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Financing of the United Nations Observer Mission in Georgia

Performance report on the budget of the United Nations Observer Mission in Georgia for the period from 1 July 2009 to 30 June 2010

Report of the Secretary-General

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Summary

The present report contains the performance report on the budget of the United Nations Observer Mission in Georgia (UNOMIG) for the period from 1 July 2009 to 30 June 2010.

The total expenditure for UNOMIG for that period has been linked to the Mission's objective through a results-based support component framework.

Performance of financial resources

(Thousands of United States dollars. Budget year is from 1 July 2009 to 30 June 2010.)

Category	Apportionment	Expenditure	Variance	
			Amount	Percentage
Military and police personnel	456.3	415.9	40.4	8.9
Civilian personnel	7 803.3	8 431.9	(628.6)	(8.1)
Operational costs	2 686.4	1 433.0	1 253.4	46.7
Gross requirements	10 946.0	10 280.8	665.2	6.1
Staff assessment income	933.5	1 091.1	(157.6)	(16.9)
Net requirements	10 012.5	9 189.7	822.8	8.2
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	10 946.0	10 280.8	665.2	6.1

Human resources incumbency performance

Category	Approved ^a	Planned (average) ^b	Actual (average) ^b	Vacancy rate (percentage) ^c
Military observers	103	28	3	89.3
United Nations police	13	3	0	100.0
International staff	98	73	61	16.4
National staff	202	96	92	4.2
Temporary positions ^d				
National staff	1	1	1	—

^a Represents the highest level of authorized strength.

^b Represents a four-month average (July to October 2009).

^c Based on average actual incumbency and average planned incumbency.

^d Funded under general temporary assistance.

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

I. Introduction

1. The initial budget for the maintenance of the United Nations Observer Mission in Georgia (UNOMIG) for the period from 1 July 2009 to 30 June 2010 was set out in the report of the Secretary-General of 15 January 2009 (A/63/684) and amounted to \$38,838,500 gross (\$36,295,700 net). The Advisory Committee on Administrative and Budgetary Questions, in paragraph 18 of its report dated 14 May 2009 (A/63/746/Add.6), recommended a maintenance budget for the Mission based on the appropriation of \$34,484,200, pending a decision of the Security Council on whether to extend the mandate of the Mission and subsequently the submission by the Secretary-General of a revised budget for the Mission for the period 2009/10.

2. By its resolution 1866 (2009), the Security Council decided to extend the mandate of UNOMIG until 15 June 2009.

3. The General Assembly, in its resolution 63/293, decided to appropriate the amount of \$15 million for the administrative liquidation of the Mission for the period from 1 July to 31 December 2009 and to apportion among Member States the amount of \$10 million for the period from 1 July to 31 December 2009. In the same resolution, the Assembly requested the Secretary-General to submit the administrative liquidation budget for the Mission for consideration by the Assembly at the main part of its sixty-fourth session.

4. A revised budget for UNOMIG for the period from 1 July 2009 to 30 June 2010 was submitted to the General Assembly in a report of the Secretary-General on the financing of UNOMIG (A/64/464). The revised budget amounted to \$10,946,000 gross (\$10,012,500 net), which represented a decrease of \$4,054,000 gross (\$3,929,600 net) of the financial resources appropriated by the Assembly in its resolution 63/293. The revised budget provided the financial resources for the administrative liquidation of the Mission during a four-month period from 1 July to 31 October 2009.

5. Subsequently, the Advisory Committee on Administrative and Budgetary Questions, in paragraph 21 of its report (A/64/529), recommended that the General Assembly appropriate \$10,946,000 gross for the period from 1 July 2009 to 30 June 2010.

6. The General Assembly, by its resolution 64/234, decided to reduce the appropriation of \$15 million under the terms of its resolution 63/293 by the amount of \$4,054,000, to \$10,946,000 for the period from 1 July to 31 October 2009. In the same resolution, the Assembly also decided to apportion an additional amount of \$946,000 taking into account the amount of \$10 million already apportioned by the Assembly under the terms of resolution 63/293. Subsequently, the total amount of \$10,946,000 was assessed on Member States for the period from 1 July to 31 October 2009.

