



# General Assembly

Distr.: General  
14 December 2010

Original: English

---

## Sixty-fifth session

Agenda item 143

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

## **Updated financial position of closed peacekeeping missions as at 30 June 2010**

### **Report of the Secretary-General**

#### *Summary*

The present report provides information on the updated financial position of 23 closed peacekeeping missions as at 30 June 2010. Five missions had cash deficits owing to outstanding payments of assessed contributions, while 18 had cash surpluses available for credit to Member States totalling \$230.7 million.

For the 18 missions with cash surpluses, the Secretary-General recommends the retention of \$50 million in 4 of them and intends to return the balance of \$180.7 million to Member States, subject to a decision of the General Assembly in the context of its consideration of the present report.

As regards the five missions with cash deficits, some actions which the General Assembly may wish to consider to address the situation are set out herein.



## I. Introduction

1. The present report provides updated information on the financial position of the following closed peacekeeping missions for which final performance reports have already been issued: Military Observer Group of the United Nations Verification Mission in Guatemala (MINUGUA); United Nations Mission in the Central African Republic (MINURCA); United Nations Operation in Burundi (ONUB); United Nations Observer Group in Central America (ONUCA) and United Nations Observer Mission in El Salvador (ONUSAL); United Nations Operation in Mozambique (ONUMOZ); United Nations Mission in Sierra Leone (UNAMSIL) and United Nations Observer Mission in Sierra Leone (UNOMSIL); United Nations Angola Verification Mission (UNAVEM) and United Nations Observer Mission in Angola (MONUA); United Nations Iran-Iraq Military Observer Group (UNIIMOG); United Nations Iraq-Kuwait Observation Mission (UNIKOM); United Nations Mission in Bosnia and Herzegovina (UNMIBH); United Nations Mission in Haiti (UNMIH); United Nations Military Liaison Team in Cambodia (UNMLT); United Nations Mission of Observers in Tajikistan (UNMOT); United Nations Observer Mission in Liberia (UNOMIL); United Nations Observer Mission Uganda-Rwanda (UNOMUR) and United Nations Assistance Mission for Rwanda (UNAMIR); United Nations Operation in Somalia (UNOSOM); United Nations Peace Forces (UNPF); United Nations Preventive Deployment Force (UNPREDEP); United Nations Support Mission in Haiti (UNSMIH), United Nations Transition Mission in Haiti (UNTMIH) and United Nations Civilian Police Mission in Haiti (MIPONUH); United Nations Transitional Authority in Cambodia (UNTAC); United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium (UNTAES) and Civilian Police Support Group; United Nations Transitional Administration in East Timor (UNTAET) and United Nations Mission of Support in East Timor (UNMISSET); and United Nations Transition Assistance Group (UNTAG).

2. As at 30 June 2010, 18 of the 23 peacekeeping missions covered in the present report had cash surpluses available for credit to Member States totalling \$230,745,000, as set out in table 1.

Table 1

**Consolidated cash position of ONUB, ONUCA/ONUSAL, ONUMOZ, UNAMSIL/UNOMSIL, UNAVEM/MONUA, UNIIMOG, UNIKOM, UNMIBH, UNMIH, UNMLT, UNMOT, UNOMIL, UNOMUR/UNAMIR, UNPF, UNPREDEP, UNTAES/Civilian Police Support Group, UNTAET/UNMISSET and UNTAG as at 30 June 2010**

(Thousands of United States dollars)

<i>Category</i>	<i>Amount</i>
Cash assets	403 656
Less: amount to be returned to Member States <sup>a</sup>	43 744
Less: other liabilities	129 167
<b>Cash available for credit to Member States as at 30 June 2010</b>	<b>230 745</b>

<sup>a</sup> Amounts represent the respective share of Member States in the cash balance of UNPF and UNMIH as at 30 June 2002 that remain outstanding pending receipt of their assessed contributions for the funding of the strategic deployment stocks (see General Assembly resolution 56/292).

