



General Assembly

Sixty-seventh session

Official Records

Distr.: General
11 June 2013

Original: English

Fifth Committee

Summary record of the 28th meeting

Held at Headquarters, New York, on Monday, 6 May 2013, at 10 a.m.

Chair: Mr. Berger. (Germany)
*Chair of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Ruiz Massieu

Contents

Organization of work

Agenda item 128: Financial reports and audited financial statements, and reports of the Board of Auditors (*continued*)

Agenda item 146: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

Agenda item 154: Financing of the United Nations Observer Mission in Georgia

Agenda item 160: Financing of the United Nations Mission in the Sudan

Agenda item 161: Financing of the United Nations Supervision Mission in the Syrian Arab Republic

This record is subject to correction. Corrections should be sent as soon as possible, under the signature of a member of the delegation concerned, to the Chief of the Documents Control Unit (srcorrections@un.org), and incorporated in a copy of the record.

Corrected records will be reissued electronically on the Official Document System of the United Nations (<http://documents.un.org/>).

13-32424 (E)



Please recycle A small graphic of a recycling symbol, consisting of three chasing arrows forming a triangle.



Organization of work (A/C.5/67/L.32)

1. **The Chair** drew attention to the proposed tentative and provisional programme of work of the Committee for the second part of the resumed sixty-seventh session, established on the basis of the note by the Secretariat on the status of preparedness of documentation (A/C.5/67/L.32). It would be adjusted as necessary in the course of the session.

2. **Mr. Navoti** (Fiji), speaking on behalf of the Group of 77 and China, said that the Group welcomed the decisions taken at the first part of the resumed sixty-seventh session on important matters including the draft resolution on the report of the Senior Advisory Group established pursuant to General Assembly resolution 65/289. However, as the Committee had deferred decisions on civilian capacity in the aftermath of conflict and other subjects, it must resume its consideration of them without delay, while also maintaining a clear focus on the financing of 16 active peacekeeping missions, cross-cutting issues connected with peacekeeping, and the support account for peacekeeping operations.

3. When examining the proposed peacekeeping mission budgets, the Committee should give priority, first, to addressing the systemic and unresolved issues facing troop-contributing countries; second, to finding a fair solution to the problem of closed peacekeeping missions with a cash deficit; third, to ensuring that the formulation, presentation and approval of the budgets concerned was based on the mandates of the missions and the actual situation on the ground, rather than being determined by an attempt to cut costs across the board; and fourth, to assessing the qualitative and quantitative impact and intended benefits of the reform initiatives of the Secretary-General, including the Global Field Support Strategy.

4. With regard to the availability of documentation, the Group expressed concern at the failure to provide printed copies of the report of the Board of Auditors on United Nations peacekeeping operations (A/67/5 (Vol. II)). Recalling the provisions of Articles 10, 15 and 17 of the Charter of the United Nations, it requested from the Secretariat a written explanation for that absence, and information on the status of any other outstanding documents required for the current part of the resumed session. It trusted that the Committee's programme of work would be adjusted to take account

of the availability of documents and the progress of consultations.

5. **Mr. Coffi** (Côte d'Ivoire), speaking on behalf of the African Group, recalled that the Committee expected to take up some 20 agenda items, involving consideration of at least 88 documents, 16 of which were not yet available in edited and printed form. In particular, the Group was concerned that the report of the Board of Auditors on United Nations peacekeeping operations had been received in edited and printed form only that morning, despite its importance to the discussion of the proposed peacekeeping mission budgets. In the light of the resolutions of the General Assembly regarding the supply of documentation for the Member States, the Group wished the Secretariat to provide a transparent explanation for that and any other similar situation affecting the timely distribution of documents required for the second part of the resumed session.

6. The proposed budgets for peacekeeping missions should be considered in the light of each mission's specific mandate and specific environment. The across-the-board expenditure cuts proposed by the Secretariat risked hindering the implementation of the mission mandates established in the relevant resolutions of the Security Council. In connection with the long-standing problem of arrears in reimbursement to Member States from the accounts of closed peacekeeping missions with a cash deficit, the Group recalled the request made to the Secretary-General by the General Assembly, in its resolution 65/293 on closed peacekeeping missions, for concrete solutions to be proposed. It looked forward to considering such measures.