II. Mandate performance

A. Overall

7. The mandate of UNOMIG was established by the Security Council in its resolution 858 (1993), expanded in its resolution 937 (1994) and extended until 15 June 2009 in its resolution 1866 (2009).

8. Because the mandate of the Mission was not extended beyond 15 June 2009, the liquidation activities commenced for a four-month period on 1 July 2009 and were completed on 31 October 2009.

9. The Mission has, during the reporting period, completed the effective and efficient administrative liquidation activities by delivering related key outputs, shown in the support component framework below.

10. The present report assesses actual performance against the planned results-based-budgeting framework set out in the 2009/10 revised budget (A/64/464).

B. Budget implementation

11. During the 2009/10 reporting period, the Mission implemented support activities until the liquidation period ended on 31 October 2009.

12. The total expenditure for the financial period from 1 July 2009 to 30 June 2010 amounted to \$10,280,800 gross, which is \$665,200 less than the \$10,946,000 that had been appropriated.

13. The separation of all military and civilian personnel took place during the liquidation period: 13 United Nations police officers and 97 military observers were repatriated in July 2009; six military observers, who were part of the medical team, were repatriated in August and September 2009; 98 international staff were gradually separated between July and October 2009, including 15 staff members who were repatriated and 83 staff members from both the substantive and support components who were reassigned to other missions; and 203 national staff members (including 1 in a temporary position) were gradually separated during the liquidation period.

14. In accordance with the staff rules and regulations, termination indemnity, compensation in lieu of notice, annual leave balances and other separation costs were disbursed to international and national staff. Fifteen international staff members were repatriated and received repatriation grants and other separation payments. A total of 202 national staff members were separated and paid termination indemnity; and 131 national staff members were paid compensation in lieu of notice.

15. The office premises and sites previously occupied by the Mission in Tbilisi, Sukhumi, Gali and Zugdidi were vacated during the reporting period, cleaned in an environmentally friendly manner and restored to their original condition where required by the owners of the premises. In addition, certificates indemnifying UNOMIG from any liability were obtained from owners. Hazardous and non-hazardous waste generated by the Mission was collected and disposed of in an environmentally friendly manner and in keeping with local laws.

16. The AN-24 fixed-wing aircraft and the MI-8 helicopter were disposed of in August and July 2009, respectively. Uninterrupted voice and data links were provided until 31 October 2009.

17. The medical team provided medical services until 30 September 2009 and a medical officer on temporary assignment from the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) covered for the month of October.

18. Equipment and other property were disposed of in accordance with the liquidation manual and regulation 5.14 of the Financial Regulations and Rules of the United Nations. The disposal of assets was carried out by 31 October 2009. Some assets were transferred to other United Nations peacekeeping missions, including the United Nations Interim Force in Lebanon and MONUC, or placed in reserve at the United Nations Logistics Base (UNLB) at Brindisi, Italy. Some assets were transferred to other United Nations activities funded from assessed contributions, including the United Nations Assistance Mission in Afghanistan and the United Nations Peacebuilding Support Office in the Central African Republic. Furthermore, some assets not required by current and future United Nations activities funded from assessed contributions were transferred to the Office of the United Nations High Commissioner for Refugees (UNHCR) in Georgia on behalf of the United Nations country team. Finally, assets not required for current or future United Nations missions or agencies were subject to commercial disposal and sold in Georgia.

19. The budget provided for expenditures related to the shipment of equipment to UNLB for storage and future use. However, freight charges for assets transferred to other missions were covered by the receiving missions, resulting in lower requirements than expected during the budget formulation process.

C. Mission support initiatives

20. The Mission's administrative liquidation team was headed by the Chief of Mission Support and comprised administrative, technical and logistic support personnel who contributed to the orderly closure of the Mission. The liquidation tasks included closing down the Mission's premises and logistics base, processing vendor invoices, terminating remaining contracts, closing bank accounts and processing final payments. The office facilities were vacated faster than anticipated and all Mission personnel were relocated to an office in Zugdidi. The costs related to restoring offices were also lower than anticipated, as the Mission negotiated and reached an agreement on the transfer of facilities to UNHCR in Georgia. The accelerated draw-down of premises reduced the financial requirements for facility maintenance services and utilities. In addition, the Mission sold a significant number of assets, further reducing refurbishment costs.

