



# General Assembly

Distr.: General  
22 April 2019

Original: English

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## Seventy-third session

Agenda item 159

### Financing of the United Nations Interim Administration

#### Mission in Kosovo

## Budget performance for the period from 1 July 2017 to 30 June 2018 and proposed budget for the period from 1 July 2019 to 30 June 2020 of the United Nations Interim Administration Mission in Kosovo

### Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2017/18	\$37,898,200
Expenditure for 2017/18	\$36,645,800
Unencumbered balance for 2017/18	\$1,252,400
Appropriation for 2018/19	\$37,192,700
Projected expenditure for 2018/19 <sup>a</sup>	\$36,121,200
Projected underexpenditure for 2018/19	\$1,071,500
Proposal submitted by the Secretary-General for 2019/20	\$37,246,700
Adjustment recommended by the Advisory Committee for 2019/20	\$0
Recommendation of the Advisory Committee for 2019/20	\$37,246,700

<sup>a</sup> Estimates as at 28 February 2019.



## I. Introduction

1. During its consideration of the financing of the United Nations Interim Administration Mission in Kosovo (UNMIK), the Advisory Committee on Administrative and Budgetary Questions met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 27 March 2019. The documents reviewed and those used for background information by the Advisory Committee are listed at the end of the present report. The comments and recommendations of the Committee on cross-cutting issues related to peacekeeping operations, including those pertaining to the findings and recommendations of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2017 to 30 June 2018, can be found in its related report ([A/73/755](#)). The main observations and recommendations of the Board pertaining specifically to UNMIK are discussed in paragraph 6 below.

## II. Budget performance report for the period from 1 July 2017 to 30 June 2018

2. By its resolution [71/303](#), the General Assembly appropriated an amount of \$37,898,200 gross (\$34,338,800 net) for the maintenance of UNMIK for the period from 1 July 2017 to 30 June 2018. Expenditures for the period totalled \$36,645,800 gross (\$32,974,000 net), reflecting a budget implementation rate of 96.7 per cent. The resulting unencumbered balance of \$1,252,400, in gross terms, represents 3.3 per cent of the appropriation, reflecting the combined effect of lower than budgeted expenditures under: (a) military and police personnel (\$112,000, or 16.1 per cent); (b) civilian personnel (\$450,000, or 1.6 per cent); and (c) operational costs (\$690,400, or 7.7 per cent). A detailed analysis of variances is provided in section IV of the report of the Secretary-General on the budget performance of the Mission for the period from 1 July 2017 to 30 June 2018 ([A/73/613](#)).

3. In the budget performance report, it is indicated that, during the 2017/18 period, redeployments across groups of expenditures were not required. The comments of the Advisory Committee on the information presented in the performance report on individual objects of expenditure may be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2019 to 30 June 2020 ([A/73/733](#)) in section IV below.

4. In the report, it is indicated that in terms of mission support initiatives, the Mission undertook a review of its supply chain to align and integrate its people, processes, practices and performance and implemented four related process improvement projects ([A/73/613](#), paras. 28–29).

5. In the report, it is also indicated that the Mission continued to implement actions to mitigate the environmental impact of its operations, with the installation of solar panel systems at the Mitrovica Regional Office and the remaining testing and commissioning activities for the solar panel systems completed by 31 July 2018. The Mission also installed water meters for groundwater wells, made further progress in the area of waste management and continued its collection, recycling and planting initiatives (*ibid.*, para. 27).

6. In considering the reports of the Secretary-General on the financing of UNMIK, the Advisory Committee also had before it the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2018 ([A/73/5 \(Vol. II\)](#)). In its report, the Board made observations and recommendations pertaining to the Mission regarding partially satisfactory

performance evaluations in the matter of a contract extension (ibid, chap. II, para. 353). The Board continued to note the chronic cash-strapped status of UNMIK, pointing out that the Mission had had to borrow from closed peacekeeping missions during the 2017/18 budget period and that the amount owing as at 30 June 2018 stood at \$24.1 million (ibid., chap. IV.D, para. 35; see also para. 10 below). **The Advisory Committee trusts that the mission-specific recommendations of the Board of Auditors accepted by the Secretary-General will be implemented expeditiously.**

### III. Information on performance for the current period

7. With respect to current and projected expenditures for the period from 1 July 2018 to 30 June 2019, the Advisory Committee was informed that, as at 28 February 2019, expenditures were projected at \$25,598,500. At the end of the current financial period, the estimated total expenditures would amount to \$36,121,200, leaving a projected unencumbered balance of \$1,071,500, or 2.9 per cent of the approved budget.

