

# ANNUAL STATUS REPORTING TO THE GENERAL ASSEMBLY

Earlier subsections of this archive have dealt with Accountability and Transparency , the emergence of The International "Right to Know" , and -- more specifically -- with UN Resource ambiguities and the "Poor little UN" . The UN is supported by taxpayer and voluntary funding from countries and sources worldwide, to the tune of \$6 to \$10 billion per year, most of it in often loosely-administered "extra-budgetary" funds and "trust funds".

To earn this trust, however, IO Watch believes that the UN should be reporting back to Member States and the public, in clear and simple summary fashion and on a regular basis, on how much money it got and from what sources, how it applied it, and also how it deploys and uses its "most precious resource" -- its staff.

An excellent paper in a 2002 OECD survey of public sector transparency and accountability highlights an essential point:

"Public scrutiny of state affairs and access to information are key phases in the current debate on the development of democracy ... The two concepts are interdependent, since one cannot play its part under the rule of law without the other. There can be no public scrutiny without access to information. ...

... It is even possible to conclude ... that the level of democracy attained by a country should now be measured in terms of the volume and quality of the information in circulation. ...

... it should now be clear that it is not possible to fight corruption in the absence of a culture of transparency. Building such a culture can begin with a legislative commitment to the public that breaks with the many years of concealment and the persecution of those who take an interest in public affairs. ...

Legislation of this type must overcome the huge temptation to control access to information as a means of maintaining the conditions under which an authoritarian state can achieve its objectives. It must also overcome a culture of blatant isolation, behind which administrations have long sheltered in an effort to avoid 'undesirable' interference in their affairs."

Alfredo Chirino Sánchez, "The right of access to information and public scrutiny: Transparency as a democratic control instrument," in Organisation for Economic Cooperation and Development, Public sector transparency and accountability: Making it happen, OECD, Paris, **2002**, pp. 163-166 [163,

The UN has clearly restricted information on its financial and human resources and how they are employed. The material in the preceding subsection and elsewhere on results reporting makes it regrettably clear that, for decades, UN Secretariat managers and senior officials at all levels have successfully resisted accountability for their performance, as underscored by the recent OIOS and US GAO reports.

Yet in the financial and human resources reporting area as well, the same old reporting failures go on and on, but **NO ONE PROTESTS AND DEMANDS CHANGE**, at least among the UN Member State diplomatic missions that are supposed to provide "due diligence" and fulfill a fiduciary responsibility (along with the Secretary-General) for the billions of dollars provided to these managers every year. As a wonderful description of prevailing UN funding processes states, approximately:

"just leave the money on a tree stump in a clearing in the middle of the forest in the moonlight at midnight."

The UN is engaged in a never-ending search to generate billions of dollars worth of funds to "administer". It is competing with the even greater flows of billions of dollars transferred worldwide each year through other channels -- trade and investment, bilateral aid programmes, billions more in people-to-people transfers through NGOs, foundations, and now even billions in remittances from migrants to their families "back home".

Unfortunately, there is a severe lack of information on how the UN actually spends all the money it gathers (and indeed how much is raised from all its various "spigots.") Once again, one can cite basic, still-unanswered, critical questions from the past, one from *The Economist* in 1989 and the other from Anne Applebaum in 1994:

The crude truth about many of the UN agencies is that they don't know what they are trying to achieve; and that cronyism, sloth and incompetence would ensure they could not achieve it even if they did. The obstacles to reform are huge, the courage to tackle them nowhere visible. Still, here are some suggestions. ...

Accountability must be improved. That would at least mean regular and public reports on where and how the money goes, and on how far pre-stated targets of achievement are being met.

"The United Nations agencies: A case for emergency treatment", The Economist, **December 2, 1989**, pp. 27-28, 30 [30]. [emphasis added]

"Not long ago, an editor at the *New York Times* told me that he was uninterested in stories critical of the UN, because the UN is a 'necessary failure' and always would be. But why does it have to be so? Why do we need to continue supporting the UN's more wasteful projects? There is nothing inherently good or moral about an institution, merely because it is multilateral, merely because most countries in the world belong to it, or because it claims to be interested in Children or Health. **Why is there never any examination of how the agencies spend their money?**"

Anne Applebaum, "An anarchy of abounding acronyms", *The Spectator* (UK), 12 November 1994, pp. 9-11 [11]. [emphasis added.]