D. Regional mission cooperation

21. The Regional Aviation Safety Office at UNLB continued to provide aviation oversight safety for UNOMIG during the reporting period.

E. Results-based-budgeting frameworks

Support component

22. During the reporting period, the Mission's support component provided logistical, administrative and security services to accomplish the effective and efficient administrative liquidation of the Mission by 31 October 2009. Support was provided for the repatriation of 97 military observers and 13 United Nations police officers by July 2009, and the repatriation of 6 military observers, who were members of the medical team, by 30 September 2009. The orderly separation of all substantive civilian staff, including by reassignment to other missions, was completed by August 2009 and the gradual, phased repatriation and reassignment of support staff was completed by 31 October 2009. The support component successfully provided all necessary services, including health-care arrangements, information technology and communications services, air and surface transport operations, supply operations, security services Mission-wide and the maintenance of office and accommodation facilities and their handover, with due regard given to environmental considerations, to the appropriate authorities, including private owners. The information presented in the support component framework below indicates, where applicable, the equipment that was in operation as at 1 July 2009. The Mission completed the disposal of its assets in accordance with financial regulation 5.14.

Expected accomplishment 1.1: Effective and efficient completion of the administrative liquidation of the Mission

<i>Planned indicators of achievement</i>	<i>Actual indicators of achievement</i>
Issuance of handover/takeover certificates by property owners indemnifying UNOMIG from environmental and other liabilities in all 4 locations	Achieved. 10 certificates were obtained from landlords and owners for the 4 locations occupied by UNOMIG. The certificates obtained indemnify UNOMIG from any liability for environmental degradation resulting from activities carried out while the premises were occupied by UNOMIG

<i>Planned outputs</i>	<i>Completed (number or yes/no)</i>	<i>Remarks</i>
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Service improvements

Clean-up of the Mission area, including collection and disposal of hazardous and non-hazardous waste generated by the Mission, in an environmentally friendly manner and restoration of all sites, where appropriate, to their original condition	Yes	All locations vacated by UNOMIG were cleaned up and restored to their original condition. Waste was collected and storage receptacles for hazardous waste were disposed of in an environmentally friendly manner
Implementation of environmental protection measures at all locations vacated by the Mission	Yes	All locations vacated by UNOMIG were cleaned up in an environmentally friendly manner

Military, police and civilian personnel

Repatriation of 103 military observers and 13 United Nations police officers	Yes	97 military observers and 13 United Nations police officers were repatriated in July 2009 The remaining 6 military observers, who provided medical services, were repatriated in August and September 2009
Administration of 301 civilian staff, comprising 98 international staff and 203 national staff (including 1 temporary position)	Yes	301 civilian staff, comprising 98 international staff and 203 national staff (including 1 temporary position), were administered during the reporting period
Repatriation of 98 international staff and separation of 203 national staff	98	80 international staff members were reassigned to other peacekeeping missions, 3 were transferred to the follow-up operation in Georgia and 15 were repatriated
	203	202 national staff and 1 national staff funded from general temporary assistance were separated

Facilities and infrastructure

Maintenance and restoration of Mission premises to their original condition and handover of the premises (including the headquarters in Sukhumi, the 2 sector headquarters in Gali and Zugdidi, the logistics base in Zugdidi and the liaison office in Tbilisi) in accordance with the liquidation schedule	Yes	The liaison office in Tbilisi was vacated on 30 August 2009. The headquarters in Sukhumi and Gali were vacated on 30 September 2009. The sector headquarters in Zugdidi was vacated on 31 October 2009. The premises in Sukhumi were handed over to UNHCR in Georgia and were not restored to their original condition, as per agreement
Sanitation, water supply and electricity services, including sewage and garbage collection and disposal, for all premises	Yes	Achieved
Storage and supply of 75,000 litres of petrol, oil and lubricants for generators	No	The petrol, oil and lubricants were not acquired owing to the utilization of reserve and emergency stock
Maintenance and disposal of 6 fuel storage facilities for generators and vehicles in 6 locations as per the liquidation schedule	Yes	Achieved