3. The composition of the net cash balance of \$230,745,000 is broken down by mission in table 2.

Table 2

**Closed peacekeeping missions with cash balances as at 30 June 2010**

(Thousands of United States dollars)

<i>Mission</i>	<i>Amount</i>
ONUB	415
ONUCA/ONUSAL	3 958
ONUMOZ	897
UNAMSIL/UNOMSIL	7 582
UNAVEM/MONUA	25 144
UNIIMOG	5 201
UNIKOM	2 601
UNMIBH	16 359
UNMIH	25 778
UNMLT	172
UNMOT	3 219
UNOMIL	5 185
UNOMUR/UNAMIR	27 092
UNPF	67 597
UNPREDEP	11 421
UNTAES/Civilian Police Support Group	15 204
UNTAET/UNMISSET	6 879
UNTAG	6 041
<b>Total</b>	<b>230 745</b>

4. The amount of \$230,745,000 shown in tables 1 and 2 does not take into account loans totalling \$22,816,000 owed by two closed peacekeeping missions (\$7,366,000 by UNSMIH/UNTMIH/MIPONUH and \$3,450,000 by MINURCA) and by one active peacekeeping mission (\$12,000,000 by the United Nations Mission for the Referendum in Western Sahara (MINURSO)), which remained unpaid as at 30 June 2010.

5. Five of the peacekeeping missions covered in the present report had cash deficits totalling \$86,720,000 as at 30 June 2010, owing to outstanding payments of assessed contributions, as shown in table 3.

Table 3

**Consolidated cash position of the MINUGUA Military Observer Group, MINURCA, UNOSOM, UNSMIH/UNTMIH/MIPONUH and UNTAC as at 30 June 2010**

(Thousands of United States dollars)

<i>Category</i>	<i>Amount</i>
Cash assets	391
Less: liabilities	87 111
<b>Operating deficit as at 30 June 2010</b>	<b>(86 720)</b>

6. The liabilities include loans amounting to \$23,636,000 owed to closed peacekeeping missions (\$10,816,000) and to the Peacekeeping Reserve Fund (\$12,820,000). The operating deficit of \$86,720,000 is broken down by mission in table 4.

Table 4

**Closed peacekeeping missions with cash deficits as at 30 June 2010**

(Thousands of United States dollars)

<i>Mission</i>	<i>Amount</i>
MINUGUA Military Observer Group	(125)
MINURCA	(23 822)
UNOSOM	(15 451)
UNSMIH/UNTMIH/MIPONUH	(7 283)
UNTAC	(40 039)
<b>Total</b>	<b>(86 720)</b>

7. Information on unpaid assessments, accounts payable to Member States and other liabilities as at 30 June 2010 is shown in annex I.

## **II. Cash position of the United Nations Iraq-Kuwait Observation Mission**

8. By its decision 64/558 on closed peacekeeping missions, the General Assembly decided that two thirds of the adjusted net credits in the account of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) as at 30 June 2009 would be returned to the Government of Kuwait. Accordingly, the amount of \$291,900 has been returned to Kuwait.

9. As indicated in tables 2 and 5, the net cash available for credit to Member States as at 30 June 2010 in the UNIKOM account amounted to \$2,601,000.

Table 5  
**Cash position of UNIKOM as at 30 June 2010**

(Thousands of United States dollars)

<i>Category</i>	<i>Amount</i>
Cash assets	4 267
Less: liabilities	1 666
<b>Cash available for credit to Member States as at 30 June 2010</b>	<b>2 601</b>

10. The total of \$2,601,000 includes the amounts of \$1,850,700, \$498,400 and \$146,000, which correspond to one third of the net cash available as at 30 June 2006, 30 June 2008 and 30 June 2009, respectively. Those amounts represent the deferred credits for the account of UNIKOM for return to all Member States and should therefore be excluded from the net available cash balance as at 30 June 2010. Thus, the adjusted net available cash balance for the account of UNIKOM as at 30 June 2010 is \$105,900. Accordingly, two thirds of that amount, totalling \$70,600, is returnable to Kuwait.