More years have passed. The UN hopefully has organized its work somewhat better, and made a little progress in combating (lower-level) corruption, cronyism and sloth (although many of the preceding subsections of this archive cast doubt on even that claim.) Accountability, meaning its implementation, has not yet happened, nor has performance management. But at least regular public reporting could be greatly improved, beginning immediately.

The UN does indeed already do some reporting on "the money" and "the staff", but with one essential "bottom-line" problem -- **the numbers NEVER TOTALLY ADD UP, they can run years behind, and they never spell out clearly WHERE those resources go.** There is for instance an annual report on the "composition of the Secretariat", with pages of mind-numbing detail, especially on all aspects of the status of the posts subject to "geographic distribution". A very complex and technical UN system-wide report on finances by year, which also does not add up, has been published ever since 1991.

"Composition of the Secretariat: Report of the Secretary-General", UN document A/58/666 of 9 December 2003, para. 11, and "Budgetary and financial situation of organizations of the United Nations system: Note by the Secretary-General ...", UN document A/57/265 of 25 July 2002.]

These reports are necessary, but not sufficient. The report on Secretariat composition is of obsessive interest to competing Member State delegations who want more posts. In fact, there used to be (IO Watch does not know if it still exists) another grand "phone book" listing all Secretariat posts, their incumbents, and their nationality, which Member State missions could "shop" like a department-store mail-order catalog every year. On the finance side, the present system-wide report is a result of hard-earned reporting compromises due to different legal requirements and procedures of different UN system agencies, and has basic uses which support its continuance.

However, frequent news articles still discuss the "poor little" UN with a \$1.2 million annual budget and 9,000 staff, disguising the fact that it actually, and in total, spends some \$6 to \$10 billion a year, and has some 35,000 - 40,000 employees. A rare attempt at a total compilation of UN system staffing in 1995 found that the UN spends most of the UN system's funds -- \$9.9 billion of a total of \$12.8 billion. The \$9.9 billion was split up into \$1.0 billion for the Secretariat "regular budget", \$0.7 for voluntary contributions to it, \$3.0 billion for peacekeeping, and \$5.2 billion for UN voluntary-funded, semi-autonomous programmes -- especially \$1.5 billion for WFP, \$1.3 billion for UNHCR, \$1 billion for UNICEF, and \$0.9 billion for UNDP. None of these items are trivial sums.

Joint Inspection Unit, "Accountability, management improvement, and oversight in the United Nations System", Part II, UN document A/50/503, 1995, Table I. "Total financial and staff resources of the organizations".

[Note: the above acronyms are explained in the introductory section of UN Accountability and Oversight Efforts .

Updated information which confirms these general patterns and sums over a longer period is provided by the *Global Policy Forum*, in "Total UN system expenditures: 1986-2004", compiled by Klaus Hufner, **March 2004**, at [www.globalpolicy.org/finance/tables/tabsyst.htm](http://www.globalpolicy.org/finance/tables/tabsyst.htm) .]

The data for "total" staffing is much more recent, but also incomplete. Although articles about the UN often refer to about 9,000 regular staff:

"As of 30 June 2004, *the total number of staff* of the UN Secretariat and special status units] ... *holding appointments of one year of more* amounted to **37,598**. Of that total, **14,823** paid from various sources of funding are assigned to the Secretariat and **22,375** are assigned to other entities of the United Nations."

"Composition of the Secretariat: Report of the Secretary-General", UN document A/59/299 of **26 August 2004**, para. 11. [emphasis added]

The figure of 9,000 staff usually cited is thus based on the total regular budget posts of 8,799 [15 percent of which are stated to be vacant, by the way], and omits the some 22,000 staff assigned to "other entities", as well as about 6,000 more staff in the Secretariat who are paid from non-budget funding sources. It also, as noted, does not include additional temporary staff holding appointments of one year or less.