Ground transportation

Operation, maintenance and disposal of 238 United Nations-owned vehicles, including 39 armoured vehicles and 2 contingent-owned vehicles in 3 locations	Yes	All vehicles were in operation and maintained during the liquidation period, and were gradually disposed of by transfer to other peacekeeping missions or sold in accordance with the Financial Regulations and Rules of the United Nations
Supply of 30,000 litres of petrol, oil and lubricants for grounds transportation	9,416	9,416 litres of diesel were supplied. Reserve and emergency stocks of fuel were used during the liquidation process

Air transportation

Operation, maintenance and disposal of 1 AN-24 fixed-wing and 1 MI-8 rotary-wing aircraft. The MI-8 rotary-wing aircraft will cease to operate on 31 July 2009 and the AN-24 fixed-wing aircraft will cease to operate on 10 August 2009	Yes	Achieved. The MI-8 rotary-wing aircraft was disposed of on 31 July 2009 and the AN-24 fixed-wing aircraft was disposed of on 10 August 2009
Supply of 72,524 litres of petrol, oil and lubricants for air operations	87,118	87,118 litres of aviation fuel were supplied. The higher-than-expected actual number is due to the underestimation of the planned number

Communications

Support, maintenance and disposal of a satellite network consisting of 1 Earth-station hub for voice, fax, video and data communications	1	1 Earth-station hub for voice, fax, video and data communications was supported, maintained and finally disposed of by 15 October 2009
Support, maintenance and disposal of 5 very small aperture terminal systems, 11 telephone exchanges and 32 microwave links	5 11 32	5 very small aperture terminal systems, 11 telephone exchanges and 32 microwave links were supported, maintained and subsequently disposed of by 31 October 2009
Support, maintenance and disposal of 33 high frequency repeaters and transceivers and 778 very-high frequency repeaters and transceivers	33 778	33 high frequency repeaters and transceivers and 778 very-high frequency repeaters and transceivers were supported, maintained and subsequently disposed of by 31 October 2009

Information technology

Support, maintenance and disposal of 54 servers, 418 desktop computers, 127 laptop computers, 81 printers and 30 digital senders in 5 locations	54 418 127 81 30	54 servers, 418 desktop computers, 127 laptop computers, 81 printers and 30 digital senders were supported, maintained and subsequently disposed of by 31 October 2009
Support, maintenance and disposal of 16 local area networks and wide area networks for 450 users in 10 locations, including staff of the Mission and other United Nations agencies	16	16 local area networks and wide area networks were supported, maintained and subsequently disposed of by 31 October 2009
Support, maintenance and disposal of the wireless network	Yes	The wireless network was supported, maintained and subsequently disposed of by 31 October 2009

Medical

Operation and maintenance of 2 level I clinics, one at Sukhumi headquarters and one at the Gali and Zugdidi sector headquarters, for Mission personnel, staff of other United Nations agencies and the local civilian population in emergency cases until the end of September 2009	Yes	Achieved
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Security

Provision of security services 24 hours a day, 7 days a week at all premises throughout the Mission area	Yes	Achieved
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Provision of close protection services for senior Mission staff and visiting high-level officials 24 hours a day, 7 days a week	Yes	Achieved
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Operation, maintenance and disposal of closed-circuit television systems in Sukhumi, Zugdidi and Gali	Yes	Achieved
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Liquidation

Disposal of approximately 4,217 assets with an inventory value of approximately \$22.5 million through transfer to UNLB and to other peacekeeping and peacebuilding missions, as well as through the sale and destruction of unusable items	Yes	4,260 non-expendable assets valued at \$22.7 million were disposed of in accordance with financial regulation 5.14. Some assets were shipped to other peacekeeping missions or UNLB for storage and future use. A number of assets were shipped to other peacebuilding missions or transferred to UNHCR in Georgia. The remaining assets were subject to commercial disposal and sold in Georgia. The final report on the disposal of assets will be submitted to the General Assembly at its sixty-sixth session
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Reconciliation, verification and closing of 5 bank accounts	4	4 Mission bank accounts were closed. A fifth account remains open to settle outstanding payables and receivables
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Settlement of vendor and supplier invoices and closure of 37 contracts	Yes	Contracts had been closed and vendor invoices had been settled as at 31 October 2009. Outstanding invoices will be paid from United Nations Headquarters
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III. Resource performance

A. Financial resources

(Thousands of United States dollars. Budget year is from 1 July 2009 to 30 June 2010.)

