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Chairman: Mr. Yousfi (Algeria)
*Chairman of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Saha

Contents

Agenda item 144: Financing of the United Nations peacekeeping forces in the Middle East (*continued*)

(b) United Nations Interim Force in Lebanon (*continued*)

Agenda item 151: Financing of the United Nations Integrated Mission in Timor-Leste (*continued*)

Agenda item 132: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

*Investing in the United Nations: for a stronger Organization worldwide:
detailed report: Financial management practices*

Updated financial position of closed peacekeeping missions

Agenda item 117: Programme budget for the biennium 2006-2007 (*continued*)

Revised estimates resulting from decision S-4/101 adopted by the Human Rights Council at its fourth special session in 2006

Revised estimates resulting from resolutions adopted by the Human Rights Council at its fourth session in 2007

Organization of work

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The meeting was called to order at 3.10 p.m.

Agenda item 144: Financing of the United Nations peacekeeping forces in the Middle East (*continued*)

(b) United Nations Interim Force in Lebanon
(*continued*) (A/61/829, A/61/852/Add.16,
A/61/870 and Corr.1 and A/61/883)

Agenda item 151: Financing of the United Nations Integrated Mission in Timor-Leste (*continued*)
(A/61/852/Add.17 and A/61/871 and Corr.1)

1. **Mr. Sach** (Controller) introduced the reports of the Secretary-General on the financing of the United Nations Interim Force in Lebanon (UNIFIL) and the United Nations Integrated Mission in Timor-Leste (UNMIT), which included the performance report on the budget of UNIFIL for the period from 1 July 2005 to 30 June 2006 (A/61/829), the budget for UNIFIL and the budget for UNMIT for the period from 1 July 2007 to 30 June 2008 (A/61/870 and Corr.1 and A/61/871 and Corr.1) and the comprehensive review of the Strategic Military Cell (A/61/883).

2. The financial performance reports indicated actual expenditure compared to the original appropriations for each mission. The performance report on the budget of UNIFIL for the period from 1 July 2005 to 30 June 2006 (A/61/829) reflected a budget implementation rate of 96.8 per cent. Since UNMIT had only been established on 25 August 2006, pursuant to Security Council resolution 1704 (2006), no performance report was yet available.

3. The proposed budget for UNIFIL for 2007/08 amounted to \$713 million, an increase of 43.7 per cent compared to the original level of appropriations, while the proposed budget for UNMIT amounted to \$153.2 million, a decrease of 17.1 per cent compared to the original level of appropriations.

4. In the budget for UNIFIL (A/61/870 and Corr.1), the proposed resource requirements for 2007/08 reflected the planned full deployment of the Force, while the 2006/07 budget had provided only for a phased deployment. The proposed requirements also reflected the full deployment of 408 international posts and 869 national posts, as well as the application of lower vacancy rates. Lastly, the proposed 2007/08 budget provided for the deployment of nine helicopters and 18 naval vessels for the full 2007/08 period, while the 2006/07 budget had provided for the deployment of

just seven helicopters and 16 naval vessels for only nine months.

5. He then turned to the report of the Secretary-General on the comprehensive review of the Strategic Military Cell (A/61/883), which had been undertaken in response to the request contained in paragraph 14 of General Assembly resolution 61/250 B. The report described the background to the establishment of the Strategic Military Cell, its role, structure and functions, its main activities to date and its relationship with other parts of the Department of Peacekeeping Operations. The report also provided some initial observations on the Cell's significance for the planning of complex United Nations peacekeeping operations.

6. The proposed budget for UNMIT (A/61/871 and Corr.1) reflected decreased requirements under facilities and infrastructure, ground transportation, communications, information technology and other supplies, services and equipment owing to the planned acquisition of prefabricated structures, vehicles and equipment for which provision had been made in the 2006/07 budget, and the planned completion of major construction and renovation projects. Those decreases had been partially offset by the increase in resource requirements with respect to services provided by a level-II hospital for a 12-month period, compared with the provision made for a 6-month period in the 2006/07 budget. Services included hospitalization outside the Mission area, external specialist consultations and laboratory services.