In 1998 the OIOS noted the major transparency and control problems which afflict the predominant group of "off-budget staff", and the General Assembly recently called for a special report on at least part of a large and long-standing employee component totally missing from the above totals reported by the Secretariat -- temporary assistance staff (not only an important group but one often abused in the UN workplace, because of their precarious month-to-month status):

"... extra budgetary posts have become an institutionalized part of [the UN's] core resource base. ... existing guiding policies for [these] posts were ill-defined and [their] implementation was inconsistent. The audit also highlighted ... frequent contract renewals, which were ... administratively costly ...

The report recommended [many improvement measures for extra budgetary posts and policies.] ...

OIOS also conducted an audit of the use of consultants ... During 1996, the Organization employed some 2,675 consultants at a cost of \$19.4 million. The audit found [deficiencies and inconsistencies in this field as well.]

"Report of the Secretary-General on the activities of the OIOS", UN document A/53/428, 1998, paras. 79-81.

"[The General Assembly] requests the Secretary-General to report on the function, relevant operational factors and incidence of temporary staff appointed at the Professional level or above for less than one year under the 100 series of the Staff Rules of the United Nations, and the implications for substantive appointments to the Secretariat."

"Human resources management", General Assembly resolution 57/305 of 1 May 2003.

IO Watch believes that **the General Assembly should now finally put an end to the decades-long opacity and confusion** about UN financial and human resource levels, categories, and deployment **by requiring an annual Secretariat report on the status and use of its overall financial and human resources and their application.** The existing situation undermines UN accountability by allowing it to continually claim that it is strapped for funds and staff (while not accounting for how much funds it received, and what has been done with them.) This becomes another element which allows UN managers to escape scrutiny, and relentlessly push for more "money left on the tree stump in the moonlight."

Member State missions, and the general public, might recall the famous children's story of "The Emperor's new clothes", in which a grand king was ultimately brought down by charlatans manipulating his vanity and a child's cry that "he doesn't have anything on!" The UN regularly transmits worldwide images of the pomp of "world leaders" at the General Assembly sessions in New York, or the occasional dramas at the Security Council, or the heart-rending life-and-death struggles of humanitarian and peacekeeping operations in the field, but the actors are without the essential information needed to properly inform and guide their proper decisions and operations.

[Note: the children's story is, of course, to be found in Hans Christian Andersen, Andersen's Fairy Tales, New American Library, New York, 1987.]

Behind these images, as a recent incisive article observes, is a rather naked and all-too-human attempt of people in an organization (in the UN's case, senior staff determinedly protecting big salaries and VIP privileges for modest work) who try aggressively to keep that organization alive and important through money flowing in from as many multiple sources as possible in a steady stream.

*"The halo that appears to float over non-profit institutions - providing them with an aura of altruism - distracts attention from the basic fact that non-profits are, first and foremost, economic institutions ...*

*[An expert observes that to improve non-profits' management one must] view them as economic institutions with ... charitable missions ...*

*Managers of non-profit institutions understand that the organizations' survival depends on the managers' ability to secure a generous constituency. ...*

*The perception that non-profit organizations are small, fragile and non-threatening enterprises ... conceals their actual size, power, and competitive determination. [Their mythology and self-portrayal as solely altruistic] ... misinform the public and allow them ... to ensure a continued flow of salary and benefits for their managers and the preservation of the managers' power and status. ... [People need] ... to realize that ... the rule of caveat emptor applies even more importantly to transactions with non-profits than with marketplace transactions. Typically, [in the] ... marketplace, one receives something in return [but, with non-profits] ... individuals conduct transactions ... based entirely on faith. Such transactions are lamentable when one party is talking altruism but seeking self-interest. Who will protect generous - and gullible - donors?"*

Barry D. Friedman, "How non-profit organizations fight off competition: Who will protect non-profit donors?", PA Times (USA), **May 2004**, pp. 5-6.

The UN's financial, human resource, and computerized information systems have, in the past, been too decrepit to permit regular and comprehensive status reporting on its finances and staffing. Unfortunately, as discussed throughout this archive, the performance management systems are still shamefully inadequate, as the managers continue to obstruct accountability measures. But at least, in a world of increasingly instantaneous computerized information, the UN's financial systems and accounting standards appear to have made some progress, the IMIS information systems have finally been put in place after a decade of expensive detours, and even the OHRM now has a computerized human resources system which it is quite proud of.

