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Financing of the African Union-United Nations Hybrid Operation in Darfur

Final disposition of the assets of the African Union- United Nations Hybrid Operation in Darfur

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 final disposition of the assets of the African Union-United Nations Hybrid Operation in Darfur (UNAMID) ([A/78/702](#)). During its consideration of the report, the Advisory Committee met representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses dated 2 February 2024.

2. The initial mandate of UNAMID was established by the Security Council in its resolution [1769 \(2007\)](#). In its resolution [2559 \(2020\)](#), the Council decided to terminate the mandate of UNAMID, as from 31 December 2020, and requested the Secretary-General to complete the withdrawal of all personnel by 30 June 2021, except those required for the Operation's liquidation. The Council also established the United Nations Integrated Transition Assistance Mission in the Sudan (UNITAMS) in its resolution [2524 \(2020\)](#) and requested a coordinated, phased, sequenced and efficient transition from UNAMID to UNITAMS (*ibid.*, para. 1).

II. Final disposition of assets

3. The Secretary-General indicates in his report that the disposition of the UNAMID assets was undertaken in accordance with regulation 5.14 and rule 105.23 of the Financial Regulations and Rules of the United Nations (*ibid.*, para. 2). The report provides information on assets disposed of before the beginning of the liquidation period (July 2020–June 2021) and after the beginning of the liquidation period (July 2021–June 2022) (*ibid.*, annex).

4. The mission's assets, with a total capitalized value/acquisition value of \$660,848,438 (corresponding net book value/operational value of \$161,566,537), were dispositioned as at 30 June 2022 according to table 1 (*ibid.*, table 3).



Table 1
Final disposition of the assets of the African Union-United Nations Hybrid Operation in Darfur

(Thousands of United States dollars)

| <i>Asset group</i> | <i>Capitalized value/acquisition value</i> | <i>Percentage</i> | <i>Net book value/operational value</i> |
|--|--|-------------------|---|
| Group I: transferred to other peacekeeping missions or the United Nations Logistics Base at Brindisi, Italy, for temporary storage | 71 969.9 | 10.9 | 15 229.4 |
| Group II: disposed of in the mission area | | | |
| Sold | 42 214.9 | 6.4 | 6 779.5 |
| Group III: written off or lost | 123 074.6 | 18.6 | 11 956.7 |
| Assets gifted/donated to the Government | 400 920.6 | 60.7 | 105 071.6 |
| Assets gifted/donated to intergovernmental, governmental agency and non-profit organizations | 139.4 | 0.0 | 0.3 |
| Inventory | 22 529.0 | 3.4 | 22 529.0 |
| Total | 660 848.4 | 100.0 | 161 566.5 |

5. The Advisory Committee was informed, upon enquiry, that, in the budget performance report for the period from 1 July 2021 to 30 June 2022 ([A/77/638](#)), UNAMID completed the disposition of assets with an acquisition value of \$405.1 million, a net book value of \$138.7 million and reported miscellaneous income of \$4,375,300, whereas in the final disposition of assets report, UNAMID dispositioned assets with an acquisition value of \$660.8 million, a net book value of \$161.6 million and reported miscellaneous income of \$3,753,900. The Committee notes the differences between the capitalized/acquisition values and the net book values of assets reported in the final budget performance report and in the final disposition of assets report. Upon enquiry, the Committee was informed that the valuation of UNAMID assets was in accordance with the United Nations International Public Sector Accounting Standards policy framework and the Organization's property classification for stewardship purposes. **The Advisory Committee trusts that further clarification on the differences will be provided to the General Assembly at the time of its consideration of the present report.**

