A/80/5 (Vol. II)

United Nations

Financial report and audited financial statements

for the 12-month period from 1 July 2024 to 30 June 2025

and

Report of the Board of Auditors

Volume II
United Nations peacekeeping operations

General Assembly
Official Records
Eightieth Session
Supplement No. 5

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Note

Symbols of United Nations documents are composed of letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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Contents

Abbreviations

CEB	United Nations System Chief Executives Board for Coordination
COVID-19	Coronavirus disease
IOM	International Organization for Migration
IPSAS	International Public Sector Accounting Standards
MINUGUA	United Nations Verification Mission in Guatemala
MINUJUSTH	United Nations Mission for Justice Support in Haiti
MINURCA	United Nations Mission in the Central African Republic
MINURCAT	United Nations Mission in the Central African Republic and Chad
MINURSO	United Nations Mission for the Referendum in Western Sahara
MINUSCA	United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic
MINUSMA	United Nations Multidimensional Integrated Stabilization Mission in Mali
MINUSTAH	United Nations Stabilization Mission in Haiti
MIPONUH	United Nations Civilian Police Mission in Haiti
MONUA	United Nations Observation Mission in Angola
MONUSCO	United Nations Organization Stabilization Mission in the Democratic Republic of the Congo
NGO	Non-governmental organization
OECD	Organisation for Economic Co-operation and Development
OHCHR	Office of the United Nations High Commissioner for Human Rights
OIOS	Office of Internal Oversight Services
ONUB	United Nations Operation in Burundi
ONUC	United Nations Operation in the Congo
ONUMOZ	United Nations Operation in Mozambique
ONUSAL	United Nations Observer Mission in El Salvador
UNAMID	African Union-United Nations Hybrid Operation in Darfur
UNAMIR	United Nations Assistance Mission for Rwanda
UNAMSIL	United Nations Mission in Sierra Leone
UNAVEM	United Nations Angola Verification Mission
UNDOF	United Nations Disengagement Observer Force
UNDP	United Nations Development Programme
UNEF	United Nations Emergency Force
UNFICYP	United Nations Peacekeeping Force in Cyprus
UNHCR	Office of the United Nations High Commissioner for Refugees

UNICEF	United Nations Children's Fund
UNIDIR	United Nations Institute for Disarmament Research
UNIFIL	United Nations Interim Force in Lebanon
UNIIMOG	United Nations Iran-Iraq Military Observer Group
UNIKOM	United Nations Iraq-Kuwait Observation Mission
UNISFA	United Nations Interim Security Force for Abyei
UNMEE	United Nations Mission in Ethiopia and Eritrea
UNMIBH	United Nations Mission in Bosnia and Herzegovina
UNMIH	United Nations Mission in Haiti
UNMIK	United Nations Interim Administration Mission in Kosovo
UNMIS	United Nations Mission in the Sudan
UNMISET	United Nations Mission of Support in East Timor
UNMISS	United Nations Mission in South Sudan
UNMIT	United Nations Integrated Mission in Timor-Leste
UNMLT	United Nations Military Liaison Team in Cambodia
UNMOGIP	United Nations Military Observer Group in India and Pakistan
UNMOT	United Nations Mission of Observers in Tajikistan
UNOCI	United Nations Operation in Côte d'Ivoire
UNODC	United Nations Office on Drugs and Crime
UNOMIG	United Nations Observer Mission in Georgia
UNOMIL	United Nations Observer Mission in Liberia
UNOMSIL	United Nations Observer Mission in Sierra Leone
UNOMUR	United Nations Observer Mission in Uganda-Rwanda
UNOPS	United Nations Office for Project Services
UNOSOM	United Nations Operation in Somalia
UNPF	United Nations Peace Forces
UNPREDEP	United Nations Preventive Deployment Force
UNPSG	United Nations Civilian Police Support Group
UNSMIH	United Nations Support Mission in Haiti
UNSMIL	United Nations Support Mission in Libya
UNSMIS	United Nations Supervision Mission in the Syrian Arab Republic
UNSOA	United Nations Support Office for the African Union Mission in Somalia
UNSOS	United Nations Support Office in Somalia
UNTAC	United Nations Transitional Authority in Cambodia

UNTAES	United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium
UNTAET	United Nations Transitional Administration in East Timor
UNTAG	United Nations Transition Assistance Group
UNTMIH	United Nations Transition Mission in Haiti
UNTSO	United Nations Truce Supervision Organization

Letters of transmittal

Letter dated 30 September 2025 from the Secretary-General addressed to the Chair of the Board of Auditors

In accordance with financial regulation 6.2, I have the honour to submit the financial statements of the United Nations peacekeeping operations, for the 12-month period from 1 July 2024 to 30 June 2025, which I hereby approve. The financial statements have been completed and certified by the Controller as correct in all material respects.

Copies of these financial statements are also being transmitted to the Advisory Committee on Administrative and Budgetary Questions.

(*Signed*) António **Guterres**

Letter dated 30 September 2025 from the Deputy Controller/ Director, Finance Division, Office of Programme Planning, Finance and Budget, addressed to the Executive Secretary of the Board of Auditors

This is to transmit to the Board of Auditors a complete set of the United Nations peacekeeping financial statements (statements I, II, III, IV and V) for the period 1 July 2024 to 30 June 2025, including notes to the financial statements.

(*Signed*) Maria **Costa**

Letter dated 15 January 2026 from the Chair of the Board of Auditors addressed to the President of the General Assembly

I have the honour to transmit to you the report of the Board of Auditors, together with the financial report and the audited financial statements of the United Nations peacekeeping operations for the financial period from 1 July 2024 to 30 June 2025.

(*Signed*) Carine **Camby**
President of the First Chamber,
acting as First President of the French Cour des comptes
Chair of the Board of Auditors

Chapter I

Report of the Board of Auditors on the financial statements: audit opinion

Opinion

We have audited the financial statements of the United Nations peacekeeping operations, which comprise the statement of financial position (statement I) as at 30 June 2025, and the statement of financial performance (statement II), the statement of changes in net assets (statement III), the statement of cash flows (statement IV) and the statement of comparison of budget and actual amounts (statement V) for the period then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the United Nations peacekeeping operations as at 30 June 2025 and their financial performance and cash flows for the period then ended, in accordance with IPSAS.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing. Our responsibilities under those standards are described in the section below entitled "Auditor's responsibilities for the audit of the financial statements". We are independent of the United Nations peacekeeping operations, in accordance with the ethical requirements relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor's report thereon

The Secretary-General is responsible for the other information, which comprises the financial report for the period ended 30 June 2025, contained in chapter IV below, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, on the basis of the work that we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Secretary-General and those charged with governance for the financial statements

The Secretary-General is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as the Secretary-General determines to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary-General is responsible for assessing the ability of the United Nations peacekeeping operations to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going-concern basis of accounting unless the Secretary-General intends either to liquidate the United Nations peacekeeping operations or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the United Nations peacekeeping operations.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or the overriding of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the United Nations peacekeeping operations.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary-General.

- Draw conclusions as to the appropriateness of the Secretary-General’s use of the going-concern basis of accounting and, on the basis of the audit evidence obtained, whether a material uncertainty exists in relation to events or conditions that may cast significant doubt on the ability of the United Nations peacekeeping operations to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the United Nations peacekeeping operations to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Furthermore, in our opinion, the transactions of the United Nations peacekeeping operations that have come to our notice or that we have tested as part of our audit have, in all significant respects, been in accordance with the Financial Regulations and Rules of the United Nations and legislative authority.

In accordance with article VII of the Financial Regulations and Rules of the United Nations, we have also issued a long-form report on our audit of the United Nations peacekeeping operations.

(*Signed*) Carine **Camby**
President of the First Chamber,
acting as First President of the French Cour des comptes
(Lead Auditor)
Chair of the Board of Auditors

(*Signed*) **Hou** Kai
Auditor General of the People's Republic of China

(*Signed*) Vital **do Rêgo Filho**
President of the Brazilian Federal Court of Accounts

15 January 2026

Chapter II
Long-form report of the Board of Auditors

Summary

Scope of the present report

The Board of Auditors has audited the financial statements and reviewed the operations of United Nations peacekeeping operations for the period ended 30 June 2025. The audit was carried out at United Nations Headquarters, in the 11 active field missions, at the United Nations Logistics Base at Brindisi, Italy (including the United Nations Information and Communications Technology Facility in Valencia, Spain) and at the Regional Service Centre in Entebbe, Uganda.

In addition to the audit of the financial statements of United Nations peacekeeping operations, the audit included, among others, an examination of the management of contingent-owned equipment and of liquidity within peacekeeping operations and the disarmament, demobilization and reintegration processes in the missions. In addition, the Board analysed the management and impact of the MINUSMA liquidation and included in the present report major findings arising from on-site field audits. Lastly, the Board followed up on the recommendations set out in its previous reports to assess how they had been implemented.

Audit opinion

In the opinion of the Board of Auditors, the accompanying financial statements present fairly, in all material respects, the financial position of United Nations peacekeeping operations as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with IPSAS.

Overall conclusion

The Board did not identify material deficiencies in accounts and records that might affect the fair presentation of the financial statements of peacekeeping operations for the financial period 2024/25.

The overall key ratios of the financial position of peacekeeping operations as at 30 June 2025 remained broadly stable. However, the solvency ratio decreased from 1.01 to 0.97 and the cash ratio, notwithstanding a slight increase, was at 0.40, both reflecting the liquidity risks faced by peacekeeping operations.

While the Board recognizes that, on the basis of the implementation of its previous recommendations, improvements have been made in financial, budgetary, risk management, planning, contingent-owned equipment management and human resources processes, these still need to be strengthened further.

On the basis of new findings, the Board also identified areas for improvement in financial and budget management, in particular liquidity, asset and fuel management, and the disarmament, demobilization and reintegration processes in peacekeeping operations.

Financial overview

Total revenue for 2024/25 amounted to $6.02 billion, representing a significant decrease of 11.5 per cent ($780.3 million) compared with the previous period ($6.80 billion). The principal driver of that overall decrease was the MINUSMA liquidation, which resulted in a $644.7 million reduction in its assessed contributions.

Total expenses saw a significant decrease of 16.3 per cent ($1,194.9 million), from $7,341.1 million in the previous period to $6,146.2 million.

As at 30 June 2025, the accumulated deficit of net assets amounted to $117.9 million. The $153.2 million decrease in the net asset position compared with 2023/24 ($35.3 million) reflects the year-end deficit ($127.3 million) and the impact of the $32.2 million actuarial loss recorded on employee benefits liabilities.

Key findings

Financial management

Belated recognition of cash losses

The cash write-off accounting process needs to be enhanced. The cash loss of $179,386, identified at the 2023/24 closing in UNMISS, had not been recorded in the initial version of the 2024/25 volume II financial statements prior to the audit, pursuant to IPSAS 1: Presentation of financial statements. This loss was also not reported in the initial schedule of write-offs transmitted to the Board for 2024/25. Consequently, prior to the audit, the cash position was overstated by $179,386 and the deficit for the financial year, $127.4 million, was understated by the same amount because the related write-off had not been recorded as at 30 June 2025. Furthermore, no insurance reimbursement claim was received. Following that finding, the Administration adjusted the amount to reflect the loss in the final financial statements and updated the write-off memo transmitted to the Board. This case highlights the need to streamline and formalize the cash write-off procedure.

Employee benefits liabilities

The methodology used to determine the basis for the after-service health insurance liabilities of peacekeeping operations, which considers staff contributions regardless of the plans to which they contributed and finances the after-service health insurance liability by peacekeeping operations on the basis of the last position held, reflects an important management assumption, namely, the 17 per cent apportionment rate for peacekeeping operations, which needs to be more clearly specified in the disclosure in the notes to the volume II financial statements. Following that finding, the disclosure was included in note 16 of the 2024/25 financial statements.

Lack of regular review of associated cost rates applied to property, plant and equipment and inventories

Associated costs, such as freight, insurance and customs duties, are included in the accounting valuation of property, plant and equipment and inventories in accordance with IPSAS 17: Property, plant and equipment, and IPSAS 12: Inventories. However, these costs have not been updated since 2021, and no review process has been performed to ensure their regular update, notwithstanding volatility in global logistics costs and inflationary pressures. This may result in an understatement of property, plant and equipment and inventory acquisitions recorded in the financial statements as at 30 June 2025.

Shortcomings in the financial estimate of presumptive fraud cases

As at 30 June 2025, presumptive fraud cases reported to the Board did not correspond systematically to the United Nations system's definition of presumptive fraud. Indeed, in many cases, the reported loss of resources for the Organization was either non-existent or difficult to quantify. Moreover, the reported amounts did not systematically specify either an assessment of the financial loss for the Organization or a tangible fraud amount. In addition, the United Nations whistleblowing portal does not include operational guidelines to facilitate the processing and classification of these declarations.

Deficiencies in fuel management

The Electronic Fuel Management System (eFMS-2) enables the operational tracking of fuel movements by vehicle in field missions and is centrally used by the Administration for fuel valorization and inventory position at year end. The Board noted significant inconsistencies regarding standard fuel capacity recorded in eFMS-2 and in the standard fuel consumptions for the same brand and model, although they should have identical factory specifications regarding consumption and capacity. These data inconsistencies undermine the reliability of automated controls in eFMS-2 and reduce the system's ability to detect abnormal fuel consumption and potential fraudulent activities.

In addition to ongoing fuel management issues in the field, the Board noted that a loss of $12.59 million, due to a former fuel supplier in UNSOS, might not be recovered owing to prolonged delays in the claim's recovery process.

Deficiencies in the transfer of existing assets and purchase orders from MINUSMA

A total of $82 million in assets was transferred to other entities, while $186 million was written off during the liquidation period. The majority of the write-off ($122 million) relates to real estate and infrastructure (built on land not owned by the United Nations). Equipment written off amounted to $34 million, of which $25.5 million was sold or donated.

The Board noted that the United Nations Logistics Base and the Regional Service Centre supported the MINUSMA liquidation process in their respective capacities with efficiency and agility. However, the lack of formalized operational guidance on the methodology and procedures, notably regarding purchase order reallocation, undermines the reproducibility of the practices.

The transfer of existing assets and purchase orders from MINUSMA to other missions led to several weaknesses. The Board noted the significant volume of idle items. In UNISFA, 33.8 per cent of the acquisition value of the items received from MINUSMA were idle. In addition, some assets transferred from MINUSMA were declared "lost in transit" without any insurance claims being filed. Assets lost in transit represented an amount of $1.18 million in MINUSCA.

Management of contingent-owned equipment

Economic performance issues regarding contingent-owned equipment repatriation process

The Board examined the repatriation of contingent-owned equipment following the MINUSMA closure and the partial drawdown of MONUSCO. The Board, while emphasizing that the framework for this process is set out in the Manual on Policies and Procedures concerning the Reimbursement and Control of Contingent-Owned Equipment of Troop/Police Contributors Participating in Peacekeeping Missions and is the responsibility of the Member States by way of the Working Group on Contingent-Owned Equipment, analysed the economic performance of the repatriation process. A total of 25 per cent of repatriated contingent-owned equipment from MINUSMA had a residual book value of zero. The total repatriation costs amounted to $151.7 million (including storage). Following the MONUSCO drawdown from South Kivu, 19 per cent of the repatriated contingent-owned equipment was unserviceable. These figures demonstrate the need for a rigorous cost-benefit analysis of the various options (repatriation versus reimbursement) for all parties. This analysis should be submitted to Member States for their consideration and final decision through the Working Group.

Need for optimization of contingent-owned equipment generators

Between September 2024 and September 2025, the total number of diesel generators deployed in the missions by the contingents increased by 1.6 per cent, whereas the troops deployed decreased by 2.6 per cent. Several missions had identified the potential for energy supply optimization, which would have to be addressed in consultation with troop- and police-contributing countries.

Management of liquidity in peacekeeping operations

Deteriorating liquidity situation and financial strategy

The Board noted a deterioration in the liquidity situation of peacekeeping operations owing to the level of cash received being consistently and significantly below assessed contributions. In the 2024/25 financial period, $421 million (8 per cent of the budget) was not received. While this shortfall may appear limited in isolation, the cumulative impact over the past five years amounted to an estimated $2.0 billion in funds not received by peacekeeping operations.

In this context of important and recurring arrears, the credit returns mechanism, which works smoothly when assessed contributions are paid in full and on time, creates a potentially dangerous spiral. Owing to the lack of cash, the approved budgets are underexecuted; the amount of underspent appropriations must then be returned to Member States even though cash has not been received, first to settle their oldest outstanding contributions (if any) and then to reduce their assessed contributions of year N+2. This creates growing pressure on the capacity to execute the approved budgets.

To manage cash shortages, the Secretariat uses several mechanisms, such as phased allotments, delegated flexibility in budget implementation and cross-borrowing between missions and through the Peacekeeping Reserve Fund. However, these mechanisms appear to be insufficient for addressing the consequences of the current non-payment situation. Other solutions could be explored and put forward for Member States to consider.

Limited impact on non-financial resources

The liquidity situation led the Secretariat to implement hiring restrictions as from March 2025. However, the decision had a limited impact during 2024/25: of the net reduction of 772 personnel during the entire financial period, only 14 per cent occurred during its second half. Hiring restrictions will affect mainly the next financial period. The Board also noted stability in the proportion of international staff within the total staff population during the financial period (from 43.6 to 43.7 per cent) and a slight increase in the proportion of P-4 to Assistant Secretary-General staff within the overall population (from 12.8 to 13.0 per cent).

As regards procurement, the Board noted a sharp decrease in net invoiced purchase orders during the financial year, from more than $3 billion during the first two quarters to below $0.9 billion during the last two quarters, reflecting liquidity constraints and resulting prioritization decisions. However, the liquidity situation was managed to ensure that payments made by missions to vendors were not delayed. Of the potential maximum $3 million in early-payment discounts, approximately $2.8 million was realized. In a prolonged context of liquidity shortages, a stronger and more strategic role should be allocated to central procurement functions to leverage cross-mission or Organization-wide efficiencies.

The liquidity situation, coupled with additional costs affecting uniformed personnel expenses (group I) and civilian staff (group II), put operational expenses (group III) under strong pressure through important redeployments within the missions' budgets. The Board, while acknowledging the need for flexibility at the local level, is of the view that excessive deviation from the initial cost distribution among groups I, II and III should be avoided as much as possible.

Limited overall impact on the implementation of mandates

At the mission level, the resource stewardship executive group is expected to monitor and manage operational resourcing priorities. To be able to properly address liquidity constraints, it needs to be convened on a regular basis and to involve all relevant stakeholders, which was not the case in all the missions.

The impact of the liquidity constraints on mandate delivery during 2024/25 was limited globally but varied between the missions. The missions reported the impact of the liquidity situation on their indicators and outputs through the Umoja strategic management application module. Depending on the mission, between 0 and 25 per cent of their outputs were reported as having been affected. Within group I, contingent-owned equipment reimbursements were delayed owing to the prioritization of uniformed personnel costs, without a reported impact on mandate implementation. Activities were variously affected: for example, the air operations budget, which represented 30 per cent of group III expenses in the approved budget for 2024/25, was underexecuted by 16 per cent. The number of financial agreements with UNOPS was reduced (down 10 per cent in UNMISS, 9 per cent in MINUSCA and 6 per cent in MONUSCO), resulting in the cancellation of activities and the termination of some contracts.

Room for improvement in management of the liquidity situation

The Board assessed the way in which management, at Headquarters and at the mission level, handled the crisis linked to the liquidity situation. Some missions had not included liquidity-related risk in their enterprise risk registers or had done so in an incomplete manner. At all levels, communication is key to engaging with internal and external stakeholders on the management and consequences of liquidity shortages. Globally, notwithstanding some shortcomings in specific areas, communication was substantive and conducted efficiently.

In the missions, not all staff, including management, were fully trained and informed of the stakes and implications of liquidity management. Scaling up training sessions will help to foster a necessary cash management culture throughout missions' management.

Disarmament, demobilization and reintegration processes

Updated and comprehensive Headquarters regulatory framework needs to be better reflected in the missions' standard operating procedures

Between 2017 and 2022, extensive inter-agency work led to the near-total revision of the Integrated Disarmament, Demobilization and Reintegration Standards, which provide comprehensive guidance on disarmament, demobilization and reintegration for all United Nations entities in both mission and non-mission settings. That work updated the concept of disarmament, demobilization and reintegration by taking a broader approach that included disarmament, demobilization and reintegration-related tools, such as community violence reduction and weapons and ammunition management. While this extension has been welcomed by stakeholders, there was a risk of concept dilution, in particular with regard to community violence reduction, given that it could be confused with other development concepts. At the field level, the relevant standard operating procedures were not always aligned with Headquarters guidance owing primarily to the lack of regular review processes, although progress has recently been noted in this regard.

Financial and human resources should be mobilized more strategically

Across the three active missions that have demobilization and reintegration-related mandates (MONUSCO, MINUSCA and UNMISS), 83 posts were dedicated to disarmament, demobilization and reintegration and/or community violence reduction. MINUSCA had the largest programmatic activities budget dedicated to disarmament, demobilization and reintegration/community violence reduction ($9 million in 2024/25), followed by MONUSCO ($5.4 million) and UNMISS ($0.3 million). The structuring of disarmament, demobilization and reintegration teams and projects has improved but still needs to be finalized for greater effectiveness. The effective use of resources depends on the political and security context, which can affect the smooth execution of planned projects. In adapting to these developments, it is important to avoid "stop-and-go" effects and align activities and skills with the situation on the ground.

At Headquarters, the Disarmament, Demobilization and Reintegration Section within the Department of Peace Operations comprises 12 posts. Its expertise is widely recognized both within and outside the United Nations system. However, it relied in part on extrabudgetary funding, which could lead to disruptions in its operations if it were to stop.

Challenges in operational implementation and selection of beneficiaries

Close cooperation with national and local authorities is key to efficiently designing and implementing disarmament, demobilization and reintegration projects. National authorities are responsible for identifying eligible individuals and transmitting verified lists to United Nations missions. Community-level structures often assist in identifying candidates, conducting awareness-raising sessions and monitoring reintegration. Overall, identification remained constrained by verification challenges, access limitations and unreliable data, all of which affect subsequent screening processes.

The missions implement individual-level human rights screening, distinct from the United Nations human rights due diligence policy framework, which governs United Nations support for security forces and armed groups as institutions (see A/67/775-S/2013/110). The impact on disarmament, demobilization and reintegration of the expansion of the scope of the human rights due diligence policy in its revised version (issued in July 2025) will need to be assessed.

Insufficient project monitoring and evaluation, which impedes efficient communication

Although it is specified in the Integrated Disarmament, Demobilization and Reintegration Standards (module 3.50) that 3 to 7 per cent of project budgets should be dedicated to monitoring and evaluation, none of the missions allocated that proportion to monitoring and evaluation. Consequently, while inputs and outputs were reported in the missions' annual performance reports, outcome and performance indicators were rare and often basic. The data linked to the biannual reviews in the Comprehensive Planning and Performance Assessment System were not accessible directly to Headquarters, as with all the System data.

This lack of data, coupled with the absence of demobilization and reintegration-dedicated communication resources, posed a significant challenge to effective communication. Evidence of the positive outcomes of disarmament, demobilization and reintegration and community violence reduction projects, along with support from communication specialists at Headquarters, would be extremely helpful in reaching out to donors, national authorities and local populations.

Weapons and ammunition management: strong framework with deficiencies in field implementation

Collecting weapons and ammunition during disarmament, demobilization and reintegration activities is key to preventing future misuse and supporting broader security sector reform, which contributes to long-term peace and stability. Since 2016, the multi-year, interdepartmental project, "Effective weapons and ammunition management in a changing disarmament, demobilization and reintegration context" (Department of Peace Operations and Office for Disarmament Affairs), has developed comprehensive guidance and operational resources. To remain relevant and reach new weapons and ammunition management practitioners, this effort needed to be sustained.

In MONUSCO and MINUSCA (UNMISS did not have a demobilization and reintegration-related weapons and ammunition management mandate), the local standard operating procedures on weapons and ammunition management in the context of disarmament, demobilization and reintegration were not aligned with the updated Headquarters standard operating procedures. In particular, the MONUSCO standard operating procedure did not clearly define disarmament, demobilization and reintegration roles in weapons and ammunition management, and both the MONUSCO and MINUSCA standard operating procedures lacked sufficient detail on accounting methods, stock-check frequency and independent inspection arrangements. Field audits confirmed deficiencies in the documentation of inspection, handover and destruction processes, as well as the absence of reliable internal control frameworks.

Recommendations

The Board made 19 new recommendations on the basis of its audit. Details of how they can be implemented are provided throughout the report.

The main recommendations are that the Administration:

Financial management

(a) **Formalize the cash write-off process and provide guidance to the entities concerned to ensure that cash losses are recognized in the financial statements within the financial year of the loss, regardless of the status of the investigation, in accordance with IPSAS 1 and IPSAS 19. In the case that an investigation remains in process, this shall be disclosed in the schedule of write-offs sent in accordance with financial regulation 6.5;**

(b) **Regularly update the associated cost rates applied to property, plant and equipment and inventories and formalize the review process;**

(c) **Specify for each case, in presumptive fraud reporting, the type of possible loss of resources;**

(d) **Centrally review and harmonize the standard fuel consumption units by vehicle brand and model within eFMS-2 to limit potential fraud risks with respect to fuel in the field;**

(e) **Develop guidance on the reallocation of purchase orders in the event of a mission's liquidation, on the basis of experience gained regarding MINUSMA;**

(f) **Strengthen its control over transferred assets, in particular by initiating insurance claims promptly in the event of losses in transit and by ensuring that assets received by missions are included in their budget preparations, to the extent possible, taking into consideration budget formulation times;**

Management of contingent-owned equipment

(g) **In full consultation with troop- and police-contributing countries, propose a cross-cutting approach to energy overproduction within contingents;**

Management of liquidity in peacekeeping operations

(h) **Propose options to Members States to better address the impact of the non-payment of contributions;**

(i) **While respecting the delegated authorities of each entity, reinforce and expand central procurement initiatives by leveraging the expertise and holistic perspective of central procurement to maximize efficiency and impact across missions;**

(j) **Require missions to ensure the consistent application of the guidelines of the resource stewardship executive group (ref. 2018.13), in order to efficiently address liquidity management issues. This should be achieved by holding meetings at the required frequency and including all relevant mission uniformed and substantive components, with the finance and budget section/unit acting as secretariat;**

Disarmament, demobilization and reintegration processes

(k) **Revise the Headquarters community violence reduction standard operating procedure, by including a clear and unified definition and strategic framework for community violence reduction activities, to prevent conceptual dilution and overlap with other stabilization or development initiatives;**

(l) **Engage through the Disarmament, Demobilization and reintegration Section in a partnership-based reflection on the definition of a common data set, based on the experience from the MINUSMA dashboard, with a view to informing a global dashboard of disarmament, demobilization and reintegration and community violence reduction activities;**

(m) **Promote the development of outcome indicators, data collection and outcome-focused monitoring in the missions;**

(n) **Offer support to MONUSCO and MINUSCA in reviewing existing mission-specific standard operating procedures on weapons and ammunition management, in order to strengthen demobilization and reintegration-related weapons and ammunition management in compliance with the Headquarters standard operating procedure on weapons and ammunition management, and to develop standardized indicators.**

Follow-up on previous recommendations

Of the 73 outstanding recommendations endorsed by the General Assembly, 36 have been fully implemented, representing 49.3 per cent of the total outstanding recommendations, an improvement compared with 26 per cent in 2023/24. The Board noted that 35 of those recommendations (47.9 per cent) were issued in its previous report, which was endorsed by the Assembly as at 30 June 2025.

Key figures

11	Number of active peacekeeping missions
1,074	Number of United Nations Volunteers in peacekeeping missions
10,746	Number of civilian staff engaged in peacekeeping missions
72	Number of countries contributing police personnel
6,011	Number of police personnel engaged in peacekeeping missions
103	Number of countries contributing military personnel
53,795	Number of military personnel engaged in peacekeeping missions
$4.02 billion	Assets
$4.13 billion	Liabilities
$(0.12) billion	Net assets
$6.02 billion	Revenue, including assessed contributions of $5.54 billion
$6.15 billion	Expenses (IPSAS basis)
$(0.13) billion	Deficit
$1.67 billion	Employee salaries, allowances and benefits

A. Mandate, scope and methodology

1. The Board of Auditors audited the financial statements and reviewed the activities of the United Nations peacekeeping operations for the financial period from 1 July 2024 to 30 June 2025 in accordance with General Assembly resolution 74 (I) of 1946. The audit was conducted in conformity with article VII of the Financial Regulations and Rules of the United Nations, as well as the International Standards on Auditing and the International Standards of Supreme Audit Institutions.

2. In 2024/25, the Board was able to conduct on-site audits, except for UNDOF (see also annex I).

3. The financial statements of the United Nations peacekeeping operations for the period ended 30 June 2025 are the eleventh set of statements prepared after the adoption of IPSAS. In addition, the financial report was issued on 18 November 2025.

4. The audit was conducted primarily to enable the Board to form an opinion as to whether the financial statements present fairly the financial position of the United Nations peacekeeping operations as at 30 June 2025 and the financial performance and cash flows for the accounting period of one financial period then ended in accordance with IPSAS. This included an assessment of whether the expenditure recorded in the financial statements had been incurred for the purposes approved by the governing bodies and whether the revenue and expenses had been properly classified and recorded in accordance with the Financial Regulations and Rules. The audit included a general review of financial systems and internal controls and an examination of the accounting records and other supporting evidence to the extent considered necessary to form an opinion on the financial statements.

5. Pursuant to paragraph 6 of General Assembly resolution 47/211, the Board continued its audit coverage at peacekeeping headquarters, the 11 active field missions, the 35 closed missions and the 6 special-purpose accounts (Peacekeeping Reserve Fund; support account for peacekeeping operations; United Nations Logistics Base at Brindisi, Italy; Regional Service Centre in Entebbe, Uganda; peacekeeping cost-recovery fund; and employee benefits funds), as detailed in annex I to the present report.

6. In addition to the audit of the financial statements, the Board carried out reviews of peacekeeping operations under financial regulation 7.5, which allows it to make observations with respect to the efficiency of financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of peacekeeping operations. During the present audit, the Board focused on the management of contingent-owned equipment, the management of liquidity within peacekeeping operations in the context of the United Nations global liquidity situation and disarmament, demobilization and reintegration processes.

7. The Board continued to report the results of audits to the Administration through management letters. The Board issued 12 management letters during the period under review.[1]

8. The Board cooperated with OIOS to avoid unnecessary duplication and determine the extent to which the Board could rely on the work of the Office.

9. The present report covers matters that, in the opinion of the Board, should be brought to the attention of the General Assembly. The Board's observations and conclusions were communicated to the Administration, and their views have been appropriately reflected in the report.

B. Findings and recommendations

1. Follow-up on previous recommendations

10. In its resolutions 74/249 B, 75/242 B, 76/235 B, 77/253 B, 78/242 B and 79/245 B, the General Assembly requested the Secretary-General to ensure the full implementation of the recommendations of the Board in a prompt and timely manner.

11. Of the 73 outstanding recommendations made in previous reports that the General Assembly had endorsed, 36 have been fully implemented, representing 49.3 per cent of outstanding recommendations, compared with 26 per cent in 2023/24. A total of 36 recommendations (49.3 per cent) remain under implementation, while 1 (1.4 per cent) is considered overtaken by events.

12. Of the 73 outstanding recommendations, 35 were issued in the previous report (A/79/5 (Vol. II)) and endorsed by the General Assembly as at 30 June 2025. Of those 35 recommendations, 16 (45.7 per cent) have been implemented and 19 (54.3 per cent) remain under implementation.

13. With regard to the 38 pending recommendations issued prior to the previous report, 20 (52.63 per cent) were implemented and 1 (2.63 per cent) was closed as overtaken by events during 2024/25. Of the 17 recommendations (44.74 per cent) that remain under implementation, 9 (23.7 per cent) have been pending for more than three years. Overall, the Board closed approximately 55 per cent of outstanding

[1] The Board issued management letters to MINURSO, UNDOF, UNFICYP, UNIFIL, UNMIK, MONUSCO, UNISFA, UNSOS, MINUSCA, UNMISS, the United Nations Logistics Base and the Regional Service Centre.

recommendations. Detailed follow-up to the recommendations issued during the previous six years is shown in annex II.

2. Financial overview

14. During the 2024/25 financial period, the deficit decreased by $414 million, reaching $127.3 million as at 30 June 2025, compared with $541.9 million as at 30 June 2024. The prior period deficit was particularly high owing to the MINUSMA liquidation, which led to $183.9 million in the write-off of fixed assets and inventories.[2] The reduction in the deficit as at 30 June 2025 is also explained by a decrease of $93.7 million in the loss allowance on outstanding assessed contributions.[3] Notwithstanding the decrease in the deficit, the net position is in deficit, amounting to $117.9 million, compared with a net asset position of $35.3 million as at 30 June 2024. This reflects that, owing to accumulated deficits, surpluses and reserves are insufficient to cover the difference between total liabilities amounting to $4,134.9 million and total assets amounting to $4,017.0 million. However, 41 per cent ($1,696 million) of the liabilities are composed of long-term liabilities arising from post-employment benefits and mainly after-service health insurance, which are financed on a pay-as-you-go basis.

2.1. Revenue and expenses

15. Revenue amounted to $6,018.8 million for 2024/25, representing a significant decrease of 11.5 per cent ($780.3 million) compared with the previous period ($6,799.2 million). This revenue is composed mainly of assessed contributions, which remain the primary source of funding (92 per cent, or $5,544.8 million), voluntary contributions (5.5 per cent, or $330.4 million) and investment revenue (1.3 per cent, or $78.5 million). Assessed contributions were established in compliance with the two applicable scales for 2024/25.[4] They decreased by 11.9 per cent ($751.6 million) compared with 2023/24 ($6,296.4 million). This significant reduction results from a $884.6 million decrease in contributions for six peacekeeping missions, mainly MINUSMA, MONUSCO and UNSOS, offset in part by a $133 million increase across the five other active missions.[5] The overall decline in revenue was driven in large part by the termination of MINUSMA, which alone reduced assessed contributions by $644.7 million. Voluntary contributions and investment revenue decreased by, respectively, 5 per cent ($17.5 million) and 14.7 per cent ($11.5 million) compared with the 2023/24 period.

16. Total expenses decreased significantly, from $7,341.1 million in 2023/24 to $6,146.2 million in 2024/25 (decrease of 16.3 per cent). The decrease was attributable mainly to contingent contracted services and was due mainly to the MINUSMA closure.

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[2] Respectively, $153.1 million and $30.8 million.

[3] In 2023/24, the loss allowance on outstanding assessed contributions comprised $93.2 million in loss allowance following the closure of UNAMID and $10 million following the adoption of IPSAS 41: Financial instruments.

[4] The scales were applied in compliance with A/76/296/Rev.1/Add.1 and A/79/318/Add.1, applicable, respectively, to the first and second halves of the financial year.

[5] UNMISS ($92 million), MINUSCA ($23 million), UNISFA ($10 million), MINURSO ($4 million) and UNMIK ($3 million).

Table II.1
Breakdown of expenses by financial statement category
(Millions of United States dollars)

	Contingent contracted services	*Employee salaries, allowances and benefits*	*Other operating expenses*	*Supplies and consumables*	*Non-employee compensation and allowances*	*Credits to Member States*	*Depreciation/ amortization/ impairment*	*Other expenses*
2024/25	1 908	1 670	1 189	556	248	320	154	101
2023/24	2 235	1 761	1 743	639	268	399	157	139
2022/23	2 301	1 727	1 496	669	292	465	166	112
2021/22	2 282	1 726	1 647	642	292	214	169	120

Source: Financial statements of peacekeeping operations.

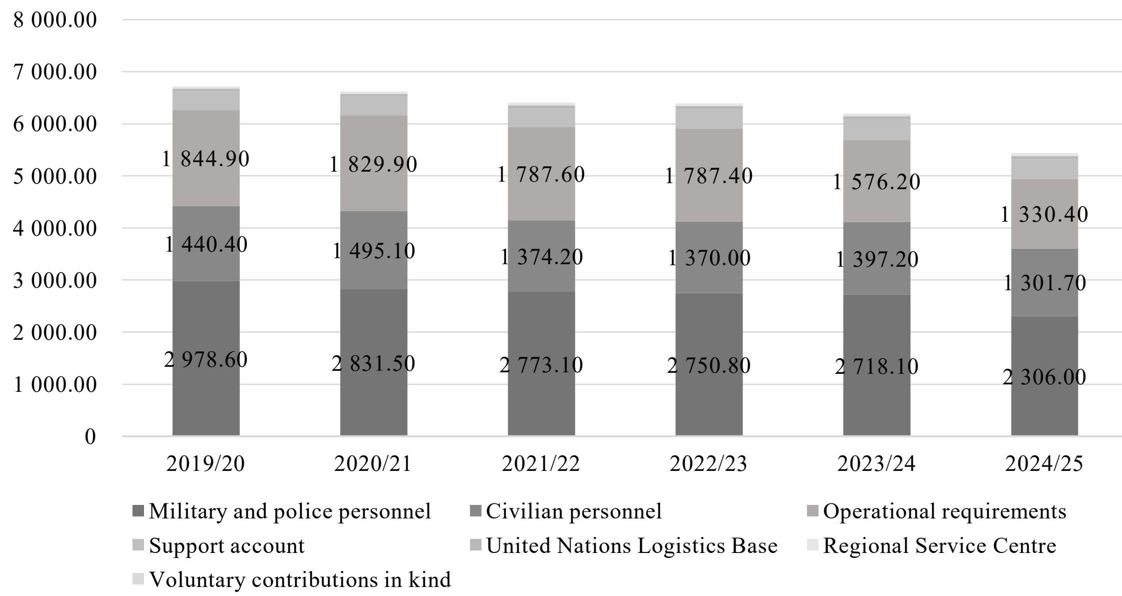
17. The trend of budget-based expenditure for active missions and support activities is shown below.

Table II.2
Actual expenditure of peacekeeping operations, by group
(Millions of United States dollars)

Group	*2019/20*	*2020/21*	*2021/22*	*2022/23*	*2023/24*	*2024/2025*
Military and police personnel	2 978.6	2 831.5	2 773.1	2 750.8	2 718.1	2 306.0
Civilian personnel	1 440.4	1 495.1	1 374.2	1 370.0	1 397.2	1 301.7
Operational requirements	1 844.9	1 829.9	1 787.6	1 787.4	1 576.2	1 330.4
Support account	348.9	355.5	353.4	368.6	386.2	379.4
United Nations Logistics Base	63.3	62.1	65.6	64.3	65.8	66.8
Regional Service Centre	35.4	36.3	39.8	41.7	43.6	48.0
Voluntary contributions in kind	0.7	0.6	0.5	0.6	0.6	0.4
Total	**6 712.2**	**6 611.0**	**6 394.2**	**6 383.4**	**6 187.7**	**5 432.7**

Source: Financial statements of peacekeeping operations and data provided by the Administration.

Figure II.I
Trend of expenditure
(Millions of United States dollars)



Source: Financial statements of peacekeeping operations and data provided by the Administration.

2.2. Assets and liabilities

18. The total assets of peacekeeping operations increased by $44.8 million (1.13 per cent), from $3,972.2 million to $4,017.0 million. This change was driven mostly by a $150.7 million increase in financial investments, including cash and cash equivalents, which reached $1,245.4 million as at 30 June 2025. This increase was attributable primarily to the growth in short-term investments ($172.2 million). This rise was offset in part by the evolution of other assets, notably the $22.7 million decrease in property, plant and equipment. With respect to property, plant and equipment, 58 per cent of capitalized assets still in use were fully depreciated, meaning they had exceeded their planned economic useful life. In parallel, outstanding assessed contributions, which represented nearly one third of total assets (37.3 per cent), remained relatively stable, with a slight decrease of 0.9 per cent. Those receivables totalled $1,499.2 million as at 30 June 2025, reflecting a comparable amount and composition to the prior year ($1,513.2 million), with one Member State representing 68 per cent of the total outstanding assessed contributions (compared with 69 per cent in 2023/24).

19. Total liabilities amounted to $4,134.9 million as at 30 June 2025, which represented an increase of $198.0 million (5 per cent) compared with the previous financial period. The most significant variations in liabilities were linked to accounts payable to Member States (-$223.9 million), accounts payable and accrued liabilities ($215.3 million), provisions ($79.7 million), including an increase of $77.2 million regarding provisions for credits to Member States, and employee benefits liabilities ($118.1 million). As at 30 June 2025, total liabilities were based mainly on estimates, especially for (a) employee benefits liabilities, which had a non-current amount of $1,696.2 million and a current amount of $128.5 million; and (b) provisions, which totalled $578.1 million. The latter relates mainly to credit returns to Member States, amounting to $549.5 million at the 2024/25 closing.

20. Net assets amounted to -$117.9 million and comprised the restricted accumulated surpluses ($111.4 million), the peacekeeping fund reserve ($152.6 million), the fair

value reserve[6] ($2.6 million) and a negative unrestricted accumulated deficit (-$381.9 million). The decrease in net asset position by $153.2 million compared with 2023/24 ($35.3 million) reflects the year-end deficit (-$127.3 million) and the impact of the actuarial loss of $32.2 million recorded on employee benefits liabilities, in contrast to an actuarial gain of $57.3 million recorded in the prior year. The negative net asset position is driven primarily by support activities, which showed a significant negative net asset amount of -$1,216 million, of which -$1,696 million related to post-employment benefits, mostly after-service health insurance liabilities (83.5 per cent).[7] These obligations are long-term commitments that are funded on a pay-as-you-go basis and that will require funding in future years. By contrast, active missions maintain a positive net asset position of $1,341 million, while closed activities show a negative balance of -$242 million.

2.3. Ratio analysis

21. The Board continued its review of the financial situation of United Nations peacekeeping operations as reported in volume II through an analysis of key ratios, as shown in table II.3.

Table II.3
Capital structure ratios

Ratios	*30 June 2022*	*30 June 2023*	*30 June 2024*	*30 June 2025*
Asset position				
Solvency ratio[a]				
Total assets: total liabilities	1.18	1.13	1.01	0.97
Current ratio[b]				
Current assets: current liabilities	1.32	1.29	1.18	1.15
Liquidity position				
Cash ratio[c]				
Cash + short-term investments: current liabilities	0.48	0.30	0.37	0.40
Quick ratio[d]				
Cash + short-term investments + accounts receivable: current liabilities	1.17	1.10	1.03	1.03

Source: Board of Auditors, based on the financial statements of peacekeeping operations.
[a] A high ratio (generally at least 1) indicates an entity's ability to meet its overall obligations.
[b] A high ratio (generally at least 1) indicates an entity's ability to pay off its current liabilities.
[c] The cash ratio indicates an entity's liquidity. It measures the coverage of liabilities by cash, cash equivalents and invested funds available.
[d] The quick ratio indicates the potential ability to convert assets into liquidities quickly in order to face its current commitments. The higher the ratio, the higher the liquid current position.

22. The cash ratio and quick ratio illustrate the exposure of the Organization to liquidity risk. The safety margin to face current commitments is low, given that the global balance between assets and liabilities is now under 1.00.

[6] Which reflects the accumulated unrealized loss, amounting to $6.3 million at the closing date, and representing the net cumulative impact of the period end revaluation on investments in accordance with IPSAS 41.
[7] Offset in part by net assets specific to the other parts of the support activities, notably the Peacekeeping Reserve Fund ($163.8 million) and the United Nations Logistics Base strategic deployment stocks ($147 million).

23. The cash ratio, which measures the ability of an entity to cover its current liabilities with cash (cash equivalents or invested funds), is established at 0.40 for the volume II financial statements taken as a whole. It reflects a slight improvement, which is explained mainly by the $639.3 million collection of assessed contributions from a Member State at the end of June 2025, while remaining largely below 1.

24. At the level of the 11 active missions, the aggregated cash ratio stood at 0.36 for all active missions as at 30 June 2025, which is a slight improvement compared with the previous period (0.30). Most peacekeeping missions improved their cash ratios as a result of cross-borrowing, except for MINUSCA and UNMISS because of liquidity issues. Cross-borrowing between active missions, which allows some relief for missions facing temporary liquidity shortages, was lower at the 2024/25 closing, with an amount of $197.8 million borrowed for active missions as at 30 June 2025, compared with $306.6 million at the end of 2023/24. This decrease is due mainly to the closure of MINUSMA, which had been the most significant lender.

25. The financial report issued by the Administration (see chap. IV) provides details on the liquidity issues, in particular the deterioration in cash availability for active peacekeeping operations, the use of the Peacekeeping Reserve Fund as a liquidity mechanism ($107.5 million as at 30 June 2025) and an analysis of the cash position, especially regarding the remaining cash of MINUSMA. In addition, the Board audited the management of liquidity in its long-form report (see sect. 5, on the management of liquidity within peacekeeping operations, below).

2.4. Budgetary aspects

26. The budgetary performance reflected a lower level of expenditure compared with the approved budget, and thus a positive difference between actual revenue and expenditure of $140.7 million, while the deficit for 2024/25 amounted to $127.3 million, showing a deterioration (i.e., increased deficit) in the financial statements. The deficit reflects mainly IPSAS-based accruals and long-term liabilities not captured in the budget execution.

27. This difference is due to the different scopes and coverage of the budget, based on forecasts of the transactions of the year, compared with the financial statements, which include accrual estimates, and are subject to IPSAS accounting rules. This gap arises because budget execution reflects cash-based operational forecasts, whereas the financial statements incorporate accruals, provisions and IPSAS adjustments. However, this positive variance of the budget execution does not obscure the deficit and the weakening of net assets. The amounts presented in the financial statements enable Member States to assess the economic and financial situation affecting the Organization, beyond the income and expenditure of the period.

28. The final approved peacekeeping budget for 2024/25 was $5,593.1 million, reflecting a significant decrease of $753 million (or 11.9 per cent) compared with the previous period, when it was approved at $6,346.1 million. The reduction is attributable mainly to the completion of the MINUSMA liquidation, which accounts for $644.8 million of the decrease. The difference between the approved budget and the expenditure incurred ($5,432.7 million) was $160.4 million. Across the 11 active peacekeeping missions, underexpenditure varied between 0.1 per cent (UNMIK) and 17.1 per cent (MINUSMA).

3. Financial management

3.1. Financial statements

3.1.1. Recognition of cash losses

29. Peacekeeping operations handle and manage cash in field missions to ensure the delivery of mandate-related activities in environments where banking infrastructure is limited. Cash holdings are therefore maintained and secured in dedicated cash offices. Any losses must be investigated and reported to the Board, in accordance with regulation 6.5 of the Financial Regulations and Rules of the United Nations[8] and rule 106.7.[9]

30. On 27 June 2024, a discrepancy between the registered accounts and the physical amount was identified during the physical cash count of the Juba cash office of UNMISS. The cash custodian at that time acknowledged a shortfall amounting to $179,386 in the related physical imprest/petty cash verification form as at 30 June 2024. That amount represented 9.3 per cent of the total Juba cash balance of $1,936,769 recorded in Umoja as at 30 June 2024.

31. One year later, the discrepancy remained during the 2024/25 year-end physical count, representing 11.4 per cent of the total Juba cash balance of $1,569,462 recorded in Umoja.

32. Meanwhile, the Administration formally reported a potential case of fraud to OIOS, and the investigation was ongoing as at the end of the 2024/25 financial period.

33. The Board observes that the cash difference of $179,386, already identified at the 2023/24 closing, was not initially recorded in the financial statements for 2024/25 nor reported in the schedule of write-off transmitted to the Board for the same financial year.

34. The Administration stated that no write-off had been processed because the case remained under investigation and that, in accordance with financial regulation 6.5, a write-off should be concluded after the investigation was complete. It also added that peacekeeping operations held insurance that, in general, covered losses when cash was involved. It also indicated that, when a cash loss was expected to be covered by insurance, the loss was not recorded and disclosed immediately within the write-off, considering that the reimbursement from the insurance would offset the loss.

35. However, the Board notes that no reimbursement had been received as at 30 June 2025 and that the Administration had not created a claim to the insurance company.

36. However, in accordance with IPSAS 1: Presentation of financial statements, the cash loss should have been recorded in the volume II financial statements in order to adjust the cash position in Umoja and to reflect the loss as an expense (by way of a

[8] "The Secretary-General may, after full investigation, authorize the writing-off of losses of assets, including cash, inventories and property, plant and equipment, provided that a statement of all such amounts written off shall be submitted to the Board of Auditors with the annual financial statements submitted in accordance with regulation 6.1".

[9] "(a) The [Secretary-General] may, after investigation, authorize the writing-off of losses of assets, including cash, receivables, property, plant and equipment, inventories and intangible assets. A summary statement of losses shall be provided to the Board of Auditors not later than three months following the end of the financial period.
(b) The investigation shall in each case fix the responsibility, if any, attaching to any official(s) of the United Nations for the loss or losses. Such official(s) may be required to reimburse the United Nations either partially or in full. Final determination as to all surcharges to be made against staff members or others as the result of losses will be made by the [Secretary-General]".

write-off), given that this cash loss was certain. Even if a reimbursement were to be received, the write-off must be recorded separately and not offset by an insurance reimbursement, given that these affect different financial postings, namely, the cash position in statement I and expenses and revenue in statement II.

37. If the Administration were to consider a probable recovery based on updated exchanges with the insurance company, the expected reimbursement would need to be disclosed in contingent assets, in accordance with paragraph 42 of IPSAS 19: Provisions, contingent liabilities and contingent assets. In view of this finding, the Administration agreed to update the schedule of write-offs for 2024/25 by including this amount.

38. **The Board recommends that the Administration formalize the cash write-off process and provide guidance to the entities concerned to ensure that cash losses are recognized in the financial statements within the financial year of the loss, regardless of the status of the investigation, in accordance with IPSAS 1 and IPSAS 19. In the case that an investigation remains in process, this shall be disclosed in the schedule of write-offs sent in accordance with financial regulation 6.5.**

39. The Administration accepted the recommendation.

3.1.2. Employee benefits liabilities

40. For peacekeeping operations, after-service health insurance liabilities totalled $1,441 million as at 30 June 2025, of which $166 million was related to Geneva- and Vienna-based plans.

41. According to article 6 of the statute of the Geneva-based health insurance plans of the United Nations Staff Mutual Insurance Society against Sickness and Accident and to its internal rules, eligible staff members should belong to the following entities and/or meet the following provisions:

(a) Staff members of the United Nations posted or serving at Geneva;

(b) Staff of the regional offices of UNHCR, upon application by the Office of the High Commissioner;

(c) Staff members of the international organizations in the United Nations family with which the United Nations office has concluded an agreement concerning the admission of their staff members into the United Nations Staff Mutual Insurance Society against Sickness and Accident, in accordance with paragraph 5 of this article, in which it is stated that staff members of the specialized agencies at Geneva may join the United Nations Staff Mutual Insurance Society against Sickness and Accident on the conditions laid down in the statute and internal rules. The affiliation of these agencies shall become effective upon the signing of an agreement between the agency submitting the application and the Director-General of the United Nations Office at Geneva, after the consideration and approval of such agreement by the Executive Committee of the United Nations Staff Mutual Insurance Society against Sickness and Accident.

42. These provisions do not explicitly include volume II staff members of peacekeeping operations as beneficiaries of the UNSMIS after-service health insurance plan. In addition, the Board, in carrying out its analysis of Geneva- and Vienna-based health insurance plans, could not identify, in the volume II financial statements, the contributions made by peacekeeping operations and their staff to these after-service health insurance plans.

43. The Administration explained that the inclusion of those Geneva- and Vienna-based plans in the after-service health insurance valuation reflected the methodology applied by the Organization, given that the United Nations health insurance scheme consisted of several plans with general flexibility, based on plan provisions, enabling staff to move between plans on the basis of their duty stations. This flexibility is intended to encourage the mobility of staff between Headquarters, duty stations and field missions. In this context, eligibility for after-service health insurance plans is based on the number of years of contributory service to any of the Organization's plans, including plans of other United Nations system organizations.

44. During their active service, staff members may be assigned to posts resourced from various funding sources. Under the pay-as-you-go funding method, it is impractical to charge the after-service health insurance liability to the programme for which the staff member provides services. For this reason, the Organization allocates the after-service health insurance liability for active staff on the basis of the post that they encumber at the time the census data are extracted. For retirees, the pay-as-you-go costs and the after-service health insurance liability are based on the final post encumbered by a staff member prior to retirement and that final post's related fund type.

45. On the basis of the Administration's clarification of the after-service health insurance plan scheme and the related methodology, the Board holds that the allocation of Geneva- and Vienna-based after-service health insurance plans liabilities to volume II does not stem from the eligibility rules of those plans but from the Organization's general apportionment approach, which assigns to volume II a fixed share of the total after-service health insurance liabilities of United Nations retirees. This share is set at 17 per cent, representing the estimated proportion of retirees whose final post was funded by peacekeeping operations. Accordingly, this percentage is applied to all after-service health insurance liabilities, including those arising from Geneva- and Vienna-based plans, in line with the recommendation issued by the Board in its previous report (A/79/5 (Vol. II)), which remains under implementation.

46. The Administration stated that the 17 per cent apportionment rate remained appropriate for the 2024/25 financial statements, given that no change in the basis for apportionment had been approved prior to the completion of the closing as at 30 June 2025. The potential change in apportionment ratios for the distribution of after-service health insurance liabilities related to retired staff remained under review during the third quarter of 2025. An additional review is being undertaken to assess the potential impact of the recently initiated early separation programme, the further downsizing of missions and the UN80 Initiative on the overall ratio of retirees from each fund type.

47. The Board welcomes the Administration's review of the apportionment rate and acknowledges that the rate is under review and will be implemented for the next financial period.

48. In addition, the Board notes that, as in previous years, the apportionment rate was not disclosed in the notes to the volume II 2024/25 financial statements. As indicated in the Board's previous report (ibid., para. 91), and given that this rate is a significant management estimate with an important impact on after-service health insurance liabilities, the Board reiterates that, in accordance with the IPSAS conceptual framework, the rate should be disclosed in the notes to the financial statements to help users to understand the information presented, even if the rate is already available in the non-public actuarial valuation report.

49. As a result of this finding, the Administration agreed to disclose the apportionment rate to allocate retirees' liabilities within peacekeeping operations in note 16 (Employee benefits liabilities) of the 2024/25 financial statements.

3.1.3. Lack of regular review of associated cost rates applied to property, plant and equipment and inventories

50. As at 30 June 2025, peacekeeping operations' property, plant and equipment and inventories amounted to, respectively, $940.2 million and $272.4 million in the volume II financial statements.

51. Property, plant and equipment, excluding real estate, are recorded at historical cost, net of accumulated depreciation and impairment. Historical cost includes the purchase price, directly attributable costs to bring the asset to its intended location and condition ("associated costs"), and dismantling and restoration costs. Inventories are measured at a moving average cost, including purchase price and associated costs. These costs are applied in accordance with IPSAS 17: Property, plant and equipment (para. 27) and IPSAS 12: Inventories (paras. 12–13) and include freight, insurance, customs duties and handling charges.

52. A standardized treatment has been customized in Umoja to automatically apply fixed standard associated cost rates to the purchase price of property, plant and equipment and inventories. These rates depend on the final location of the asset and are managed centrally in reference tables. These additional costs are recorded for IPSAS purposes[10] and do not affect budget consumption.

53. As at 30 June 2025, the standard associated cost rates applied to property, plant and equipment in Umoja ranged from 2 to 18 per cent of the purchase cost. They ranged from 7 to 28 per cent of the purchase cost for inventories.

54. The Board notes that these standard rates were calibrated by the Administration in 2021 using logistics cost data from the period 2017–2019. These rates have been applied in Umoja since 1 July 2021 and have not been reviewed or updated. Although a review was scheduled for 2023, it was postponed several times.

Table II.4
Evolution of associated costs for property, plant and equipment and inventories over time
(Percentage)

		Property, plant and equipment			*Inventory*		
Plant name	*Main plant users*	*Prior to 1 July 2019*	*Rates applied as from 1 July 2019*	*As from 1 July 2021*	*Prior to 1 July 2019*	*Rates calibrated in 2021 (based on 2017–2019 data)*	*As from 1 July 2021*
MONUSCO	MONUSCO/RSCE/UNGSC	20	11	18	8	16	15
MINUSCA	MINUSCA/UNGSC	20	12	9	8	26	28
UNFICYP	UNFICYP	20	8	12	8	7	12
MINURSO	MINURSO	20	9	10	8	12	15
United Nations Support Base in Valencia	United Nations Support Base in Valencia	20	6	4	8	5	7
United Nations Office to the African Union (located within Economic Commission for Africa)	United Nations Office to the African Union	20	12	9	8	12	10
MINUSTAH	MINUSTAH	20	n/a	n/a	8	n/a	n/a
MINUJUSTH	MINUJUSTH	20	11	9	8	11	13

[10] These costs are recorded statistically within the Umoja funds management module.

Plant name	Main plant users	Property, plant and equipment			Inventory		
		Prior to 1 July 2019	*Rates applied as from 1 July 2019*	*As from 1 July 2021*	*Prior to 1 July 2019*	*Rates calibrated in 2021 (based on 2017–2019 data)*	*As from 1 July 2021*
United Nations Global Service Centre	United Nations Global Service Centre/ strategic deployment stocks	20	6	4	8	5	7
UNSOS	UNSOS	20	8	6	8	6	11
UNIFIL	UNIFIL/United Nations Global Service Centre	20	2	2	8	8	9
MINUSMA	MINUSMA	20	12	13	8	12	12
UNAMID	UNAMID	20	10	13	8	9	11
UNISFA	UNISFA/United Nations Global Service Centre	20	14	11	8	22	21
UNMISS	UNMISS	20	15	16	8	16	17
UNDOF	UNDOF	20	8	8	8	12	16
Regional Service Centre in Entebbe	Regional Service Centre	20	3	2	8	7	11
UNMIK	UNMIK	20	6	4	8	15	17
Average		**20**	**9**	**9**	**8**	**12**	**14**

Source: Board of Auditors, based on the relevant internal memorandum transmitted to the auditors.

55. When entities use standard cost methodologies, such as these associated costs applied to peacekeeping property, plant and equipment and inventories, it is required under IPSAS 17 and IPSAS 12 that these rates be reviewed and updated at regular intervals to reflect current economic conditions.[11]

56. The Administration confirmed that periodic reviews of the associated costs had to be carried out according to United Nations corporate guidance on property, plant and equipment, but that the lack of resources had prevented it from performing the review.

57. Given the volatility in global logistics costs since 2019, owing to events such as the COVID-19 pandemic, supply chain disruptions and inflationary pressures, the continued use of rates based on 2017–2019 data, without review since 2021, may result in an understatement of new property, plant and equipment and inventory acquisitions recorded in the financial statements as at 30 June 2025. This risk is particularly significant in volatile or high-risk regions, where logistics costs may have fluctuated.