In 1991 the General Assembly had called on the Secretary-General to 'propose a set of accounting standards' for common application to the UN system. The organizations finally developed a framework for UN system accounting and financial reporting, reflecting generally accepted accounting principles (while allowing for variations), and intended to promote consistency between the organizations. A related paper of the Administrative Committee on Coordination of 1995 stated nicely that underlying

the objective of these standards are the needs:

**"... for governments and other contributors to the organizations to have the means to judge the manner in which resources made available by them are used,** and for the management of each organization to demonstrate that they have fulfilled their responsibility for stewardship and accountability in respect of such resources.

Accounting and financial reporting in accordance with the standards should among other things assist those concerned:

- (i) To ensure consistent and transparent treatment and disclosure of financial transactions;
- (ii) To assess the financial position and its evolution over time;
- (iii) To ascertain the sources from which income has been derived and the ways in which it has been used; and
- (iv) to judge financial performance under approved budgets."

"United Nations system accounting standards: Revision I," Annex III of UN document ACC/1995/20, 1995, pp. 31-33.

IO Watch believes that the time has definitely come for Member States and the General Assembly to insist that the old UN resources "shell game" be replaced with clear and transparent annual reporting. This reporting should be succinct but comprehensive. It should allow readers worldwide to clearly see an overview of UN operations. And above all, the report should emphasize the little details that UN report writers fear as a vampire (appropriately) fears the sunlight -- clear, understandable summary pie charts, graphs, and other visual aids that allow an understanding of UN operational status and resource use in key areas at a glance.

As discussed under The International "Right to Know" subsection of this archive, some organizations now do a marvelous job of explaining complex issues with succinct graphics and text, as in *The Atlas of War and Peace* or the *New Internationalist's* monthly topical reviews or *Foreign Policy* articles. While these sources seek to clarify, illuminate, summarize, explain, educate, and edify, the UN and its words, words, words (plus a few, very rare and painfully trivial graphs) seem too often concerned with obscuring, evading, moderating, defusing, and even manipulating the topic at hand.

Dan Smith, with Ane Bræin, The atlas of war and peace, Earthscan, London, 2003, and

"In the name of God: The use and abuses of religion", New Internationalist, No. 370, August 2004, pp. 18-19, available at NI online, [www.newint.org](http://www.newint.org), and Foreign Policy at [www.foreignpolicy.com](http://www.foreignpolicy.com) (and this archive's subsection on Top Related Sources and Websites .]

The first component of a new UN annual resource status report, an overview of **FINANCIAL STATUS** of the \$6 to \$10 billion that the UN annually receives, would hopefully be facilitated by

the above ACC reporting standards, and in any event should not be evaded, but proceed on "best available" information and estimates year-by year (and not two years or more later) if there is no other alternative.

However, a second topic should be clearly reported on as well: the status and results of **FUND RAISING** for the dominant UN voluntary-funded and extra-budgetary programmes. How much is spent on fund-raising? [Note: good NGOs regularly disclose this.] What happened to the proposed set of fund appeal targets each year of \$3 or perhaps \$4 billion to aid areas ravaged by war and other crises? What happened to other such appeals? How much money was actually raised, where did the donors put it, and how much was spent? (Some UN Secretariat report-writers could easily spin out 2,000 befuddling words on these matters, but a competent designer could capture most of it in a few summary charts.)

Irwin Arief, "UN seeks \$3 billion to aid 50 million in crisis", Reuters, **November 19, 2002**, and

"Annan launches UN's 2004 humanitarian appeal for \$3 billion", UN News Center, **19 November 2003**.

In fact, there are some very important funding issues that need to see the light of day. Addressing them might help the UN, and all global anti-poverty and humanitarian efforts, greatly. For example, a small but very significant recent article focuses on donor "deadbeats" and disruption of funding flows for important causes:

"Five years ago ... the Roll Back Malaria initiative (RBM) [was founded to] combat resurgent malaria in many [countries] ... Almost every major aid agency promised new funds. [Financing rose] ... from \$64 million in 1998 to a promised \$750 million by the end of 2000.

