are under operational costs in the financial period 2003/04 into 45 national posts (fixed-term contracts under 100 series) in the financial period 2004/05 in the areas of engineering, procurement, general services, transport and communications. An overall survey by the Department of Peacekeeping Operations revealed that these posts pertain to core functions on a continuous basis, for which the current individual contracts are not appropriate.

10. Two national General Service posts are proposed to be abolished in connection with self-sustainment arrangements for the Ghanaian contingent for cleaning and laundry services.

11. This budget proposes the reclassification of a national General Service local staff post to a national professional officer (Associate Procurement Officer/Civilian Administrative Representative in Beirut) for the Administrative-Procurement Office in Beirut (UNIFIL House). Prior to the withdrawal of the Israeli Defense Forces from southern Lebanon in May 2000 and the relocation of UNIFIL international staff from Israel to Lebanon, only international staff were permitted to liaise with Israeli authorities for the administrative aspects of UNIFIL. Following the withdrawal and the relocation of staff from Israel to Lebanon, UNIFIL reduced the staff of the Procurement Office by three international staff posts (see A/56/893, annex III). Beirut has now evolved into the centre for administrative, procurement and protocol matters, which requires additional capacity in lieu of the international staff. Ninety-seven per cent of goods and services are now channelled through Lebanon, compared to 36 per cent in the year before the withdrawal of the Israel Defense Forces.

12. National officers will research the market and vendor performance, evaluate and select suppliers, analyse responses to tenders and authorize purchases, in line with delegated authority, or prepare submissions to the Contract Committee.

II. Resource requirements

1. Overall

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

Category	Expenditures (2002/03) (1)	Apportionment ^c (2003/04) (2)	Cost estimates (2004/05) (3)	Variance	
				Amount (4)=(3)-(2) (4)	Percentage (5)=(4)÷(2) (5)
Military and police personnel					
Military observers	—	—	—	—	—
Military contingents	51 098.7	40 521.4	40 637.0	115.6	0.3
Civilian police	—	—	—	—	—
Formed police units	—	—	—	—	—
Subtotal	51 098.7	40 521.4	40 637.0	115.6	0.3
Civilian personnel					
International staff ^a	20 711.3	15 022.0	18 099.5	3 077.5	20.5
National staff ^b	14 123.7	13 084.8	15 900.0	2 815.2	21.5
United Nations Volunteers	—	—	—	—	—
Subtotal	34 835.0	28 106.8	33 999.5	5 892.7	21.0
Operational costs					
General temporary assistance	52.7	48.0	48.0	—	—
Government-provided personnel	—	—	—	—	—
Civilian electoral observers	—	—	—	—	—
Consultants	—	—	—	—	—
Official travel	426.0	426.4	376.1	(50.3)	(11.8)
Facilities and infrastructure	7 788.5	7 124.4	6 564.5	(559.9)	(7.9)
Ground transportation	6 041.2	6 766.8	5 485.0	(1 281.8)	(18.9)
Air transportation	1 538.6	1 444.9	1 521.6	76.7	5.3
Naval transportation	—	—	—	—	—
Communications	1 140.8	1 213.3	1 465.9	252.6	20.8
Information technology	1 494.3	1 300.7	1 121.5	(179.2)	(13.8)
Medical	721.4	763.1	799.7	36.6	4.8
Special equipment	542.0	649.6	608.2	(41.4)	(6.4)
Other supplies, services and equipment	1 917.7	1 634.6	2 114.2	479.6	29.3
Quick-impact projects	—	—	—	—	—
Subtotal	21 663.0	21 371.8	20 104.7	(1 267.1)	(5.9)
Gross requirements	107 596.8	90 000.0	94 741.2	4 741.2	5.3
Staff assessment income	4 520.2	3 799.1	5 014.4	1 215.3	32.0
Net requirements	103 076.6	86 200.9	89 726.8	3 525.9	4.1
Voluntary contributions in kind (budgeted) ^c	—	—	—	—	—
Total requirements	107 596.8	90 000.0	94 741.2	4 741.2	5.3

^a Cost estimates for 2004/05 are inclusive of a 4% vacancy rate compared to a 5% vacancy rate applied in 2003/04.

^b Cost estimates for 2004/05 are inclusive of a 1% vacancy rate compared to a 0% vacancy rate applied in 2003/04.

^c Reflects adjusted distribution of approved resources between military and police personnel and operational costs categories of expenditure.