Category	Apportionment	Expenditure	Variance	
			Amount	Percentage
	(1)	(2)	(3) = (1) - (2)	(4) = (3) ÷ (1)
Military and police personnel				
Military observers	371.2	333.1	38.1	10.3
Military contingents	42.0	41.6	0.4	1.0
United Nations police	43.1	41.2	1.9	4.4
Formed police units	—	—	—	—
Subtotal	456.3	415.9	40.4	8.9
Civilian personnel				
International staff	4 504.6	4 948.9	(444.3)	(9.9)
National staff	2 971.5	3 246.6	(275.1)	(9.3)
United Nations Volunteers	—	—	—	—
General temporary assistance	327.2	236.4	90.8	27.8
Subtotal	7 803.3	8 431.9	(628.6)	(8.1)
Operational costs				
Government-provided personnel	—	—	—	—
Civilian electoral observers	—	—	—	—
Consultants	—	—	—	—
Official travel	339.2	265.3	73.9	21.8
Facilities and infrastructure	839.8	308.9	530.9	63.2
Ground transportation	73.6	44.8	28.8	39.1
Air transportation	211.5	248.0	(36.5)	(17.3)
Naval transportation	—	—	—	—
Communications	248.5	247.5	1.0	0.4
Information technology	44.8	89.9	(45.1)	(100.7)
Medical	11.0	7.6	3.4	30.9
Special equipment	—	—	—	—
Other supplies, services and equipment	918.0	221.0	697.0	75.9
Quick-impact projects	—	—	—	—
Subtotal	2 686.4	1 433.0	1 253.4	46.7
Gross requirements	10 946.0	10 280.8	665.2	6.1
Staff assessment income	933.5	1 091.1	(157.6)	(16.9)
Net requirements	10 012.5	9 189.7	822.8	8.2
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	10 946.0	10 280.8	665.2	6.1

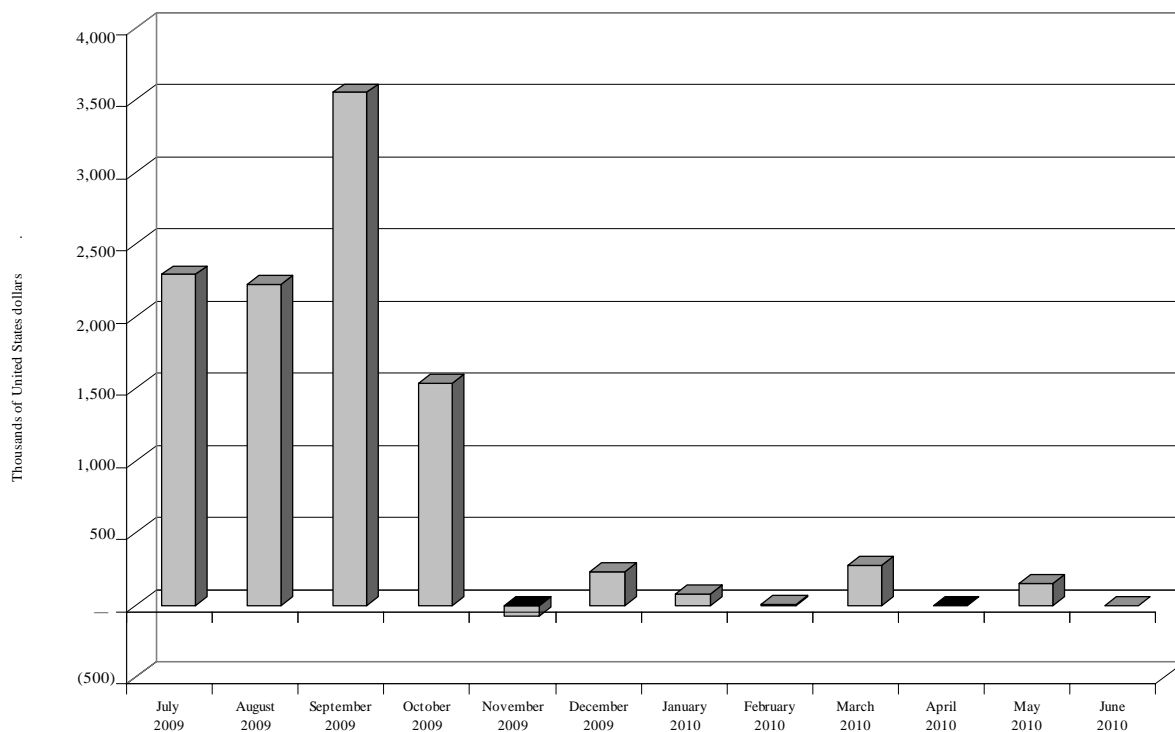
B. Summary information on redeployments across groups