8. The Advisory Committee was provided with the following information on the incumbency of 373 military and civilian personnel as at 28 February 2019:

<i>Category</i>	<i>Approved 2018/19<sup>a</sup></i>	<i>Encumbered</i>	<i>Vacancy rate (percentage)</i>
<b>Military and police personnel</b>			
Military observers	8	8	–
United Nations police	10	9	10.0
<b>Civilian personnel</b>			
<b>Posts</b>			
International staff	112	91	18.8
National Professional Officers	33	32	3.0
National General Service staff	186	185	0.5
United Nations Volunteers	24	19	20.8

<sup>a</sup> Represents the highest approved strength for the period.

9. The Advisory Committee was informed that, as at 4 March 2019, a total of \$3,455,752,000 had been assessed on Member States in respect of the Mission since its inception. Payments received as at the same date amounted to \$3,414,735,000, leaving an outstanding balance of \$41,017,000. Upon enquiry, the Advisory Committee was informed that the situation regarding outstanding assessed contributions of UNMIK had deteriorated since 31 December 2018, as shown in the table below.

#### Outstanding assessed contributions

(in thousands of United States dollars)

<i>As at 31 December 2014</i>	<i>As at 31 December 2015</i>	<i>As at 31 December 2016</i>	<i>As at 31 December 2017</i>	<i>As at 31 December 2018</i>	<i>As at 18 March 2019</i>
32 168	29 346	30 569	31 676	26 528	38 283

10. The Advisory Committee was also informed that, as at 18 March 2019, the cash available to the Mission amounted to \$6 million, including loans in the amount of

\$23.7 million from the accounts of closed peacekeeping operations. The cash available is not sufficient to cover the three-month operating reserve of \$9.3 million (excluding reimbursements to troop- and police-contributing countries).

11. **The Advisory Committee reiterates its concern regarding the continuing deterioration of the cash position of the Mission (A/72/789/Add.4, para. 9). The Committee recalls that the General Assembly has repeatedly urged all Member States to fulfil their financial obligations as set out in the Charter of the United Nations on time, in full and without conditions.**

12. The Advisory Committee was also informed that, with regard to death and disability compensation, as at 28 February 2019, an amount of \$1,009,000 had been paid to settle 26 claims since the inception of the Mission; payment for 1 claim was pending. **The Advisory Committee trusts that the outstanding claim will be settled expeditiously.**

## **IV. Proposed budget for the period from 1 July 2019 to 30 June 2020**

### **A. Mandate and planning assumptions**

13. The mandate of UNMIK was established by the Security Council in its resolution 1244 (1999). The Secretary-General indicates that the strategic objective of the Mission remains to strengthen and consolidate peace, security, the rule of law and stability in Kosovo and the region. The main priorities and planning assumptions of the Mission for the 2019/20 period are summarized in the report of the Secretary-General (A/73/733, sect. I.B). During the budget period, the Mission will continue to implement projects relating to confidence-building measures and programmatic activities and undertake actions that will help to mitigate the environmental impact of its operations.

#### **Restructuring of the mission support component**

14. The Mission proposes a restructured mission support component comprising three pillars to align with mission support structures for peacekeeping missions, namely, operations and resource management, supply chain management and service delivery management. The Secretary-General proposes to establish structures within each pillar that are responsive to the Mission's operations, with a view to leveraging existing technologies and building staff capacity. The restructured mission support component also aligns with the Headquarters initiative to harmonize mission support structures in peacekeeping missions, and the restructuring will provide end-to-end service in field support areas, integrate units at multiple levels and recognize the importance of client servicing and orientation (A/73/733, para. 16).