58. As at the closing of the financial year 2024/25, the Board performed an analysis using external indices, such as the Freightos Baltic Index,[12] to identify trends in

[11] In line with the IPSAS conceptual framework and IPSAS 3: Accounting policies, changes in accounting estimates and errors (para. 38), requirements on accounting estimates, standard cost percentages used to approximate associated costs should be reviewed and revised regularly to reflect current operational and economic conditions.

[12] The Freightos Baltic Index is a widely recognized benchmark that tracks the average cost of shipping a standard 40-foot container across key global trade lanes. It provides daily spot rates for containerized freight, reflecting actual market conditions and fluctuations in international shipping costs. The Index serves as a practical and credible reference point to determine whether logistics-related assumptions remain realistic over time. While it may not capture every cost element (e.g., insurance or customs duties), it offers a robust proxy for the most volatile component: international freight.

associated costs. It illustrates major fluctuations in shipping costs between 2020 and 2025. Spikes are shown in 2024, with rates fluctuating between $2,000 and $5,600 during 2024/25.

59. The observed increase in freight costs highlights the need for the Administration to periodically review logistics trends and update associated cost rates for property, plant and equipment and inventories. This would ensure that the capitalization of associated costs remains aligned with IPSAS principles and reflects realistic cost assumptions.

60. This process should describe the methodology and data sources used to calculate these rates (i.e., actual freight costs) and identify relevant market indices to detect any significant changes in logistics costs that should be considered when updating associated cost rates.

61. **The Board recommends that the Administration regularly update the associated cost rates applied to property, plant and equipment and inventories and formalize the review process.**

62. The Administration accepted the recommendation.

3.1.4. Financial estimation of presumptive fraud cases

63. The Administration reports cases of fraud and presumptive fraud to the Board at each annual closing. The reporting provided is compiled by the Financial Policy and Internal Controls Service within the Department of Management Strategy, Policy and Compliance, on the basis of data from OIOS and the Office of Human Resources, for reporting purposes.

64. The common definitions of fraud and presumptive fraud for the United Nations system were adopted by CEB in 2017. They are defined as follows:

(a) Fraud is “Any act or omission whereby an individual or entity knowingly misrepresents or conceals a fact (a) in order to obtain an undue benefit or advantage or avoid an obligation for himself, herself, itself or a third party, and/or (b) in such a way as to cause an individual or entity to act, or fail to act, to his, her or its detriment”;

(b) Presumptive fraud encompasses “Allegations that have been deemed to warrant an investigation and, if substantiated, would establish the existence of fraud resulting in loss of resources to the Organization”.

65. In line with the above definition for presumptive fraud, two key conditions must be met for allegations to be qualified as presumptive fraud: (a) an investigation has been opened; and (b) if the investigation confirms the allegation, the nature of the allegation would meet the definition of fraud and would result in a loss of resources to the Organization. Specific cases of wrongdoings under investigation by OIOS, in particular those involving wrongful behaviour and allegations such as sexual harassment, are excluded from the presumptive fraud reporting submitted to the Board as at the closing date because they do not meet the second condition stated above.

66. The reporting related to presumptive fraud contains the following information that enables the Board to perform an annual review of investigation reports: OIOS case reference number; applicable Case Management Tracking System/local reference number; entity concerned; date of detection; categorization of the presumptive fraud; and estimated amount of fraud.

67. As at 30 June 2025, the Administration reported 161 new presumptive fraud cases totalling $14.0 million concerning United Nations peacekeeping operations as reported in volume II. These cases are categorized as entitlement fraud, theft, recruitment irregularity, forgery and misappropriation, insurance fraud, misuse of

office, implementing partner irregularity, bribery, procurement irregularity, misuse of assets/resources, and embezzlement or misrepresentation. The Board also notes that, for a significant proportion of reported presumptive fraud cases, the related financial impact is not quantified at the time of reporting, which limits the completeness of the financial information available for review.

68. The review of the reported presumptive cases conducted by the Board as at the end of the 2024/25 financial period indicated that the Administration applied a broad interpretation of “loss of resources” when classifying presumptive fraud cases. While some cases correspond to a measurable financial loss, others do not align with the United Nations system’s definition of presumptive fraud because no financial loss is involved or the loss cannot be quantified.

69. For example, the Administration reported claims to presumptive healthcare insurance fraud involving staff members who obtained reimbursement from external service providers that did not generate a financial loss for the Organization. Given that these reimbursements are financially supported by the external insurance companies, they do not result in a potential financial loss for the Organization, although they may have operational consequences for the Organization through staff separation from service.

70. The Board acknowledges that the Administration intends to provide a comprehensive and exhaustive list of all presumptive fraud cases, including those that do not involve a financial loss for the Organization, such as cases implying reputational risk or involving fraudulent misconduct of staff leading to a separation from service.

71. However, the possible loss of resources should be clarified in the year-end reporting so that cases involving an actual or potential financial loss can be distinguished from those involving reputational, human resources or other operational consequences. This would help to ensure that the presumptive fraud cases comply with the presumptive fraud definition adopted by the United Nations system. It would also enhance the audit trail by documenting the Administration’s assessment of these presumptive fraud cases.

72. The Administration emphasized that the Financial Policy and Internal Controls Service had access to limited information owing to the need to preserve the confidentiality of the investigations and that it would also depend on the assessment of the entity, OIOS or the Office of Human Resources to specify any loss of resources within the reporting submitted to the Board.

73. The Administration recognized the need for greater clarity in defining presumptive fraud, given that it provides information on all open OIOS cases, including cases that have no financial impact and cases in which the indicative loss is not substantiated. These amounts are being aggregated and presented as probable financial losses to the Organization. This broad approach may lead to ambiguity because aggregated amounts could be interpreted as financial losses.

74. Furthermore, as previously stated by the Board (see A/79/5 (Vol. II)), the reported amounts of presumptive fraud cases does not systematically reflect either the related financial loss to the Organization, nor the tangible fraud amount. As at 30 June 2025, 78 presumptive fraud cases (i.e., 48.4 per cent of the total) had estimated amounts specified as “undetermined” or “not applicable”. The Board acknowledges that this lack of precision in the amount reported is due to the impossibility of having precise estimates from the field and/or due to estimates relying on prior financial evaluations without updates given during the investigation process.

75. However, given the sensitivity of this subject, the Board reiterates the need to define a methodology for financially assessing presumptive fraud cases and for ensuring their update, and to formalize it through a standard operating procedure.

76. In addition, the Board notes that United Nations staff members and stakeholders can report suspicions of fraud on the United Nations whistleblowing portal,[13] which includes an online reporting form, a postal address and a hotline number. This portal does not contain operational guidelines that would facilitate and enrich the declarations by whistle-blowers. This portal could be improved by providing training material, such as tutorials or e-learning modules, in order to include more relevant elements on the reported cases, especially in view of the OIOS assessment of the amount of the potential fraud.

77. **The Board recommends that the Administration: (a) specify for each case, in the presumptive fraud reporting, the type of possible loss of resources; and (b) provide training materials to stakeholders, notably in the field, to facilitate and improve the financial estimation of fraud cases.**

78. The Administration accepted the recommendation.

79. The Administration specified that the implementation of the recommendations would require joint efforts between OIOS and the Department of Management Strategy, Policy and Compliance (Office of Human Resources, the Office of Programme Planning, Finance and Budget and the Business Transformation and Accountability Division), as well as additional budgetary resources.

3.2 Fuel management

Electronic fuel management system monitoring

80. During 2024/25, United Nations peacekeeping operations had $210.7 million in expenses related to fuel and lubricant within group III expenditure, compared with $268.5 million for 2023/24.

81. The electronic fuel management system (eFMS-2) is used by field staff who record operational data in the system, among which are the specifications of the equipment, its location, the odometer record and the volume of fuel distributed. Through these data, eFMS-2 allows the tracking of fuel movements, from storage to consuming equipment and from a supplier's equipment to United Nations or contingents' equipment. It is also an information technology tool that is used for assessing fuel valuation and inventory position at year end.

82. Missions, through eFMS-2, are also able to monitor fuel consumption at the vehicle level by comparing deliveries with recorded mileage. The system automatically generates monthly reports that identify discrepancies in case of the overconsumption or underconsumption of fuel. These automated internal controls allow the monitoring and analysis of fuel consumption trends by vehicle and serve as a fraud prevention tool.

83. The effectiveness of these automated controls depends on reliable, verified standard data, which enable abnormal discrepancies from these standards to be identified. Each vehicle has a standard fuel consumption rate or an acceptable rate of fuel consumption pre-recorded in eFMS-2, which serves as a reference to identify abnormal registered data in the field. At the peacekeeping mission level, these standard fuel consumption units can be adjusted by applying a consumption tolerance percentage, in order to take into consideration characteristics of the mission operational environment, for example, specific road and/or off-road conditions.

[13] See https://oios.un.org/report-wrongdoing.

84. The Board reviewed the eFMS-2 database extracted by the Administration on 17 September 2025. The purpose was to analyse the consistency of individual data regarding fuel capacity and standard average consumption on a sample of 14 vehicle models (comprising the categories of machine, general utility vehicle, armoured vehicle, bus and motorcycle), as illustrated in table II.5. The Board reviewed data for 14 entries representing several models across five vehicle categories.

Table II.5
Analysis of standard consumption and capacities of sampled vehicles

	Standard consumption in litres/100 km			*Adjusted consumption with tolerance in litres/100 km*			*Tank capacity in litres*		
Equipment subtype	*Lowest average*	*Highest average*	*Variance (percentage)*	*Lowest average*	*Highest average*	*Variance (percentage)*	*Lowest capacity*	*Highest capacity*	*Variance (percentage)*
General purpose/utility vehicle	8.4	20	138	12	24	100	107	150	40
General purpose/utility vehicle	15	25	67	18	25,2	40	75	200	167
General purpose/utility vehicle	12.5	18	44	15	21,6	44	75	95	27
General purpose/utility vehicle	12.5	18	44	15	21,6	44	80	120	50
Earth-moving Machinery/off-road	15	30	100	18	36	100	343	400	17
General purpose/utility vehicle	15	20	33	18	24	33	135	140	4
Bus, light (12 passengers or fewer)	11	22	100	12.65	24	90	70	150	114
General purpose/utility vehicle	12.5	16,6	33	15	19.92	33	75	95	27
Armoured passenger vehicle	6.61	40	505	7.93	40	404	141	180	28
Armoured passenger vehicle	17	22	29	20.4	26.4	29	96	180	88
Armoured passenger vehicle	4.08	24	488	4.9	28.8	488	130	180	38
Armoured passenger vehicle	25	49	96	30	72.52	142	93	250	169
General purpose/utility vehicle	5.69	25	339	6.83	26.25	284	80	180	125
Motorcycle	3	25	733	3.6	30	733	12	180	1 400

Source: Board of Auditors, based on data extracted from e-FMS-2.

85. For the same brand and type of vehicle, the Board noted that the theoretical average consumption recorded in the system differed significantly, notwithstanding identical manufacturer-rated consumption. For example:

(a) A motorbike model presents an average consumption from 3 to 25 litres/100 km, depending on vehicle;

(b) An armoured passenger vehicle presents an average consumption ranging from 6.61 to 40 litres/100 km;

(c) A general purpose or general utility vehicle presents an average consumption ranging from 5.69 to 25 litres/100 km.

86. The Board also noted inconsistencies in recorded tank capacities. For example, a motorbike, with a 12-litre factory tank, was recorded as having a 180-litre tank and fuel consumption of 30 litres/100 km.

87. The Board therefore considers that the inconsistencies noted in the reference values of fuel consumption and fuel capacities reduce the effectiveness of eFMS-2 to accurately monitor fuel consumption and identify potential fraud, given that poor-quality reference data prevent the identification of real discrepancies. These data inconsistencies weaken the reliability of eFMS-2 controls and limit the system's

ability to detect abnormal consumption patterns, including those that may indicate fraud.

88. **The Board recommends that the Administration centrally review and harmonize the standard fuel consumption units by vehicle brand and model within eFMS-2 to limit potential fraud risks with respect to fuel in the field.**

89. The Administration accepted the recommendation.

Deficiencies in fuel management in missions

90. The General Assembly, in paragraph 26 of its resolution 76/274 on cross-cutting issues, noted the increasing importance of efficient fuel management, given rising fuel prices globally and the deficiencies in missions' fuel management systems found by the Board, and requested the Secretary-General to implement measures for more efficient fuel management in missions, including through the proper and consistent monitoring of fuel consumption across missions and strengthened monitoring of risks. During its field audits (including at UNFICYP, UNMISS, MONUSCO, UNSOS, MINURSO and MINUSCA), the Board noted several weaknesses in terms of fuel management and identified room for improvement in data quality and the monitoring of excessive consumption. Recommendations were addressed to missions' management teams regarding those issues.

91. In UNMISS and MONUSCO, the Board noted that some of the data entered in eFMS-2 regarding contingent-owned equipment tank capacity were not correct. The Board considers that further coordination with the Contingent-Owned Equipment Unit, troop-contributing countries and police-contributing countries could help to reduce the amount of incorrect information. Frequent refills could be explained by the fact that some contingent-owned equipment and United Nations-owned equipment vehicles have two fuel tanks, but this information should be recorded in a single transaction in eFMS-2 to help to achieve improved monitoring of excessive consumption. Training of the fuel contractor staff on how to fill in odometer data should be strengthened.

92. A significant number of abnormal fuel consumption cases were noted in several missions during 2024/25, amounting to 667,031 litres in UNSOS, 660,882 litres in MINURSO and 261,452 litres in MINUSCA. As regards those cases, the Administration explained that a significant portion of the potential overconsumption did not require individual justification owing to operational factors and stated that it would work closely with relevant units to support the timely resolution of investigations and implementation of corrective measures, while applying root cause analysis to prevent a recurrence of overconsumption. The Board will continue to follow up on the outcomes of investigations conducted.

93. The Board is concerned that abnormal fuel consumption may result in additional costs. Delays in conducting investigations undermine their deterrent effect and hinder the timely implementation of remedial measures, thereby increasing the risk of continued fraudulent activities.

High risk of non-recovery of financial losses relating to former fuel supplier at UNSOS

94. In its previous report (ibid., paras. 220–224), the Board identified significant economic losses due to a fuel contractor's non-performance. The Board followed up on the case and noted that, in October 2024, UNSOS and the Procurement Division finalized a damage assessment amounting to $12.59 million relating to losses associated with the petroleum, oil and lubricants contract following the contractor's abandonment of its obligations and subsequent contract termination. UNSOS

subsequently requested the Division to pursue a claims recovery process through available legal channels and enforce the performance security associated with the contract.

95. The Board noted that, as at August 2025, no decision had been made to initiate arbitration proceedings to recover the fuel losses.

96. After the issuer of the performance security had confirmed the validity of the performance security, it refused to honour its unconditional $19.82 million obligation under the performance security, instead treating the United Nations demand as an insurance claim and referring it to a claims adjuster. As of March 2025, the issuing company had not paid the requested amount, notwithstanding the unconditional nature of the performance security guarantee. The Administration stated that it had reached out to relevant national authorities, but that those efforts had not yielded a resolution.

97. The Administration also stated that it was considering several options regarding the recovery action to be pursued. The Board expresses serious concern that prolonged processing time in the claim's recovery process significantly increases the risk that damages and additional costs may not be recoverable.

3.3. Liquidation of MINUSMA and impact on other missions

Liquidation of MINUSMA

98. The Board reviewed the management of the liquidation phase of MINUSMA. The withdrawal of all MINUSMA uniformed personnel was completed on 31 December 2023, marking the transition to the liquidation phase. As at that date, the Mission maintained a remaining presence of 949 personnel, including 445 military personnel, 7 United Nations police officers, 168 formed police unit members, 178 international staff, 139 national staff and 12 United Nations Volunteers. The Mission formulated a preliminary asset disposal plan dated October 2023, serving as the blueprint for the strategic management of all remaining assets in the context of the transfer of ownership and upcoming liquidation.

99. The liquidation phase started on 1 January 2024 following the expiration of the MINUSMA mandate on 31 December 2023, and a liquidation entity based in Bamako and Gao was established, responsible for managing assets, finances and operational closeout, in coordination with the Department of Operational Support, the Department of Management Strategy, Policy and Compliance, the Regional Service Centre and the United Nations Logistics Base. A three-phase "wall-to-wall" verification process of assets was implemented: cycle I (July–December 2023); cycle II (January–June 2024); and cycle III (from 1 July 2024 until completion of the field-based liquidation).

100. In April 2024, MINUSMA finalized its property management and asset disposal plan, outlining asset categorization and disposal strategies. A midterm review conducted on 30 June 2024 integrated financial data into the volume II 2023/24 financial statements in line with IPSAS standards. As at that date, total write-offs amounted to $183.9 million, including $30.8 million in inventories. Top-side adjustments of $29.6 million, included in the total write-offs, were recorded for the derecognition of property, plant and equipment and inventories with no remaining economic benefit or service potential. Contingent-owned equipment claims totalled $94.0 million, including $23.7 million for forced abandonment, $39.1 million for major equipment and $18.1 million for self-sustainment.

101. Between July and September 2024, the liquidation entity maintained operations in Bamako to oversee site clean-up and asset disposal. The Gao site was closed officially on 22 July 2024. At that stage, 22 international staff, 41 national staff and 1 United Nations Volunteer were separated. A further 16 international staff and

3 United Nations Volunteers were reassigned to Bamako until 30 September 2024, and no troops or police personnel remained in Gao.

102. From October to December 2024, final disposal activities were conducted, including the final rounds of asset sales and transfers, infrastructure handovers and site clean-up in Bamako. By December 2024, asset disposition included transfers to other peacekeeping missions and to the United Nations Logistics Base, as well as items sold, donated, destroyed or written off. On 15 November 2024, the main MINUSMA camp in Bamako was formally handed over to the host State authorities. By 15 December 2024, all field locations had been vacated, marking the end of the MINUSMA field presence. Strategic staff downsizing was conducted in parallel with the closure and handover of mission sites. As at 15 December 2024, 68 core staff had been separated. One former MINUSMA national staff member remained in Mali until 31 March 2025, while 11 staff members were transferred to the Regional Service Centre, with 7 leaving the Centre by 31 March 2025 and the remaining 4 leaving by 30 June 2025. A further 17 staff were transferred to the Logistics Base until 30 June 2025.

103. Between January and March 2025, final administrative closure activities were completed, covering human resources, finance, procurement and documentation, with all residual transactions transferred to the Regional Service Centre and the United Nations Logistics Base. On 30 June 2025, the liquidation phase was formally completed and all positions had been vacated.

104. Between June and July 2025, financial reporting and consolidation activities were conducted as part of the volume II financial closing instructions, including the MINUSMA liquidation entity. The final disposition of assets report is scheduled to be presented at the eighty-first session of the General Assembly. Financial closure activities were undertaken by the liquidation team based within the Regional Service Centre and the United Nations Logistics Base, with support from Headquarters (Department of Operational Support and Department of Management Strategy, Policy and Compliance). The financial closure of MINUSMA for the 2024/25 financial statements followed standard liquidation procedures, with all open items managed by the Regional Service Centre and the Logistics Base, with support from Headquarters in an advisory capacity. In the absence of a budget for the 2025/26 financial year, a review of the remaining open commitments was carried out.

105. As at 30 June 2025, MINUSMA funds held in the cash pool amounted to $194 million. However, the total liabilities related to MINUSMA amounted to $165 million in outstanding debts and commitments and $240 million in credit returns. In addition, $214.5 million in assessed contributions (after depreciation) remained pending. Under the current circumstances, no surplus can be reimbursed until the outstanding contributions are received.

106. A total of $82 million in assets was transferred to other entities, while $186 million was written off during the liquidation period. The majority of the write-off ($122 million) was real estate and infrastructure, almost all of which was transferred to the host State authorities. Equipment accounted for $34 million, of which $25.5 million was sold or donated. Revenue from the sale of equipment and real estate amounted to $7.4 million in 2024/25.

Support provided by the Regional Service Centre and the United Nations Logistics Base

107. From March 2025, the Regional Service Centre recorded and processed MINUSMA liquidation accounting activities and continued to clear open items during

the reporting period, including open commitments and open balances related to accounts payable and accounts receivable.

108. The United Nations Logistics Base was responsible for identifying, coordinating and approving the transfer of surplus assets in Umoja, according to the above-mentioned preliminary asset disposal plan and final asset disposal plan. The Logistics Base also monitored the reallocation of open purchase orders. This process had not occurred in previous mission liquidations, and no existing policy or operational guidance framework was available to guide the redirection of purchase orders. A total of 183 purchase orders, representing a cumulative value of $46,295,492, were reassigned to other missions and the United Nations Reserve. In such cases, the receiving mission is required to take over the entire purchase order – partial transfers to multiple recipients are permitted in exceptional cases and for specific commodities. The receiving mission paid only for freight costs. As at 17 July 2025, 78 per cent ($36 million, comprising 164 purchase orders) of the total purchase order value was successfully reallocated. The United Nations Reserve at the Logistics Base was the main recipient, having received 44 per cent of the reallocated purchase order value.

109. The Board acknowledges that the United Nations Logistics Base demonstrated agility and operational commitment in managing assets and purchase order reallocation during the MINUSMA liquidation. However, the lack of formalized operational guidance on the methodology and procedures for purchase order reallocation undermines the reproducibility of its practices.

110. **The Board recommends that the Administration develop guidance on the reallocation of purchase orders in the event of a mission's liquidation, on the basis of the experience gained regarding MINUSMA.**

111. The Administration accepted the recommendation.

Transfer of assets received from MINUSMA

112. In its field audits, the Board examined the efficiency of the transfer of assets and purchase orders from MINUSMA to active missions. Several problems were observed, relating to the inefficient use of assets, the lack of insurance claims in the event of losses in transit and the insufficient inclusion of MINUSMA assets during budget preparation.

113. As at 1 September 2025, purchase orders with an acquisition value of $26.59 million had been transferred from MINUSMA to MINUSCA, of which $4.37 million remained in transit. As at 8 September 2025, 270 of the received items, valued at $2.33 million, remained idle, including laptops, network devices and generators, and some of them had remained idle for more than one year.

114. A total of $8.91 million in assets was transferred from MINUSMA to UNISFA and 478 items with an acquisition value of $3.01 million were idle, of which 257 with an acquisition value of $1.74 million were idle in the Regional Service Centre for at least four months and had not been transported to Abyei. Through a physical verification of 232 sampled items with an acquisition value of $1.37 million, which had been transported to Abyei, the Board noted that 221 items with an acquisition value of $1.27 million were idle for more than 11 months. The Administration stated that the "idle" parameter in Umoja did not signify any redundancy because it was an indication of the long lead-times for shipments from and to landlocked countries/areas of operation.

115. The Board is of the view that the decision to transfer assets from MINUSMA should be based on evaluating the needs of the receiving missions and that transferred

assets should be placed into operational use within a reasonable time frame, in order to prevent unnecessary periods of idleness.

116. The Administration stated that the United Nations Logistics Base, in cooperation with the Department of Management Strategy, Policy and Compliance, had launched a project that included the assessment of idle property in stock. The project, launched in July 2025, is intended to improve the visibility of surplus property across operations to enable potential redeployment to other entities, thereby maximizing property utilization across the Organization and reducing the need to purchase new items when suitable assets are already available internally. The Board will assess this tool in its future audits.

117. In MINUSCA, 124,205 items transferred from MINUSMA, valued at $1.18 million, were approved for write-off as “lost in transit”. Similar cases of losses, with or without corresponding write-offs, were noted in MINURSO ($114,900) and UNISFA ($72,639). No insurance claims have been filed in any of these cases.

118. In view of the amounts involved, the Board issued recommendations to the missions concerned to initiate insurance claims processes.

119. The Board also noted that UNDOF had learned that it would receive vehicles from MINUSMA in September 2023. By 30 June 2025, 11 light passenger vehicles had been received. However, UNDOF failed to take into account the vehicles when preparing its vehicle budgets for 2024/25. UNDOF stated that, on the basis of the revised methodology for reporting efficiency gains, applicable from 2025 onwards, the transfer of vehicles from MINUSMA would be reflected in the efficiency gains form under cost avoidance, with a cumulative value of $900,100 associated with this activity. Of this amount, $267,000 relates specifically to the vehicles transferred from MINUSMA during the 2023/24 period.

120. On the basis of this case, and in view of future budgets preparation, the Board reiterates its concern (ibid., paras. 192–193), that information on the equipment received from MINUSMA should be provided in the performance reports and that receiving missions should include these assets in their budget preparation, as well as in future efficiency gains.

121. **The Board recommends that the Administration strengthen its control over transferred assets, in particular by initiating insurance claims promptly in the event of losses in transit and by ensuring that assets received by missions are included in their budget preparations, to the extent possible, taking into consideration budget formulation times.**

122. The Administration accepted the recommendation.

3.4. Other issues

Reimbursement to troop-contributing countries during troop rotations

123. In its field audit of UNFICYP, the Board noted that, during troop rotations, the mission consistently exceeded the personnel reimbursement ceilings established in annex A of all the memorandums of understanding with troop-contributing countries. The total estimated overpayment for 2024/25 was $202,105, which represented 1.7 per cent of total authorized reimbursement ($11,991,740).

124. The mission stated that the overpayments occurred during troop rotations, when temporary overlaps were an operational necessity to ensure continuity and avoid gaps in physical presence across the Force. It also stated that, in accordance with the standard practice and following authorization by the Force, the reimbursements were processed by Headquarters.

125. The Board escalated the issue to Headquarters, considering that, if necessary, the overpayments should be formally included in the standard operating procedure covering uniformed personnel reimbursement processing. Following exchanges between the Board and the Secretariat, the standard operating procedure was reviewed and an updated version was issued on 24 November 2025, including provisions for cases in which strength exceeded the ceiling established in the memorandum of understanding, such as an overlap in rotation, training and handover/takeover processes. The Board notes this positive development based on its finding.

Supply chain and assets management

126. In its previous report (ibid, para. 52), the Board recommended that the Administration strengthen due diligence controls on contract administration regarding performance securities provided by contractors, in order to verify their authenticity. A case in UNISFA illustrated this continued need, given that the Board reviewed documents of performance securities corresponding to 33 valid contracts as at 9 September 2025, signed and therefore administered by UNISFA, and noted that 21 of them, with a total amount of $2.92 million, presented problems, such as inauthenticity (6 cases), misalignment with the terms of the corresponding contracts (7 cases) or issues regarding the expiration date (8 cases). These deficiencies raise concerns about the effectiveness of existing verification controls and the potential financial exposure for the Organization. The Board remains concerned that non-compliance with the performance security requirements by UNISFA contractors, in addition to constituting a breach of contractual terms, could heighten the risk of vendor non-performance and further contractual breaches.

127. During its field audits, the Board noted several cases of excessive holdings of dead stock.[14] In UNISFA, as at 20 August 2025, 3,438 items, with a total acquisition value of $5.30 million, were labelled as "dead stock" and had remained idle since July 2024, with the longest idle duration being more than three years, indicating that at least 28.78 per cent of the stored devices had been idle for more than one year, exceeding the prescribed 15 per cent threshold for dead stock. UNISFA confirmed that the items identified by the Board continued to be required for team sites that were being reconstructed and were essential for the rapid establishment of temporary operating bases. Maintaining these assets in inventory is critical for mission readiness and operational continuity. The Board also notes that 37.08 per cent of stock was idle for more than one year in MINURSO. The Board is of the view that, while maintaining a sufficient number of devices is necessary, inventory levels should remain within the limits prescribed by existing guidance. The accumulation of dead stock beyond reasonable levels occupies valuable storage space, may lead to resource waste and may adversely affect the efficient operation of the warehouse.

128. The Administration acknowledged the Board's observations regarding excessive holdings of non-moving stock in field missions. To address the issue and other remarks and recommendations from the Board, the United Nations Logistics Base, in collaboration with the Department of Management Strategy, Policy and Compliance, has initiated a global surplus management project focused on strengthening analyses and decision-making related to non-moving assets across all entities. The Administration stated that missions were being requested to review flagged inventory, validate continued operational needs and initiate timely disposal or reallocation

[14] It is stated in paragraph 185 of the centralized warehousing operations manual in the field (version 2.0) that "Dead stock should be defined as any item for which no transactions (demands or transfers) have occurred for a year or longer. As readiness is the primary objective for mission warehouses (as opposed to profit), some items may need to be retained for contingency purposes. This should normally not exceed 15% of the line items stored".

measures in line with United Nations property management policy. These reviews will be conducted quarterly to prevent further accumulation and ensure alignment with prescribed stock thresholds. Furthermore, items classified as potential surplus, once confirmed as surplus by missions, can be used as a preferred source of supply, thereby reducing new procurement. The Board will further assess the implementation of this new initiative.

4. Management of contingent-owned equipment

129. The Board continued the audit work undertaken during the previous year on the management by the Secretariat of contingent-owned equipment. In 2024/25, the Board focused on five key audit issues: the preparation of the 2026 COE Working Group; the management of ammunition; the consequences of the closure of MINUSMA and the partial drawdown of MONUSCO; the repatriation and redeployment of contingent-owned equipment; and the management of contingent-owned equipment generators.

4.1. Preparation of the 2026 COE Working Group

Thorough preparation of topics to be addressed by the upcoming COE Working Group

130. In accordance with General Assembly resolutions 54/19 B and 62/252, triennial reviews of reimbursement rates and other aspects of the contingent-owned equipment policy are to be conducted by a designated working group.

131. Although all substantive decisions rest with Member States, the Secretariat is tasked with the technical and organizational functions necessary to support the COE Working Group. The Secretariat plays a pivotal role in the preparation, organization and follow-up of the Working Group’s outcomes, as well as in their subsequent implementation. The Uniformed Capabilities Support Division of the Office of Supply Chain Management acts as the secretariat for the Working Group and is responsible for all associated administrative functions, including the receipt and review of data and issue papers, the response to enquiries, communication with Member States and the coordination of the Working Group’s Bureau elections. With the agreement of the Bureau – which has consistently been the case – the Division also serves as the rapporteur and prepares the final reports following the completion of each session.

132. The COE Working Group meets every three years. Its most recent session was held in January 2023, with the next scheduled to be held from 19 to 30 January 2026. In its report A/79/5 (Vol. II), the Board reviewed the implementation of the decisions taken by the previous Working Group, with a focus on the amendments to the Manual on Policies and Procedures concerning the Reimbursement and Control of Contingent-Owned Equipment of Troop/Police Contributors Participating in Peacekeeping Missions and the dissemination of related information to Member States.

133. During its last session, the COE Working Group decided on the preparation of 11 mandated studies to be completed in advance of the upcoming session. The mandated studies have all been carried out by the Secretariat, in many cases in collaboration with Member States. These studies often required extensive research, data collection and in-depth analysis of complex issues.

134. In addition to the mandated studies, the Secretariat, as mentioned above, plays a key role in preparing the COE Working Group by drafting issue papers on specific matters arising from its experience in managing the contingent-owned equipment reimbursement framework. For the upcoming session, 50 issue papers have been

prepared, representing a substantial increase compared with previous sessions (38 in 2023, 34 in 2020 and 26 in 2017).

135. A further preparatory responsibility concerns the update of contingent-owned equipment costs. While the final decision belongs to Member States, the Secretariat is responsible for collecting cost data from Member States. Overall, 31 Member States submitted information: 25 provided updated cost figures, while 6 confirmed the validity of previously submitted data. Updated data increased slightly compared with the 2023 and 2020 COE Working Groups (21 and 22, respectively).

136. The Board also noted that the Secretariat had implemented its previous recommendations concerning preparations for the COE Working Group (see annex II).

COE Working Group preparation schedule upheld

137. The preparation of the COE Working Group involves several tasks that must be executed within a defined time frame. The Secretariat has established a comprehensive timeline covering the entire preparatory cycle, from the booking of conference facilities in January 2024 to the actions required during and after the session to ensure the implementation of its outcomes. At the time of the audit, in October 2025, all tasks scheduled for completion prior to that date had been carried out on time. Activities that were ongoing, such as the logistical arrangements for the participation of delegations from least developed countries, were progressing in accordance with the established timeline.

138. The Board observed that Member States had received the relevant documentation, including national cost data, mandated studies and issue papers, within the agreed time frame, with all materials uploaded before the end of August 2025.

139. The Board also assessed whether Member States had received sufficient guidance regarding the organization of the COE Working Group, the procedures for submitting Member States' issue papers and the content of the Secretariat's issue papers. The Board observed that at least four briefings for Member States were organized by the Secretariat in 2024 and 2025, the most recent of which was held in June 2025. In addition, regional briefings, intended to provide further detail on the issue papers and to respond to specific questions, were ongoing at the time of the audit.

140. Member States submitted 70 issue papers, slightly less than for the previous cycles (80 in 2023, 77 in 2020 and 78 in 2017).

141. The Board interviewed military attachés from a geographically representative sample of permanent missions. All interlocutors indicated that, to date, they were satisfied with the Secretariat's handling of the preparatory work.

4.2. Management of ammunition

142. The management of ammunition inventory within peacekeeping missions faces several challenges, which led the Secretariat to launch a new tool. There was no centralized tool for tracking ammunition, which could lead to insufficient visibility regarding the status of ammunition in missions, making it difficult to identify ammunition that had expired or was due for rotation, or even ensure timely and accurate replenishment.

143. Moreover, in the absence of a centralized ammunition database, there was no system in place to log ammunition that is classified as hazardous, which posed potential risks and could lead to transportation delays during repatriation. The disposal of expired ammunition is also a key issue. For example, in UNMISS, large quantities of expired ammunition had accumulated and reached 41 per cent of the total inventory as of April 2025. These interconnected challenges underscore the need

for a comprehensive enhancement of the ammunition management system to enhance efficiency and safety.

144. To address the deficiencies identified in accounting, verification and reporting of contingent-owned equipment ammunition, the Secretariat has developed a new ammunition module within the uniformed capabilities management system. The project is composed of four phases with a completion date expected by December 2026. The first two phases were finalized on 11 August 2025. In the first phase, the module requirements and the master data were defined. The second phase focused on data collection and upload, testing and training to ensure system readiness and functionality.

145. The third phase, expected to be implemented by December 2025, will emphasize analytical capabilities and reporting processes (quarterly, inventory, expiration, disposal and replenishment) and inspection status updates. The fourth phase is conditioned by the outcome of the next COE Working Group. Should the 2026 Working Group agree on standardized rates, the Secretariat would have to include those rates in the uniformed capabilities management system. Afterwards, the Secretariat will work on designing the new requirements for claims processing for ammunition.

146. As regards future developments, phase two of the project demonstrated the existence of unaccounted ammunition at various stages of the process. The project should help to put an end to the cases of unaccounted ammunition through the timely resolution of the problems when they are identified. In addition, the project could incorporate other initiatives implemented by the Secretariat, such as the Member States portal, in order to improve communication with the permanent missions. Overall, this project is a positive development that should enable the Administration to better track and monitor the inventory of ammunition.

4.3. Consequences of the closure of MINUSMA and the partial drawdown of MONUSCO

147. The closure of MINUSMA was decided by the Security Council in its resolution 2690 (2023). The drawdown was completed by the end of 2023 and the liquidation period extended from 1 January 2024 to 30 June 2025. With respect to MONUSCO, the Council endorsed, in its resolution 2556 (2020), the joint strategy on the progressive and phased drawdown of MONUSCO, aimed at gradually reducing the presence of the Mission in specific regions of the Democratic Republic of the Congo. Accordingly, the Mission ceased operations in South Kivu on 30 April 2024 and withdrew from the province by 30 June 2024. The Board assessed the consequences of the MINUSMA closure and of the MONUSCO partial drawdown on contingent-owned equipment management.

Reimbursement to Member States following force abandonment cases in MINUSMA

Kidal, Tessalit and Aguelhok camps

148. MINUSMA had initially planned a gradual closure of its camps in Kidal, Tessalit and Aguelhok in Mali. However, owing to the rapidly deteriorating security environment, the field mission had to evacuate the camps abruptly. Convoys repatriating equipment located in those camps were blocked by a decision of the host Government, obliging the Force to order their destruction and force abandonment between 21 and 30 October 2023.

149. When the camps were evacuated, the equipment was destroyed and abandoned by the force, in addition to vehicles already damaged by mines and improvised explosive devices. The claims from the eight troop- and police-contributing countries

concerned amounted to $62.1 million and were sent to the Uniformed Capabilities Support Division with the necessary supporting evidence.

150. The Board analysed the documents submitted as proof of destruction and the calculation methods applied to the reimbursement, which amounted to $25.6 million. They were compliant with the COE Manual. In particular, the payments, all made in 2024 and 2025, applied the rates of the 2023 COE Manual. The average duration of payments was six and a half months, with most of them made between mid-June and the end of August 2024, and two of them were made in October 2024.

151. The security situation surrounding Gao quickly required the suspension of road convoys. Until the camps were closed in July 2024, the repatriation was carried out by airlift. However, a number of contingent-owned equipment items were oversized and therefore could not be repatriated.

Gao camp

152. On 31 May 2024, MINUSMA urged Member States to dispose of the 56 items of contingent-owned equipment in Gao, listed in the inventory, on the local market or to hand over the equipment to the Mission's liquidation team for in-mission disposal on a no-cost basis. All disposal actions were documented properly and in full compliance with the Contingent-Owned Equipment/Memorandum of Understanding Management Review Board framework.

153. MINUSMA requested the troop-contributing countries to provide written authorization to hand over the equipment and to make no claims for financial compensation. Questioned by a Member State on the reason why the forced abandonment rule was not applied, the Uniformed Capabilities Support Division replied that the Gao camp was not being abandoned but would be handed over to the local authorities empty and following a cleanup. It stated that the forced abandonment policy would therefore not apply.

154. Solutions for repatriation were found for 27 contingent-owned equipment items, notably by dismantling them in whole or in part. Two Member States agreed to sell 8 pieces of contingent-owned equipment locally, while four agreed to hand over 11 without claims.

155. Two Member States filed claims for 10 items of contingent-owned equipment, which were approved by the Uniformed Capabilities Support Division. The reimbursement procedure, amounting to $682,999, was respected. The Board notes that the same situation resulted in two different outcomes: destruction with reimbursement and destruction without reimbursement, the only difference being that some Member States filed claims and others did not. This divergence in outcomes raises questions regarding consistency and underscores the need for a more uniform interpretation of reimbursement rules in forced-closure contexts.

Definition of contingent-owned equipment to be repatriated and repatriation monitoring by the Organization

156. In the context of the hasty departure of the contingents present in Mali, MINUSMA urged Member States to leave in place as many items of contingent-owned equipment as possible. In Gao in particular, where the only possible means of repatriation was by air, an inter-office memorandum dated 7 September 2023, signed by the Director of Mission Support, instructed that all contingent-owned equipment be classified into three categories: (a) military equipment; (b) sensitive equipment with possible dual use; and (c) other equipment, namely, commercial vehicles, trailers, water and fuel storage, generators, spare parts and self-sustainment equipment. The

repatriation of category 1 and 2 equipment was to be prioritized over category 3 equipment.

157. Notwithstanding this classification, the overall repatriation rate for the 10,449 items of contingent-owned equipment from Mali (excluding cases of force abandonment) reached 92 per cent; 3.3 per cent was destroyed, 4.3 per cent was donated and the remaining 0.4 per cent fell into an unspecified “others” category. Of the destroyed equipment, 38 percent was unserviceable, 6 per cent of the repatriated equipment was unserviceable and 4 per cent of the donated equipment was unserviceable.

158. In MONUSCO, the overall repatriation rate for the 3,179 pieces of contingent-owned equipment from South Kivu reached 72 per cent; 8.8 per cent was destroyed, 10 per cent was donated and the remaining 9.2 per cent fell into the “others” category. Of the destroyed equipment, 47 per cent was unserviceable, 19 per cent of the repatriated equipment was unserviceable and 46 per cent of the donated equipment was unserviceable. The differences observed, compared with MINUSMA, indicate that operational contexts shape contingent-owned equipment disposition patterns significantly.

159. Most of the countries involved (13 of 16) repatriated contingent-owned equipment items declared “unserviceable”. In addition to armoured personnel carriers, trucks and armament, this repatriation involved unserviceable ablution facilities, batons, metal detectors, searchlights or loudspeakers. The prevalence of such cases indicates that there is room for improvement in the economic efficiency of the repatriation process.

160. In order to determine the residual value of the contingent-owned equipment repatriated from Mali, the Board applied the methodology in the COE Manual for abandoned contingent-owned equipment, with a few minor simplifications. The Board considered the 8,978 items of contingent-owned equipment repatriated from Mali between July 2023 and November 2024, with a generic fair market value of $677.5 million and a residual value evaluated at $413.6 million.

Table II.6
Distribution of repatriated contingent-owned equipment according to their residual value

Value (United States dollars)	*Proportion of assets in each category (percentage)*	*Proportion of total value in each category (percentage)*
0	25.4	0.0
1–1,999	17.2	0.3
2,000–4,999	9.6	0.7
5,000–9,999	14.7	2.3
10,000–19,999	9.1	2.7
20,000–49,999	6.6	4.8
50,000–99,999	6.0	9.5
More than 100,000	11.3	79.7

Source: Uniformed capabilities management system database and residual value calculation by the Board.

161. A total of 25 per cent of repatriated contingent-owned equipment from Mali had a residual value of zero. By product category, vehicles accounted for 82.0 per cent of

the repatriated value, weapons and mine clearance equipment 4.8 per cent, generators 10.1 per cent and everything else 3.1 per cent.

162. The repatriation costs for MINUSMA, as estimated by the Movement Control Section, amounted to $151.7 million, including storage, or 36.7 per cent of the residual value of the contingent-owned equipment. The costs were particularly high in the case of MINUSMA owing to the importance of air transport (notably the Gao airlift), which accounted for $61.6 million, compared with $18.8 million for road transport and $14.1 million for sealift/multimodal. Letters of assist amounted to $47.1 million.

163. Even if transportation costs and their breakdown by contingent-owned equipment must be treated with great caution, they are higher than the net residual value of much contingent-owned equipment. In the case of Mali, the costs incurred were abnormally high compared with the value of the contingent-owned equipment transported owing to the necessity of using air transport in many cases.

164. For future mission closures, updates to the guidelines in the COE Manual could be considered, introducing the possibility for Member States to choose between repatriation or compensation for the equipment that they would agree to leave behind. Such developments would exclude military and dual-use equipment. It could encourage having the equipment that is particularly useful for the host country's development (e.g., water treatment plants, hospitals and medical contingent-owned equipment and generators) kept in the country. This should result in net savings for the United Nations.

165. The Administration stated that it had drafted an issue paper for the 2026 COE Working Group, in which it was recommended that the proceeds from the disposal of contingent-owned equipment be transferred to the troop- and police-contributing countries, which would allow the Member States to choose between repatriation or compensation.

166. The Board examined a related issue paper and considers that the option presented by the Secretariat is not complete, given that it covers only the disposal of contingent-owned equipment and not other cases such as donations. Depending on the decision taken by the 2026 COE Working Group, the Administration may consider extending its analysis in a further issue paper for the consideration of the 2029 COE Working Group.

4.4. Contingent-owned equipment generators

167. In order for contingents to be operational in all circumstances, they, in line with the COE Manual and the statement of unit requirements, must be equipped with enough generators to produce the energy that they need and have sufficient back-up capacity.

168. Meanwhile, many peacekeeping missions were established long ago. Camps and military bases accommodate several contingents that remain for a shorter period than the mission does. Furthermore, in many cases, the Organization has set up its own energy production. In a limited number of cases, access to the host country's power grid is possible. There is considerable room for improvement in energy production efficiency by pooling, at least in part, electricity production and distribution, where possible.

169. Such an evolution is more desirable because it is liable to have positive consequences, both from a budgetary and an environmental point of view, by reducing fuel consumption. These effects could be further improved by coupling this reduction with a move towards renewable energy generation. According to the Organization,

troop- and police-contributing countries account for 38 per cent of total electricity consumption in peacekeeping missions.

170. The COE Manual sets the standards applicable to generators. However, it does not include specifications on how to define their number for a given contingent. There is no key performance indicator relating to the number of generators deployed and no objective regarding a reduction in troop- and police-contributing countries’ fuel generators with a view to achieving budgetary savings and reducing the overall United Nations environmental footprint.

171. The Board observes that, through several projects backed by extrabudgetary funding, progress has been made to optimize diesel generation and to develop renewable energy in mission sites. While acknowledging these positive efforts, the Board observes that their overall effect remains modest. As regards the shift towards renewable energy capacities, the Secretariat noted in a concept note that “very little progress has been made since the launching of the Environment Strategy”. Between September 2024 and September 2025, the total number of diesel generators deployed in the missions by troop- and police-contributing countries increased by 1.6 per cent, whereas the troops deployed decreased by 2.6 per cent.

172. In its previous report (ibid., para. 466), the Board recommended that the Administration review applicable standard unit requirements in order to consider, when relevant, the reduced energy production requirements following an evaluation by specialized electrical engineers. Given that this recommendation remains under implementation, the Board does not intend to issue another one on this similar issue.

173. In 2024, the Contingent-Owned Equipment/Memorandum of Understanding Management and Review Board of UNMISS and MONUSCO recommended in four instances a reduction in the number of generators in some of the memorandums of understandings, identifying potential for energy supply optimization in the field.

174. However, no amendment to these memorandums of understandings has been introduced to date in any of these cases. In one case, the planned memorandum of understanding amendment was made redundant by the repatriation of the contingent concerned. In two other cases, while progress has been made, there remains no agreement on amendments to the memorandums of understandings. In the most recent case, concerning UNMISS, no specific action had been taken at the time of the audit.

175. **The Board recommends that the Secretariat, in full consultation with troop- and police-contributing countries, propose a cross-cutting approach to energy overproduction within contingents.**

176. The Administration accepted the recommendation.

5. Management of liquidity within peacekeeping operations

177. The audit on the management of liquidity within peacekeeping missions in the context of the United Nations global liquidity situation focused on four main topics: the liquidity situation of peacekeeping missions; its impact on their financial and non-financial resources (human resources and procurement); its consequences on the implementation of their mandates; and the management of risks and related communication.

178. In application of its mandate, the Board did not audit the developments that occurred after the end of the financial period 2024/25, such as the implementation of contingency plans in the missions. However, those events were taken into consideration, given that the preparation of the plans occurred during 2024/25 and are the result of the worsening of the same difficulties analysed by the Board during 2024/25.

5.1. Cash situation of peacekeeping missions and financial strategy

179. Notwithstanding the various measures taken by the Secretariat, the cash flow situation of peacekeeping operations reached a critical stage in 2024/25. Those measures encompassed spacing out allotments, inter-mission loans, use of the Peacekeeping Reserve Fund, centralized cash forecasting and cash-conservation measures. These mechanisms, designed to address fluctuations in liquidity within the year, are not sufficient to compensate for the partial or unpredictable payments of Member States' assessed contributions and for structural issues linked to financial processes, such as the credit returns calculation.

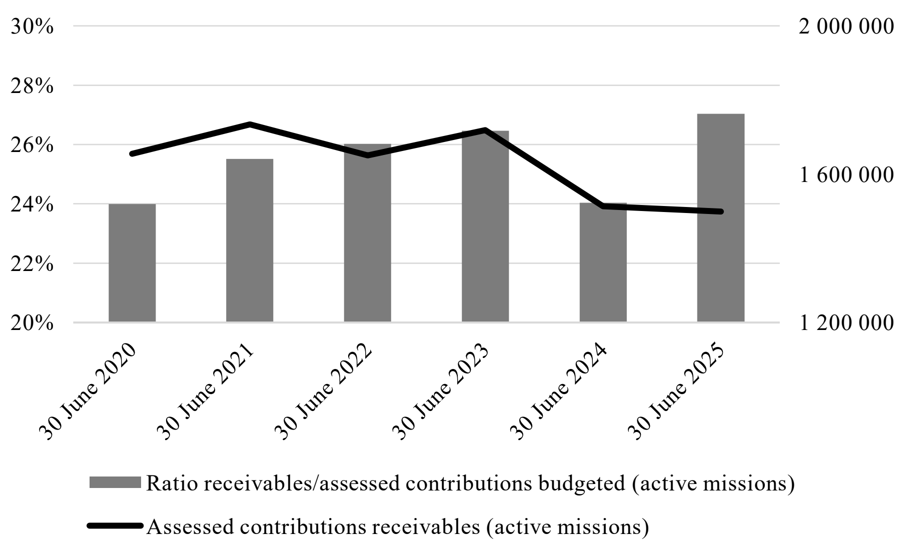
(a) Persistent shortfalls in cash receipts have progressively weakened the financial position of peacekeeping operations

(i) Cash received consistently below assessed contributions

180. An analysis of the past five financial periods shows that the proportion of unpaid assessed contributions (recorded as receivables) over net assessed contributions fluctuates between 24 and 27 per cent, standing at 27 per cent as at 30 June 2025. Approximately $1.2 billion of these arrears are typically paid in the following financial period and are applied to the oldest receivables, in accordance with financial regulation 3.6.

181. This results in recurring liquidity issues from one period to the next: receivables from one budget period are paid in the following period, then used to cover both new expenditure and outstanding liabilities from the previous period. Managing these shortfalls requires reduced allotments based on projected receipts, which lead to unused appropriations.

Figure II.II
Evolution of assessed contributions and outstanding arrears, 2020–2025
(Percentage/millions of United States dollars)

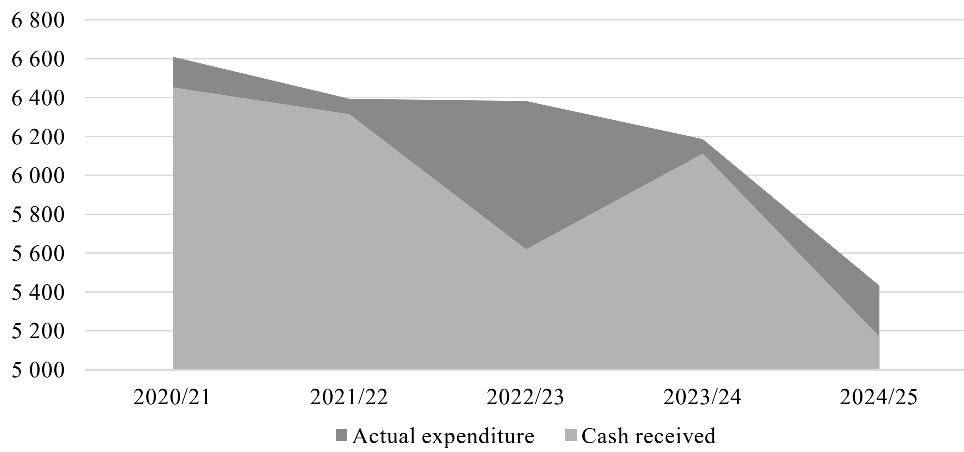


Source: Board of Auditors and volume II financial statements.

182. However, this rolling amount is not sufficient to fully cover the expenditure incurred by peacekeeping operations in accordance with the approved budget. Figure II.III illustrates the gap over the past five financial periods between cash

received and actual expenditure. This shortfall structurally limits the Organization's capacity to implement budgets in full.

Figure II.III
Evolution of the gap in actual expenditure and cash received, 2020–2025
(Millions of United States dollars)



Source: Board of Auditors and United Nations Secretariat.

183. In 2024/25, $421 million (equivalent to 8 per cent of the budget) was not received. While this shortfall may appear modest in isolation, the cumulative impact over the past five years amounts to an estimated $2.0 billion in funds not received by peacekeeping operations.

(ii) Variation in financial impact across peacekeeping missions

184. The level of receivables from assessed contributions varies significantly across missions and Member States, with five missions accounting for nearly 80 per cent of total receivables, placing some of them in particularly critical financial positions.

Table II.7
Detail of net unpaid contributions by mission as of June 2025
(Thousands of United States dollars)

	Unpaid contributions	*Appropriation*	*Unpaid contributions vs. actual expenditure (percentage)*
UNMIK	36 404	43 685	83
MINURSO	50 098	68 791	73
UNSOA/UNSOS	194 449	499 765	39
UNDOF	20 154	68 744	29
UNFICYP	16 440	56 436	29
MONUSCO	235 907	907 984	26
UNMISS	306 259	1 237 887	25
UNISFA	72 302	297 776	24
UNIFIL	112 725	536 808	21
MINUSCA	239 986	1 171 620	20

Source: Board of Auditors and United Nations Secretariat.

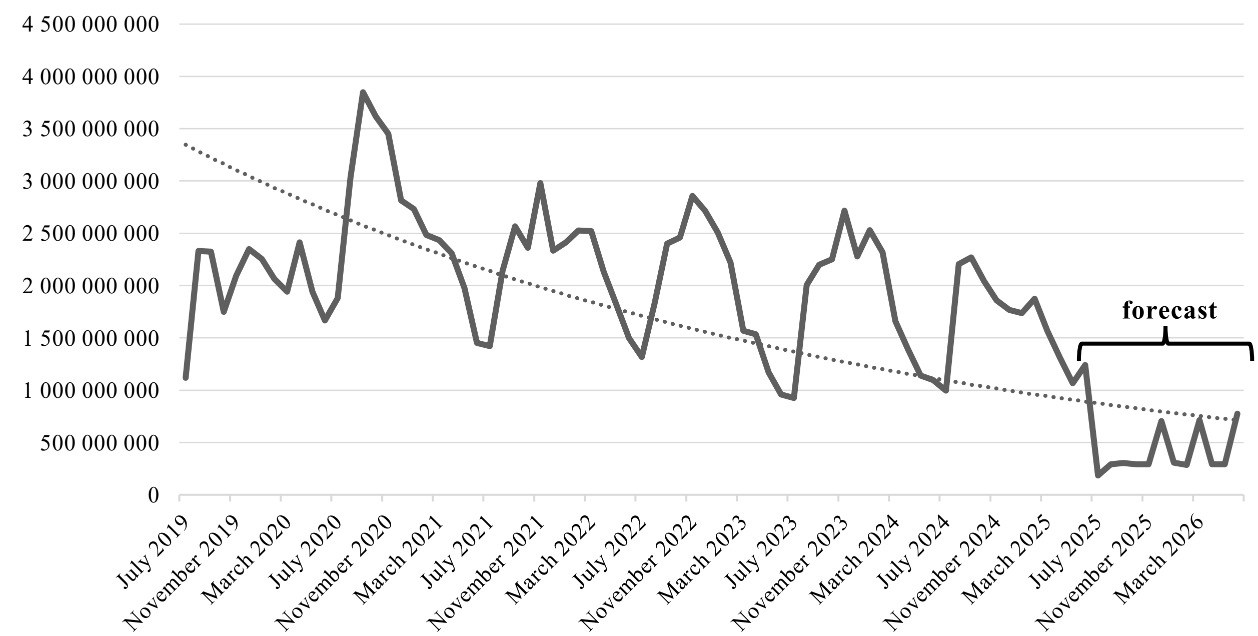
185. At the June 2025 closing of 2024/25, 75 per cent of the outstanding arrears were attributable to a single contributor.

(iii) Liquidity shortages affect the financial position of peacekeeping operations directly

186. Over the past five financial periods, working capital[15] decreased by 60 per cent. If this trajectory continues, working capital would fall to the equivalent of just 15 days of operations at the 2026/27 closing. For 2024/25, year-end working capital stood at $366.5 million, representing 24 days of operation. However, one major contributor made payments of $308.3 million on 20 June 2025 and $330.9 million on 26 June 2025.

187. A review of available cash levels since 2019, along with projections for 2025/26, indicates a downward trend in liquidity levels. Given that the timing and amount of payments by some of the largest contributors vary, 2025/26 could potentially be marked by a further deterioration in the liquidity situation.

Figure II.IV
Cash evolution from 2019 to 2025 (actual) and for 2025/26 (forecast)
(United States dollars)



Source: Board of Auditors and United Nations Secretariat.

188. According to the Secretariat's forecasts, without a cost-reduction strategy or payment of arrears, peacekeeping operations would run out of cash by April 2026.[16] The Secretariat estimated that the only scenario in which peacekeeping operations could avoid a cash shortfall during 2025/26 was through the implementation of contingency measures, involving cost reductions of 15 to 25 per cent compared with the approved budget levels. Consequently, the approved budgets will not be implemented in full.

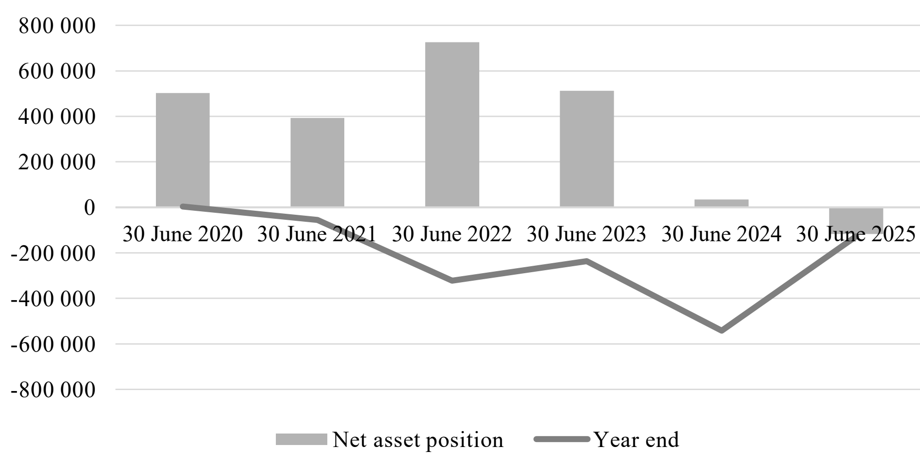
[15] Working capital is the difference between short-term assets and short-term liabilities. It indicates an entity's ability to meet its short-term obligations.
[16] According to a briefing made by the Controller to the Fifth Committee on 9 October 2025.

189. An analysis of the financial performance and net position over the past six financial periods shows that the last positive result recorded for peacekeeping operations dates to 2020. For 2024/25, the net asset position of active missions remained positive, amounting to $1,340.8 million. The overall negative net position is driven primarily by closed missions (-$242.0 million) and support activities (-$1,216.5 million, of which unfunded end-of-service liabilities were the main contributing factor). It is worth noting, however, that support activities are funded mostly through an annual transfer from active missions, which amounted to $483.3 million in 2024/25.

Figure II.V

Financial result and net asset position evolution over the past six financial periods

(Millions of United States dollars)



Source: Board of Auditors and volume II financial statements.

Return of a credits mechanism amid arrears can create financial imbalances and undermine liquidity sustainability

190. The principle of credit returns to Member States is set in financial regulation 5.4: "At the end of the twelve-month period provided in regulation 5.3 above, the then remaining balance of any appropriations retained will be surrendered". Any unliquidated obligations of the financial period in question shall, at that time, be cancelled or, where the obligation remains a valid charge, transferred as an obligation against current appropriations. The precise credit returns mechanism for peacekeeping operations is defined every year in the resolutions adopted by the General Assembly relating to the financing of the missions. It operates by offsetting unspent funds against Member States' arrears first, followed by future assessments of Member States.