(Thousands of United States dollars)

Group	Appropriation		
	Original distribution	Redeployment	Revised distribution
I. Military and police personnel	456.3	—	456.3
II. Civilian personnel	7 803.3	856.0	8 659.3
III. Operational costs	2 686.4	(856.0)	1 830.4
Total	10 946.0	—	10 946.0
Percentage of redeployment to total appropriation			7.8

23. The redeployment of funds from operational costs (group III) to civilian personnel (group II) was necessary to cover the separation costs for international and national staff, including termination indemnity, payment in lieu of notice and computation of annual leave balance. The funds were redeployed from operational costs primarily because of the lower-than-expected cost of restoring the Mission headquarters in Sukhumi owing to the transfer of those premises to UNHCR in Georgia. In addition, a lower level of resources was required for freight, as equipment was shipped at the expense of the receiving missions and UNLB.

C. Monthly expenditure pattern



24. The monthly expenditure pattern reflects the major liquidation activities during the four-month period from 1 July to 31 October 2009. The spike in September 2009 was related to the payment of termination indemnity, in lieu of notice compensation and annual leave balances as part of the separation of national staff. The financial activity recorded after 31 October 2009 resulted from vendor invoices received after October, including invoices for expenditures related to air operations.

D. Other income and adjustments

(Thousands of United States dollars)

<i>Category</i>	<i>Amount</i>
Interest income	68.9
Other/miscellaneous income	488.3
Prior-period adjustments	(0.5)
Cancellation of prior-period obligations	584.9
Total	1 141.6

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

(Thousands of United States dollars)

Category	Expenditure		
Major equipment			
Military contingents	18.1		
Subtotal	18.1		
Self-sustainment			
Medical	0.2		
Subtotal	0.2		
Total	18.3		
Mission factors	Percentage	Effective date	Last review date
A. Applicable to Mission area			
Extreme environmental condition factor	0.7	1 July 1996	—
Intensified operational condition factor	0.8	1 July 1996	—
Hostile action/forced abandonment factor	1.0	1 July 1996	—
B. Applicable to home country			
Incremental transportation factor	0.5	1 January 2000	—

IV. Analysis of variances¹

	<i>Variance</i>	
Military observers	\$38.1	10.3%

25. The reduced requirements were attributable primarily to the lower-than-expected travel cost of repatriating 103 military observers, which included the purchase of commercial airline tickets and the shipment of personal effects and which amounted on average to \$1,546 per military observer. The budgeted estimate was of \$1,918 per military observer.

	<i>Variance</i>	
International staff	(\$444.3)	(9.9%)

26. The increased requirements were attributable mainly to the higher-than-anticipated actual expenditure for termination indemnities, lump-sum payments for annual leave balances, repatriation grants and other separation costs owed to the repatriated international staff.

	<i>Variance</i>	
National staff	(\$275.1)	(9.3%)

27. The increased requirements were attributable mainly to the payment of annual leave balances to national staff, an expense that had not been provided for in the budget.