6. The value of property gifted/donated to the Government of the Sudan totalled \$400,920,617 (corresponding net operational value of \$105,071,636), representing 60.7 per cent of the total capitalized value of the mission's assets ([A/78/702](#), para. 6). The Advisory Committee recalls that the General Assembly, in its resolution [76/244](#), approved the donation of UNAMID assets with an acquisition value of \$145,456,300 and a net book value of \$55,291,700 to the Government of the Sudan. Upon enquiry, the Committee was informed that assets disposed of free of charge to the Government of the Sudan were categorized under group V in the preliminary asset disposal plan, on the basis of the assessment of the assets' retrievability/transferability and the impact to the rehabilitation of the host country. The Committee was also informed that the asset disposal approval process was conducted for each specific asset/ equipment/material in line with the approval thresholds established in the delegation of authority for property management and in compliance with financial rules 105.23 and 105.24.

7. The Advisory Committee notes that group I includes assets transferred to other peacekeeping missions or the United Nations Logistics Base at Brindisi, Italy, for temporary storage, with a total capitalized value/acquisition value of \$71,969,936 (corresponding net book value/operational value of \$15,229,427), representing

10.9 per cent of the total capitalized value/acquisition value of the mission's assets. The Committee was provided, upon request, with a table (see table 2) comparing the final disposition of assets at UNAMID with other recently closed missions. The Committee notes the lower proportion of UNAMID assets transferred to other peacekeeping missions or the Logistics Base compared with other recently closed missions.

Table 2

Comparison of the final disposition of the assets of the African Union-United Nations Hybrid Operation in Darfur, the United Nations Operation in Côte d'Ivoire, the United Nations Mission in Liberia, the United Nations Stabilization Mission in Haiti and the United Nations Mission for Justice Support in Haiti

(Percentage)

| <i>Asset group</i> | <i>UNAMID</i> | <i>UNOCI</i> | <i>UNMIL</i> | <i>MINUSTAH</i> | <i>MINUJUSTH</i> |
|--|---------------|--------------|--------------|-----------------|------------------|
| Group I: transferred to other peacekeeping missions or the United Nations Logistics Base at Brindisi, Italy, for temporary storage | 10.9 | 20.4 | 32.5 | 68.2 | 18.9 |
| Group II: disposed of in the mission area, sold | 6.4 | 25.7 | 25.8 | 11.6 | 30.2 |
| Group III: written off or lost | 18.6 | 26.0 | 11.9 | 15.6 | 42.2 |
| Assets gifted/donated to the Government | 60.7 | 27.9 | 27.8 | 4.6 | 3.7 |
| Assets gifted/donated to intergovernmental, governmental agency and non-profit organizations | 0.0 | — | 2.0 | — | 5.0 |
| Inventory | 3.4 | — | — | — | — |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Abbreviations: MINUJUSTH, United Nations Mission for Justice Support in Haiti; MINUSTAH, United Nations Stabilization Mission in Haiti; UNAMID, African Union-United Nations Hybrid Operation in Darfur; UNMIL, United Nations Mission in Liberia; UNOCI, United Nations Operation in Côte d'Ivoire.

8. The Advisory Committee was provided, upon enquiry, with another table (see table 3), which provides a comparison of the transfer of assets from UNAMID to UNITAMS and from the United Nations Stabilization Mission in Haiti to the United Nations Mission for Justice Support in Haiti. The Committee was informed that the higher proportion of assets transferred from the Stabilization Mission to the Mission for Justice Support was attributable to the relative size of the property portfolio, the footprint and the requirements of the recipient Mission.

Table 3

Transfer of assets from the African Union-United Nations Hybrid Operation in Darfur to the United Nations Integrated Transition Assistance Mission in the Sudan, compared with the United Nations Stabilization Mission in Haiti to the United Nations Mission for Justice Support in Haiti

(Thousands of United States dollars)

| | <i>Capitalized value/ acquisition value</i> | <i>Percentage</i> | <i>Net book value/ operational value</i> | <i>Percentage</i> |
|-----------------------|---|-------------------|--|-------------------|
| UNAMID to UNITAMS | 13 544.7 | 2.0 | 1 617.5 | 1.0 |
| MINUSTAH to MINUJUSTH | 102 082.5 | 67.6 | 29 025.1 | 83.9 |

Abbreviations: MINUJUSTH, United Nations Mission for Justice Support in Haiti; MINUSTAH, United Nations Stabilization Mission in Haiti; UNAMID, African Union-United Nations Hybrid Operation in Darfur; UNITAMS, United Nations Integrated Transition Assistance Mission in the Sudan.