191. These credit returns comprise unspent budget appropriations, refunds on prior-year expenditure, savings on prior-period obligations, non-spendable revenue and interest income.

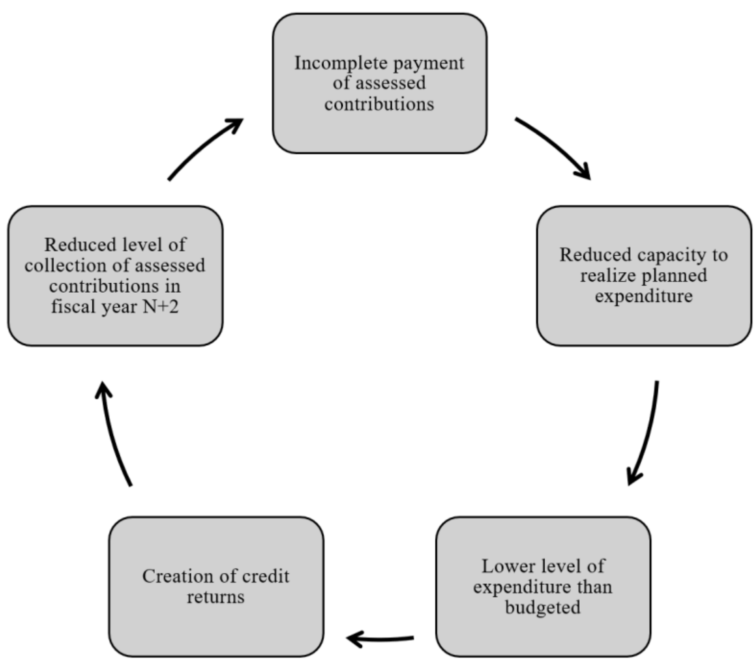
192. This mechanism works smoothly when assessed contributions are paid in full and on time.

193. When assessed contributions are not received in full or on time, peacekeeping operations do not have sufficient cash to implement the approved budgets. Consequently, underexecution linked to non-payment of contributions can occur and, in compliance with financial regulation 5.4, the amount of underspent appropriations is returned as a credit to Member States, based on the applicable scale of assessment

for that year. The amounts returned are applied across all Member States and allocated for each of them to settle the oldest outstanding contributions first, in the financial year N+2.[17] Therefore, the current mechanism results in reductions in arrears from non-paying Member States. Moreover, Member States receive the credit even if they did not contribute their share of the assessment and even if the Organization has not collected the cash relating to the unspent funds.

194. The mechanism also reduces the amounts billed to Member States in other ways. The value of the credit returns applied is deducted from the assessed contributions of year N+2 (except for Member States that have arrears, for which the value of the credit returns is first deducted from these arrears and then from the assessed contribution). Consequently, this deduction reduces the amounts that Member States are required to pay, even if the budget itself remains unchanged. As a result of lower cash inflows, expenditure must be reduced accordingly, which, in turn, widens the gap between the approved budget and the actual level of spending. If the budgeted expenditure were implemented in full, the insufficiency of cash would prevent peacekeeping operations from honouring their financial obligations, such as payments to vendors or staff, potentially leading to defaults. Therefore, in practice, expenditure must be curtailed to remain within the limits of available cash. This increased gap implies a larger unspent against the approved budget, which contributes to a larger credit, which will reduce the cash inflows in future periods (N+2).

Figure II.VI
Credit returns mechanism in the event of incomplete payments



Source: Board of Auditors.

195. Furthermore, because credit returns are calculated on the basis of the approved budget rather than actual cash received, peacekeeping operations have the choice either to reimburse Member States with funds that they have not collected or to spend more than they receive. Over the past five financial periods, cash contributions have

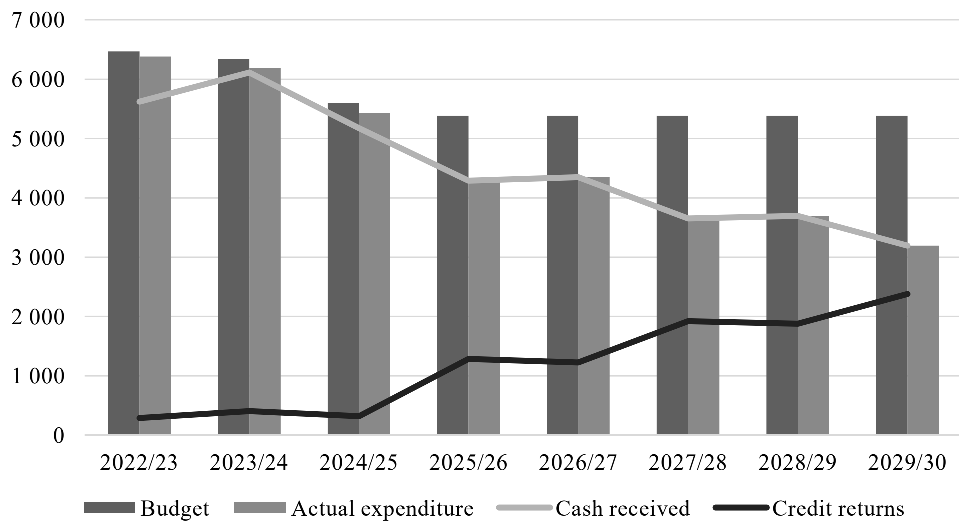
[17] This process is currently contained in each peacekeeping operation's financing resolution, applying the same principle established in financial regulation 3.2 (d) for the regular budget.

averaged 6.3 per cent below the approved budget, while expenditure has exceeded cash receipts by an average of 4.7 per cent annually. This structural imbalance has resulted in a cumulative shortfall of $1.3 billion over the past five financial periods, which has contributed directly to successive negative financial results and a steady depletion of working capital.

196. Assuming that the current 6.3 per cent non-payment trend continues, and on the basis of the figures of the 2024/25 budget, contributions received in 2029/30 are projected to represent only 80 per cent of the amount received in 2024/25.

197. In the event of a 15 per cent non-payment rate, the financial consequences would become rapidly unsustainable, with only 60 per cent of the budget expected to be received as contributions in 2029/30.

Figure II.VII
Cash and expenditure forecast until 2029/30 in the event of the non-payment of 15 per cent of contributions
(Millions of United States dollars)



Source: Board of Auditors, based on Field Operations Finance Division data.

198. Several Member States have large arrears. For those Member States, credit returns are deducted from their arrears. One consequence of this system is that they are not encouraged to pay their full assessed contributions on time. The negative cycle associated with the credit returns system should be addressed in order to allow for a stabilization of the level of resources received, even in the event of a 15 per cent reduction in contributions.

199. **The Board recommends that the Secretariat propose options to Member States to better address the impact of the non-payment of contributions.**

200. The Administration accepted the recommendation.

(b) Headquarters used several flexibility mechanisms allowed by the General Assembly to manage cash shortages, but stop-gap liquidity solutions are becoming increasingly unsustainable

(i) *From an operational management perspective, phased allotments and delegated budget flexibility support liquidity control*

201. One of the first measures used by the Secretariat to monitor the use of available cash was to stagger the allocation of funds to missions in order to spread out missions' spending.

202. The allotment cycle has changed in recent financial years. Until 2022/23, 20 per cent of the proposed budgets was allotted by the Controller to missions in June, ahead of schedule, pending approval of the budgets by the General Assembly, with the remaining 80 per cent allocated at the beginning of the cycle.

203. The Secretariat began to issue allotments by instalments in the 2023/24 cycle, in three phases for groups II and III (75 per cent in July, 15 per cent in February and 10 per cent in April). In 2024/25, for the first time, only 90 per cent of the group III allotment was released.

Table II.8
Allotment scheme for 2023/24 and 2024/25
(Percentage)

	2023/24			*2024/25*		
	July	*February*	*April*	*July*	*February*	*April*
Group I: Military and police personnel	100	–	–	100	–	–
Group II: Civilian personnel	75	15	10	75	15	10
Group III: Operational costs	75	15	10	75	15[a]	–

Source: Board of Auditors and United Nations Secretariat.
[a] Except UNDOF, UNSOS and MONUSCO.

204. Group I expenditure related to uniformed personnel continued to receive a full allocation at the beginning of the cycle, including during the past two fiscal years. For groups II and III, after the initial allocation of funds, the issuance of further allotments was reassessed during the budget period, subject to the liquidity situation and the planning and monitoring of the cash outflow forecasts by missions.

205. In the Controller's memorandum dated 11 March 2025 on managing liquidity for the peacekeeping budget for 2024/25, it was stated that, for the third year in a row, there would not be enough cash at the end of 2024/25 to pay for both troops and for contingent-owned equipment. All entities were required to provide monthly projections of their critical requirements for the remainder of the year and reassess their cash outflows.

206. As shown by the comparison between expenditure and budget, groups I and II were minimally affected by liquidity constraints in 2024/25. The allocation of funds for those groups, which consist mainly of personnel expenditure, made it possible to pay troops and civilian personnel to carry out their mandated activities.

207. Heads of peacekeeping operations are authorized to reallocate expenditure between categories within the same group and across expenditure groups in order to address gaps between budgetary assumptions and actual requirements. This delegation of authority is part of the budgetary process, with heads of entities designated to prioritize expenditure in line with the objectives set at the beginning

and during the budgetary period. This delegation has allowed for a degree of adaptability and responsiveness, mainly by using the flexibility of operational expenses (group III). Given that groups I and II are used to pay troops, police and civilian staff, peacekeeping operations funds are effectively transferred from group III to these groups in case of shortfalls.

208. For example, on 27 June 2025 the Office of Programme Planning, Finance and Budget/Field Operations Finance Division advised, with respect to the final allotment, that, because full allotments for group I had been issued, a portion of the allotment from group III had to be redeployed to support remaining group I requirements.

(ii) Increased vigilance over cash monitoring

209. The severity of the liquidity situation has led the Field Operations Finance Division to monitor closely the cash situation in centralized management and to develop a range of cash flow tools and reports. Finance and budget units in the missions and the Division collaborated closely to maintain vigilance over cash flows.

210. Field missions submit cash needs through quarterly forecasts to the Field Operations Finance Division on the basis of operational needs and procurement and supply forecasts. The Division monitors the cash flows at the strategic level closely by:

(a) Performing real-time liquidity oversight and cash reports through Umoja Analytics, in which global reports on daily cash position for each mission are monitored, including all cash-out and cash-in movements. This allows the Secretariat to adapt the cash flows to missions, depending on the level of cash availability;

(b) Monitoring the collection of assessed contributions, modelling disbursement timelines against mission expenditure (planning troop reimbursement and delaying contingent-owned equipment reimbursement) and maintaining the operating reserve closely;

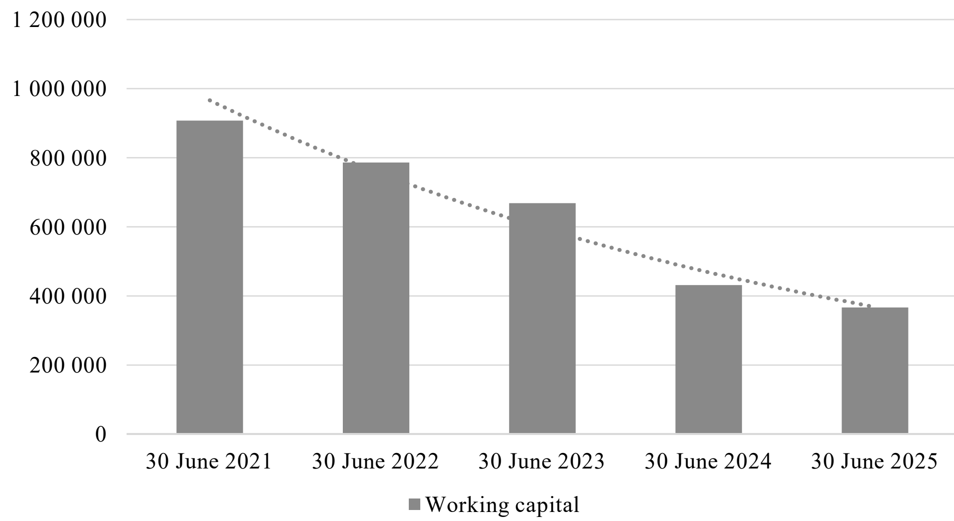
(c) Maintaining comprehensive management of cross-borrowing and allotment processes.

211. This centralized approach and related tools were critical to adjust and manage the cash shortages properly, although they created low predictability at the mission level. While the delays in receiving cash forced the missions to defer or scale back critical activities, those decisions had a limited impact on mandate implementation overall.

(iii) Progressive erosion of working capital is a key indicator of liquidity stress

212. Peacekeeping operations also rely on their working capital (short-term assets minus short-term liabilities) to meet liquidity requirements. Figure II.VIII shows a consistent deterioration in working capital over the past five financial periods at year end.

Figure II.VIII
Evolution of working capital over the past five financial years
(United States dollars)



Source: Board of Auditors and volume II, financial statements.

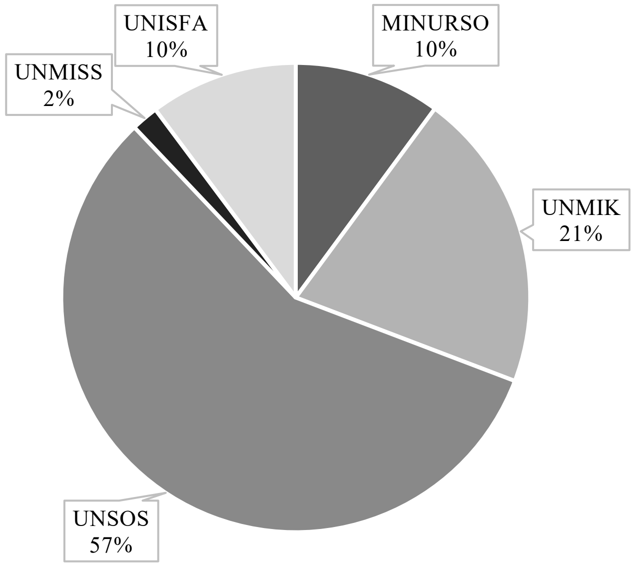
213. The level of working capital – measuring the extent to which current liabilities are covered by current assets – is particularly significant to assess the liquidity situation. The Administration stated that it shared liquidity indicators with Member States through the Umoja budget information pilot, including the level of current assets and current liabilities. However, the Board is of the view that this important indicator, which is also present in the financial statements, should be more easily accessible to Member States and therefore should be included in the regular briefings by the Secretariat on the financial situation of the Organization.

(iv) Inter-mission loans are a flexible but increasingly constrained liquidity management tool

214. In response to liquidity constraints, peacekeeping operations have relied on inter-mission borrowing. The Office of Programme Planning, Finance and Budget and the Field Operations Finance Division monitor available cash levels daily and determine which missions can act as lenders or borrowers. If a lending mission subsequently faces financial pressure, loan reallocations may be made, in particular around quarter-end periods, which are often critical in the light of troop payments. The absence of repayment deadlines provides flexibility to adjust reimbursements on the basis of the payment of Member States' contributions.

215. A review of inter-mission loans as at 30 June 2025 shows that five missions accounted for the majority of borrowing during 2024/25, with UNSOS alone representing 57 per cent of the total.

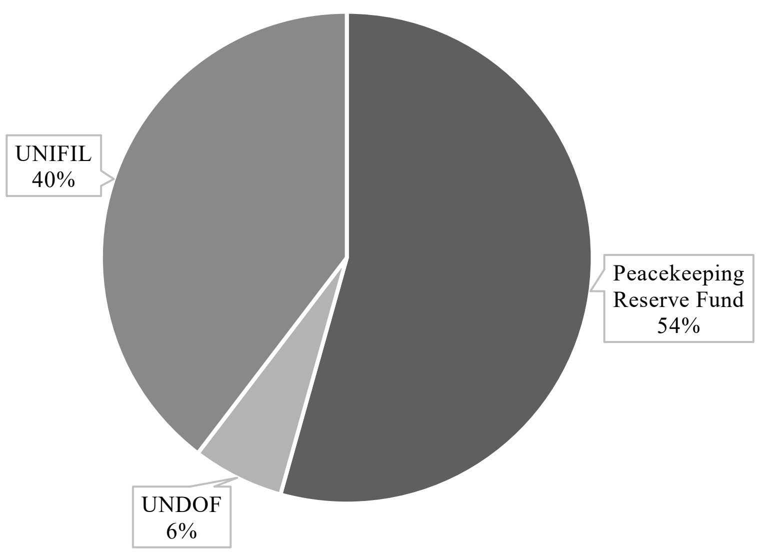
Figure II.IX
Details of borrowing by active missions as at 30 June 2025



Source: Board of Auditors and United Nations Secretariat.

216. Since the closure of MINUSMA, the Peacekeeping Reserve Fund and UNIFIL have become the main sources of funding for inter-mission loans.

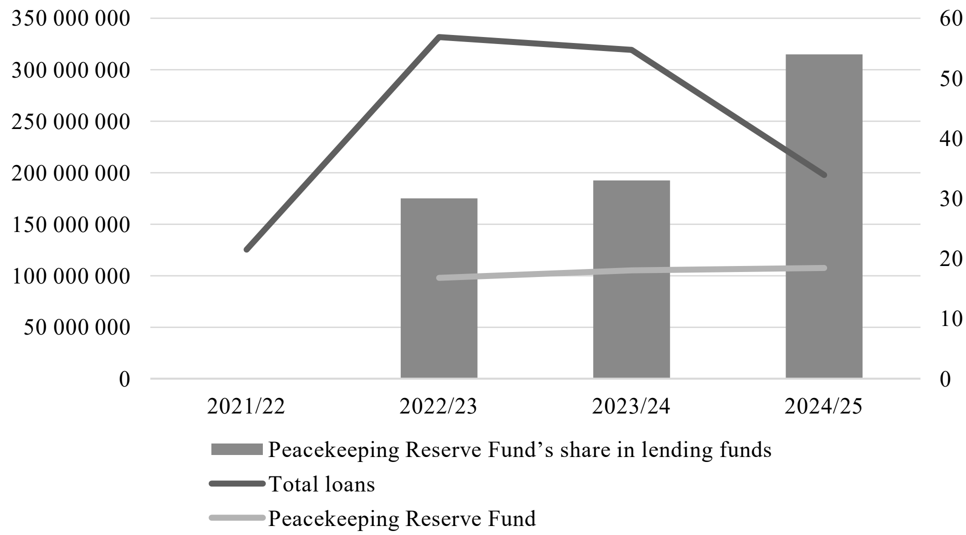
Figure II.X
Details of lending by missions as at 30 June 2025



Source: Board of Auditors, United Nations Secretariat.

217. The proportion of total lending funds covered by the Peacekeeping Reserve Fund has increased since 2022/23, reaching 54 per cent in 2024/25. This trend reflects the declining availability of cash from lending missions. In particular, the closure of MINUSMA in the 2023/24 financial period led to a significant reduction in loan volumes, given that the Mission had accounted for 58 per cent of inter-mission borrowing as of June 2022.

Figure II.XI
Evolution of inter-mission loans and the share represented by the Peacekeeping Reserve Fund since 2021
(United States dollars/percentage)



Source: Board of Auditors and United Nations Secretariat.

218. The Peacekeeping Reserve Fund amounts to $150 million, but the amount authorized for loans to missions is capped at $110 million, of which 98 per cent had been utilized as at 30 June 2025. The remaining $40 million is dedicated to supporting the deployment of new missions and the expansion of existing ones, in accordance with General Assembly resolution 76/272.

219. In line with that resolution, which endorsed the use of the Peacekeeping Reserve Fund as the first option for borrowing to ensure liquidity for active peacekeeping missions, the Secretariat could consider making the entire Fund available to all new and active peacekeeping missions, without a fixed distribution rate, to help to address current liquidity constraints while maintaining the capacity to support the deployment of new missions.

(c) From a strategic financing perspective, new solutions could be considered in response to the liquidity situation

220. The United Nations main cash pool involves the consolidation of funds with those of other Secretariat entities, which are invested jointly to generate annual interest income. As at 30 June 2025, the total Secretariat main cash pool amounted to $12,075.1 million. It is composed of 514 funds, including 55 relating to peacekeeping operations as reported in volume II. Funds related to closed missions are also pooled and invested. Active missions account for $783 million, with the largest shares held by MONUSCO ($105.2 million), MINUSCA ($154.3 million) and UNIFIL ($127.4 million). Participation in the cash pool implies the sharing of the risk and returns on investment with the other participants. The investment management team works closely and daily with the cash monitoring and liquidity forecasting teams in order to liquidate investments, as needed, to meet operational requirements.

221. For peacekeeping operations, interest income for 2024/25 amounted to $78.5 million. While the average interest rate of 4.63 per cent reflects a slight decline compared with the rate observed in the previous year (4.65 per cent), it remains high. The Secretary-General, in his 2021 report on improving the financial situation of the

United Nations, requested the General Assembly to authorize retaining the interest income generated by the cash pool (A/76/429, para. 104 (f)).

222. The Secretary-General, in his 2019 report on improving the financial situation of the United Nations, requested the General Assembly to the create a Peacekeeping Working Capital Fund (A/73/809, para. 103 (h)). More broadly, an analysis of monthly cash positions for peacekeeping operations revealed that the most vulnerable period spanned from March to July. This contrasts, albeit less so than in previous years, with the cash cycle of United Nations entities as reported in volume I. In this context, the possibility of granting peacekeeping operations access to the Fund of volume I could be explored, given that the Fund tends to maintain relatively higher liquidity levels during the periods when peacekeeping operations experience their most acute cash constraints.

223. Lastly, in the light of the persistent liquidity constraints affecting peacekeeping missions, alternative mechanisms to stabilize cash flows could be explored. One option would be the creation of a pooled fund for voluntary contributions, modelled on the Special Account's framework used for United Nations operations as reported in volume I. This pooled fund would consolidate voluntary contributions, which would not be earmarked, or only broadly so.

224. The Board noted that, to mitigate the liquidity challenges, the Administration had made some proposals to the General Assembly and would like to encourage the Administration to, in particular, further examine the advantages and disadvantages of retaining the interest income generated by the cash pool, granting peacekeeping operations access to the Working Capital Fund and creating a pooled fund for voluntary contributions, in order to help to mitigate liquidity pressures, with the understanding that any decision would require approval by the Assembly.

5.2. Impact of cash on non-financial resources

Human resources management within liquidity constraints

225. During 2024/25, the total number of active staff decreased by 7.2 per cent, representing a net reduction of 772 personnel.

226. Notwithstanding the decision to implement hiring restrictions taken in March 2025, only 111 personnel (equivalent to 14 per cent of the total reduction for the full fiscal year) were reduced during the second half of 2024/25. This limited impact is explained by several factors:

(a) The impact of the MINUSMA personnel reduction, which occurred during the first half of 2024/25;

(b) A parallel decrease in the number of personnel both leaving and arriving during the second half of 2024/25, with 173 separations and 44 onboarded, accounting for only 13 per cent and 10 per cent, respectively, of the fiscal year's totals;

(c) A minimum lead time of 30 to 60 days between recruitment decisions and onboarding, delaying the full effect of the hiring restrictions;

(d) A total of 18 personnel movements recorded under "other reasons".

227. Consequently, the hiring freeze did not materially accelerate staff reductions during the last quarter of 2024/25. On the contrary, the pace of reduction slowed to 1.1 per cent during that quarter.

228. Given the delayed impact of the hiring restrictions, the Board examined the numbers during the first quarter of 2025/26. During that period, the total number of active staff decreased by 2.5 per cent, just beginning to reflect the impact of the

recruitment freeze. That reduction was driven primarily by a sharp decline in onboarding, although this was mitigated by a lower annualized number of separations compared with 2024/25 (259 separations in the first quarter of 2025/26, compared with 1,358 separations for 2024/25, equivalent, on average, to 340 separations per quarter) (see also table II.9).

Table II.9
Active, separating and onboarding staff

Period	Support account-funded positions not located in peacekeeping missions: International	Support account-funded positions not located in peacekeeping missions: Locally recruited	Support account-funded positions not located in peacekeeping missions: Total	Positions located in peacekeeping missions: International	Positions located in peacekeeping missions: Locally recruited	Positions located in peacekeeping missions: Total	Total during the period: International	Total during the period: Locally recruited	Total, international and locally recruited
Active staff as at 30 June 2024	942	357	1 299	3 748	5 704	9 452	4 690	6 061	10 751
Onboarded between 1 July 2024 and 31 March 2025	41	26	67	219	130	349	260	156	416
Separated between 1 July 2024 and 31 March 2025	(111)	(51)	(162)	(459)	(564)	(1 023)	(570)	(615)	(1 185)
Active staff, plus those onboarded, minus those separated	872	332	1 204	3 508	5 270	8 778	4 380	5 602	9 982
Staff removed for other reasons	(3)	(2)	(5)	56	57	113	53	55	108
Active staff as at 31 March 2025	869	330	1 199	3 564	5 327	8 891	4 433	5 657	10 090
Onboarded between 1 April and 30 June 2025	8	2	10	21	13	34	29	15	44
Separated between 1 April 2025 and 30 June 2025	(18)	(6)	(24)	(96)	(53)	(149)	(114)	(59)	(173)
Active staff, plus those onboarded, minus those separated	859	326	1 185	3 489	5 287	8 776	4 348	5 613	9 961
Staff removed for other reasons	(1)	(2)	(3)	15	6	21	14	4	18
Active staff as at 30 June 2025	858	324	1 182	3 504	5 293	8 797	4 362	5 617	9 979
Onboarded between 1 July and 30 September 2025	4	–	4	3	–	3	7	–	7
Separated between 1 July and 30 September 2025	(35)	2	33	106	109	215	71	111	182
Active staff, plus those onboarded, minus those separated	827	326	1 153	3 613	5 402	9 015	4 440	5 728	10 168
Staff removed for other reasons	53	28	81	(279)	(243)	(522)	(226)	(215)	(441)
Active staff as at 30 September 2025	**880**	**354**	**1 234**	**3 334**	**5 159**	**8 493**	**4 214**	**5 513**	**9 727**

Source: Department of Management Strategy, Policy and Compliance and Office of Human Resources.
Note: The term “other reasons” includes temporary movements and changes in staff status that are not included in the composition report, such as reassignments, special leave without pay (grant/return), secondment (outgoing), temporary assignment (start/return/change/extension), renewal/extension of appointment, maintenance of post incumbency and processing of special post allowances.

229. The Board observed that, during 2024/25, the percentage of international staff increased very slightly, from 43.6 per cent as at 30 June 2024 to 43.7 per cent as at 30 June 2025, and that, as shown in table II.10, the staff at the P-4 to Assistant Secretary-General levels decreased by 5.2 per cent between 31 July 2024 and 30 June 2025, while the total number of staff was reduced by 7.2 per cent. Consequently, the percentage of staff at the P-4 to Assistant Secretary-General levels within the overall population increased slightly.

Table II.10
Peacekeeping operations personnel at the P-4 to Assistant Secretary-General levels

Date	*Assistant Secretary-General*	*D-1*	*D-2*	*P-4*	*P-5*	***Total***
31 July 2024	15	87	33	908	333	**1 376**
31 July 2025	15	84	29	862	314	**1 304**

Source: Department of Management Strategy, Policy and Compliance and Office of Human Resources.

230. The stability of the proportion of international staff within the total staff population, combined with a slightly higher percentage of P-4 to Assistant Secretary-General staff within the overall population, has not contributed to achieving the cost reduction objective. This observation, covering both nationalization of posts and organizational structure, illustrates the additional constraints placed on human resources management by the hiring restrictions and personnel reductions.

231. These constraints, linked to the hiring restrictions, were compounded by reduced internal mobility and by a limited ability to recruit profiles aligned with peacekeeping human resources policies (nationalization, grading structure, location, expertise and seniority). Furthermore, the absence of dedicated mechanisms made separation management more difficult, further limiting the Organization's flexibility under the hiring restrictions.

232. A number of toolkits are available to support missions in managing their own personnel, including a nationalization guide, a staffing review toolkit, mission workforce profiles, post classification reviews, strategic workforce planning and operational workforce planning. However, regarding human resources management, while Headquarters develops policies and strategies and plays a supporting, enabling and advisory role, it does not retain hierarchical authority over a mission. This governance model does not maximize the potential benefits of developing cross-cutting initiatives that could enhance coherence and efficiency across missions and Headquarters functions, when such initiatives may be necessary, given the constraints imposed by the liquidity situation on human resources policies.

233. This issue was raised in 2023 by the Advisory Committee on Administrative and Budgetary Questions: "While noting the delegated authorities to heads of entities, the Advisory Committee, once again, sees merit in enhancing and consolidating workforce planning management tools at the Headquarters level, based on clear, transparent and verifiable methodology" (A/78/7, para. 84).

234. The Office of Human Resources stated that it was considering the development of a systematic approach to organizational adaptability for streamlining functions and structures, including peacekeeping operations. This strategic approach would support the Organization's ability to respond to funding constraints, changing operational contexts and evolving mandates by establishing guidance to align structures and roles, as needed. The Board considers that the implementation of such an approach would strengthen the Organization's capacity to manage liquidity constraints and mitigate their adverse effects on the workforce.

235. **The Board recommends that the Secretariat accelerate the development and implementation of a strategic organizational adaptability approach across the Secretariat, along the lines called for by the Advisory Committee on Administrative and Budgetary Questions (A/78/7, para. 84), in order to enhance the management of liquidity constraints and mitigate their negative impact on**

the workforce, while relying on the existing human resources planning tools and policies.

236. The Administration accepted the recommendation, subject to the availability of resources.

Procurement

237. The establishment of contracts depends on the availability of funds, except for system contracts. During 2024/25, the process was constrained by the overall liquidity situation. Consequently, the cumulative value of net invoiced purchase orders for the Secretariat decreased from more than $3 billion during the first two quarters to below $0.9 billion during the last two quarters.

238. These fluctuations notwithstanding, which affected peacekeeping operations and other entities, the settlement rate of suppliers' accounts at year end remained satisfactory. Of the potential $3 million in prompt payment gains (early-payment discounts), approximately $2.8 million was realized. This confirms that missions complied strictly with the instructions issued by the Field Operations Finance Division, reiterated in each allotment advice: "Defaults in payments can have both operational and reputational impacts; therefore, careful assessment of your cash situation should be conducted before incurring legal obligations".

239. No increase in legal claims related to late payments was observed during 2024/25, which demonstrates the effective liquidity management vis-à-vis suppliers.

240. In the absence of contingency plans during 2024/25, cost savings on procurement and the postponement of purchase orders were driven primarily by cash availability and missions' individual prioritizations. Consequently, central procurement operated largely in an adaptive mode and was not positioned to leverage cross-mission or Organization-wide efficiencies, notwithstanding holding the expertise needed for a more strategic role.

241. Ambitious and well-structured programmes, such as category management, are under deployment. Other initiatives, including those related to medical support, aviation rationalization, solarization and synchronization of generator procurements, have either not been launched or have not achieved their full potential.

242. While the main purpose of the management reform is to decentralize decision-making authority, it does not preclude a stronger and more strategic role for central procurement. The Board is of the view that the principle of delegation of authority is compatible with a strengthened role for the central procurement and logistics functions. Strengthening these functions would foster a more informed and continuous dialogue between missions and central teams, thereby supporting the Controller's responsibilities for budgetary and cash management.

243. **The Board recommends that the Secretariat, while respecting the delegated authorities of each entity, reinforce and expand central procurement initiatives by leveraging the expertise and holistic perspectives of central procurement to maximize efficiency and impact across missions.**

244. The Secretariat accepted the recommendation.

Redeployment across groups I, II and III

245. For each mission, the Secretary-General submits to the General Assembly a budget for the upcoming fiscal year in a standard format. The objective of this budgetary process is to achieve, within the approved budget, the most optimized

distribution between personnel resources (groups I and II) and the various means that enable them to operate effectively (group III, which covers operational costs).

246. Such an initially optimized balance is expected to retain a certain degree of flexibility. The Secretary-General has the authority to redeploy funds between expenditure groups and has subdelegated the authority to heads of entity to redeploy resources. For peacekeeping missions, this is further explained in an inter-office guidance memorandum issued in 2021 by the Department of Management Strategy, Policy and Compliance: “Missions are delegated authority to redeploy resources across expenditure Groups (I, II and III), within the overall amount for the maintenance of the mission, to meet unforeseen requirements (changes in the mandate or urgent and newly arising operational circumstances that significantly affect mandate implementation)”. The rationale for such redeployments should derive from changing operational circumstances, not from budget shortfalls in a given expenditure group or foreseeable additional needs in a specific group.

247. During 2024/25, significant redeployments were made from group III to groups I and II. The redeployments were driven mainly by liquidity constraints, rather than new operational circumstances affecting mandate implementation. The Controller’s memorandum dated 11 March 2025 highlighted the liquidity constraints affecting groups I and II, which were combined with the overarching objective of containing total expenditure. All missions overspent (expenditure versus allotments) in groups I and II combined, while all missions underspent in group III, with variances ranging from -7.7 per cent for UNFICYP to -18.7 per cent for UNIFIL (see table II.11).

Table II.11
Groups I, II, and III expenditure versus Appropriation, 2024/25
(Percentage)

	Group I	*Group II*	*Group III*	*Total*
MINUSCA	(2.2)	6.0	(8.6)	(2.2)
MONUSCO	(2.5)	13.2	(14.4)	(1.6)
UNMISS	1.4	(3.5)	(10.0)	(3.1)
UNDOF	(1.3)	6.3	(11.4)	(1.3)
UNISFA	11.5	(2.0)	(11.6)	(0.3)
UNIFIL	(4.2)	6.2	(18.7)	(3.0)
MINURSO	12.1	(0.7)	(13.3)	(5.9)
UNMIK	9.0	3.9	(16.4)	(0.1)
UNSOS	5.5	8.3	(9.3)	(2.7)
Regional Service Centre in Entebbe, Uganda	–	3.8	(17.2)	(1.2)
United Nations Logistics Base at Brindisi, Italy	–	2.4	(10.4)	(2.9)
UNFICYP	(2.4)	3.4	(7.7)	(2.1)

Source: Board of Auditors and budget performance results for 2024/25.

248. The Board notes that other factors created additional needs for groups I and II and put pressure on group III. During 2024/25, groups I and II faced unbudgeted cost increases, reflecting, in some cases, currency exchange fluctuations, changes in mission subsistence allowance rates and unbudgeted local salary increases, affecting group II in particular. The unbudgeted local salary adjustments are sometimes retroactive, arising from the human resources review processes, which have a significant impact on approved budgets.

249. The Board notes that some of those additional costs were foreseeable, in whole or in part. The Secretariat could better anticipate the actual expenditure of groups I and II.

250. Group III was therefore stretched heavily to meet the various needs from groups I and II, which are linked both to structural issues and to the specific cash flow situation during 2024/25.

251. This situation has resulted in the following:

(a) A significant deviation across the three groups, as initially presented by the Secretary-General to the General Assembly, for reasons that do not constitute unforeseen requirements (changes in the mandate or urgent and newly arising operational circumstances that significantly affect mandate implementation);

(b) A change in the budget allocation among the three groups compared with budget proposals, which were designed to reflect the interdependence between personnel and operational expenditure, enabling them to fulfil mission mandates effectively. Any substantial deviation from these proposals, not driven by new operational requirements, negatively affects the overall efficiency and effectiveness of missions.

252. Although capacity to reallocate funds between groups is granted to the heads of missions by the principle of delegation of authority, the Board is of the view that any substantial deviation from the initial cost distribution among groups I, II and III should be avoided, unless caused primarily by new mission requirements, changes in operational context or lower available resources. This calls, in particular, for the United Nations to better anticipate, as much as possible, the additional financial constraints that will materialize in the course of the financial year and to ensure that the objective of ensuring budget execution remains consistent, in terms of overall distribution between the three cost groups, with the initial estimates presented by the Secretary-General to the General Assembly.

5.3. Impact on the implementation of mandates

253. During 2024/25, the impact of the liquidity situation globally had a limited overall effect on the implementation of mandates. However, the consequences of the liquidity situation varied, depending on the expenditure group and on the mission, given their available cash reserves.

Liquidity situation amplifies a need to prioritize activities

254. The allotment scheme has evolved over the past two fiscal years, with partial and progressive allotments. This situation led missions to monitor the implementation of activities in close alignment with available funds and to prioritize, delay or cancel activities, when necessary. In the specific context of 2024/25, the need to prioritize tasks was reinforced in the spring of 2025 through a memorandum issued by the Controller. It resulted in the postponement, reduction or, in rarer cases, cancellation of some activities.

255. At the mission level, the resource stewardship executive group is expected to monitor and address these issues. Indeed, in the guidelines of the resource stewardship executive group (ref. 2018.13), last updated in June 2019, the following is stated:

> The resource group is the principal forum by which the head of the peace operation will be able to meet with the senior leadership team throughout the year, review performance (operational and financial) and make decisions on the alignment of major programmatic and operational resourcing priorities. As part of its functions, the resource group will guide the mission's annual budget

preparation process, monitor and oversee the allocation and utilization of mission resources, and oversee efforts to ensure that statutory reporting obligations are met.

256. Although liquidity shortage situations are not mentioned in the guidelines explicitly, the resource stewardship executive group's role in programmatic and operational prioritization makes it a crucial committee during these specific periods. It provides a governance framework that promotes accountability and resource efficiency.

257. The Board notes an uneven use of the resource stewardship executive group by the missions. For example, while the group met regularly and was used as a platform to share information on the liquidity situation at MONUSCO, the group at MINURSO did not convene often enough and was inadequate in terms of meeting frequency. All missions should take better advantage of it to share information across missions on the liquidity situation and to set and discuss priorities in this context.

258. Moreover, the resource stewardship executive group guidelines do not address the specific challenges of liquidity shortages. Composition and meeting frequency do not appear adequate for this kind of situation. It is mentioned in the guidelines that the group should meet at least quarterly and that the meetings should as a minimum include at least one Deputy Special Representative of the Secretary-General, at least one of the Force Commander and Police Commissioner, the Chief of Staff, the Director/Chief of Mission Support and "a representative of the Department of Field Support (or its successor)". Given the technical nature of liquidity management and the timelines involved, it would be helpful to hold more frequent meetings, with the finance and budget sections/units acting as secretariat, with broad participation, including the military and substantive components, in order to better manage the situation at the mission level.

259. The Board considered recommending an update to the guidelines to make them more effective in dealing with liquidity issues. However, the Secretariat did not accept that tentative recommendation, emphasizing that the current structure of the resource stewardship executive group provided in the guidelines remained applicable and that missions simply needed to be reminded to use them. The Secretariat also stated that missions needed the flexibility that the guidelines provided because the structures of the missions were very different and that, therefore, the operating rules could not be very prescriptive.

260. **Therefore, the Board recommends that the Administration require missions to ensure the consistent application of the 2018 guidelines of the resource stewardship executive group (ref. 2018.13), in order to efficiently address liquidity management issues. This should be achieved by holding meetings at the required frequency and including all relevant mission uniformed and substantive components, with the finance and budget section/unit acting as secretariat.**

261. The Administration accepted the recommendation.

Group I expenditure affected by the delayed reimbursement of contingent-owned equipment

262. As in the previous two fiscal years, group I received a full allotment at the beginning of the cycle. The bulk of the reimbursement of military and police components is managed by Headquarters. It pays the troop- and police-contributing countries for military and police personnel costs and for the contingent-owned equipment. Payments are made quarterly for the previous quarter. For example, claims covering the period from October to December are paid in March of the same

fiscal year. The amounts are based on the uniform strength reports and the verification reports sent by the missions.

263. During 2024/25, given the low availability of funds during the cycle, a decision to prioritize within group I was made. To guarantee the implementation of the mandate-related tasks by uniformed personnel, Headquarters ensured that all troop costs for uniformed personnel were paid in full.

264. However, this was not the case for contingent-owned equipment. Only the reimbursement for the first quarter (July to September) was made in line with the usual schedule. Reimbursement for the second quarter (October to December), in a total amount of $14,530,977, was made on time only for MINUSMA and UNSOS. Arrears of $149,432,777 for the other missions were paid with a six-month delay, in September 2025 instead of March 2025, that is, after the closure of the financial period.

265. As at 30 September 2025, the full amount ($332,742,235) for contingent-owned equipment reimbursement for the last two quarters of 2024/25 (January to March and April to June) was withheld, even though it was supposed to be paid, respectively, in June and September.

266. No impact on the implementation of mandates in the field was reported by missions due to the delays in contingent-owned equipment payments.

Uneven impact of liquidity constraints between missions regarding mandate delivery

267. The impact of the liquidity constraints on mandate delivery during 2024/25 was limited globally but varied between missions. Through its field audits, the Board identified three categories of missions in that regard:

(a) The first category included UNIFIL and UNDOF. Those missions were affected by the liquidity constraints to a minimal extent, if at all;

(b) The second category covered MINURSO, UNSOS and UNISFA, which were substantially more affected by the liquidity situation;

(c) The other missions (MONUSCO, UNFICYP, UNMIK, MINUSCA and UNMISS) were affected by the liquidity situation to a lesser extent, often in the form of the postponement of expenditure and projects.

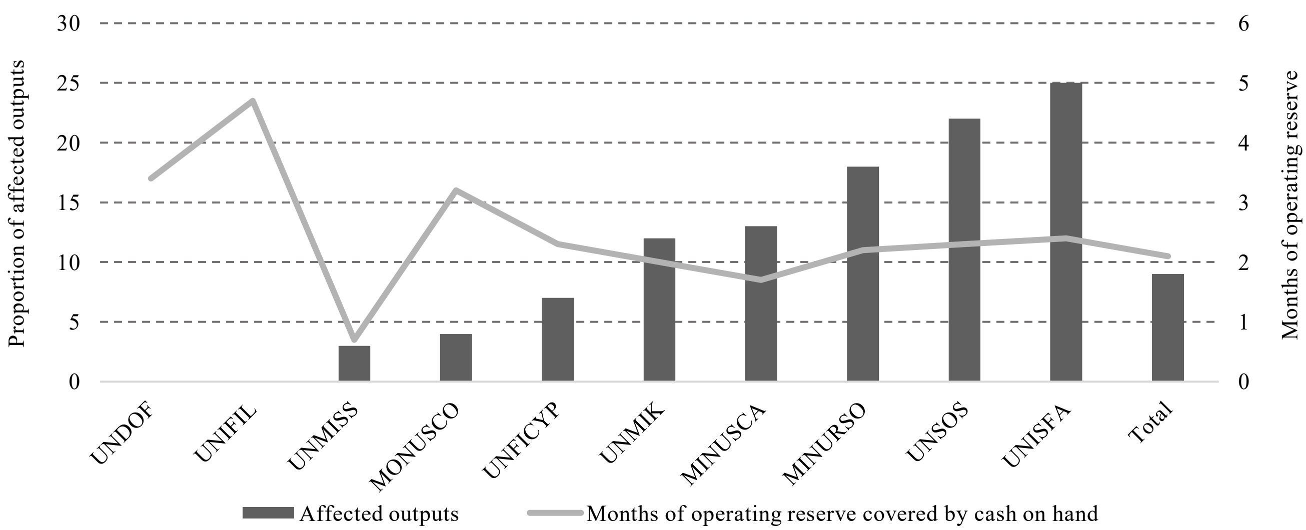
268. UNMISS, which had the most severely degraded cash position at the end of 2024/25, was also severely affected by external factors such as political obstacles, climatic and security conditions, and poor road conditions, which hampered the implementation of some activities and projects. This involuntary underconsumption created financial flexibility. In addition, UNMISS implemented an internal cost-savings plan as early as January 2024, prior to the measures requested by the Controller in 2025, based on a recruitment freeze, travel restrictions and fuel consumption reduction measures. This plan helped to mitigate the impact of the liquidity constraints.

269. There is a link between the cash position at the end of the fiscal year and the impact of the cash crisis on the implementation of mandates (see figure II.XII). UNIFIL and UNDOF, whose operating reserves on 30 June 2025 were above the critical three-month threshold, notwithstanding being lenders in the cash-pooling mechanism, logically did not report any impact of the liquidity situation on their indicators and outputs, as listed in the Umoja strategic management application

module.[18] MONUSCO, the third mission whose operating reserves were just above the critical threshold mentioned above, reported that only 4 per cent of its outputs and 15 per cent of its indicators were affected by the liquidity situation.

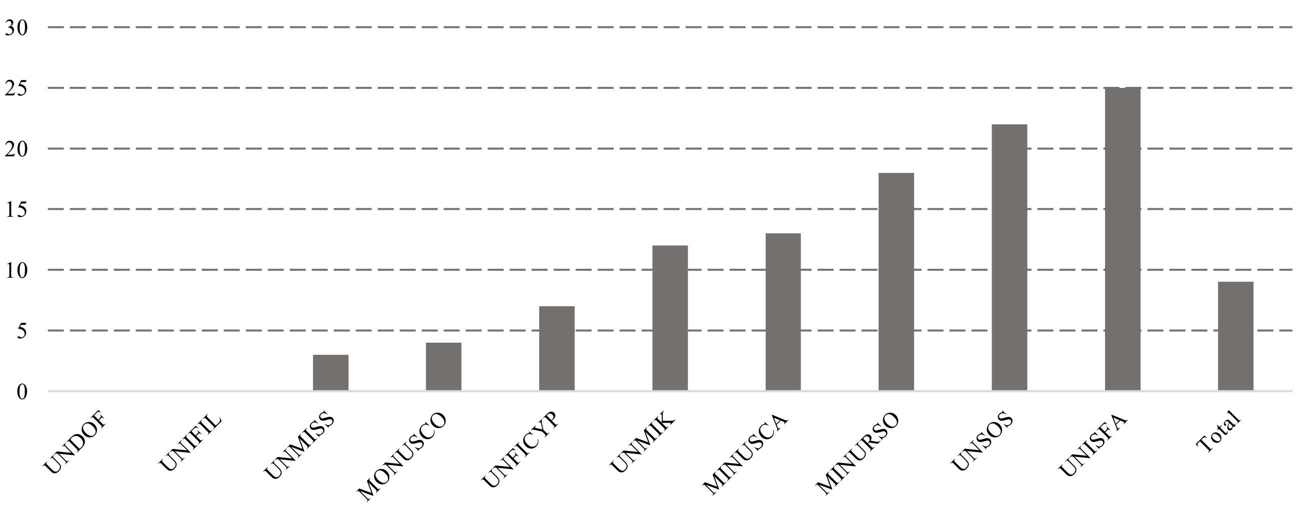
270. Missions with operating reserves representing between 1.7 and 2.4 months on the same date reported that between 7 and 25 per cent of their outputs were affected by the liquidity situation. Approximately one quarter of UNISFA and MINURSO indicators were also reported to have been affected by this crisis (see figure II.XIII).

Figure II.XII
Percentage of mission outputs affected by the liquidity situation and the operating reserve



Source: Board of Auditors, based on data extracted from the Umoja strategic management application module.

Figure II.XIII
Percentage of mission indicators affected by the liquidity situation



Source: Board of Auditors, based on data extracted from the Umoja strategic management application module.

[18] The strategic management application module provides real-time insight into results-based management to facilitate the planning, achievement and monitoring of and reporting on programmatic goals and deliverables.

Activities diversely affected

271. Several expenditure categories within group III illustrate the limited impact of the liquidity constraints on the overall level of expenditure. Across all missions, communications and information technology expenses were almost in line with the budget: they represented 13 per cent of budget and actual expenditure of group III. On the other hand, some categories were reduced but represented a small proportion of group III: expenditure was 11 per cent below budget for consultants, 10 per cent for marine operations, 6 per cent for medical and 7 per cent for official travel, but all these categories represented only 3 per cent of group III expenditure ($156 million). These limited adjustments contrast with the more substantial impact observed on air operations.

272. Air operations, which represented 30 per cent of the group III expenses in the approved budget for 2024/25, were also affected by the liquidity situation affecting mission mobility and access. The budget spent was 16 per cent lower than the appropriations, and this gap resulted in operational consequences. In UNISFA, the percentage of approved flight hours utilized was lower than expected (76 per cent compared with 90 per cent); four fixed-wing aircraft were budgeted but only two were utilized; one fixed-wing aircraft was not replaced; and one aircraft was not utilized owing to budget reduction. However, the decrease in flight hours (by 24 per cent) was due mainly to the conflict in the Sudan, which resulted in the suspension of flights. In UNSOS, the percentage of approved flight hours utilized was lower than expected (71 per cent compared with 90 per cent) due to the non-deployment of five aircraft. Moreover, the provision of planned flight hours from commercial providers for passengers and cargo was reduced by 13 per cent. In both missions, liquidity constraints compounded external factors such as security conditions and airspace restrictions.

273. Some of the missions reported delays in communication from Headquarters regarding the allotment of cash, which were due in part to uncertainty about its availability, which hampered their ability to plan. The uncertainties linked to the liquidity constraints and the perceived lack of communication sometimes exacerbated project delays and cancellations, in addition to the aforementioned recruitment freeze, bearing in mind that postponing some projects could have a significant impact in regions affected by a severe rainy season.

274. When integrated into peacekeeping missions, Mine Action Service programmatic funding comes from missions' budgets. Service programmes in the Central African Republic, the Democratic Republic of the Congo, Somalia and South Sudan were more substantially affected by the liquidity constraints. For MINUSCA, a reduction of $0.78 million brought the financial agreement with UNOPS down to $7.48 million (-9 per cent), which resulted in the cancellation of activities and the termination of some contracts. In UNMISS, the reduction of $2.75 million brought the financial agreement final amount down to $24.56 million (-10 per cent) and resulted in the demobilization of one mechanical clearance team and six emergency response teams, as well as the postponement of the mobilization of the new emergency response contract. In MONUSCO, the reduction of $0.26 million brought the financial agreement final amount down to $4.45 million (-6 per cent) and resulted in a pause on all expenditure or commitments related to small arms and light weapons and weapons and ammunition management activities.

275. In December 2024, the financial agreement for the Mine Action Service in UNSOS was reduced by 15 per cent. The Mine Action Service in Somalia went through a 6 per cent budget reduction, from $37.1 million to $34.9 million, through a decrease in the equipment that was planned to be provided to African Union troops and Somali national security forces. On the other hand, the financial agreement with

the Mine Action Service in MINURSO remained virtually unchanged, and activities were not affected by the liquidity constraints.

276. In 2024/25, UNOPS received authorization from the Controller to advance a portion of funding (to be later reimbursed by the Secretariat) to minimize the impact of the liquidity situation on Mine Action Service operations. However, the Mine Action Service also had to scale back or postpone some of its activities.

277. Lastly, notwithstanding the limited direct impact of the liquidity situation on mandate delivery, the Board noted indirect, unmeasured or difficult-to-measure implications, such as the degradation of relations with the local population or repercussions on the mental health of United Nations staff, as noted during field audits.

Growing gap between mandates, approved budgets and the actual funding

278. The mandates of the active missions during 2024/25 were characterized by an uneven prioritization of tasks. The MONUSCO mandate (see Security Council resolution 2765 (2024)) lists the tasks in order of priority. The MINUSCA mandate (see resolution 2759 (2024)) sets out five priorities. The mandate of UNMISS (see resolution 2779 (2025)) gives priority to the protection of civilians and different tasks but without any precise and comprehensive prioritization.

279. However, over the years, the Security Council has sometimes added tasks to the mandates that had to be implemented “within existing resources”, which is challenging for missions facing cash-liquidity shortages.

280. In a context further marked by the implementation of contingency plans, which will necessarily have an impact on mandate delivery, there is a risk of growing misalignment among mandates, mission plans, mission concepts and the resources available after the implementation of the contingency plans.

5.4. Crisis management

Enterprise risk registers in missions must be updated and completed

281. The most recent version of the Secretariat’s risk register, dated July 2025 and elaborated by the Department of Management Strategy, Policy and Compliance, classifies liquidity-related risk under the labels “strategic planning, budgeting, budget allocation” and “financial contributions”. In both sections, the register correctly identifies the drivers and the corresponding responses to these risks, including the need to “brief and engage with Member States to ensure financial contribution payments in full and on time”.

282. Each mission manages its own risk register, which identifies the risks associated with its activities, classifies them (in particular according to their impact and likelihood) and identifies the drivers, internal control mechanisms and the actions to be taken in response.

283. Field audits conducted by the Board have shown that some missions, such as UNFICYP, have included liquidity-related risks in their risk registers. UNMISS and UNIFIL also reviewed and amended their risk registers to include cash management during 2024/25. MONUSCO also updated its risk register after the audit to include the risk of a prolonged liquidity situation.

284. However, not all peacekeeping missions have incorporated liquidity-related risks into their own risk registers.

285. **The Board recommends that all missions immediately update their enterprise risk registers to reflect the risk of a prolonged liquidity situation, with**

concrete mitigation strategies, thresholds for action and clear accountability lines.

286. The Secretariat accepted the recommendation.

From prioritizing to building contingency plans

287. The deterioration in the liquidity situation and the perspectives of peacekeeping operations led Headquarters to take a series of measures.

288. On 11 March 2025, the Controller asked all peacekeeping missions, as well as all support account entities, to submit "projections of their critical requirements for the remainder of the year by month" and to prepare a scenario in which the remaining 10 per cent of their allotments would not be released owing to cash shortages.

289. Shortly after that memo, Headquarters asked the missions to develop contingency plans on the basis of two scenarios involving expenditure reductions of 15 and 25 per cent for 2025/26. Although some missions had already implemented mitigation measures as early as 2024, none had formally established a risk mitigation plan or contingency plan.

290. The plans were submitted for review and approval by the Department of Peace Operations, the Department of Operational Support and the Field Operations Finance Division. However, the practical modalities of this review were not communicated to the Board.

291. The contingency plans corresponding to the target of cutting spending by 15 per cent were eventually launched after the end of 2024/25. The Board will examine their implementation in its future audits.

Communication and training

292. Headquarters communicates regularly with Member States to keep them informed of the Organization's financial situation and to appeal for payment of their contributions "in full and on time".[19]

293. Internally, in the light of the information at its disposal, the Secretariat undertook substantial efforts to communicate clearly regarding the financial difficulties faced by the Organization, beyond the weekly global cash reports, allotment advices and inter-office memorandums addressed to heads of missions (dated 23 June 2024 and 11 March and 3 June 2025).

294. On 18 June 2025, the Assistant Secretary-General for Programme Planning, Finance and Budget, Controller, and the Assistant Secretary-General for Human Resources held a town hall on the financial situation of the Organization, with more than 10,000 United Nations personnel attending. It was intended to explain to all staff the liquidity situation arising from unpaid assessments.

295. During 2024/25, Headquarters also managed to communicate effectively with troop- and police-contributing countries about postponed payments due to the cash situation, as communicated to the Board by several permanent missions.

296. However, management of the situation under emergency conditions led to some communication shortcomings, such as the lack of prior notification to missions before the recruitment restrictions were implemented in Inspira in March 2025.

297. Within the missions, communication on the financial situation and related measures was often conducted through internal meetings, town halls or staff

[19] Letter sent by the Secretary-General to all Permanent Representatives of Member States to the United Nations dated 7 February 2025.

memorandums, including newsletters. Those channels were used to keep personnel informed of developments, clarify the rationale behind decisions and provide guidance on operational adjustments. However, gaps were noted by the Board regarding internal communication in some missions, such as MONUSCO, where no regular briefings or structured communication channels were established to reach mid-level staff.

298. Communication within mission management is, in general, conducted through senior forums, such as the resource stewardship executive group (see above), chaired by the Special Representative of the Secretary-General and composed of senior officers representing core pillars of the missions. These forums are intended, in particular, to assist the head of mission in monitoring and overseeing the allocation and utilization of mission resources.

299. Lastly, although some missions expressed a preference for broader communication, the Secretariat did not issue any general notice to the Organization's vendors and partners, given the undeniable sensitivity of the information. Nevertheless, some missions, such as UNMISS, chose to engage transparently with their service providers, viewing this as consistent with their trust-based relationships. Transparent briefings with external partners could indeed foster relationships built on mutual trust developed by the missions in the field.

300. As regards training, field audits conducted by the Board have shown that a significant share of United Nations personnel is not sufficiently aware of cash management, especially the differences between budget and liquidity. Not all staff, including management, are fully trained and informed of the stakes and implications of cash management.

301. The Office of Programme Planning, Finance and Budget held one training session with the missions on 10 July 2024 on "cash versus budget and monitoring/forecasting cash" and provided entities with instructions on how to use monitoring tools such as Umoja Analytics. These measures, although positive and necessary, are insufficient in the light of the scale and persistence of the liquidity situation.

302. **The Board recommends that training sessions be scaled up and institutionalized for as long as the liquidity situation persists in order to establish a cash management skillset in each peacekeeping mission, including senior management from all three components (substantive, military and mission support). Such sessions would also enhance coherence and cohesion in the Organization and improve understanding of the stakes of cash management.**

303. The Secretariat accepted the recommendation.

6. Disarmament, demobilization and reintegration processes in peacekeeping operations

304. Disarmament, demobilization and reintegration, in the broad sense that has been developed through the revised Integrated Disarmament, Demobilization and Reintegration Standards, is part of the mandate of three active peacekeeping missions: MONUSCO, MINUSCA and UNMISS.

305. With respect to MONUSCO, Security Council resolution 2765 (2024) lists disarmament, demobilization and reintegration as the second task of the Mission in order of priority. In particular, MONUSCO is requested to provide good offices, advice and assistance to the Government of the Democratic Republic of the Congo towards the development of an inclusive peace process, including the establishment of a local dialogue mechanism with armed groups wishing to disarm and demobilize,

support the Government in the implementation of the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization (*Programme national de désarmement, démobilisation, relèvement communautaire et stabilisation*), provide support to the disarmament, demobilization, repatriation, resettlement and reintegration processes and mechanisms to return and reintegrate foreign combatants, and advise and support the Democratic Republic of the Congo authorities in the disposal of weapons and ammunition of disarmed Congolese and foreign combatants.

306. As regards MINUSCA, Security Council resolution 2759 (2024) includes disarmament, demobilization and reintegration among the other tasks of the Mission. MINUSCA is mandated "to support the Government of the Central African Republic in implementing an inclusive, gender-sensitive and progressive programme for disarmament, demobilization and reintegration", "to support the Government and relevant civil society organisations in developing and implementing community violence reduction programmes", "to provide technical assistance to the Government in implementing a national plan for the integration of eligible demobilized members of armed groups into the security and defence forces" and "to coordinate the support provided by multilateral and bilateral partners, including the World Bank, the African Development Bank and the Peacebuilding Commission, to the efforts of the Government on disarmament, demobilization and reintegration programmes".

307. Lastly, the Security Council reiterated, in its resolution 2779 (2025), the UNMISS existing mandate to provide support for the implementation of gender-responsive community violence reduction programmes that are responsive to the needs and rights of women, men, girls and boys, and to complement community disarmament initiatives in cooperation and coordination with development partners and community representatives, with a particular focus on the members of armed groups ineligible or unwilling to be integrated into the Necessary Unified Forces, women and young people.