7. By its resolution 1745 (2007), the Security Council had increased the Mission's authorized force strength by up to 140 police personnel. The proposed budget was predicated on the anticipated completion of the presidential and parliamentary elections in Timor-Leste by 30 June 2007 and the resulting withdrawal of the Mission's international and national electoral support staff by the end of the 2006/07 financial period. Should there be any delay in holding the elections, related requirements would be absorbed in the 2007/08 budget. Should any additional resources be required, they would be reported in the performance report for 2007/08. Taking into account General Assembly resolution 61/264, the Mission's share of after-service health insurance provisions drawn from interest and other income, as well as the unencumbered balances for the financial period, would be credited in full to Member States.

8. **Mr. Saha** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the related reports of the Advisory Committee. In its report on UNIFIL (A/61/852/Add.16), the Advisory Committee recommended acceptance of the Secretary-General's proposals. The Advisory Committee had taken account of a number of factors, including the ongoing expansion in the deployment of military personnel and the need for changes in the civilian component of the mission, as proposed by the Secretary-General. Given its earlier view that the cost of providing backstopping requirements at Headquarters should not be charged, even temporarily, to the budgets of peacekeeping operations (A/61/616, para. 13), the Advisory Committee was of the opinion that, in future, costs related to the Strategic Military Cell should be charged to the support account. With regard to quick-impact projects funded through the UNIFIL budget, the Advisory Committee was of the opinion that an analysis of results achieved through such projects should be provided in the context of future budgets.

9. The Advisory Committee's recommendations with regard to UNMIT entailed a reduction of the amount budgeted by \$27,700 and were contained in paragraph 23 of its report (A/61/852/Add.17). The Advisory Committee noted that the Security Council had requested the Secretary-General to submit a report, including recommendations for possible adjustments in the Mission's mandate and strength, within 60 days after the presidential and parliamentary elections in Timor-Leste.

10. The Advisory Committee recommended that UNMIT should conduct an in-depth review of its staffing requirements taking into account its changing operational environment. Consideration should also be given to the strong presence of United Nations agencies, funds and programmes in Timor-Leste and the need to avoid duplicating functions and structures that already existed within the country team. With the downsizing of police personnel and electoral support staff at the conclusion of the elections and the fact that a large part of procurement activity relative to the setting up of the Mission would be completed during 2006/07, the Advisory Committee believed that there would be further opportunities for more efficient use of resources in such areas as procurement, human resources, information and communication technology (ICT) and general services. The Advisory Committee

had also remarked on the continuing serious challenges posed by the Mission's vacancy situation, with vacancy rates in the range of 50 per cent for international and 26 per cent for national staff. It had urged UNMIT and the Secretariat to develop a concerted strategy for ensuring that the Mission had adequate staff levels to accomplish its mandate.

11. **Mr. Taula** (New Zealand), speaking also on behalf of Australia and Canada, expressed strong support for UNMIT and its work in Timor-Leste and paid tribute to the role played by UNMIT and United Nations police in the recently concluded presidential elections. Assisting Timor-Leste with that process, and the forthcoming parliamentary elections, had been an important priority for UNMIT. Other critical elements of its mandate included its assistance to Timor-Leste's governing institutions and its support for a comprehensive security sector review. He was pleased that the UNMIT budget for 2007/08 supported continued emphasis, and in some cases strengthened capacity, in those areas of its mandate.

12. He urged caution when planning for the future of UNMIT, including the eventual drawdown of personnel, especially police, and other substantial changes in the Mission. Security Council resolution 1745 (2007) requested the Secretary-General to submit a report within 60 days after the presidential and parliamentary elections with recommendations for possible adjustments in the mandate and strength of UNMIT. Prior to that assessment, it was premature to consider reductions in police and other personnel. The assessment would also need to take account of the entire mandate of UNMIT, including the capacity-building and public-security responsibilities of United Nations police.