15. In the report, the finalization of the reorganization of the UNMIK mission support component is proposed and includes the proposed redeployment of a number of posts and positions and the abolishment of the post of Chief Legal Officer (D-1), the establishment of the post of Chief of Service Delivery Management (P-5) and the reclassification of the post of Chief of the Communications and Information Technology Section from P-3 to P-4 (*ibid.*, paras. 34–58; see also para. 23 below). The Advisory Committee recalls that, in his previous report, the Secretary-General indicated that the Mission would continue to implement supply chain management initiatives, in line with the Department of Field Support global priorities and the Mission's strategy for supply chain management (A/72/718, para. 14). **The Advisory Committee also recalls that multiple restructuring exercises of the support component have been undertaken in peacekeeping operations in recent years.**

The Committee considers that, after completion of the ongoing restructuring exercises, there is a need for a period of stabilization and an assessment of the effectiveness of the reorganized structures. The Advisory Committee comments further on the matter in its report on cross-cutting issues related to peacekeeping operations (A/73/755).

## B. Resource requirements

16. The proposed budget for UNMIK for the period from 1 July 2019 to 30 June 2020 amounts to \$37,246,700, representing an increase of \$54,000, or 0.1 per cent, compared with the appropriation for 2018/19. This reflects the combined effect of proposed decreases under military and police personnel (\$19,800, or 2.6 per cent) and operational costs (\$129,300, or 1.5 per cent) offset in part by proposed increases under civilian personnel (\$203,100, or 0.7 per cent). Detailed information on the financial resources proposed and an analysis of variances are provided in sections II and III of the report of the Secretary-General on the proposed budget (A/73/733).

### 1. Military and police personnel

<i>Category</i>	<i>Approved 2018/19<sup>a</sup></i>	<i>Proposed 2019/20</i>	<i>Variance</i>
Military observers	8	8	–
United Nations police	10	10	–

<sup>a</sup> Represents the highest approved strength for the period.

17. The proposed resources for military and police personnel for 2019/20 amount to \$744,000, reflecting a decrease of \$19,800, or 2.6 per cent, compared with the appropriation for 2018/19, attributable mainly to reductions in mission subsistence allowance.

18. **The Advisory Committee recommends approval of the Secretary-General's proposals for military and police personnel.**

### 2. Civilian personnel

<i>Category</i>	<i>Approved 2018/19</i>	<i>Proposed 2019/20</i>	<i>Variance</i>
Posts			
International staff	112	112	–
National Professional Officers	33	33	–
National General Service staff	186	186	–
United Nations Volunteers	24	24	–
<b>Total</b>	<b>355</b>	<b>355</b>	<b>–</b>

19. The proposed resources for civilian personnel for 2019/20 amount to \$28,222,900, reflecting an increase of \$203,100, or 0.7 per cent, compared with the appropriation for 2018/19. The Secretary-General indicates in his report that the increase is attributable mainly to increased requirements under national staff (\$620,100, or 6.7 per cent), owing to increased local salary rates of the new salary scale promulgated retroactively as at 1 July 2018. The increased requirements would be offset in part by decreases in international staff (\$435,600, or 2.4 per cent), owing to the revised base salary scale and updated post adjustment multiplier for international staff.

*Vacancy rates and vacant posts*

20. The table below provides a summary of the vacancy rates for civilian personnel, including: (a) the budgeted and actual average vacancy rates for 2017/18; (b) the budgeted rate for 2018/19, the actual average rate for the 8-month period between 1 July 2018 and 28 February 2019 and the actual rate as at 28 February 2019; and (c) the vacancy factor applied in estimating the requirements for 2019/20. The Advisory Committee notes that the 2019/20 proposed vacancy rates are: (a) for international staff, lower than both the actual average rate and the actual rate as at 28 February 2019; (b) for National Professional Officers, at the same level as both the actual average rate and the actual rate as at 28 February 2019; (c) for national General Service staff, lower than the actual average rate but higher than the actual rate as at 28 February 2019; and (d) for United Nations Volunteers, lower than both the actual average rate and the actual rate as at 28 February 2019.

