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Financing of the United Nations Interim Administration

Mission in Kosovo

Budget performance for the period from 1 July 2018 to 30 June 2019 and proposed budget for the period from 1 July 2020 to 30 June 2021 for the United Nations Interim Administration Mission in Kosovo

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2018/19	\$37,192,700
Expenditure for 2018/19	\$37,191,700
Unencumbered balance for 2018/19	\$1,000
Appropriation for 2019/20	\$37,246,700
Projected expenditure for 2019/20 ^a	\$37,246,700
Projected underexpenditure for 2019/20	\$0
Proposal submitted by the Secretary-General for 2020/21	\$39,827,300
Adjustment recommended by the Advisory Committee for 2020/21	(\$13,700)
Recommendation of the Advisory Committee for 2020/21	\$39,813,600

^a Estimates as at 31 January 2020.



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 20 March 2020. The comments and recommendations of the Advisory Committee on cross-cutting issues related to peacekeeping operations are contained in its report ([A/74/737](#)), and those pertaining to the findings and recommendations of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2018 to 30 June 2019 can be found in its related report ([A/74/806](#)).

II. Budget performance report for the period from 1 July 2018 to 30 June 2019

2. By its resolution [72/295](#), the General Assembly appropriated an amount of \$37,192,700 gross (\$33,537,200 net) for the maintenance of the Mission for the period from 1 July 2018 to 30 June 2019. Expenditure for the period totalled \$37,191,700 gross (\$33,452,000 net), for a budget implementation rate of 100 per cent. The resulting unencumbered balance of \$1,000, in gross terms, represents a resource utilization rate of 100 per cent.

3. Summary information on the redeployments (\$474,400, or 1.3 per cent) from groups III and I to group II, as a result of reprioritization of resources, is provided in section III.B of the report of the Secretary-General on the budget performance of the Mission for 2018/19 ([A/74/578](#)). A detailed analysis of variances is provided in section IV of that report.

III. Information on performance for the current period

4. With regard to current and projected expenditure for the period from 1 July 2019 to 30 June 2020, the Advisory Committee was informed that, as at 31 January 2020, expenditure amounted to \$23,570,300. At the end of the financial period, the estimated total expenditure would equal the appropriation of \$37,246,700, resulting in projected full utilization of the approved resources.

5. The Advisory Committee was informed that, with regard to death and disability compensation, as at 31 December 2019, an amount of \$1,009,000 had been paid to settle 26 claims since the inception of the Mission, and there were two pending cases. The Committee was also informed that, as at 24 February 2020, a total of \$3,492,613,000 had been assessed on Member States in respect of the Mission since its inception. Payments received as at the same date amounted to \$3,459,805,000, for an outstanding balance of \$32,808,000. The Committee was further informed that, after loans in the amount of \$25 million had been provided by the United Nations Multidimensional Integrated Stabilization Mission in Mali, the cash available to UNMIK amounted to \$9,572,000 as at 24 February 2020. The cash available is sufficient to cover the three-month operating reserve of \$9,312,000. Upon enquiry, the Committee received an update on the status of outstanding assessed contributions to UNMIK since 31 December 2015, as shown in the table below.

Outstanding assessed contributions

(Thousands of United States dollars)

<i>As at</i> 31 December 2015	<i>As at</i> 31 December 2016	<i>As at</i> 31 December 2017	<i>As at</i> 31 December 2018	<i>As at</i> 31 December 2019	<i>As at</i> 9 March 2020
29 346	30 569	31 676	26 528	70 095	38 786

6. The Advisory Committee notes the status of outstanding assessed contributions to UNMIK as at 9 March 2020. **The Advisory Committee reiterates its concern regarding the continuing deterioration of the cash position of the Mission. 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 (A/73/755/Add.4, para. 11).**

IV. Proposed budget for the period from 1 July 2020 to 30 June 2021

A. Mandate and planning assumptions

7. The mandate of the Mission was established by the Security Council in its resolution [1244 \(1999\)](#). The Mission's overall mandate is to ensure conditions for a peaceful and normal life for all inhabitants of Kosovo and advance regional stability in the western Balkans. The planning assumptions and mission support initiatives for 2020/21 are summarized in section I.B of the report of the Secretary-General on the proposed budget for the Mission for that period ([A/74/692](#)).

B. Resource requirements

Financial resources

(Thousands of United States dollars)

<i>Category</i>	<i>Expenditure</i> (2018/19)	<i>Apportionment</i> (2019/20)	<i>Cost</i> <i>estimates</i> (2020/21)	<i>Variance</i>	
				<i>Amount</i>	<i>Percentage</i>
Military and police personnel	649.5	744.0	730.0	(14.0)	(1.9)
Civilian personnel	28 494.4	28 222.9	30 745.2	2 522.3	8.9
Operational costs	8 047.8	8 279.8	8 352.1	72.3	0.9
Gross requirements	37 191.7	37 246.7	39 827.3	2 580.6	6.9

Note: Detailed information on the financial resources proposed and an analysis of variances are provided in sections II and III of the proposed budget.