7. The General Assembly had repeatedly confirmed its belief that the most valuable asset of the Organization was its staff. The Group therefore attached great importance to the safety and well-being of peacekeeping personnel, and took the view that the troop-contributing countries' concerns regarding the sustainability of peacekeeping operations must be addressed effectively.

8. **Mr. León González** (Cuba), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that CELAC believed firmly that peacekeeping operations should receive the resources necessary for implementation of their mandates.

9. Timely submission of documentation in all of the official languages of the Organization was vital to

support the Committee's discussion of the range of issues on its programme of work, and to comply with the Rules of Procedure of the General Assembly and the relevant General Assembly resolutions.

10. **Mr. Mayr-Harting** (Observer for the European Union) said that peacekeeping operations, a hallmark of the Organization's activity, were crucial to bringing stability and development to countries emerging from crisis. The European Union recognized the commitment and sacrifice of peacekeeping personnel, who worked in demanding conditions, and paid tribute to those who had lost their lives while serving in United Nations missions. Its member States actively supported and participated in such missions, and contributed almost 37 per cent of the total peacekeeping budget. They therefore wished to continue improving the efficiency and effectiveness of peacekeeping operations and their support activities, and to ensure that they received adequate financing to implement their mandates.

11. The total proposed budget for peacekeeping missions for 2013/14 would increase still further with the approval of new mandates for missions in the Democratic Republic of the Congo and Mali. Against a backdrop of difficult financial conditions in many Member States, strict budgetary discipline must be exercised to ensure that resources were allocated on the basis of true necessity and used efficiently, effectively and in an accountable and transparent way.

12. Urgent efforts should be made to find a sustainable solution to the long-standing problem of closed missions with cash deficits. All cash surpluses from closed missions should be returned to the Member States, and all Member States should pay their assessed contributions.

13. Expressing support for the implementation of the Global Field Support Strategy, the European Union encouraged the Secretariat to ensure that it led to savings, economies of scale, and improved accountability and global and regional delivery of service, for more rapid and effective deployment of missions. As the development of the Strategy continued, its impact and results should be assessed.

14. The decisions reached by the Committee at the first part of the resumed sixty-seventh session on human resources management reforms would preserve the progress made through previous such reforms and improve performance management, workforce planning, recruitment and training, and rebalance relations

between management and staff, in accordance with the Staff Regulations and Rules. The European Union looked forward to receiving updated information on those issues at the main part of the sixty-ninth session. Strongly supporting the principle of managed mobility, it welcomed the adoption of a General Assembly resolution regarding the Secretary-General's related proposals and looked forward to considering those proposals at the main part of the sixty-eighth session.

15. While the European Union member States were committed to providing appropriate support to the Organization's staff, particularly those working in the most dangerous environments, account must be taken of the limits imposed by many of the Organization's Member States on their own civil servants as a result of financial difficulties. It was unrealistic and unsustainable for United Nations staff members to be insulated artificially from current economic realities. In that connection, the European Union welcomed the Secretariat's initial steps to modernize the management of official travel and the intention of the International Civil Service Commission to undertake a comprehensive review of the compensation package of all staff. Furthermore, following the request to the Secretary-General to explore all options for the long-term accommodation needs of staff, the European Union would await the potential solutions to be examined at the first part of the resumed sixty-eighth session.

16. It was regrettable that late submission of the required documentation had prevented the Committee from beginning its discussion of procurement at the first part of the resumed session. The European Union looked forward to taking up that issue as early as possible in the main part of the sixty-eighth session, with a particular emphasis on incorporating the principle of sustainability and examining the benefits and lessons learned from the Regional Procurement Office in Entebbe.

17. The European Union was committed to improving the functioning of the Committee and urged exploration of all options to that end, noting the previous successful examples of flexible working methods.

