

ARTICLE 17 (1)

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TEXT OF ARTICLE 17 (1)

The General Assembly shall consider and approve the budget of the Organization.

INTRODUCTORY NOTE

1. The structure of the present study follows that of the previous studies of Article 17 (1) in the *Repertory* and its *Supplements Nos. 1 and 2*. Material beyond the period under review has been included on the United Nations Emergency Force (UNEF) in the Middle East in order to bring the question of its financing to a conclusion. The Force was terminated in 1967.¹ A new section has been added on the *Ad Hoc* Account for the United Nations Operation in the Congo.² Aspects of the financial difficulties of the Organization during the period under review are included here as well as under Article 17 (2) below.

2. The Assembly continued to examine the question of the form of the budget and approved minor changes in the form adopted at its eleventh session. It also adopted new procedures with respect to technical programmes. The problems of establishing priorities in the Organization's activities, of the heavy conference programme and the related volume of documentation, of the relationship between programme policy and budgetary policy and the growth of the budget occupied much of the Assembly's attention.

3. The financial aspects of a number of activities undertaken by the United Nations during the period under review, were not considered and approved by the General Assembly in the manner applied to the regular budget. Some of those activities were authorized by the Security Council, others were undertaken by the Secretary-General in accordance with his authority under financial regulations 7.2 and 7.3. Those regulations provide as follows:

“Regulation 7.2: Voluntary contributions, whether or not in cash, may be accepted by the Secretary-General provided that the purposes for which the contributions are made are consistent with the policies, aims and activities

¹ See paras. 31–37 below and also under Article 17 (2), paras. 22–39.

² See paras. 38–44 below.

of the Organization and provided that the acceptance of such contributions which directly or indirectly involve additional financial liability for the Organization shall require the consent of the appropriate authority.

“Regulation 7.3: Moneys accepted for purposes specified by the donor shall be treated as trust funds or special accounts under Regulations 6.6 and 6.7.”

4. Under the terms of financial regulation 6.6, trust funds, reserve and special accounts may be established by the Secretary-General and shall be reported to the Advisory Committee on Administrative and Budgetary Questions. The Assembly considers any such actions in its annual review of the Secretary-General's financial report and accounts for the preceding financial year and of the related report of the Board of Auditors. Such actions are not charged against the regular budget, but financed by reimbursement agreements with Governments or reimbursement agreements in combination with voluntary contributions.

5. Examples of United Nations activities financed by reimbursement agreements with the Governments concerned, during the period under review, include the United Nations Yemen Observation Mission, the Mission of the Special Representative of the Secretary-General in Cambodia and Thailand and the United Nations Malaysia Mission. The United Nations Force in Cyprus was established under Security Council resolution 186 (1964) of 4 March, which provided that all costs pertaining to the Force would be met, in a manner to be agreed on by the Governments providing contingents and by the Government of Cyprus. In addition, the Secretary-General was authorized to accept voluntary contributions for that purpose.

6. The special accounts established by the General Assembly for UNEF and the United Nations Operation in the Congo were not of the same nature as those covered by financial regulation 6.6 since they were financed primarily by assessed contributions from Member States.

SUMMARY OF PRACTICE

A. The Scope of the budget

1. WHAT THE BUDGET COMPRISES

7. The form of presentation of the budget estimates approved by the General Assembly at

its eleventh session³ was maintained with some modification during the period under review. Each

³ See G A (XI), Annexes, a.i. 43, A/3550, paras. 68–79 and also *Repertory Supplement No. 2*, under Article 17 (1), paras. 3 and 4.

year since 1957 more comprehensive explanatory material has been included with the estimates. A more detailed and exhaustive foreword by the Secretary-General is now included, for example, as well as additional explanatory and comparative tables in several sections and expanded information annexes.

8. The essential element in the current form of the budget is that it groups together all estimated costs in respect of a given category of expenditure, regardless of organizational unit, field of activity or geographical location. A few exceptions to that basic presentation have been made in the case of special programmes or projects. The budget estimates for the Office of the United Nations High Commissioner for Refugees, the International Court of Justice and the United Nations Conference on Trade and Development, for example, are grouped as separate sections under those headings.

