

UNITED NATIONS



NATIONS UNIES

**Agenda item 150**  
**Administrative and budgetary aspects of the financing of the United Nations**  
**peacekeeping operations**

**Updated financial position of closed peacekeeping missions as at 30 June 2021**  
**(A/76/553)**

**FIFTH COMMITTEE**

Statement by  
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5 May 2022

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 2021 contained in document A/76/553.
2. This report covers 29 closed peacekeeping missions. As at 30 June 2021, 24 missions had net cash surpluses of \$159.4 million, and the remaining five missions had net cash deficits of \$85.6 million. \$63.0 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 2021, cash surpluses of closed peacekeeping missions were used to alleviate operational shortfalls of the regular budget, for the third time in three years, to sustain its operations. Therefore, regular budget operations received a short-term loan from closed peacekeeping operations in December 2020, in the amount of \$100 million. Furthermore, the ability to borrow from closed peacekeeping missions was factored into the 2021 regular budget spending plans. While borrowing from closed peacekeeping missions was not effected for the regular budget in 2021, without the ability to access the surplus cash in closed peacekeeping missions, the planned implementation rate for 2021 would have been lower. It is

therefore the ability to borrow that enabled planning for the most effective implementation rates in the regular budget operations in 2021.

4. While regular budget collections in 2021 exceeded our estimates, resulting in a positive cash balance at year-end that is expected to help the budget implementation for 2022, the underlying structural problems afflicting liquidity remain unresolved, and are likely to impact the liquidity situation again. The unspent funds for 2021 and the cancellation of commitments of 2020 will impact the liquidity for 2023 as these will be reduced from the assessments from Member States for the 2023 budgets. The ability to borrow from closed peacekeeping missions therefore continues to be imperative to secure a lifeline for the regular budget in the coming financial periods.

5. On the peacekeeping operations side, the decision of the General Assembly to allow cross-borrowing between active peacekeeping operations in its resolution 73/307 obviated the need for any loans from closed to active peacekeeping operations during the reporting period. Consequently, there were no outstanding loans from closed to active peacekeeping missions as at 30 June 2021. The General Assembly, in its resolution 73/307, also requested the Secretary-General to ensure that proper oversight and controls were in place and that mandate implementation by the lending mission was not negatively affected. In line with that request, borrowing from active peacekeeping operations was not extended to MINUJUSTH in the 2019/20 period and to UNAMID in the 2020/21 period because of these the irregular collection of assessments for these two missions which posed the risk that the missions might not be able to repay the loan to the lending mission. As at 31 March 2022, loans from active peacekeeping missions amounted to \$15 million for MINURSO and \$32.5 million for UNMIK. Both these missions have required loans during every financial period for the past 10 years. Continuation or adverse changes in their trends may suggest that these missions could eventually be unable to repay their loans. In that case, under the currently approved arrangements, peacekeeping missions in such situations may not be able participate in the cross-borrowing mechanism but would need to resort to borrowing from the surplus cash of closed peacekeeping missions in the absence of a working capital fund.

6. The Secretary-General, in his report on improving the financial situation of the United Nations (A/76/429), proposed a number of measures to address the liquidity challenges faced both by the peacekeeping and the regular budget operations. While these proposals are still under consideration of the General Assembly, and until the liquidity situation of both peacekeeping and

regular budget operations has seen continued improvement and entered a period of stabilization, the General Assembly is requested to allow the retention of the net cash balance of \$159.4 million available in 24 closed peacekeeping missions as of 30 June 2021.

Mr. Chairman, Distinguished Delegates, I look forward to the discussions on these items.