18. **Mr. Aiki** (Japan) said that the Member States should undertake to provide peacekeeping operations with adequate resources, so that they were able to fulfil their mandate of maintaining international peace and security. At the same time, the management of peacekeeping operations must be efficient, effective

and accountable, not only because of the difficult financial situation of many Member States, including Japan, but also because experience had shown that redundant or inadequately managed resources reduced the effectiveness of peacekeeping operations and the long-term sustainability of the Organization.

19. The decrease in the total peacekeeping budget figure compared to twelve months previously had been brought by mission closures and mandate changes; the final budget level was likely to be much higher, not least because of the requirements of the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA). His delegation would work to ensure that each mission was allocated resources that neither exceeded nor fell short of the requirements of its mandate.

20. Noting that the proposed total peacekeeping budget showed a 7.3 per cent reduction in military and police personnel costs but only a 1.3 per cent reduction in civilian personnel costs, his delegation welcomed the Secretary-General's efforts to conduct a comprehensive review of the latter, in accordance with General Assembly resolution 66/264, but emphasized that that review process must continue, as it had not yet produced the expected results. Also noting the upward trend in the level of the peacekeeping support account, despite the decrease in the total peacekeeping budget, his delegation called for examination of backstopping requirements drawing on that source of funding and of the possibility of making the support account scalable.

21. His delegation commended the Department of Field Support Resource Efficiency Group for the achieving improvements, but called for further efforts, as operational costs had increased by 4.5 per cent despite the decrease in personnel costs. It was time to evaluate the effects of the Global Field Support Strategy, which had been in operation for three years, in the light of its aim of improving the timeliness and quality of service delivery in field missions.

22. **Mr. Torsella** (United States of America) said his delegation was concerned about the limited time allocated in the Committee's proposed programme of work to consideration of each peacekeeping mission budget, in view of the significant financial requirements of peacekeeping missions, the volume of the related documentation and the level of analysis expected by national Governments and taxpayers. Efficient use of time and conference services during

the second part of the resumed session was therefore vital.

23. After reaching a peak in 2009/10, followed by what could be regarded as a period of consolidation, peacekeeping resource requirements were likely to reach a new historic high with the establishment of MINUSMA. The pace of recent initiatives to improve service delivery, increase efficiency and reduce operational costs should not just be maintained, but accelerated. He wished to emphasize the call made by the General Assembly, in its resolution 66/264, for a comprehensive review of costs, and urged that the current focus on logistical support for operations in the field should not divert the focus away from the important issue of the cost, numbers and organization of associated civilian personnel. The ongoing review of the Field Service category of staff should be widened to all staff, in line with the wishes of the General Assembly. The Secretariat should provide an analysis of how the Security Council mandate for each mission, the situation on the ground and the current state of mission deployment justified the proposed level and category of staffing for each mission component. While his delegation did not expect such a detailed analysis to be performed for every mission every year, a periodic analysis should be undertaken for all missions, particularly after significant mandate changes. Eventually, such exercises should make it possible to establish benchmarks for the staffing requirements associated with individual mission tasks.

24. The United Nations Mission in Liberia (UNMIL) and the United Nations Operation in Côte d'Ivoire (UNOCI), located in the same region and broadly similar in size and operating environment, showed considerable differences in staffing levels. While UNMIL had 23 per cent more staff than UNOCI, its human resources section had 50 per cent more staff than that of UNOCI, while the medical section of UNOCI had 61 per cent more staff than that of UNMIL. Although his delegation recognized that mission structures varied for many reasons, including differences in mandated tasks, and had no wish to establish a universal staffing table, it advocated determining a baseline from which to gauge the distinction in necessary staffing levels for each mission.

25. From a performance standpoint, regular staffing reviews were required in order to ensure that staff were appropriately deployed, and that their distribution was in line with current needs rather than past, possibly

outdated, needs. From a budget standpoint, they were required in order to explore why, for example, the 2-per-cent reduction in the level of civilian staff and United Nations Volunteers in the proposed overall peacekeeping budget was accompanied by a 3-per-cent increase in associated costs. From a security standpoint, they were required in order to minimize risks to civilian personnel serving in difficult and dangerous environments.