**2. REVISED BUDGET ESTIMATES

**3. SUPPLEMENTARY ESTIMATES

B. The process of considering and approving the budget

1. THE RESPONSIBILITY FOR THE PREPARATION AND TRANSMITTAL OF THE BUDGET TO THE GENERAL ASSEMBLY

9. Under financial regulations 3.1 and 3.4, the Secretary-General is responsible for the preparation and transmittal of the annual budget to the General Assembly. At least twelve weeks prior to the opening of the regular session of the Assembly, the Secretary-General submits the budget estimates for the following financial year to the Advisory Committee on Administrative and Budgetary Questions for examination.⁴ At its sixteenth session, by resolution 1659 (XVI), the General Assembly decided to increase the membership of the Advisory Committee from the original nine to twelve members and to amend accordingly its rules of procedure 156 and 157, which set out the composition of the Advisory Committee.⁵

2. HOW THE BUDGET IS CONSIDERED AND APPROVED BY THE GENERAL ASSEMBLY⁶

10. At its seventeenth session, the General Assembly, under resolution 1768 (XVII), decided on new procedures with respect to technical programmes in the regular budget, in order to co-ordinate their

⁴ By financial regulation 3.5 the Advisory Committee was established as an expert body of the General Assembly responsible for the expert examination of the budget and required to assist the Fifth Committee of the General Assembly. Under rule 158 of the General Assembly's rules of procedure, at the beginning of each regular session the Advisory Committee submits to the General Assembly a detailed report on the budget for the next financial year and on the accounts for the last financial year.

⁵ See *Rules of Procedure of the General Assembly* (United Nations publication, Sales No.: E.68.I.7).

⁶ See *Report*, under Article 17 (1), paras. 13 and 14.

financing with that of the various programmes administered by the Technical Assistance Committee. In accordance with the new procedures, the Assembly each year would determine the provision in the budget for technical programmes on the basis of the recommendations of the Technical Assistance Committee, as endorsed by the Economic and Social Council.⁷

11. Although the Secretary-General prepared and transmitted a budget to the General Assembly at its nineteenth session and the Advisory Committee on Administrative and Budgetary Questions examined those estimates, because of the special circumstances prevailing at that session the Assembly neither considered nor approved a budget for the financial year 1965.

12. From the inception of the United Nations Emergency Force (UNEF) in the Middle East and of the United Nations Operation in the Congo (ONUC), certain Member States withheld their share of assessed contributions to the costs of the two peace-keeping operations. Those Members maintained that the two operations were not being conducted in conformity with the requirements of the Charter. In their view, the related costs were not expenses within the meaning of Article 17 and, consequently, should not be included in any calculation of arrears under Article 19.⁸ At the opening of the nineteenth session in 1964, the General Assembly, in order to avoid a confrontation on the application of Article 19, decided to proceed with its work on the understanding that issues other than those that could be disposed of without objection would not be raised.⁹ On that basis, pending decisions to be taken at the resumed nineteenth session in 1965, the Assembly, at its 1314th plenary meeting, decided to authorize the Secretary-General to enter into commitments and to make payments at levels not to exceed, subject to statutory requirements, the corresponding commitments and payments for the year 1964. It further authorized the Secretary-General to continue the existing arrangements and authorizations with respect to unforeseen and extraordinary expenses and the Working Capital Fund. It was the understanding of the Assembly that such authorizations would be without prejudice to the basic positions and objections of certain countries with respect to certain sections of the budget and to the budget as a whole.

13. The authorizations were formalized by their inclusion among the provisions of General Assembly resolution 2004 (XIX) of 18 February 1965. In that resolution the Assembly also authorized the Secre-

⁷ Subsequently, under the terms of G A resolution 2029 (XX) of 22 November 1965, the functions previously exercised by the Technical Assistance Committee were transferred to the Governing Council of the United Nations Development Programme (UNDP), made up of two components, the Special Fund and the Expanded Programme of Technical Assistance. The same procedure continued to be followed.

⁸ See this *Supplement* under Article 19. Article 19 states that a Member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contribution due from it for the preceding two full years.

⁹ G A (XIX), Plen., 1286th mtg., paras. 7-11.

tary-General to transfer funds between categories of expense and to enter into such minimum commitments as might be required for the purpose of financing certain new priority programmes and supporting services in 1965, notably in the field of trade and industrial development. That authority was granted within the authorization, subject to statutory requirements, to enter into commitments and to make payments at levels not to exceed the corresponding commitments and payments for the year 1964.