13. Turning to the report of the Advisory Commission (A/61/852/Add.17), he said that the three delegations opposed downgrading any senior UNMIT positions, especially the post of Deputy Police Commissioner, given the importance of the Mission's responsibilities for the institutional development and strengthening of the Policia Nacional de Timor-Leste (PNTL), the security sector review and the desirability of continuity at such an important time.

14. He expressed concern at the continued high vacancy rate at UNMIT and agreed with the Advisory Committee on the need for a concerted strategy to ensure adequate staffing levels. He would appreciate an

update from the Secretariat on the staffing situation, which was not unique to UNMIT and underlined the importance of addressing human resources management reform across the United Nations.

15. Lastly, he expressed concern at the level of unpaid assessments for UNMIT, which left the Mission in a difficult cash position and delayed payment to those Member States providing formed police personnel. He encouraged all Member States to meet their obligations to fund the Mission.

16. **Mr. Tarrisse da Fontoura** (Brazil) said that his delegation supported all the post and non-post resources requested by the Secretary-General for UNMIT. The Mission's budget must be adequate to help the people and Government of Timor-Leste maintain public security and implement the rule of law, maintain stability in border areas, strengthen the justice sector, and make progress on national reconciliation, respect for human rights, poverty eradication and economic development. His delegation therefore endorsed all the resources requested for quick-impact projects, as they would enable the Mission to restore the facilities of the national police, renovate basic community infrastructure, provide clean drinking water and repair school buildings and roads, thereby benefiting the Timorese people and gaining their support.

17. His delegation welcomed the fact that UNMIT and the United Nations agencies, funds and programmes in Timor-Leste had worked together to assist the Government in such areas as democratic governance, electoral assistance, serious crimes and administration of justice.

18. While welcoming the considerable improvement in vacancy rates for civilian staff, he urged the Secretary-General to continue his efforts to reduce overall vacancy rates at UNMIT. Lastly, his delegation endorsed the establishment of a Chief of Staff post at the D-2 level, a Chief Political Affairs Officer post at the D-1 level and a Deputy Police Commissioner for Administration and Development post at the D-1 level.

19. **Mr. Sach** (Controller), responding to the request by the representative of New Zealand, speaking also on behalf of Australia and Canada, for an update on the staffing situation at UNMIT, said that, as at 23 May 2007, 33 out of the 34 military personnel positions had been filled, representing a 97 per cent occupancy rate — or 3 per cent vacancy rate — for those positions. The

vacancy rate for civilian personnel other than civilian police had improved somewhat and, as at 23 May 2007, was about 24 per cent, with 1,519 out of 1,991 authorized positions filled. Further details on the numbers of Professional, Field Service, international, national and local staff could be provided in informal consultations.

Agenda item 132: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

Investing in the United Nations: for a stronger Organization worldwide: detailed report: Financial management practices (A/61/865 and A/61/920)

Updated financial position of closed peacekeeping missions (A/61/867 and A/61/920)

20. **Mr. Sach** (Controller) recalled that the Secretary-General, in an addendum on financial management practices to his detailed report on investing in the United Nations: for a stronger Organization worldwide (A/60/846/Add.3), had pointed out that the implications of consolidating peacekeeping accounts into a single account included greatly improved liquidity for peacekeeping operations. In its resolution 60/283, the General Assembly had decided to defer consideration of a number of the proposals contained in the report of the Secretary-General, including the proposals on consolidation of peacekeeping accounts and increases in the Peacekeeping Reserve Fund and commitment authority for peacekeeping operations, until the second part of its resumed sixty-first session.

