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

Updated financial position of closed peacekeeping missions as at 30 June 2019

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the updated financial position of closed peacekeeping missions as at 30 June 2019 ([A/74/574](#)). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 20 March 2020.

2. The Secretary-General indicates in his report that the General Assembly has deferred consideration of his reports on the updated financial position of closed peacekeeping missions¹ since its sixty-sixth session, in 2012, and that his current report ([A/74/574](#)) constitutes the ninth such update. The Secretary-General also indicates that, in five of his reports on the matter ([A/66/665](#), [A/67/739](#), [A/68/666](#), [A/69/659](#) and [A/70/552](#)), he proposed a number of options to address the issues surrounding cash deficits of both closed and active peacekeeping missions, including: (a) proposals to resolve the issue of outstanding debts in closed peacekeeping missions with cash deficits (see [A/66/665](#), [A/67/739](#) and [A/68/666](#)); and (b) a proposal to establish a working capital fund for peacekeeping (see [A/68/666](#), [A/69/659](#) and [A/70/552](#)) ([A/74/574](#), para. 26).

3. The Secretary-General further indicates (*ibid.*, para. 28) that, in his report on improving the financial situation of the United Nations ([A/73/809](#)), he proposed several measures to provide a more sustainable liquidity reserve for active peacekeeping missions, including the creation of a working capital fund, annual assessments and pooling of cash of active missions. The General Assembly, as recommended by the Advisory Committee ([A/73/891](#), para. 31), in its resolution

¹ [A/67/739](#), [A/68/666](#), [A/69/659](#), [A/70/552](#), [A/71/652](#), [A/72/649](#) and [A/73/604](#).



[73/307](#) approved, on a trial basis for three budget periods, the management of the cash balances of all active peacekeeping missions as a pool while maintaining the balances in separate special accounts for each mission. The Assembly also requested the Secretary-General to ensure that proper oversight and controls were in place and that mandate implementation by the lending mission was not negatively affected. The Secretary-General indicates ([A/74/574](#), para. 29) that, on the above basis, a mechanism was established to meet the liquidity requirements of active peacekeeping missions through internal borrowing among active missions.

4. In its resolution [73/307](#), the General Assembly also endorsed the recommendation of the Advisory Committee against the establishment of a working capital fund for peacekeeping ([A/73/891](#), para. 36). **Accordingly, the Advisory Committee considers that the earlier proposals of the Secretary-General regarding the establishment of a working capital fund for peacekeeping (see [A/68/666](#), [A/69/659](#) and [A/70/552](#)) were not approved by the General Assembly.**

II. Consolidated financial information

5. The Secretary-General indicates in his report that, at the end of the 2018/19 financial period, as at 30 June 2019, the overall updated financial position of the 29 closed peacekeeping missions was as follows:

(a) Twenty-four closed peacekeeping missions² had consolidated net cash surpluses available for credit to Member States totalling \$89,963,000, reflecting cash assets of \$144,082,000 and liabilities of \$54,119,000, down from net cash available totalling \$93,122,000 as at 30 June 2018 ([A/74/574](#), para. 5 and tables 1–3);

(b) An amount of \$49,800,000 was owed by four active peacekeeping missions, comprising \$15,000,000 owed by the United Nations Mission for the Referendum in Western Sahara (MINURSO), \$28,800,000 by the United Nations Interim Administration Mission in Kosovo (UNMIK), \$5,000,000 by the United Nations Mission for Justice Support in Haiti (MINUJUSTH) and \$1,000,000 by the Regional Service Centre in Entebbe, Uganda (*ibid.*, para. 7);

(c) Five closed peacekeeping missions³ had net cash deficits totalling \$85,590,000, with liabilities comprising (i) \$11,008,000 in loans owed by the United

² The United Nations Mission in the Central African Republic and Chad, the United Nations Operation in Burundi, the United Nations Observer Group in Central America/the United Nations Observer Mission in El Salvador, the United Nations Operation in Mozambique, the United Nations Mission in Sierra Leone/the United Nations Observer Mission in Sierra Leone, the United Nations Angola Verification Mission/United Nations Observer Mission in Angola, the United Nations Iran-Iraq Military Observer Group, the United Nations Iraq-Kuwait Observation Mission, the United Nations Mission in Ethiopia and Eritrea, the United Nations Mission in Bosnia and Herzegovina, the United Nations Mission in Haiti, the United Nations Mission in the Sudan, the United Nations Integrated Mission in Timor-Leste, the United Nations Military Liaison Team in Cambodia, the United Nations Mission of Observers in Tajikistan, the United Nations Observer Mission in Georgia, the United Nations Observer Mission in Liberia, the United Nations Observer Mission Uganda-Rwanda/the United Nations Assistance Mission for Rwanda, the United Nations Peace Forces, the United Nations Preventive Deployment Force, the United Nations Supervision Mission in the Syrian Arab Republic, the United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium/the Civilian Police Support Group, the United Nations Transitional Administration in East Timor/the United Nations Mission of Support in East Timor and the United Nations Transition Assistance Group.