**3. VOTING ON THE BUDGET

C. Administration of the budget

1. THE NATURE OF THE POWERS VESTED IN THE SECRETARY-GENERAL

14. Once the budget has been approved by the General Assembly, the Secretary-General, under financial regulation H. 1, is vested with the authority to incur obligations and make payments for the purposes for which the appropriations were voted. Under financial regulation 4.3, appropriations remain available for twelve months following the end of the financial year to which they relate to the extent that they are required to discharge obligations in respect of goods supplied and services rendered in the financial year and to liquidate any other outstanding legal obligations of the year; the balance of the appropriations are then surrendered. In order to provide a more flexible administration of the funds provided for technical programmes, the General Assembly, beginning with its appropriation resolution 2124 (XX) for the financial year 1965, decided that those appropriations should be administered in accordance with the Financial Regulations of the United Nations, except that the definition of obligations and the period of validity of obligations should be in accordance with the procedures and practices approved by the Technical Assistance Committee for the Expanded Programme of Technical Assistance and subsequently adopted by the Governing Council of UNDP.¹⁰ The effect of that decision was to permit obligations incurred for fellowships to remain available indefinitely and obligations with respect to the regular programme to remain available for two years instead of the normal one year after the close of the financial year.

**2. PURPOSE OF TRANSFERS WITHIN AND BETWEEN SECTIONS OF THE BUDGET

**3. LIMITS PLACED ON TRANSFERS BETWEEN SECTIONS OF THE BUDGET

D. Scope and extent of the powers of the General Assembly to approve the expenditures

1. PROVISIONS OF THE FINANCIAL REGULATIONS AND OF THE RULES OF PROCEDURE OF THE GENERAL ASSEMBLY AND OF THE ECONOMIC AND SOCIAL COUNCIL

15. By resolution 1122 (XI), the General Assembly had authorized the Secretary-General to establish

a United Nations Emergency Force (UNEF) Special Account and requested him to establish such special rules and procedures for the account as he might consider necessary to ensure its effective financial administration and control.¹¹ By resolution 1583 (XV), the Assembly decided to establish an *ad hoc* account for the expenses of the United Nations Operation in the Congo (ONUC). In all important respects, identical general financial rules and procedures were applied to the ONUC and UNEF accounts.¹²

2. FACTORS CONSIDERED BY THE GENERAL ASSEMBLY IN REVIEWING PROPOSED EXPENDITURES

16. As indicated in the *Repertory*,¹³ one of the concerns of the Assembly in its consideration of the budget estimates has been the programme of conferences and meetings and the related volume of documentation. At its twelfth session under resolution 1202 (XII), the Assembly had decided that a fixed pattern of conferences to govern the places and dates of meetings of United Nations bodies would come into force on 1 January 1958 for a period of five years. It had further decided that, as a general principle, meetings of United Nations bodies would be held at the established headquarters of the bodies concerned, except with respect to certain bodies named in the resolution and with respect to cases where a Government issuing an invitation for a meeting to be held within its territory had agreed to defray, after consultation with the Secretary-General as to their nature and possible extent, the additional costs involved. The Assembly had also decided that, as a general rule, any meeting not covered by the basic programme for a given year should not be held during that year. Emergency meetings were exempted from that rule and procedures were specified to permit exceptions to it.

17. At the same session, under resolution 1203 (XII), the Assembly had suggested a 25 per cent reduction in the 1957 level of documentation in 1958 in both the length of documents and in the number produced.

18. At its twentieth session, the Assembly continued its practice of setting a fixed pattern of conferences and decided, under resolution 2116 (XX), that not more than one major special conference of the United Nations should be scheduled in any one year.

19. The Assembly also continued to give attention to the question of priorities among the activities of the Organization.¹⁴ For example, at its seventeenth session, under resolution 1797 (XVII), it requested the Economic and Social Council to devise a framework indicating the priorities to be accorded to United Nations programmes and projects in the economic, social and human rights fields.

¹¹ See ST/SGB/UNEF/2 and Revs. 1 and 2 (mimeographed). See also *Repertory Supplement No. 2* under Article 17 (1), paras. 40–42.

¹² See paras. 43 and 44 below.

¹³ See *Repertory*, under Article 17 (1), paras. 29–34.

¹⁴ *Ibid.* See also *Repertory Supplement No. 2*, paras. 13–16.

¹⁰ See foot-note 7 above.

20. At the same session, considerable interest was expressed in the Fifth Committee in procedures to assure a clear and direct link between the Organization's programmes and its budget.¹⁵ Representatives were also concerned that the activities undertaken should be the subject of continuous review. A number of suggestions for integrating programme policy and budget policy were advanced, but no decisions were taken.