2. Contingent-owned equipment: major equipment and self-sustainment

13. Requirements for the period from 1 July 2004 to 30 June 2005 are based on standard reimbursement rates for major equipment and self-sustainment in the total amount of \$3,503,600, as follows:

<i>Category</i>	<i>Estimated amount (Thousands of US dollars)</i>
Major equipment	1 927.0
Self-sustainment	
Catering (kitchen facilities)	64.9
Office equipment	56.1
Electrical	68.7
Minor engineering	39.4
Laundry and cleaning	390.1
Miscellaneous general stores	106.5
Communications	28.0
Medical services	313.7
Explosive ordnance disposal	110.6
Observation	398.6
Subtotal	1 576.6
Total	3 503.6

3. Non-budgeted contributions

14. The estimated value of non-budgeted contributions for the period from 1 July 2004 to 30 June 2005 is as follows:

<i>Category</i>	<i>Estimated value (Thousands of US dollars)</i>
Status-of-forces agreement ^a	1 478.6

^a Inclusive of rental costs of UNIFIL headquarters in Naquora (\$441,200), UNIFIL House in Beirut (\$333,500), which had previously been reported under voluntary contributions in kind (budgeted), and military positions (\$703,900) provided by the Government of Lebanon.

III. Qana incident

15. In paragraph 14 of its resolution 57/325, the General Assembly reiterated its request to the Secretary-General to take the necessary measures to ensure the full implementation of paragraph 8 of its resolution 51/233, paragraph 5 of its resolution 52/237, paragraph 11 of its resolution 53/227, paragraph 14 of its resolution 54/267, paragraph 14 of its resolution 55/180 A, paragraph 15 of its resolution 55/180 B, paragraph 13 of its resolution 56/214 A and paragraph 13 of its resolution 56/214 B, stressed once again that Israel shall pay the amount of \$1,117,005 resulting from the incident at Qana on 18 April 1996 and requested the Secretary-General to report on that matter to the Assembly at its resumed fifty-eighth session.

16. Pursuant to the adoption of those resolutions, that amount has been recorded under accounts receivable for UNIFIL and the Secretariat has addressed eight letters to the Permanent Mission of Israel to the United Nations on the subject, the most recent of which was dated 10 November 2003, to which no response has been received.

IV. Analysis of variances¹

Reference

This section describes the single largest contributing factor of each resource variance according to specific standard options encompassed in the four standard categories listed below:

- **Mandate:** Variances caused by changes in the scale or scope of the mandate or changes in the expected accomplishments as driven by the mandate
- **External:** Variances caused by parties or situations external to the United Nations
- **Cost parameters:** Variances caused by United Nations regulations, rules and policies
- **Management:** Variances caused by management actions to achieve planned results more effectively (for example, by reprioritizing or adding certain outputs) or efficiently (for example, by taking measures to reduce personnel or operational inputs while maintaining the same level of outputs), and/or from performance related issues (for example, by having underestimated the costs or quantities of inputs required to produce a certain level of outputs, or by delayed recruitment)

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

	<i>Variance</i>	
Military contingents	\$115.6	0.3%

• **Management: increased inputs and same outputs**

17. The most significant factor contributing to the variance is the increase in the cost of rations from \$6.13 per person per day to \$7.13 per person per day during the 2004/05 financial period, while standard costs provide for \$11 per person per day. It is anticipated that higher expenses will be incurred to ensure better quality of food products in the ration items supplied by the current contractor for the military contingents.

	<i>Variance</i>	
International staff	\$3,077.5	20.5%

• **Cost parameters: increased salary scale**

18. The variance is mainly due to the increase in international salaries, based on the standard salary costs, version 6, effective 10 October 2003.

	<i>Variance</i>	
National staff	\$2,815.2	21.5%

• **Management: regularization of contractual staff**

19. The increased requirements are mainly due to the regularization of 45 contractual staff as explained in paragraph 9 above.

	<i>Variance</i>	
Official travel	(\$50.3)	(11.8%)

• **Management: reduced inputs and same outputs**

20. The variance is mainly due to the reduction of official travel and the absence of training, owing to a lower amount of administrative and technical travel of staff of the Department of Peacekeeping Operations to the mission and the reduction in the number of technical conferences planned for the 2004/05 financial period.

	<i>Variance</i>	
Facilities and infrastructure	(\$559.9)	(7.9%)

• **Management: reduced inputs and same outputs**

21. The reduced requirements resulted mainly from the regularization, and therefore reduction, under this item, of 45 individual contracts, which were on special service agreement during the financial period 2003/04, into 45 national posts, as explained in paragraph 9 above under the support component.

	<i>Variance</i>	
Ground transportation	(\$1,281.8)	(18.9%)

• **Management: reduced inputs and same outputs**

22. The reduced requirement is mainly attributable to lower costs of vehicle acquisition resulting from the need to replace trucks/mobile equipment with light vehicles in 2004/05 (acquisition of 23 light vehicles and 6 trucks/mobile equipment in 2004/05 compared to 8 light vehicles and 22 trucks/mobile equipment in 2003/04).