**Vacancy rates**

(percentages)

	2017/18		2018/19		2019/20	
	Budgeted	Actual	Budgeted	Actual average vacancy rate from 1 July 2018 to 28 February 2019	Actual vacancy rate as at 28 February 2019	Proposed vacancy rate
International staff	5.0	14.3	10.0	16.1	18.8	10.0
National Professional Officers	3.0	3.0	3.0	3.0	3.0	3.0
National General Service staff	1.0	1.1	1.0	1.1	0.5	1.0
United Nations Volunteers	14.0	8.3	11.0	16.7	20.8	11.0

21. The Advisory Committee was informed, upon enquiry, that 24 posts were vacant as at 25 March 2019, including 18 international posts (1 D-1, 2 P-5, 5 P-4, 6 P-3, 2 P-2, 2 (FS)), 2 national posts and 4 United Nations Volunteers. The Committee was also informed that, as at 25 March 2019, two posts had been vacant for over two years: the post of Chief of Service, Rule of Law (D-1) and the post of Finance Officer (FS-6). With respect to the latter, the Committee was informed that it had been vacant since February 2017 and was under recruitment at the time of the Committee's consideration of the budget proposal. The Committee notes that, from the information provided, the post of Chief Legal Officer (D-1) had been encumbered by a staff member at the P-5 level in receipt of special post allowance and whose post has been vacant for 19 months. With respect to the use of temporary appointments with the payment of special post allowance, the Committee comments further on the matter in its report on cross-cutting issues (see [A/73/755](#); see also [A/73/498](#), para. 20).

22. **The Advisory Committee recalls the General Assembly's request, expressed consistently in its resolutions on peacekeeping budgets, that the Secretary-General ensure that vacant posts be filled expeditiously (see [A/71/836](#), para. 108). The Advisory Committee reiterates its view that budgeted vacancy rates should be based, as much as possible, on actual vacancy rates. In cases where the proposed budgeted rates differ from the actual rates at the time of budget preparation, clear justification should be provided in related budget documents for the rates used ([A/70/742](#), para. 45). The Committee stresses again that the continuing requirement for posts that have been vacant for two years or longer should be reviewed and the posts either proposed for retention or abolishment in**

subsequent budget proposals (A/69/839, para. 67; see also General Assembly resolution 66/264).

*Recommendations on posts and positions*

23. A total of 355 civilian posts and positions are proposed for 2019/20, comprising 112 international posts, 219 national staff posts and 24 United Nations Volunteers. Although the 2019/20 staffing proposals reflect no changes to the overall number of posts and positions, compared with the approved posts and positions for 2018/19, the following changes are proposed: (a) abolishment of the post of Chief Legal Officer (D-1), Office of Legal Affairs; (b) establishment of the post of Chief of Service Delivery Management (P-5); and (c) reclassification of the post of Chief of the Communications and Information Technology Section from the P-3 to the P-4 level.

24. **The Advisory Committee recommends the approval of the Secretary-General's proposals for civilian staff.**

### 3. Operational costs

(United States dollars)

	<i>Apportioned 2018/19</i>	<i>Proposed 2019/20</i>	<i>Variance</i>
Operational costs	8 409 100	8 279 800	(129 300)

25. The proposed resources for operational costs for 2019/20 amount to \$8,279,800, reflecting a decrease of \$129,300, or 1.5 per cent, compared with the appropriation for 2018/19. The Secretary-General proposes decreases under most classes of expenditure, including facilities and infrastructure (\$111,000, or 4.1 per cent) and communications and information technology (\$102,200, or 4.6 per cent). The decreased requirements would be offset in part by increases in ground transportation.

*Official travel*

26. The resources for official travel for 2019/20 are proposed at the maintenance level of \$304,900. Upon enquiry, the Advisory Committee was informed that 57.1 per cent of official travel in 2017/2018 was undertaken in compliance with the advance ticket purchase policy. **The Advisory Committee notes the efforts made by the Mission to improve its rate of compliance with the 16-day advance booking policy and encourages it to continue related efforts.**

27. **The Advisory Committee recommends approval of the Secretary-General's proposals for operational costs.**

### 4. Other matters

*Environmental initiatives*

28. Information on the environmental initiatives to be undertaken by UNMIK are provided in the report of the Secretary-General (A/73/733, paras. 18 and 60). The Mission will continue its efforts in recycling, composting of biodegradable waste and tree planting to further reduce its environmental impact, as well as implement the field remote infrastructure management system, which is part of the environmental strategy (ibid, para. 18).