21. Also at its twentieth session, under resolution 2049 (XX), the General Assembly established an *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies. The Committee was charged with the task of examining the entire range of the budgetary problems of the United Nations and the organizations brought into relationship with it, notably their administrative and budgetary procedures, the means of comparing and, if possible, standardizing their budgets, and the financial aspects of their expansion with a view to avoiding needless expenditure, particularly from duplication. The Committee was also invited to comment on the complete statement of the financial situation of the Organization as at 30 September 1965, to be prepared by the Secretary-General.

****3. POWER OF THE GENERAL ASSEMBLY TO APPROVE OR DISAPPROVE OBLIGATIONS INCURRED BY THE ORGANIZATION**

4. BUDGET CEILING

22. At its fourteenth session, under resolution 1405 (XIV), the General Assembly adopted a policy of budgetary stabilization for United Nations public information programmes and requested the Secretary-General to plan those programmes in 1960 on the assumption that the total net expenditure for the year would be about \$5 million.¹⁶

23. At the seventeenth session of the General Assembly, the Fifth Committee, after discussion of a report of the Secretary-General¹⁷ on public information activities of the United Nations, decided to approve the Advisory Committee's recommendation for a ceiling of \$6 million on those activities for 1963.¹⁸ At the eighteenth session, the Advisory Committee recommended the \$6 million ceiling for 1964, and the General Assembly endorsed the recommendation. In 1965 and 1966, the Advisory Committee also made recommendations in respect of a ceiling for public information activities, but no decision was taken by the Assembly.

****E. Extent of control by the General Assembly over budgetary expenditure**

****1. THE BOARD OF AUDITORS**

¹⁵ G A (XX), Annexes, a.i. 76, A/6223, paras. 12-18.

¹⁶ See also *Repertory Supplement No. 2*, under Article 17 (1), paras. 18-21.

¹⁷ G A (XVII), Annexes, a.i. 62, A/5179.

¹⁸ *Ibid.*, A/5391, paras. 33-41.

****2. FUNCTIONS OF THE BOARD OF AUDITORS AND PRINCIPLES GOVERNING THE AUDIT PROCEDURE OF THE UNITED NATIONS**

****3. PROCEDURE FOR REVIEW OF ACCOUNTS AND AUDIT REPORTS BY THE GENERAL ASSEMBLY**

F. Extra-budgetary funds

1. GENERAL STATEMENT

24. During the period covered by this *Supplement*, trust funds and special accounts established outside the regular budgetary appropriations became significant sources of support of the purposes of the Organization. Such resources were used principally to finance humanitarian programmes and to expand technical assistance programmes.¹⁹ The numerous technical co-operation activities involved included, for example, the provision of expert assistance, fellowships, or equipment to the developing countries, and the convening of seminars on specific economic and social topics.²⁰ Extra-budgetary funds also provided for semi-autonomous research, development and training activities²¹ and supplemented budgeted research and development activities.²² When extra-budgetary programmes require services from United Nations departments financed under the regular budget, various arrangements are in effect to reimburse, share or directly finance the costs of those services from extra-budgetary funds.²³

2. THE PRINCIPAL EXTRA-BUDGETARY PROGRAMMES¹⁹

25. The United Nations Development Programme was established by the General Assembly at its twentieth session under resolution 2029 (XX). The new programme combined the Expanded Programme of Technical Assistance and the Special Fund although the special characteristics and operations of the two programmes, as well as two separate funds, were to be maintained and, as hitherto, contributions could be pledged to the two programmes separately.

26. By resolution 1714 (XVI), the General Assembly had approved the establishment, for an initial period of three years, of an experimental World Food Programme to be undertaken jointly by the United Nations and the Food and Agriculture Organization of the United Nations, in co-operation

¹⁹ See also under Article 17 (2), *Repertory*, paras. 52 and 53; and *Repertory Supplement No. 2*, para. 22, respectively.

²⁰ The programmes and/or accounts which financed those activities included the Expanded Programme of Technical Assistance (EPTA), special purpose grants from Governments and non-governmental organizations, the United Nations Fund for the Development of West Irian and the Funds-in-Trust Programme for the Democratic Republic of the Congo.

²¹ For example, the United Nations Research Institute for Social Development.

²² In addition to the existing extra-budgetary resources available to the Organization, a Trust Fund for Development Planning and Projections was established during the period under review.

²³ See also ST/ADM/L.4 (mimeographed), paras. 169-173.

with other interested United Nations agencies and intergovernmental bodies, to facilitate the best possible use of food surpluses for the economic development of the less developed countries. The programme would be financed by voluntary contributions from Governments of States Members of the United Nations and members of the Food and Agriculture Organization. At its twentieth session, by resolution 2095 (XX), the General Assembly decided to extend the World Food Programme on a continuing basis for as long as multilateral food aid was feasible and desirable.

