



4. Cash surpluses are used to alleviate occasional shortfalls in active peacekeeping operations. This has been the case in MINURSO (West Sahara) and UNMIK (Kosovo), and less frequently in UNFICYP (Cyprus) and UNISFA (Abyei). Circumstances have improved in recent years. Peak borrowings (experienced typically in July and August) have declined from \$57 million in August 2013 to \$30 million in July 2015. The balance of cross-borrowings at the end of December 2015 was \$28.5 million.

5. The liquidity of active peacekeeping operations is not directly linked to the issue of cash surpluses in closed missions. But, given the liquidity problems faced by some active missions (such as MINURSO and UNMIK, and more recently MONUSCO and UNSOS), the Secretary-General maintains the proposal that temporary borrowings between active peacekeeping missions --which is currently not permitted-- be authorized by the General Assembly. Should the Assembly not authorize such temporary borrowings, the Secretary-General maintains the proposal to establish a peacekeeping working capital fund, similar to the one for the programme budget to address the cash requirements of active peacekeeping operations.

6. If no new mechanism is approved, the General Assembly is requested to allow the retention of the net cash balance of \$70 million available in 21 closed peacekeeping missions as of 30 June 2015.

Mr. Chairman, Distinguished Delegates, I look forward to the discussions on this item.