### III. Cash requirements of the Organization

11. As indicated in paragraph 4 above, outstanding loans owed by closed peacekeeping missions with cash deficits to closed missions with cash balances amounted to \$10.8 million (\$7.4 million owed by UNSMIH/UNTMIH/MIPONUH and \$3.5 million by MINURCA) as at 30 June 2010. As a result of outstanding assessments in the special accounts of some active missions, there is a continuing need to borrow from closed missions, although there has been some improvement in recent years. Cross-borrowing was required in the 2008/09 financial period for eight active operations for a total of \$164.0 million. In comparison, cross-borrowing was required in the 2009/10 financial period for three active operations (MINURSO, the United Nations Integrated Mission in Timor-Leste (UNMIT) and the United Nations Observer Mission in Georgia (UNOMIG)) for a total of \$30.0 million. Cross-borrowing from the accounts of closed peacekeeping operations has been required so far during the 2010/11 financial period for two active missions (MINURSO and UNFICYP) for a total of \$10.4 million.

12. The experience in recent years reflects improved liquidity in peacekeeping missions, resulting in a decline in cross-borrowing. Nevertheless, this trend could be reversed in future given the inherent unpredictability of receipts. In accordance with financing resolutions of the General Assembly, notification to Member States for their assessed contributions to active peacekeeping missions are issued up to the end of the mandate period for each mission as authorized by the Security Council. Experience has shown that there is a significant time lag, often ranging from about 60 to 120 days, between the issuance of notifications to Member States and the receipt of assessed contributions. Pending the payment of assessed contributions, any cash shortfalls for missions may have to be met from loans from closed peacekeeping missions. In this connection, the Assembly may wish to consider expanding the terms of the Peacekeeping Reserve Fund to cover operational requirements of ongoing missions. The expansion of the terms of the fund, in

conjunction with an increase in its level, would eliminate the need to borrow from the accounts of closed peacekeeping missions in future.

13. It will be recalled that, by its decision 64/558, the General Assembly decided to continue to consider the updated financial position of closed peacekeeping missions during its sixty-fifth session. Given the reduction in cross-borrowing in recent years, and in view of the significant cash balances that have accumulated in closed missions, it is the intention of the Secretary-General to return \$180,745,000 of the cash balances of closed peacekeeping missions available for credit to Member States as at 30 June 2010, subject to a decision of the Assembly in the context of its consideration of the present report. The Secretary-General also intends to return the amount of \$70,600, reflecting two thirds of the adjusted net credits available in the account of UNIKOM, to the Government of Kuwait, also subject to a decision of the Assembly. The available balances in closed missions with balances below \$20 million would be returned in full, while the remaining amount would be prorated equally across the remaining missions. This would result in cash balances being returned in full for 14 missions, with partial returns for the 4 missions with cash balances above \$20 million. The breakdown of the amount to be returned by mission is summarized in annex II.

14. The cash would be apportioned on the basis of the scale applicable to each mission's last assessment, and the resulting credits would first be applied to settle outstanding assessments, if any, on a mission-by-mission basis; thereafter remaining amounts would be applied against other outstanding contributions or refunded at the discretion of the Member State. The General Assembly may wish to encourage Member States to instruct the Secretary-General to apply available credits bearing in mind the situation of the closed missions with cash deficits. Furthermore, the Assembly may wish to consider establishing a time period for the transmission of instructions to the Secretary-General for the disposition of those credits, after which the Secretary-General would be authorized to first apply them against outstanding contributions for closed missions with a cash deficit and thereafter against other peacekeeping operations.

