

UNITED NATIONS



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Agenda item 154
Administrative and budgetary aspects of the financing of the United Nations
peacekeeping operations

Updated financial position of closed peacekeeping missions as at 30 June 2020
(A/75/619)

FIFTH COMMITTEE

Statement by
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Mr. Chairman,
Distinguished Delegates,

1. I have the honour to introduce the report of the Secretary-General on the updated financial position of closed peacekeeping missions as at 30 June 2020 contained in document A/75/619.
2. This report covers 29 closed peacekeeping missions. As at 30 June 2020, 24 missions had net cash surpluses of \$149.7 million, and the remaining five missions had net cash deficits of \$85.5 million. \$62.9 million is owed to troop-contributing countries in the missions with cash deficits, pending the receipt of outstanding assessed contributions.
3. During the reporting period ending 30 June 2020, cash surpluses of closed peacekeeping missions were used to alleviate occasional shortfalls in some active peacekeeping operations through temporary loans, including MINURSO (Western Sahara), UNMIK (Kosovo), MINUJUSTH (Haiti), MONUSCO (Democratic Republic of the Congo), UNFICYP (Cyprus) and RSCE (Uganda). In addition, programme budget operations experienced a severe liquidity challenge towards the end of their financial period ending 31 December 2019 owing to outstanding assessments. Therefore, regular budget operations received loans from closed peacekeeping operations, which enabled the Organization to meet its payroll obligations and its commitments to

vendors. During the 2019/20 period, peak levels of cross-borrowing from closed missions reached \$190 million in November and December 2019, primarily due to loans to the programme budget.

4. The proposal to allow temporary cross-borrowing among active missions was approved by the General Assembly in its resolution 73/307 of 3 July 2019, under agenda item 138 “Improving the financial situation of the United Nations”. Following the decisions of the General Assembly, in its resolution 73/307, a mechanism was established during the 2019/20 period to meet the liquidity requirements of active peacekeeping operations through the management of the cash balances of all active peacekeeping operations as a pool while maintaining the balances in separate funds for each mission. As a result, MINURSO and UNMIK repaid their loans to closed peacekeeping operations and obtained new loans from an active peacekeeping operation in October 2019. However, such a mechanism was not applied to MINUJUSTH because its irregular collection of assessments at the time suggested that the Mission might not be able to repay its loan to the lending mission. Consequently, after October 2019, MINUJUSTH remained the only active peacekeeping mission with a loan from closed peacekeeping operations. MINUJUSTH repaid its loans from closed peacekeeping missions in March 2020. By the end of the reporting period, on 30 June 2020, no active mission had loans from closed peacekeeping operations.

5. After the reporting period, there have been no loans from closed peacekeeping missions to active peacekeeping missions. MINURSO and UNMIK, however, have continued to carry loans from an active peacekeeping mission for ongoing operational cash requirements. The programme budget, however, received loans amounting to \$100 million from closed peacekeeping operations in the beginning of December 2020, which were subsequently repaid before the end of the same month.

6. As the liquidity challenges of both regular budget and peacekeeping operations are expected to continue, the General Assembly is requested to allow the retention of the net cash balance of \$149.7 million available in 24 closed peacekeeping missions as of 30 June 2020 until the liquidity situation of both peacekeeping and regular budget operations has improved.

Mr. Chairman, Distinguished Delegates, I look forward to the discussions on this item.