308. The Board audited the implementation of those mandates in the relevant peacekeeping operations and the monitoring of disarmament, demobilization and reintegration at the Headquarters level, mainly by the Disarmament, Demobilization and Reintegration Section within the Office of Rule of Law and Security Institutions in the Department of Peace Operations, in order to assess compliance with the applicable rules and standards and the efficiency of the processes.

6.1. Regulatory framework

Integrated Disarmament, Demobilization and Reintegration Standards and the Inter-Agency Working Group on Disarmament, Demobilization and Reintegration framework

309. At the Headquarters level, the overall normative framework governing disarmament, demobilization and reintegration is clear and well established. It is structured around the Integrated Disarmament, Demobilization and Reintegration Standards, which constitute the main normative framework guiding United Nations disarmament, demobilization and reintegration activities. First adopted in 2006 and revised between 2017 and 2022, the Standards are designed as a living framework to reflect the evolving nature of armed conflicts, ongoing disarmament, demobilization and reintegration operations and the diversification of actors involved in disarmament, demobilization and reintegration processes.

310. The revised Integrated Disarmament, Demobilization and Reintegration Standards, now comprising 34 modules, provide comprehensive guidance on key thematic areas such as political engagement, legal frameworks and community

violence reduction. They serve as the main policy reference for United Nations entities and partners implementing disarmament, demobilization and reintegration and community violence reduction activities both in mission and non-mission settings. While the ongoing revision of the Standards has represented a major achievement, it remains incomplete, pending the finalization of module 6.50 on disarmament, demobilization and reintegration and armed groups designated as terrorist organizations. The revision has taken considerable time, reflecting the scope of the 34 modules and the broad participation of United Nations and external partners in the process. On the basis of field evidence, the revision effort has strengthened conceptual clarity and ensured closer alignment between disarmament, demobilization and reintegration, stabilization, transitional justice and community-based peacebuilding efforts. The overall pace of revision, although resource-intensive, appears to be aligned with operational needs. For example, in missions such as MINUSCA and MONUSCO, disarmament, demobilization and reintegration initiatives have increasingly integrated transitional justice mechanisms and local peacebuilding processes, reflecting the multidimensional nature of the revised Standards.

311. However, interviewees from various agencies, funds and programmes noted that a more flexible, modular update approach, allowing selective revisions rather than comprehensive overhauls, could better ensure the continued relevance of the framework while recognizing national ownership of disarmament, demobilization and reintegration processes. The Integrated Disarmament, Demobilization and Reintegration Standards are developed and maintained by the Inter-Agency Working Group on Disarmament, Demobilization and Reintegration, co-chaired by the Department of Peace Operations and UNDP and comprising 27 United Nations entities. The Working Group ensures policy coherence and provides a platform for inter-agency coordination, technical exchange and joint standard-setting. The Working Group has expanded significantly since its creation in 2005 to include a much broader range of actors, which can sometimes create tensions in decision-making, in particular because the disarmament, demobilization and reintegration agenda has evolved to intersect more closely with areas such as stabilization, peacebuilding and prevention.

312. Among the modules under revision, module 6.50, "DDR and Armed Groups Designated as Terrorist Organizations", remains the most debated since June 2018 and is the only one not finalized, owing to the difficulty in consolidating a common institutional position, notwithstanding diverging interpretations of international norms. In accordance with the deliberation of the Inter-Agency Working Group on Disarmament, Demobilization and Reintegration, completion of the module is now agreed and planned for the first quarter of 2026. It is essential that the rules governing the various areas of United Nations intervention be aligned in order to avoid any misinterpretation or divergence of position in the field or at Headquarters. Consequently, the Board will pay close attention to the finalization of the module.

313. In addition to the various policies and guidance, the reports of the Secretary-General also monitor the various developments of disarmament, demobilization and reintegration/community violence reduction on the ground. The Disarmament, Demobilization and Reintegration Section also produces numerous reports and evaluations with donors or think tanks, which help to inform ongoing discussions, and helped to draft a 2022 report of the Secretary-General on disarmament, demobilization and reintegration.

Standard operating procedures in force within the framework of disarmament, demobilization and reintegration/community violence reduction

314. At the operational level, the Integrated Disarmament, Demobilization and Reintegration Standards are complemented by standard operating procedures, which translate global standards into mission-specific practices. Headquarters-level standard operating procedures, such as those on community violence reduction (2021, to be revised in 2026), weapons and ammunition management (2022) and monitoring and evaluation (2012), provide overarching procedural guidance. Further updates are planned, with the standard operating procedures on weapons and ammunition management and the monitoring and evaluation expected to be finalized in 2026. A new version of the community violence reduction project is being developed in partnership with IOM to inform the revision of the existing community violence reduction standard operating procedure.

315. Deployment of standard operating procedures at the mission level varies significantly. MINUSCA and MONUSCO have developed several localized standard operating procedures adapted to their specific contexts – although those for MONUSCO remain unsigned or are only at the draft stage – while UNMISS lacks a dedicated disarmament, demobilization and reintegration/community violence reduction standard operating procedure, but informed the Board that one had been finalized following the Board’s departure and awaited final approval by senior management of the Mission.

316. While the Department of Peace Operations encourages the development of context-specific standard operating procedures, practical challenges such as high staff turnover, leadership changes and shifting realities on the ground often limit their effective implementation. The MINUSMA example demonstrates that regular revision of standard operating procedures in highly volatile environments is essential. In Mali, the standard operating procedures were amended multiple times (in 2019, 2020 and 2023) to reflect the evolving focus and operational realities of community violence reduction projects.

317. The missions need to establish a formal mechanism for the regular review and updating of their standard operating procedures, ensuring that they remain responsive to evolving operational realities and lessons learned from the field. For example, MONUSCO, even though it has full responsibility for disarmament, demobilization and reintegration-related activities relating to foreign combatants, still lacks a dedicated procedure for the repatriation of foreign combatants, illustrating the need for more context-specific and inclusive operational guidance.

318. The Administration stated that both UNMISS and MONUSCO were revising their standard operating procedures, which were expected to be completed in the coming months. MINUSCA, which already has all the required up-to-date standard operating procedures, is also taking steps to review them. The Board acknowledges these plans and will follow up on them during its field audits in the next fiscal year.

Concept and strategic scope of community violence reduction requires clarification

319. Community violence reduction has proved to be a flexible and adaptive instrument, serving both as a pre-disarmament, demobilization and reintegration mechanism and a bridge towards socioeconomic reintegration, notably for women and other groups who could be excluded from traditional disarmament, demobilization and reintegration. The shift from camp-based to community-based reintegration models, such as in MONUSCO with its *Travaux à haute intensité de main-d’oeuvre*, vocational training and local dialogue, and positive evaluations

confirming community violence reduction’s contribution to violence reduction and social cohesion (notably in MINUSCA and UNMISS), illustrate its relevance.

320. However, the Board noted that the notion of community violence reduction, although clearly defined within the Integrated Disarmament, Demobilization and Reintegration Standards, is applied inconsistently across contexts. Some United Nations agencies, funds and programmes have broadened its use to cover stabilization or development initiatives, in particular in resource-constrained environments or in the absence of peace agreements. The forthcoming community violence reduction 2.0 initiative, developed jointly with IOM, should refine the concept’s operational boundaries and promote greater coherence across missions. The standard operating procedure should specify the operational scope, eligibility criteria and expected outcomes of community violence reduction activities, ensuring their distinction from other types of projects. This would strengthen coherence across missions and enhance the strategic visibility of the community violence reduction approach within the broader disarmament, demobilization and reintegration framework.

321. **The Board recommends that the Secretariat revise the Headquarters community violence reduction standard operating procedure, by including a clear and unified definition and strategic framework for community violence reduction activities, to prevent conceptual dilution and overlap with other stabilization or development initiatives.**

322. The Administration accepted the recommendation.

6.2. Partnerships

Strategic and institutional partnerships at Headquarters

323. Partnerships between the Disarmament, Demobilization and Reintegration Section and United Nations agencies, funds and programmes operate at multiple levels: strategic, programmatic and operational. At Headquarters, the Section maintains a structured and functioning partnership framework through mechanisms such as the Inter-Agency Working Group on Disarmament, Demobilization and Reintegration and the Group of Friends of Disarmament, Demobilization and Reintegration, a network of 16 Member States, which ensure coherence and sustained policy dialogue across the United Nations system, as reflected in Working Group’s meeting records and Board interviews with various stakeholders.

324. Bilateral partnerships set out the cooperation modalities with key partners, such as the memorandum of understanding between the Department of Peace Operations and IOM signed on 4 June 2025, which clarifies the collaboration on disarmament, demobilization and reintegration, community violence reduction and security sector reform. Both entities are coordinating the development of a joint plan of action. The organization of the 2025 disarmament, demobilization and reintegration symposium illustrates such cooperation. The Disarmament, Demobilization and Reintegration Section organized the Symposium with UNDP in 2024.[20] The Section also maintains partnerships with institutions such as the Folke Bernadotte Academy and OECD to advance policy dialogue and capacity-building. For example, the joint Department of Peace Operations-OECD policy note on conflict transformation and the role of responsible artisanal and small-scale mining links community violence reduction to disarmament, demobilization and reintegration opportunities in the Democratic

[20] Since 2016, the Department of Peace Operations has established a close partnership with the Office for Disarmament Affairs, operationalized through a joint project on weapons and ammunition management, described further in the present report. In addition, the Department has bilateral memorandums of understanding signed with the United Nations Office of Counter-Terrorism, the Counter-Terrorism Committee Executive Directorate and UNODC.

Republic of the Congo. In parallel, through the Office of Rule of Law and Security Institutions institutional development adviser initiative, the Section has prioritized building disarmament, demobilization and reintegration capacities within United Nations country teams in priority countries. The Section has also established partnerships with research entities, notably the Bonn International Centre for Conflict Studies, UNIDIR and the Armed Conflict Location and Event Data Project (ACLED) as a means to receive conflict analysis at the national and regional levels.

Operational partnerships and field coordination

325. At the mission level, partnerships with United Nations agencies, funds and programmes such as IOM, UNOPS, UNDP, UNICEF and UN-Women are essential for implementing disarmament, demobilization and reintegration and community violence reduction components. Coordination mechanisms vary, depending on whether the mission operates under its own programmatic funds, acts as a technical adviser for trust fund-financed projects (e.g., Peacebuilding Fund) or serves primarily as a coordinator. Consequently, the level of collaboration and information-sharing with agencies, funds and programmes differs across contexts. In some cases, missions reported insufficient visibility over the projects funded by the Peacebuilding Fund and led by agencies, funds and programmes, which can affect their areas of responsibility directly.

326. Historically, a division of labour between the Department of Peace Operations and UNDP was established by the Secretary-General, assigning the Department responsibility for disarmament and demobilization, including reinsertion and UNDP for reintegration. For that purpose, UNDP has developed the DREAM information management system to support the registration of, payments for and vocational training of ex-combatants.

327. In the field, memorandums of understanding are usually signed when agencies, funds and programmes act as implementing partners (e.g., IOM and UNOPS), formalizing roles and obligations. By contrast, UNDP often operates without a memorandum of understanding, given its hybrid role as implementing partner, coordinator and policy actor, which can make the terms of cooperation less clearly defined.

328. While collaboration and coordination have produced notable successes – as illustrated by the mapping of community violence reduction initiatives conducted in 2025 by UNMISS, the resident coordinator office and the United Nations country team, thanks to the deployment of a community violence reduction expert from the Department of Peace Operations Disarmament, Demobilization and Reintegration Standing Capacity – there is room for improved coordination to address the risks of fragmented planning, duplication of activities and limited interoperability among agencies, funds and programmes and peacekeeping missions. For MONUSCO, although a joint plan to support the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization led in particular by the Deputy Special Representative of the Secretary-General-Resident Coordinator/ Humanitarian Coordinator was developed following consultations with provincial, national and international partners, as well as with the United Nations country team, the Board noted the need to better coordinate programming on the "R" components of disarmament, demobilization and reintegration and community violence reduction in order to increase inter-United Nations agency cooperation and strengthen their interoperability. In addition, lessons learned from MINUSMA in 2024 further underlined the need for improved planning and legal clarity when transferring disarmament, demobilization and reintegration and community violence reduction activities to agencies, funds and programmes during mission transitions, as well as to

address the complex issues related to the transfer of assessed budget funds to non-Secretariat entities.

National partnerships: ensuring national ownership and legal safeguards in disarmament, demobilization and reintegration cooperation

329. By nature, disarmament, demobilization and reintegration processes fall primarily under the responsibility of national authorities. The role of the Department of Peace Operations and peacekeeping missions is therefore to provide technical assistance, capacity support and coordination mechanisms that reinforce national ownership, as highlighted by the Integrated Disarmament, Demobilization and Reintegration Standards "national ownership" module (3.30), while ensuring programmatic and financial accountability.

330. At Headquarters, the Disarmament, Demobilization and Reintegration Section maintains structured partnerships with Member States through the Group of Friends of Disarmament, Demobilization and Reintegration, facilitating dialogue, policy exchanges and South-South cooperation. The Department also supports national ownership through technical guidance, training initiatives and integration of disarmament, demobilization and reintegration into broader stabilization and recovery frameworks. The Section also supports disarmament, demobilization and reintegration efforts undertaken by regional organizations.

331. At the field level, as observed, missions maintain direct relationships with national disarmament, demobilization and reintegration commissions or equivalent entities, often providing substantial logistical and financial support. In South Sudan, UNMISS provides technical support, in particular for capacity-building and training of the entity in charge of disarmament, demobilization and reintegration and community violence reduction, namely, the National Disarmament, Demobilization and Reintegration Commission, under the National Transition Committee. In the Democratic Republic of the Congo, MONUSCO has also maintained a close working relationship with the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization. The Mission has committed financial support for the planned construction of National Programme for Disarmament, Demobilization, Community Recovery and Stabilization offices in Beni and Bunia, developed the *Système d'information, conseil et orientation* (SICO) database application and provided training to national staff, including the payment of daily subsistence allowances. Similar to inter-agency partnerships, the effectiveness of national cooperation frameworks depends often on the clarity of roles and sustainable funding arrangements. However, the sustainability of disarmament, demobilization and reintegration and community violence reduction outcomes is linked directly to the extent of national engagement and the establishment of a clear coordination between the mission and the host Government. The Board encourages the Department of Peace Operations and missions to continue to foster national ownership through sustained engagement with national disarmament, demobilization and reintegration commissions.

6.3. Financial and human resources

332. In the missions, disarmament, demobilization and reintegration and community violence reduction initiatives are funded by programme budgets (see table II.12), reflecting the initial appropriations.

Table II.12
Substantive and other programmatic activities
(United States dollars)

	2023/24 approved budget	*2023/24 expenditure*	*2024/25 approved budget*	*2025/26 approved budget*
MINUSCA (community violence reduction and disarmament, demobilization and reintegration)	9 000 000	9 685 200	9 000 000	8 790 200
MONUSCO (community violence reduction, disarmament, demobilization and reintegration/ repatriation and resettlement)	4 582 200	3 027 200	5 416 500	4 683 200
UNMISS (community violence reduction)	275 000	249 300	340 000	340 000

Source: Board of Auditors, based on missions' budgets.

333. In 2024/25, 83 posts in MINUSCA, MONUSCO and UNMISS were dedicated to disarmament, demobilization and reintegration and/or community violence reduction: 52 in MONUSCO (2.2 per cent of civilian staff); 29 at MINUSCA (1.6 per cent); and 2 at UNMISS (0.06 per cent),[21] the latter of which only has a community violence reduction mandate. Compared with 2023/2024, MONUSCO is the only Mission that saw a decrease in its disarmament, demobilization and reintegration staff, owing mainly to the Mission's withdrawal from South Kivu. This decrease of 16 staff (reduction of 23 per cent) is proportionally greater than the decrease in its overall staff (393, or 14 per cent of total staff).

MINUSCA

334. MINUSCA supports national authorities in the implementation of the national disarmament, demobilization, reintegration and repatriation programme and community violence reduction. In terms of the programme, MINUSCA provides direct support to the disarmament and demobilization phases. Activities include disarming and demobilizing armed group members, coordinating disarmament, demobilization and reintegration efforts through regular meetings with the Government and international partners supporting the reintegration of ex-combatants, and creating livelihood opportunities through community violence reduction initiatives. It also involves awareness-raising campaigns, engagement with armed group leaders and quarterly sessions to combat the illicit movement of arms. A special focus is placed on women's participation in community violence reduction projects.

335. For 2023/24, the increased requirement for disarmament, demobilization, reintegration and repatriation and community violence reduction programmes was attributable primarily to the need to address security concerns in Haut-Mbomou Prefecture. In this context, additional funds were allocated to extend the programmes and provide livelihood opportunities to more beneficiaries. For the same period, disarmament operations outside of the disarmament, demobilization and reintegration programme conducted by national defence and security forces and other security personnel hindered the implementation of disarmament, demobilization, reintegration and repatriation and community violence reduction programmes.

336. MINUSCA has also administered a trust fund comprising $3,500,000 for the period from 16 December 2016 to 30 June 2023, and $250,000 planned for the period from 7 July 2023 to 31 July 2025, but which was terminated in February 2025. The funds were used solely to support disarmament and demobilization operations,

[21] One of the two individuals at UNMISS is a non-reimbursable loan expert.

including payment of travel allowances for members of the *Unité d'exécution du programme national de désarmement, démobilisation, réintégration et rapatriement* mobile teams.

337. Team size and organization are stable. The MINUSCA Disarmament, Demobilization and Reintegration Section is headed by a Chief at the D-1 level, who reports to the Deputy Special Representative of the Secretary-General for Political Affairs. In 2023/24, the Section had 29 approved posts and positions consisting of 16 international staff, 5 national staff and 8 United Nations Volunteers. The Section is based in Bangui and has staff in seven field locations (Birao, Bossangoa, Bouar, Bria, Kaga Bandoro, Ndélé and Obo). While team size and organization have remained stable, 7 of the 29 authorized posts and positions were vacant at the end of the financial year owing to the ongoing recruitment freeze resulting from the prevailing liquidity situation.

MONUSCO

338. MONUSCO supports the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization, a government priority, in collaboration with United Nations agencies, funds and programmes, bilateral partners and financial institutions. It coordinates community-driven reinsertion and stabilization efforts for ex-combatants, at-risk young people, returnees and community members tailored to local socioeconomic conditions. Projects are designed to build trust, improve security in conflict-affected areas and prevent youth recruitment and re-recruitment into armed groups through community-based incentive schemes. MONUSCO provides technical and operational support for the disarmament, demobilization and reintegration, repatriation and resettlement of former foreign armed group members. Key activities include joint missions with national counterparts and key partners to raise awareness among combatants and communities, engagements with armed groups to protect children and prevent their recruitment, the implementation of projects supporting disarmament, demobilization and reintegration and stabilization, capacity-building sessions for authorities at all levels to enhance policy and technical execution, and the coordination of meetings with national authorities to align financing and international support.

339. MONUSCO relied on a global budget of approximately $11 million for disarmament, demobilization and reintegration activities in 2024/25. Of the total budget, $6.5 million covered staff salaries, $700,000 went to individual contractors, $200,000 to operational costs and $3.6 million to programmatic activities. Some $2.2 million was allocated to strengthen the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization, including $1.5 million for SICO development, $630,000 for office construction in Beni and Bunia and $70,000 for daily subsistence allowance payments and training events. SICO is designed both as a service delivery tool and as a beneficiary-tracking mechanism. It provides integrated and multisectoral services to the target groups of the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization and enables systematic monitoring of their reintegration pathways. Specifically, SICO was developed to register National Programme for Disarmament, Demobilization, Community Recovery and Stabilization beneficiaries (ex-combatants and community members), monitor their progress through various phases of socioeconomic reintegration and map and maintain a data set of local economic opportunities.

340. The Disarmament, Demobilization and Reintegration Section (within the Deputy Special Representative of the Secretary-General for Political Affairs pillar) and the Stabilization Support Unit (within the Deputy Special Representative of the Secretary-General-Resident Coordinator/Humanitarian Coordinator pillar) were

merged on 1 July 2024. The community violence reduction programme underwent strategic realignment in the context of the merger, and most of its budget was repurposed: 73 per cent was redirected to support SICO, resulting in only one field-based community violence reduction initiative being launched during the fiscal year. Notwithstanding the pressing need for new technical skills, key budget lines such as training were frozen. In addition, more than $400,000 was used to provide rations for national defence and security forces in Goma from January to April 2025. The budget presentation does not match the current organization: notwithstanding the merger of the Section and the Unit, the two continue to be presented as separate entities with distinct result indicators in the most recent (at the time of the audit) MONUSCO performance report. MONUSCO explained that this was due to administrative reasons, because planning cycles had already commenced prior to the merger decision. Moreover, even though there was stable funding, the cancellation of expenses due to a lack of cash flow, especially in training and consultancies, hindered the Section's ability to adapt to its evolving role, shifting from direct implementation to capacity-building and oversight.

341. The MONUSCO Disarmament, Demobilization and Reintegration Section also hosts the technical secretariat of the Stabilization Coherence Fund. The Fund is a United Nations-managed multi-partner trust fund created to support peacebuilding in conflict-affected areas. It is supported by multiple international donors, currently Germany, the Kingdom of the Netherlands, Norway, Sweden and the United Kingdom of Great Britain and Northern Ireland. The $66 million fund includes $22 million earmarked for the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization, half of which had been spent by mid-2025. The remaining amount must be committed by the end of 2026, offering a buffer against liquidity issues in the core budget.

342. The merger between the Disarmament, Demobilization and Reintegration Section and the Stabilization Support Unit, previously recommended by the Board, was intended to enhance coherence in engagement with the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization, both at the strategic level in Kinshasa and in operational settings in the eastern Democratic Republic of the Congo. It was also intended to consolidate mission functions in anticipation of the transition and to facilitate joint planning with the United Nations country team. The resulting Section was placed under the authority of the Deputy Special Representative of the Secretary-General-Resident Coordinator/Humanitarian Coordinator.

343. As of June 2025, the Disarmament, Demobilization, Reintegration and Stabilization Section team consisted of 52 staff, including 13 international and 39 national staff. The Section also relies heavily on individual contractors, especially in the eastern provinces. Their number dropped from 40 in 2023/2024 to 21 in 2025 owing to the South Kivu mission withdrawal. The individual contractors were hired under a United Nations-UNOPS agreement that expired on 31 December 2025, with no clear plan. Given that the newly merged Section is phasing out its direct operational support for the disarmament and demobilization of Congolese combatants, a reduction in staffing levels is consistent with operational requirements. A limited number of individual contractors will remain with the Section, under an alternative modality, which needs to be defined.

344. Following a Disarmament, Demobilization and Reintegration Section change management retreat held in September 2024, the organizational structure of the Section was defined. However, no comprehensive training plan was developed. The Section's role has shifted towards capacity-building, reinsertion support and community violence reduction interventions, while it continues to implement its

operational disarmament, demobilization, repatriation, reintegration and resettlement mandate for foreign combatants. The shift requires new skills, but the training budget is minimal and unused owing to the cancellation of expenditure. Leadership acknowledges that its presence in the eastern Democratic Republic of the Congo still represents the footprint of the previous, more operational approach to disarmament, demobilization, reintegration. Recommendations were issued by the Board to MONUSCO to better adapt capacities to current and future needs.

345. The Administration later stated that, after the audit and, owing to the increase in demand for disarmament, demobilization, reintegration and repatriation operations in armed group-controlled territories, the Disarmament, Demobilization and Reintegration Section had reverted to a more traditional approach, for which the team had the required capacities. The Board remains of the view that flexibility and agility are key to implementing disarmament, demobilization and reintegration in evolving contexts. This requires regular training and support at the local and Headquarters levels.

UNMISS

346. UNMISS implements community violence reduction programmes targeting ex-combatants and young people at risk, including gang members. The initiatives include mental health and psychological support, vocational training, cooperative development, agricultural education and micro-credit support. Technical education is also provided to promote financial sustainability and prevent gender-based violence. UNMISS continues to offer livelihood training, transitional assistance and support for voluntary disarmament. It also facilitates conflict management workshops and crime prevention training. Community-led dispute resolution and gender-responsive violence reduction awareness-raising are promoted in collaboration with government authorities.

347. The approved budget available for community violence reduction activities was $340,000 in programmatic funds. However, the liquidity constraints continue to affect implementation.

348. In 2025, the UNMISS Rule of Law and Security Institutions Section conducted a comprehensive inter-agency mapping exercise of community violence reduction projects, aiming to consolidate information across all community violence reduction initiatives, aligning activities, mobilizing resources and facilitating effective coordination. The review identified $136.7 million invested in community violence reduction programming across the country from 2019 to 2025. United Nations entities implementing these projects usually benefit from the Peacebuilding Fund and the South Sudan reconciliation, stabilization and resilience trust fund, as well as voluntary donor contributions.

349. UNMISS faces staffing challenges in its community violence reduction efforts. The Rule of Law and Security Institutions Section has only one disarmament, demobilization and reintegration officer, at the P-3 level, and one expert funded by a Member State.

350. The Civil Affairs Division, even though it lacks specialized community violence reduction expertise, manages about one community violence reduction project annually. This is due mainly to its strong field presence and deep understanding of local communities. Community violence reduction falls under the political pillar, which includes both the Division and the Rule of Law and Security Institutions Section. Unlike other peacekeeping missions that have dedicated disarmament, demobilization and reintegration and community violence reduction units with trained staff, UNMISS has overlapping roles between the Division and the Section.

This lack of clarity sometimes confuses partners and blurs the definition and scope of community violence reduction. The Board issued a recommendation to the Mission in order to clarify roles and responsibilities for community violence reduction. While all three Missions operate under distinct mandates and contexts, similar financial and staffing constraints can be observed, reflecting systemic challenges in disarmament, demobilization and reintegration resource management.

Resources at the Headquarters level

351. The Disarmament, Demobilization and Reintegration Section represents 12 posts and positions, including 8 funded through the support account (1 P-5, 3 P-4, 3 P-3[22] and 1 General Service (Other level)), 1 Junior Professional Officer and 3 under extrabudgetary funding (2 P-4 and 1 P-3). The post of Chief of Section (P-5) became vacant in July 2025, with a lien attached to it. Notwithstanding its small size, various stakeholders consider the Section to be the centre of expertise on all subjects related to disarmament, demobilization and reintegration, thus bridging decisions of United Nations governing bodies and field operations. Regional organizations approach it regularly for help in framing their own disarmament, demobilization and reintegration framework or for advice on demobilization and reintegration-related issues.

352. Among the extrabudgetary posts, the Disarmament, Demobilization and Reintegration Standing Capacity in Brindisi is a strategic United Nations resource designed to provide rapid technical and strategic support to missions and structures requiring disarmament, demobilization and reintegration, community violence reduction and weapons and ammunition management expertise. This mechanism consists of a single extrabudgetary P-4 post based at the United Nations Logistics Base. Since its creation in 2019, the Standing Capacity has been deployed 20 times, following requests by peacekeeping operations, special political missions, United Nations agencies and regional and subregional organizations. The support provided covers a wide range of areas: policy advice; strategic planning; policy development; capacity-building; resource mobilization; and interinstitutional coordination. Recent contributions included support for the development of regional disarmament, demobilization and reintegration approaches to address foreign armed groups in 2024 and mapping community violence reduction projects in South Sudan (UNMISS) in 2025. This capacity appears essential to respond to the highly technical challenges encountered in the field and to facilitate coordination between stakeholders. Maintaining and even strengthening this capacity over time appears essential and requires the continued mobilization of donors.

353. In addition to the mission budgets and the support account for peacekeeping operations, which funds the human resources dedicated to disarmament, demobilization and reintegration at the Headquarters level (see below), disarmament, demobilization and reintegration action can also benefit from extrabudgetary funding. In the past, such funding supported the project on effective weapons and ammunition management in disarmament, demobilization and reintegration. During 2024/25, disarmament, demobilization and reintegration benefited from three grants, relating to climate change for the period 2022–2025 ($129,277 was received from Denmark), a specialized surge capacity at the United Nations Logistics Base for the period 2022–2025 ($479,904 was received from Italy) and disarmament, demobilization and reintegration in special political missions for the period 2024–2025 ($1,242,219 was received from Germany). The surge capacity is a rapidly deployable disarmament,

[22] One P-3 was proposed for abolishment in the revised estimates for the support account budget for 2025/26. The present report had been completed before the decision of the General Assembly in this regard was known.

demobilization and reintegration expert at the request of disarmament, demobilization and reintegration components in field missions, Member States, regional offices and resident coordinator offices. The aim is to provide surge capacity to missions that experience staff shortages in peak periods, assistance in the formulation of national and/or regional strategies on disarmament, demobilization and reintegration processes, concepts of operations and other plans for further development, and to provide guidance on and the development of complex programmes and projects, as well as the review and evaluation of said programmes and projects (e.g., in missions in transition). The aim of a project on climate change and armed groups was to approach climate change from a disarmament, demobilization and reintegration perspective and analyse how climate-driven grievances, vulnerabilities and tensions could contribute to the recruitment of individuals into armed groups. The project was aimed at enabling disarmament, demobilization and reintegration practitioners to consider climate change in their approaches in order to enhance their interventions. The special political missions project is intended to maintain and expand support for disarmament, demobilization and reintegration processes in special political missions and non-mission settings, as well as to carry out various activities to support the addressing of political elements of disarmament, demobilization and reintegration in practice, in particular the political transformation of armed groups and support for their political reintegration. This includes the political analysis of developments worldwide and enhancement of disarmament, demobilization and reintegration planning capacities to provide strategic guidelines, technical and operational support, training and knowledge exchange. These grants have been extended until 2026, and the Disarmament, Demobilization and Reintegration Section stated that it continued to explore options to maintain voluntary contributions.

354. In 2025, two projects related to disarmament, demobilization and reintegration were included in the annual Department of Peace Operations-Department of Operational Support project proposals seeking extrabudgetary funds: “Disarmament, demobilization and reintegration surge capacity in Brindisi (Extension)” for $432,066 and “From policy to practice: accelerator project for the operationalization of targeted modules in the revised integrated disarmament, demobilization and reintegration standards” for $764,825. The first proposal concerns the continuation of funding for the Disarmament, Demobilization and Reintegration Standing Capacity post based at the United Nations Logistics Base, to provide assistance in the formulation of regional strategies on disarmament, demobilization and reintegration processes and demobilization and reintegration-related tools, concepts of operations and other plans for further development, support national framework development and options for the United Nations backstopping in non-mission contexts, and provide guidance on the development of complex programmes and projects, as well as the review and evaluation of said programmes and projects (e.g., in missions in transition). The second project is designed to support the work of the Disarmament, Demobilization and Reintegration Section at Headquarters by financing the travel and deployment of staff in the field to provide advice and support, short-term programmatic activities and training and capacity-building.

355. The proposed revised estimates relating to the support account for peacekeeping operations for the 2025/26 period include the integration of the Peacebuilding Support Office of the Department of Political and Peacebuilding Affairs with three teams within the Office of Rule of Law and Security Institutions, including the Disarmament, Demobilization and Reintegration Section. The Office’s new Assistant Secretary-General will respond to dual reporting lines to the Under-Secretary-Generals of the Department of Peace Operations and the Department of Political and Peacebuilding Affairs. If this project is implemented, the Section could seize the

opportunity to develop projects with cross-cutting impact in peacekeeping and non-peacekeeping settings.

6.4. Selection of beneficiaries

Operational implementation: coordination, adaptation and local ownership

356. The Board noted that the overall coordination of disarmament, demobilization and reintegration and community violence reduction projects was led by the mission’s disarmament, demobilization and reintegration/community violence reduction team, in close collaboration with national and local authorities. Projects are usually reviewed and approved by a project approval committee and approved by a delegated official, most often the Deputy Special Representative of the Secretary-General.

357. The selection of project sites is based on joint risk and needs assessments conducted with national counterparts, using tools such as the Unite Aware incident system for MINUSCA and early warning data from field reporting cells for UNMISS. This evidence-based approach contributes to targeting high-risk “hotspot” areas and enhances national and community ownership.

358. Project implementation modalities can vary across missions. In some cases, implementation is delegated to selected implementing partners with proven operational capacity, under the strategic guidance of a project implementation committee or a project steering committee. Lessons learned from the MINUSMA disarmament, demobilization and reintegration and community violence reduction implementation demonstrate that innovative approaches can strengthen project delivery and local ownership. In Mali, MINUSMA worked directly with local NGOs instead of larger United Nations entities, such as UNOPS and IOM, which helped to reinforce local capacities.

359. In UNMISS, coordination with national authorities was observed to be effective and instrumental in addressing logistical and security challenges, in particular in remote field locations such as Torit, where the implementation of the community violence reduction project relied heavily on the support of national authorities in ensuring the safe transportation of beneficiaries.

Beneficiary selection: national responsibility and local variations

360. The selection of disarmament, demobilization and reintegration/community violence reduction beneficiaries remains complex and context-specific. In principle, national authorities are responsible for identifying eligible individuals and transmitting verified lists to United Nations missions. Community-level structures, such as local peace and reconciliation committees in MINUSCA and local consultation mechanisms in UNMISS, often assist in identifying candidates, conducting awareness-raising sessions and monitoring reintegration. However, field observations and OIOS reports highlight persistent challenges, including inconsistent data collection, spelling errors and the absence of reliable registries, undermining traceability and follow-up.

361. In UNMISS, concerns raised by the Civil Affairs Division in March 2024 over non-compliance with selection criteria led to a more participatory process, involving local authorities, traditional leaders and implementing partners, in order to validate beneficiary lists.

362. MONUSCO faced difficulties in identifying ex-combatants. Overall, identification remains constrained by verification challenges, access limitations and unreliable data, all of which affect subsequent screening processes.

Inconsistent application of human rights screening in disarmament, demobilization and reintegration contexts

363. According to module 2.11 of the Integrated Disarmament, Demobilization and Reintegration Standards, on the legal framework for disarmament, demobilization and reintegration, in all settings, disarmament, demobilization and reintegration practitioners should incorporate screening mechanisms and criteria into disarmament, demobilization and reintegration processes for adults to identify suspected perpetrators of international crimes and exclude them from disarmament, demobilization and reintegration processes. This individual-level human rights screening is distinct from the United Nations human rights due diligence policy framework, which governs United Nations support to security forces and authorities (see A/67/775-S/2013/110) and applies in situations in which peacekeeping operations provide support to relevant national institutions as part of disarmament, demobilization and reintegration processes. The Board noted that its implementation remained uneven.

364. Of the 1,482 ex-combatants reportedly enrolled in completed disarmament, demobilization and reintegration projects in MONUSCO, only 372 appeared on the vetted list provided by the United Nations Joint Human Rights Office, with limited follow-up on screening recommendations, due notably to financial and human resources constraints. The Mission confirmed that it would finalize and implement a formalized standard operating procedure that defined the human rights screening and vetting process for ex-combatants clearly.

365. In MINUSCA, which has established a human rights due diligence policy secretariat and a dedicated standard operating procedure on support for non-United Nations security forces, the Mission supports the national disarmament, demobilization and reintegration programme, including by providing transportation to its mobile disarmament, demobilization and reintegration teams. OIOS noted that, of 30 such support requests, 20 required a human rights due diligence policy assessment. In nine of those, it could not happen because the Human Rights Division had mistakenly not been copied on the tasking order. MINUSCA has since addressed the procedural oversight to ensure the completion of human rights due diligence assessments.

366. The Board has noted that procedures may have varied across missions and have sometimes included an extension of the human rights due diligence policy. Accordingly, it is noted explicitly in the MINUSMA standard operating procedure on the human rights due diligence policy (2020) that, “while armed groups do not constitute support recipients as defined in the 2011 United Nations human rights due diligence policy, the practice requires the extension of the principles of the policy to similar forms of support provided by the UN-system to signatory armed groups of the Agreement for Peace and Reconciliation in Mali (para. 7, p.4)”. This ad hoc adaptation, intended to align United Nations assistance with the implementation framework of the Agreement on Peace and Reconciliation in Mali, did not target disarmament, demobilization and reintegration processes and remained exceptional. It was justified under the complementary responsibility of a recognized non-United Nations security force, as outlined in article 7 of the human rights due diligence policy.

367. Moreover, MONUSCO developed a standard operating procedure, still in draft form since 2022, focused specifically on the screening and verification of beneficiaries of disarmament, demobilization and reintegration programmes. This draft standard operating procedure “applies and is mandatory to MONUSCO components and personnel involved in government-led screening activities within the disarmament and demobilization operations screening processes pertaining to

volunteers leaving non-state armed groups wishing to participate in the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization". In addition, MONUSCO support provided to the Government "must be in line with provisions in its Mandate, including the support to the disarmament, demobilization and reintegration of ex-combatants into peaceful civilian life in the context of the National Programme for Disarmament, Demobilization, Community Recovery and Stabilization and without, including or the support to the disarmament, demobilization, repatriation, resettlement and reintegration (DDRRR) process to return and reintegrate foreign combatants, which is only given to Congolese and foreign combatants not suspected of genocide, war crimes, terrorist acts, crimes against humanity or abuses of human rights".

368. Although not applicable to disarmament, demobilization and reintegration, the extended approach adopted by MINUSMA showed a limited but noteworthy evolution in the application of due diligence principles, which has now been formalized at the system-wide level. A United Nations system-wide human rights due diligence framework policy issued in July 2025 expanded the scope of human rights due diligence to cover, among others, non-State actors, including armed actors. This policy is accompanied by an implementation plan that includes an initial 24-month implementation phase, which "will allow for the necessary time to scope needs for adjustments in current policies and procedures, devise detailed implementation modalities tailored to sectors or entities, mobilize resources as needed, and transition towards revised workflows or procedures". It is important to ensure that the implications, if any, for disarmament, demobilization and reintegration programmes are defined clearly.

369. **The Board recommends that the Secretariat review the implications of the new human rights due diligence framework policy for disarmament, demobilization and reintegration/community violence reduction activities and issue related guidance, if necessary.**

370. The Secretariat accepted the recommendation, noting that it would be part of the already planned 24-month implementation phase of the new human rights due diligence framework policy.

6.5. Project monitoring and evaluation

371. Expectations regarding the resources to be allocated to monitoring and evaluation are expressed clearly in module 3.50 of the Integrated Disarmament, Demobilization and Reintegration Standards, in which monitoring and evaluation is central to ensuring the effectiveness and efficiency of disarmament, demobilization and reintegration and providing accountability for all stakeholders. Appropriate investment in monitoring and evaluation from the planning stage onwards will contribute to effective and efficient implementation, the reassurance of national stakeholders and donors, among others, and the capture of evidence-based learning to improve the design of future disarmament, demobilization and reintegration processes. Therefore, 3 to 7 per cent of the project budget must be dedicated to monitoring and evaluation.

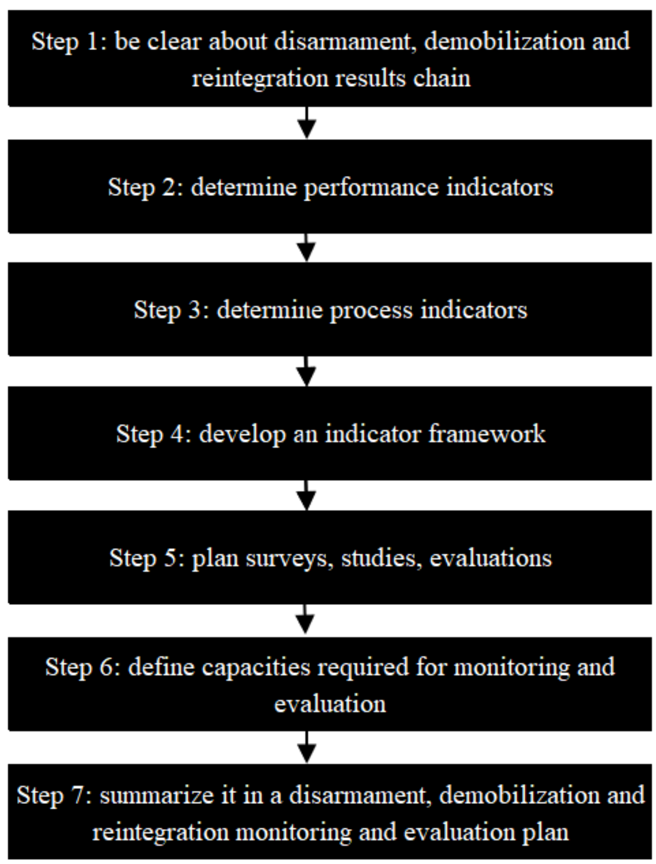
372. However, none of the missions allocate that share of the project budget to monitoring and evaluation. In crisis and post-conflict situations, where the most urgent priorities are to have implementation up and running, monitoring and evaluation may be underprioritized. Human resources devoted to monitoring and evaluation are also reduced. Only MONUSCO has a monitoring and evaluation officer for the multi-partner Stabilization Coherence Fund, but not for the programmatic budget. MINUSCA initiated in 2025 the recruitment of a disarmament, demobilization and reintegration monitoring and evaluation officer who would be

responsible for conducting evaluations of disarmament, demobilization and reintegration activities, but the post was frozen owing to the prevailing United Nations system-wide financial liquidity situation. This chronic underinvestment in monitoring and evaluation undermines the Organization's ability to assess and communicate disarmament, demobilization and reintegration outcomes and to demonstrate accountability to Member States and donors.

Incomplete indicators and data

373. The 2010 standard operating procedure on monitoring and evaluation for disarmament, demobilization and reintegration offered guidance on how to plan and run a monitoring and evaluation system for disarmament, demobilization and reintegration in the context of peacekeeping. It provides a standardized, comprehensive and systematic approach to monitoring and evaluating both progress and results of disarmament, demobilization and reintegration. It includes a step-by-step method (see figure II.XIV).

Figure II.XIV
Step-by-step monitoring and evaluation method



Source: Standard operating procedure on monitoring and evaluation for disarmament, demobilization and reintegration, 2010.

374. The missions did not develop an indicator framework or a monitoring and evaluation plan. Some implementing partners, such as United Nations agencies, funds and programmes, use their own indicator framework. Indicators are non-standardized and project-specific. Ensuring data consistency, aggregating, comparing and

monitoring disarmament, demobilization and reintegration results is therefore complex.

375. As regards indicators, the monitoring and evaluation disarmament, demobilization and reintegration standard operating procedure requires identifying or refining "meaningful performance indicators that help to show changes in a specific condition" (e.g., number of ex-combatants economically active) and a set of indicators for each specific output or outcome, with a mix of quantitative aspects of disarmament, demobilization and reintegration (directly observable, e.g., percentage of ex-combatants who found employment) and qualitative aspects of disarmament, demobilization and reintegration (incorporating judgments or perceptions, e.g., percentage of ex-combatants satisfied with the transition package). In the field, indicators are often basic. The available indicators are mostly inputs (budget, resources and time), outputs (e.g., number of beneficiaries, often disaggregated (male, female and children), number of foreign combatants repatriated, number of training sessions and number of trainees), rarely outcomes. However, the 2025 MONUSCO reintegration project in Ituri for ex-combatants from the Zaire armed group (funded through the multi-donor Stabilization Coherence Fund and the programmatic budget) includes reintegration indicators: percentage of ex-combatants employed or active and percentage of beneficiaries who believe they can generate sufficient income to cover their households' basic needs. Challenges in assessing the impact and outcome of disarmament, demobilization and reintegration are a result of the multidimensional nature of disarmament, demobilization and reintegration, which requires the engagement of various actors. While missions often lead the disarmament and demobilization phases, the reintegration phase is left to United Nations agencies, funds and programmes.

376. With respect to community violence reduction programmes, they include an array of interventions, for which outcomes assessment requires specific tools and methods, including extensive consultation with the population and local stakeholders. According to the standard operating procedure on community violence reduction (2021, rev. May 2024) "monitoring and evaluation is discussed and agreed with local communities". Monitoring is focused on the outputs of the projects, such as the expenditure and status of implementation of activities, instead of their outcomes, with some exceptions. For example, according to UNMISS data, community violence reduction activities have shown encouraging results in reducing community violence in some areas, but other areas with intensive programming continue to experience high levels of violence (e.g., Jonglei), pointing to structural or political factors. According to OIOS, the disarmament, demobilization and reintegration and community violence reduction programmes implemented by MINUSCA are among the six main factors contributing to the decreased presence of armed groups in the Central African Republic. At the Headquarters level, limited data integration further compounds these field-level monitoring challenges.

377. The results of disarmament, demobilization and reintegration and community violence reduction projects are entered into different databases and information systems. The missions conduct semi-annual Comprehensive Planning and Performance Assessment System reviews to assess the implementation of targets that they had established for their disarmament, demobilization and reintegration activities. Inputs and outputs are reported in the missions' annual performance reports. It should be noted that Headquarters, including the Disarmament, Demobilization and Reintegration Section, does not have access to the System or other specific disarmament, demobilization and reintegration databases or management systems developed by the missions (e.g., SICO), which prevents it from having a comprehensive view of disarmament, demobilization and reintegration activity. The Section developed an interesting community violence reduction

dashboard for MINUSMA that presents project mapping and key data. Based on the Power BI solution, this dashboard could be used by both other missions and the Section to provide an overview of disarmament, demobilization and reintegration/community violence reduction programmes and results.

378. **The Board recommends that the Secretariat engage through the Disarmament, Demobilization and Reintegration Section in a partnership-based reflection on the definition of a common data set, based on the experience from the MINUSMA dashboard, with a view to informing a global dashboard of disarmament, demobilization and reintegration and community violence reduction activities.**

379. The Administration accepted the recommendation, noting that it had initiated work in 2025 on the development of a database in MINUSCA.

Lack of outcome indicators: an obstacle to proper evaluations

380. Impact evaluations of disarmament, demobilization and reintegration programmes are rarely carried out by the missions owing to ongoing limited data, resource constraints and knowledge gaps, notwithstanding a growing awareness of the importance of such assessments. The results of disarmament, demobilization and reintegration programmes and their contribution to peace processes are indeed difficult to assess, given that external factors, such as the political and security background or socioeconomic opportunities, play a major role. Challenges are exacerbated by the fact that multiple entities play a role at various stages of an integrated disarmament, demobilization and reintegration process. For example, the reintegration phase constitutes a responsibility of United Nations agencies, funds and programmes, which often face funding constraints. Moreover, in countries facing cyclical violence, the pre-conditions for effective implementation of a disarmament, demobilization and reintegration programme are rarely fulfilled. Over the past two years, on the basis of annual performance reports, MONUSCO and MINUSCA fell short of meeting their targeted number of ex-combatants to be demobilized. For example, for MINUSCA, 226 new members of armed groups of 1,000 were demobilized in 2023/24 and 593 of 1,000 in 2024/25. Furthermore, impacts can be measured only in the medium or long term, which is difficult to reconcile with the short time frames of some projects and with donors’ attention decreasing after the end of a project and in post-conflict periods. However, two external evaluations of projects funded by the multi-donor Stabilization Coherence Fund in MONUSCO in 2024–2025 showed an improvement in the level of security and community development felt by the population, notwithstanding a high rate of recidivism among ex-combatants. Evaluations of disarmament, demobilization and reintegration/ community violence reduction programmes can constitute a preliminary step to lessons learned exercises. While MONUSCO, MINUSCA and UNMISS did not conduct such exercises, MINUSTAH (2016), UNAMID (2020) and MINUSMA (2024) did.

381. Faced with a lack of specialized resources in the field, the Disarmament, Demobilization and Reintegration Section contributes to developing a culture of monitoring and evaluation and the skills needed to manage it. As a system-wide service provider, the Section offers knowledge management services, which focus on training, tailored technical workshops and knowledge exchange among disarmament, demobilization and reintegration practitioners and partners (18 sessions worldwide in 2024 and 20 in 2025). These sessions are based on case studies and are well evaluated by participants. The Section works in close partnership with the Integrated Disarmament, Demobilization and Reintegration Training Group, composed of international organizations and training institutes, to develop disarmament,

demobilization and reintegration training materials and support effective planning, management and implementation.

382. **The Board recommends that the Disarmament, Demobilization and Reintegration Section promote the development of outcome indicators, data collection and outcome-focused monitoring in the missions.**

383. The Administration accepted the recommendation.

6.6. Communication

384. Collecting comprehensive, reliable and harmonized data is also key to communicating effectively and promoting the results of community violence reduction and disarmament, demobilization and reintegration programmes to the target groups and communities, the local population, host States, Member States and donors.

385. According to module 4.60 of the Integrated Disarmament, Demobilization and Reintegration Standards, on public information and strategic communication, public information and strategic communication are key support activities that are instrumental in the overall success of disarmament, demobilization and reintegration processes. Public information is used to inform disarmament, demobilization and reintegration participants, beneficiaries and other stakeholders of the process, while strategic communication influences attitudes towards disarmament, demobilization and reintegration. There are four principal objectives of public information and strategic communication: (a) to inform by providing accurate information about the disarmament, demobilization and reintegration process; (b) to mitigate the potential negative impact of inaccurate and deceptive information that may hamper the success of disarmament, demobilization and reintegration and wider peace efforts; (c) to raise the awareness of members of armed forces and groups to the disarmament, demobilization and reintegration process; and (d) to transform attitudes in communities in such a way that is conducive to disarmament, demobilization and reintegration.

386. Neither the Disarmament, Demobilization and Reintegration Section at Headquarters nor the disarmament, demobilization and reintegration/community violence reduction sections in the field have specific mandates or, consequently, their own resources for communication. They collaborate with the Strategic Communication Section, the Global Communication Officer under the Mine Action Service/Office of Rule of Law and Security Institutions and each mission’s communication team to create and broadcast content and messaging.

387. Among the main recent achievements are the annual disarmament, demobilization and reintegration symposium to raise awareness and engage experts, Member States and partners on disarmament, demobilization and reintegration-related achievements and challenges, which translated into a “disarmament, demobilization and reintegration week” on the 10 digital platforms of United Nations peacekeeping operations; the periodic newsletter “DDR Bulletin”, launched by the Office of Rule of Law and Security Institutions, to highlight field activities and feed content to the Department of Peace Operations social media channels; the MONUSCO disarmament, demobilization, reintegration and repatriation creative awareness-raising campaign, considered an essential driver behind foreign combatants’ decisions to return to their country of origin; and the MONUSCO disarmament, demobilization and reintegration and community violence reduction “people-focused storytelling” online campaign. While MINUSCA did not develop a specific awareness-raising and communication plan in support of the national disarmament, demobilization and reintegration programme, disarmament,

demobilization and reintegration and community violence reduction have been a central focus of the Mission's communications as part of the implementation of the communication strategy for the Political Agreement for Peace and Reconciliation in the Central African Republic, which was developed jointly by MINUSCA and the host Government, as well as Headquarters support to the renewal of the MINUSCA mandate in 2025.

388. While these activities appear to be effective ways of engaging stakeholders in disarmament, demobilization and reintegration and community violence reduction projects, they cannot present substantive data on projects' outcomes, given that these are rarely available, as seen above. The Board is of the view that more outcome indicators on disarmament, demobilization and reintegration and community violence reduction projects would allow for improved communication on impacts and greater engagement.

389. **The Board recommends that Headquarters develop a toolkit of communication products and key messages for the missions, based on the impacts of disarmament, demobilization and reintegration and community violence reduction projects, targeting donors, national authorities and the local population.**

390. The Secretariat accepted the recommendation.

6.7. Regulatory framework for weapons and ammunition management

391. The collection of weapons and ammunition during disarmament, demobilization and reintegration activities is a key activity to prevent future misuse and support broader security sector reform, contributing to long-term peace and stability. Therefore, weapons and ammunition management has become a vital part of disarmament, demobilization and reintegration processes and strategies. Its primary goal is to ensure the safe, secure and accountable handling of collected weapons and ammunition, including their registration, storage, transport, disposal and formal transfer to national authorities. Weapons and ammunition management is defined in module 4.11 of the Integrated Disarmament, Demobilization and Reintegration Standards, as "the oversight, accountability, and management of arms and ammunition throughout their lifecycle, including the establishment of frameworks, processes, and practices for safe and secure materiel acquisition, stockpiling, transfers, tracing, and disposal".

392. Weapons and ammunition management in disarmament, demobilization and reintegration settings must be implemented in accordance with national legislation and relevant international, regional and subregional arms control instruments and technical guidelines. To support this, disarmament, demobilization and reintegration practitioners on the ground must be provided with up-to-date guidance, training and technical assistance.

393. Since 2016, the Department of Peace Operations/Disarmament, Demobilization and Reintegration Section and the Office for Disarmament Affairs/Conventional Arms Branch have been implementing a project on effective weapons and ammunition management in a changing disarmament, demobilization and reintegration context to answer this need. This project was evaluated in 2024 by an independent consultant, who highlighted the project's achievement of its objectives in terms of policy development, training and technical assistance. The project was funded through extrabudgetary contributions, primarily from Germany, with Switzerland supporting specific activities. The total funding received amounted to $1,895,787. The project's funding covered both administrative costs, such as the programme manager's role, and operational activities such as training, travel, studies and technical assistance.

Key stakeholders included national authorities such as national disarmament, demobilization and reintegration commissions, subregional organizations such as the Regional Centre on Small Arms, United Nations peace operations, UNIDIR, the Mine Action Service, UNODC and various other United Nations and non-United Nations actors involved in training and technical assistance on weapons and ammunition management as part of disarmament, demobilization and reintegration processes. Among stakeholders were beneficiaries of the project, ranging from peacekeeping operations and political missions to United Nations country teams, UNDP and IOM.

394. The project produced the following key resources:

(a) Material to update modules 4.10 (disarmament) and 4.11 (transitional weapons and ammunition management) of the Integrated Disarmament, Demobilization and Reintegration Standards, translated into Arabic, French and Spanish;

(b) Modular Small-arms control Implementation Compendium (MOSAIC) module 2.30, on small arms and light weapons control in disarmament, demobilization and reintegration settings, translated into Arabic, French and Spanish;

(c) Standard operating procedure on weapons and ammunition management (dated April 2022), translated into Arabic, French and Spanish. The standard operating procedure serves as a template for peace operations in the development of their mission-specific standard operating procedures, providing disarmament, demobilization and reintegration practitioners with step-by-step instructions on the collection, handling, storage, transportation and disposal of weapons, ammunition and explosives in the context of disarmament, demobilization and reintegration;

(d) A weapons and ammunition management practitioner's handbook, translated into Arabic, French and Spanish. The handbook provides disarmament, demobilization and reintegration practitioners with practical guidance to design and implement state-of-the-art disarmament and weapons and ammunition management initiatives as part of integrated disarmament, demobilization and reintegration processes, including through disarmament demobilization and reintegration-related tools such as community violence reduction. The handbook draws upon good practices and innovative approaches developed in the field, as well as relevant international standards and guidelines.

395. These documents offer clear, current guidance for disarmament, demobilization and reintegration practitioners and align with international standards, including MOSAIC and the International Ammunition Technical Guidelines.

396. Additional project outcomes included the following:

(a) Weapons and ammunition management training for disarmament, demobilization and reintegration practitioners. Since 2018, some 100 beneficiaries have participated in these training sessions, such as United Nations disarmament, demobilization and reintegration practitioners, weapons and ammunition management experts and other United Nations staff in field missions, non-United Nations personnel such as representatives of specialized multilateral organizations, NGOs and national authorities such as national commissions on disarmament, demobilization and reintegration;

(b) Technical assistance missions and studies in various non-peacekeeping operations settings to support capacity-building and implementation efforts;

(c) Establishment of a weapons and ammunition management and disarmament, demobilization and reintegration community of practice called "the Hub". It connects practitioners, trainers and alumni of the training to share experiences, advice and best practices. In addition, it supports ongoing learning and contributes to monitoring and evaluation efforts;

(d) Creation of a weapons and ammunition management and disarmament, demobilization and reintegration roster of experts, comprising 93 experts at the time of the current audit;

(e) Enhanced coordination and cooperation among United Nations entities and external partners.

397. The continuity of training and technical support is essential to preserve institutional knowledge and ensure that field missions maintain compliance with evolving weapons and ammunition management technical guidance. The sustainability of these recent initiatives is at risk owing to the lack of new funding sources beyond 2026. Extrabudgetary funding should be sought through existing mechanisms such as the annual appeal of the Department of Peace Operations, building on existing disarmament, demobilization and reintegration networks such as the Group of Friends of Disarmament, Demobilization and Reintegration, a network of 16 Member States. Such funding should be focused on the following:

(a) Maintaining weapons and ammunition management training for disarmament, demobilization and reintegration practitioners;

(b) Supporting technical assistance missions;

(c) Maintaining and updating the weapons and ammunition management roster of experts;

(d) Updating guidelines and tools in line with the evolution of MOSAIC, the International Ammunition Technical Guidelines and the Integrated Disarmament, Demobilization and Reintegration Standards.

398. The Board is of the view that this project will require long-term funding to stay up to date and train new practitioners. The level of implementation in the field, as described in the following paragraphs, suggests that continued and strengthened efforts are needed. The Administration underlined that all extrabudgetary funding requests should be submitted through the annual Department of Peace Operations appeal, whose process and format are not anticipated to evolve to a multi-year appeal in the light of the current fiscal context. The Board takes note of the existing framework within which funding requests must be made, but is of the view that this is a significant issue in view of the shortcomings on the ground and the risks involved for the Organization.

6.8. Weapons and ammunition management implementation

Challenges faced

399. Effective implementation of weapons and ammunition management in disarmament, demobilization and reintegration contexts faces two primary challenges: safety and security conditions for storage and provenance identification; and the need for robust internal controls. In addition, it should constitute an integral part of the national disarmament, demobilization and reintegration strategies and frameworks, with clear roles and responsibilities and procedures for the management of weapons handed over by former members of armed groups.

400. In mission environments, weapons and ammunition collected during disarmament, demobilization and reintegration activities are often of mixed and indeterminate origin, found in varying states of preservation, frequently unmarked and stored in temporary facilities such as shipping containers. Notwithstanding these challenges, all storage and management practices must comply with international

standards and applicable United Nations policies, including MOSAIC, the International Ammunition Technical Guidelines, the Integrated Disarmament, Demobilization and Reintegration Standards and tools developed at Headquarters such as the weapons and ammunition management standard operating procedure and the weapons and ammunition management disarmament, demobilization and reintegration handbook. To ensure proper implementation, disarmament, demobilization and reintegration practitioners require mission-specific standard operating procedures that clearly define procedures for managing collected weapons and ammunition and delineate responsibilities between disarmament, demobilization and reintegration personnel and other mission components, such as the Mine Action Service and ammunition technical officers from missions' force.

401. To prevent the mismanagement, loss or diversion of collected weapons and ammunition, the Board notes that it is essential to establish and maintain a comprehensive internal control framework. This should include accurate accounting records, routine inventory checks and inspections conducted by qualified personnel. These controls are critical to ensuring the safety, security and traceability of weapons and ammunition throughout the disarmament, demobilization and reintegration process.