#### **IV. Conclusions, recommendations and actions to be taken by the General Assembly**

15. **Given the recent decline in cross-borrowing, it is the intention of the Secretary-General to return \$180,745,000 of the cash balances of closed peacekeeping missions available for credit to Member States as at 30 June 2010, subject to a decision of the General Assembly in the context of its consideration of the present report. The Secretary-General also intends to return the amount of \$70,600, reflecting two thirds of the adjusted net credits available in the account of UNIKOM, to the Government of Kuwait, subject to a decision of the Assembly.**

16. **The General Assembly may wish to encourage Member States to instruct the Secretary-General to apply available credits against outstanding contributions bearing in mind the situation of the closed missions with cash deficits. Furthermore, the Assembly may also wish to consider establishing a time period for the transmission of instructions to the Secretary-General for the disposition of those credits, after which the Secretary-General would be**

authorized to apply them bearing in mind the aforementioned situation of the closed missions with cash deficits.

17. In order to eliminate the need to borrow from the accounts of closed peacekeeping missions in future, the General Assembly may wish to consider expanding the terms and increasing the level of the Peacekeeping Reserve Fund to cover the operational requirements of ongoing missions.

18. The actions to be taken by the General Assembly are:

- (a) To take note of the present report;
- (b) To approve the retention of the cash balance of \$50 million available in four closed peacekeeping missions in the light of the experience regarding cash requirements of the Organization during the 2009/10 and 2010/11 financial periods.

## Annex I

# **Unpaid assessments, accounts payable to Member States and other liabilities of closed peacekeeping missions as at 30 June 2010**

(Thousands of United States dollars)

<i>Mission</i>	<i>Unpaid assessments</i>	<i>Accounts payable to Member States<sup>a</sup></i>	<i>Other liabilities</i>
MINUGUA Military Observer Group	145	—	125
MINURCA	35 546	7 480	16 369
ONUB	884	36 952	5 707
ONUCA/ONUSAL	317	2 677	—
ONUMOZ	16 713	31	—
UNAMSIL/UNOMSIL	790	47 337	122
UNAVEM/MONUA	34 913	1	—
UNHMOG	16	—	—
UNIKOM	526	1 647	19
UNMIBH	34 049	—	—
UNMIH	24	13 904	—
UNMLT	—	107	—
UNMOT	2	894	—
UNOMIL	8	883	1
UNOMUR/UNAMIR	1 339	—	—
UNOSOM	57 846	15 560	—
UNPF	142 219	3 434	—
UNPREDEP	1 240	2 588	—
UNSMIH/UNTMH/MIPONUH	19 395	114	7 366
UNTAC	40 484	40 097	—
UNTAES/Civilian Police Support Group	8 742	—	—
UNTAET/UNMISSET	28 875	808	26
UNTAG	20	12 029	—
<b>Total</b>	<b>424 093</b>	<b>186 543</b>	<b>29 735</b>

<sup>a</sup> Inclusive of amounts owed to troop-contributing countries for contingent-owned equipment, as well as credits to Member States from unencumbered balances pending instructions on their disposition.



## Annex II

### Amounts relating to closed peacekeeping missions to be returned to Member States and balances proposed to be retained

(Thousands of United States dollars)

<i>Mission</i>	<i>Available cash balance as at 30 June 2010</i>	<i>Amounts to be returned to Member States</i>	<i>Balance</i>
ONUB	415	(415)	—
ONUCA/ONUSAL	3,958	(3,958)	—
ONUMOZ	897	(897)	—
UNAMSIL/UNOMSIL	7,582	(7,582)	—
UNAVEM/MONUA	25,144	(16,510)	8,634
UNIIMOG	5,201	(5,201)	—
UNIKOM	2,601	(2,601)	—
UNMIBH	16,359	(16,359)	—
UNMIH	25,778	(16,926)	8,852
UNMLT	172	(172)	—
UNMOT	3,219	(3,219)	—
UNOMIL	5,185	(5,185)	—
UNOMUR/UNAMIR	27,092	(17,789)	9,303
UNPF	67,597	(44,386)	23,211
UNPREDEP	11,421	(11,421)	—
UNTAES/Civilian Police Support Group	15,204	(15,204)	—
UNTAET/UNMISSET	6,879	(6,879)	—
UNTAG	6,041	(6,041)	—
<b>Total</b>	<b>230,745</b>	<b>(180,745)</b>	<b>50,000</b>