26. The United States remained a staunch supporter of United Nations peacekeeping and acknowledged the effort and sacrifice of peacekeeping personnel in the field and at Headquarters. It remained committed to meeting its considerable financial obligations for peacekeeping in full and on time. The network of obligations binding the various parties involved in peacekeeping was complex: mutual obligations between the Member States and the Organization, and mutual obligations between the Member States. In that context, there should be no erosion of the long-standing principle of decision-making by consensus in the Committee.

27. **Mr. Manongi** (United Republic of Tanzania) said that one of the building blocks of the Organization's credibility was its fulfilment of the mandates entrusted to it, including those relating to peacekeeping and special political missions. Paying tribute to the dedication and sacrifice of peacekeeping personnel, he said that, in an environment of increasingly scarce resources, ways must be sought to increase efficiency and effectiveness while ensuring that missions had sufficient resources to comply with their mandates. The success of peacekeeping and political missions depended not just on political support, but also on resources and capabilities. It was the Committee's responsibility to ensure that adequate and timely resources were available. His delegation would pay particularly close attention to the report of the Board of Auditors on United Nations peacekeeping operations (A/67/5 (Vol. II)), the expanded peacekeeping mandate in the Democratic Republic of the Congo, the financing of United Nations support for the African Union Mission in Somalia (AMISOM), the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and the forthcoming United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA).

28. His delegation was concerned at the enduring problem of late submission of documentation, which

had led to the receipt of the report of the Board of Auditors only that morning. Such delays impeded the timely consideration of important items and adversely affected the Committee's efficiency. It also called for the Committee's deliberations to be conducted in an open, inclusive and transparent manner, avoiding past practices that had created mistrust and confusion among representatives of the Member States and had therefore undermined the intergovernmental process.

29. **Mr. Masood Khan** (Pakistan), acknowledging the commitment, professionalism, courage and sacrifice of United Nations peacekeepers, many of them from Pakistan, said that the objectives of the Committee's review of peacekeeping operations at the second part of the resumed session should be to address the gaps between required and available resources, emphasizing that the pursuit of reform and efficiency should not be used to justify cost cuts; to address unresolved systemic problems, such as reimbursements to troop-contributing countries and their under-representation in the Organization; and to assess the Global Field Support Strategy and other logistics tools. The success of peacekeeping operations was rooted in a partnership among the Member States which should continue, and should be reflected in the consensus decisions of the Committee. It was that spirit of consensus that had enabled the Committee to reach agreement on the report of the Senior Advisory Group established pursuant to resolution 65/289.

30. **Ms. Morgan** (Mexico) said that her delegation was interested in the proposal to streamline, and therefore improve the efficiency of, the preparation of the peacekeeping budgets. In that connection, the Committee should seek to prevent duplication of functions and promote effective and efficient use of the Organization's human and material resources. Her delegation also wished to promote the efficient functioning of individual missions. In the particular case of the United Nations Stabilization Mission in Haiti (MINUSTAH), it urged that the adjustments made necessary by changes in the relevant Security Council mandates should not be implemented in a way which jeopardized the welfare of field personnel or the capacity of the Mission to provide vital support to the Haitian Government and people. Recognizing the essential contribution of the Office of the United Nations High Commissioner for Human Rights to implementation of the mandates of peacekeeping missions on the ground, her delegation welcomed the

concept of providing for the financing of human-rights-related activities from the support account for peacekeeping operations as, by their very nature, they should not draw on already scarce regular budget resources.