21. The Secretary-General's subsequent report on financial management practices (A/61/865) updated the analysis of the effect of consolidating peacekeeping accounts on reimbursement to contributors of troops and formed police, concluding that an additional \$325.5 million in reimbursements, representing 28 per cent more than the level possible without consolidation, could have been made in 2006. It was important for progress to be made in the matter of consolidation in order to provide a rational framework for the financial management of over \$5 billion in peacekeeping resources.

22. Closely related to that issue, because of the Organization's financial liabilities to Member States, was the Secretary-General's report on the updated financial position of closed peacekeeping missions as

at 30 June 2006 (A/61/867). In the light of his suggestion, made in document A/60/846/Add.3, to consolidate the accounts of most closed and active peacekeeping missions, the Secretary-General had proposed that available cash surpluses from closed missions should be returned to Member States as a one-time exercise, in preparation for consolidation, which would take place on 1 July of the year following a decision of the General Assembly to establish a consolidated peacekeeping account. As at 30 June 2006, the net sum available for crediting to Member States had been \$152.6 million.

23. As a consolidated peacekeeping account would improve overall liquidity, the Secretary-General had also proposed that amounts due to Member States from closed peacekeeping missions with cash deficits should be settled. As at 30 June 2006, the combined deficit in the accounts of closed missions had been \$89.3 million.

24. Following the decision of the General Assembly, in paragraphs 6 and 7 of its resolution 60/274 on the financing of the United Nations Iraq-Kuwait Observation Mission (UNIKOM), that two thirds of the cash balance available in the Mission's accounts as at 30 June 2005 should be returned to the Government of Kuwait and that the remaining balance should be returned to the Member States that had fulfilled their financial obligations to that Mission, the Secretary-General proposed that \$3.7 million should be returned to the Government of Kuwait and that \$1.8 million should be returned to the Member States in question.

25. The General Assembly was invited to take the action indicated in paragraph 13 of the report of the Secretary-General on the updated financial position of closed peacekeeping missions with regard to the consolidation of peacekeeping accounts and the crediting of sums to Member States.

26. **Mr. Saha** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) indicated that the Advisory Committee recommended that the General Assembly should take note of the information contained in the report of the Secretary-General on the consolidation of peacekeeping accounts into a single account (A/61/865). The report of the Secretary-General on the updated financial position of closed peacekeeping missions as at 30 June 2006 (A/61/867) dealt not only with the updated financial position of the missions, but also with a number of issues related to

the proposal to consolidate peacekeeping accounts into a single account. In that connection, the Advisory Committee stressed that the proposals contained in the report were contingent on a decision by the General Assembly regarding the underlying issue of consolidation of peacekeeping accounts.

27. **Ms. Schwamberger** (Germany), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Serbia; and, in addition, Iceland, Liechtenstein, Moldova, Norway and Ukraine, reiterated the European Union's long-standing position that funds contained in the accounts of closed peacekeeping missions, including accrued interest and other income, should be returned in full and without conditions to Member States. The retention of funds owing to the late payment or non-payment of assessed contributions by certain Member States was unacceptable. Previous General Assembly decisions allowing such funds to be withheld had been made on an exceptional basis.

28. The European Union acknowledged the difficulties involved in addressing the frequent shortfalls in cash available. However, cross-borrowing from funds retained in the accounts of closed peacekeeping missions was not a sustainable solution to the Organization's cash flow problems but, rather, a form of subsidy. To ensure sufficient liquidity, the European Union once again called on all Member States to pay their contributions to all peacekeeping operations in full, on time and without conditions.

29. Lastly, she welcomed the fact that the Committee had reverted to the issue of the consolidation of peacekeeping accounts. In principle, the European Union was positively disposed towards the Secretary-General's proposal and looked forward to a substantive discussion and outcome on the item at the current session. However, noting that the Secretary-General's report on the updated financial position of closed peacekeeping missions as at 30 June 2006 (A/61/867) linked the two issues together, she said that the European Union considered separate discussions to be more appropriate and stood ready to make progress on each issue independently.