	<i>Variance</i>	
General temporary assistance	\$90.8	27.8%

28. The reduced requirements were attributable primarily to fewer national personnel engaged in the months of September and October to assist with liquidation activities such as the restoration of the Sukhumi premises, which were transferred to UNHCR in Georgia.

	<i>Variance</i>	
Official travel	\$73.9	21.8%

29. The reduced requirements were attributable to the fact that less travel was undertaken during the liquidation period than had been estimated and provided for in the budget.

	<i>Variance</i>	
Facilities and infrastructure	\$530.9	63.2%

30. The reduced requirements were attributable primarily to the lower-than-expected cost of dismantling and restoring the facilities in Sukhumi, which were taken over by UNHCR in Georgia. In addition, less generator fuel was needed as

¹ Resource variance amounts are expressed in thousands of United States dollars. Analysis is provided for variances of at least plus or minus 5 per cent or \$100,000.

reserve and emergency stock was utilized, and the accelerated handover of facilities resulted in lower requirements for maintenance services and utilities.

	<i>Variance</i>	
Ground transportation	\$28.8	39.1%

31. The reduced requirements were attributable mainly to the availability of United Nations vehicles throughout the liquidation period, which decreased the need to rent vehicles.

	<i>Variance</i>	
Air transportation	(\$36.5)	(17.3%)

32. The increased requirements were attributable primarily to an underestimation of guaranteed fleet costs and flight hours in relation to the rental and operation of the MI-8 helicopter.

	<i>Variance</i>	
Information technology	(\$45.1)	(100.7%)

33. The increased requirements were attributable to the cost of centralized information technology services such as application development projects, some of which were extended beyond 31 October 2009 to 31 December 2009, and to the fact that the centralized mission data was supported beyond 31 October 2009 for liquidation purposes in conjunction with post-mission support.

	<i>Variance</i>	
Medical	\$3.4	30.9%

34. The reduced requirements were attributable to the earlier-than-anticipated closure of the Mission's level I hospital. The hospital was expected to close on 31 October 2009 but actually closed on 13 September, although it provided emergency coverage until 20 September. A contract was signed with a local health facility in Zugdidi to provide emergency medical care until the Mission was liquidated on 31 October 2009.

	<i>Variance</i>	
Other supplies, services and equipment	\$697.0	75.9%

35. The reduced requirements were related primarily to lower freight costs for shipping equipment. In the budget estimate it was anticipated that most of the equipment would be shipped to UNLB for storage; however, the majority of the assets were transferred to other United Nations missions, at those missions' expense.

V. Financial position of the United Nations Observer Mission in Georgia as at 30 June 2010

36. As shown in the table below, \$3,727,100 in cash was available in the special account of UNOMIG as at 30 June 2010 and \$1,240,700 in cash was required to cover total liabilities recorded at the same date in the Mission's accounts. Credit due to Member States for the 2009/10 financial period amounted to \$1,806,800, including the unencumbered balance of \$665,200 and other income of \$1,141,600.

37. Accordingly, there was a cash surplus of \$679,600 in the Mission's accounts as at 30 June 2010.

Summary of financial position as at 30 June 2010

(Thousands of United States dollars)

<i>Description</i>	<i>Amount</i>
I. Cash assets	3 727.1
II. Cash requirements (liabilities):	
Contributions or payments received in advance	1 081.3
Unliquidated obligations	33.9
Other accounts payable	125.5
Subtotal	1 240.7
III. Net available cash (I) - (II)	2 486.4
IV. Credit due to Member States from the 2009/10 period:	
a. Unencumbered balance	665.2
b. Other income:	
Interest income	68.9
Other/miscellaneous income	488.3
Prior-period adjustments	(0.5)
Cancellation of prior-period obligations	584.9
Subtotal, other income	1 141.6
Total, credits due to Member States from the 2009/10 period (a) + (b)	1 806.8
V. Cash surplus (III) - (IV)	679.6

VI. Actions to be taken by the General Assembly

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

(a) To decide on the treatment of the unencumbered balance of \$665,200 with respect to the period from 1 July 2009 to 30 June 2010;

(b) To decide on the treatment of other income for the period ended 30 June 2010 amounting to \$1,141,600 from interest income (\$68,900), other/miscellaneous income (\$488,300) and cancellation of prior-period obligations (\$584,900), offset by prior-period adjustments (\$500).