However, in 2002 ... international funding had reached only \$130 million.

... [A recent journal article grapples] ... with the disconnect between cost estimates, ambitious donation pronouncements, and the actual sums spent on malaria-related programs. [Its] conclusions are simple and depressing: Pledged donations are far lower than what most experts believe is needed; many pledges are not dispersed in full; and current program-management and accounting systems are so poor that no one can learn precisely what is being spent by whom, where, and on what. ...

[The authors conclude that] many donors remain unrepentant about their lax financial reporting habits. ...

Sadly, these findings are not surprising. In many domains ... collaboration ... often peaks at the pledging stage. ...

**Malaria is more closely linked to global poverty than any other disease. ... The failure to track well-publicized RBM pledges is particularly reprehensible. Malaria and poverty will persist as donor commitments recede.**

Phyllis Freeman and Anthony Robbins, "Disease deadbeats", Foreign Policy, **September/October 2003**, pp. 79-80.

The article itself is

Vasant Narasimhan and Amir Attaran, "Roll back malaria? The scarcity of international aid for malaria", Malaria Journal **2003**, 2:8, published 15 April 2003, available at [www.malariajournal.com](http://www.malariajournal.com) .]

[Note: The "Copenhagen Consensus" of 2004 on prioritizing global problems, discussed in the subsection on A true global strategy , in fact ranked control of malaria in the top four of a list of major global projects, based on social benefits which greatly exceed their costs.]

There are definitely complexities to such financial reporting, and the UN will undoubtedly plead them. But the rest of the world is wisely becoming much more responsive to demands by donors to know what happened with their money (at least that portion that they actually provided), and the UN should receive no free pass. For instance:

"In the world of international relief agencies, it's known as 'the fog of disaster.' Brought on by ... calamities, ... getting the necessary donations to buy the right supplies and get them to rescuers on the scene can be a bureaucratic nightmare. But [the Red Cross (IFRC)] has instituted a new web-based technology designed to cut through the confusion and paperwork of a crisis.

[It] .... Can track donations of money and supplies in real time ... [and] allows aid groups to make an instant and accurate accounting for every dollar a donor gives.

The software couldn't come at a better time. According to the World Disaster Report, 226 million people were hit by disasters in 2002. A study by the IFRC shows that the software [can] ... speed up the relief process by 20 to 30 percent."

"Technology: Online relief," Newsweek International, **September 15, 2003**.

[emphasis added.]

**STAFFING** is the third, and perhaps even more mysterious and secretive area which requires regular status reporting, particularly with all the management reforms and shuffles in contractual arrangements that Secretary-General Annan has been introducing in the past few years. There are many relevant human resource topics for status reporting, to be sorted out for attention by priorities, and to be continually observed to ensure that entire important areas or aspects (such as temporary staffing) are not being disguised or buried. A partial laundry list, developed for such UN status reporting by the JIU in a 1994 report, gives an idea:

- a. "An overview of plans, strategy, and progress;
- b. Medium-term human resources planning, trends, and changes;
- c. The overall career development system;
- d. Recruitment/appointment, placement and promotion;
- e. Performance evaluation;
- f. The system of accountability and responsibility;
- g. Staff training and retraining;
- h. Improvement of the status of women;
- i. Geographic distribution;
- j. High-level posts;
- k. The General Service and related staff;
- l. The management and utilization of posts;
- m. Staff-management relations;
- n. Conditions of service;
- o. Work-family related issues;

- p. The administration of justice system;
- q. Interagency activities, including ICSC efforts;
- r. The strengthening of OHRM capacities;
- s. Followup of human resources audits/inspections."

Joint Inspection Unit, "Advancement of the status of women in the United Nations Secretariat in an era of 'human resources management' and 'accountability': A new beginning?", UN document A/49/176, **1994**, Chapter V, "A proper human resources approach", paras. 84-153,[119].

As noted in this archive's subsection on Is the UN another Enron? , a large amount of "off the books-type" expenditures and activities, and weak and incomplete financial reporting, are key factors which seem to uncomfortably connect the UN with the scandal-ridden Enron corporation.