30. **Mr. Sach** (Controller) said that there was a functional link between the proposal to consolidate peacekeeping accounts into a single account and the

financial position of closed peacekeeping missions. They could not therefore be considered in isolation from each other. If the General Assembly took a decision to establish a single peacekeeping account, liquidity would increase, make it possible to speed the release of funds from closed missions and accelerate reimbursements to Member States without affecting the financial health of the Organization.

Agenda item 117: Programme budget for the biennium 2006-2007 (*continued*)

Revised estimates resulting from decision S-4/101 adopted by the Human Rights Council at its fourth special session in 2006 (A/61/530/Add.2 and A/61/917)

Revised estimates resulting from resolutions adopted by the Human Rights Council at its fourth session in 2007 (A/61/530/Add.3 and A/61/917)

31. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), turning first to the report of the Secretary-General on revised estimates resulting from decision S-4/101 adopted by the Human Rights Council at its fourth special session in 2006 (A/61/530/Add.2), recalled that, while estimated programme budget implications had been presented to the Human Rights Council at that session in connection with three draft resolutions on the situation of human rights in Darfur, all of those draft resolutions had later been withdrawn. There had been insufficient time to prepare and submit revised programme budget implications prior to the subsequent introduction and adoption of decision S-4/101 of the Human Rights Council. The Human Rights Council had been informed that the General Assembly would be notified of the estimated resources required to implement the decision.

32. The revised estimates amounting to \$347,200, represented the median of the estimates presented to the Human Rights Council at its fourth special session. Although no provision for the activities falling under decision S-4/101 had been included in the programme budget for the current biennium, it was envisaged that the estimated expenditure would be accommodated within existing resources under section 23, Human rights, of that programme budget. The Committee was accordingly requested to take note of the Secretary-General's report.

33. The report of the Secretary-General on revised estimates resulting from resolutions adopted by the Human Rights Council at its fourth session in 2007 (A/61/530/Add.3) had been submitted to inform the General Assembly of the requirements resulting from resolutions 4/4 and 4/8 of the Human Rights Council.

34. Resolution 4/4 on the right to development would give rise to estimated additional requirements of \$74,300 under section 2, General Assembly and Economic and Social Council affairs and conference management; section 23, Human rights; and section 28E, Administration, Geneva, of the proposed programme budget for the biennium 2008-2009, which would be considered by the General Assembly at its sixty-second session. As no provision had been made in that proposed programme budget for the additional requirements in question, the provisions of General Assembly resolutions 41/213 and 42/211 governing the use of the contingency fund would apply.

35. Resolution 4/8 on the follow-up to decision S-4/101 of the Human Rights Council, entitled "Situation of human rights in Darfur", would give rise to estimated additional requirements of \$360,300 under section 2, General Assembly and Economic and Social Council affairs and conference management; section 23, Human rights; and section 28E, Administration, Geneva, of the programme budget for the biennium 2006-2007. As no provision had been made in that programme budget for the additional requirements in question, it was envisaged that they would be accommodated to the extent possible within the resources already appropriated. Any additional expenditure would be reported in the context of the second performance report on the programme budget for 2006-2007.

36. With respect to both Human Rights Council resolutions, the General Assembly was invited to take the action described in paragraph 14 of the Secretary-General's report.

37. **Mr. Saha** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, as noted in the report of the Secretary-General on revised estimates resulting from decision S-4/101 adopted by the Human Rights Council at its fourth special session in 2006 (A/61/530/Add.2), the estimated expenditure for the activities outlined in paragraph 5 of the report was \$347,200 for the biennium 2006-2007, a sum which the Secretary-

General intended to meet from within existing resources. As noted in the report of the Secretary-General on revised estimates resulting from resolutions adopted by the Human Rights Council at its fourth session in 2007 (A/61/530/Add.3), the adoption of Council resolutions 4/4 and 4/8 gave rise to estimated requirements of \$434,600. With regard to resolution 4/8, the Secretary-General intended to accommodate \$360,300, to the extent possible, from within the resources already appropriated for 2006-2007. With regard to resolution 4/4, the amount of \$74,300 projected for the biennium 2008-2009 would be considered in accordance with established procedures under General Assembly resolutions 41/213 and 42/211. The Advisory Committee recommended that the General Assembly should take note of both reports.