Inadequate standard operating procedures

402. Mission-specific standard operating procedures on weapons and ammunition management are not systematically reviewed by the Disarmament, Demobilization and Reintegration Section at Headquarters to ensure compliance with applicable policies, including the 2022 weapons and ammunition management standard operating procedure. In addition, Headquarters does not receive standardized indicators or reports on mission-level weapons and ammunition management activities.

403. Neither the MONUSCO standard operating procedure on weapons and ammunition management (effective 1 October 2021; review date 1 October 2022) nor the MINUSCA standard operating procedure on the management of weapons, ammunition and explosives received during disarmament, demobilization and reintegration and community violence reduction activities (effective 1 April 2022; review date 31 March 2025) is up to date and aligned with the applicable weapons and ammunition management standard operating procedure. The MONUSCO standard operating procedure does not identify the specific roles and responsibilities of the Disarmament, Demobilization and Reintegration Section in the management of collected weapons and ammunition. Neither the MINUSCA nor the MONUSCO standard operating procedure provides sufficient details regarding accounting methods, the frequency of stock checks and inspections.

Inadequate practice on the ground

404. In MINUSCA, an internal audit of disarmament, demobilization and reintegration activities noted that the Disarmament, Demobilization and Reintegration Section maintained custody of the keys to several containers located in military contingent camps for the storage of weapons and ammunition recovered through the national disarmament, demobilization and reintegration and community violence reduction programmes in Bangui, Bria, Bouar and Kaga Bandoro. It also noted that the consolidated listing of weapons and ammunition maintained centrally by the Section did not contain sufficient details and was not updated in a timely manner. During the visit of the internal audit team to the ammunition storage facilities in Bria, Bouar and Kaga Bandoro, it found weapons that had been in the custody of the Mission for an undetermined period and for which no action had been taken with

regard to initiating a transfer to the Government. The Mission had not implemented periodic physical counts and stated that it had only limited expertise to support the effective management of adequate records on weapons and ammunition. During its field audit in June 2025, the Board also noted that the Section could not provide the documentation of regular inspection records and did not maintain records for the handover process of weapons to the Government. The management of the Section mentioned a lack of expertise to explain those shortcomings.

405. In MONUSCO, the external auditors visited the site of Beni and noted that there was no shared inventory tool nor a formal agreement between the Disarmament, Demobilization and Reintegration Section and the Mine Action Service to define the process for the transfer and destruction of ammunition collected through disarmament, demobilization and reintegration activities. The Disarmament, Demobilization and Reintegration Sections in MONUSCO and MINUSCA have not established reliable internal control frameworks that include accurate accounting, regular store checks and inspections by qualified personnel.

406. To ensure effective oversight and risk mitigation in weapons and ammunition management, it is necessary that each mission update its standard operating procedures on weapons and ammunition management to align with the 2022 Headquarters standard operating procedure on weapons and ammunition management. These standard operating procedures must clearly define the roles, responsibilities and procedures of the Disarmament, Demobilization and Reintegration Section and other relevant mission components to ensure accurate accounting and effective management of safety and security risks.

407. Disarmament, Demobilization and Reintegration Sections in the field should submit their mission-specific standard operating procedures on the management of weapons and ammunition collected during disarmament, demobilization and reintegration and community violence reduction activities to the Disarmament, Demobilization and Reintegration Section at Headquarters for review and feedback. Where necessary, Disarmament, Demobilization and Reintegration Sections should seek support from the Mine Action Service or other qualified personnel within the mission’s force to ensure the safe handling, storage and disposal of weapons and ammunition.

408. These indicators should support systematic data collection, facilitate regular assessments and enhance monitoring of safety and security risks. The Board suggests the following indicators:

(a) Number of disarmament, demobilization and reintegration personnel or national personnel trained in weapons and ammunition management procedures;

(b) Availability of appropriate equipment for marking and/or destroying collected weapons and ammunition;

(c) Frequency and regularity of inventory checks conducted by disarmament, demobilization and reintegration personnel;

(d) Frequency of independent safety and security inspections of storage sites.

409. **The Board recommends that the Secretariat, through the Disarmament, Demobilization and Reintegration Section, offer support to MONUSCO and MINUSCA in reviewing existing mission-specific standard operating procedures on weapons and ammunition management, in order to strengthen disarmament, demobilization and reintegration-related weapons and ammunition management in compliance with the Headquarters standard operating procedure on weapons and ammunition management, and to develop standardized indicators.**

410. The Administration accepted the recommendation.

C. Transmission of information by management

1. Write-off of cash, receivables, inventories and property

411. In accordance with financial regulation 6.5., the Secretary-General may, after full investigation, authorize the write-off of losses of assets, including cash, inventories and property, plant and equipment, provided that a statement of all such amounts written off is submitted to the Board with the annual financial statements submitted in accordance with financial regulation 6.1.

412. The additional terms of reference in the Financial Regulations and Rules governing an external audit include write-offs in the list of matters that should be referred to in the report.

413. Within this framework, the Administration reported to the Board that assets amounting to $16.6 million had been written off during 2024/25 ($198 million in 2023/24 and $9.8 million in 2022/23). Of those write-offs, $2.1 million related to real estate assets ($122.8 million in 2023/24 and $2.5 million in 2022/23), $7.2 million related to equipment ($39.0 million in 2023/24 and $6.9 million in 2022/23), $6.9 million related to inventories ($34.3 million in 2023/24 and $4.4 million in 2022/23), $0.5 million related to losses of receivables ($1.9 million in 2023/24 and $0.4 million in 2022/23) and no losses of cash were reported (same as during 2023/24 and 2022/23). Cross-volume transfers to volume I led to an additional derecognition, increasing the disposal value by $3.6 million ($4.2 million in 2023/2024). The MINUSMA liquidation justified write-offs of $3.4 million, far below the level reached in 2023/2024 ($186.7 million).

414. The significant decrease of $181.5 million in write-offs compared with 2023/24 is due primarily to the completion of the MINUSMA liquidation during 2024/25. In the prior year, the main write-offs were recorded for a total amount of $186.7 million,[23] representing 94 per cent of the total prior year write-offs.

2. Ex gratia payments

415. It is stated in financial regulation 5.11 that the Secretary-General may make ex gratia payments as they are deemed to be necessary in the interest of the Organization, provided that a statement of such payments shall be submitted to the Board with the financial statements.

416. The Administration reported to the Board that no ex gratia payments were made in 2024/25.

3. Cases of fraud and presumptive fraud

417. In accordance with the additional terms of reference to the Financial Regulations and Rules, fraud cases are included in the matters that should be reported to the General Assembly by the Board. The external auditor's role is not to investigate fraud or provide assurance on the matter. The primary responsibility for preventing and detecting fraud rests with management. Nevertheless, in accordance with International Standard on Auditing 240 and International Standard of Supreme Audit Institutions 1240, it is the responsibility of the external auditor to identify risks of material misstatements in the financial statements that may result from fraud and to

[23] From which $117.7 million (63 per cent) was related to real estate assets and the remaining part to equipment and inventory write-offs (respectively, $30.9 million and $30.7 million).

consider its own assessment of fraud risk in defining its audit strategy and its work. The following information does not supersede the findings and recommendations on financial estimation of presumptive fraud cases produced by the Board in section B.3 of the present report.

418. During the period under review, the Office of the Controller reported 14 cases of fraud to the Board, involving an amount of $38,564.99 that could not be recovered, as well as 161 cases of presumptive fraud, involving an estimated amount of $14.0 million. The previous years' figures are shown in table II.13. Comparing those figures is challenging, given that they depend on fraud detection and the amount involved is often reported as unknown.

Table II.13
Transmission of cases of fraud and presumptive fraud in peacekeeping operations
(Millions of United States dollars)

	Fraud		*Presumptive fraud*	
Period ended	*Number of cases*	*Amount*	*Number of cases*	*Amount*
30 June 2025	14	0.04	161	14.0
30 June 2024	8	0.02	144	60.3
30 June 2023	10	0.01	113	7.19
30 June 2022	8	0.14	119	0.93
30 June 2021	13	0.24	111	0.76

Source: Board of Auditors.

D. Acknowledgement

419. The Board wishes to express its appreciation for the cooperation and assistance extended to its staff by the Secretary-General, the Under-Secretaries-General for Management Strategy, Policy and Compliance, Peace Operations, Operational Support and Internal Oversight Services and the Controller and members of their staffs, as well as the staff at the missions.

(*Signed*) Carine **Camby**
President of First chamber,
acting as First President of the French Cour des Comptes
Chair of the Board of Auditors
(Lead Auditor)

(*Signed*) **Hou** Kai
Auditor General of the People's Republic of China

(*Signed*) Vital **do Rêgo Filho**
President of the Brazilian Federal Court of Accounts

15 January 2026

Annex I

Missions audited

Active peacekeeping operations

1. United Nations Mission for the Referendum in Western Sahara
2. United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic
3. United Nations Multidimensional Integrated Stabilization Mission in Mali
4. United Nations Organization Stabilization Mission in the Democratic Republic of the Congo
5. United Nations Disengagement Observer Force
6. United Nations Peacekeeping Force in Cyprus
7. United Nations Interim Force in Lebanon
8. United Nations Interim Security Force for Abyei
9. United Nations Interim Administration Mission in Kosovo
10. United Nations Mission in South Sudan
11. United Nations Support Office in Somalia

Special-purpose accounts

1. Peacekeeping Reserve Fund
2. United Nations Logistics Base at Brindisi, Italy
3. Regional Service Centre in Entebbe, Uganda
4. Support account for peacekeeping operations
5. Employee benefits funds
6. Peacekeeping cost-recovery fund

Closed peacekeeping operations

1. United Nations Operation in Burundi, closed on 31 December 2006
2. United Nations Mission in Sierra Leone and United Nations Observer Mission in Sierra Leone, closed on 31 December 2005
3. United Nations Transitional Administration in East Timor and United Nations Mission of Support in East Timor, closed on 20 May 2005
4. United Nations Iraq-Kuwait Observation Mission, closed on 6 October 2003
5. United Nations Mission in Bosnia and Herzegovina, closed on 30 June 2003
6. United Nations Mission of Observers in Tajikistan, closed on 15 May 2000
7. United Nations Support Mission in Haiti, United Nations Transition Mission in Haiti and United Nations Civilian Police Mission in Haiti, closed on 15 March 2000
8. United Nations Mission in the Central African Republic, closed on 15 February 2000

9. United Nations Observer Mission in Angola and United Nations Angola Verification Mission, closed on 26 February 1999
10. United Nations Preventive Deployment Force, closed on 28 February 1999
11. United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirius and United Nations Civilian Police Support Group, closed on 15 October and 30 November 1998
12. United Nations Observer Mission in Liberia, closed on 30 September 1997
13. United Nations Peace Forces, closed on 30 June 1997
14. Military Observer Group of the United Nations Verification Mission in Guatemala, closed on 31 May 1997
15. United Nations Mission in Haiti, closed on 30 June 1996
16. United Nations Assistance Mission for Rwanda and United Nations Observer Mission Uganda-Rwanda, closed on 19 April 1996
17. United Nations Observer Mission in El Salvador, closed on 31 May 1995
18. United Nations Operation in Mozambique, closed on 31 March 1995
19. United Nations Operation in Somalia, closed on 3 March 1995
20. United Nations Military Liaison Team in Cambodia, closed on 15 November 1994
21. United Nations Transitional Authority in Cambodia, closed on 5 May 1994
22. United Nations Transition Assistance Group, closed on 21 March 1990
23. United Nations Iran-Iraq Military Observer Group, closed on 31 March 1991
24. Special Account for the United Nations Emergency Force, closed on 30 June 1967
25. Ad Hoc Account for the United Nations Operation in the Congo, closed on 30 June 1964
26. United Nations Mission in Ethiopia and Eritrea, closed on 31 July 2008
27. United Nations Observer Mission in Georgia, closed on 5 June 2009
28. United Nations Mission in the Central African Republic and Chad, closed on 31 December 2010
29. United Nations Mission in the Sudan, closed on 9 July 2011
30. United Nations Supervision Mission in the Syrian Arab Republic, closed on 19 August 2012
31. United Nations Integrated Mission in Timor-Leste, closed on 31 December 2012
32. United Nations Operation in Côte d’Ivoire, closed on 30 June 2017
33. United Nations Mission in Liberia, closed on 30 March 2018
34. United Nations Mission for Justice Support in Haiti/United Nations Stabilization Mission in Haiti, closed on 15 October 2019[1]
35. African Union-United Nations Hybrid Operation in Darfur, closed on 31 December 2020

[1] MINUSTAH became MINUJUSTH on 16 October 2017.

Annex II

Status of implementation of recommendations up to the financial year ended 30 June 2025 (volume II)

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
1	2018	A/73/5 (Vol. II), chap. II, para. 209	The Board recommends that the Administration analyse the direct and indirect costs associated with the disposal of unserviceable and expired ammunition from troop- and/or police-contributing countries and inform Member States accordingly.	The Administration requests the closure of this recommendation. The issue paper was updated with the analysis of the direct and indirect costs, which was published on the contingent-owned equipment website, available to all Member States.	Evidence was provided regarding the information to Member States on the analysis of costs. The recommendation is considered implemented.	X			
2	2018	A/73/5 (Vol. II), chap. II, para. 407	The Board recommends that the Administration amend the policy for rosters with the objective to facilitate roster-building, management and data cleansing.	The Administration requests the closure of this recommendation because it was implemented. The policy on roster-building, roster management and data cleansing was amended and promulgated in the administrative instruction on the staff selection system (ST/AI/2025/2, dated 1 August 2025 and effective 1 October 2025).	The administrative instruction published in August 2025 covers extensively the issues addressed in the recommendation, which the Board considers to be implemented.	X			
3	2018	A/73/5 (Vol. II), chap. II, para. 417	The Board recommends that the Administration review the recruitment process to increase transparency and simplify and shorten the procedure.	The Administration requests the closure of this recommendation because it was implemented. The policy on recruitment and selection is now more transparent and simplified and aimed at shortening the overall procedure, as evidenced in the new policy on the staff selection system (ST/AI/2025/2).	The administrative instruction published in August 2025 covers extensively the issues addressed by the recommendation, which the Board considers to be implemented.	X			
4	2019	A/74/5 (Vol. II), chap. II, para. 202	The Board recommends that the Administration extend the delegation of authority portals' functionalities to specify and limit subdelegations to ensure that the staff member who receives subdelegations is aware of the scope.	The Administration requests the closure of this recommendation because it was implemented. The audit in question covered the period ending 30 June 2019, just six months after the introduction of the delegation of authority framework. At that time, entities were still in the early stages of adapting to the new policy and the delegation of authority portal. Since then, significant progress has been	The portal includes the information included in the recommendation, which is considered implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification			
						Implemented	Under implementation	Not implemented	Overtaken by events
				made. Over the past six years, with sustained support from the Department of Management Strategy, Policy and Compliance, staff members receiving subdelegations have become well versed in the scope and limitations of their delegated authority. The delegation of authority portal includes functionality that allows for clear specification of limits and scope, either through dedicated fields or attachments.					
5	2020	A/75/5 (Vol. II), chap. II, para. 68	The Boards recommends that the Administration determine the support account share of after-service health insurance expenditure on the basis of the actual costs incurred within peacekeeping operations.	The Administration requests the closure of this recommendation due to it having been overtaken by events. This recommendation is repetitive to the one in paragraph 91 of A/79/5 (Vol. II).	Given that the recommendation does not cover the exact same scope as the one mentioned by the Administration, and because work is ongoing, the Board considers the recommendation to be under implementation.		X		
6	2021	A/76/5 (Vol. II), chap. II, para. 57	The Board recommends that the Administration determine which categories of assets the missions shall provide to UNOPS for mine action projects and exclude them from financial agreements with UNOPS, include provisions on periodic asset reporting by UNOPS that facilitate IPSAS financial reporting in the new memorandum of understanding, and integrate the Chiefs of the Mine Action Programme into the oversight and management of project assets.	The Administration requests the closure of this recommendation because it was implemented. The 2024 memorandum of understanding set out the overarching framework under which any Secretariat entity, including on mine action, may engage UNOPS. Therefore, it does not specifically mention/reference the Chief of Mine Action Programme or any other programme manager. However, article 5 (Secretariat programme manager oversight) of the memorandum of understanding outlines the responsibility of the Secretariat programme manager in overall management, including in mine action. Furthermore, in paragraph 14.5 article 14 (asset management), the roles and responsibilities of the Secretariat programme manager in asset management are stipulated.	Although the memorandum of understanding does not specifically cover mine action, it addresses more broadly the issues raised in the recommendation regarding the cooperation with UNOPS. Therefore, the Board considers the recommendation to be implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
7	2021	A/76/5 (Vol. II), chap. II, para. 74	The Board recommends that the Administration ensure that the delegation of authority to any Officers-in-Charge is visible in the delegation of authority portal, and define and codify the delegation of authority for administrative decisions regarding the management of resources, including human resources, for all drawdown and liquidation activities after the Security Council mandate of a mission has ended.	The Administration reiterates that it has successfully operationalized the modalities for delegating authority to officers-in-charge through the delegation of authority portal and codified the delegation of authority during the recent closure of missions. This framework was effectively applied during the closure of MINUSMA, for example, demonstrating the robustness and adequacy of the modalities put in place based on the recommendation. Accordingly, the Administration requests the closure of the recommendation. The Board is respectfully invited to review the evidence that has been provided, taken from the delegation of authority portal in the case of MINUSMA.	The Board notes the implementation of the delegation of authority portal regarding officers-in-charge and considers the recommendation to be implemented.	X			
8	2022	A/77/5 (Vol. II), chap. II, para. 50	The Board recommends that the Administration organize an annual "peacekeeping risk management day", in order to raise awareness and develop, including through proper brainstorming and training sessions, a more risk-aware culture in the peacekeeping missions.	The Administration requests the closure of this recommendation because it was implemented. On 8 May 2025, the Business Transformation and Accountability Division hosted the first annual "peacekeeping risk management day", a virtual event that brought together more than 200 participants from across the Secretariat, which included all field missions. The session thoroughly addressed enterprise risk management in peace operations and focused on promoting a culture of risk awareness. Key topics included innovations in enterprise risk management, navigating geopolitical shifts and integrating risk considerations into planning and budgeting. In addition to brainstorming and training sessions on that day, an iSeek article highlighting the event was published to reach a broader audience.	In view of the provided information and supporting evidence, the Board considers the recommendation to be implemented.	X			

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9	2022	A/77/5 (Vol. II), chap. II, para. 75	The Board recommends that the Administration provide, with a view to building a more consensual, sound and practical basis for risk-taking in peacekeeping operations, the appropriate elements to fuel a strategic discussion at the level of the legislative bodies, not excluding the issuance of a peacekeeping risk appetite statement and the revision of the 2011 risk management policy.	Implementation of the related recommendation was delayed owing to the need for extensive consultations with subject matter experts on the potential development of a risk appetite statement. This statement is intended to provide United Nations management and staff with broad guidance on the level of risk that the Organization is willing to accept when exposed to specific risks in achieving its mandated objectives, including peacekeeping operations. In parallel, the Business Transformation and Accountability Division is in the process of revising the 2011 enterprise risk management policy, which will be submitted to the Management Committee for review and approval in 2026.	The Board notes the work in progress and acknowledges the substantial efforts made. The recommendation is under implementation.		X		
10	2022	A/77/5 (Vol. II), chap. II, para. 76	The Board also recommends that the Administration progressively develop mechanisms to define acceptable risk-taking at the level of peacekeeping missions and experiment with ways to better incentivize and reward it.	The concept of acceptable risk-taking is linked intrinsically to the broader notion of risk tolerance. However, developing clear and objective mechanisms for acceptable risk-taking within the context of the United Nations Secretariat remains a complex undertaking, requiring not only structural changes, but also a broader cultural shift. To help to foster this change, the Office of Human Resources promotes responsible risk-taking through a variety of managerial tools and frameworks that support innovation and more effective programme delivery. To further promote knowledge-sharing, the Department of Management Strategy, Policy and Compliance will disseminate best practices from field missions through a dedicated community of practice, highlighting the	The Board notes the existing tools and frameworks. The dissemination of good practice, which is a key element, was already mentioned. The Board will be attentive to the deployment of a dedicated community of practice. In the meantime, the recommendation is considered under implementation.		X		

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				positive impacts of enterprise risk management implementation, sharing success stories and capturing lessons learned.					
11	2022	A/77/5 (Vol. II), chap. II, para. 139	The Board recommends that the Administration clarify the roles of the first and second lines of defence in the management of risks in peacekeeping operations, taking concrete steps to increase their empowerment, involvement and accountability, and formalizing in particular the participation of the Department of Peace Operations to the second line of defence.	The 2011 enterprise risk management policy is being revised, with finalization expected by the end of the first quarter of 2026, following ongoing consultations with key stakeholders to ensure alignment. The updated policy will clarify the roles and responsibilities of the first and second lines of defence and will be submitted to the Management Committee for endorsement.	The Board notes the future update of the United Nations enterprise risk management policy. Until it is finalized, the recommendation is considered under implementation.		X		
12	2022	A/77/5 (Vol. II), chap. II, para. 168	The Board recommends that the Administration assign the responsibility of Chief Risk Officer to an existing senior executive in each entity, at the department, missions and service centres levels.	In line with United Nations enterprise risk management governance, the Administration confirms that senior-level officials provide strategic oversight of enterprise risk management at all peacekeeping operations. Noting that the United Nations does not have the Chief Risk Officer functional title in its human resources framework, these senior-level officials (normally Chief of Staff and/or the Chief of Mission Support) serve as Chief Risk Officer in their capacity as Chairs of local risk management committees. In line with the responsibilities of the Chief Risk Officer, the outcomes of the local risk management committee meetings are communicated regularly to the mission's senior leadership, including the Special Representative of the	The Board acknowledges the progress made. However, the Administration previously mentioned that a review of enterprise risk management roles and functions was under way and scheduled for March 2025. Without a further update on this review, the Board considers the recommendation to be under implementation.		X		

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				Secretary-General and the Deputy Special Representative of the Secretary-General, thereby ensuring informed, coordinated and risk-aware decision-making. Accordingly, the Administration respectfully requests the closure of the recommendation.					
13	2022	A/77/5 (Vol. II), chap. II, para. 171	The Board also recommends that the Administration review in the coming months, through a process including all stakeholders, the quality of the existing "risk registers" and "risk treatment and response plans".	The Administration requests the closure of this recommendation because it was implemented. The deployment of the Umoja enterprise risk management module across all peacekeeping operations was completed, which improved quality and consistency in risk registers and risk treatment and response plans across missions, through the use of a common taxonomy and common standards, as defined in the enterprise risk management guide for managers.	The Board acknowledges the finalization of the Umoja enterprise risk management module project. Therefore, the recommendation is considered implemented.	X			
14	2022	A/77/5 (Vol. II), chap. II, para. 204	The Board recommends that the Administration conduct a thorough review of all the existing accountability requirements on peacekeeping operations, in order to streamline and reduce the burden on managers ("simplification shock"), as well as to better articulate risk management with key internal control, strategic programming, budgeting and performance frameworks and ensure data-sharing and interconnected information systems.	The Administration requests the closure of this recommendation because it was implemented. The Administration conducted a thorough review of all existing accountability and reporting requirements across the United Nations Secretariat. The review was completed in March 2025, and the results were shared with all entities. The results framework comprises approximately 185 reports, ranging in frequency from daily to annual and ad hoc, across all thematic areas. On the basis of an analysis of this inventory, 26 areas were identified in order to streamline reporting processes and reduce the administrative burden on managers. The focus of the review was on eliminating duplication, automating data collection, simplifying and tailoring content,	The Board recognizes the efforts made and the forthcoming structural changes made in the light of the context, in particular the UN80 Initiative. Given the progress already made, the Board considers the recommendation to be implemented.	X			

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				reducing reporting frequency and adjusting reporting timelines to align more closely with business cycles. The Administration will prioritize these proposals for detailed feasibility reviews and subsequent implementation in the context of the UN80 Initiative. A copy of the review (with an inventory of reporting requirements) was provided to the Board as evidence of implementation.					
15	2022	A/77/5 (Vol. II), chap. II, para. 222	The Board recommends that the Administration issue a standard operating procedure for cross-borrowing starting with the cash shortfall identification and ending with the loan movement in Umoja. This standard operating procedure shall also include a template note with all relevant information for the approval. Finally, the standard operating procedure should provide that the heads of missions affected are informed.	The draft standard operating procedure on cross-borrowing is in the final stages of review, and the Administration plans to release it in December 2025.	Owing to the revised target date for the issuance of the standard operating procedure, the recommendation is considered under implementation.		X		
16	2022	A/77/5 (Vol. II), chap. II, para. 274	The Board recommends that the Administration formalize a policy document for the actuarial valuation of employee benefits that gives an overview of the process and related internal controls. In particular, the policy should describe and document the significant decisions and assumptions to be included in the employee benefits valuation.	Two separate documents are being developed: (a) on policies, including process overview and internal controls; and (b) on assumptions. The target date for the document on policies is the end of 2026. The document on assumptions has been prepared and is nearing completion, pending clearance.	The two documents will cover the issues addressed in the recommendation, and the recommendation will be closed when they are formally issued.		X		

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17	2022	A/77/5 (Vol. II), chap. II, para. 285	The Board recommends that the Administration systematically document the review and the update of volume II employee benefits actuarial assumptions, providing appropriate evidence as necessary, to ensure their reasonableness before using them in the valuation.	The frequency of reviewing and updating assumptions is documented in the policy paper and the assumptions paper. In addition, the assumptions letter issued by the external actuary, in consultation with the Administration, outlines the process for reviewing and updating assumptions prior to each valuation. In the light of this, the Administration requests that the Board consider closing this recommendation, given that the recommendation in paragraph 274 of A/77/5 (Vol. II) already addresses the same subject matter.	As with the previous recommendation, this recommendation will be closed when the two papers are issued.		X		
18	2022	A/77/5 (Vol. II), chap. II, para. 311	The Board recommends that the Administration conduct at least annually a qualitative review of all Umoja user accounts and roles granted in the Department of Management Strategy, Policy and Compliance. This review should include making the necessary modifications and deprovisioning user accounts to avoid having any active accounts with legacy privileges.	The Administration is evaluating options for the process and scope of conducting regular assessments of Umoja access and role provisioning, with the goal of implementing an approach that is both process-efficient and resource-effective.	Given the work in progress, this recommendation remains under implementation.		X		
19	2022	A/77/5 (Vol. II), chap. II, para. 325	The Board also recommends the Administration rework key performance indicators for demand planning, set targets to be reached and ensure a follow-up of the results.	This recommendation has been implemented through a memo from Assistant Secretary-General for Supply Chain Management dated 30 January 2025. The Administration provided the relevant evidence to the Board.	The evidence provided show the implementation of the recommendation through improved key performance indicators.	X			

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20	2023	A/78/5 (Vol. II), chap. II, para. 65	The Board recommends that the Administration develop a strategy and propose to the General Assembly ways to improve budget development for peacekeeping operations, in order to achieve greater accuracy, predictability and efficiency.	The Administration requests the closure of this recommendation because it was implemented. The changes were incorporated into the 2025/26 budget preparation process. This included enhancing the budget formulation process to allow missions to provide additional information and justification to support the review of their resource requirements on a zero-based budgeting basis. Budget proposals were reviewed to ensure that requirements were justified for the current budget period from a "zero base" and that all activities and expenditure contributed directly to the priorities and the mandate objective of the mission, not based solely on past budgets. Missions were also encouraged to propose and review resources from a multi-year perspective, where appropriate, in particular in the areas of construction, asset management and replacement plans. The supplementary information provided enhanced information on multi-year construction projects, facilitating a review of the initial plan and the actual expenditure during the project duration for each of the projects.	Given the progress made on the budget preparation process, the Board considers the recommendation to be implemented.	X			
21	2023	A/78/5 (Vol. II), chap. II, para. 68	The Board also recommends that the Administration analyse the sustainability of the support account, taking into consideration the consequences of the reduction or closure of peacekeeping missions, and develop scalability models for both Headquarters and service centres.	The Administration requests the closure of this recommendation because it was implemented. The report of the Secretary-General on the support account and related funding issues (A/79/781) was submitted to the General Assembly in its second resumed session. The Assembly took note of the report in its resolution 79/298. As regards the service centres, the independent consultant has completed the review, and a scalability model will be applied in future budgets.	The scalability model for the support account has been deployed. Therefore, the Board considers the recommendation to be implemented.	X			

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22	2023	A/78/5 (Vol. II), chap. II, para. 109	The Board recommends that the Administration present, in its next report to the General Assembly on improving the financial situation of the United Nations, desirable evolutions in revenue, expenditure and liquidity management for peacekeeping operations.	The Administration requests the closure of this recommendation because it was implemented. As set out in General Assembly resolution 76/272, the Secretary-General proposed, in his report on improving the financial situation of the United Nations (A/79/734), additional options to deal with the liquidity situation, in view of the deteriorating liquidity situation for both the regular budget and peacekeeping operations.	The recommendation is considered implemented.	X			
23	2023	A/78/5 (Vol. II), chap. II, para. 141	The Board recommends that the Administration define the roles and responsibilities of budget monitoring of peacekeeping operations by different stakeholders of the second line of defence to ensure that appropriate checks and balances are in place and greater attention is paid to budgetary discipline and mandate priorities.	The recommendation has been implemented. The Field Operations Finance Division is monitoring budget implementation by requesting quarterly expenditure projections and variance analysis, as well as cash projections. To strengthen the monitoring responsibility of stakeholders, a workshop on the second line of defence was held in 2025. Furthermore, a standard operating procedure on the second line of defence in the Division was issued on 17 December 2025.	In view of the new standard operating procedure outlining and formalizing the second line of defence in the Field Operations Finance Division, the Board considers the recommendation to be implemented.	X			
24	2023	A/78/5 (Vol. II), chap. II, para. 173	The Board recommends that the Administration streamline and improve the quality of the data used in accountability reports produced as part of the result-based budgeting.	The Administration requests the closure of this recommendation. In 2024/25, as a pilot, the data presentation in the results-based budgeting framework was enhanced with improved visualization and graphical presentation, where possible, in the Regional Service Centre budget for 2025/26 (A/79/751). Going forward, a new integrated peacekeeping budget and performance report format has been introduced, to be presented to the General Assembly in the second resumed session of its eightieth session. This consolidated format combines the presentation of financial performance for 2024/25 with the proposed budget	The Board acknowledges the efforts made and will assess the results in the new format of the budgets that will be presented during the second resumed session of the eightieth session of the General Assembly.		X		

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				for 2026/27. It is intended to improve the quality, relevance and efficiency of reporting significantly. By focusing on delivering meaningful, concise and analytically robust information, the new format responds directly to the recommendation of the Board to reduce the volume of data while strengthening its analytical value. The benefits include a multi-year view of financial and human resources data, the cancellation of prior-period obligations and financial variance analyses, for comparability. With respect to the results-based budgeting framework, a greater focus is placed on expected accomplishments (results) and added context with five-year performance data, while reducing outputs. Data visualization will be increased, in particular in the support component. Overall, the new format will result in a more meaningful results-based budgeting framework and improved use of data and visuals and raise the quality of the data. Furthermore, the MINUSCA results-based budgeting framework and the Comprehensive Planning and Performance Assessment System results frameworks are now fully aligned, allowing for a single comprehensive data source to inform accountability reports.					
25	2023	A/78/5 (Vol. II), chap. II, para. 175	The Board also recommends that the Administration develop a methodology to gradually build up presentation of the main expenses according to an analytical breakdown by mandate component.	The Administration request the closure of this recommendation because it was implemented. The Administration is connecting results-based budgeting to expenditure, to the extent possible, to ensure the accountability of peacekeeping operations in terms of budget management and reporting on performance. The proposed budget for	The Board acknowledges the important progress made and considers the recommendation to be implemented.	X			

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				2025/26 was already enhanced by disclosing estimated civilian personnel costs per component.					
26	2023	A/78/5 (Vol. II), chap. II, para. 226	The Board recommends that the Administration review the planning of the civilian component's operations to ensure, after in-depth consultations, a more realistic multi-year sequencing of the implementation of the mandate and a better alignment with strategic priorities.	The recommendation has been implemented. The Department of Peace Operations-Department of Political and Peacebuilding Affairs-Department of Operational Support guidelines on the mission concept and mission plan were issued in April 2025. They have been disseminated, and roll-out and implementation have been initiated. As part of the mission planners' workshop, which is being held as part of a series of virtual and in-person sessions over the course of 2025–2026, sessions have already been held covering the development of mission concepts and political strategies, which are key documents guiding the planning of mission civilian component operations through mission plans and further workplans. Subsequent sessions will focus on practical aspects of mission plans as whole-of-mission multi-year prioritized and sequenced plans. In addition, the Department of Peace Operations has initiated work on developing training focused on the fundamentals of planning to ensure the rigorous development and implementation of mission concepts and mission plans.	The Board considers that these guidelines and the workshop sessions cover the issue raised in the recommendation, which is considered implemented.	X			
27	2023	A/78/5 (Vol. II), chap. II, para. 260	The Board recommends that the Secretariat provide information on the costs of the substantive civilian component of peacekeeping operations	The recommendation has been implemented. The budget reports for peacekeeping missions included the costs of the substantive civilian components.	The recommendation has been implemented.	X			

						Status after verification			
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28	2023	A/78/5 (Vol. II), chap. II, para.304	The Board recommends that the Administration review and adjust existing senior mission leadership mechanisms, in line with the revised Policy on Integrated Assessment and Planning, to enhance their effectiveness in the delivery of their core integration and strategic management functions.	The Administration considers this recommendation to be implemented and requests its closure by the Board, given that all integrated missions have existing leadership mechanisms established and functioning in line with the Policy on Integrated Assessment and Planning.	The Board considers that no new development can be noted regarding the implementation of the recommendation.		X		
29	2023	A/78/5 (Vol. II), chap. II, para. 341	The Board recommends that the Administration review, through a process including both Headquarters and the missions, the quality of the existing reporting on the performance of the substantive civilian component of peacekeeping operations, in order to increase its relevance and better support strategic management and oversight.	To implement the recommendation, in the absence of pre-existing capacities and/or additional resources that would have allowed for a comprehensive review, the Department of Peace Operations has focused on supporting missions in leveraging the Comprehensive Planning and Performance Assessment System to improve the quality of the reporting on their overall performance in the implementation of their mandates, including the performance of the civilian component. The efforts and related results have addressed the objectives of the recommendation and are detailed in the overview. On the basis of this update, the Administration requests the closure of the recommendation.	The Board acknowledges the efforts made by Headquarters to streamline the use of the Comprehensive Planning and Performance Assessment System and realize its potential. In the light of the current financial constraints, the Board considers the recommendation to be implemented.	X			
30	2023	A/78/5 (Vol. II), chap. II, para. 365	The Board recommends that the Administration update the information on signature authority with the missions to ensure that personnel registered correspond to the operational needs.	The Office of Programme Planning, Finance and Budget and the United Nations Treasury have completed the reconciliation of bank signatories for bank accounts and continuously ensure that they are up to date. The Administration wishes to highlight that this will be an ongoing activity, in particular because there will always be	Tests were carried out and showed a number of discrepancies. Sometimes the signatories listed in the United Nations file did not match those shown on the bank confirmation, or the signatories appearing on the bank confirmation were not included in the United Nations		X		

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				a gap between when an action is taken at Headquarters and when the action is taken by the bank, and reiterates its request to the Board to close the recommendation.	file. Given these continued shortcomings, the Board considers that the update of designated signatories needs to continue for the accounts.				
31	2023	A/78/5 (Vol. II), chap. II, para. 379	The Board recommends that the Administration explore improvements on the bank reconciliation transaction in Umoja.	The Administration considers this recommendation to be implemented and requests its closure by the Board. The Administration has explored improvements in the bank reconciliation transaction and confirmed with the SAP that the current standard functionality did not support the automatic update of the open item flag. SAP also confirmed the availability of an updated T-code for the bank reconciliation process, which has been evaluated.	The Board considers that this recommendation has been overtaken by events because SAP confirmed the availability of an updated T-code regarding bank reconciliation but that the use of this new T-code is planned but not yet in use. The Board will follow up on the implementation of the new transaction.				X
32	2023	A/78/5 (Vol. II), chap. II, para. 394	The Board recommends that the Administration include in the policy document mentioned in chapter II, paragraph 274, of A/77/5 (Vol. II): (a) an analysis of the possibility of differentiating the withdrawal and retirement rates at the time of retirement by participant status (international versus national); (b) a study to determine the historical rate of participants in after-service health insurance plans who leave the plan after retirement; and (c) an option that the valuation method for the full valuation be revised in the light of the results of these analyses.	The Administration is not in a position to split after-service health insurance enrolment, withdrawal and retirement rates based on staff category (international vs. national). In addition, in relation to the lapse rate, the cases in which enrolled retirees fall out of the after-service health insurance scheme for reasons other than death or the temporary suspension of contributions to the health plan are rare and do not represent any notable trend.	Given that no notable improvement was noted in the financial year, the recommendation remains under implementation.		X		

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33	2023	A/78/5 (Vol. II), chap. II, para. 418	The Board recommends that the Administration establish in a formal document the process for determining the peacekeeping operations' shares of the various after-service health insurance medical plans, specifying in particular internal controls to be implemented.	Documentation of the simulation process that determines contribution rates continues to be under development. Related internal control and process flow elements are being tested in order for them to be formalized and documented by the end of 2025.	The Board takes note of the progress made, which could lead to the closure of the recommendation in the next audit.		X		
34	2023	A/78/5 (Vol. II), chap. II, para. 429	The Board recommends that the Administration establish a standard operating procedure for the credit returns to Member States that provides an overview of the process and the related internal controls.	The matter is under review by Senior management.	This recommendation is being reviewed by senior management and is therefore considered under implementation.		X		
35	2023	A/78/5 (Vol. II), chap. II, para. 454	The Board recommends that the Administration review the cost-recovery accumulated surplus of UNMISS, UNSOS, MINUSMA, MINUSCA, MONUSCO and UNISFA and make the necessary adjustments.	The Administration considers this recommendation to be implemented and requests its closure. As highlighted in table 8 of the report of the Secretary-General on cost recovery in the United Nations Secretariat (A/80/369), reclassification of prior-year revenue from spendable to non-spendable, followed by its return to Member States, was completed, including for UNMISS, UNSOS, MINUSMA, MINUSCA, MONUSCO and UNISFA. The returns were based on a comprehensive review of prior-year revenue in peacekeeping missions from 2014/15 to 2022/23.	The Board takes note of efforts made regarding classification between spendable and non-spendable revenue. However, given that the surplus has increased compared with the previous fiscal year, the recommendation is considered under implementation.		X		

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36	2023	A/78/5 (Vol. II), chap. II, para. 459	The Board recommends that the Administration continue its work on centrally monitoring cost recovery in particular to ensure the correct differentiation between spendable and non-spendable income.	The recommendation has been implemented. The Office of Programme Planning, Finance and Budget has provided guidance to missions regarding the classification of spendable and non-spendable revenue. This information is communicated through closing instructions, training courses and policy guidance. Missions' finance staff are instructed to review revenue classifications prior to the year-end account closure and to make any necessary adjustments.	The Board notes the implementation of a new dashboard to facilitate the classification between spendable and non-spendable revenue. Corrections and controls are now performed on a regular basis. The recommendation is considered implemented.	X			
37	2023	A/78/5 (Vol. II), chap. II, para. 485	The Board recommends that the Administration complete its review of the fuel category strategy in a timely manner to adapt it to various challenges, including by exploring additional contract tools and operating models in order to reduce its dependence on a very limited number of suppliers.	The Department of Operational Support/Office of Supply Chain Management continues work to implement a comprehensive approach to mitigate identified risks in the fuel category. In doing so, a new fuel category strategy has been developed, moving from turn-key models to a split-supply chain approach separating bulk fuel supply from operations and maintenance services. In parallel, efforts regarding vendor outreach and market feedback analysis are under way in order to expand supplier participation. The new strategy development has resulted in pilot solicitations, which demonstrate early results of improved vendor response. However, owing to the timeline for completion of the commercial evaluation, this will require additional time, thereby extending target completion to the first quarter of 2026. These measures will strengthen resilience and reduce the dependency on limited suppliers.	The Board acknowledges the progress made and will assess the finalized fuel strategy when it is published. Until then, the recommendation remains under implementation.		X		

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38	2023	A/78/5 (Vol. II), chap. II, para. 538	The Board recommends that the Administration ensure better anticipation and mitigation by peacekeeping missions of the risks associated with a withdrawal.	The Administration respectfully requests closure of this recommendation, given that it was implemented. Risk analysis related to mission withdrawal is now embedded in mission plans. In addition, the production of an exit concept of operations has been institutionalized.	The documents provided show improved inclusion of risk anticipation and mitigation in the context of withdrawal preparation. The recommendation is therefore considered implemented.	X			
39	2024	A/79/5 (Vol. II), chap. II, para. 52	The Board recommends that the Administration strengthen due diligence controls on contract administration regarding performance securities provided by contractors, in order to verify their authenticity	The Administration is prioritizing the pilot phase of the Society for Worldwide Interbank Financial Telecommunication (SWIFT) transmittal project and will provide publicly available information on issuing banks, including credit ratings, equity levels and overall creditworthiness. In instances in which a SWIFT-authenticated performance security is not honoured by the issuing bank and the amounts involved justify the engagement of an external party, related costs should be absorbed within the Department of Operational Support's existing resources. The Controller encourages the Department-Office of Supply Chain Management to conduct a cost-benefit analysis to assess whether the recurrent costs of engaging a third party are proportionate to the potential financial risks associated with non-performance, noting that the risk of fraudulent instruments is being mitigated by using SWIFT. The Department has revised the estimated implementation target date to 30 June 2026.	In the view of the information provided and the revised timeline, the Board considers the recommendation to be under implementation.		X		

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40	2024	A/79/5 (Vol. II), chap. II, para. 91	The Board recommends that the Administration either identify all its eligible retirees and their dependents who accumulated after-service health insurance benefits and estimate their after-service health insurance benefits or liabilities as at the date for financial reporting in peacekeeping operations as reported in volume II, or, if not possible, document and formalize the use of the 17 per cent apportionment rate in determining the share of peacekeeping operations in total actual after-service health insurance costs.	Actuarial and other data pertaining to the apportionment of after-service health insurance pay-as-you-go costs have been received and reviewed. Related documentation is under development to support the update to after-service health insurance apportionment rates between fund types, including the apportionment to peacekeeping operations, in 2026.	In the view of the work in progress, the Board considers the recommendation to be under implementation.		X		
41	2024	A/79/5 (Vol. II), chap. II, para. 102	The Board recommends that the Administration continue to document and monitor the after-service health insurance enrolment rate of eligible participants and their eligible dependents in order to improve the accuracy of the after-service health insurance liabilities valuation, by, among others, including the United Nations Staff Mutual Insurance Society against Sickness and Accident experience and the experience of longer periods under the United Nations Medical Insurance Plan.	Data are continuing to be collected to broaden the basis for the rate of after-service health insurance enrolment by eligible retiring staff.	The recommendation is under implementation.		X		

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	*Status after verification* Implemented	Under implementation	Not implemented	Overtaken by events
42	2024	A/79/5 (Vol. II), chap. II, para. 114	The Board recommends that the Administration review the process of staff advances that are not subject to automatic recovery from Umoja, including clearing actions, periodic assessment for impairment and the responsibility levels among missions, the Regional Service Centre and Headquarters.	All advances issued through payroll are recovered automatically through payroll in Umoja. The outstanding staff advances were mainly older conversion items from the legacy system for payroll and travel. The Payroll and Payments Section took action on all outstanding staff advances and made significant progress in clearing them. The status report of open and cleared items as at 7 October 2025 was provided to the Board.	The provided evidence demonstrates the work carried out to clear the outstanding staff advances. The recommendation is considered implemented.	X			
43	2024	A/79/5 (Vol. II), chap. II, para. 148	The Board recommends that the Administration improve the documentation regarding the process for the creation of the schedule of write-offs, in accordance with regulation 6.5 of the Financial Regulations and Rules, through a standard operating procedure.	The Administration is in the process of reviewing and further refining the terminology to be used in the standard operating procedure to ensure clarity with respect to the links to the United Nations Financial Regulations and Rules, after which the detailed standard operating procedure will be presented to stakeholders. The expected completion date is March 2026.	Given the provided timeline, the Board considers the recommendation to be under implementation.		X		
44	2024	A/79/5 (Vol. II), chap. II, para. 167	The Board recommends that the Administration prioritize and expedite the implementation of a cost-recovery dashboard, in order to provide client-type categorization (at least for agencies, funds and programmes) and to strengthen internal controls over cost recovery, especially by providing, on a rolling basis, data linked with Umoja relating to receivables, net asset position, revenue and expenses by mission.	The cost-recovery dashboard is under implementation. Development has been completed and, following validation by the Office of Programme Planning, Finance and Budget, it was shared with key entities for further validation, the gathering of feedback and further improvement. Implementation of the dashboard has been delayed slightly, and the new release date is expected by the end of 2025.	The Board acknowledges the efforts made by the Administration to implement the new dashboard. While this tool enhances the monitoring of transactions related to cost-recovery operations, the recommendation is considered still in progress, given that the comprehensive deployment of the dashboard and the related training have not yet been fully completed at the field level.		X		

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
45	2024	A/79/5 (Vol. II), chap. II, para. 200	The Board recommends that the Administration finalize the budget transfer of the United Nations Logistics Base and the Regional Service Centre tenant units by unifying the processes for budget reports, results-based budgeting frameworks and enterprise risk management at the Logistics Base and Regional Service Centre levels.	The Administration requests the closure of the recommendation because it has been implemented. Tenant unit transfers were presented in the context of the support account budget for 2025/26 (A/79/783) and approved by the General Assembly in its resolution 79/298.	The recommendation has been implemented.	X			
46	2024	A/79/5 (Vol. II), chap. II, para. 236	The Board recommends that the Administration consider either: (a) enhancing the disclosure in the notes to the financial statements by including the total number and value of fully depreciated assets still in use, and their percentage, compared with the total amount of property, plant and equipment, in a disaggregated manner by asset class and by mission; or (b) presenting that information to Member States in the context of the report of the Secretary-General on the overview of peacekeeping operations.	The Administration is looking at the appropriate format of the updates required and will present options by the end of 2025.	Given the provided timeline, the recommendation is considered under implementation.		X		
47	2024	A/79/5 (Vol. II), chap. II, para. 261	The Board recommends that the Administration prepare an issues paper for the consideration of the 2026 COE Working Group highlighting the challenges of the current methodology	The Uniformed Capabilities Support Division has drafted the issue paper for the consideration of the 2026 COE Working Group. The draft will take into account the most recent report of the Board on peacekeeping operations.	In the light of the evidence provided, the Board considers the recommendation to be implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
			and proposing the mandating of a study to encourage more efficient gathering and use of national cost data.						
48	2024	A/79/5 (Vol. II), chap. II, para. 287	The Board recommends that the Administration process the contingent-owned equipment damage claims for hostile action or force abandonment within the targeted 90 days of receipt of claims from Member States, complete with documentation.	All contingent-owned equipment damage claims due to hostile action and forced abandonment received during 2024/25, with complete documentation, have been processed accordingly within 90 days.	The recommendation has been implemented.	X			
49	2024	A/79/5 (Vol. II), chap. II, para. 302	The Board recommends that the Administration prepare a contribution on environmental issues before the next COE Working Group, in 2026, that identifies the areas in which improvement is most needed and examines where the rules should be clarified, where enhanced reimbursement rates might be introduced and where provisions might be made binding.	The Administration has prepared five issue papers (nos. 17, 18, 40, 41 and 42) pertaining to environmental matters for consideration by the 2026 COE Working Group (expanding reimbursement rates for larger renewable energy systems, updating the language in the model memorandum of understanding on environmental management, defining serviceability criteria for existing renewable energy systems, reducing single-use plastic in packaging and prohibiting the deployment of substances banned under international conventions, protocols and treaties).	The provided issue papers address the issues identified in the recommendation. Therefore, the Board considers the recommendation to be implemented.	X			
50	2024	A/79/5 (Vol. II), chap. II, para. 324	The Board recommends that the revision of Action for Peacekeeping Plus include an analysis of the reasons for the fluctuation of some key performance indicators of priority 5 (accountability of peacekeepers).	The Administration requests the closure of this recommendation because it was implemented. While there is fluctuation in the numbers of non-sexual exploitation and abuse cases reported annually since 2017, it is to be expected that the number of these cases will vary from year to year, which may reflect factors such as the opening or	In view of the revised guidance, the recommendation is considered implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
				closing of peacekeeping missions and related fluctuations in numbers of personnel who are deployed in a given year. The Department of Management Strategy, Policy and Compliance provides guidance to all peace operations on how to manage the risks of misconduct, which includes steps to understand risk factors, assess them and implement mitigation measures. It is noted that the Department's misconduct/sexual exploitation and abuse risk management toolkit, revised in 2024, includes information on managing risks of fraud and prohibited conduct (in line with Secretary-General's bulletin ST/SGB/2019/8), as well as information on how to use data to analyse misconduct risks and inform action to address them.					
51	2024	A/79/5 (Vol. II), chap. II, para. 331	The Board recommends that the Department of Peace Operations take the opportunity of the revision of Action for Peacekeeping Plus to propose solutions to engage the missions in the implementation of and follow-up on Action for Peacekeeping Plus priorities.	The Department of Peace Operations has enhanced its efforts to engage missions in implementing and monitoring Action for Peacekeeping Plus priorities. The seventh Action for Peacekeeping Plus progress report, published in September 2025, was informed through extensive consultations with all missions and across Headquarters and highlighted achievements across the work of United Nations peacekeeping operations. Throughout the phases of data collection, analysis and reporting, regular communication with mission focal points on specific Action for Peacekeeping Plus themes and priorities ensured that relevant activities were captured consistently and described thoroughly.	The Board notes the comprehensive outreach to missions carried out in 2025 to better engage them in Action for Peacekeeping Plus A implementation. It therefore considers the recommendation to be implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
				In addition, revising Action for Peacekeeping Plus+ provides an opportunity to discuss with missions what they thought of Action for Peacekeeping Plus+, how it suited their missions, which aspects they wanted to keep and how the next iteration of Action for Peacekeeping Plus+ could be designed to meet their recent needs and challenges. In July 2025, the annual high-level meeting on Action for Peacekeeping Plus+ was held, providing a timely platform for discussion of the most urgent issues facing United Nations peacekeeping operations and to plan a way forward. The event offered a key opportunity for strategic discussions among senior leaders across United Nations peacekeeping operations. Topics included what changes were needed for Action for Peacekeeping Plus+ to keep improving the impact and effectiveness of United Nations peacekeeping operations, which priority areas needed more or less focus going forward, the UN80 Initiative and contingency planning.					
52	2024	A/79/5 (Vol. II), chap. II, para. 344	The Board recommends that the Administration strengthen scenario-based planning and regular planning exercises, in particular for missions that operate in volatile environments, to ensure that missions can identify and respond to risks and be ready to adjust their postures as circumstances change.	The Department of Peace Operations-Department of Political and Peacebuilding Affairs- Department of Operational Support guidelines on the mission concept and mission plan were issued in April 2025. As part of the regular review of mission concepts and mission plans, the Department of Peace Operations will continue to support analysis, the development of scenarios and consideration of various courses of action, and the assessment and management of risks. The regular mission planners' workshop is expected	Pending documentation on the aforementioned workshop, the recommendation is considered under implementation.		X		

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
				to include specific discussions with mission planners on scenario-based planning.					
53	2024	A/79/5 (Vol. II), chap. II, para. 350	The Board recommends that the Administration finalize the review and update of the strategic and operational plans of MONUSCO to align them with the new mandate and approach to the Mission's disengagement.	The Administration requests the closure of this recommendation because it has been implemented. The takeover of two major cities and extensive additional territory in the Democratic Republic of the Congo early in 2025 prompted the Government to inform the Security Council in May 2025 of the suspension of MONUSCO disengagement (see S/2025/274). Against this backdrop, MONUSCO updated the mission concept with strategic and operational direction, including for its military, police and support components, on the basis of the recommended "transition mindset", demonstrating a commitment to a responsible disengagement, as described, among others, in the end-state section of the document. MONUSCO will continue to review and update its strategic and operational plans in respect of mandate renewals.	In view of the provided evidence, the recommendation is considered implemented.	X			
54	2024	A/79/5 (Vol. II), chap. II, para. 362	The Board recommends that the Administration systematically include early transition planning in mission planning to ensure readiness and promote proactivity, with due consideration given to specific mandates and contexts.	The Department of Peace Operations-Department of Political and Peacebuilding Affairs- Department of Operational Support guidelines on the mission concept and mission plan were issued in April 2025. The guidelines direct that early transition planning be included as part of mission plan development at the earliest possible time. As part of the roll-out and dissemination of the guidelines, the Department of Peace Operations will support missions in reflecting early transition aspects in their mission plans, as relevant. As part of the regular	Pending documentation on the mission planners' workshop, the recommendation is considered under implementation.		X		

						Status after verification			
No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Implemented	Under implementation	Not implemented	Overtaken by events
				mission planners' workshop and its focus on mission plans, mission planners will consider early transition planning, where relevant, as part of a reflection on practical approaches to developing, updating and implementing mission plans. Specific training on peacekeeping planning by the Department of Peace Operations is expected to provide the methodology and practical tools to support early transition planning. The revised draft transition policy has been circulated for review, following an interdepartmental drafting process over the preceding months. The revised policy will be submitted soon to senior management for endorsement. The revised policy is intended to ensure greater coherence and effectiveness in United Nations efforts with regard to transition policy.					
55	2024	A/79/5 (Vol. II), chap. II, para. 363	The Board recommends that the Administration strengthen resources to fund transition planning in the Secretariat and, in particular, in the Department of Peace Operations, the Development Coordination Office and the Department of Operational Support.	The Administration requests the closure of this recommendation because the Department of Operational Support secured the extrabudgetary funding in 2025 to continue development of the transition preparedness tool, which is designed to enable the missions (and Headquarters) to assess their preparedness for transition early on and take corrective action prior to the beginning of a transition. A new submission for a extrabudgetary-funded project to continue these efforts in 2026 was already submitted under the overall Action for Peacekeeping Plus umbrella managed by the Department of Peace Operations. The Department also has secured donor funds to support an institutionalization plan that is aimed at strengthening transition planning	Funding has been secured, as demonstrated by the provided evidence. The recommendation is therefore considered implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
				capacity in the Secretariat. The Department and its partners are implementing the plan, in consultation with a wider set of stakeholders.					
56	2024	A/79/5 (Vol. II), chap. II, para. 364	The Board recommends that the Administration finalize its transition preparedness tool in consultation with all stakeholders and ensure its dissemination in all peacekeeping operations, with regular follow-up from United Nations Headquarters on progress on the preparedness reviews.	The continued financial situation in the Organization has impeded further advancement of the transition preparedness tool significantly. Consequently, no change in the tool's status is anticipated in the light of the current financial constraints.	While acknowledging the current financial constraints, the Board considers the recommendation to be under implementation.		X		
57	2024	A/79/5 (Vol. II), chap. II, para. 374	The Board recommends that the Secretariat monitor the risk of Peacekeeping Capability Readiness System verification visits becoming dependent on extrabudgetary funding, assess whether the requisite visits can be conducted and, if not, propose mitigating action to seek more sustainable funding sources.	All requisite assessment and advisory visits and rapid deployment level verification visits will be able to be conducted through extrabudgetary funding in 2025 and 2026. The Administration also communicated a risk assessment produced by the Strategic Force Generation and Capability Planning Cell.	In view of the communicated assessment, the recommendation is considered implemented.	X			
58	2024	A/79/5 (Vol. II), chap. II, para. 395	The Board recommends that the Administration improve strategic deployment stocks management by finding the right balance between the ability for rapid deployment of the start-up phase of a peacekeeping mission and the management of the risk of strategic deployment stocks obsolescence, in line with the most recent guidance issued by the	The United Nations Logistics Base incorporated measures to improve strategic deployment stocks management into the 2025/26 budget proposal. These measures are intended to balance the rapid deployment needs of mission start-up phases with effective strategic deployment stocks obsolescence risk management. The revised strategic deployment stocks framework also emphasizes holistic solutions and strategic stock locations, addressing a broader scope that includes	In the light of the provided evidence, the Board considers the recommendation to be implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
			Department of Operational Support to the United Nations Logistics Base.	disaster response, health emergencies and ongoing operations. The Administration considers this recommendation to be implemented and requests its closure by the Board.					
59	2024	A/79/5 (Vol. II), chap. II, para. 410	The Board recommends that the Secretariat propose regulatory developments in view to facilitate the disposal process of unserviceable contingent-owned equipment and thereby address the existing backlog within the peacekeeping operations' troop-contributing countries.	The Administration requests the closure of the recommendation because issue paper No. 19 has been prepared.	The evidence provided shows that the recommendation has been implemented.	X			
60	2024	A/79/5 (Vol. II), chap. II, para. 421	Taking this positive development into account, the Board recommends that the Secretariat (Department of Operational Support and Department of Peace Operations) issue guidance to field missions to organize regular meetings for the weapons and ammunition advisory boards and that the Headquarters contingent-owned equipment and memorandum of understanding management review board insure a comprehensive monitoring of the advisory boards' activities.	The Administration requests the closure of the recommendation because all relevant guidance has already been issued to field missions.	The Board takes note of the evidence provided, showing proper monitoring from the Secretariat of the issues addressed in the recommendation. Therefore, the recommendation is considered implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
61	2024	A/79/5 (Vol. II), chap. II, para. 427	The Board recommends that the Administration complete the implementation of the new ammunition module tool in accordance with the established road map.	The Administration requests the closure of this recommendation because the uniformed capability support ammunition module was launched in late August 2025.	While acknowledging the launch of the new module, the Board notes that it has reached only the second of four phases of the project. Therefore, the recommendation is considered under implementation.		X		
62	2024	A/79/5 (Vol. II), chap. II, para. 428	The Board also recommends that the Administration clearly define the responsibilities associated with the new ammunition management module at the local level (peacekeeping operation) and at the central level (Headquarters) in terms of the second line of defence in a dedicated standard operating procedure once the project is completed.	The recommendation is under implementation. Drafting of the module guidance is in progress.	The Board considers the recommendation to be under implementation.		X		
63	2024	A/79/5 (Vol. II), chap. II, para. 434	The Board recommends that the Secretariat assist UNMISS in lifting prohibitions on the disposal of ammunition and/or in rapidly identifying alternative solutions.	The Administration assisted UNMISS in disposing of the expired ammunition.	The provided evidence show that the Secretariat provided the requested support. Therefore, the Board considers this recommendation to be implemented.	X			
64	2024	A/79/5 (Vol. II), chap. II, para. 451	The Board recommends that the Administration include environmental considerations in core category strategies to mitigate environmental risks.	Relevant United Nations Secretariat solicitations refer to the Way Forward: Environment Strategy for Peace Operations 2023–2030, which outlines performance indicators and requirements in areas such as renewable energy, freshwater use, greenhouse gas emissions, wastewater treatment and solid waste management. The current approach reflects a measured effort to align procurement practices with the Sustainable Development Goals,	Notwithstanding the example provided, the Board sees no measurable progress regarding the implementation of the recommendation, which therefore remains under implementation.		X		

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
				balancing environmental priorities with the need to maintain competition and inclusivity. The Administration provided a statement of requirements for modular ablution structures that refers to the Environmental Strategy for peace operations and field-based political missions.					
65	2024	A/79/5 (Vol. II), chap. II, para. 455	The Board recommends that the Secretariat propose solutions to Member States on the accumulation of waste in troop- and police-contributing countries' camps.	The recommendation is under implementation. The Administration will explore ways to further encourage troop- and police-contributing countries to reduce the generation of solid waste and reduce the stockpiling of various waste streams in camps during the mission sustainment phase, in particular in the context of the ongoing review of the environmental handbook for military commanders.	The Board acknowledges the stated commitment to work towards implementing the recommendation, which is considered under implementation.		X		
66	2024	A/79/5 (Vol. II), chap. II, para. 462	The Board recommends that the Administration sustain the Rapid Environment and Climate Technical Assistance team project with the aim of concluding a longer-term United Nations-UNOPS agreement with optional extensions.	Options to sustain the Rapid Environment and Climate Technical Assistance team beyond 31 July 2026 will be explored in line with the period covered by the Way Forward: Environment Strategy for Peace Operations 2023–2030.	The recommendation is being processed and considered under implementation.		X		
67	2024	A/79/5 (Vol. II), chap. II, para. 466	The Board recommends that the Administration review applicable standard unit requirements to consider, when relevant, the reduced energy production requirements following an evaluation by specialized electrical engineers.	The Administration considers this recommendation to be implemented, given that standard unit requirements were addressed during the memorandum of understanding negotiation process. Due consideration was given to reducing energy production requirements in consultation with troop- and police-contributing countries, taking into account the specific contexts of the missions to which they were deployed.	The provided documents do not include revised requirements for energy production. Therefore, the recommendation is considered under implementation.		X		

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
68	2024	A/79/5 (Vol. II), chap. II, para. 471	The Board recommends that the Administration continue to include in the future solicitations hybrid and carbon-neutral vehicles in order to allow them to expand their use in missions through improved adaptation to local constraints and needs.	The Administration has begun to renew two contracts for the supply of hybrid and carbon-neutral vehicles to expand their use in missions. A scope of requirements is being prepared, to be followed with a request for proposal. The new contracts should be signed by 31 December 2026.	The Board takes note of the estimated calendar and considers the recommendation to be under implementation.		X		
69	2024	A/79/5 (Vol. II), chap. II, para. 503	The Board recommends that the Administration, when a mission closure occurs, seek predictable funding resources for mechanisms that ensure engagement to address residual peace challenges.	The Administration is reviewing options for predictable approaches to training resident coordinators and United Nations country teams to address residual peace challenges following mission closure. The Board's recommendation will be factored into the report of the Secretary-General on the resident coordinator system's financing and governance, requested by the General Assembly for its eighty-first session, in line with resolution 79/258. In addition, the Administration will make efforts to secure resources for transition planning, as the financial situation permits.	The Board takes note of the work in progress. The recommendation is under implementation.		X		
70	2024	A/79/5 (Vol. II), chap. II, para. 512	The Board recommends that all closing missions produce a comprehensive lessons learned report to be submitted to United Nations Headquarters upon their closure.	The Department of Peace Operations conducted a comprehensive lessons learned exercise to review MINUSMA support for the peace process in Mali throughout its decade-long deployment. The exercise concluded with a seminar to assess the legacy of the Mission and derive lessons relevant to the future of United Nations peacekeeping operations. The Department will undertake similar efforts for future closing missions, as relevant and appropriate.	The Board acknowledges the work done on the lessons learned from MINUSMA. The recommendation is considered implemented.	X			

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification: Implemented	Under implementation	Not implemented	Overtaken by events
71	2024	A/79/5 (Vol. II), chap. II, para. 551	The Board recommends that the Administration ensure the geographical co-location of integrated teams, as guided and supported by Headquarters-level joint mechanisms, in peacekeeping settings, wherever possible.	The Administration requests the closure of this recommendation because it was implemented. Wherever possible, missions continue to identify opportunities for the co-location of integrated teams, beyond the examples already highlighted by the Board in its report A/79/5 (Vol. II). More recently, MINUSCA identified integrated teams in geographical areas where the Mission disengaged, with a focus on the protection of civilians and the restoration of State authority, two crucial mandated tasks. The MINUSCA-United Nations agencies, funds and programmes integrated teams co-plan and co-deliver at the field level through joint workplans enabling aligned interventions and activities with identified local needs and priorities and through weekly integrated strategic planning meetings, resulting in close coordination. As routinely done by missions, co-location remains under consideration, wherever feasible and expected to add value. This approach also enabled MINUSCA to develop a comprehensive and integrated electoral plan for the upcoming presidential elections, including strategies to address technical and logistical challenges.	The Board considers that implementation of the recommendation is ongoing.		X		
72	2024	A/79/5 (Vol. II), chap. II, para. 604	The Board recommends that the Secretariat foster, on the basis of the experience in the Democratic Republic of the Congo and in other transition settings, and where appropriate, the signing of memorandums of understanding with the	The Department of Peace Operations will pursue efforts to share the experience in the Democratic Republic of the Congo with other relevant missions. As regards transition expertise, the Department of Peace Operations and the Development Coordination Office, as partners in the transitions project (along with UNDP	The Board acknowledges the efforts made and the impact of the current liquidity situation on the finalization of this project. The recommendation is therefore considered under implementation.		X		

No.	Audit report year	Report reference	Recommendation of the Board	Administration response	Board's assessment	Status after verification			
						Implemented	Under implementation	Not implemented	Overtaken by events
			agencies, funds and programmes to frame and strengthen relationships during transition periods, and develop the expertise of United Nations staff by incorporating transition knowledge and, if possible, create a pool of transition specialists, to deploy in support of mission and United Nations country team planning to ensure effective transitions.	and the Department of Political and Peacebuilding Affairs), have adopted and are implementing an institutionalization plan that is aimed at strengthening transition planning capacity in the Secretariat and, by extension, at the country level.					
73	2024	A/79/5 (Vol. II), chap. II, para. 647	The Board recommends that the Secretariat raise, at the High-Level Committee on Management, the issue of promoting inter-agency mobility in the human resources management policies of the entities of the United Nations common system.	The Administration requests the closure of this recommendation because it was implemented. During the meeting of the High-Level Committee on Management (Human Resources Network) which was held in October 2025, the decision was made to establish a working group on inter-agency mobility to review the existing agreement.	The Board considers the recommendation to be implemented.	X			
	Total number of recommendations				**73**	**36**	**36**	**0**	**1**
	Percentage of the total number of recommendations				**100**	**49.3**	**49.3**	**0.0**	**1.4**

Chapter III
Certification of the financial statements

Letter dated 30 September 2025 from the Controller addressed to the Chair of the Board of Auditors

The financial statements of the United Nations peacekeeping operations for the 12-month period from 1 July 2024 to 30 June 2025 have been prepared in accordance with financial regulation 6.1 of the Financial Regulations and Rules of the United Nations.