9. With regard to the transfer of assets to the United Nations Logistics Base, the Advisory Committee was informed, upon enquiry, that storing United Nations-owned equipment in a former host country where a field entity has closed would entail complications such as the expiration of the legal status and privileges of the United Nations field entity in the host country, storage and shipping costs, potential future risks in the retrieval of the assets due to geopolitical, security and logistical conditions, and the potential fluctuation of the economic life of the assets over time. Furthermore, some United Nations-owned equipment required refurbishment prior to redeployment, for which facilities and expertise were available at the Logistics Base. The Committee further discusses supply chain management and asset management, including the cost-effectiveness of transferring assets of closing missions to the Logistics Base and to other missions, in particular those nearer the closing mission, in its report on cross-cutting issues relating to peacekeeping operations. The Committee also discusses the disposition of high-value assets under the return, refurbishment and reuse (3R) programme in its report on the Logistics Base.

10. The Advisory Committee notes that group II includes assets disposed of in the mission area by sale, with a total capitalized value/acquisition value of \$42,214,899 (corresponding net book value/operational value of \$6,779,506), representing 6.4 per cent of the total capitalized value/acquisition value of the mission's assets. The Secretary-General, in his report, indicates that a total of \$3,753,887, representing the proceeds of the sales, was credited as miscellaneous income to UNAMID, generated through direct sales to United Nations agencies and international entities (\$1,652,361) and to government and intergovernmental entities (\$2,101,526) (A/78/702, para. 17 and table 4). Supplementary information provided to the Committee showed that the sale net values of some assets were below their net book/operational values, while the sale net values of other assets were above their net book/operational values. **The Advisory Committee recommends that the General Assembly request the Secretary-General to ensure that, in the disposition of assets of liquidating missions, every effort be made to maximize asset recovery and ensure that fair market value is realized from the sale of assets, including through advertising in the region, and in full adherence to the relevant rules and regulations of the Organization.** The Committee further discusses asset disposal in its report on cross-cutting issues relating to peacekeeping operations.

11. The Advisory Committee notes that group III includes assets written off or lost, with a total acquisition value of \$123,074,600 (corresponding net book value/operational value of \$11,956,700), representing 18.6 per cent of the total acquisition value of the mission's assets. Supplementary information provided to the Committee shows that a total quantity of 27,907 assets were written off or lost, whereby, on the basis of the acquisition/capitalized/inventory value, obsolescence accounted for 40.8 per cent of the mission's written-off assets, hostile action accounted for 25.1 per cent and inventory discrepancy accounted for 19.2 per cent. As regards the assets written off owing to obsolescence, the Committee recalls the observation made by the Board of Auditors that significant levels of ageing stocks in missions might also raise the risk of obsolescence and waste, affect the reliability of the inventory holdings and hinder the accuracy of demand planning (A/76/5 (Vol. II), para. 131). The Board recommended that the Administration, among others, ensure continuing management of asset disposal and eliminate disadvantages for missions and services centres, such as having to bear transport costs when sharing surplus assets (ibid., para. 134). **The Advisory Committee trusts that the Secretary-General will ensure the implementation of the recommendation of the Board of Auditors in order to minimize losses to the Organization.**

12. With respect to the assets written off owing to inventory discrepancy, the Advisory Committee was informed, upon enquiry, that inventory discrepancies often

came to light through physical verifications when a mission underwent a review of its assets and that, as discrepancies were discovered and resolved, the findings were reported in the final disposition of assets report. The Committee recalls that the General Assembly, in its resolution [77/305](#), reiterated the importance of establishing an accurate inventory of assets. **The Advisory Committee trusts that the Secretary-General will ensure the implementation of the resolutions of the General Assembly on inventory management in order to minimize losses to the Organization.**