38. **Mr. Yamada** (Japan) said that, in connection with the report of the Secretary-General on revised estimates resulting from Human Rights Council decision S-4/101 (A/61/530/Add.2), his delegation understood that additional expenditure would be met from within existing resources under section 23, Human rights, of the programme budget for 2006-2007, as, pursuant to General Assembly resolutions 41/213 and 42/211, the contingency fund could not be utilized in that context. It also understood, therefore, that any additional expenditure would not be reported in the context of the second performance report on the programme budget for 2006-2007. Finally, his delegation supported the recommendations of the Advisory Committee.

Organization of work

39. **Mr. Hussain** (Pakistan), speaking on behalf of the Group of 77 and China, said that approval of the individual peacekeeping mission budgets was the main priority of the second part of the resumed sixty-first session. The Group was therefore concerned that progress in that regard had been very slow, primarily because the reports on those missions had been introduced late, or — in some cases — had not yet been introduced at all, seriously hampering the Committee's deliberations. Another impediment had been the unconstructive creation of linkages between discussion of the individual missions and other matters, such as cross-cutting issues, the proposed realignment of the Department of Peacekeeping Operations and the support account for peacekeeping operations. While those matters were important, approval of the

individual peacekeeping mission budgets should be given priority. His Group hoped that the coordinators of consultations on the individual peacekeeping accounts would redouble their efforts to bring about a consensus, and it stood ready to work outside normal working hours if necessary.

40. **Mr. Sena** (Brazil) said that his delegation was especially concerned that consideration of the financing of the United Nations Stabilization Mission in Haiti (MINUSTAH) had been postponed until the following week. The Committee should be given sufficient time, including time for informal consultations, to conclude discussion of that item rapidly. Recalling that the Committee must take decisions on other important peacekeeping missions, particularly those in Africa, his delegation also stood ready to work outside normal working hours if necessary.

41. **Mr. Torres Lépori** (Argentina) said that his delegation shared the concerns already expressed by others that the Committee was left with little time in which to conclude its discussions and decisions regarding the budgets of peacekeeping missions, a matter which was of paramount importance to Argentina. In particular, the item on the financing of MINUSTAH was the only one which had yet to be introduced before the Committee. The need to allow time for that item would further shorten the period available for debate.

42. **Mr. Abelian** (Secretary of the Committee) said that the reports of the Advisory Committee on MINUSTAH and the United Nations Logistics Base had been submitted for advance translation at the end of the previous week, with the final versions of the texts following two days before the current meeting. The Department for General Assembly and Conference Management had been working under capacity constraints; in the meantime, the Bureau had provided the Committee with advance copies of both reports, which would be available in all the official languages on the morning of Tuesday, 29 May.

43. **Mr. Traystman** (United States of America) said that his delegation made no linkages between the budgets of the individual peacekeeping operations and other matters, such as cross-cutting issues or the proposed realignment of the Department of Peacekeeping Operations. Recognizing the importance of all peacekeeping matters, his delegation intended to

work hard to conclude the discussions at the current session.

44. **Mr. Woeste** (Germany), speaking on behalf of the European Union, said that he shared the concern at the delayed introduction of reports on peacekeeping matters. However, he understood the size of the burden placed on the Advisory Committee, and had full confidence in the Bureau's ability to find the best solution to the problem. The debate should be as focused as possible, questions should be confined to matters on which clarification was required and no unnecessary linkages should be made between unrelated issues.

The meeting rose at 4.05 p.m.