The summary of significant accounting policies applied in the preparation of these statements is included as notes to the financial statements. These notes provide additional information and clarification for the financial activities related to peacekeeping operations undertaken by the Organization during the period covered by these statements, for which the Secretary-General has administrative responsibility.

I certify that the appended financial statements of the United Nations peacekeeping operations, numbered I to V, are correct in all material respects.

(*Signed*) Chandramouli **Ramanathan**
Assistant Secretary-General, Controller

Chapter IV
Financial report on the United Nations peacekeeping operations for the period from 1 July 2024 to 30 June 2025

A. Introduction

1. The Secretary-General has the honour to submit the financial report on the United Nations peacekeeping operations for the financial year ended 30 June 2025.

2. The accounts of the United Nations peacekeeping operations are presented in five statements and the accompanying notes that provide a summary of significant accounting policies, as well as explanations of the amounts presented in the financial statements.

3. The present financial report is designed to be read in conjunction with the financial statements of the United Nations peacekeeping operations, as described in paragraph 2 above. The financial report presents an overview of the consolidated position and performance of the peacekeeping operations, highlighting trends and significant movements.

B. Governance

4. The United Nations peacekeeping operations are established by the Security Council, which has primary responsibility for the maintenance of international peace and security pursuant to Article 24 of the Charter of the United Nations. Once they are established, the Council monitors missions through periodic reviews, adjusting, amending or terminating mandates, as appropriate. Heads of peacekeeping missions are appointed by the Secretary-General: a civilian Special Representative of the Secretary-General, in the case of a multidimensional mission, or a military Force Commander, where the military is the primary component of a mission. Currently, peacekeeping missions are routinely mandated to, inter alia, facilitate the implementation of a peace agreement or support a peace process, protect civilians, promote human rights and the rule of law and enhance the participation of women and young people in political processes.

5. The General Assembly plays a key role in the financing of peacekeeping operations. The Assembly approves budget appropriations, which are apportioned on all Member States on the basis of a special scale of assessments for peacekeeping operations. The Assembly, through its Administrative and Budgetary Committee (Fifth Committee), approves and oversees the budget for peacekeeping operations on the basis of detailed budget proposals, submitted annually (for the following year, 1 July to 30 June) by the Secretary-General.

C. Overview of the financial statements

6. The statements present the financial results of peacekeeping operations, comprising 11 active peacekeeping operations, 35 closed missions and 6 groups of support activities, and the financial position as at 30 June 2025. Two active peacekeeping missions, namely, UNMOGIP and UNTSO, funded through the regular budget, are consolidated as part of the United Nations volume I financial statements.

Liquidity

7. Liquidity assessments review the adequacy of cash assets at a mission's disposal to settle its short-term obligations. Cash assets comprise cash, cash equivalents and cash pool investments, both current and long-term.

8. The Organization continues to manage the cash resources of active peacekeeping missions as a pool on a trial basis for a further five years pursuant to General Assembly resolution 76/272, adopted in June 2022, in addition to using the Peacekeeping Reserve Fund as a liquidity mechanism for up to $110 million, retaining at least $40 million in the Fund for the start-up or expansion of mandated peacekeeping operations.

9. Table IV.1 presents a summary of the ratio of cash assets to current liabilities for active peacekeeping missions as a measure of liquidity. It shows the liquidity of active missions, compared with the previous year. The total cash balance of active peacekeeping operations was again at a low level throughout 2024/25. On 30 June 2025, active peacekeeping missions ended the financial period with a cash position of $787.8 million (including MINUSMA of $194.0 million), owing primarily to the receipt of $639.3 million in the last few working days of the financial period. Furthermore, owing to the late receipt of contributions, payments for contingent-owned equipment due to troop- and police-contributing countries, amounting to more than $315.6 million, representing two quarters, could not be paid before 30 June. Only one of those quarters was subsequently settled, in September 2025.

10. During 2024/25, the total cash balance of active peacekeeping operations remained at low levels, which led to the full utilization of the allowable reserve under the Peacekeeping Reserve Fund throughout the financial period, and cross-borrowing between active missions was $90.3 million by June 2025. Prior to the late receipts in June, cross-borrowings amounted to $257.9 million, including $107.5 million in loans from the Peacekeeping Reserve Fund and $150.4 million in cross-borrowing among active peacekeeping operations.

11. In addition, the cash loans provided by the Peacekeeping Reserve Fund to active peacekeeping operations, totalling $107.5 million, inflated the cash position of those operations. Without the late receipts and the loans from the Peacekeeping Reserve Fund, the cash pooled for active peacekeeping operations (excluding MINUSMA) would have been a net cash deficit of $153.0 million, compared with the prior year-end deficit of $90.8 million.

12. As a precautionary measure, MINUSMA remained on the exclusion list with regard to cash pooling for active missions. MINURSO, UNMIK, UNSOS and UNMISS continuously faced cash shortages during the year. The loans payable as at 30 June 2025 in MINURSO, UNISFA, UNMIK, UNSOS and UNMISS were $20.0 million, $20.2 million, $40.9 million, $113.0 million and $3.7 million, respectively, bringing total outstanding cross-borrowing to $197.8 million, which included $107.5 million in loans from the Peacekeeping Reserve Fund (2023/24: $306.6 million).

13. For the cash assets position shown in table IV.1, the cash figures include the loan amounts as described in paragraph 12 above.

Table IV.1
Ratio of liquid assets to current liabilities as at 30 June 2025: active missions
(Millions of United States dollars)

			Ratio of liquid assets to current liabilities	
	Cash assets[a]	*Current liabilities*	*30 June 2025*	*30 June 2024*
UNFICYP	8.7	11.0	0.79	0.41
UNDOF	12.9	22.8	0.57	0.44
UNIFIL	127.9	260.3	0.49	0.13
MINURSO	11.5	34.5	0.33[b]	0.11[b]
UNMIK	8.4	45.9	0.18[b]	0.04[b]
MONUSCO	105.5	328.3	0.32	0.28
UNSOS	78.9	263.4	0.30[b]	0.16[b]
UNISFA	37.8	105.3	0.36[b]	0.12
UNMISS	47.0	379.3	0.12[b]	0.22[b]
MINUSMA	194.0	345.1	0.56	0.45
MINUSCA	155.2	375.1	0.41	0.48[b]
Total	**787.8**	**2 171.0**	**0.36**	**0.30**

[a] Cash assets = cash and cash equivalents plus investments.
[b] Inclusive of loans from cross-borrowing and the Peacekeeping Reserve Fund.

14. Liquidity ratios at the mission level are also presented in table IV.1. At the consolidated level, the ratio of cash assets to current liabilities was 0.36 (2023/24: 0.3) and, at each mission level, the ratios stagnated at less than 1 over the two-year period, representing a continued high liquidity risk and the inability of missions to immediately pay off all current liabilities should they fall due.

15. With respect to the support activities segment,[1] the ratio of cash assets to current liabilities increased to 2.57 as at 30 June 2025 (2023/24: 2.43). Cash assets increased slightly to $296.6 million in 2024/25 (2023/24: $286.9 million), while current liabilities decreased to $115.3 million in 2024/25 (2023/24: $118.0 million).

Net deficit

16. The accumulated net deficit of $117.9 million as at 30 June 2025 consisted of an accumulated deficit of $381.9 million, a restricted accumulated surplus of $111.4 million and reserves of $152.6 million. Net assets decreased in 2024/25 by $153.2 million (434.0 per cent decrease), from $35.3 million as at 30 June 2024. The decrease was due to a deficit in operations of $127.3 million for the period and an actuarial loss of $32.2 million on employee benefits liabilities further contributing to the decrease. As at 30 June 2025, the accumulated net deficit was attributable mainly to the support activities segment of $1,216.5 million owing to unfunded long-term employee benefits liabilities. Closed peacekeeping missions also reported negative net assets of $242.0 million, due mainly to the credits previously declared in accordance with resolution 76/280, while active missions had a positive net asset position of $1,340.6 million, leading to an overall deficit position of $117.9 million.

[1] The following funds are included in the calculation: support account for peacekeeping operations, United Nations Logistics Base/strategic deployment stocks/refurbishment and reuse of returned equipment, Regional Service Centre in Entebbe, employee benefits funds and peacekeeping cost-recovery fund.

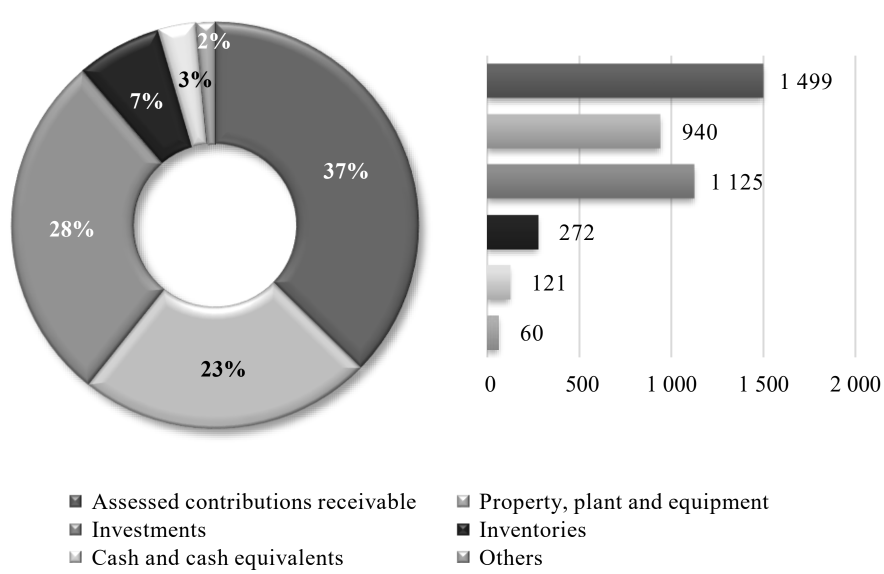
The lower deficit in operations compared with the prior year was attributable to a reduction in the overall level of assessed contributions in 2024/25 by $751.6 million (with overall revenues being lower by $780.3 million compared with the prior year), which was offset by a reduction of $1,194.9 million in overall expenses, largely reflecting the full liquidation and closure of MINUSMA operations. As at 30 June 2025, the fair value gain on investments of $6.3 million was added to the reserves within net assets, thus increasing the reserve balance from $146.3 million in 2023/24 to $152.6 million in 2024/25.

Assets

17. The total assets of peacekeeping operations increased by $44.9 million in 2024/25 (1.13 per cent increase), from $3,972.2 million in 2023/24 to $4,017.0 million in 2024/25. Assessed contributions receivable decreased by $14.0 million (0.9 per cent decrease), from $1,513.2 million in 2023/24 to $1,499.2 million in 2024/25. Property, plant and equipment decreased by $22.7 million (2.4 per cent decrease), from $962.9 million in 2023/24 to $940.2 million in 2024/25. Inventories decreased by $34.4 million (11.2 per cent decrease), from $306.8 million in 2023/24 to $272.4 million in 2024/25. Cash and cash equivalents decreased by $53.6 million (30.8 per cent decrease), from $174.3 million in 2023/24 to $120.7 million in 2024/25. The decreases were offset in part by an increase in investments of $204.2 million (22.2 per cent increase), from $920.4 million in 2023/24 to $1,124.6 million in 2024/25, representing an overall increase due mainly to contribution receipts in the final days of June 2025.

18. Figure IV.I presents the structure of the assets of peacekeeping operations totalling $4,017.0 million as at 30 June 2025. The assets comprised mainly assessed contributions receivable of $1,499.2 million (37.3 per cent), investments of $1,124.6 million (28.0 per cent) and property, plant and equipment of $940.2 million (23.4 per cent).

Figure IV.I
Assets of peacekeeping operations as at 30 June 2025
(Millions of United States dollars and percentage)



Property, plant and equipment

19. Property, plant and equipment decreased by $22.7 million (2.4 per cent decrease), from $962.9 million in 2023/24 to $940.2 million in 2024/25. Figure IV.II presents the composition of peacekeeping operations' property, plant and equipment by asset class and figure IV.III presents the composition by active mission.

Figure IV.II
Property, plant and equipment
(Millions of United States dollars and percentage)

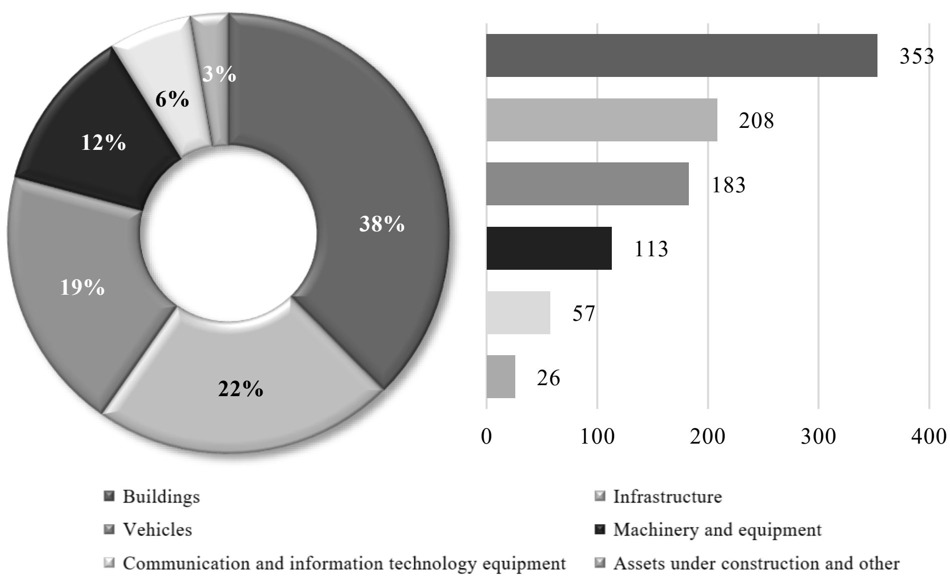
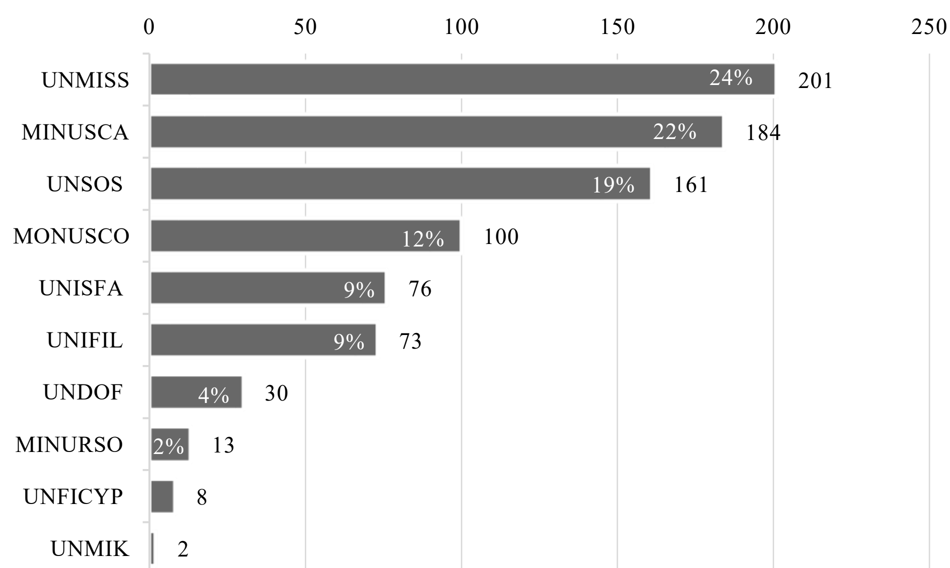
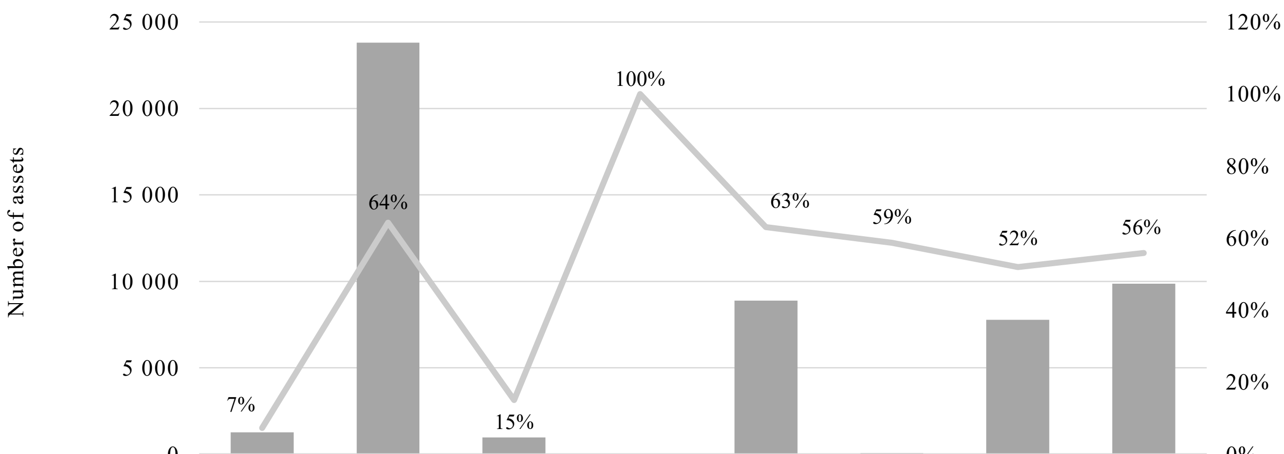


Figure IV.III
Property, plant and equipment by active mission
(Millions of United States dollars and percentage)



20. The percentage of fully depreciated capitalized assets by class is shown in figure IV.IV. In total, 58 per cent of all assets in use are fully depreciated, meaning their age has exceeded their planned useful life, with the temporary buildings (prefabricated buildings) and communications and information technology equipment classes holding more than 60 per cent of fully depreciated assets.

Figure IV.IV
Proportion of fully depreciated assets
(Numbers and percentage)



	Buildings – fixed	Buildings – temporary and mobile	Infrastructure	Leasehold improvement	Communications and information technology equipment	Furniture and fixtures	Machinery and equipment	Vehicles
Total asset count	1 276	23 807	976	1	8 878	75	7 780	9 871
Average standard useful life (years)	40.0	7.5	22.5	5.0	5.7	8.6	9.6	9.6
Percentage of fully depreciated assets	7%	64%	15%	100%	63%	59%	52%	56%

Inventory

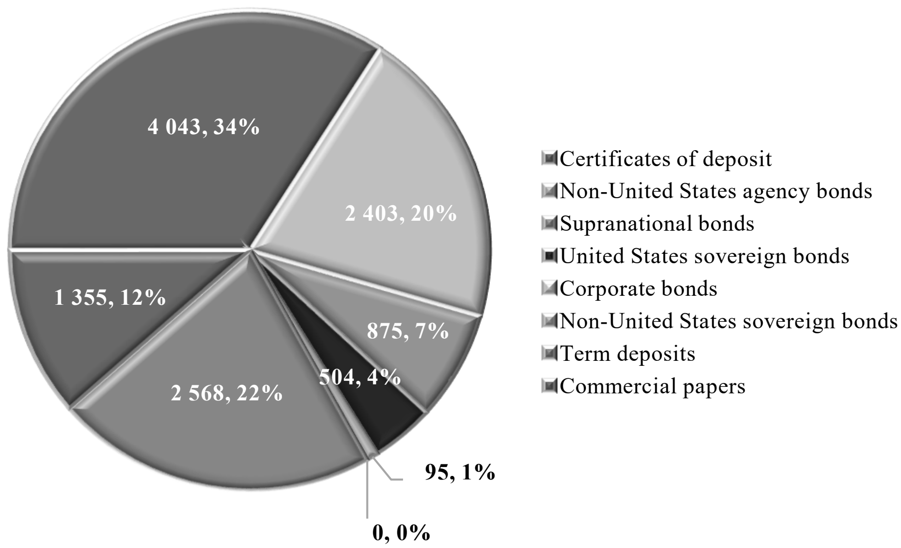
21. Inventory holding levels decreased in 2024/25 by $34.3 million (11.2 per cent decrease) to $272.4 million, owing mainly to a net reduction of $42 million from the MINUSMA liquidation. This was offset in part by inventory increases in MINUSCA, the United Nations Global Service Centre, UNIFIL and UNMISS totalling $14.2 million.

Cash, cash equivalents and investments

22. As at 30 June 2025, peacekeeping operations held cash, cash equivalents and investments of $1,245.3 million, which was $150.6 million more (13.7 per cent increase) than the balance held at the end of the 2023/24 period.

23. The main cash pool consisted of investments in certificates of deposit, liquid bonds (issued by Governments and government agencies), term deposits and commercial papers (see figure IV.V). The investments were presented at fair value with the relevant unrealized gains or losses recorded in the statement of changes in net assets. In 2024/25, peacekeeping operations' share of investment revenue was $78.4 million (2023/24: $91.7 million). As at 30 June 2025, main cash pool investments totalled $11,843.2 million, of which the share of peacekeeping operations was 10.5 per cent.

Figure IV.V
Main cash pool investments by instrument type
(Millions of United States dollars and percentage)



Total cash pool – $11,843.2 million

24. The Organization's exposure to credit risks, liquidity risks and market risks with respect to its investment portfolios is considered low.

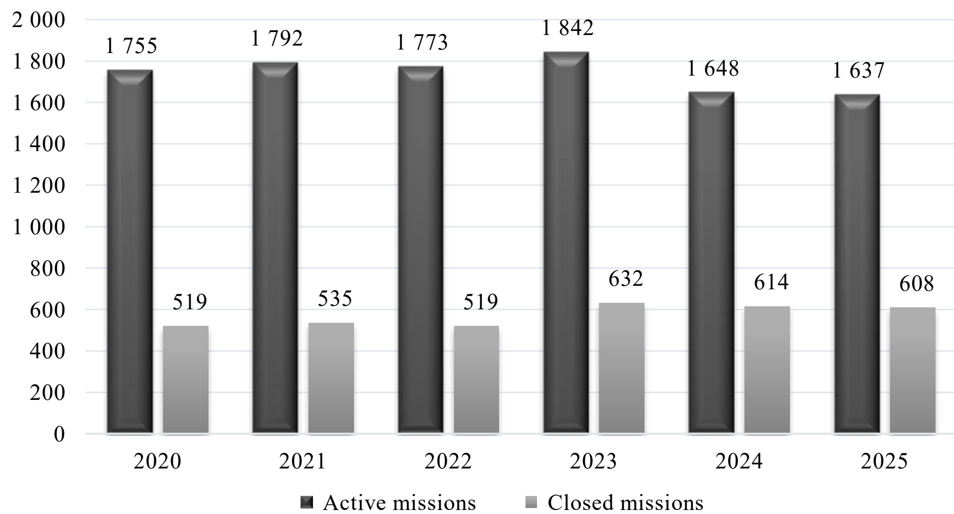
Status of assessed contributions receivable

25. Assessed contributions receivable decreased by $14.0 million (0.9 per cent decrease), from $1,513.2 million as at 30 June 2024 to $1,499.2 million as at 30 June 2025. Table IV.2 illustrates the status of unpaid assessments and figure IV.VI shows the trend in unpaid assessments.

Table IV.2
Assessed contributions receivable
(Millions of United States dollars and percentage)

	30 June 2025	*30 June 2024*	*Percentage increase/(decrease)*
Active missions			
Assessed contributions receivable	1 637.2	1 648.3	(0.7)
Loss allowance	(138.0)	(135.1)	2.1
Closed missions			
Assessed contributions receivable	607.9	613.5	(0.9)
Loss allowance	(607.9)	(613.5)	(0.9)
Total	**1 499.2**	**1 513.2**	**(0.9)**

Figure IV.VI
Trend in assessed contributions receivable for missions, before loss allowance
(Millions of United States dollars, as at 30 June each year)

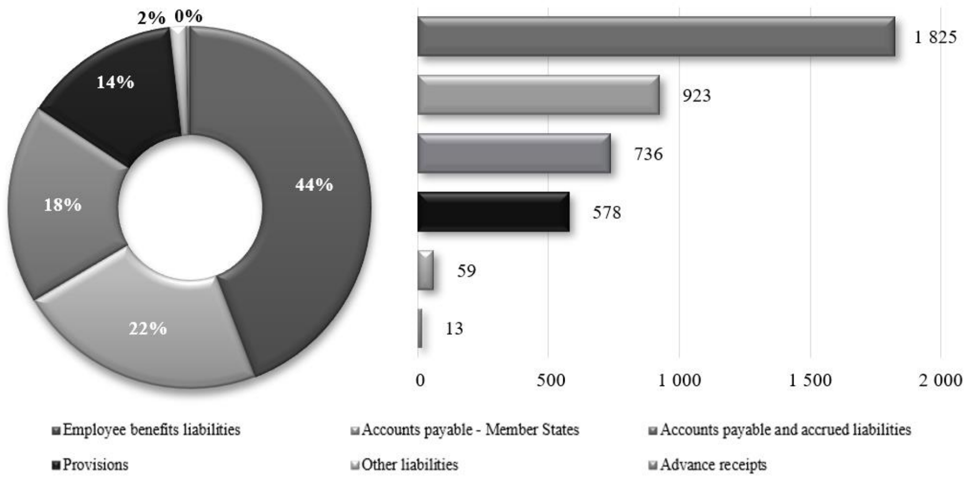


Liabilities

26. The total liabilities of peacekeeping operations increased by $198.0 million (5.0 per cent increase), from $3,936.9 million as at 30 June 2024 to $4,134.9 million as at 30 June 2025. The most notable changes were an increase in accounts payable and accrued liabilities of $215.3 million (41.3 per cent increase), from $521.1 million to $736.4 million, resulting mainly from the accrual of contingent-owned equipment outstanding payments. Employee benefits increased by $118.1 million (6.9 per cent increase), to $1,825.1 million (2023/24: $1,707.0 million), and provisions increased by $79.7 million (16.0 per cent increase), from $498.4 million to $578.1 million. The increase was offset by a decrease in accounts payable to Member States by $223.9 million (19.5 per cent decrease) to $922.9 million (2023/24: $1,146.8 million). Advance receipts were $9.0 million higher (219.5 per cent increase), at $13.1 million (2023/24: $4.1 million).

27. Figure IV.VII presents the structure of peacekeeping operations' liabilities as at 30 June 2025. The liabilities comprised mainly employee benefits liabilities of $1,825.1 million, accounts payable to Member States of $922.9 million, accounts payable and accrued liabilities of $736.4 million, and provisions, other liabilities and advance receipts of $650.5 million.

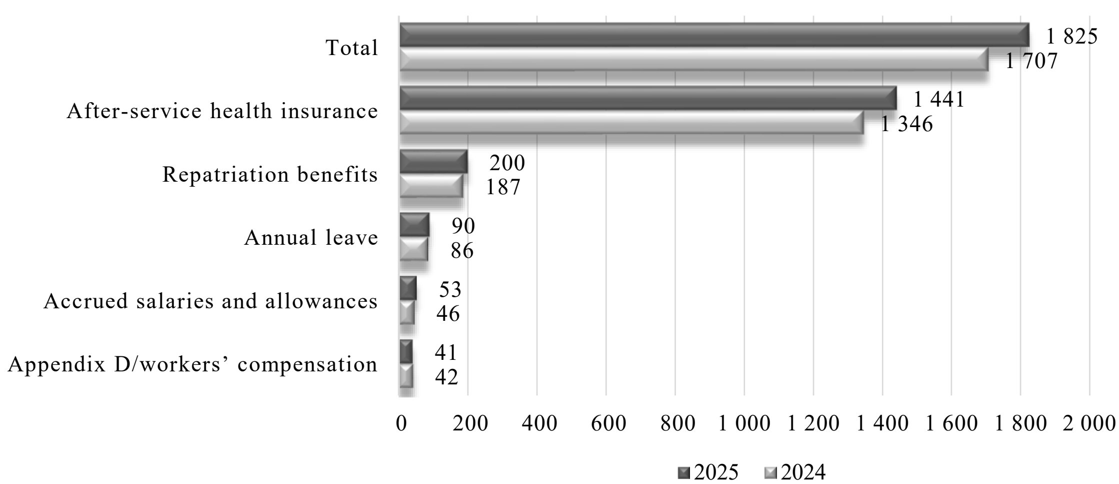
Figure IV.VII
Liabilities as at 30 June 2025
(Millions of United States dollars and percentage)



Employee benefits liabilities

28. Employee benefits liabilities, as depicted in figure IV.VIII, consisted largely of liabilities related to after-service health insurance of $1,441.2 million (79.0 per cent), repatriation benefits of $199.7 million (11.0 per cent) and annual leave benefits of $90.2 million (4.9 per cent). Those liabilities were valued by independent actuaries. The increase in liabilities from the prior year is attributed mainly to net changes in the experience, including: (a) drawdown of mission personnel (actuarial gain of $30.1 million), (b) changes in participants' data, such as medical plan, Medicare eligibility, early retirement and lower mortality rate (actuarial loss of $30.2 million), (c) increase in number of retirees (actuarial loss of $13.5 million) and (d) increase in repatriation grant liability (actuarial loss of $21.5 million).

Figure IV.VIII
Employee benefits liabilities
(Millions of United States dollars)



29. Employee benefits for after-service health insurance, annual leave and repatriation benefits continue to be accounted for on the pay-as-you-go basis pursuant

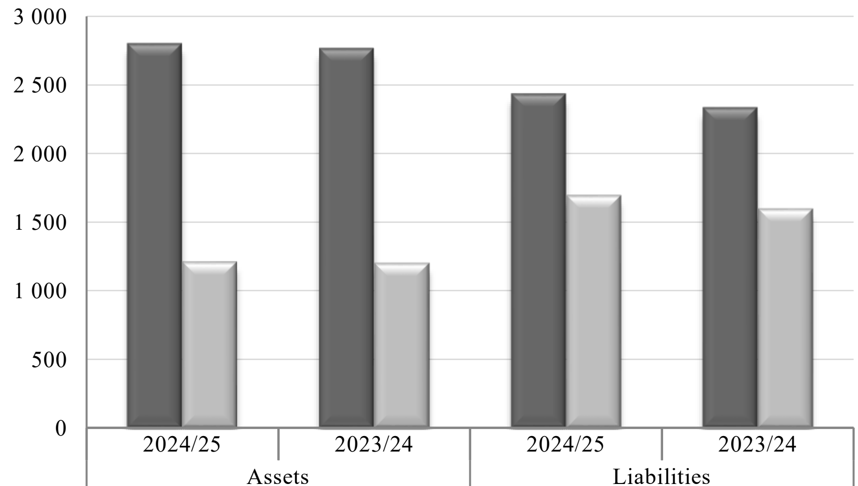
to the General Assembly resolution 73/279 B. The Organization continues to explore options to fund these liabilities.

Accounts payable and accrued liabilities

30. Accounts payable to Member States decreased by $223.9 million (19.5 per cent decrease), from $1,146.8 million as at 30 June 2024 to $922.9 million as at 30 June 2025. The decrease was attributable mainly to reductions in accrued contingent contractual services of $144.8 million, payables for services provided by Member States of $40.1 million and credits returnable of $37.5 million. The decrease was offset by an increase in accounts payable and in accrued liabilities of $215.3 million (41.3 per cent increase), from $521.1 million to $736.4 million, caused mainly by an increase in payables relating to goods receipts of $235.7 million. Accounts payable and accrued liabilities consisted mainly of accruals for goods and services of $558.9 million (2023/24: $323.2 million) and vendor payables of $151.1 million (2023/24: $162.3 million).

31. Figure IV.IX presents the structure of peacekeeping operations accounts by current and non-current assets and liabilities as at 30 June 2025 and 30 June 2024.

Figure IV.IX
Assets and liabilities: current and non-current
(Millions of United States dollars)



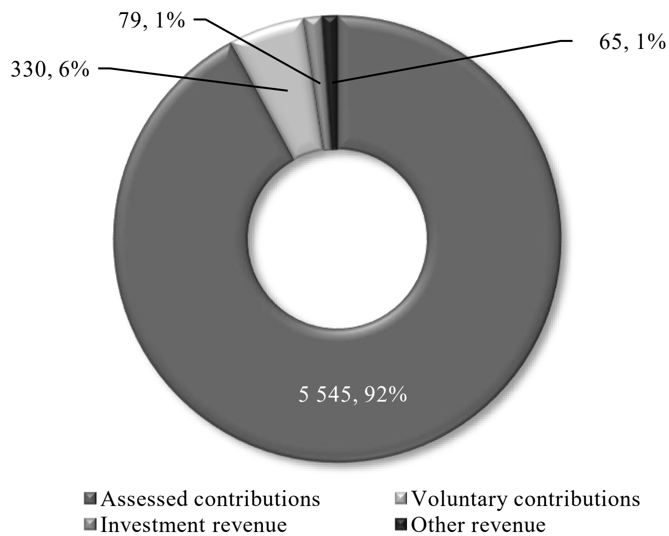
	Assets 2024/25	Assets 2023/24	Liabilities 2024/25	Liabilities 2023/24
Current	$2 805	$2 769	$2 438	$2 338
Non-current	$1 212	$1 203	$1 697	$1 599

Financial performance

Revenue analysis

32. The total revenue of peacekeeping operations for the 2024/25 period was $6,018.8 million (2023/24: $6,799.2 million), compared with total expenses of $6,146.0 million (2023/24: $7,341.1 million), resulting in an excess of total expenses over total revenue of $127.1 million (2023/24: $541.9 million). The net decrease in revenue of $780.4 million was attributable mainly to a decrease in assessed contributions of $751.6 million (11.9 per cent decrease) and a decrease in voluntary contribution revenue of $17.5 million (5 per cent decrease). Figure IV.X provides an analysis of revenue by nature.

Figure IV.X
Revenue by nature
(Millions of United States dollars and percentage)



Assessed contributions revenue

33. Assessed contributions of $5,544.8 million accounted for 92.1 per cent of the total revenue for peacekeeping operations for the 2024/25 period (2023/24: 92.6 per cent). Assessed contributions are based on a scale of assessments applicable to peacekeeping operations, which is approved by the General Assembly. During the 2024/25 period, the scale of assessments changed effective 1 January 2025.

34. Assessed contributions decreased by $751.6 million (11.9 per cent decrease), from $6,296.4 million in 2023/24 to $5,544.8 million in 2024/25. This is due mainly to the closing of MINUSMA, for which assessed contributions decreased by $644.8 million (74.4 per cent decrease), from $866.9 million in 2023/24 to $222.1 million in 2024/25. In addition, assessed contributions for MONUSCO and UNSOS decreased by $176.2 million and $59.3 million, respectively. The decrease in assessed revenue was offset in part by an increase in assessed revenue for UNMISS, MINUSCA, UNISFA, MINURSO and UNMIK by $92.9 million, $23.2 million, $10.2 million, $4.3 million and $3.1 million, respectively. Table IV.3 presents the assessments for active missions.

Table IV.3
Assessments
(Millions of United States dollars and percentage)

	2024/25	*2023/24*	*Percentage increase/(decrease)*
UNFICYP	35.3	35.4	(0.3)
UNDOF	74.6	75.6	(1.3)
UNIFIL	582.6	585.9	(0.6)
MINURSO	75.3	71.0	6.1
UNMIK	47.4	44.3	7.0
MONUSCO	994.5	1 170.8	(15.1)

	2024/25	2023/24	Percentage increase/(decrease)
UNSOS	547.5	606.8	(9.8)
UNISFA	326.2	315.9	3.3
UNMISS	1 355.9	1 263.7	7.3
MINUSMA	222.1	866.9	(74.4)
MINUSCA	1 283.3	1 260.1	1.8
Total	**5 544.7**	**6 296.4**	**(11.9)**

Voluntary contributions

35. Voluntary contributions, as shown in table IV.4, decreased by $17.5 million (5.0 per cent decrease), from $347.9 million in 2023/24 to $330.4 million in 2024/25, owing mainly to a decrease of $18.9 million recognized under facilities (6.1 per cent decrease) from $307.9 million in 2023/24 to $289.0 million in 2024/25.

Table IV.4
Voluntary contributions
(Millions of United States dollars and percentage)

	2024/25	2023/24	Percentage increase/(decrease)
Monetary	25.9	25.9	–
Goods and rights-to-use			
Facilities	289.0	307.9	(6.1)
Landing rights	14.5	13.4	8.2
Others	1.0	0.7	42.9
Total	**330.4**	**347.9**	**(5.0)**

Investment revenue and other revenue

36. Investment revenue decreased by $13.6 million (14.7 per cent) due to a slight decrease in the average rate of return from 4.65 per cent in 2024 to 4.64 per cent in 2025. In addition, average daily cash balances were lower in 2024/25 than in 2023/24. Other revenue increased by $2.3 million (3.7 per cent increase), from $62.8 million in 2023/24 to $65.1 million in 2024/25. The change was attributable mainly to a decrease in revenue generated from cost recovery fund activities of $1.9 million, from $41.7 million in 2023/24 to $39.8 million in 2024/25 (4.5 per cent decrease), offset by an increase in other miscellaneous revenue and other transfers and allocations of $4.2 million (19.8 per cent increase), from $21.1 million in 2023/24 to $25.3 million in 2024/25.

Expense analysis

37. Total expenses decreased by $1,194.9 million (16.3 per cent decrease), from $7,341.1 million in 2023/24 to $6,146.2 million in 2024/25, due mainly to the lower expenses of MINUSMA in 2024/25 as the mission drew down to final closure at year end. The decrease in expenses was attributable to other operating expenses (decrease of $554.3 million), owing mainly to lower fixed-asset write-offs ($149.9 million), a decrease in receivables-related loss allowance ($79.8 million), a decrease in air transportation expenses ($84.5 million) and a decrease in mine detection and clearing

expenses ($58.7 million). Other main contributors to decreases in expenses were contingent contracted services ($326.9 million), employee salaries ($91.1 million), supplies and consumables ($82.8 million), credits to Member States ($79.7 million), other expenses ($40.4 million), non-employee compensation ($19.6 million), travel ($6.5 million) and depreciation, amortization and impairment ($3.5 million).

38. Figures IV.XI and IV.XII highlight expenses by nature, indicating that there was little change in the composition of expenses. Contingent contracted services accounted for 31 per cent (30 per cent in 2023/24) of total expenses, followed by employee salaries, allowances and benefits at 27 per cent (24 per cent in 2023/24) and other operating expenses at 19 per cent (24 per cent in 2023/24).

Figure IV.XI
Expenses by nature
(Millions of United States dollars and percentage)

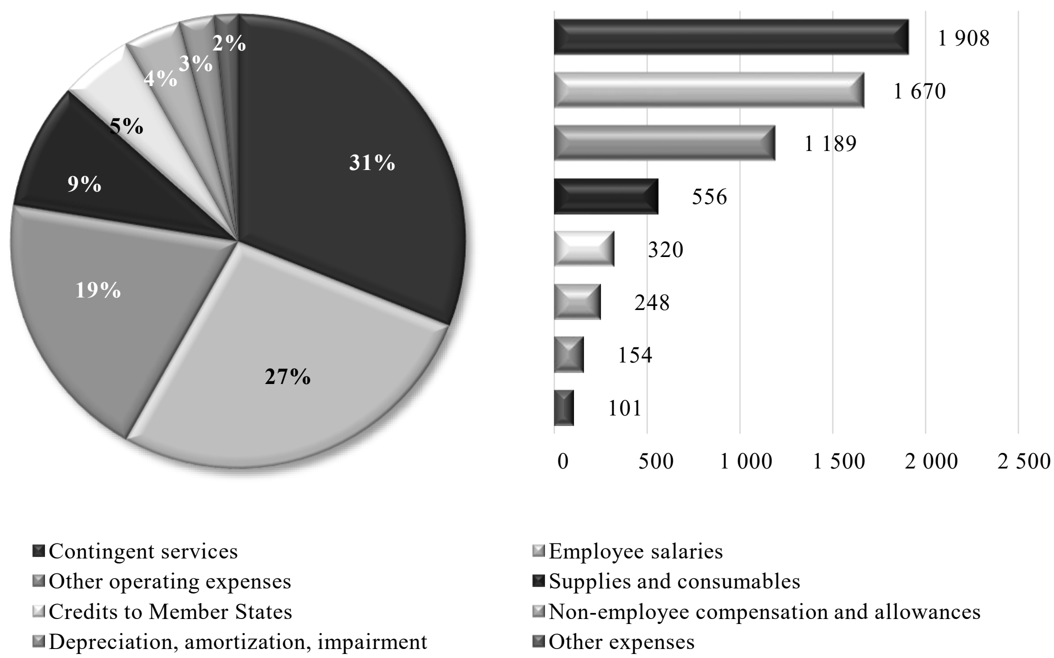
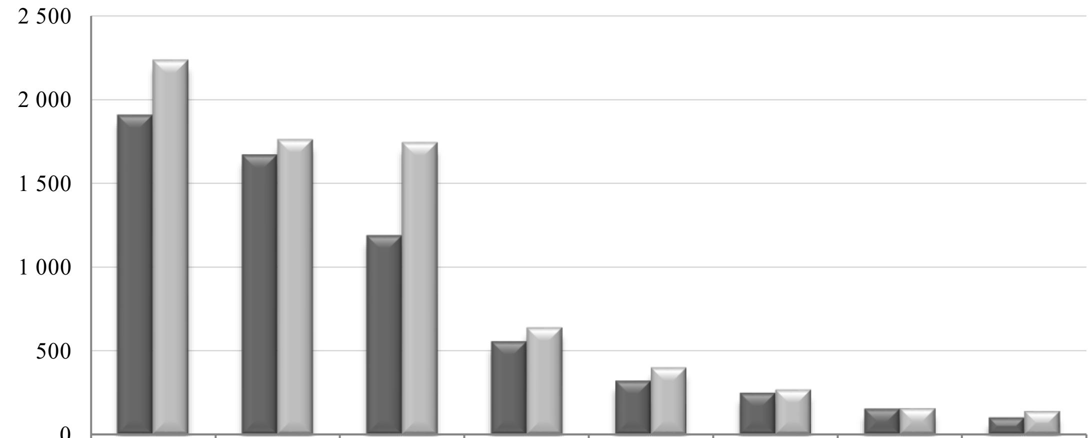


Figure IV.XII
Changes in expenses by nature
(Millions of United States dollars)

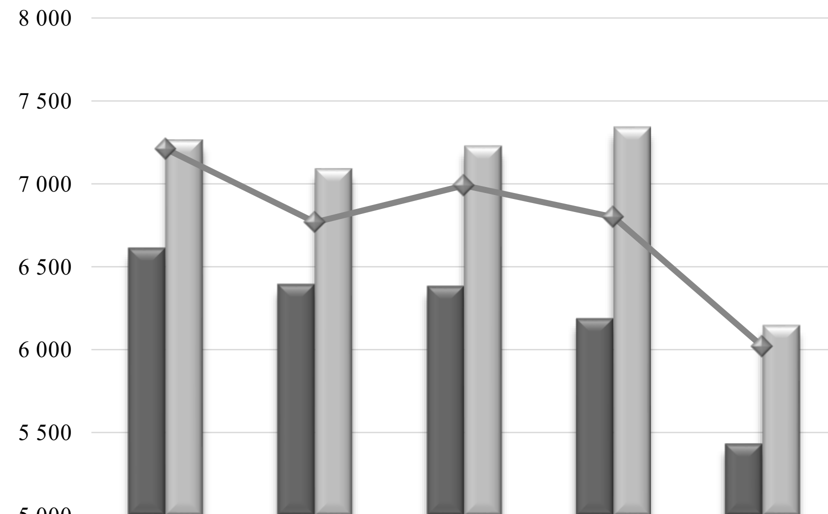


	Contingent contracted services	Employee salaries, allowances and benefits	Other operating expenses	Supplies and consumables	Credits to Member States	Non-employee compensation and allowances	Depreciation, amortization and impairment	Other expenses [a]
2024/25	$1 908	$1 670	$1 189	$ 556	$ 320	$ 248	$ 154	$ 101
2023/24	$2 235	$1 761	$1 743	$ 639	$ 399	$ 268	$ 157	$ 139

[a] For the purposes of this chart, "Other expenses" mainly includes grants and other transfers (2024/25: $77.9 million and 2023/24: $67.5 million), travel (2024/25: $31.1 million and 2023/24: $37.6 million), self-insurance claims and expenses (2024/25: $2.7 million and 2023/24: $3.1 million) and a reversal of estimated claims accrual resulting in a net impact of $10.8 million in 2024/25 and $29.6 million in 2023/24).

39. Figure IV.XIII illustrates the trend in expenses (on an accrual basis) of peacekeeping operations (IPSAS expense) for the fiscal period 2024/25 and four preceding periods, including a comparison with budget-based expenditure (on a modified cash basis), as well as total revenue over the same periods.

Figure IV.XIII
Trend of expenses
(Millions of United States dollars)



	2020/21	2021/22	2022/23	2023/24	2024/25
Budget-based expenditure	$6 611	$6 394	$6 383	$6 187	$5 433
IPSAS expense	$7 265	$7 091	$7 227	$7 341	$6 146
Total revenue	$7 210	$6 769	$6 990	$6 799	$6 019

D. Peacekeeping operations budgets

40. Peacekeeping operations budgets continue to be prepared on a modified cash basis and are presented in statement V. Approved budgets are those that authorize expenditure to be incurred and are approved by the General Assembly. For IPSAS reporting purposes, approved budgets are the appropriations authorized under Assembly resolutions and the commitment authorities approved by the Advisory Committee on Administrative and Budgetary Questions. The Assembly resolutions are shown in note 5.

Chapter V

Financial statements for the year ended 30 June 2025

I. Statement of financial position as at 30 June 2025

(Thousands of United States dollars)

	Note	*30 June 2025*	*30 June 2024*
Assets			
Current assets			
Cash and cash equivalents	6	120 736	174 299
Investments	22	854 098	681 940
Assessed contributions receivable	7	1 499 225	1 513 175
Other receivables	9	27 245	31 380
Inventories	10	272 445	306 794
Other assets	11	30 924	61 153
Total current assets		**2 804 673**	**2 768 741**
Non-current assets			
Investments	22	270 542	238 417
Property, plant and equipment	12	940 237	962 910
Intangible assets	13	1 601	2 121
Total non-current assets		**1 212 380**	**1 203 448**
Total assets		**4 017 053**	**3 972 189**
Current liabilities			
Accounts payable – Member States	14	922 945	1 146 828
Accounts payable and accrued liabilities	14	736 379	521 105
Advance receipts	15	13 076	4 138
Employee benefits liabilities	16	128 477	107 817
Provisions	17	578 127	498 416
Other liabilities	18	59 338	59 405
Total current liabilities		**2 438 342**	**2 337 709**
Non-current liabilities			
Employee benefits liabilities	16	1 696 592	1 599 193
Other liabilities	18	12	–
Total non-current liabilities		**1 696 604**	**1 599 193**
Total liabilities		**4 134 946**	**3 936 902**
Net of total assets and total liabilities		**(117 893)**	**35 287**
Net assets			
Accumulated (deficits)/surpluses – unrestricted	19	(381 860)	(222 341)
Accumulated surpluses – restricted	19	111 373	111 373
Reserves	20	152 594	146 255
Total net (deficit)/assets		**(117 893)**	**35 287**

The accompanying notes to the financial statements are an integral part of these financial statements.

II. Statement of financial performance for the year ended 30 June 2025

(Thousands of United States dollars)

	Note	*2024/25*	*2023/24*
Revenue			
Assessed contributions	21	5 544 768	6 296 373
Voluntary contributions	21	330 397	347 854
Investment revenue	22	78 541	92 106
Other transfers and allocations	21	2 299	2 129
Other revenue	21	62 832	60 704
Total revenue		**6 018 837**	**6 799 166**
Expenses			
Employee salaries, allowances and benefits	23	1 670 041	1 761 196
Contingent contracted services	23	1 908 401	2 235 277
Non-employee compensation and allowances	23	248 234	267 852
Grants and other transfers	23	77 905	67 493
Supplies and consumables	23	556 470	639 307
Depreciation	12	151 338	156 324
Amortization	13	446	435
Impairment		1 755	248
Travel	23	31 056	37 613
Self-insurance claims and expenses	23	2 677	3 113
Other operating expenses	23	1 188 941	1 743 179
Other expenses	23	(10 769)	29 626
Credits to Member States	24	319 672	399 388
Total expenses		**6 146 167**	**7 341 051**
Deficit for the year		**(127 330)**	**(541 885)**

The accompanying notes to the financial statements are an integral part of these financial statements.

III. Statement of changes in net assets for the year ended 30 June 2025

(Thousands of United States dollars)

	Accumulated surpluses/(deficits) – unrestricted	*Accumulated surpluses – restricted*	*Reserves*	*Total*
Net assets as at 1 July 2023	**262 232**	**111 373**	**137 068**	**510 673**
Changes in net assets				
Actuarial gain on employee benefits liabilities	57 312	–	–	57 312
Fair value gain recognized directly in net assets	–	–	9 187	9 187
Deficit for the year ended 30 June 2024	(541 885)	–	–	(541 885)
Net assets as at 30 June 2024	**(222 341)**	**111 373**	**146 255**	**35 287**
Changes in net assets				
Actuarial loss on employee benefits liabilities[a]	(32 189)	–	–	(32 189)
Fair value gain recognized directly in net assets	–	–	6 339	6 339
Deficit for the year ended 30 June 2025	(127 330)	–	–	(127 330)
Net assets as at 30 June 2025	**(381 860)**	**111 373**	**152 594**	**(117 893)**

[a] Actuarial loss of $33.735 million for defined benefit liabilities (see note 16) and actuarial gain of $1.546 million for workers' compensation.

The accompanying notes to the financial statements are an integral part of these financial statements.

IV. Statement of cash flows for the year ended 30 June 2025

(Thousands of United States dollars)

	Note	*2024/25*	*2023/24*
Cash flows from operating activities			
(Deficit) for the year		**(127 330)**	**(541 885)**
Non-cash movements			
Depreciation and amortization	12, 13	151 784	156 759
Impairment of property, plant and equipment	12	7	51
Actuarial (loss)/gain on employee benefits liabilities		(32 189)	57 312
Net loss on disposal of property, plant and equipment	12, 13	7 045	158 280
Transfers, donations of assets and other additions	12, 13	(8 848)	(19 563)
Fair value gain on revaluation of investments recognized directly in net assets	22	6 339	9 187
Opening balance adjustment to net asset (IPSAS 41 adoption)		–	(1 684)
Changes in assets			
(Increase)/decrease in assessed contributions receivable	7	13 950	313 400
(Increase)/decrease in other receivables	9	4 135	19 434
(Increase)/decrease in inventories	10	34 349	51 709
(Increase)/decrease in other assets	11	30 229	6 710
Changes in liabilities			
Increase/(decrease) in accounts payable – Member States	14	(223 883)	105 210
Increase/(decrease) in accounts payable – other	14	215 274	(154 119)
Increase/(decrease) in advance receipts	15	8 938	(56 174)
Increase/(decrease) in employee benefits liabilities	16	118 059	30 296
Increase/(decrease) in provisions	17	79 711	94 069
Increase/(decrease) in other liabilities	18	(55)	96
Investment revenue presented as investing activities	22	(78 541)	(92 106)
Net cash flows from/(to) operating activities		**198 974**	**136 982**
Cash flows from investing activities			
Pro rata share of net decrease/(increase) in cash pool		(204 283)	(163 197)
Investment revenue presented as investing activities	22	78 541	92 106
Acquisition of property, plant and equipment	12	(132 700)	(100 486)
Proceeds from disposal of property, plant and equipment		5 905	3 466
Acquisition of intangible assets	13	–	(244)
Net cash flows from/(to) investing activities		**(252 537)**	**(168 355)**
Net (decrease) in cash and cash equivalents		**(53 563)**	**(31 373)**
Cash and cash equivalents – beginning of year		174 299	205 672
Cash and cash equivalents – end of year	6	**120 736**	**174 299**

The accompanying notes to the financial statements are an integral part of these financial statements.