31. Her delegation was particularly interested in discussing the use of resources earmarked for peacekeeping to fund special political missions, a category of activity for which financing arrangements had long been far from optimal. In that connection, it wished to focus on the financing of the activities of the Special Envoy of the Secretary-General for the Sahel. Special political missions were necessary and could be established when justified by the needs and situation on the ground at any time during a biennium. The biennial pattern of the regular budget was clearly unsuited to such missions, whose cost had grown by 1,200 per cent over the previous decade, making them a significant driver of the increase in the regular budget. Unless that anomaly was corrected by establishing a separate account for special political missions, there was a substantial chance that the Organization would be unable to remain within the budget outline adopted at the end of the main part of the sixty-seventh session without endangering development and human rights activities, on which expenditure had remained constant in real terms.

32. The requirements of those missions would be met more effectively by considering their budgets on an annual basis, following the pattern of the peacekeeping operation budgets. Given the objectives of special political missions, and the process by which they were established, perhaps their financing arrangements should take more account of the differences between Member States in connection with the maintenance of international peace and security.

33. **Mr. Benmoussa** (Morocco) said that discussions at the second part of the resumed session would cover important subjects including the financing of peacekeeping operations, which must receive the resources that they required to fulfil their mandates. Also essential to the implementation of peacekeeping mandates was consideration of human resources issues, cross-cutting issues and the support account. He hoped that the Committee's programme of work would be adjusted where necessary, particularly to take account of the late submission of documentation.

34. **The Chair** said he took it that the Committee wished to approve the proposed programme of work on the understanding that that it would be adjusted by the Bureau as necessary during the course of the session.

35. *It was so decided.*

Agenda item 128: Financial reports and audited financial statements, and reports of the Board of Auditors (*continued*) (A/67/5 (Vol. II); A/67/741 and 782)

36. **Mr. O'Farrell** (Chair of the Audit Operations Committee of the United Nations Board of Auditors), introducing the Board of Auditors report on United Nations peacekeeping operations for the 12-month period from 1 July 2011 to 30 June 2012 (A/67/5 (Vol. II)), said that, for the financial period ending 30 June 2012, the Board had issued an unqualified audit opinion. The report had included an emphasis of matter that drew attention to note 14 to the financial statements, in which the Organization had disclosed for the first time the \$889 million incurred cost of constructing buildings and structures for the peacekeeping missions. While satisfied that the balance was fairly stated, the Board had noted in its long-form report that more detailed and separate accounting records for those assets would be needed to meet the stricter requirements of the International Public Sector Accounting Standards (IPSAS).

37. While the Board also recognized the Administration's efforts to enhance financial control and management, addressing concerns expressed in previous reports; it had continued to find deficiencies in the management of peacekeeping operations, particularly asset, procurement and budget management and the implementation of the Global Field Support Strategy. With regard to asset management, the Board had noted unused non-expendable property to a value of \$83.55 million as at 30 June 2012, with some in bad condition, some past its life expectancy and some simply unused for over three years. Such situations presented a high risk of loss or waste and indicated possible excessive procurement. Similarly, records for expendable property transferred from the United Nations Mission in the Sudan (UNMIS) to the United Nations Mission in South Sudan (UNMISS) and the United Nations Interim Security Force for Abyei (UNISFA) did not match each other, and the absence of detailed and complete packing lists made it difficult to assign accountability and responsibility for the discrepancies. Management of asset disposal at

liquidated missions had been weak, with 97 per cent of information technology equipment transferred from UNMIS to UNISFA found to be obsolete, indicating poor verification of the items prior to packing.

38. The audit of the four major procurement functions — acquisition planning, solicitation, contract management and administration and vendor management — had revealed further deficiencies, namely inadequate consideration of current stock levels prior to requisition, increasing the risk not only of nugatory expenditure, but also of waste and unnecessarily greater storage and security overheads; failure to consolidate demand for goods and services across missions in order to profit from economies of scale; a lack of clear vendor invitation criteria and instances of unregistered vendors being invited to bid, impairing the fairness and transparency of procurement; and providing contract extensions to poorly performing vendors.

39. After reviewing mission budget formulation processes, the Board had identified a failure to consider certain key factors. The first example was the erroneous assumption that all contingent-owned equipment would pass inspection and be accepted by the United Nations. In practice, a substantial portion was not accepted, leading to variances between budgeted expenditure and actual expenditure. The second example was the failure to take due consideration of historical trends for budget assumptions, notably the delayed deployment factor, which had affected the accuracy of budget calculation for several missions' formed police units and national professional officers.