Bethany McClean, "Why Enron went bust: Start with arrogance. Add greed, deceit ...", Fortune European edition, December 24, 2001, pp. 53-58,

"Post-Enron lessons", editorial, The Washington Post, December 5, 2001,

Floyd Norris, "Bringing down the symbol of Enron: Goal seen as not letting Lay escape", International Herald Tribune, **July 9, 2004**,

Kurt Eichenwald and Christine Hauser, "Former Enron chief is charged: Lay turns himself in and is released on \$500,000 bail", International Herald Tribune, **July 9, 2004**,

Simon Romero, "Once a hunter, company has become a 'carcass'", International Herald Tribune, **July 9, 2004**.

In order to avoid Enron's fate, and to strengthen its transparency and annual status reporting to all concerned, IO Watch suggests that the proposed new General Assembly audit subcommittee of the Fifth Committee should devote particular attention to the contents and issues raised by this new resource status report. Over time, it should refine and sharpen the report's contents on finance, fund raising, and staffing, and discuss them on a continuing basis with UN financial and human resources officials to ensure that the UN is finally "on track" to clearly and transparently respond to the new international "right to know."

Thomas Blanton, "The world's right to know," Foreign Policy, **July-August 2002**, pp. 50-58 [lead-in, pp. 56-58].

[Note: the article contains an excellent resource guide on sources and studies dealing with this issue]

In May 2005 the Secretariat released a new management reform document for "real action now" and immediate reform, "particularly in the critical areas of management, oversight and accountability." In a section on "Increasing Transparency", it stated that:

"Access to Information

Currently, there is no established policy for determining which UN documents should be accessible outside the Secretariat. While a large number of documents are currently accessible, the UN needs a clear and consistent policy that increases

transparency while ensuring confidentiality where needed. The Office of Legal Affairs has carried out an assessment of best practices in public administration around the world. The new Management Committee will review this work and provide guidance on the best way forward.

*Status: A new policy will be formulated during the course of the fall for discussion and action by Member States." ...*

#### Policy guidance on pro-bono contracts

A working group led by the Office of Legal Affairs is drafting a new policy on the provision of pro-bono goods and services offered to the UN, building on a body of disparate existing practice and precedent.

*Status: The policy guidance is due for completion by the end of June.*

"UN management reforms 2005: Management reform measures to strengthen accountability, ethical conduct and management performance", May 17, 2005, p. 6, available at [www.un.org/reform\\_update.html](http://www.un.org/reform_update.html).

Now that the Iraq oil-for-food programme is slowly disappearing from the UN scene (although its tumultuous consequences linger on), peacekeeping, in its many forms, again becomes the major area of expenditure of UN funds. After dipping in the late 1990s, such missions are now definitely on the rise again. For instance, overall assessments for peacekeeping operations totaled \$4.5 billion in late October 2004, compared to "only" \$2.3 billion in 2003.

"Bertini: U.N. finances improved but still "delicate", UNforum, 2 November 2004.

However, Secretariat transparency problems are not merely those of "public dissemination" of information, or drafting a new policy for "disparate existing practice" on "pro bono" goods and services", as cited in the May 2005 reform proposals on "Increasing Transparency" quoted above.

In April 2005 the ACABQ issued a very lengthy analytical report on the financing of peacekeeping operations. It noted continuing concerns about a deteriorating financial situation and assessed contributions still outstanding, and problems of lax financial controls, although a new Funds Monitoring Tool to track key areas was useful and should be expanded. It observed that *ad hoc* management reviews are conducted, but that there was no overall plan for such assessments, and no central point for collecting them (thus the ACABQ could not assess their extent).

Concerning the Secretary-General's reports on the financing of peacekeeping, the report cited the difficulty that it had in handling some 20 proposed budgets, revised estimates, and large commitment authority in a short time and with no overview report provided. It also stated *inter alia* that:

"The level of peacekeeping requirements and the complexity of the operations are greater than ever before, yet the Committee has less time for the consideration of the proposals of the Secretary-General ...

Further, the Advisory Committee is concerned about the unevenness in the quality of presentation in the documentation submitted ... While the Committee recognizes the difficulties inherent in assembling information ... often under trying circumstances, ...[it believes that] the ultimate responsibility rests with Headquarters for maintaining standards with regard to presentation, timeliness of submission, and accuracy of figures and consistency in the definition and application of policies.