V. Statement of comparison of budget and actual amounts for the year ended 30 June 2025

(Thousands of United States dollars)

Appropriated activities	*Budget* *Original*	*Budget* *Final*	*Actual revenue/ expenditure budget basis*	*Difference – original and final budget (percentage)*	*Difference – final budget and actual*[a] *(percentage)*
Revenue					
Assessed contributions	5 544 768	5 544 768	5 544 768	–	–
Voluntary contributions, budgeted	26 583	26 583	26 305	–	(1.05)
Allocations from other funds	2 299	2 299	2 299	–	–
Total revenue	**5 573 650**	**5 573 650**	**5 573 372**	**–**	**–**
Expenditure					
Active missions[b,c]					
UNFICYP	61 387	61 387	60 244	–	(1.86)
UNDOF	74 611	74 611	73 740	–	(1.17)
UNIFIL	582 625	582 625	565 808	–	(2.89)
MINURSO	75 868	75 868	71 508	–	(5.75)
UNMIK	47 413	47 413	47 388	–	(0.05)
MONUSCO	994 544	994 544	979 660	–	(1.50)
UNSOS	547 410	547 410	533 939	–	(2.46)
UNISFA	326 164	326 164	325 192	–	(0.30)
UNMISS	1 355 899	1 355 899	1 317 394	–	(2.84)
MINUSMA	222 116	222 116	184 138	–	(17.10)
MINUSCA	1 283 314	1 283 314	1 257 964	–	(1.98)
Total active missions	**5 571 351**	**5 571 351**	**5 416 975**	**–**	**(2.77)**
Less: prorated costs of support account	(370 039)	(370 039)	(370 039)	–	–
Less: prorated costs of United Nations Logistics Base – other activities	(64 589)	(64 589)	(64 589)	–	–
Less: prorated costs of Regional Service Centre	(43 791)	(43 791)	(43 791)	–	–
Total active missions, excluding prorated costs	**5 092 932**	**5 092 932**	**4 938 556**	**–**	**(3.03)**
Support activities					
Support account	384 230	384 230	379 419	–	(1.25)
United Nations Logistics Base – other activities	67 935	67 935	66 750	–	(1.74)
Regional Service Centre	48 004	48 004	48 001	–	(0.01)
Total support activities	**500 169**	**500 169**	**494 170**	**–**	**(1.20)**
Total expenditure, in accordance with 2024/25 budget-based active missions and support activities	**5 593 101**	**5 593 101**	**5 432 726**	**–**	**(2.87)**
Net total	**(19 451)**	**(19 451)**	**140 646**		

[a] Actual expenditure (budget basis) less final budget.

[b] Budget and actual expenditure of active missions include prorated costs for the support account, the United Nations Logistics Base (other activities) and the Regional Service Centre.

[c] Reporting by individual missions, previously presented under annex II, has been discontinued, as it is covered under the respective performance reports.

The accompanying notes to the financial statements are an integral part of these financial statements.

United Nations peacekeeping operations as reported in volume II
Notes to the 2024/25 financial statements

Note 1
Reporting entity

United Nations and its activities

1. The United Nations is an international organization founded in 1945 after the Second World War. The Charter of the United Nations was signed on 26 June 1945 and became effective on 24 October 1945. The primary objectives of the United Nations are:

(a) The maintenance of international peace and security;

(b) The promotion of international economic and social progress and development programmes;

(c) The universal observance of human rights;

(d) The administration of international justice and law.

2. These objectives are implemented through the major organs of the United Nations, as follows:

(a) The General Assembly focuses on a wide range of political, economic and social issues, as well as the financial and administrative aspects of the Organization;

(b) The Security Council is responsible for various aspects of peacekeeping and peacemaking, including efforts to resolve conflicts, restore democracy, promote disarmament, provide electoral assistance, facilitate post-conflict peacebuilding, engage in humanitarian activities to ensure the survival of groups deprived of basic needs, and oversee the prosecution of persons responsible for serious violations of international humanitarian law;

(c) The Economic and Social Council plays a specific role in economic and social development, including a major oversight role in the efforts of other organizations of the United Nations system to address international economic, social and health problems;

(d) The International Court of Justice has jurisdiction over disputes between Member States brought before it for advisory opinions or binding resolutions;

(e) The Secretariat is organized along departmental lines, with each department or office having a distinct area of action and responsibility. Offices and departments coordinate with each other to ensure cohesion as they carry out the day-to-day work of the Organization in offices and duty stations around the world. At the head of the United Nations Secretariat is the Secretary-General.

3. The United Nations has its headquarters in New York and has major offices in Geneva, Vienna and Nairobi. It also has peacekeeping and political missions, economic commissions, tribunals, training institutes, information centres and other offices around the world.

United Nations peacekeeping operations

4. These financial statements relate to the United Nations peacekeeping operations, a separate financial reporting entity of the United Nations for the purposes of IPSAS-compliant reporting.

5. United Nations peacekeeping, with a mandate to help countries affected by conflict to create conditions for lasting peace, began operations in 1948 with the creation of the first peacekeeping mission. Since then, 69 peacekeeping missions (2023/24: 69 missions) have been deployed by the United Nations, 56 of them since 1988.

6. United Nations peacekeeping operates under the direction of the Security Council; as deemed appropriate by vote of the Council, peacekeeping missions are established, extended, amended or ended. Under Article 25 of the Charter, all States Members of the United Nations agree to accept and carry out the decisions of the Council; while other organs make recommendations to Member States, the Council alone has the power to take decisions that Member States are obligated to follow. United Nations peacekeeping has unique strengths, including legitimacy, burden-sharing and an ability to deploy and sustain troops and police from around the world, integrating them with civilian peacekeepers to advance multidimensional mandates. As at 30 June 2025, there were 11 active United Nations peacekeeping missions (30 June 2024: 11 active missions) deployed across three continents.

7. Peacekeeping operations are regarded as an autonomous reporting entity, which, owing to the uniqueness of the governance and budgetary process of each of the reporting entities of the United Nations, neither controls nor is controlled by any other United Nations financial reporting entity, and which has no interests in associates, joint ventures or joint arrangements. Therefore, consolidation is not deemed applicable to the reporting entity, and these financial statements include only the activities of the United Nations peacekeeping operations.

Note 2
Basis of preparation and authorization for issue

Basis of preparation

8. In accordance with the Financial Regulations and Rules of the United Nations, the financial statements are prepared on an accrual basis in accordance with IPSAS. The financial statements have been prepared on a going-concern basis and the accounting policies have been applied consistently in the preparation and presentation of these financial statements. In accordance with the requirements of IPSAS, these financial statements, which present fairly the assets, liabilities, revenue and expenses of the United Nations peacekeeping operations, consist of the following:

(a) Statement I: statement of financial position;

(b) Statement II: statement of financial performance;

(c) Statement III: statement of changes in net assets;

(d) Statement IV: statement of cash flows (using the indirect method);

(e) Statement V: statement of comparison of budget and actual amounts;

(f) A summary of significant accounting policies and other explanatory notes.

Going concern

9. The going-concern assertion is based on the approval by the General Assembly of the budget appropriations for peacekeeping operations for the 2024/25 financial year, the trend of collection of assessed contributions over the past years and the fact that the Assembly and the Security Council have not made any decisions to cease peacekeeping operations as a whole.

Authorization for issue

10. These financial statements are certified by the Controller and approved by the Secretary-General. In accordance with financial regulation 6.2, the Secretary-General transmitted the financial statements as at 30 June 2025 to the Board of Auditors by 30 September 2025. In accordance with financial regulation 7.12, the reports of the Board are transmitted to the General Assembly through the Advisory Committee on Administrative and Budgetary Questions, together with the audited financial statements.

Measurement basis

11. The financial statements are prepared using the historic cost convention, except for investments held in the cash pool recorded at fair value through net assets/equity.

Functional and presentation currency

12. The functional currency of peacekeeping operations is the United States dollar; currencies other than the functional currency are considered foreign currencies for the purpose of financial accounting and reporting. The presentation currency of peacekeeping operations is also the United States dollar; these financial statements are expressed in thousands of United States dollars unless otherwise stated.

13. Foreign currency transactions are translated into United States dollars at the United Nations operational rate of exchange at the date of the transaction. The operational rate of exchange approximates the spot rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the fiscal year-end operational rate of exchange. Non-monetary foreign currency items measured at historical cost or fair value are translated at the operational rate of exchange prevailing at the date of the transaction or when the fair value was determined.

14. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at fiscal year-end exchange rates are recognized in the statement of financial performance on a net basis.

Materiality and use of judgment and estimates

15. Materiality is central to the preparation and presentation of the financial statements of peacekeeping operations and the materiality framework provides a systematic method in guiding accounting decisions relating to presentation, disclosure, aggregation, offsetting and retrospective versus prospective application of changes in accounting policies. In general, an item is considered material if its omission or its aggregation would have an impact on the conclusions or decisions of the users of the financial statements.

16. Preparing financial statements in accordance with IPSAS requires the use of estimates, judgments and assumptions in the selection and application of accounting policies and in the reported amounts of certain assets, liabilities, revenue and expenses.

17. Accounting estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to estimates are recognized in the year in which the estimates are revised and in any future year affected. Significant estimates and assumptions that may result in material adjustments in future years include actuarial measurement of employee benefits; selection of useful lives and the depreciation and amortization methods for property, plant and equipment and intangible assets; impairment of assets; classification of financial instruments; valuation of inventory; inflation and

discount rates used in the calculation of the present value of provisions; and classification of contingent assets and liabilities.

Recent and future accounting pronouncements

18. The progress and impact of the following significant future accounting pronouncements by the IPSAS Board on the financial statements of peacekeeping operations continue to be monitored:

(a) The Board approved the final pronouncement, Concessionary leases and other arrangements conveying rights over assets (amendments to IPSAS 43, IPSAS 47 and IPSAS 48). The effective date for the relevant amendments is 1 January 2027;

(b) The Board also issued the following pronouncement: Amendments to IPSAS as a result of the application of IPSAS 46, Measurement. It introduces amendments to IPSAS standards to add current operational value and a definition of an accounting estimate, and to enhance terminology. The pronouncement primarily affects IPSAS 3, 12 and 21 and has an effective date of 1 January 2028. The Board will conduct further research on introducing current operational value in IPSAS 31, Intangible Assets;

(c) The Board split development of the climate-related disclosures standard into two phases, with one focusing on the disclosure of climate-related risks and opportunities regarding a public sector entity's day-to-day activity, and the other on those specific public sector entities responsible for climate-related public policy programmes and their outcomes. The project is expected to be finalized in the first half of 2026;

(d) The Board continued its deliberations on a replacement for IPSAS 1, Presentation of financial statements. This is expected to move to the consultation paper phase in 2026;

(e) The Board added a new project, on making materiality judgments, to its agenda. The project will be conducted in distinct phases. Its goals are the following:

(i) Amend authoritative guidance to achieve a consistent/aligned definition of material between the conceptual framework and IPSAS standards;

(ii) Develop non-authoritative guidance to clarify how to make materiality judgments in accordance with IPSAS and the Board's sustainability reporting standards.

Recent and future requirements of the International Public Sector Accounting Standards

19. The IPSAS Board issued the following standards:

(a) IPSAS 43: Leases, issued in January 2022 and effective 1 January 2025;

(b) IPSAS 44: Non-current assets held for sale and discontinued operations, issued in May 2022 and effective 1 January 2025;

(c) IPSAS 45: Property, plant and equipment, issued in May 2023 and effective 1 January 2025;

(d) IPSAS 46: Measurement, issued in May 2023 and effective 1 January 2025;

(e) IPSAS 47: Revenue, issued in May 2023 and effective 1 January 2026;

(f) IPSAS 48: Transfer expenses, issued in May 2023 and effective 1 January 2026;

(g) IPSAS 49: Retirement benefit plans, approved in September 2023 and effective 1 January 2026;

(h) IPSAS 50: Exploration for and evaluation of mineral resources, approved in September 2024 and effective 1 January 2027.

20. The impact of these standards on the financial statements of the United Nations peacekeeping operations has been evaluated as follows:

Standard	*Anticipated impact in the year of adoption*
IPSAS 43	IPSAS 43: Leases, replaces IPSAS 13: Leases, and aligns lease accounting with International Financial Reporting Standard 16. IPSAS 43 introduces new contract and lease definitions and prescribes a right-of-use recognition and measurement model for all leases, apart from those meeting short-term and low-value exemption categories. The standard also provides additional guidance on the application of the risks and rewards model for lessor accounting. The policy guidance for the implementation of IPSAS 43 is currently being updated, and adoption of the standard is mandatory for the financial reporting of peacekeeping operations for the year ending 30 June 2026. The impact of IPSAS 43 has been assessed. The broadened leases definition is estimated to result in the recognition of a greater number of binding arrangements as leases, with a corresponding increase in lease liabilities and right-of-use assets for the year ending 30 June 2026.
IPSAS 44	IPSAS 44: Non-current assets held for sale and discontinued operations, outlines accounting for assets held for sale and the presentation and disclosure of discontinued operations, in alignment with International Financial Reporting Standard 5. Adoption of the standard is mandatory for the financial reporting of peacekeeping operations for the year ending 30 June 2026. Given the definitions and scope of non-current assets held for sale, the impacts on recognition and measurement are, on a preliminary basis, not significant for the Organization. The impact of the IPSAS 44 requirement to present discontinued operations in the statement of financial position and the results of discontinued operations in the statement of financial performance will depend on the identification and timing of discontinued operations, if any, in future years.
IPSAS 45	IPSAS 45: Property, plant and equipment, replaced IPSAS 17: Property, plant and equipment, with an effective date of 1 January 2025. IPSAS 45 removed the scope exclusion for heritage property, plant and equipment, provides application and implementation guidance on infrastructure assets and captures property, plant and equipment-related measurement impacts from IPSAS 46. Changes related to IPSAS 45 and 46 will not significantly affect the financial reporting of peacekeeping operations when implemented for the year ending 30 June 2026. Property plant and equipment continue to be valued using the historical cost model and no changes to asset balances are expected with respect to heritage assets.
IPSAS 46	IPSAS 46: Measurement, is the IPSAS Board’s first measurement-dedicated standard and draws upon International Financial Reporting Standard 13: Fair value measurement, with the addition of elements specific to the public sector, including the current operational value measurement basis. Adoption of the standard is mandatory for the financial reporting of peacekeeping operations for the year ending 30 June 2026.

Standard	*Anticipated impact in the year of adoption*
	The adoption of IPSAS 46 is not expected to change the Organization's accounting policy choice to apply the historical cost model to tangible and intangible assets.
IPSAS 47	IPSAS 47: Revenue, replaces the three existing revenue standards, namely, IPSAS 9: Revenue from exchange transactions, IPSAS 11: Construction contracts, and IPSAS 23: Revenue from non-exchange transactions (taxes and transfers). IPSAS 47 aligns with the IPSAS Board's Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities and presents two accounting models based on the existence of a binding arrangement. Where a binding arrangement exists, revenue accounting is aligned with International Financial Reporting Standard 15: Revenue from contracts with customers. Otherwise, the accounting model is consistent with the core principles of IPSAS 23. Adoption of the standard is mandatory for the financial reporting of peacekeeping operations for the year ending 30 June 2027. The impact of IPSAS 47 will be assessed prior to the 1 January 2026 effective date of the standard.
IPSAS 48	IPSAS 48: Transfer expenses, provides guidance on accounting for transfer expenses. The transfer expense model aligns with the Conceptual Framework and presents two accounting models based on the existence of a binding arrangement. Adoption of the standard is mandatory for the financial reporting of peacekeeping operations for the year ending 30 June 2027. The impact of IPSAS 48 will be assessed prior to the 1 January 2026 effective date of the standard.
IPSAS 49	IPSAS 49: Retirement benefit plans, aligns with International Accounting Standard 26: Accounting and reporting by retirement benefit plans, and prescribes the accounting and reporting requirements for public sector retirement benefit plans, which provide retirement benefits to public sector employees and other eligible participants. A retirement benefit plan that prepares and presents financial statements under the accrual basis of accounting shall apply IPSAS 49. The standard does not deal with other forms of employment benefits such as employment termination benefits or health and welfare plans. The standard has limited implications for peacekeeping operations with its adoption date of 1 January 2026.
IPSAS 50	IPSAS 50: Exploration for and evaluation of mineral resources, is aligned with International Financial Reporting Standard 6 and provides guidance related to the costs incurred for exploration for and evaluation of mineral resources, as well as the costs of determining the technical feasibility and commercial viability of extracting the mineral resources. The preliminary assessment is that IPSAS 50 will have no impact on the financial reporting of volume II operations.

Note 3
Significant accounting policies

Financial assets: classification

21. The classification of financial assets depends primarily on the purpose for which the financial assets are acquired. Peacekeeping operations classify financial assets in one of the categories shown below at initial recognition and re-evaluate the classifications at each reporting date.

Classification	*Financial assets*
Fair value through net assets/equity	Investments in the main cash pool
Amortized cost	Cash and cash equivalents and receivables

22. Financial assets with maturities in excess of 12 months as at the reporting date are categorized as non-current assets in the financial statements. Assets denominated in foreign currencies are translated into United States dollars at the United Nations operational rate of exchange prevailing as at the reporting date, with net gains or losses recognized in the surplus or deficit in the statement of financial performance.

23. With the adoption of IPSAS 41, financial assets previously designated at fair value through a surplus or deficit have been reclassified to fair value through net assets/equity after an assessment of their contractual cash flows characteristics and the determination of the Organization's management model, which is to both collect contractual cash flows and sell the financial assets. These assets are measured at fair value at each reporting date, and any gains or losses arising from changes in the fair value are now presented in the statement of net assets in the year in which they arise.

24. Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recorded at fair value, plus transaction costs, and are subsequently reported at amortized cost calculated using the effective interest method if applicable. Interest revenue is recognized on a time proportion basis using the effective interest rate method on the relevant financial asset.

25. Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment. Evidence of impairment includes default or delinquency of the counterparty or permanent reduction in the value of the asset. Impairment losses are recognized in the statement of financial performance in the year in which they arise.

26. Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred and peacekeeping operations have transferred substantially all risks and rewards of the financial asset. Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Financial assets: investment in cash pools

27. The United Nations Treasury invests funds pooled from Secretariat entities and other participating entities. These pooled funds are combined in two internally managed cash pools. Participation in a cash pool implies sharing the risks and returns on investments among all pool participants. Given that the funds are commingled and invested on a pool basis, each participant is exposed to the overall risk of the investment portfolio to the extent of the amount of cash invested.

28. The investments of peacekeeping operations in the main pool are included as part of cash and cash equivalents, short-term investments and long-term investments in the statement of financial position, depending on the maturity period of the investment.

29. The investment pools are subject to an expected credit loss assessment for the reporting period and the assessment is done using Fitch Ratings. Fitch Ratings is a provider of credit ratings, research and analysis for the global financial markets. The expected credit loss on investments is calculated using the Fitch default rating on the

basis of a combination of the Fitch issuer rating and the type of issuer. The historical default rates are provided by Fitch over a period of three years. The Fitch rating by type of issuer is obtained for each investment position. The default rate is obtained from the transition matrix for the specific type of issuer (e.g., supranational, sovereign and corporate).

30. Owing to the conservative and risk-averse investment strategy/model, the United Nations invests only in highly rated instruments. As a result, most of the issuer categories carry a zero-default history for the relevant analysis period by Fitch. The Organization will therefore assess expected credit loss at the end of each reporting period and recognize an impairment loss only if material.

Financial assets: cash and cash equivalents

31. Cash and cash equivalents comprise cash at bank and on hand, and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition.

Financial assets: receivables from non-exchange transactions – assessed and voluntary contributions receivable

32. Contributions receivable represent uncollected revenue from assessed and voluntary contributions committed to peacekeeping operations by Member States, non-member States and other donors based on enforceable agreements. These non-exchange receivables are stated at nominal value, less a loss allowance reflecting impairment for estimated irrecoverable amounts.

33. For assessed contributions receivable, the loss allowance is calculated using objective evidence of default in collections of receivables (in this case, Member States).

34. For ongoing IPSAS 41 compliance, payment data are monitored for any indication of changes in payment patterns. Where data are indicative of expected credit loss, loss allowance is recognized in accordance with IPSAS 41.

35. On the basis of an analysis of historical data of collection for assessed contributions receivable, no expected credit loss has been established where no evidence of any loss pattern for Member States exists, except for the specific receivables detailed below, where, under the forward-looking model, the expected credit loss shall be provided as follows:

(a) A total of 100 per cent of assessed contributions receivable from Member States that are subject to Article 19 of the Charter of the United Nations on voting rights restrictions in the General Assembly because of arrears equalling or exceeding the amount of the contributions due from them for the preceding two full years, is included in the loss allowance. These receivables carry a higher credit risk owing to a historical pattern of non-payment or delays over a specific number of years;

(b) For assessed contributions receivable that are past due in excess of two years for which the General Assembly has granted special treatment with regard to payment (assessed contributions under the United Nations Emergency Force and the United Nations Operation in the Congo, unpaid assessed contributions that were transferred to a special account pursuant to Assembly resolution 36/116 A and unpaid assessed contributions of the former Yugoslavia), 100 per cent will be included in the loss allowance;

(c) For assessed contributions receivable that are past due for which Member States have specifically contested the balances, 100 per cent will be included in the loss allowance;

(d) For assessed contributions receivable that are past due in excess of two years related to missions that have been closed for more than two years, there is a 100 per cent allowance;

(e) Assessed contributions receivable with an approved payment plan will not be subject to allowance.

36. Voluntary contributions receivable are subject to impairment using the expected credit loss model applicable to the donor type. The impairment review follows a similar methodology to that of receivables from exchange transactions, which uses historical payment patterns to determine the expected credit loss.

Financial assets: receivables from exchange transaction – trade receivables and other receivables

37. Trade and other receivables include primarily amounts receivable for goods or services provided to other entities. Receivables from other United Nations reporting entities are also included in this category. The balances are subject to impairment using the expected credit loss model and assessed on the basis of recoverability and ageing applicable to customer type.

38. The loss allowance calculation uses a forward-looking model applying historical percentages of previous credit losses as the basis for determining the expected credit losses of receivable balances. This historical percentage is updated at each year end. Given that the United Nations operates in a worldwide environment with dynamic macroeconomic variables, it is therefore difficult to factor the worldwide gross domestic product growth rate in the calculation of the loss allowance. Other receivables are categorized by customer type with homogeneous characteristics, for example, with the same debt settlement patterns. The evolution of the outstanding balances is analysed over a period of years to determine the historical transition rate of outstanding receivable balances. The transition rate is reassessed at the end of each reporting period and applied to the exposure balance to determine the loss allowance.

Other assets

39. Other assets include prepayments that are recorded as an asset until goods are delivered or services are rendered by the other party, at which point the expense is recognized.

Inventories

40. Inventory balances are recognized as current assets and include the categories set out below.

Categories	*Subcategories*
Held for sale or external distribution	Books and publications, stamps
Raw materials and work in progress associated with items held for sale or external distribution	Construction materials and supplies, works in progress
Strategic reserves	Fuel reserves, bottled water and rations reserves, strategic deployment stocks, United Nations reserves
Consumables and supplies	Material holdings of consumables and supplies, spare parts, medicine

41. The cost of inventory in stock is determined using the moving average price cost basis. The cost of inventories includes the cost of purchase plus other costs incurred in bringing the items to the destination and condition for use. Standard rates ranging from 7 to 28 per cent of the cost of purchase, depending on the location of each office and mission, are used in place of actual associated costs. Inventory acquired through non-exchange transactions (i.e., donated goods) are measured at fair value at the date of acquisition. Inventories held for sale are valued at the lower of cost and net realizable value. Inventories held for distribution at no or nominal charge or for consumption in the production of goods or services are valued at the lower of cost and current replacement cost.

42. The carrying amount of inventories is expensed when inventories are sold, exchanged, distributed externally or consumed by the United Nations peacekeeping operations. Net realizable value is the net amount that is expected to be realized from the sale of inventories in the ordinary course of operations. Current replacement cost is the estimated cost that would be incurred to acquire the asset.

43. Holdings of consumables and supplies for internal consumption are capitalized in the statement of financial position when material. Such inventories are valued by the moving average method on the basis of records available in Umoja. Valuations are subject to impairment review, which takes into consideration the variances between moving average price valuation and current replacement cost, as well as slow-moving and obsolete items.

44. Inventories are subject to physical verification on the basis of the value and risk as assessed by management. Valuations are net of write-downs from cost to current replacement cost or net realizable value, which are recognized in the statement of financial performance.

Heritage assets

45. Heritage assets are not recognized in the financial statements, but transactions related to significant heritage assets are disclosed in the notes to the financial statements.

Property, plant and equipment

46. Property, plant and equipment are classified into different groups of items of a similar nature and with similar functions, useful lives and valuation methodologies, such as vehicles; communications and information technology equipment; machinery and equipment; furniture and fixtures; and real estate assets (land, buildings, infrastructure and assets under construction). Recognition of property, plant and equipment is as follows:

(a) Property, plant and equipment are capitalized when their cost per unit is greater than or equal to the threshold of $20,000 or $100,000 for leasehold improvements and self-constructed assets. A lower threshold of $5,000 applies to five commodity groups: vehicles; prefabricated buildings; satellite communication systems; generators; and network equipment;

(b) All property, plant and equipment other than real estate assets are stated at historical cost, less accumulated depreciation and accumulated impairment losses. Historical cost comprises the purchase price, any associated costs directly attributable to bringing the asset to its location and condition, and the initial estimate of dismantling and site restoration costs. Standard rates ranging from 2 to 18 per cent of the cost of purchase, depending on the location of each office and mission, are used in place of actual associated costs;

(c) For property, plant and equipment acquired at nil or nominal cost, such as donated assets, the fair value at the date of acquisition is deemed to be the cost to acquire equivalent assets.

47. Property, plant and equipment are depreciated over their estimated useful lives using the straight-line method up to their residual value, except for land and assets under construction, which are not subject to depreciation. Given that not all components of a building have the same useful life or have the same maintenance, upgrade or replacement schedules, significant components of owned buildings are depreciated using the componentization approach. Depreciation commences in the month when the United Nations peacekeeping operation gains control over an asset in accordance with international commercial terms and no depreciation is charged in the month of the retirement or disposal. Given the expected pattern of usage of property, plant and equipment, the residual value is nil unless the residual value is likely to be significant.

48. As indicated in paragraph 17 (note 2), as with other accounting estimates and underlying assumptions, estimated useful life assumptions are reviewed on an ongoing basis. Changes in accounting estimates result from new information, new developments or more experience, for example, an adjustment to the periodic consumption of an asset as a result of an assessment of the present status of, and expected future benefits associated with, that asset. Such changes are accounted for as a change in the accounting estimate. A change in the accounting estimate is recognized prospectively by recording it as a surplus or deficit during the period of the change and is recorded as either a surplus or deficit in future periods. Such prospective recognition is applied to transactions, other events and conditions from the date of the change in estimate.

49. The Organization carries out periodic reviews of estimated useful life at the subclass level and makes adjustments at the asset class level if applicable. The most recent update of useful lives was applied to the Organization's property plant and equipment, prospectively starting on 1 January 2023, when 13 of the 25 asset subclasses in the table below were revised.

Class	*Subclass*	*Estimated useful life*
Communications and information technology equipment	Information technology equipment	4–5 years[a]
	Communications	7–8 years[a]
	Audiovisual equipment	7–10 years[a]
Vehicles	Light-wheeled vehicles	6–7 years[a]
	Marine vessels	10 years
	Specialized vehicles, trailers and attachments	6–12 years
	Heavy-wheeled and engineering support vehicles	12 years
Machinery and equipment	Light engineering and construction equipment	5–8 years[a]
	Medical equipment	5–6 years[a]
	Security and safety equipment	5–6 years[a]
	Mine-detection and -clearing equipment	5 years
	Water treatment and fuel distribution equipment	7–10 years[a]

Class	*Subclass*	*Estimated useful life*
	Ground transportation equipment	7–10 years[a]
	Heavy engineering and construction equipment	10–12 years[a]
	Printing and publishing equipment	20 years
Furniture and fixtures	Library reference material	3 years
	Office equipment	4–5 years[a]
	Fixtures and fittings	7–10 years[a]
	Furniture	10 years
Buildings	Temporary and mobile buildings	7–10 years[a]
	Fixed buildings	Up to 50 years
	Major building components	Up to 50 years
	Finance lease or donated right-to-use buildings	Shorter of term of arrangement or life of building
Infrastructure assets	Telecommunications, energy, protection, transport, waste and water management, recreation, landscaping	Up to 50 years
Leasehold improvements	Fixtures, fittings and minor construction work	Shorter of lease term or 5 years

[a] In 2023, following the review of the estimates of the periods over which asset subclasses are expected to be available for use, estimated useful lives for 12 subclasses were increased by between one and three years and one subclass, namely, heavy engineering and construction equipment, was reduced by two years. These changes are applicable to acquisitions on or after 1 January 2023.

50. Where there is a material cost value of fully depreciated assets that are still in use, adjustments to accumulated depreciation and property, plant and equipment are incorporated into the financial statements to reflect a residual value of 10 per cent of historical cost based on an analysis of the classes and useful lives of the fully depreciated assets.

51. Peacekeeping operations selected the historical cost model, instead of the revaluation model, for the measurement of property, plant and equipment after initial recognition. Costs incurred subsequent to initial acquisition are capitalized only when it is probable that future economic benefits or service potential associated with the item will flow to peacekeeping operations and the subsequent cost exceeds the threshold for initial recognition. Repairs and maintenance are expensed in the statement of financial performance in the year in which they are incurred.

52. A gain or loss resulting from the disposal or transfer of property, plant and equipment arises when proceeds from disposal or transfer differ from the carrying amount. Those gains or losses are recognized in the statement of financial performance as part of other revenue or other expenses.

53. Impairment assessments are conducted during the annual physical verification process and when events or changes in circumstance indicate that carrying amounts may not be recoverable. Land, buildings and infrastructure assets with a year-end net book value greater than $500,000 are reviewed for impairment at each reporting date.

The equivalent threshold for other property, plant and equipment items (excluding assets under construction and leasehold improvements) is $25,000.

Intangible assets[1]

54. Intangible assets are carried at cost, less accumulated amortization and accumulated impairment loss. For intangible assets acquired at nil or nominal cost, including donated assets, the fair value at the date of acquisition is deemed to be the cost of the asset. The thresholds for recognition are $100,000 per unit for internally generated intangible assets and $20,000 per unit for externally acquired intangible assets.

55. Acquired computer software licences are capitalized on the basis of costs incurred to acquire and bring into use the specific software. Development costs that are directly associated with the development of software for use by peacekeeping operations are capitalized as an intangible asset. Directly associated costs include software development employee costs, consultant costs and other applicable overhead costs. Intangible assets with finite useful lives are amortized on a straight-line method, starting from the month of acquisition or when they become operational. The useful lives of major classes of intangible assets have been estimated as shown below.

Class	*Range of estimated useful life*
Licences and rights	2–6 years (period of licence/right)
Software acquired externally	3–10 years
Software developed internally	3–10 years
Copyrights	3–10 years
Assets under development	Not amortized

56. Annual impairment reviews of intangible assets are conducted when assets are under development or have an indefinite useful life. Other intangible assets are subject to impairment review only when indicators of impairment are identified.

Financial liabilities: classification

57. Financial liabilities are classified as “other financial liabilities”. They include accounts payable, unspent funds held for future refund and other liabilities such as balances payable to other United Nations system reporting entities. Financial liabilities classified as other financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. Financial liabilities with durations of less than 12 months are recognized at their nominal value. Peacekeeping operations re-evaluate the classification of financial liabilities at each reporting date and derecognize financial liabilities when contractual obligations are discharged, waived, cancelled or expired.

Financial liabilities: accounts payable and accrued expenses

58. Accounts payable and accrued expenses arise from the purchase of goods and services that have been received but not paid for as at the reporting date. Payables are measured at their nominal value if classified as current liabilities, or at the fair value if classified as non-current liabilities.

[1] No intangible assets with an indefinite useful life were recorded in 2024/25.

Advance receipts and other liabilities

59. Advance receipts are contributions received for future periods. Other liabilities consist of payments received in advance relating to exchange transactions, liabilities for conditional funding arrangements and other deferred revenue.

Leases: the peacekeeping operations as lessee[2]

60. Leases of property, plant and equipment in which a peacekeeping operation has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the start of the lease at the lower of fair value or the present value of the minimum lease payment. The rental obligation, net of finance charges, is reported as a liability in the statement of financial position. Assets acquired under finance leases are depreciated in accordance with property, plant and equipment policies. The interest element of the lease payment is charged to the statement of financial performance as an expense over the lease term on the basis of the effective interest rate method.

61. Leases in which all the risks and rewards of ownership are not substantially transferred to a peacekeeping operation are classified as operating leases. Payments made under operating leases are charged to the statement of financial performance as an expense on a straight-line basis over the period of the lease.

Leases: the peacekeeping operations as lessor

62. Peacekeeping operations lease out (act as a lessor) specific assets under operating leases. Assets subject to operating leases are reported under property, plant and equipment. Lease revenue from operating leases is recognized in the statement of financial performance over the lease term on a straight-line basis.

Donated rights to use

63. The right to use land, buildings, infrastructure assets, machinery and equipment is frequently granted to peacekeeping operations, primarily by host Governments at nil or nominal cost, through donated right-to-use arrangements. These arrangements are accounted for as operating leases or finance leases depending on whether an assessment of the agreement indicates that control of the underlying asset is transferred to the peacekeeping operation.

64. When a donated right-to-use arrangement is classified as an operating lease, an expense and corresponding revenue equal to the annual market rent of a similar property are recognized in the financial statements. Where a donated right-to-use arrangement is classified as a finance lease (principally with a lease term of more than 35 years for premises), the fair market value of the property is capitalized and depreciated over the shorter of the term of the arrangement or the useful life of the property. In addition, a liability for the same amount is recorded and progressively recognized as revenue over the lease term.

65. Donated right-to-use land arrangements are accounted for as operating leases when the peacekeeping operation does not have exclusive control and title to the land is not transferred under restricted deeds. When a title to land is transferred to the peacekeeping operation without restrictions, the land is accounted for as donated property, plant and equipment and recognized at fair value at the acquisition date.

66. The thresholds for the recognition of revenue and expenses are the yearly rental value equivalent of $20,000 for each donated right-to-use arrangement for land,

[2] No finance lease contracts were recorded in 2024/25.

buildings or infrastructure assets and $5,000 per item for machinery and equipment assets.

Employee benefits

67. Employees are staff members, as described under Article 97 of the Charter, whose employment and contractual relationship with a peacekeeping operation are defined by a letter of appointment subject to regulations promulgated by the General Assembly pursuant to Article 101, paragraph 1, of the Charter. Employee benefits are classified into short-term benefits, long-term benefits, post-employment benefits and termination benefits.

Short-term employee benefits

68. Short-term employee benefits are employee benefits (other than termination benefits) that are payable within 12 months after the end of the year in which the employee renders the related services. Short-term employee benefits comprise first-time employee benefits (assignment grants), regular daily, weekly or monthly benefits (wages, salaries and allowances), compensated absences (paid sick leave and maternity/paternity leave) and other short-term benefits (death grant, education grant, reimbursement of taxes, and home leave travel) provided to current employees on the basis of services rendered. All such benefits that are accrued but not paid as at the reporting date are recognized as current liabilities within the statement of financial position.

69. Home leave travel is available to eligible staff and dependants serving in qualifying countries. The liability represents the expected travel cost of the next home leave entitlement for qualifying staff, adjusted for the proportion of service yet to be performed until the benefit is vested. Given that home leave travel entitlements are claimed within relatively short periods of time, the effect of discounting for the time value of money is not material.

Post-employment benefits

70. Post-employment benefits comprise after-service health insurance, end-of-service repatriation benefits and a pension provided through the United Nations Joint Staff Pension Fund.

Defined benefit plans

71. The following benefits are accounted for as defined benefit plans: after-service health insurance, repatriation benefits (post-employment benefits) and accumulated annual leave that is commuted to cash upon separation from the Organization (other long-term benefit). Defined benefit plans are those in which peacekeeping operations have an obligation to provide agreed benefits and therefore bear the actuarial risks. The liability for defined benefit plans is measured at the present value of the defined benefit obligation. Changes in the liability for defined benefit plans, excluding actuarial gains and losses, are recognized in the statement of financial performance in the year in which they occur. Peacekeeping operations have elected to recognize changes in the liability valuation from actuarial gains and losses directly through the statement of changes in net assets. As at the reporting date, peacekeeping operations did not hold any plan assets as defined under IPSAS 39: Employee benefits.

72. The defined benefit obligations are calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest

rates of high-quality corporate bonds with maturity dates approximating those of the individual plans.

73. **After-service health insurance**. Worldwide coverage for medical expenses of eligible former staff members and their dependants is provided through after-service health insurance. Upon end of service, staff members and their dependants may elect to participate in a defined benefit health insurance plan of the United Nations, provided they have met specific eligibility requirements, including 10 years of participation in a United Nations health plan for those who were recruited after 1 July 2007 and 5 years for those who were recruited prior to that date. The after-service health insurance liability represents the present value of the share of peacekeeping operations of medical insurance costs for retirees and the post-retirement benefit accrued to date by active staff. A factor in the after-service health insurance valuation is to consider contributions from all plan participants in determining the residual liability of peacekeeping operations. Contributions from retirees are deducted from the gross liability and a portion of the contributions from active staff is also deducted to arrive at the residual liability of peacekeeping operations in accordance with the cost-sharing ratios authorized by the General Assembly.

74. **Repatriation benefits**. Upon end of service, staff who meet specific eligibility requirements, including residency outside their country of nationality at the time of separation, are entitled to repatriation benefits, comprising a repatriation grant based upon length of service and travel and removal expenses. A liability is recognized from when the staff member joins a peacekeeping operation and is measured as the present value of the estimated liability for settling these entitlements.

75. **Annual leave**. The liabilities for annual leave represent unused accumulated leave days that are projected to be settled by means of a monetary payment to employees upon their separation from the Organization. The United Nations recognizes as a liability the actuarial value of the total accumulated unused leave days of all staff members, up to a maximum of 60 days (18 days for temporary staff) as at the date of the statement of financial position. The methodology applies a last-in-first-out assumption in the determination of the annual leave liabilities, whereby staff members gain access to current-period leave entitlements before they gain access to accumulated annual leave balances relating to prior periods. Effectively, the accumulated annual leave benefit is accessed more than 12 months after the end of the reporting period in which the benefit arose and, overall, there is an increase in the level of accumulated annual leave days, pointing to the commutation of accumulated annual leave to a cash settlement at end of service as the true liability of the Organization. The accumulated annual leave benefit reflecting the outflow of economic resources from the Organization at end of service is therefore classified as “other long-term benefit”, noting that the portion of the accumulated annual leave benefit that is expected to be settled by means of a monetary payment within 12 months after the reporting date is classified as a current liability. In line with IPSAS 39: Employee benefits, other long-term benefits must be valued similarly as post-employment benefits; therefore, the peacekeeping operation values its accumulated annual leave benefit liability as a defined post-employment benefit that is actuarially valued.

Pension plan: United Nations Joint Staff Pension Fund

76. Peacekeeping operations constitute a member organization participating in the United Nations Joint Staff Pension Fund, which was established by the General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified under article 3 (b) of the Regulations of the Pension Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental

organization which participates in the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies. The plan exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligations, plan assets and costs to individual organizations participating in the plan. Peacekeeping operations and the Fund, in line with other participating organizations in the Fund, are not in a position to identify their proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. Hence, peacekeeping operations have treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 39: Employee benefits. Contributions by peacekeeping operations to the plan during the financial year are recognized as employee benefit expenses in the statement of financial performance.

Termination benefits

77. Termination benefits are recognized as an expense only when the peacekeeping operation is demonstrably committed, without a realistic possibility of withdrawal, to a formal detailed plan either to terminate the employment of a staff member before the normal retirement date or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits to be settled within 12 months are reported at the amount expected to be paid. Where termination benefits will fall due more than 12 months after the reporting date, they are discounted if the impact of discounting is material.

Other long-term employee benefits

78. Other long-term employee benefit obligations are benefits, or portions of benefits, that are not due to be settled within 12 months after the end of the year in which employees provide the related service. Accumulated annual leave is an example of a long-term employee benefit.

79. Appendix D to the Staff Regulations and Rules governs compensation in the event of death, injury or illness attributable to the performance of official duties on behalf of the United Nations. Actuaries value these liabilities and actuarial gains or losses in the liability are recognized in the statement of changes in net assets.

Provisions

80. Provisions are liabilities recognized for future expenditure of an uncertain amount or timing. A provision is recognized if, as a result of a past event, the peacekeeping operation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is measured as the best estimate of the amount required to settle the present obligation as at the reporting date. Where the effect of the time value of money is material, the provision is the present value of the amount expected to be required to settle the obligation.

81. Uncommitted balances of the current year appropriations and expired balances of the appropriations retained from prior years are required to be surrendered to the Member States. Investment income and other income are also returned to the Member States, together with the surrendered appropriations. At the reporting date, these are reported as provisions to be returned to the Member States that will remain until the General Assembly decides the manner of their disposal.

Contingent liabilities

82. Contingent liabilities represent possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of peacekeeping operations, or present obligations that arise from past events but are not recognized because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligations or because the amount of the obligations cannot be reliably measured.

Contingent assets

83. Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of peacekeeping operations.

Commitments

84. Commitments are future expenses that are to be incurred on contracts entered into by the reporting date and that peacekeeping operations have minimal, if any, discretion to avoid in the ordinary course of operations. Commitments include capital commitments (the amount of contracts for capital expenses that are not paid or accrued by the reporting date), contracts for the supply of goods and services that will be delivered to peacekeeping operations in future periods, non-cancellable minimum lease payments and other non-cancellable commitments.

Non-exchange revenue: assessed contributions

85. Assessed contributions for peacekeeping operations are assessed and approved for a one-year budget period. Assessed contributions are recognized as revenue at the beginning of the year.

86. Assessed contributions include the amounts assessed to the Member States to finance the activities of the peacekeeping operations in accordance with the scale of assessments determined by the General Assembly. Revenue from assessed contributions from Member States and from non-Member States is presented in the statement of financial performance.

Non-exchange revenue: voluntary contributions

87. Voluntary contributions and other transfers that are supported by legally enforceable agreements are recognized as revenue at the time the agreement becomes binding, which is the point when a peacekeeping operation is deemed to acquire control of the asset. Where cash is received subject to specific conditions, however, recognition is deferred until those conditions have been satisfied.

88. Voluntary pledges and other promised donations that are not supported by binding agreements with terms of offer and acceptance are recognized as revenue upon the receipt of cash. Unused funds returned to the donor are netted against revenue.

89. Revenue received under inter-organizational arrangements represents allocations of funding from agencies to enable a peacekeeping organization to administer projects or other programmes on their behalf.

90. In-kind contributions of goods above the recognition threshold of $20,000 (per discrete contribution) are recognized as assets and revenue once it is probable that future economic benefits or service potential will flow to peacekeeping operations and the fair value of those assets can be measured reliably. For vehicles, prefabricated buildings, satellite communication systems, generators and network equipment, a

lower threshold of $5,000 applies. Contributions in kind are initially measured at their fair value at the date of receipt, determined by reference to observable market values or by independent appraisals. Peacekeeping operations have elected not to recognize in-kind contributions of services but to disclose in-kind contributions of services above the threshold of $20,000 in the notes to the financial statements.

Exchange revenue

91. Exchange transactions are those in which peacekeeping operations sell goods or services in exchange for compensation. Revenue comprises the fair value of consideration received or receivable for the sale of goods and services. Revenue is recognized when it can be reliably measured, when the inflow of future economic benefits is probable and when specific criteria have been met, as follows:

(a) Revenue from commissions and fees for technical, procurement, training, administrative and other services rendered to Governments, United Nations entities and other partners is recognized when the service is performed. As a practical expedient, operationally, revenue may be billed in advance, with service provision following shortly thereafter;

(b) Exchange revenue also includes income from the rental of premises, the sale of used or surplus property and income from net gains resulting from currency exchange adjustments.

Investment revenue

92. Investment revenue includes the share of peacekeeping operations of the cash pool net income and other interest income. The net cash pool income includes any gains or losses on the sale of investments, which are calculated as the difference between the sale proceeds and book value. Transaction costs that are attributable directly to investment activities are netted against income and the net income is distributed proportionately to all cash pool participants on the basis of their average daily balances.

Expenses

93. Expenses are decreases in economic benefits or service potential during the reporting year in the form of outflows or consumption of assets or incurrence of liabilities that result in decreases in net assets and are recognized on an accrual basis when goods are delivered and services are rendered, regardless of the terms of payment.

94. Employee salaries include international, national and general temporary staff salaries, post adjustment and staff assessment. The allowances and benefits include other staff entitlements, including pension and insurance subsidies, staff mission subsistence, assignment, repatriation, hardship and other allowances. Expenses for contingent contracted services relate to troop costs, contingent self-sustainment costs, contingent-owned equipment and contingent operations reimbursements, and compensation for troop death and disability costs. Non-employee compensation and allowances consist of living allowances and post-employment benefits for United Nations Volunteers, consultant fees, mission subsistence and clothing allowances, and death and disability, residential security and welfare costs for military observers and civilian police. Supplies and consumables expenses relate to spare parts and supplies for facilities, vehicles, machinery and equipment, and communications and information technology equipment, in addition to petroleum, oil and lubricant costs. This category of expenses also includes rations, medical supplies, uniforms and safety and security supplies. Grants and other transfers include outright grants and transfers

to implementing agencies and partners for quick-impact projects and other direct support costs. Travel expenses include transportation, allowances and other related costs for staff and non-staff. Other operating expenses include maintenance, contractual services, rental of aircraft, mine action services, security services, shared services, rental of facilities, insurance, contributions-in-kind expenses, loss allowance/ allowance for bad debt and write-off expenses. Other expenses relate to hospitality and official functions, and ex gratia and compensation claims.

Note 4
Segment reporting

95. A segment is a distinguishable activity or group of activities for which financial information is reported separately in order to evaluate an entity's past performance in achieving its objectives and to make decisions about the future allocation of resources.

96. United Nations peacekeeping classifies its operations into three segments:

(a) Active missions

- UNFICYP
- UNDOF
- UNIFIL
- MINUSMA[3]
- UNMIK
- MONUSCO
- UNMISS
- MINUSCA
- UNSOS
- UNISFA
- MINURSO

(b) Closed missions

- MINUJUSTH
- UNMIL
- UNOCI
- UNSMIS
- UNMIT
- UNMIS
- MINURCAT
- UNOMIG
- UNMEE
- ONUB
- UNAMSIL/UNOMSIL
- UNMISET/UNTAET
- UNIKOM
- UNMIBH
- UNMOT
- MIPONUH/UNSMIH/UNTMIH
- MINURCA
- MONUA/UNAVEM
- UNPREDEP
- UNTAES/UNPSG
- UNOMIL
- UNPF
- MINUGUA
- UNMIH
- UNAMIR/UNOMUR
- ONUSAL
- ONUMOZ
- UNOSOM
- UNMLT
- UNTAC
- UNTAG
- UNIIMOG
- UNEF (1956)
- ONUC
- UNAMID

[3] MINUSMA ended its mandate on 30 June 2023 and has since commenced closure and final liquidation.

(c) Support activities

- Peacekeeping Reserve Fund
- United Nations Logistics Base/strategic deployment stocks
- Employee benefits funds
- Refurbishment and reuse of returned equipment
- Support account for peacekeeping operations
- Regional Service Centre in Entebbe
- Peacekeeping cost recovery

97. The United Nations Logistics Base return, refurbishment and reuse programme for refurbished assets is aimed at improving the global management of assets, offering flexibility in planning the deployment of refurbished assets to entities of varying scope and needs, with optimal sourcing lead times.

98. The programme was presented to the General Assembly in the relevant report of the Secretary-General (A/78/735, para. 43) and a dedicated fund was established in November 2023 to effectively manage its activities.

99. The segment revenue, expenses, assets and liabilities are set out below.

Segment performance and position, 30 June 2025

(Thousands of United States dollars)

	Active missions	*Closed missions*	*Support activities*	*Eliminations*	*Total 2024/25*
Segment revenue					
Assessed contributions	5 544 768	–	–	–	5 544 768
Voluntary contributions	324 379	–	6 018	–	330 397
Transfers and allocations	–	–	485 557	(483 258)[a]	2 299
Other external sources	110 244	5 937	146 768	(121 576)[b]	141 373
Total revenue	**5 979 391**	**5 937**	**638 343**	**(604 834)**	**6 018 837**
Total segment expense	**6 075 950**	**(7 281)**	**682 332**	**(604 834)**	**6 146 167**
(Deficit)/surplus for the year	**(96 559)**	**13 218**	**(43 989)**	**–**	**(127 330)**
Segment assets	3 511 539	177 980	595 446	(267 912)[c]	4 017 053
Segment liabilities	2 170 917	420 018	1 811 923	(267 912)[c]	4 134 946
Total net assets/deficits	**1 340 622**	**(242 038)**	**(1 216 477)**	**–**	**(117 893)**
Capital expenditure	**111 908**	**–**	**20 814**	**–**	**132 722**

[a] Allocation from active missions to support activities.

[b] $44.490 million for cost recovery between missions, $74.083 million for the transfer of strategic deployment stocks to peacekeeping missions and the transfer of inventory and equipment between peacekeeping missions, and $3.003 million for the allocation from active missions to the reserve fund for workers' compensation.

[c] $267.912 million in cross-borrowing between missions.

Segment performance and position, 30 June 2024

(Thousands of United States dollars)

	Active missions	*Closed missions*	*Support activities*	*Eliminations*	*Total 2023/24*
Segment revenue					
Assessed contributions	6 296 373	–	–	–	6 296 373
Voluntary contributions	342 131	–	5 723	–	347 854
Transfers and allocations	–	–	491 878	(489 749)[a]	2 129
Other external sources	108 304	7 082	144 909	(107 485)[b]	152 810
Total revenue	**6 746 808**	**7 082**	**642 510**	**(597 234)**	**6 799 166**
Total segment expense	**7 111 119**	**102 770**	**724 396**	**(597 234)**	**7 341 051**
Deficit for the year	**(364 311)**	**(95 688)**	**(81 886)**	**–**	**(541 885)**
Segment assets	3 593 817	180 254	574 800	(376 682)[c]	3 972 189
Segment liabilities	2 160 208	436 172	1 717 204	(376 682)[c]	3 936 902
Total net assets/deficits	**1 433 609**	**(255 918)**	**(1 142 404)**	**–**	**35 287**
Capital expenditure	**71 313**	**–**	**29 416**	**–**	**100 729**

[a] Allocation from active missions to support activities.

[b] $45.644 million for cost recovery between missions, $58.812 million for the transfer of strategic deployment stocks to peacekeeping missions and the transfer of inventory and equipment between peacekeeping missions, and $3.029 million for the allocation from active missions to the reserve fund for workers' compensation.

[c] $376.682 million in cross-borrowing between missions.

Note 5
Comparison to budget

100. Statement V, the statement of comparison of budget and actual amounts, presents the difference between budget amounts, which are prepared on a modified cash basis, and actual expenditure on a comparable basis.

101. Approved budgets are those that permit expenses to be incurred and are approved by the General Assembly. For IPSAS reporting purposes, approved budgets are the appropriations authorized for each mission under Assembly resolutions.

102. Prorated costs relating to the support account for peacekeeping operations, the United Nations Logistics Base and the Regional Service Centre are calculated in accordance with the note by the Secretary-General on their financing (A/C.5/78/33).

Material differences

103. The original budget amounts are the appropriations and voluntary contributions approved on 28 June 2024 by the General Assembly for the financial year from 1 July 2024 to 30 June 2025. The final budget reflects the original budget appropriation with any amendments by the Assembly and commitment authorities approved by the Advisory Committee on Administrative and Budgetary Questions.

104. Material differences between the final budget appropriation and actual expenditure on a modified accrual basis are deemed to be those greater than 5 per cent, as shown in the table below.

Mission	General Assembly resolution/ Advisory Committee on Administrative and Budgetary Questions approval	Note
MINUSMA	78/250 B	Expenditure was 17.10 per cent ($38.0 million) less than the final budget The underexpenditure was due mainly to the accelerated closure of the Gao and Bamako camps. It also reflects reduced operational costs, primarily from lower freight expenses resulting from a cost-benefit decision to dispose of more items rather than transfer them and decreased requirements for civilian personnel
MINURSO	78/307	Expenditure was 5.75 per cent ($4.4 million) less than the final budget The underexpenditure was due primarily to liquidity constraints, resulting in reduced allotments and austerity measures such as a recruitment freeze and spending restrictions
UNFICYP	78/300	Non-material difference
UNDOF	78/304	
UNIFIL	78/305	
UNMIK	78/302	
MONUSCO	78/301	
UNSOS	78/309	
UNISFA	78/297	
UNMISS	78/306	
MINUSCA	78/298	
Support account	78/293	
United Nations Logistics Base – other activities	78/295	
Regional Service Centre	78/294	

105. The two tables below provide a reconciliation between the actual amounts calculated on a comparable basis in statement V and the amounts presented in statement IV. The actual amount is first adjusted to a net position and then reconciled to statement IV.

(Thousands of United States dollars)

	Operating	Investing	Financing	Total
Available resources	5 573 372	–	–	5 573 372
Actual amounts on a comparable basis as presented in statement V	5 432 726	–	–	5 432 726
Net position	**140 646**	**–**	**–**	**140 646**

106. This net surplus position is reconciled to the amounts presented in statement IV (cash flow statement) as follows:

Reconciliation of actual amounts on a comparable basis to statement of cash flows for the year ended 30 June 2025

(Thousands of United States dollars)

	Operating	*Investing*	*Financing*	*Total*
Actual amount on comparable basis (statement V)	**140 646**	**–**	**–**	**140 646**
Basis differences	(386 958)	(126 795)	–	(513 75)
Presentation differences	445 465	(125 742)	–	319 723
Actual amount in statement of cash flows (statement IV)	**199 153**	**(252 537)**	**–**	**(53 384)**

107. Basis differences capture the differences resulting from preparing the budget on a modified cash basis. In order to reconcile the budgetary results with the statement of cash flows, the modified cash elements, such as commitments against budget, must be eliminated. These commitments do not represent cash flows while they pertain to budgetary expenditure. Similarly, IPSAS-specific differences such as payments against prior-year commitments and investing cash flows relating to acquisition of property, plant and equipment or intangible assets are included to reconcile the budgetary results to the statement of cash flows.

108. Entity differences represent cash flows of fund groups other than those of peacekeeping operations that are reported in the financial statements. The financial statements include results for all fund groups.

109. Timing differences occur when the budget period differs from the reporting period reflected in the financial statements. Given that the budget reflects the reporting period, there are no timing differences.

110. Presentation differences are differences in the format and classification approaches adopted for the presentation of the statement of cash flows and the statement of comparison of budget and actual amounts. An example of a format and classification difference would be that the amounts included in the comparison of budget and actual amounts are not separated into operating, investing and financing activities, as classified in the statement of cash flows. In general, all expenditure included in the budgets of peacekeeping operations is considered for operating purposes, and the expectation is therefore that the total for actual amounts on a comparable basis would be shown as an operating cash flow. An example of a presentation difference would include net changes in cash pool balances.

Note 6
Cash and cash equivalents

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Cash on hand	2 691	3 099
Cash pool: cash at bank and term deposits (original maturity of 3 months or fewer)	118 045	171 200
Total cash and cash equivalents	**120 736**	**174 299**

Note 7
Receivables from non-exchange transactions: assessed contributions

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Assessed contributions	2 245 150	2 261 837
Loss allowance on assessed contributions receivable	(745 925)	(748 662)
Assessed contributions receivable, net	**1 499 225**	**1 513 175**

Note 8
Receivables from non-exchange transactions: voluntary contributions

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Voluntary contributions	5 366	5 141
Loss allowance on voluntary contributions receivable	(5 366)	(5 141)
Voluntary contributions receivable, net	–	–

Note 9
Other receivables

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Member States	153 099	153 778
Receivables from United Nations-related party entities	6 721	8 079
Other exchange revenue receivables	7 407	8 102
Loss allowance for other receivables	(139 982)	(138 579)
Other receivables, net	**27 245**	**31 380**

Note 10
Inventories

111. Inventory balances held as at 30 June 2025 decreased by 11.2 per cent compared with the balances held the previous year (2024 decrease was 14.4 per cent). The levels of purchases and consumption decreased by 31.0 per cent and 21.8 per cent, respectively.

(Thousands of United States dollars)

	Strategic reserves	*Consumables and supplies*	*Total*
Opening inventory as at 1 July 2023	**77 010**	**281 493**	**358 503**
Purchase	34 272	135 269	169 541
Consumption	(28 066)	(153 885)	(181 951)
Impairment and write-offs	(3 846)	(35 453)	(39 299)
Total inventory as at 30 June 2024	**79 370**	**227 424**	**306 794**
Purchase	12 997	104 070	117 067
Consumption[a]	(16 568)	(125 645)	(142 213)
Impairment and write-offs[b]	(597)	(8 606)	(9 203)
Total inventory as at 30 June 2025	**75 202**	**197 243**	**272 445**

[a] Inventory consumption of MINUSMA amounted to $42.5 million, which included $11 million in inventory transfers and $28 million in external disposal.
[b] Inventory write-offs amounted to $6.7 million.

Note 11
Other assets

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Deferred charges[a]	13 904	14 636
Advances to UNDP and other United Nations agencies	7 269	29 663
Advances to military and other personnel	1 408	4 905
Advances to staff	2 926	3 429
Advances to vendors	3 176	2 541
Advance transfers	1 782	5 181
Other	459	798
Total other assets	**30 924**	**61 153**

[a] A total of $2.8 million in aged outstanding deferred charges relates to ONUC ($1.9 million) and UNEF ($0.9 million) funds pending a General Assembly decision.

Note 12
Property, plant and equipment

112. The net book value of property, plant and equipment as at 30 June 2025 was $940.2 million (2023/24: $962.9 million). The total cost of acquisitions during 2025 was $132.7 million (2023/24: $100.5 million). The overall reduction is attributable mainly to the final liquidation of MINUSMA.