Additionally, due to the usage of the car-log system, the mission expects to achieve efficiency gains of 10 per cent in maintenance and spare parts as well as in petrol, oil and lubricants. Corresponding requirements have been reduced accordingly.

	<i>Variance</i>	
Air transportation	\$76.7	5.3%

• **External: change in anticipated market price levels**

23. The variance is mainly due to the increase in worldwide insurance premiums.

	<i>Variance</i>	
Communications	\$252.6	20.8%

• **Management: increased inputs and same outputs**

24. The variance is mainly due to the cost of maintaining the car-log system. The car-log system will enable the mission to have full control of vehicle movements, such as logging for each trip, fuel consumption control, physical location (security) and anti-theft measures. The system will operate through the Global Services for Mobile (GSM) network, for which a Lebanese company, LibanCell, is offering subscriber identity model (SIM) cards. Related efficiency gains are reflected under ground transportation.

	<i>Variance</i>	
Information technology	(\$179.2)	(13.8%)

• **Management: reduced inputs and same outputs**

25. The variance is mainly due to the reduced requirements for information technology equipment. Based on United Nations Headquarters guidelines, a large amount of information technology equipment has a life cycle of four years. Over the past two to three years, a substantial number of equipment items have been replaced, resulting in the expected replacement of 111 items (7.5 per cent of the total amount of equipment) in the 2004/05 financial period compared to 280 items in the 2003/04 financial period.

	<i>Variance</i>	
Special equipment	(\$41.4)	(6.4%)

• **Management: reduced inputs and same outputs**

26. The variance is mainly due to a correction in the number of dismantle/destroy ordnance-related and night observation equipment for self-sustainment of a troop contributing country.

	<i>Variance</i>	
Other supplies, services and equipment	\$479.6	29.3%

• **External factors: claims related to the reconfiguration of the Force**

27. The variance is mainly due to the higher cost of the anticipated claims from real estate owners in connection with the reconfiguration of the Force during 2002/03. Settlement of claims is expected to be completed in 2004/05.

V. Actions to be taken by the General Assembly

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

(a) **Appropriation of the amount of \$94,741,200, for the maintenance of the Force for the 12-month period from 1 July 2004 to 30 June 2005;**

(b) **Assessment of the amount in paragraph (a) above at a monthly rate of \$7,895,100, should the Security Council decide to continue the mandate of the Force.**

VI. Summary of follow-up actions taken to implement requests and recommendations of the Advisory Committee on Administrative and Budgetary Questions and the United Nations Board of Auditors

A. Advisory Committee on Administrative and Budgetary Questions

*Request/recommendation
(see A/57/772/Add.6)*

Action taken to implement request/recommendation

1. The Committee notes that for UNIFIL, as for the United Nations Disengagement Observer Force (UNDOF) and the United Nations Iraq-Kuwait Observation Mission (UNIKOM), there is no political component in either the performance report or the proposed budget. The Committee sought clarification of this issue (para. 11).

UNIFIL does not have a political component in its organizational structure. The office of the Personal Representative of the Secretary-General for Southern Lebanon was established as a political mission in the wake of the withdrawal of the Israel Defense Forces from southern Lebanon in May 2000. The office serves as the political arm of UNIFIL.

2. The Committee requests that the cost benefit of the use of the car-log system, including maintenance, be monitored (para. 25).

The electronic vehicle fleet management system was introduced in peacekeeping operations to improve the management of vehicle fleets. UNIFIL is currently in the process of installing the car-log system. Features of the system such as the over-speed alarm and fuel and mileage recording help monitor and manage vehicles in the mission, resulting in cost benefits referred to under the expenditure category of ground transportation.

3. In view of the inventory and write-off issues facing the mission, the Committee recommends that greater priority be given to supply/property management training (para. 27).

UNIFIL's proposed budget for the 2004/05 financial period includes training of 10 staff members in supply/property management.

4. In the supplementary information provided to the Committee, increased efficiency and effectiveness in supporting the mission was given as the accomplishment/output for most of the training proposed. The Committee requests that, in future, such outputs be supported or illustrated with appropriate facts (para. 30).

UNIFIL's proposed budget for training during the 2004/05 financial period indicates specific outputs related to training programmes.

B. Board of Auditors

*Request/recommendation
(see A/57/5, vol. II, chap. II, para. 84 (c))*

Action taken to implement request/recommendation

UNIFIL was in the process of reviewing the first drafts of the accident prevention programme and the pre-accident plan. The recommendation is that UNIFIL should expedite the finalization of the pre-accident plan (para. 84 (c)).

The UNIFIL Air Safety Office has already finalized the accident prevention plan and, as of 2 December 2003, it is being circulated to all concerned for compliance.

Annex

Organization chart