VII. Summary of follow-up action taken to implement the requests and recommendations of the Advisory Committee on Administrative and Budgetary Questions endorsed by the General Assembly and of the United Nations Board of Auditors

A. Advisory Committee on Administrative and Budgetary Questions

(A/64/529)

<i>Request</i>	<i>Response</i>
The Advisory Committee on Administrative and Budgetary Questions points out that, while each field mission operates under its own unique circumstances, there are similarities among missions. The Committee trusts that the experience gained in the operation of UNOMIG, including the liquidation exercise, will be recorded and appropriately evaluated to serve as a valuable lessons learned guideline for other field missions (para. 19).	UNOMIG filed weekly liquidation reports that serve as a reference for future liquidation exercises at other field missions.

B. Board of Auditors

(A/64/5 (Vol. II))

<i>Recommendation</i>	<i>Implementation</i>
<i>Physical verification and discrepancies</i>	
At UNOMIG, transferred assets were recorded at incorrect locations in the database. Some assets of the Communications and Information Technology Section were issued to end-users but were still recorded as stock in the database (para. 161).	The Department of Field Support worked with the Mission to assist with the final disposal of assets. One of the requirements was that the inventory management database (Galileo) be properly updated in order to issue a report on the final disposal of assets. As part of the liquidation process, all assets were returned to stock and the asset database was updated. After 31 October, when UNOMIG was closed, UNLB assisted with the final updates.
The Administration agreed with the Board's reiterated recommendation that all missions promptly investigate the discrepancies relating to non-expendable property and take appropriate measures to ensure that their asset records are accurate and reliable (para. 162).	

Assets pending write-off and disposal

At 15 active missions under review, of the 359,009 non-expendable property items reflected in the database, 34,074 items (39,333 items in 2007/08), with a value of \$121.29 million (\$110.77 million in 2007/08), were pending write-off and/or disposal, accounting for 7 per cent of the total value of non-expendable property. The Board noted that at the United Nations Interim Administration Mission in Kosovo, the United Nations Mission for the Referendum in Western Sahara, UNOMIG and UNLB, more than 10 per cent of non-expendable property items were pending write-off and disposal as at 30 June 2009, while at the United Nations Mission in Liberia and the United Nations Organization Mission in the Democratic Republic of the Congo nearly 10 per cent were, as shown in table II.10 (para. 164).

The Board reiterates its previous recommendation that the Administration strengthen its monitoring on the write-off and disposal of non-expendable property at missions to ensure that appropriate measures are taken to expedite all pending write-offs and disposals (para. 169).

Stock ratios and surplus

The data from the database indicated an average stock ratio of 26 per cent at the missions as at 24 September 2009. In addition, 1,121 vehicles were kept in stock at 15 missions, whereas none should have been kept. The Board noted that the stock ratios of non-expendable property at the African Union-United Nations Hybrid Operation in Darfur, the United Nations Mission in the Central African Republic and Chad and UNOMIG were 55 per cent, 50 per cent and 34 per cent, respectively, which were much higher than those determined by the Department of Field Support. The detailed average stock ratios at the missions are shown in annex XII (para. 173).

The Administration agreed with the Board's recommendation to (a) review the non-expendable property at all active missions in order to ascertain the realistic quantities that should be held, (b) identify and declare surplus assets in the system and (c) take appropriate measures to transfer all surplus assets to missions in need of them, to UNLB, or to dispose of them as appropriate (para. 180).

The Department of Field Support worked with the Mission to assist with the final disposal of assets. Given that the Mission was going to be liquidated, additional guidance and support was provided to UNOMIG through weekly consultations between the Department of Field Support and UNOMIG. In addition, guidance visits were conducted to provide on-site support and advice. A cross-divisional working group was set up at Headquarters to assist the Mission in resolving issues.

UNOMIG assets were disposed of in accordance with financial regulation 5.14. Accordingly, surplus assets in good condition were transferred to other missions or the United Nations Logistics Base at Brindisi, Italy, as reserve stock.