29. In the report, it is also indicated that \$33,900 in efficiencies will be achieved in terms of forecasted savings in electricity consumption arising from the use of the photovoltaic system (solar power panels) installed at the headquarters compound in Pristina, the Mitrovica Regional Office compound and at three repeater sites within

the Mission area (*ibid.*, para. 18). The Advisory Committee was provided with data regarding the Mission's score of 79 of 100 for the 2017/18 period on the Department of Field Support environmental score card. **The Advisory Committee notes the achievement and acknowledges the Mission's continued efforts to mitigate its environmental impact.**

*Programmatic activities and confidence-building projects*

30. The Secretary-General indicates in his report that the resource requirements for 21 programmatic projects amount to \$1,987,000 (A/73/733, paras. 68–69); in addition, requirements for 18 confidence-building projects amount to \$389,100 (*ibid.*, paras. 66–67). The Advisory Committee was provided with details of the nature of the projects and the nature of the planned programmatic activities and the confidence-building projects. The Committee comments further on matters relating to the management and oversight of programmatic activities in its report on cross-cutting issues related to peacekeeping operations (A/73/755).

*Gender balance*

31. The Advisory Committee was provided with the following table showing the breakdown of UNMIK personnel by gender:

**Civilian personnel of UNMIK by gender as at 30 June 2018**

(Percentage)

	<i>Female</i>	<i>Male</i>
P-5 and above	40	60
P-1 to P-4	45	55
Field Service	35	65
National Professional Officer	53	47
National General Service	37	63
United Nations Volunteers (International)	45	55

32. The Advisory Committee was informed, upon enquiry, that the Mission had achieved 43.16 per cent representation of women among international staff as at 28 February 2019, representing the second highest index among peacekeeping missions. **The Advisory Committee notes this achievement towards gender balance in the Mission's staffing and trusts that efforts will continue in pursuance of this goal.**

## V. Conclusion

33. The actions to be taken by the General Assembly in connection with the financing of UNMIK for the period from 1 July 2017 to 30 June 2018 are indicated in section V of the budget performance report (A/73/613). **The Advisory Committee recommends that the unencumbered balance of \$1,252,400 for the period from 1 July 2017 to 30 June 2018, as well as other income and adjustments amounting to \$248,100 for the period ended 30 June 2018, be credited to Member States.**

34. The actions to be taken by the General Assembly in connection with the financing of UNMIK for the period from 1 July 2019 to 30 June 2020 are indicated in section IV of the proposed budget (A/73/733). **Taking into account its observations and recommendations above, the Advisory Committee recommends the approval of the proposed resources in the amount of \$37,246,700.**

**Accordingly, the Committee recommends that the General Assembly appropriate the amount of \$37,246,700 for the maintenance of the Mission for the 12-month period from 1 July 2019 to 30 June 2020.**

*Documentation*

- Report of the Secretary-General on the budget performance of the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2017 to 30 June 2018 ([A/73/613](#))
- Report of the Secretary-General on the budget for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2019 to 30 June 2020 ([A/73/733](#))
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2017 to 30 June 2018 ([A/73/5 \(Vol. II\)](#), chaps. II and IV)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations and report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2017 ([A/72/850](#))
- Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2018 ([A/73/750](#))
- Report of the Secretary-General on the overview of the financing of United Nations peacekeeping operations: budget performance for the period from 1 July 2017 to 30 June 2018 and budget for the period from 1 July 2019 to 30 June 2020 ([A/73/776](#))
- Report of the Secretary-General on the budget for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2018 to 30 June 2019 ([A/72/718](#))
- Report of the Advisory Committee on Administrative and Budgetary Questions on the budget performance for the period from 1 July 2016 to 30 June 2017 and proposed budget for the period from 1 July 2018 to 30 June 2019 of the United Nations Interim Administration Mission in Kosovo ([A/72/789/Add.4](#))
- General Assembly resolution [72/295](#) on the financing of the United Nations Interim Administration Mission in Kosovo
- Security Council resolution [1244 \(1999\)](#)