13. With respect to the assets written off owing to hostile action, the Advisory Committee was informed, upon enquiry, that UNAMID continuously tracked and reported on measures put in place to ensure the safety and security of its assets and that issues were reported regularly through the monthly liquidation reports and in the end-of-mission report. The Committee was informed that the Secretariat submitted requests to the host Government for investigations into the circumstances surrounding the looting of the Nyala super camp in December 2019 and the looting of El Fasher camp in December 2021.

14. The Advisory Committee notes that UNAMID dispositioned inventory with a value of \$22,528,996, representing 3.4 per cent of the total capitalized value of the mission's assets. The Secretary-General indicates that inventory items that could not be disposed of by any other means, or were obsolete, were scrapped ([A/78/702](#), para. 19). Supplementary information provided to the Committee shows that a total quantity of 5,066,095 inventory assets of UNAMID were scrapped, wherein, on the basis of the inventory value, consumables, spare parts and inventory supplies accounted for 37.2 per cent and the vehicle fleet accounted for 13.6 per cent of the mission's scrapped inventory assets by value.

15. The Advisory Committee recalls the deficiencies identified by the Board of Auditors in the management of property, plant and equipment and inventory in the missions, in areas such as excess stockholdings and vehicles, surplus ageing stock and the new acquisition of items already in stock ([A/76/5 \(Vol. II\)](#), para. 130). The Board highlighted the risk of the uneconomical disposal of assets and inventory during the drawdown and liquidation phase of a mission. As regards UNAMID, the Board noted the relatively large share of donated, destroyed, lost and scrapped property, plant, and equipment and inventory and the inability to meet disposal benchmarks during the Operation's drawdown. The Board held that a root cause for the issues identified during the drawdown rested with the scattered and excessive build-up of property, plant and equipment and inventory holdings in the first place (*ibid.*, paras. 128–129). **The Advisory Committee reiterates the importance of a mission lightening its footprint to the maximum extent possible during its final stages of operations, so as to facilitate the disposition of assets in the liquidation phase (see also [A/74/828](#), para. 6). The Committee trusts that the Secretary-General will document and apply the lessons learned from the disposition of assets in UNAMID in future mission drawdowns, transitions and closures.** The Committee discusses lessons learned in its report on cross-cutting issues relating to peacekeeping operations.

16. Upon enquiry, the Advisory Committee was informed that the Division for Special Activities in the Department of Operational Support had developed a guide for senior leadership on field entity closure to provide comprehensive guidance on the closure of field entities, drawing upon established procedures and lessons learned from previously closed missions. The Committee was also informed that the Secretariat had developed a field entity "health check" tool to aid decision makers in assessing an entity's preparedness to address the potential drawdown and/or liquidation activities. The tool, introduced at a transition workshop in June 2023, is expected to ensure that field missions take into account transition issues with respect to asset management and other aspects of mission closure, throughout the mission's

life cycle The Committee was further informed that individual field entities also developed their own standard operating procedures, tailored to their unique contexts and on the basis of the Financial Regulations and Rules of the United Nations, such as the UNAMID standard operating procedures on the disposal of assets by gifting and on the closure of the Operation's camps and team sites. **The Advisory Committee is of the view that the guide for senior leadership on field entity closure and the standard operating procedures developed by individual field entities should complement one other. The Committee also trusts that more information on the health check tool, including its roll-out in missions undergoing drawdown/liquidation activities, will be provided in the next report on cross-cutting issues relating to peacekeeping operations.**

17. The action to be taken by the General Assembly is contained in paragraph 21 of the report of the Secretary-General. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General, subject to its comments and recommendations above.**