1. Military and police personnel

<i>Category</i>	<i>Authorized/approved 2019/20^a</i>	<i>Proposed 2020/21</i>	<i>Variance</i>
Military observers	8	8	—
United Nations police	10	10	—

^a Represents the highest level of authorized/approved strength.

8. The proposed resources for military and police personnel for 2020/21 amount to \$730,000, reflecting a decrease of \$14,000, or 1.9 per cent, compared with the apportionment for 2019/20.

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

2. Civilian personnel

<i>Category</i>	<i>Approved 2019/20</i>	<i>Proposed 2020/21</i>	<i>Variance</i>
Posts			
International staff	113	113	–
National Professional Officers	33	33	–
National General Service staff	186	186	–
United Nations Volunteers	24	24	–
Total	356	356	–

10. In total, 356 civilian posts and positions are proposed for 2020/21, which is the same as the number approved for 2019/20. The proposed resources for civilian personnel for 2020/21 amount to \$30,745,200, reflecting an increase of \$2,522,300, or 8.9 per cent, compared with the apportionment for 2019/20. The Secretary-General indicates that the increases are attributable mainly to higher requirements under: (a) international staff (\$2,036,200, or 11.6 per cent), attributable primarily to the reclassification of Pristina from a hardship category A duty station to a hardship category B duty station and of Mitrovica from category B to category C, with effect from 1 January 2019, leading to increased requirements for hardship allowance; (b) national staff (\$416,600, or 4.2 per cent), attributable to the application of a higher step level of GS-5/10 to better reflect the composition of national General Service staff, compared with a step level of GS-5/9 applied in the budget for 2019/20, and the elimination of a vacancy rate for National Professional Officers (from 3 to 0 per cent) to reflect full actual incumbency as at 31 December 2019; and (c) United Nations Volunteers (\$65,400, or 8.1 per cent), attributable to the increase in the programme support costs rate from 8 to 13 per cent with effect from 1 January 2019, as well as increases in medical insurance premiums, the Volunteer living allowance, settling-in grant rates and the resettlement allowance rate, as well as the higher number of dependants eligible for home leave (*ibid.*, paras. 47–50).

11. Upon enquiry, the Advisory Committee was provided with the following table indicating the costs related to the duty station reclassification and the retention, pursuant to General Assembly resolution [73/318](#), of the post of Chief Legal Officer (D-1).

Duty station reclassification and retention of post of Chief Legal Officer (D-1)

(Thousands of United States dollars)

	<i>Amount</i>
Duty station reclassification	
Hardship allowance	458.0
Retention of the post of Chief Legal Officer (D-1)	
International staff salaries	116.5
Staff assessment	28.4
Common staff costs	68.0
Subtotal, retention of the post of Chief Legal Officer (D-1)	212.9
Total	670.9

Recommendations on posts and positions*Reassignment*

12. The Secretary-General proposes the reassignment of the post of Associate Legal Officer (P-2) from the Justice and Corrections Section of the Office of Rule of Law to the Office of Special Representative of the Secretary-General as an Associate Youth Programme Management Officer (P-2) (*ibid.*, paras. 22–25).

Vacancy rates

13. The table below provides a summary of the vacancy rates for civilian personnel in 2018/19 and 2019/20, as well as those proposed for 2020/21. The Advisory Committee notes from the proposed budget that information on vacancy factors applied in the cost estimates for 2020/21 continues to reflect a common statement for most peacekeeping operations, rather than detailed explanations for the specific rates applied for each category of the civilian personnel of the Mission (see [A/74/708](#), paras. 37–38). In particular, the Committee notes the lack of justification for the application of rates that differ from the actual vacancy rates during the current period, such as the proposed rate of 10 per cent for international staff, compared with the actual rate of 11.5 per cent and actual average rate of 15 per cent as at 31 January 2020. Upon enquiry, the Committee was informed that the decrease in the international staff vacancy rate was due to a successful combination of factors such as a more focused succession planning strategy and an effective use of the delegation of authority.

<i>Category</i>	<i>Actual 2018/19</i>	<i>Approved 2019/20</i>	<i>Actual 31 January 2020</i>	<i>Actual average 31 January 2020</i>	<i>Proposed 2020/21</i>
Civilian personnel					
International staff	16.1	10.0	11.5	15.0	10.0
National staff					
National Professional Officers	3.0	3.0	–	–	–
National General Service staff	1.1	1.0	2.7	1.6	1.0
United Nations Volunteers	20.8	11.0	12.5	25.0	11.0

14. The Advisory Committee reiterates its view that proposed vacancy rates should be based, as much as possible, on actual rates. In cases in which proposed rates differ from actual rates, clear justification should be provided

systematically in the proposed budget and related documents (see also [A/73/755/Add.4](#), para. 22).

