



PEACE-KEEPING BUDGETS

CURRENT PROCESS OF ESTABLISHING AND EXTENDING PEACE-KEEPING OPERATIONS

A: New missions:

1. A Survey mission is sent to the area of the peace-keeping operation, the findings form the basis for developing the operational plan and budgetary analysis.
2. The Secretary-General presents his report to Security Council on the need to establish a peace-keeping operation, together with financial implications.
3. The Security Council resolution establishes mandate.
4. On the basis of preliminary estimates for start-up costs of a new mission or additional requirements due to expansion of mandate and operation, and requirements for an existing mission, commitment authority of up to \$100 million for one mission is requested for start up costs from ACABQ.
5. Provided that the total commitment authority granted by the ACABQ at any one time must not exceed a cumulative amount of \$150 million. For more than \$100 million, commitment authority is requested from General Assembly. (See General Assembly resolutions 49/233 A, part IV and 64/269, Section VI).

II. PEACE-KEEPING BUDGETS

(cont..)

5. A Start-up team is deployed as soon as feasible after the Security Council establishes mandate.
6. A budget proposal for the first year of operation is prepared based on the standardized funding model. Detailed budget proposals are prepared for subsequent years of operation.
7. Review of budget by ACABQ and the Fifth Committee of the General Assembly.
8. General Assembly approves budget and appropriate amount for current mandate period and for additional period, subject to extension of mission's mandate.
9. Letters of assessment corresponding to mandate period are sent to Member States after General Assembly approves appropriation.
10. Before the end of mandate period, Secretary-General prepares report to Security Council on future of mission.

PEACE-KEEPING BUDGETS

B: Extension of mandate

1. Security Council resolution extending a mandate usually occurs just a few days before expiry of existing mandate.
2. Preparation of revised budget, during financial period if mandate is significantly changed or decision is made to close mission.
3. Review of budget and performance report by ACABQ and the Fifth Committee of the General Assembly; General Assembly approves appropriation.
4. Upon Security Council's decision to continue the mission, and on basis of prior approval of budget for extension of mandate, new assessments are levied.
5. Performance reports are prepared for each financial period.

DEFINITIONS

Apportionment

While there is no formal definition of the term "apportionment" as the term most often used is "assessment", it should be noted that Article 17(2) of the Charter states that "The expenses of the Organization shall be borne by the Members as apportioned by the General Assembly."

Appropriation

The amount voted by the General Assembly for a financial period against which expenditures may be incurred. For the regular budget, the appropriations are voted by the Assembly broken down by each section of the budget. Unspent appropriations are surrendered back to Member States

Assessment

The amount of money which the General Assembly determines should be assessed to finance the approved appropriation, shared among Member States in accordance with the scale of assessment. Letters of assessment for the regular budget are sent to Member States on 1 January of each year.

Commitment authority

Authority given by the General Assembly to the Secretary-General to incur expenditures without an appropriation. The authority is usually given for emergency situations, pending detailed review of budgetary proposals.

III. DEFINITIONS

(cont..)

Contingency Fund

Level of resources, set at 0.75 per cent of the overall level of the outline which can be added to the budget to accommodate additional expenditures arising from programme budget implications of mandates or revised estimates of activities not foreseen in the proposed programme budget.

Financial period

RB and Tribunals - Two consecutive calendar years, the first of which is an even year.

PKO – 1 July current year to 30 June next year.

Peace-keeping Reserve Fund

The Peace-keeping Reserve Fund was established in 1992, at a level of \$150 million, as a cash flow mechanism to ensure the rapid response of the Organization to the needs of peace-keeping operations.

Programme budget implications statements (PBIs)

Statements detailing the administrative, financial and programmatic changes that the adoption of a draft resolution would entail.



III. DEFINITIONS

(cont..)

Revised estimates

Estimates of additional resources required, submitted by the Secretary-General relating to: (a) items not included in the proposed programme budget owing to the unavailability of information at the time of preparation of the proposed programme budget; (b) items that were included in the proposed programme budget but on which the General Assembly did not act but requested further information; and (c) developments that took place after the preparation of the proposed programme budget.

Working Capital Fund

The Working Capital Fund was established in 1946 to provide advances necessary to finance budgetary appropriations, pending the receipt of contributions, and to finance unforeseen and extraordinary expenses pending appropriation action by the General Assembly. In 1982 the level of the Fund was set at \$100 million.