27. At the same session, the General Assembly decided, by resolution 2089 (XX), to establish within the United Nations an autonomous organization for the promotion of industrial development to be known as the United Nations Organization for Industrial Development.²⁴ It further decided that the administrative and research activities of that organization should be financed from the United Nations regular budget, and its operational activities from voluntary contributions by Governments of the States Members of the United Nations and members of the specialized agencies and of the International Atomic Energy Agency, and from participation in the United Nations Development Programme on the same basis as other participating organizations.²⁵

3. RAISING FUNDS FOR EXTRA-BUDGETARY PURPOSES

28. At its fourteenth and fifteenth sessions the General Assembly continued the practice of appointing a Negotiating Committee for Extra-Budgetary Funds to serve for one year.

29. In addition, at the same sessions the Assembly again decided under resolutions 1440 (XIV) and 1556 (XV) to convene as soon as practicable after the opening of each session an *ad hoc* Committee of the whole Assembly for the purpose of announcing pledges of voluntary contributions for the refugee programmes for the following year. The Assembly also invited States not Members of the United Nations but members of one or more of the specialized agencies to attend.

30. At its sixteenth session the Assembly decided by resolution 1729 (XVI) to continue that arrangement each year and requested the Secretary-General, in consultation with the executive heads of the extra-budgetary programmes: (a) to fix each year appropriate dates for the meetings of the *ad hoc* Committee of the whole Assembly and of the Pledging Conference for the Special Fund and the Expanded Programme of Technical Assistance,²⁶ and (b) to bring to the attention of Members each year the requirements of the extra-budgetary programmes for the next year and to seek their support for those programmes.

**4. CONTROL OF EXTRA-BUDGETARY FUNDS

²⁴ The English name of the organization was changed during the twenty-first session of the Assembly to United Nations Industrial Development Organization (UNIDO). See G A (XXI) Annexes, a.i. 41, A/6508, para. 10.

²⁵ See also this *Supplement*, under Articles 22 and 68.

²⁶ See also para. 25 above.

G. Special Account for the United Nations Emergency Force

**1. PURPOSES AND LIMITS OF THE ACCOUNT

**2. APPORTIONMENT OF COSTS BETWEEN THE UNITED NATIONS AND THE PARTICIPATING STATES

3. PREPARATION, PRESENTATION AND APPROVAL OF ESTIMATES

31. For the financial year 1963, the Secretary-General was authorized by Assembly resolution 1864 (XVII) to expend up to 30 June 1963 at an average monthly rate not to exceed \$1,580,000 for the continuing cost of the United Nations Emergency Force (UNEF). No appropriation or apportionment action was taken either in respect of the expenditures incurred during the last half of 1962 or the first half of 1963, pending consideration by the General Assembly at a special session to be held prior to 30 June 1963 of a report of the working group of twenty-one Members established under Assembly resolution 1854 B (XVI) to study special methods for financing peace-keeping operations involving heavy expenditures.

32. At the fourth special session of the Assembly, held from 14 May to 27 June 1963, the Secretary-General was authorized under resolution 1875 (S-IV) to expend up to 31 December 1963 at an average monthly rate not to exceed \$1,580,000. At the same time, an amount of \$9.5 million was appropriated and apportioned in respect of the period 1 July to 31 December 1963. Since no such action was taken in respect of the period 1 July 1962 to 30 June 1963, the expenses incurred during that twelve-month period were met from the proceeds of the United Nations bond issue.²⁷

33. In respect of the financial year 1964, an amount of \$17,750,000 was appropriated and apportioned under resolution 1983 (XVIII).

34. In respect of the financial year 1965, the General Assembly, before deciding on 18 February 1965 to recess its nineteenth session until 1 September 1965 and pending decisions to be taken on the level of appropriations for 1965 and their apportionment when the session was resumed, authorized the Secretary-General, under resolution 2004 (XIX) subject to statutory requirements, to enter into commitments and to make payments at levels not to exceed the corresponding commitments and payments for the year 1964.

35. At the twentieth session under resolution 2115 (XX), the General Assembly decided to appropriate and apportion for the financial years 1965 and 1966, \$18,911,000 and \$15 million, respectively.