40. While the standardized funding model, a component of the Global Field Support Strategy, had been used to establish the 2011/12 UNMISS budget, the Board had found weaknesses both in the model and in its application to UNMISS. Insufficiently justified budget assumptions and failure to consider the Mission's actual situation and requirements might have led to a budget overestimate of some \$102 million. On the basis of those sample findings, the Board believed that the total 2011/12 budget for peacekeeping operations might have been overestimated by \$246 million.

41. Lastly, successful delivery of the Global Field Support Strategy would depend on rigorous project management, effective governance and management of potential benefits. Yet, despite being in its third year of implementation, the Strategy lacked a sufficiently

detailed implementation plan and a comprehensive timeline for each of its pillars. Risk management was inadequate and there was no cost-capturing and cost-reporting mechanism. Governance mechanisms had not functioned properly. The Strategy lacked a benefits realization plan and tracking of both qualitative and quantitative benefits was insufficient. The envisaged benefits, including a reported saving of \$61.3 million, could therefore not be substantiated.

42. **Mr. Guazo** (Director of the Accounts Division, Office of Programme Planning, Budget and Accounts), introducing the 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 2012 (A/67/741), said that the report provided additional information, where necessary, in response to the Board's recommendations. In accordance with the requests made by the General Assembly in its resolution 66/232 B, the report provided an expected time frame for the implementation of the Board's new recommendations and outstanding recommendations from previous reports, and priorities for their implementation, as well as a full explanation for delays in the implementation of all outstanding recommendations of the Board. In its report, the Board had noted that, of the 40 recommendations made for 2010/11, 22 had been partially implemented in the period under review. As at January 2013, 10 of those 22 recommendations had been fully implemented.

43. The Administration was aware of all the issues raised by the Board and continued to work towards the implementation of its recommendations. In the particular case of the emphasis of matter relating to the cost of construction in peacekeeping missions over the previous decade, he wished to point out that the inclusion of the sum concerned had been part of the preparatory activities for the introduction of IPSAS. Noting the Board's satisfaction with the improvement in monitoring implementation of its recommendations, and in issuing guidance to missions, he emphasized that most of the Board's human-resources-related recommendations had been implemented. The 50 per cent of recommendations classified by the Board as most important would be given priority for implementation.

44. The current status of action on the specific concerns expressed by the General Assembly in its resolution 66/232 B was summarized in section II of the Secretary-General's report. Emphasizing the

commitment of the Secretariat to full and timely implementation of the Board's recommendations, he expressed hope that the Board's constructive engagement with the Organization in the performance of its oversight responsibilities would help to build an even better managed and more transparent United Nations.

45. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's related report (A/67/782), said that the Advisory Committee welcomed the timely submission of the report of the Board of Auditors and the report of the Secretary-General on the implementation of the Board's recommendations. It had taken particular note of the Board's comments on the cost of self-constructed assets in peacekeeping missions, and hoped that efforts would be made to determine the fair value of those assets in time for the introduction of IPSAS. Also in connection with the introduction of IPSAS, the Advisory Committee remained concerned at the deficiencies observed by the Board of Auditors in property management and the reliability of data on assets, and urged more concerted measures to address them.

46. While noting the positive trend in the overall level of unliquidated obligations, the Advisory Committee remained concerned by the extent of cancellation of prior-period obligations and the continued high level of obligations raised during the last month of the financial period. That practice would likely cease with the introduction of IPSAS. Turning to the Board's observations on the usefulness of standard aircraft fuel consumption rates in the budget calculation process, the Advisory Committee pointed out that a regular review would be needed to ensure that the rates remained relevant. In its separate report on cross-cutting issues related to United Nations peacekeeping operations (A/67/780), the Advisory Committee had reviewed and made specific comments and observations on all of the Board's important recommendations, such as budget formulation and management; human resources management; asset management; aviation budgets; official travel; and the Global Field Support Strategy.