³ The United Nations Verification Mission in Guatemala Military Observer Group, the United Nations Mission in the Central African Republic, the United Nations Operation in Somalia, the United Nations Support Mission in Haiti/the United Nations Transition Mission in Haiti/the United Nations Civilian Police Mission in Haiti and the United Nations Transitional Authority in Cambodia.

Nations Support Mission in Haiti/the United Nations Transition Mission in Haiti/the United Nations Civilian Police Mission in Haiti, the United Nations Mission in the Central African Republic (MINURCA) and the United Nations Verification Mission in Guatemala to closed peacekeeping missions; (ii) \$12,820,000 owed by MINURCA to the Peacekeeping Reserve Fund since February 2000; (iii) \$62,939,000 in claims owed to troop- and police-contributing countries; and (iv) \$174,000 in other payables (*ibid.*, paras. 18–20, tables 4–6 and, annex I);

(d) Cross-borrowing was required at various times during the 2018/19 financial period to meet the operational needs for active peacekeeping missions, including MINURSO, UNMIK, the African Union-United Nations Hybrid Operation in Darfur, the United Nations Mission in South Sudan and MINUJUSTH, as well as the Regional Service Centre in Entebbe (*ibid.*, para. 24).

6. The Secretary-General also indicates in his report that unpaid assessments amounted to \$382,499,000, comprising \$230,083,000 for the 24 closed missions with net surpluses and \$152,416,000 for the 5 closed missions with net deficits (*ibid.*, annex I). **The Advisory Committee recalls the repeated calls by the General Assembly for all Member States to pay their assessed contributions on time, in full and without condition.**

7. The Secretary-General further indicates in his report that the outstanding claims to troop- and police-contributing countries remained unchanged and amounted to \$81,369,000, comprising \$18,430,000 by the 24 closed missions with net surpluses and \$62,939,000 by the 5 closed missions with net deficits (*ibid.*). **The Advisory Committee reiterates again the importance of settling claims by troop- and police-contributing countries of closed peacekeeping missions in a timely manner.**

8. The Secretary-General indicates in his report that the Regional Service Centre in Entebbe repaid its loan of \$1,000,000 in September 2019. In addition, under the above-mentioned cash-pooling mechanism for internal borrowing among active peacekeeping missions, MINURSO and UNMIK repaid their loans to closed peacekeeping missions and obtained new loans from an active peacekeeping mission, namely, the United Nations Multidimensional Integrated Stabilization Mission in Mali. However, such borrowing from active peacekeeping missions was not extended to MINUJUSTH because its irregular collection of assessments suggested that the Mission might not be able to repay the loan to the lending mission. As a result of the above operations, as at 31 October 2019, the MINUJUSTH loan of \$5 million remained the only loan from closed peacekeeping missions to an active mission ([A/74/574](#), paras. 7, 8 and 29). **The Advisory Committee notes that, from October 2019 to January 2020, the management of the cash balances of all active peacekeeping missions as a pool while maintaining the balances in separate special accounts for each mission has reduced demand for borrowing by active peacekeeping missions from closed missions.**

9. In his report, the Secretary-General provides an analysis of the borrowings, settlements and peak levels of cross-borrowing from closed peacekeeping missions from 1 July 2014 to 31 October 2019 (*ibid.*, annex III). In response to its request, the Advisory Committee was also provided with: (a) an updated copy of table 3 of the report of the Secretary-General showing that the consolidated net cash balance of the 24 missions with cash surpluses as at 31 January 2020 had increased from \$89,963,000 as at 30 June 2019 to \$139,404,000 as at 31 January 2020 (see para. 5 (a) above); and (b) a table showing the 24 missions with net cash surpluses and their consolidated monthly figures from June 2016 to January 2020 for cash balances, liabilities, net cash balances and outstanding loans to active missions, to the regular budget and to closed missions (see annexes I and II to the present report). **The data**

provided indicate that, prior to the adoption by the General Assembly of resolution [73/307](#) on 3 July 2019, the highest level of cross-borrowing by active missions over the past three calendar years was \$49,800,000 at the end of June 2019. The data further show that the situation has improved, with a reduction in loans and an increase in the net cash surplus of closed peacekeeping missions by 55 per cent, from \$89,963,000 as at 30 June 2019 to \$139,404,000 as at 31 January 2020.