36. At its twenty-first session, under resolution 2194 A (XXI) approved the revised cost estimates for the financial year 1966 in the amount of \$16,146,000 and authorized the Secretary-General to meet the actual requirements over the appropriation of \$15 million, and within the amount of \$16,146,000, by use of the surplus account of the United Nations

²⁷ See this *Supplement* under Article 17 (2), paras. 56 and 57.

Emergency Force. The Assembly also decided under resolution 2194 B (XXI) to appropriate and apportion an amount of \$14 million for the operation of the Force for the financial year 1967.

37. Developments in the Middle East led to the withdrawal of the entire Force in May and June 1967. Consequently, under resolution 2304 A (XXII), the General Assembly took note of the revised cost estimates submitted by the Secretary-General for the financial year 1967 in the amount of \$11,396,000. It also decided, under resolution 2304 B (XXI), that, in connexion with any necessary expenditures after 31 December 1967 relating to the disposal of United Nations owned equipment and supplies and the termination of the Force, the Secretary-General, with the concurrence of the Advisory Committee on Administrative and Budgetary Questions, was authorized to utilize any balance remaining in the Special Account for the United Nations Emergency Force as at 31 December 1967; and, notwithstanding the provisions of rule 104.1 of the Financial Rules for the Special Account for the United Nations Emergency Force,²⁸ the proceeds from the sale or other disposition, after 31 December 1967, of United Nations-owned property.

**4. FINANCIAL ADMINISTRATION

H. *Ad Hoc* Account for the United Nations Operation in the Congo

38. The *Ad Hoc* Account for the United Nations Operation in the Congo (ONUC) was established under General Assembly resolutions 1583 (XV) of 20 December 1960, 1619 (XV) of 21 April 1961 and 1732 (XVI) of 20 December 1961. The account was terminated on 31 June 1964 in accordance with the provisions of General Assembly resolution 1885 (XVIII) of 18 October 1963. Liquidation and final closing arrangements were still in progress at the end of the period under review.

The budget to which that account related provided the following:

- (a) The organization, operation and maintenance of the United Nations Force in the Congo;
- (b) The expenses of the Office of the Personal Representative of the Secretary-General and his general staff;
- (c) The Office of the Chief of United Nations Civilian Operations and his consultative group;
- (d) The international and locally recruited staff assisting the Force.

39. The ONUC budget, like that of UNEF, was divided into two parts: the first dealt with operating costs incurred by the United Nations in relation

to both civilian and military personnel; the second, with the reimbursement of extra and extraordinary costs incurred by Governments providing contingents for ONUC.

40. The *ad hoc* ONUC account did not cover the cost of international financial aid provided for the purpose of restoring the economic life of the Congo and for carrying on its public services, including education, health and public security. These costs were financed from voluntary contributions to a separate special account, the United Nations Fund for the Congo, established pursuant to General Assembly resolution 1474 (ES-IV) of 20 September 1960.

41. The formulae for sharing costs in respect of troops between the Organization and Member States contributing contingents were identical to those approved in the case of UNEF.²⁹

42. The budget estimates for ONUC were prepared in the Office of the Controller on the basis of estimated requirements submitted by the responsible departments. After approval by the Secretary-General, the estimates were submitted to the General Assembly in the form of a report by the Secretary-General. The subsequent procedures were similar to those which apply to the regular budget. Thus, the estimates were first considered by the Advisory Committee on Administrative and Budgetary Questions which submitted its report to the Fifth Committee of the General Assembly. The Fifth Committee examined the estimates in the light of the recommendations of the Advisory Committee and incorporated them at an agreed level in a draft appropriation resolution. The vote on that resolution in the Fifth Committee was taken by a simple majority of those present and voting. It was then submitted to the Assembly in plenary where its adoption required a two-thirds majority of those present and voting.

43. The general financial policies and practices applied to ONUC were in all important respects identical with those applied to UNEF.

44. No special financial rules were issued in respect of the *Ad Hoc* Account for ONUC as had been the case with UNEF.³⁰ The account was administered by virtue of financial regulation 6.7, in accordance with the Financial Regulations of the United Nations. The concurrence of the Advisory Committee on Administrative and Budgetary Questions was, however, sought and obtained to establish arrangements for the liquidation of ONUC obligations identical with those approved in rule 103.3 (b) of the UNEF financial rules for the liquidation of UNEF obligations.

²⁹ See *Repertory Supplement No. 2*, under Article 17 (1), paras. 25-29.

³⁰ See foot-note 11 above.

²⁸ ST/SGB/UNEF/2/Rev.1 (mimeographed).