47. **Ms. Khatri** (Fiji), speaking on behalf of the Group of 77 and China, said that the Group had noted that the implementation rate of the Board of Auditors' recommendations for the previous three years had remained at around 45 per cent; the Secretary-General

should therefore step up efforts to implement the recommendations in a full and timely manner. The Group was also seriously concerned by the extent of the weaknesses and deficiencies identified by the Board, particularly in relation to the Global Field Support Strategy, the implementation of IPSAS, and asset management and procurement.

48. Noting the tight schedule for the implementation of IPSAS in field missions, and the significant risks attached to that exercise, the Group called on the Secretary-General to address as a matter of priority the deficiencies in IPSAS management and accountability identified by the Board. The Secretariat should work more closely with the Board to identify the root causes of recurring issues. While the Group recognized the progress made in addressing the deficiencies in asset management raised by the Board in previous reports, it remained concerned by the continued lack of separate accounts for constructed assets, insufficient physical verification of assets and deficiencies in relation to asset disposal activities at liquidated missions. It was also concerned at the procurement and contract management issues identified by the Board. The Organization must comply with the existing administrative and financial rules and regulations and General Assembly provisions governing procurement.

49. Lastly, the deficiencies identified by the Board in the implementation of the Global Field Support Strategy were a major cause for concern. The Group requested from the Secretariat detailed explanations as to why it had moved six posts from the Global Service Centre to the United Nations Support Base in Valencia without the General Assembly's approval and had subsequently been forced to return them, and similarly, as to why it had moved 163 posts to the Regional Service Centre in Entebbe before receiving General Assembly approval. Details of the measures being taken to hold those responsible to account should also be provided.

Agenda item 146: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*) (A/67/739 and 837)

50. **Mr. Ramanathan** (Deputy Controller), introducing the report of the Secretary-General on the updated financial position of closed peacekeeping missions as at 30 June 2012 (A/67/739), said that, in response to General Assembly resolution 65/293, the report included a proposal to address the issue of outstanding dues to Member States from closed

peacekeeping missions in net cash deficit by using the total cash assets available in closed missions to settle the amounts due to Member States in closed missions with cash surpluses, the outstanding claims owed to troop-contributing countries in closed missions with cash deficits, and the amount owed to the Peacekeeping Reserve Fund.

51. While the Secretary-General recognized that the liquidity of active peacekeeping operations was not directly linked to the issue of cash surpluses in closed missions, using those surpluses was currently the only way of alleviating cash shortages in active peacekeeping operations. The Secretary-General therefore proposed that the General Assembly should authorize temporary borrowing between active peacekeeping missions, which was currently not permitted, as it was not expected to negatively impact the operations of any active peacekeeping mission. In any event, should the General Assembly approve that proposal, a mechanism to address the issue of cash requirements of active peacekeeping operations would be necessary.

52. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/67/837), said that the Advisory Committee noted with concern the continued borrowing from the accounts of closed peacekeeping missions with cash surpluses in order to meet the cash flow requirements of active peacekeeping mission with cash deficits. The Advisory Committee reiterated the importance of delinking the cash flow requirements of active peacekeeping missions from the cash surpluses in closed missions that should be returned to Member States.

53. The Advisory Committee had noted the Secretary-General's proposal to use the total cash assets available in all closed missions to settle outstanding liabilities. While that could help to resolve the long-standing issue of unpaid claims to troop-contributing countries, it would also consume resources due for reimbursement to those Member States that had paid their assessed contributions in full in order to meet financial obligations to the Organization of those Member States that had not done so. Furthermore, the Advisory Committee was of the view that the approval of borrowing among active missions without limits and safeguards, even if the amounts were small relative to the total cash position

of active missions, would not be prudent and could be an inducement to the late payment of assessed contributions. The Advisory Committee recommended that the General Assembly should request the Secretary-General to review other possible alternatives, and to report on all proposals in his next report on closed peacekeeping missions.