The Advisory Committee notes with concern a tendency ... to use the budgets of the peacekeeping operations to introduce initiatives with policy implications, rather than first seeking the necessary policy guidance from the General Assembly. ...

The Committee strongly cautions against what appears to be a less than transparent means for changing policy through the budgets of the peacekeeping operations. ...

The Advisory Committee has [also] consistently stressed the need to improve the measurability of indicators of achievement and outputs as well as identify time frames for implementation to facilitate monitoring and reporting."

"Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: Report of the Board of Auditors: Report of the Advisory Committee on Administrative and Budgetary Questions", document A/59/736 of **22 April 2005**, paras. 11-14, 23, 27-36 [30-32, 36.]

In June 2005 the General Assembly adopted a "record-setting" \$3.2 billion peacekeeping budget in a 22-part resolution seeking a "coherent and focused" approach to peacekeeping management. Among the actions envisioned is:

"an annual overview of peacekeeping financing, which should include information on trends in the size, composition and funding of missions, relevant developments, efforts to improve the missions' functioning, and management priorities for the coming year."

"General Assembly approves record UN peacekeeping budget", UN News Service, **23 June 2005**, and

"General Assembly adopts \$3.2 billion 2005-2006 peacekeeping budget; Stresses need for stronger management during surge in operations", UN Press Release, GA/10356 of **22/6/2005**.

A concurrent report of the Secretary-General, however, indicated that the General Assembly may have to wait several years for the Secretariat to actually do anything on this very important and worthwhile proposal. In April 2005, he submitted a note on a request made by the General Assembly in July 2003, which called on him to report on the feasibility of consolidating the various peacekeeping operations accounts, with a simulation of proposed options. But the Secretary-General and peacekeeping staff stated that they are too busy "doing" things to consider how to do them better, and he sent his regrets. The note stated brusquely that:

"2. The Secretary-General regrets that, owing to the unprecedented surge in peacekeeping operations, the Secretariat has not been in a position to dedicate the necessary resources to the preparation of the report. In addition, further analysis is

required to consider the efficiency aspects of streamlining the processes for the financing of peacekeeping operations and at the same time permitting more consistent and timely reimbursement to troop-contributing governments, in the context of the Secretary-General's proposals on reform.

3. The Secretary-General intends to submit the report to the General Assembly at its sixtieth session."

"Feasibility of consolidating the accounts of the various peacekeeping operations: Note by the Secretary-General", UN document A/59/795 of **27 April 2005**. [emphasis added]

[Note: The key word here is "intends". In the past, this has often meant "much later still". And the 60th session of the General Assembly, it should be noted, itself goes well beyond the normal fall session and on to a resumed session into perhaps June of 2006, as shown by several of the above documents.]

The introductory quote of this archive's subsection on [Peacekeeping](#) contains an excellent policy statement of 1989 from then-Secretary-General Javier Pérez de Cuellar. In response to the award of the Nobel Peace Prize to UN peacekeepers, he noted that "careful thought" needed to be given to adapting peacekeeping operations to the rapidly changing world situation, and that UN peacekeeping operations and financing, where lives are at stake, "must conform to the highest standards of military efficiency." Sixteen years later, in 2005, the UN Secretariat is still struggling to "get its act together" and meet these lofty but essential management standards.

There is thus a lot to be done on the Secretariat's self-selected "Increasing Transparency" tasks, not merely for the public but even more importantly for the General Assembly itself. The other Secretariat priority -- drafting a new policy on the provision of pro-bono goods and services offered to the UN, to build on "a body of disparate existing practice and precedent", also raises some major transparency questions.

To cite only one example -- but a very big one -- such goods and services are definitely not trivial. In 2001 the US GAO reported that from 1996-2001, the US Government contributed about \$3.45 billion directly to support UN peacekeeping. However, it also made total indirect contributions of some \$23.2 billion during that period that benefited UN peacekeeping. Some \$21.8 billion of military operations helped provide a secure environment for the UN operations overall. Further, the big, complex peacekeeping operations in Kosovo and East Timor alone involved over \$5 billion of estimated U.S. government contributions, to help provide a secure environment and refugee food and shelter, and to train police and court officials.