10. Pending conclusion of the three-year trial period of the cash-pooling mechanism and in accordance with its previous recommendations, the Advisory Committee recommends that the net cash balance proposed for retention to cover potential temporary borrowing needs of active missions be maintained at the peak borrowing level of \$49,800,000 over the past three calendar years prior to the adoption by the General Assembly of resolution [73/307](#) on 3 July 2019 (see para. 9 above), and that any available cash surplus over that amount be returned to Member States.

III. Actions to be taken by the General Assembly

11. The actions to be taken by the General Assembly are indicated in paragraph 33 of the report of the Secretary-General. **The Advisory Committee recommends that the General Assembly:**

(a) **Take note of the report of the Secretary-General, subject to its observations and recommendations in the present report;**

(b) **Request the Secretary-General to return to Member States the amount of \$89,604,000 of the net cash balance of \$139,404,000 available in 24 closed peacekeeping missions as at 31 January 2020, leaving a balance of \$49,800,000 (see paras. 9 and 10 above).**

Annex I

Closed peacekeeping missions with net cash balances available for credit to Member States as at 31 January 2020^a

(Thousands of United States dollars)

<i>Mission</i>	<i>Amount</i>
MINURCAT	2 437
ONUB	1 510
ONUCA/ONUSAL	412
ONUMUZ	8 132
UNAMSIL/UNOMSIL	1 701
UNAVEM/MONUA	10 952
UNIIMOG	183
UNIKOM	605
UNMEE	2 173
UNMIBH	1 004
UNMIH	12 161
UNMIS	6 606
UNMIT	1 260
UNMLT	1
UNMOT	120
UNOMIG	520
UNOMIL	186
UNOMUR/UNAMIR	11 465
UNPF	71 922
UNPREDEP	1 991
UNSMIS	147
UNTAES	805
UNTAET/UNMISSET	2 744
UNTAG	367
Total	139 404

Abbreviations: MINURCAT, the United Nations Mission in the Central African Republic and Chad; ONUB, the United Nations Operation in Burundi; ONUCA/ONUSAL, the United Nations Observer Group in Central America/the United Nations Observer Mission in El Salvador; ONUMUZ, the United Nations Operation in Mozambique; UNAMSIL/ UNOMSIL, the United Nations Mission in Sierra Leone/the United Nations Observer Mission in Sierra Leone; UNAVEM/MONUA, the United Nations Angola Verification Mission/United Nations Observer Mission in Angola; UNIIMOG, the United Nations Iran-Iraq Military Observer Group; UNIKOM, the United Nations Iraq-Kuwait Observation Mission; UNMEE, the United Nations Mission in Ethiopia and Eritrea; UNMIBH, the United Nations Mission in Bosnia and Herzegovina; UNMIH, the United Nations Mission in Haiti; UMIS, the United Nations Mission in the Sudan; UNMIT, the United Nations Integrated Mission in Timor-Leste; UNMLT, the United Nations Military Liaison Team in Cambodia; UNMOT, the United Nations Mission of Observers in Tajikistan; UNOMIG, the United Nations Observer Mission in Georgia; UNOMIL, the United Nations Observer Mission in Liberia; UNOMUR/UNAMIR, the United Nations Observer Mission Uganda-Rwanda/the United Nations Assistance Mission for Rwanda; UNPF, the United Nations Peace Forces; UNPREDEP, the United Nations Preventive Deployment Force; UNSMIS, the United Nations Supervision Mission in the Syrian Arab Republic; UNTAES, the United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium; UNTAET/UNMISSET, the United Nations Transitional Administration in East Timor/the United Nations Mission of Support in East Timor; UNTAG, the United Nations Transition Assistance Group.

^a See [A/74/574](#), table 3.

