



TOWARDS A RAPID REACTION CAPABILITY FOR THE UNITED NATIONS

given the high cost of specialized items of equipment and on-going problems of maintenance, a great deal of thought needs to be given to determine which elements of materiel lend themselves to a stockpiling program, and where stockpiling could best be implemented.

Financial Arrangements

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It would be difficult to overemphasize the degree to which inadequate, inefficient and constraining financing systems and procedures contribute to the problems of the UN. While some improvements have recently been made in the budgetary process, the entire financial area is a matter of considerable frustration for the UN and troop-contributing nations alike. Peace operations, unlike other UN core activities, are not funded from the regular UN budget, but are the subject of separate assessments to Member States. Once a budget is approved, and notices are issued to Member States, they are obliged to pay their contributions in full within 30 days. But, in the words of the Secretary-General, "in recent years, 90 days after the assessment, the Organization has received on average only 45 per cent of contributions, and after 180 days, only 68 per cent."¹⁸ The most recent figures are even more appalling. If the budgetary process is not streamlined and the record of contributions does not substantially improve, a rapid-reaction capability will ultimately be dependent upon the good will of troop-contributors, leaving the UN with a tenuous, unpredictable capacity to meet future needs.

A basic issue in the UN is the difference between spending authority and the availability of money. According to UN financial practices, the UN cannot sign agreements incurring financial costs if the UN does not hold cash in hand. Without the cash for an urgent operation, rapid reaction is impossible. Moreover, the Secretary-General cannot now expend resources on a mission until it is mandated by the Security Council.¹⁹ Although creative fiscal juggling now handles this problem, ways need to be found to initiate preparatory activity in anticipation of a Security Council mandate. The Secretary-General has standing authority to spend US\$3 million annually for matters of "peace and security", but this amount is unlikely to take the UN far in a peace operation. After the Security Council has established a new mission, and pending General Assembly approval of a budget, the Secretary General has the financial authority to spend up to US\$10 million annually per mission for general "unforeseen and extraordinary expenses". Slightly later in the process, after the Advisory Committee on Administrative and Budgetary Questions (ACABQ) has approved the budget, but pending Fifth Committee and General Assembly approval, the Secretary-General can seek ACABQ authority to commit up to US\$50 million to initiate a mission. Invariably, both the US\$10 million and the US\$50 million ceilings are far from sufficient. While, quite appropriately, the General Assembly ultimately holds the purse strings for UN operations, this mechanism is time-consuming, rendering a rapid response to crisis situations almost impossible.

Armed with spending authority, the Secretary-General has in theory several avenues to borrow funds within the UN. A Central Emergency Revolving Fund of US\$50 million is largely restricted to humanitarian activities, while the Special Account of US\$140 million and the Working Capital Fund of US\$100 million are general cash