54. **Ms. Khatri** (Fiji), speaking on behalf of the Group of 77 and China, said that the Group was concerned by the cash deficits in several closed peacekeeping missions caused by the non-payment of arrears by some Member States, which in turn had resulted in substantial outstanding dues to Member States that had fulfilled their financial obligations. It was recalled in that regard that all Member States were legally obliged, under the Charter of the United Nations, to pay their assessed contributions in full, on time and without conditions. In its resolution 65/293, the General Assembly had requested the Secretary-General to submit to it for its consideration and approval concrete proposals and alternatives to address the issue of outstanding dues to Member States from closed peacekeeping missions that were in net cash deficit. The Group would study the Secretary-General's proposal carefully in an effort to find a lasting solution to that long-standing issue and to address the cash requirements of peacekeeping operations.

Agenda item 154: Financing of the United Nations Observer Mission in Georgia (A/67/578 and 780/Add.3)

Agenda item 160: Financing of the United Nations Mission in the Sudan (A/67/586 and 780/Add.13)

Agenda item 161: Financing of the United Nations Supervision Mission in the Syrian Arab Republic (A/67/707 and 780/Add.2)

55. **Mr. Ramanathan** (Deputy Controller), introducing the related reports of the Secretary-General (A/67/578, 586 and 707), said that the actions to be taken by the General Assembly in respect of the financing of the United Nations Mission in the Sudan (UNMIS) were set out in paragraph 64 of the budget performance report (A/67/586), and in respect of the financing of the United Nations Supervision Mission in the Syrian Arab Republic (UNSMIS) in paragraph 26 of the budget performance report (A/67/707). With regard to the United Nations Observer Mission in Georgia (UNOMIG), the actions to be taken by the

General Assembly were set out in paragraph 7 of the final performance report (A/67/578). Based on updated financial information as at 30 April 2013, the amount available for return to Member States was \$1.6 million.

56. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee report on the financing of UNOMIG (A/67/780/Add.3), said that it had been informed that changes in the cash position of the Mission had increased the credit available for return to Member States from the \$1.4 million indicated in the final performance report to \$1.5 million by the end of 2012. Taking into account the updated cash position of the Mission, the Advisory Committee recommended that the General Assembly should approve the proposal to credit the resulting cash balance to Member States. The Advisory Committee recalled that, in its resolution 66/272 on financing of UNOMIG, the General Assembly had noted with concern that only 157 Member States had paid their assessed contributions in full, and urged all other Member States to ensure payment of their outstanding assessed contributions.

57. Introducing the Advisory Committee's report on the financing of UNMIS (A/67/780/Add.13), he said that the updated summary of the Mission's financial position as at 31 December 2012 contained in the annex to the report showed an increase in net available cash to some \$52 million, before additional potential liabilities, estimated at \$7.5 million, had been taken into account. The Advisory Committee had been informed that it was possible to return the full balance of credits in the amount of \$38,463,600 due to Member States from the 2011/12 financial period. However, given the uncertainty of the total additional liabilities, the amount to be returned to Member States for that period had only recently been finalized. Having examined the assessed contributions receivable from Member States, the Advisory Committee recalled the repeated appeals by the General Assembly for all Member States to pay their assessed contribution on time, in full and without conditions.

58. Introducing the Advisory Committee's report on the financing of UNSMIS (A/67/780/Add.2), he recalled that, following the decisions of the Security Council and pursuant to General Assembly resolution 64/269, the Advisory Committee's prior concurrence had been sought and granted to authorize the Secretary-General to enter into commitments for the urgent

establishment of the Mission, its expeditious deployment and requirements related to the renewal of the mandate of the Mission until 19 August 2012. The total commitment authority granted to the Secretary-General amounted to \$31,072,000, the details of which were provided in paragraphs 3 to 5 of the report. The Advisory Committee recommended that the General Assembly should accept the Secretary-General's proposals, contained in paragraph 26 of his budget performance report (A/67/707).

The meeting rose at 12.45 p.m.