Annex II

**Cash balances, liabilities and outstanding loans for 24 closed
peacekeeping missions with net cash surpluses at month end from
June 2016 to January 2020**

(Thousands of United States dollars)

	<i>Total cash assets</i>	<i>Total liabilities</i>	<i>Net cash available</i>	<i>Outstanding loans to active missions</i>	<i>Outstanding loans to regular budget</i>	<i>Outstanding loans to closed missions with cash deficit</i>	<i>Total cash available, plus outstanding loans</i>	<i>Net cash available, plus outstanding loans</i>
	(A)	(B)	(C=A-B)	(D)	(E)	(F)	(G=A+D+E+F)	(H=C+D+E+F)
Jun-16	203 326	135 663	67 663	40 000	0	11 008	254 334	118 671
Jul-16	199 703	126 292	73 411	34 000	0	11 008	244 711	118 419
Aug-16	203 217	121 439	81 778	26 000	0	11 008	240 225	118 786
Sep-16	196 313	114 955	81 358	26 000	0	11 008	233 321	118 366
Oct-16	212 502	114 643	97 859	9 500	0	11 008	233 010	118 367
Nov-16	209 834	110 665	99 169	9 500	0	11 008	230 342	119 677
Dec-16	209 256	107 232	102 024	9 500	0	11 008	229 764	122 532
Jan-17	170 090	70 505	99 585	9 500	0	11 008	190 598	120 093
Feb-17	166 428	70 505	95 923	13 500	0	11 008	190 936	120 431
Mar-17	163 211	70 393	92 818	16 700	0	11 008	190 919	120 526
Apr-17	157 839	70 220	87 619	21 900	0	11 008	190 747	120 527
May-17	153 076	69 757	83 319	26 300	0	11 008	190 384	120 627
Jun-17	146 342	60 995	85 347	32 100	0	11 008	189 450	128 455
Jul-17	144 872	60 949	83 923	35 100	0	11 008	190 980	130 031
Aug-17	147 794	60 796	86 998	35 100	0	11 008	193 902	133 106
Sep-17	172 266	60 768	111 498	10 600	0	11 008	193 874	133 106
Oct-17	172 988	60 490	112 498	10 600	0	11 008	194 596	134 106
Nov-17	172 976	60 477	112 499	10 600	0	11 008	194 584	134 107
Dec-17	175 745	58 701	117 044	8 100	0	11 008	194 853	136 152
Jan-18	171 270	58 699	112 571	13 100	0	11 008	195 378	136 679
Feb-18	171 311	58 559	112 752	13 100	0	11 008	195 419	136 860
Mar-18	161 777	58 425	103 352	22 500	0	11 008	195 285	136 860
Apr-18	156 679	58 427	98 252	27 600	0	11 008	195 287	136 860
May-18	154 963	58 411	96 552	31 100	0	11 008	197 071	138 660
Jun-18	151 947	58 825	93 122	35 100	0	11 008	198 055	139 230
Jul-18	150 668	58 827	91 841	37 100	0	11 008	198 776	139 949
Aug-18	153 170	58 279	94 891	34 600	0	11 008	198 778	140 499
Sep-18	6 492	54 487	-47 995	32 600	150 713	11 008	200 813	146 326
Oct-18	4 460	54 487	-50 027	34 700	150 713	11 008	200 881	146 394
Nov-18	153 743	54 307	99 436	34 700	0	11 008	199 451	145 144
Dec-18	154 038	54 303	99 735	34 700	0	11 008	199 746	145 443
Jan-19	154 467	54 251	100 216	34 700	0	11 008	200 175	145 924
Feb-19	154 351	54 135	100 216	34 700	0	11 008	200 059	145 924
Mar-19	154 349	54 133	100 216	34 700	0	11 008	200 057	145 924
Apr-19	154 349	54 133	100 216	34 700	0	11 008	200 057	145 924

	<i>Total cash assets</i>	<i>Total liabilities</i>	<i>Net cash available</i>	<i>Outstanding loans to active missions</i>	<i>Outstanding loans to regular budget</i>	<i>Outstanding loans to closed missions with cash deficit</i>	<i>Total cash available, plus outstanding loans</i>	<i>Net cash available, plus outstanding loans</i>
	(A)	(B)	(C=A-B)	(D)	(E)	(F)	(G=A+D+E+F)	(H=C+D+E+F)
May-19	145 835	54 119	91 716	43 200	0	11 008	200 043	145 924
Jun-19	144 082	54 119	89 963	49 800	0	11 008	204 890	150 771
Jul-19	96 865	54 119	42 746	97 500	0	11 008	205 373	151 254
Aug-19	150 365	54 119	96 246	44 000	0	11 008	205 373	151 254
Sep-19	73 812	54 066	19 746	45 500	75 000	11 008	205 320	151 254
Oct-19	117 812	54 066	63 746	5 000	75 000	11 008	208 820	154 754
Nov-19	9 011	54 065	-45 054	2 500	187 600	11 008	210 119	156 054
Dec-19	195 534	54 064	141 470	2 500	0	11 008	209 042	154 978
Jan-20	193 468	54 064	139 404	5 000	0	11 008	209 476	155 412