"U.N. peacekeeping: Estimated U.S. contributions, fiscal years 1996-2001", U.S. General Accounting Office, report GAO-02-294 of **February 2002**, pp. 2-3, available at [www.gao.gov/new.items/d02294.pdf](http://www.gao.gov/new.items/d02294.pdf) .

Such goods and services come from other major donor countries as well as the US, and in many other operations, as shown currently by NATO assistance to African peacekeeping forces in the Darfur region of Sudan and elsewhere, and in Asian tsunami relief in early 2005.

Daniel Dombey, "Nato defends deal on Darfur airlift", Financial Times (UK), **June 10, 2005**,

"Rapid-reaction teams take form in the EU", AP, in the International Herald Tribune, **May 24, 2005**, and

Jane Perlez, "U.S. carrier leaves Aceh as rebuilding emphasized", International Herald Tribune, **February 5-6, 2005**.

[Note: the last article states that "The U.S. aircraft carrier ... efforts included flying more than 2,800 relief missions and treating 2,200 patients ... [in Aceh, Indonesia, and] "The nearly 1,000 troops from Australia, the largest foreign military contingent, will leave 'within weeks' ..."]

The GAO emphasized that no one seeks to have those contributions reimbursed by the UN. But the GAO (and IO Watch) think that such a "full costing" approach is important to get a total picture of UN peacekeeping efforts and expenditures; finally recognize and understand how much of this extra spending Member States provide indirectly for UN operations, not only for peacekeeping, but humanitarian and disaster relief as well; and to correct the repeated charges by some that major Western countries are "deadbeats" who do not contribute enough to the "poor little UN" and its worldwide programmes.

Overall, IO Watch will follow any progress on these issues, since the UN Secretariat has much work to do to increase its overall transparency and substantive reporting on resource use in its far-flung field operations and in general. It must respond to the "right to know" of both the General Assembly policy-makers (and overseers), and the public at large. An annual, succinct, but complete status report on total funds received and where and how they were spent is essential to provide the credibility needed to keep those resources (many of them voluntary) flowing in. It is also required to fully meet the solemn responsibilities of Secretary-General Annan and the Secretariat for their wise use.

"The future credibility of the U.N. will depend in large measure on the effectiveness of its management, on the quality of its staff, and on improvements in its structure and administration."

Financing an effective United Nations: A report of the Independent Advisory Group on U.N. financing, Ford Foundation, New York, **February 1993**, p. 3.

[Note: One of the leaders of this Group was Paul Volcker, most recently active in 2004-2005 leading the UN-initiated inquiry into the scandals (and ineffectiveness) of Secretariat management of its Iraq oil-for-food programme.]

"Challenges to implementation

... No amount of money or resources can substitute for the significant changes that are urgently needed in the culture of the Organization.

... **People everywhere are fully entitled to consider that [the United Nations] is their organization, and as such to pass judgement on its activities and the people who serve in it.**

Unless the United Nations takes steps to become a true meritocracy, it will not be able to reverse the alarming trend[s] of qualified personnel ... leaving the Organization ... [or having] no incentive to join it. Unless managers at all levels, beginning with the Secretary-General and his senior staff, seriously address this problem on a priority basis, reward excellence and remove incompetence, additional resources will be wasted and lasting reform will become impossible."

Report of the Panel on United Nations Peace Operations [the "Brahimi report"], UN document A/55/305 -- S/2000/809 of **August 21 2000**, p. xiv.

[Note: The full document is available at <http://www.un.org/documents/> under the A document number.

**"The Secretary-General attaches great importance to his fiduciary responsibility vis-à-vis Member States for the prudent management of resources entrusted to the Organization.** Care is taken to ensure that these resources are utilized for the purposes for which they were provided, that they are spent with all due regard for economy and that there is accountability at all stages for their use."

"Measures to facilitate reporting by staff members of inappropriate uses of the resources of the organization: .... : Report of the Secretary-General", UN document A/47/510 of **October 8, 1992**, paras. 9-14. [emphasis added]