Vacant posts

15. The Advisory Committee was informed that 22 posts and positions were vacant as at 20 March 2020 (2 D-1, 2 P-5, 4 P-4, 1 P-3, 3 P-2, 1 Field Service (level 5), 3 General Service at non-headquarters duty stations (level 6), 2 General Service at non-headquarters duty stations (level 5) and 4 United Nations Volunteer), including those of Chief Legal Officer (D-1),¹ Legal Officer (P-4) and Associate Legal Officer (P-2) that had been vacant for more than two years and for which the job advertisements were on hold owing to a projected deficit under staff salaries. Upon enquiry, the Committee was provided with information regarding the recruitment efforts of the Mission, including reinforced communication and collaboration and proactive outreach to increase the pool of candidates. The Committee was also provided with further details as to the mechanism established by the Mission to manage recruitment.

16. The Advisory Committee recalls the request of the General Assembly, expressed consistently in its resolutions on peacekeeping budgets, that the Secretary-General ensure that vacant posts be filled expeditiously ([A/71/836](#), para. 108).

17. 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 proposed either for retention with rejustification or abolishment in subsequent budget proposals ([A/73/755/Add.4](#), para. 22, and [A/69/839](#), para. 67; see also General Assembly resolution 66/264).

18. The Advisory Committee recommends the approval of the proposals of the Secretary-General for civilian personnel.

3. Operational costs

(United States dollars)

	<i>Apportioned 2019/20</i>	<i>Proposed 2020/21</i>	<i>Variance</i>
Operational costs	8 279 800	8 352 100	72 300

19. The proposed increase of \$72,300, or 0.9 per cent, for 2020/21 for operational costs reflects mainly higher requirements under facilities and infrastructure and official travel, offset in part by lower requirements under ground transportation and other supplies, services and equipment.

20. The Advisory Committee notes the increases proposed for facilities and infrastructure and official travel. **While the Advisory Committee understands that redeployments of resources were made owing to reprioritization during the performance period (see para. 3 above), the Committee is not fully convinced by the justification provided for the increased level of resources under the following lines:**

(a) *Official travel*: the total increase of \$13,700, or 4.5 per cent, for 2020/21 is attributed primarily to the higher requirement for non-training-related travel in the amount of \$16,000 and the lower requirement for training-related travel in the amount of \$2,300. **The Advisory Committee recommends that the proposed increase of**

¹ See General Assembly resolution 73/318 and paragraph 11 above.

\$13,700 for official travel for 2020/21 be reduced by 15 per cent (a reduction of \$2,100);

(b) *Facilities and infrastructure*: the resources proposed for petrol, oil and lubricants amount to \$77,600, representing an increase of \$22,400, or 40.6 per cent, compared with the apportionment in the previous period of \$55,200. The Advisory Committee was informed that, as at 31 January 2020, expenditure exceeded the apportionment by \$28,200. The Committee was provided with information relating to the cost of litres of fuel and the change in fuel costs. It notes the increase in the price of liquid propane/gas compared with 2019/20, with the bulk of the increase under petrol, oil and lubricants attributable thereto. The Committee notes from the report of the Secretary-General that, by 30 June 2019, the Mission had completed the installation of solar power panels at three United Nations repeater sites within the Mission area, with a total capacity of 20 kWp (A/74/692, sect. V.A), and that the Mission will reduce its carbon footprint by purchasing and installing daylight office sensors and solar water heaters, which will reduce energy consumption (ibid., para. 15). **The Advisory Committee is of the view that further efficiencies can be achieved and recommends that the proposed resources of \$77,600 for petrol, oil and lubricants for 2020/21 be reduced by 15 per cent (a reduction of \$11,600).**

21. **Subject to its recommendation contained in paragraph 20 above, the Advisory Committee recommends the approval of the proposals of the Secretary-General for operational costs.**

V. Conclusion

22. The actions to be taken by the General Assembly in connection with the financing of UNMIK for the period from 1 July 2018 to 30 June 2019 are indicated in section V of the budget performance report (A/74/578). **The Advisory Committee recommends that the unencumbered balance of \$1,000 for the period from 1 July 2018 to 30 June 2019, as well as other revenue amounting to \$148,300 for the period ended 30 June 2019, be credited to Member States.**

23. The actions to be taken by the General Assembly in connection with the financing of UNMIK for the period from 1 July 2020 to 30 June 2021 are indicated in section IV of the proposed budget (A/74/692). **Taking into account its observations and recommendations above, the Advisory Committee recommends that the proposed resources be reduced by \$13,700, from \$39,827,300 to \$39,813,600. Accordingly, the Committee recommends that the General Assembly appropriate the amount of \$39,813,600 for the maintenance of the Mission for the 12-month period from 1 July 2020 to 30 June 2021.**