113. During the year, peacekeeping operations disposed of property, plant and equipment in the amount of $12.9 million (2023/24: $161.7 million) at net book value. Equipment, including prefabs, was written down by $10.8 million (2023/24: $39.0 million). The reasons for disposal include equipment declared surplus (i.e. items that are excess to requirements), amounting to $5.8 million, mainly as a result of the liquidation of MINUSMA (2023/24: $26.6 million), normal wear and tear of $4.2 million (2023/24: $7.2 million), hostile actions, items reported lost and theft of

$0.3 million (2023/24: $3.1 million) and damage, accidents and malfunctions of $0.5 million (2023/24: $2.0 million). Real estate and infrastructure assets were written down by $2.1 million (2023/24: $122.8 million), of which losses uneconomical to recover amounted to $0.7 million (2023/24: $4.5 million) and declared surplus amounted to $1.4 million (2023/24: $118.3 million).

114. During the year, buildings and vehicles were impaired by $0.005 million and $0.002 million, respectively. (In 2023/24 impairment was $0.05 million, related to machinery and equipment.)

115. Peacekeeping operations had no significant heritage assets as at the reporting date (2023/24: none).

Property, plant and equipment: 2024/25

(Thousands of United States dollars)

	Buildings	*Infrastructure*	*Leasehold improvements*	*Furniture and fixtures*	*Communications and information technology equipment*	*Vehicles*	*Machinery and equipment*	*Assets under construction*	*Total*
Cost as at 1 July 2024	**840 031**	**380 979**	**422**	**3 190**	**264 553**	**627 407**	**388 523**	**47 599**	**2 552 704**
Additions	13 818	11 824	–	127	12 396	55 380	28 206	10 949	132 700
Disposals	(21 419)	(1 601)	–	(32)	(19 604)	(36 916)	(23 347)	–	(102 919)
Completed assets under construction	5 586	27 989	–	–	–	–	–	(33 575)	–
Transfers and others[a]	1 245	4 852	–	–	8 260	1 487	1 518	–	17 362
Cost as at 30 June 2025	**839 261**	**424 043**	**422**	**3 285**	**265 605**	**647 358**	**394 900**	**24 973**	**2 599 847**
Accumulated depreciation and impairment as at 1 July 2024	**(472 384)**	**(198 533)**	**(422)**	**(2 576)**	**(203 427)**	**(447 975)**	**(264 477)**	**–**	**(1 589 794)**
Depreciation	(32 248)	(17 356)	42	(114)	(16 871)	(48 414)	(36 377)	–	(151 338)
Disposals	18 861	252	–	32	18 073	32 767	19 984	–	89 969
Transfers and others[a]	(256)	(181)	–	–	(5 996)	(928)	(1 079)	–	(8 440)
Impairment	(5)	–	–	–	–	(2)	–	–	(7)
Accumulated depreciation and impairment as at 30 June 2025	**(486 032)**	**(215 818)**	**(380)**	**(2 658)**	**(208 221)**	**(464 552)**	**(281 949)**	**–**	**(1 659 610)**
Net carrying amount									
1 July 2024	367 647	182 446	–	614	61 126	179 432	124 046	47 599	962 910
Net carrying amount 30 June 2025	**353 229**	**208 225**	**42**	**627**	**57 384**	**182 806**	**112 951**	**24 973**	**940 237**

[a] Others includes in-year adjustments to property, plant and equipment.

Property, plant and equipment: 2023/24

(Thousands of United States dollars)

	Buildings	*Infrastructure*	*Leasehold improvements*	*Furniture and fixtures*	*Communications and information technology equipment*	*Vehicles*	*Machinery and equipment*	*Assets under construction*	*Total*
Cost as at 1 July 2023	**948 852**	**536 059**	**422**	**3 626**	**303 924**	**658 938**	**406 495**	**55 765**	**2 914 081**
Additions	18 476	1 152	–	–	12 718	29 861	21 881	16 398	100 486
Disposals	(138 847)	(177 563)	–	(461)	(53 723)	(90 651)	(63 260)	–	(524 505)
Completed assets under construction	5 632	18 932	–	–	–	–	–	(24 564)	–
Transfers and others[a]	5 918	2 399	–	25	1 634	29 259	23 407	–	62 642
Cost as at 30 June 2024	**840 031**	**380 979**	**422**	**3 190**	**264 553**	**627 407**	**388 523**	**47 599**	**2 552 704**
Accumulated depreciation and impairment as at 1 July 2023	**(553 188)**	**(235 552)**	**(422)**	**(2 879)**	**(233 184)**	**(463 804)**	**(264 070)**	**–**	**(1 753 099)**
Depreciation	(42 929)	(24 497)	–	(153)	(19 620)	(37 760)	(31 365)	–	(156 324)
Disposals	126 598	59 870	–	461	49 495	75 352	50 983	–	362 759
Transfers and others[a]	(2 865)	1 646	–	(5)	(118)	(21 763)	(19 974)	–	(43 079)
Impairment	–	–	–	–	–	–	(51)	–	(51)
Accumulated depreciation and impairment as at 30 June 2024	**(472 384)**	**(198 533)**	**(422)**	**(2 576)**	**(203 427)**	**(447 975)**	**(264 477)**	**–**	**(1 589 794)**
Net carrying amount									
1 July 2023	395 664	300 507	–	747	70 740	195 134	142 425	55 765	1 160 982
Net carrying amount 30 June 2024	**367 647**	**182 446**	**–**	**614**	**61 126**	**179 432**	**124 046**	**47 599**	**962 910**

[a] Others includes in-year adjustments to property, plant and equipment.

Note 13
Intangible assets

(Thousands of United States dollars)

	Software developed internally	*Licence rights*	*Assets under development*	*Total*
Opening cost as at 1 July 2024	**4 853**	**282**	**786**	**5 921**
Additions	–	–	22	22
Disposals	(370)	(77)	–	(447)
Completed assets under development	712	–	(808)	(96)
Total cost as at 30 June 2025	**5 195**	**205**	**–**	**5 400**
Opening accumulated amortization as at 1 July 2024	**(3 518)**	**(282)**	**–**	**(3 800)**
Amortization	(446)	–	–	(446)
Disposals	370	77	–	447
Closing accumulated amortization as at 30 June 2025	**(3 594)**	**(205)**	**–**	**(3 799)**
Net book value as at 1 July 2024	**1 335**	**–**	**786**	**2 121**
Net book value as at 30 June 2025	**1 601**	**–**	**–**	**1 601**

116. During the current financial period, intangible assets decreased by 24.5 per cent primarily due to amortization of the existing intangible assets and only $0.02 million additional asset capitalization under assets under development, in addition to $0.45 million of fully amortized intangibles were written off during the period.

117. In addition to intangibles recorded in these financial statements, peacekeeping operations contributed $16.5 million (2023/24: $17.6 million) towards the continuing global enterprise resource planning support cost. Related capitalizable expenditure is incorporated into the intangible asset reported in volume I of the financial statements of the United Nations, and the costs shared by peacekeeping operations are expensed in these financial statements.

Note 14
Accounts payable

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Accruals for goods and services	558 853	323 186
Vendor payables	151 053	162 301
Payables to United Nations related party entities	16 643	24 355
Transfers payable	606	1 038
Other	9 224	10 225
Subtotal accounts payable and accrued liabilities	**736 379**	**521 105**
Member States accounts payable	922 945	1 146 828
Total accounts payable	**1 659 324**	**1 667 933**

Note 15
Advance receipts

118. Advance receipts relate to contributions received that will be applied to the subsequent years' assessment, as well as deferred income.

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Advance receipts from Member States	12 698	3 766
Deferred income	378	372
Total advance receipts	**13 076**	**4 138**

Note 16
Employee benefits liabilities

(Thousands of United States dollars)

	Current	*Non-current*	*Total*
30 June 2025			
After-service health insurance	25 168	1 416 021	1 441 189
Annual leave	12 716	77 500	90 216
Repatriation benefits	34 742	164 954	199 696
Subtotal defined benefit liabilities	**72 626**	**1 658 475**	**1 731 101**
Accrued salaries and allowances	53 447	–	53 447
Appendix D/workers' compensation	2 404	38 117	40 521
Total employee benefits liabilities	**128 477**	**1 696 592**	**1 825 069**
30 June 2024			
After-service health insurance	21 753	1 324 504	1 346 257
Annual leave	10 930	74 874	85 804
Repatriation benefits	26 869	159 773	186 642
Subtotal defined benefit liabilities	**59 552**	**1 559 151**	**1 618 703**
Accrued salaries and allowances	45 868	–	45 868
Appendix D/workers' compensation	2 397	40 042	42 439
Total employee benefits liabilities	**107 817**	**1 599 193**	**1 707 010**

119. The liabilities arising from post-employment benefits and the workers' compensation programme under appendix D to the Staff Regulations and Rules are determined by independent actuaries in accordance with IPSAS 39: Employee benefits. The full actuarial valuation for after-service health insurance, annual leave and repatriation benefits is usually undertaken every two years, with a rolled-forward valuation performed between full valuation cycles. Due to the recent downsizing of peacekeeping missions, the Organization has performed full actuarial valuations as at 30 June 2025 and 30 June 2024. Seventeen per cent of the total actuarially valued retirees' after-service health insurance liability is attributable to peacekeeping operations.

120. The after-service health insurance programme provides eligible staff members with continued health insurance coverage throughout their retirement under the same health insurance schemes available to active United Nations staff. Premium rates established for all such health plans are reviewed and, where necessary, revised annually to ensure that a sufficient level of operational reserves is available to maintain each plan.

121. The General Assembly establishes contribution ratios for the United Nations health insurance plans between the share of the Organization and that of the staff. Currently, contribution ratios between the Organization and active and retired staff for the health insurance plans are a maximum ratio of 2 to 1 for all United States-based plans, approximately 1 to 1 for non-United States-based plans administered by Headquarters and between 75 per cent for single coverage and 80 per cent for family coverage for the Medical Insurance Plan.

122. The after-service health insurance programme is funded on a pay-as-you-go basis as medical benefits are accessed by retirees, with increasing costs attributable notably to changing demographics, improved life expectancy and the increased cost of healthcare services. To address the growing costs of health insurance, the Organization has, over the years, adopted cost-containment initiatives while ensuring that participants continue to have access to appropriate insurance coverage to meet their healthcare needs. Health insurance costs are controlled by the manner in which the plans are structured and through ongoing reviews of plan provisions and benefits offered. To manage the inherent risks related to funding, the Organization periodically carries out a funding study of the after-service health insurance programme in order to analyse and explore options for the improvement of efficiency and the containment of costs and liabilities associated with the Organization's health insurance obligations.

Defined end-of-service/post-employment benefits liabilities

Actuarial valuation: main assumptions

123. The principal actuarial assumptions used to determine the employee benefits obligations as at 30 June 2025 and 30 June 2024 are shown below. Discount rates and healthcare cost trend rates were updated as at 30 June 2025. All other assumptions were reviewed and updated, as applicable, as at 31 December 2023.

Discount rates

(Percentage)

Assumption	*After-service health insurance*	*Repatriation benefits*	*Annual leave*
Discount rates (30 June 2025)	5.51	5.14	5.29
Discount rates (30 June 2024)	5.19	5.29	5.36

124. The updated yield curves of Aon Hewitt, a human capital and management consulting firm, were used for discount rate assumptions. The Task Force on Accounting Standards approved the use of the United States dollar, the eurozone and the Swiss franc yield curves for the actuarial valuation. The above rates are based on the assumption that most cash flows occur in United States dollars except for: (a) the GKK (Wiener Gebietskrankenkasse), the supplemental medical insurance plan and the full medical insurance plan, which use the eurozone yield curve; and (b) the United Nations Staff Mutual Insurance Society against Sickness and Accidents plan, which uses the Swiss franc yield curve. For currencies other than the United States dollar, the euro or the Swiss franc, the United States dollar was used as a proxy for the discount rate computation.

125. Another assumption that had an impact on the actuarially valued employee benefits liabilities, in addition to the discount rates discussed above, included changes in the per capita claims cost by age. The table below shows the per capita claims cost assumption at 65 years old.

Per capita claims cost (at 65 years of age)

(United States dollars)

Plan	*30 June 2025*	*30 June 2024*
United States plans		
Aetna/HIP/HMO – no Medicare	14 165	13 055
Aetna/HIP/HMO – Medicare	10 923	10 102
Blue Cross – no Medicare	15 602	14 380
Blue Cross – Medicare	8 964	8 291
Cigna Dental	958	910
Non-United States plans		
UNSMIS	6 787	6 331
Cigna WWP	3 925	3 630
FMIP/SMIP/GKK	3 899	3 626
MIP	2 597	2 395

Abbreviations: FMIP, full medical insurance plan; GKK, Wiener Gebietskrankenkasse; HIP, health insurance plan of New York; HMO, health maintenance organization; MIP, medical insurance plan; SMIP, supplemental medical insurance plan; UNSMIS, United Nations Staff Mutual Insurance Society against Sickness and Accidents; WWP, worldwide plan.

126. The per capita claim costs for the after-service health insurance plans are updated to reflect recent claims and enrolment experience.

127. The healthcare cost trend rate assumption reflects the current short-term expectations of the after-service health insurance plan cost changes in future years. The healthcare cost trend rates are based on the Aon Hewitt long-term assumptions. The age-related increases in claims used in the actuarial valuation were reviewed in December 2023 and adjusted for the expected claims cost trend rates for 2025 and 2024 accordingly.

Healthcare cost trend assumptions

(Percentage)

	30 June 2025			*30 June 2024*		
	Initial	*Final*	*Grade down*	*Initial*	*Final*	*Grade down*
United States non-Medicare	9.00	3.85	8 years	8.00	3.85	7 years
United States Medicare	8.85	3.85	8 years	7.40	3.85	7 years
United States dental	6.80	3.85	N/A	3.85	3.85	N/A
Non-United States, Switzerland	6.00	1.85	10 years	8.00	2.35	6 years
Non-United States, eurozone	6.90	3.85	12 years	7.70	4.05	12 years

Abbreviation: N/A, not applicable.

Mortality rates

128. For defined benefit plans, assumptions regarding future mortality are based on published statistics and mortality tables. Pre-retirement mortality, as well as withdrawal and retirement assumptions, are consistent with those used by the United Nations Joint Staff Pension Fund in making its actuarial valuation. In line with the recommendations of the Task Force on Accounting Standards, the post-retirement mortality table applied in the June 2025 and June 2024 valuations is the weighted headcount mortality table provided by Buck, a firm that provides pensions and employee benefits consulting services.

Actuarial valuation: other assumptions

129. With regard to the valuation of repatriation benefits, inflation in travel costs was assumed to be 2.3 per cent on the basis of the projected United States midterm inflation rate.

130. Annual leave balances were assumed to increase at the following annual rates during the staff member's projected years of service: 0–1 year, 8.1 days; 2–3 years, 4.1 days; 4−8 years, 1.9 days; 9–15 years, 1 day; and 16 or more years, 0.4 days, up to the maximum of 60 days. The attribution method is used for annual leave actuarial valuation.

131. The estimated duration of the benefit plans as at 30 June 2025 is as follows:

Benefits plan	*Estimated duration (years)*
After-service health insurance	20
Repatriation grant	6
Annual leave	7

132. The table below presents the currency allocation used to determine the discount rates and healthcare cost trend rates applicable to each plan. For currencies other than the United States dollar, euro or Swiss franc, the dollar was used as a proxy for the computation of the rates.

(Percentage)

Benefits plan		*United States dollar*	*Swiss franc*	*Euro*
After-service health insurance	Cigna WWP	73	6	21
	MIP	95	–	5
	UNSMIS	12	75	13
	FMIP/SMIP/GKK	–	–	100
	Other medical plans	100	–	–
Repatriation grant		100	–	–
Annual leave		100	–	–

Abbreviations: FMIP, full medical insurance plan; GKK, Wiener Gebietskrankenkasse; MIP, medical insurance plan; UNSMIS, United Nations Staff Mutual Insurance Society against Sickness and Accidents; WWP, worldwide plan.

Movement in employee benefits liabilities accounted for as defined benefit plans

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Net defined benefit liability at 1 July	**1 618 703**	**1 590 234**
Current service cost	54 646	58 482
Interest cost	82 792	79 513
Benefits paid	(58 775)	(51 033)
Total net costs recognized in the statement of financial performance	**78 663**	**86 962**
Actuarial (gain)/loss recognized directly in the statement of changes in net assets[a]	33 735	(58 493)
Due to changes in financial assumptions	(4 623)	176 927
Due to changes in demographic assumptions	–	(19 712)
Due to experience adjustment	38 358	(215 708)
Net defined benefit liability at 30 June	**1 731 101**	**1 618 703**

[a] The cumulative amount of actuarial gains and losses recognized in the statement of changes in net assets is a net gain of $756.395 million (2023/24: net gain of $790.130 million).

133. The actuarial valuation has three components, namely after-service health insurance, repatriation grant and annual leave. The total actuarial loss of $33.7 million includes a loss of $21.5 million from experience adjustment related to valuation of the repatriation grant liability. The after-service health insurance portion of the actuarially valued liability is the largest defined benefit liability among those reported in the present financial statements and therefore has the most impact on the calculation of the actuarial gains and losses, with the following noted for the June 2025 valuation:

(a) The actuarial gain due to changes in financial assumptions of $5.9 million from valuation of the after-service health insurance benefit is attributable mainly to an increase in a long-term discount rate assumption ($89.8 million), offset by the impact of higher medical cost trend rates ($83.9 million);

(b) The actuarial loss of $13.6 million from the change in experience is a result of the following factors:

- Gain of $30.1 million attributed to a reduction in the number of active peacekeeping staff between June 2024 and June 2025 due to the drawdown of mission personnel;
- Loss of $13.5 million from an increase in the number of retirees;
- Loss of $30.2 million from changes in participants' data, including changes in medical plan, Medicare eligibility, early retirement and lower than expected mortality rates.

Discount rate sensitivity analysis

134. Should the discount rate assumption vary by 0.5 per cent, its impact on the obligations would be as shown below.

(Thousands of United States dollars)

	After-service health insurance	*Repatriation benefits*	*Annual leave*
30 June 2025			
Increase of discount rate by 0.5 per cent	(129 416)	(5 283)	(2 929)
As a percentage of end-of-year liability	(9)	(3)	(3)
Decrease of discount rate by 0.5 per cent	148 511	5 453	3 043
As a percentage of end-of-year liability	10	3	3
30 June 2024			
Increase of discount rate by 0.5 per cent	(131 005)	(4 977)	(2 705)
As a percentage of end-of-year liability	(10)	(3)	(3)
Decrease of discount rate by 0.5 per cent	151 686	5 259	2 883
As a percentage of end-of-year liability	11	3	3

Medical cost sensitivity analysis

135. The principal assumption in the valuation of the after-service health insurance is the rate at which medical costs are expected to increase in the future. The sensitivity analysis looks at the change in liability due to changes in the medical cost rates while holding other assumptions constant, such as the discount rate. Should the medical cost trend assumption vary by 1 per cent, this would have an impact on the measurement of the defined benefit obligations as shown below.

(Thousands of United States dollars)

	30 June 2025		*30 June 2024*	
	Increase	*Decrease*	*Increase*	*Decrease*
1 per cent movement in the assumed medical cost trend rates	326 995	(251 459)	318 588	(242 402)

136. The claims cost sensitivity analysis, at 65 years, is presented below.

(Thousands of United States dollars)

	30 June 2025		*30 June 2024*	
	Increase	*Decrease*	*Increase*	*Decrease*
1 per cent movement in the per capita claims cost	14 373	(14 372)	13 425	(13 425)

137. The sensitivity analysis for changes in life expectancy is summarized below.

(Thousands of United States dollars)

	30 June 2025		*30 June 2024*	
	Increase	*Decrease*	*Increase*	*Decrease*
1-year movement in the life expectancy assumption	56 086	(55 379)	52 392	(51 732)

Other defined benefit plan information

138. The benefits paid are estimates of what would have been paid to separating staff and/or retirees during the year on the basis of the pattern of rights acquisition under each scheme: after-service health insurance, repatriation and commutation of accrued annual leave.

Benefits paid, net of participant contributions

(Thousands of United States dollars)

Year ended	*After-service health insurance*	*Repatriation benefits*	*Annual leave*	*Total*
30 June 2025	20 976	26 869	10 930	58 775
30 June 2024	18 125	23 254	9 654	51 033

Historical information: total after-service health insurance, annual leave and repatriation defined benefits liability, as at 30 June

(Thousands of United States dollars)

	2025	*2024*	*2023*	*2022*	*2021*
Present value of defined benefit obligations	1 731 101	1 618 703	1 590 234	1 524 432	2 071 233

Other employee benefit liabilities

Accrued salaries and allowances

139. Other accrued salaries liabilities as at the reporting date include accruals for home leave of $21.6 million (2023/24: $21.7 million), repatriation and resettlement allowances of $5.7 million (2023/24: $5.4 million), family visits of $0.8 million (2023/24: $0.9 million), compensatory time off in the amount of $1.7 million (2023/24: $1.5 million) and other accrued salaries and other benefits of $23.6 million (2023/24: $16.3 million).

Appendix D/workers' compensation costs actuarial valuation: assumptions

140. The fund for compensation payments relates to death, injury or illness attributable to the performance of official duties. The rules governing the compensation payments are under appendix D to the Staff Regulations and Rules. The fund derives its revenue from a charge of 0.5 per cent of net base salary, including post adjustment, which is recorded as employee expenses against the budgets of peacekeeping missions. The fund covers appendix D claims submitted by peacekeeping personnel, covering monthly death and disability benefits and lump-sum payments for injury or illness, as well as medical expenses.

141. The workers' compensation liability is actuarially valued. The liabilities are determined from the projected benefits, which are adjusted for cost-of-living allowance and for mortality and then discounted to present value. Obligations as at 30 June 2025, estimated at $40.5 million, are based on a roll-forward of the 31 December 2024 valuation. The cost-of-living adjustment used in the valuation on 30 June 2025 was 2.5 per cent (2023/24: 2.3 per cent). Mortality assumptions are based on World Health Organization statistical tables. As with defined benefit liabilities, Aon Hewitt yield curves are used in determining discount rates.

142. The sensitivity analysis looks at the change in liability resulting from changes in the cost-of-living adjustment and in the discount rates. A change of 1 per cent would have an impact on the measurement of the appendix D obligation as shown below.

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Increase of cost-of-living adjustment by 1 per cent	5 495	6 125
As a percentage of end-of-year liability	14	14
Decrease of cost-of-living adjustment by 1 per cent	(4 544)	(5 013)
As a percentage of end-of-year liability	(11)	(12)
Increase of discount rate by 1 per cent	(4 202)	(4 674)
As a percentage of end-of-year liability	(10)	(11)
Decrease of discount rate by 1 per cent	5 138	5 778
As a percentage of end-of-year liability	13	14

United Nations Joint Staff Pension Fund

143. It is stated in the Regulations of the United Nations Joint Staff Pension Fund that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years by a consulting actuary. The practice of the Pension Board has been to carry out an actuarial valuation every two years using the open group aggregate method. The primary purpose of the actuarial valuation is to determine whether the current and estimated future assets of the Fund will be sufficient to meet its liabilities.

144. The financial obligation of the United Nations peacekeeping operations to the Fund consists of mandated contributions, based on rates established by the General Assembly (currently at 7.90 per cent for participants and 15.80 per cent for member organizations), together with a share of any actuarial deficiency payments under article 26 of the Regulations of the Pension Fund. Such deficiency payments are payable only if and when the Assembly has invoked the provision of article 26, following a determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as at the valuation date. Each member organization shall contribute to remedying this deficiency with an amount proportionate to the total contributions that each paid during the three years preceding the valuation date.

145. The most recent actuarial valuation of the Fund was completed as at 31 December 2023, and a roll-forward of the participation data as at 31 December 2023 to 31 December 2024 will be used by the Fund for the purpose of reporting the actuarial present value of promised retirement benefits in its 2024 financial statements.

146. The actuarial valuation performed as at 31 December 2023 resulted in a funded ratio of actuarial assets to actuarial liabilities of 111.0 per cent (2021: 117.1 per cent). The funded ratio was 152.0 per cent (2021: 158.2 per cent) when the current system of pension adjustments was not taken into account.

147. After assessing the actuarial sufficiency of the Fund, the consulting actuary concluded that there was no requirement, as at 31 December 2023, for deficiency payments under article 26 of the Regulations of the Fund, given that the actuarial value of assets exceeded the actuarial value of all accrued liabilities under the Fund. In addition, the market value of assets also exceeded the actuarial value of all accrued liabilities as at the valuation date. At the time of reporting, the General Assembly had not invoked the provision of article 26.

148. The Board of Auditors carries out an annual audit of the Fund and reports to the Pension Board and to the General Assembly on the audit every year. The Fund

publishes quarterly reports on its investments, which can be viewed on the Fund's website (www.unjspf.org).

Note 17
Provisions

149. The peacekeeping missions are subject to a variety of claims that arise in the course of their operations. These claims are segregated into two main categories: commercial and administrative law claims. As at the reporting date, several commercial claims for non-performance or breach of contract and non-consensual use of premises were pending against several peacekeeping operations in various locations. As at 30 June 2025, the amount to settle these cases was estimated at $11.8 million (2023/24: $14.4 million), including $10.3 million (2023/24: $7.0 million) carried over from the prior year. A provision of $0.7 million (2023/24: $0.8 million) was established for administrative cases brought by current or former employees. The timing of the outflows for these commercial claims and administrative cases is estimated to be within one year.

150. The restoration provisions of $16.1 million (2023/24: $10.9 million) to return premises to their original shape and condition upon vacation of the premises includes new provisions of $5.3 million (2023/24: $0.06 million) for UNMISS, UNMIK and UNSOS. The timing of the outflows for restoration provisions cannot be reasonably estimated.

151. Provisions for credits to Member States totalled $549.5 million (2023/24: $472.3 million), which includes an amount of $129 million for MINUSMA regarding which the General Assembly has deferred action until its consideration of the final performance report in accordance with resolution 79/306. An amount of $85.1 million has also been retained for closed peacekeeping missions MINUSTAH/MINUJUSTH and UNAMID. Additional provisions in respect of active missions have been made in the amount of $319.6 million (2023/24: $387.2 million) for credit to Member States. These comprise uncommitted appropriations of $154.1 million (2023/24: $156.5 million), investment revenue, other revenue and prior-period adjustment of $67.8 million (2023/24: $87.4 million) and cancellation of prior-period commitments amounting to $97.7 million (2023/24: $143.3 million), which will be decided upon by the General Assembly in the next fiscal year.

(Thousands of United States dollars)

	Credits to Member States	*Litigation and claims*	*Restoration*	*Restructuring*	*Total*
Provisions as at 1 July 2023	**366 039**	**10 082**	**11 253**	**16 973**	**404 347**
Additional provisions made	387 185	8 090	56	–	395 331
Unused amounts reversed	–	(1 758)	(380)	–	(2 138)
Amounts used	(280 933)	(1 218)	–	(16 973)	(299 124)
Provisions as at 30 June 2024	**472 291**	**15 196**	**10 929**	**–**	**498 416**
Additional provisions made	319 672	1 813	5 285	–	326 770
Unused amounts reversed	–	(3 943)	(121)	–	(4 064)
Amounts used	(242 444)	(538)	(13)	–	(242 995)
Provisions as at 30 June 2025	**549 519**	**12 528**	**16 080**	**–**	**578 127**

Note 18
Other liabilities

152. Peacekeeping operations have payables due to the United Nations Special Account and the United Nations Bond Account (United Nations operations are reported in volume I) in the amount of $47.4 million (2023/24: $47.4 million), of which $37.4 million relates to ONUC and $10.0 million relates to UNEF. Those missions were operational before the current financing mechanism for peacekeeping operations was established, and closed on 30 June 1964 and 30 June 1967, respectively. The repayment of these payables depends on collections of outstanding contributions from Member States.

153. In addition to the amounts above, other payables also include a balance of $10.4 million, representing 25 per cent of the apportionment of the special assessment levied by the General Assembly on economically developed countries in order to meet reserve requirements of UNEF during the period 1965–1967, amounting to $3.5 million for 1965 pursuant to section II of Assembly resolution 2115 (XX) and $3.5 million for 1966 pursuant to section III of the same resolution; and for 1967, $3.3 million pursuant to resolution 2194 B (XXI). Such additional contributions are reimbursable on a pro rata basis when the Assembly shall determine that all or part of these additional contributions are no longer needed. The remaining balance of $1.4 million is related to staff assessment credits transferred in 1969 from the Tax Equalization Fund to ONUC ($0.9 million) and UNEF ($0.5 million), representing Member States' credits for staff assessment income not required to meet the cost of income tax refunds.

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Borrowings	47 376	47 376
Other liabilities	11 974	12 029
Total other liabilities	**59 350**	**59 405**

Note 19
Accumulated surpluses/deficits

154. The unrestricted accumulated deficit includes the accumulated deficit for liabilities for after-service health insurance, repatriation benefits and annual leave. It also includes the cumulative surplus of strategic deployment stocks, which is carried over to the next financial year for the replenishment of stocks, and the cumulative surplus in the peacekeeping cost-recovery fund, which is carried over for spending.

Accumulated surplus: restricted

155. On a number of occasions, the General Assembly has authorized UNDOF and UNIFIL to retain surpluses that otherwise would have been returned to Member States. Accumulated surpluses of $36.0 million and $19.6 million in UNDOF and UNIFIL, respectively, are presented as restricted in the statement of financial position and the statement of changes in net assets. Those amounts correspond to the unpaid assessed contributions that were put on hold by the Assembly in its resolution 36/116 A.

156. In its resolution 57/323, the General Assembly decided to suspend the return of accumulated surpluses for UNSMIH, UNTMIH, MIPONUH, MINURCA, MINUGUA, UNOSOM and UNTAC in the light of the cash shortages in those missions.

The accumulated surpluses of those missions are presented as restricted in the statement of financial position and the statement of changes in net assets.

Note 20
Reserves

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Peacekeeping reserve fund	150 000	150 000
Surplus/(deficit) of fair value reserve	2 594	(3 745)
Total reserves	**152 594**	**146 255**

Peacekeeping Reserve Fund

157. The Peacekeeping Reserve Fund was established as a cash flow mechanism to support the rapid response of peacekeeping operations to meet expenses and capital requirements for the start-up or expansion of peacekeeping operations. By its resolution 76/272 of 29 June 2023 (see also A/76/7/Add.29, para. 42), the General Assembly approved the use of the Fund as a liquidity mechanism up to the level of $110 million for active peacekeeping operations and the retention of $40 million in reserve for the original intention of the Fund.

158. During the current financial period, the Fund provided new loans to MINURSO, UNMIK, UNSOS and UNMISS. As at the reporting date, outstanding loans to active peacekeeping operations amounted to $107.5 million ($11.1 million to MINURSO, $32.0 million to UNMIK, $60.7 million to UNSOS and $3.7 million to UNMISS).

159. In addition, outstanding advances in an amount of $12.8 million were due from MINURCA as at the reporting date (2023/24: $12.8 million), which have been outstanding since February 2000 owing to insufficient cash resources in the now closed mission.

160. As at the reporting date, the Fund had reserves of $150.0 million (2023/24: $150.0 million) and a cumulative surplus of $13.8 million (2023/24: cumulative surplus of $11.5 million), including investment revenue of $7.0 million for the period ended 30 June 2025 (2023/24: $6.7 million). Future treatment regarding the cumulative surplus will be decided upon by the General Assembly.

Fair value reserve

161. In accordance with IPSAS 1, gains and losses on financial assets measured at fair value through net assets/equity are to be presented in a dedicated reserve. As at the reporting date, the unrealized gain reported under the fair value reserve amounted to $2.594 million (2023/2024: loss of $3.745 million), representing the net cumulative impact of the year-end revaluation on investments.

Note 21
Revenue from non-exchange transactions and other revenue

Assessed contributions

162. Assessed contributions of $ 5,544.7 million (2023/24: $6,296.4 million) have been recorded in accordance with the Financial Regulations and Rules, the relevant resolutions of the General Assembly and the policies of the United Nations, on the basis of the peacekeeping scale of assessment.

Voluntary contributions

163. Revenue from in-kind contributions represents confirmed contributions of goods, landing rights fees, airport fees, vehicle registration fees and permission to use facilities and premises. On the basis of fair rental value, a total of $289.0 million (2023/24: $307.8 million) representing facilities and premises was provided during the reporting period. Landing fees and other fees at airports totalling $14.5 million (2023/24: $13.4 million) and vehicle registration fees of $0.3 million (2023/24: $0.3 million) were waived. A variety of goods were provided, and fees waived amounting to $0.7 million (2023/24: $0.4 million), bringing total in-kind contributions to $304.5 million (2023/24: $321.9 million).

164. Voluntary contributions budgeted as reported in statement V represent voluntary contributions in cash and in kind that were budgeted for UNFICYP and MINURSO, as approved by the General Assembly.

(Thousands of United States dollars)

	2024/25	*2023/24*
Voluntary monetary contributions (Member States)	25 930	25 935
Voluntary in-kind contributions (Member States)	304 467	321 919
Total voluntary contributions	**330 397**	**347 854**

165. In-kind contributions of services are not recognized and are therefore not included in the in-kind contributions revenue above. These comprise various fees for services that are usually charged. Such waived fees included airport passenger taxes of $0.4 million (2023/24: $0.6 million), radio frequency fees of $3.7 million (2023/24: $4.2 million) and other services amounting to $1.4 million (2023/24: $0.8 million).

Other transfers and allocations

166. The other transfers and allocations of $2.3 million (2023/24: $2.1 million) represent the allocation from special political missions to the Regional Service Centre.

Other revenue

167. The majority of other revenue was generated from the cost-recovery fund. The cost-recovery revenue of $39.9 million (2023/24: $41.7 million) comprises fuel, facilities and logistical support provided to other United Nations agencies, Member States, non-governmental organizations and international agencies, vendors and other external entities. Including the revenue of $46.4 million (2023/24: $45.6 million) for the services provided between peacekeeping missions and, accordingly, eliminated in the consolidated financial statements, the revenue of the cost-recovery fund was $86.3 million (2023/24: $87.3 million).

(Thousands of United States dollars)

	2024/25	*2023/24*
Revenue generated from the cost-recovery fund	39 856	41 736
Revenue from the sale of equipment and inventory	12 846	11 919
Net foreign exchange gains	2 456	1 382
Other miscellaneous revenue	7 674	5 667
Total other revenue	**62 832**	**60 704**

Note 22
Financial instruments and the cash pool

Cash pool

168. In addition to directly held cash and cash equivalents, peacekeeping operations participate in the United Nations Treasury main pool. The main pool comprises operational bank account balances in a number of currencies and investments in financial instruments. The pooling of funds has a positive effect on overall investment performance and risk, because of economies of scale and by virtue of the ability to spread yield curve exposures across a range of maturities. The allocation of main pool assets (cash and cash equivalents, short-term investments and long-term investments) and income is based on each participating entity's principal balance.

169. As at 30 June 2025, the main pool held total assets of $12,075.1 million (2023/24: $11,318.1 million), of which $1,242.7 million (2023/24: $1,091.6 million) pertained to peacekeeping operations. Their share of income from the main pool was $78.4 million (2023/24: $91.7 million).

Financial instruments

(Thousands of United States dollars)

	Note	*30 June 2025*	*30 June 2024*
Financial assets			
Fair value through net asset/equity			
Short-term investments – share of main pool[a]		854 098	681 940
Long-term investments – share of main pool[b]		270 542	238 417
Total fair value of investment		**1 124 640**	**920 357**
Cash and cash equivalents			
Cash and cash equivalents – share of main pool	6	118 045	171 200
Cash and cash equivalents – other	6	2 691	3 099
Total cash and cash equivalents		**120 736**	**174 299**
Receivables at amortized cost			
Assessed contributions	7	1 499 225	1 513 175
Other receivables	9	27 245	31 380
Other assets (excludes deferred charges)	11	17 020	46 517
Total receivables at amortized cost		**1 543 490**	**1 591 072**

	Note	30 June 2025	30 June 2024
Total carrying amount of financial assets		**2 788 866**	**2 685 728**
Total financial assets relating to assets held in the main pool		**1 242 685**	**1 091 557**
Financial liabilities at amortized cost			
Accounts payable – Member States	14	922 945	1 146 828
Accounts payable – other	14	736 379	521 105
Other liabilities (excludes borrowings)	18	11 974	12 029
Total liabilities at amortized cost		**1 671 298**	**1 679 962**
Summary of net income from financial assets			
Interest earned		78 455	91 711
Other investment revenue/(loss)		86	395
Total investment revenue		**78 541**	**92 106**

[a] Carrying amount: $854.002 million as at 30 June 2025; $684.273 million as at 30 June 2024.
[b] Carrying amount: $268.030 million as at 30 June 2025; $239.887 million as at 30 June 2024.

Revenue from financial instruments

(Thousands of United States dollars)

	2024/25	2023/24
Financial instruments carried at fair value		
Investment revenue – share of main pool	78 455	91 698
Revenue from financial assets carried at fair value	**78 455**	**91 698**

Financial risk management: overview

170. Peacekeeping operations have exposure to the following financial risks:

(a) Credit risk;

(b) Liquidity risk;

(c) Market risk.

171. The present note provides information on the exposure of peacekeeping operations to these risks, the objectives, policies and processes for measuring and managing risk, and the management of capital.

Financial risk management: risk management framework

172. The risk management practices of peacekeeping operations are in accordance with the Financial Regulations and Rules and the United Nations Investment Management Guidelines. The Organization manages its capital in the light of global economic conditions, the risk characteristics of the underlying assets and its current and future working capital requirements. The United Nations Treasury is responsible for investment and risk management for the cash pools, including conducting investment activities in accordance with the Guidelines.

173. The objective of investment management is to preserve capital and ensure sufficient liquidity to meet operating cash requirements while attaining a competitive

market rate of return on each investment pool. Investment quality, safety and liquidity are emphasized over the market-rate-of-return component of the objectives.

174. An investment committee periodically evaluates investment performance and assesses compliance with the Investment Management Guidelines and makes recommendations for updates to them. Other than those disclosed, peacekeeping operations have not identified any further risk concentrations arising from financial instruments.

Financial risk management: credit risk

175. Credit risk is the risk of financial loss resulting from a counterparty to a financial instrument failing to meet its contractual obligations. Credit risk arises from cash and cash equivalents, investments and deposits with financial institutions, as well as credit exposure to outstanding receivables. The carrying value of financial assets is the maximum exposure to credit risk.

Credit risk: management

176. The Investment Management Guidelines require ongoing monitoring of issuer and counterparty credit ratings. Permissible main pool investments may include, but are not restricted to, bank deposits, commercial papers, supranational securities, government agency securities and government securities with maturities of five years or fewer. The main pool does not invest in derivative instruments such as asset-backed or mortgage-backed securities or in equity products.

177. The investment management function is centralized at United Nations Headquarters, and, under normal circumstances, missions are not permitted to engage in investing activities.

Credit risk: contributions receivable and other receivables

178. A large portion of contributions receivable is due from Member States and other United Nations entities that do not present significant credit risk. As at the reporting date, peacekeeping operations did not hold any collateral as security for receivables (2023/24: none).

Credit risk: loss allowance

179. The Organization uses the simplified approach to evaluate the lifetime expected credit loss at each reporting date. The loss allowance is established on the basis of the historical loss rate and the exposure balance at year end for each financial asset category. Management-approved write-offs under the Financial Regulations and Rules or reversals of previously impaired receivables are recognized directly in the statement of financial performance. The movement in the allowances account during the year is shown below.

(Thousands of United States dollars)

	2024/25	*2023/24*
Allowance for receivables as at 1 July	**892 382**	**811 584**
Amounts written off	(394)	(1 906)
Adjustments during the year	(715)	82 704
Allowance for receivables as at 30 June	**891 273**	**892 382**

Credit risk: assessed contributions

180. The ageing and associated allowance of assessed contributions receivable are shown below.

Ageing of assessed contributions receivable

(Thousands of United States dollars)

	30 June 2025		*30 June 2024*	
	Gross receivable	*Allowance*	*Gross receivable*	*Allowance*
Less than 1 year	1 223 388	1 574	1 269 111	2 299
1 to 2 years	225 000	2 528	153 300	2 259
More than 2 years	796 762	741 823	839 426	744 104
Total	**2 245 150**	**745 925**	**2 261 837**	**748 662**

Credit risk: voluntary contributions and other receivables

181. The ageing and associated allowance of receivables other than assessed contributions are shown below.

Ageing of voluntary contributions and other receivables

(Thousands of United States dollars)

	Neither past due nor impaired	*Less than one year*	*One to two years*	*Two to three years*	*More than three years*	*Total*
30 June 2024						
Other receivables	7 670	9 504	4 844	4 487	140 723	167 228
Allowance	–	318	650	1 001	138 013	139 982
Allowance rate (percentage)	–	3.3	13.4	22.3	98.1	83.7
Voluntary contributions receivable	–	–	–	–	5 366	5 366
Allowance	–	–	–	–	5 366	5 366
Allowance rate (percentage)	–	–	–	–	100.0	100.0
30 June 2023						
Other receivables	9 882	10 638	5 466	1 515	142 458	169 959
Allowance	–	190	414	181	137 794	138 579
Allowance rate (percentage)	–	1.8	7.6	12.0	96.7	81.5
Voluntary contributions receivable	–	–	–	–	5 141	5 141
Allowance	–	–	–	–	5 141	5 141
Allowance rate (percentage)	–	–	–	–	100.0	100.0

Credit risk: cash and cash equivalents

182. Peacekeeping operations had cash and cash equivalents of $120.9 million (2023/24: $174.3 million) as at the reporting date, which is the maximum credit exposure on these assets.

Credit risk: cash pool investments

183. Pursuant also to the Investment Management Guidelines, it is required that investments not be made in issuers whose credit ratings are below specifications; they

also provide for maximum concentrations with given issuers. These requirements were met at the time the investments were made. The credit ratings used for the main pool are those determined by major credit-rating agencies. S&P Global Ratings, Moody's and Fitch ratings are used for all securities, and the Fitch viability rating is also used for bank deposits. At year end, the credit ratings were as shown below.

Investments of the main pool by credit ratings as at year end

Investment	*Ratings as at 30 June 2025*	*Ratings as at 30 June 2024*
Bonds (long-term ratings)	S&P: 25.1% AAA, 73.1% AA+/AA/AA- and 1.8% not rated	S&P: 35.0% AAA and 65.0% AA+/AA/AA-
	Fitch:13.4% AAA, 59.9% AA+/AA-, 1.9% A+ and 24.8% not rated	Fitch: 26.1% AAA, 54.1% AA+/AA/AA- and 19.8% not rated
	Moody's: 22.3% Aaa, 69.9% Aa1/Aa2/Aa3 and 7.7% not rated	Moody's: 48.1% Aaa, 43.9% Aa1/Aa2/Aa3 and 8.0% not rated
Commercial papers (short-term ratings)	S&P: 100% A-1+/A-1	S&P: 100% A-1+/A-1
	Fitch: 63.2% F1+/F1 and 36.8% not rated	Fitch: 100% F1+/F1
	Moody's: 100% P-1	Moody's: 100% P-1
Term deposits (Fitch viability ratings)	Fitch: 31.2% aa- and 68.8% a+/a/a-	Fitch: 29.7% aa- and 70.3% a+/a/a-
Certificates of deposit (short-term ratings)	S&P: 100% A-1+/A-1	S&P: 100% A-1+/A-1
	Fitch: 100% F1+/F1	Fitch: 100% F1+/F1
	Moody's: 100% P-1	Moody's 100% P-1

184. The United Nations Treasury actively monitors credit ratings and, given that it has invested only in securities with high credit ratings, management does not expect any counterparty to fail to meet its obligations, except for any impaired investments.

Financial risk management: liquidity risk

185. Liquidity risk is the risk that peacekeeping operations may not have adequate funds to meet their obligations as they fall due. The approach to managing liquidity is to ensure that an operation will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the reputation of peacekeeping operations.

186. Assessed contributions are, in large part, considered a stable annual cash flow, although the timing of receipts is not always predictable. To mitigate risks associated with delays in the receipt of assessed contributions from Member States, the Organization exercised control by staggering and reducing budget allocations and requesting missions to correspondingly adjust their expenditure. This approach enabled the management of available funds and the release of budgets in alignment with financial forecasts.

187. Peacekeeping operations perform cash flow forecasting and monitor rolling forecasts of liquidity requirements to ensure that there is sufficient cash to meet operational needs. Investments are made with due consideration to the cash requirements for operating purposes based on cash flow forecasting. Peacekeeping

operations maintain a large portion of their investments in cash equivalents and short-term investments sufficient to cover their commitments as and when they fall due.

188. Peacekeeping operations were approved to manage the cash resources of active peacekeeping missions as a pool in General Assembly resolution 73/307 for a trial period of three years in the context of liquidity management. This was extended for a further five years pursuant to Assembly resolution 76/272, adopted in June 2022, in which the Assembly noted the positive impact the pooling had on the timeliness of settlement of payments to troop- and police-contributing countries. In addition, the Assembly approved the use of the Peacekeeping Reserve Fund as a liquidity mechanism up to the level of $110 million, thereby ensuring that at least $40 million remained available in the Fund for the start-up or expansion of mandated peacekeeping operations.

189. As at 30 June 2025, borrowing across closed peacekeeping missions amounted to $57.3 million, inclusive of $46.3 million in relation to General Assembly resolution 76/280.

190. The financial situation in 2024/25 was broadly similar to that of 2023/24, with the notable exception of a worsening liquidity crisis that necessitated the deferral of two quarters of troop-contributing countries' contingent-owned equipment payments, an unprecedented measure in recent years. The substantial cash inflow at the very end of the fiscal year, which enabled the repayment of loans and resulted in a higher opening cash balance for the following year, did not facilitate the timely spending of funds in the course of the year. Throughout the year, the total cash balance of active peacekeeping operations had to be carefully managed, and the liquidity crisis adversely affected the overall availability of cash for active peacekeeping operations. MINURSO, UNMIK, UNSOS and UNMISS experienced ongoing cash shortfalls during the reporting period, and in 2025 UNISFA also began to face similar financial constraints. Borrowing by active missions amounting to $197.8 million was outstanding as at 30 June 2025 (2023/24: $306.6 million), of which $107.5 million remained payable to the Peacekeeping Reserve Fund. The following table shows the borrowing for active missions as at 30 June 2025:

(Thousands of United States dollars)

Borrowing mission	*Funding mission*	*30 June 2025*	*30 June 2024*
MINUSCA	MONUSCO	–	35 300
MINURSO	MONUSCO	–	2 500
UNMIK	MONUSCO	–	800
UNSOS	UNIFIL	52 300	57 200
UNMISS	UNIFIL	–	52 500
UNMIK	UNIFIL	3 500	4 300
UNISFA	UNIFIL	20 200	–
MINUSCA	UNIFIL	–	13 000
MINURSO	UNIFIL	2 400	5 900
UNSOS	UNDOF	–	6 800
UNMIK	UNDOF	5 400	3 800
MINURSO	UNDOF	6 500	3 400
UNSOS	UNFICYP	–	5 500
UNSOS	UNISFA	–	5 000
MINUSCA	UNISFA	–	5 400

Borrowing mission	*Funding mission*	*30 June 2025*	*30 June 2024*
UNMISS	Peacekeeping reserve	3 700	82 600
MINURSO	Peacekeeping reserve	11 100	–
UNMIK	Peacekeeping reserve	32 000	22 600
UNSOS	Peacekeeping reserve	60 700	–
Borrowing as at 30 June		**197 800**	**306 600**

Liquidity risk: cash pool investments

191. The main pool is exposed to liquidity risk associated with the requirement of participants to make withdrawals on short notice. It maintains sufficient cash and marketable securities to meet participants' commitments as and when they fall due. The major portion of cash and cash equivalents and investments are available within one day's notice to support operational requirements. Main pool liquidity risk is therefore considered to be low.

Liquidity risk: financial liabilities

192. The exposure to liquidity risk is based on the notion that the entity may encounter difficulty in meeting its obligations associated with financial liabilities. Given that peacekeeping operations are funded mainly through contributions from Member States, they rely heavily on the timely receipt of contributions to discharge their financial obligations when they become due. Peacekeeping operations are increasingly experiencing challenges in fulfilling their financial obligations on time owing to unpredictable payment patterns by Member States. As at the reporting date, peacekeeping operations had not pledged any collateral for any liabilities or contingent liabilities (2023/24: none) and, during the year, no accounts payable or other liabilities were forgiven by third parties (2023/24: none). Maturities for financial liabilities based on the earliest date at which peacekeeping operations can be required to settle each financial liability are shown below.

Maturities for financial liabilities, undiscounted

(Thousands of United States dollars)

	<3 months	*3 to 12 months*	*>1 year*	*Total*
As at 30 June 2025				
Accounts payable and accrued payables	1 659 324	–	–	4
Other liabilities (excludes borrowing)	11 962	–	12	11 974
Total as at 30 June 2025	**1 671 286**	–	**12**	**1 671 298**
As at 30 June 2024				
Accounts payable and accrued payables	1 667 933	–	–	1 667 933
Other liabilities (excludes borrowing)	12 029	–	–	12 029
Total as at 30 June 2024	**1 679 962**	**–**	**–**	**1 679 962**

Financial risk management: market risk

193. Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and prices of investment securities, will affect the revenue of peacekeeping operations or the value of their financial assets and liabilities. The

objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the fiscal position.

Market risk: currency risk

194. Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate owing to changes in foreign exchange rates. Peacekeeping operations have transactions, assets and liabilities in currencies other than in their functional currency and are exposed to currency risk arising from fluctuations in currency exchange rates.

195. Non-United States dollar holdings have the primary objective of supporting local operating activities in mission countries. Peacekeeping operations maintain a minimum level of cash in local currencies. Some cash is held in currencies that are either legally restricted or not readily convertible to United States dollars and used exclusively for local expenses in the relevant countries.

196. Peacekeeping operations mitigate currency risk exposure by structuring contributions from donors in foreign currency to correspond to the foreign currency needs for operational purposes. Given that the main pool is predominantly denominated in United States dollars, it has low currency risk and, in conjunction with the low risk of other financial instruments, peacekeeping operations consider currency risk to be low (2023/24: currency risk considered to be low).

Market risk: interest rate risk

197. Interest rate risk is the risk of variability in fair values or future cash flows of financial instruments owing to changes in interest rates. In general, as an interest rate rises, the price of a fixed-rate security falls, and vice versa. Interest rate risk is commonly measured by the fixed-rate security's duration, expressed in years. The longer the duration, the greater the interest rate risk.

198. Fixed-rate cash, cash equivalents and investments are the interest-bearing financial instruments of peacekeeping operations. The main pool comprises their main exposure to interest rate risk. As at the reporting date, the main pool was invested primarily in securities with shorter terms to maturity, with the maximum being fewer than five years (2023/24: fewer than five years). The average duration of the main pool was 0.82 years (2023/24: 0.74 years), which is considered an indicator of low risk.

Market risk: cash pool interest rate risk sensitivity analysis

199. The cash pool interest rate risk sensitivity analysis shows how the fair value of the main pool as at the reporting date would increase or decrease should the overall yield curve shift in response to changes in interest rates. Given that these investments are accounted for at fair value through net assets/equity, the change in fair value represents the increase or decrease in net assets. The impact of a shift up or down of up to 200 basis points in the yield curve is shown (100 basis points equals 1 per cent). These basis point shifts are illustrative.

Main pool interest rate risk sensitivity analysis

(Millions of United States dollars)

	Shift in yield curve (basis points)								
	-200	*-150*	*-100*	*-50*	*0*	*50*	*100*	*150*	*200*
Increase/(decrease) in fair value									
Main pool total: 30 June 2025	193.3	144.9	96.6	48.3	_	(48.3)	(96.6)	(144.9)	(193.2)
Main pool total: 30 June 2024	159.0	119.3	79.5	39.7	–	(39.7)	(79.5)	(119.3)	(159.0)

Market risk: other

200. The main pool is not exposed to significant other market price risk, given that it does not sell short or borrow securities or purchase securities on margin, which limits the potential loss of capital.

Accounting classifications and fair value

201. All investments are reported at fair value through net assets/equity. For cash and cash equivalents, receivables and accounts payable, carrying value is a fair approximation of fair value.

Fair value hierarchy

202. The table below analyses financial instruments carried at fair value, by the fair value hierarchy levels. The levels are defined as:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

(b) Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);

(c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

203. The fair value of financial instruments traded in active markets is based on quoted market prices as at the reporting date and is determined by the independent custodian on the basis of the valuation of securities sourced from third parties. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. The quoted market price used for financial assets held by the main pool is the current bid price.

204. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques that maximize the use of observable market data. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in level 2.

205. The following fair value hierarchy presents the main pool assets that are measured at fair value as at the reporting date. There were no level 3 financial assets or any liabilities carried at fair value or any significant transfers of financial assets between fair value hierarchy classifications.

Fair value hierarchy

(Thousands of United States dollars)

	30 June 2025			30 June 2024 (restated)		
	Level 1	*Level 2*	*Total*	*Level 1*	*Level 2*	*Total*
Main pool financial assets at fair value						
Bonds – corporate	95 408	–	95 408	59 715	–	59 715
Bonds – non-United States agencies	2 403 264	–	2 403 264	2 740 731	–	2 740 731
Bonds – non-United States sovereigns	–	–	–	98 153	–	98 153
Bonds – supranationals	874 518	–	874 518	939 719	–	939 719
Bonds – United States Treasury	504 208	–	504 208	592 251	–	592 251
Main pool – commercial papers	–	1 355 196	1 355 196	–	519 639	519 639
Main pool – certificate of deposit	–	4 043 109	4 043 109	–	2 936 627	2 936 627
Main pool – term deposits	–	2 567 522	2 567 522	–	3 030 672	3 030 672
Total	**3 877 398**	**7 965 827**	**11 843 225**	**4 430 569**	**6 486 938**	**10 917 507**

Note 23
Expenses

Employee salaries, allowances and benefits

206. Employee salaries include international, national and general temporary staff salaries, post adjustments and staff assessments. The allowances and benefits include other staff entitlements, including pension and insurance subsidies and staff assignment, repatriation, hardship and other allowances.

(Thousands of United States dollars)

	2024/25	*2023/24*
Salary, wages and other entitlements	1 319 092	1 378 034
Pension and insurance benefits	227 451	233 320
Actuarial cost component	78 663	86 962
After-service health insurance: Organization’s contribution	12 777	12 263
Repatriation benefits	21 290	36 780
Leave benefits	10 768	13 837
Total employee salaries, allowances and benefits	**1 670 041**	**1 761 196**

Contingent contracted services

207. Expenses for contingent contracted services comprise reimbursements to troop- and formed police unit-contributing countries for personnel, equipment and self-sustainment services. The reimbursements are made at predetermined standard rates based on person/month and generic types of equipment.

(Thousands of United States dollars)

	2024/25	2023/24
Contingent troop and police costs	1 033 074	1 173 223
Contingent-owned equipment and self-sustainment	755 556	922 160
Contingent emplacement and rotation	92 409	115 940
Contingent operations	27 362	23 954
Total contingent contracted services	**1 908 401**	**2 235 277**

Non-employee compensation and allowances

208. Non-employee compensation and allowances consist of United Nations Volunteers living allowances and benefits, military observers and United Nations police mission subsistence and other compensation and allowances and consultant and contractors' fees.

(Thousands of United States dollars)

	2024/25	2023/24
United Nations Volunteers	74 304	80 366
Military observers	56 801	59 306
United Nations police	80 773	87 980
Consultants and other contractors	26 117	29 513
Other	10 239	10 687
Total non-employee compensation and allowances	**248 234**	**267 852**

Grants and other transfers

209. Grants and other transfers include outright grants to implementing agencies, partners and other entities for quick-impact projects. The allocation to direct support costs represents contributions to the Umoja-related expense, the administration of internal justice expense and the implementation of the global service delivery model.

(Thousands of United States dollars)

	2024/25	2023/24
Quick-impact projects	9 773	9 945
Transfers to implementing partners	50 719	45 280
Allocation to direct support costs	17 413	12 268
Total grants and other transfers	**77 905**	**67 493**

Supplies and consumables

210. Supplies and consumables include the acquisition of fuel, rations, office supplies, spare parts, medical supplies and general maintenance supplies.

(Thousands of United States dollars)

	2024/25	2023/24
Fuel and lubricants	210 689	268 531
Rations	238 023	240 914
Spare parts and consumables	101 011	95 558
Write-off of inventory	6 747	34 304
Total supplies and consumables	**556 470**	**639 307**

Travel

211. Travel expenses relate to travelling costs such as transportation, allowances and other related costs for staff, consultants and non-staff.

(Thousands of United States dollars)

	2024/25	2023/24
Staff and contracted personnel travel	30 973	37 236
Representative travel	83	377
Total travel	**31 056**	**37 613**

Self-insurance claims and expenses

212. Self-insurance claims and expenses in the amount of $2.7 million (2023/24: $3.1 million) relate to appendix D payments.

Other operating expenses

213. Other operating expenses include maintenance, utilities, contracted services, training, security services, shared services, rent, insurance, contributions-in-kind expenses, loss allowance for receivables and expenses related to mine action. Contributions-in-kind expenses include host countries' contributions, such as right-to-use facilities and rent expenses, landing expenses and vehicle registration expenses.

(Thousands of United States dollars)

	2024/25	2023/24
Air transport	322 219	406 732
Contributions in kind	304 068	321 920
Communications and information technology	147 402	167 582
Other contracted services	133 567	158 229
Fixed-assets write-off	8 222	158 068
Mine action services	76 851	135 584
Facilities	100 644	110 081
Loss allowance	(1 109)	78 699
Acquisitions of goods	(7 449)	77 698
Maintenance and repair	24 369	34 548
Rent – offices, premises and equipment	28 350	34 002
Other	23 648	25 688

	2024/25	2023/24
Acquisitions of intangible items	17 288	19 897
Ground transport	10 871	14 451
Total other operating expenses	**1 188 941**	**1 743 179**

Other expenses

214. Other expenses include hospitality and official functions, and ex gratia and compensation claims. The negative amount of $10.9 million is the result of the reversal of previously estimated amounts for compensation claims in 2023/24 with respect to MINUSMA.

(Thousands of United States dollars)

	2024/25	2023/24
Ex gratia and compensation claims	(10 910)	29 489
Other	141	137
Total other expenses	**(10 769)**	**29 626**

Note 24
Credits to Member States

(Thousands of United States dollars)

	2024/25	2023/24
Provisions made for the current year	319 672	387 185
Declared credits with respect to General Assembly resolution 78/299 to return net cash available in UNOCI	–	6 481
Declared credits with respect to General Assembly resolution 78/303 to return net cash available in UNMIL[a]	–	5 722
Total	**319 672**	**399 388**

[a] In line with General Assembly resolution 78/303, the amount declared was $12.337 million, an increase of $5.722 million over a prior year's provision (see resolution 73/319).

Note 25
Related parties

Key management personnel

215. Key management personnel are those with the ability to exercise significant influence over the financial and operating decisions of peacekeeping operations. The key management personnel group for peacekeeping operations comprises the Secretary-General, the Deputy Secretary-General and selected officials at the levels of Under-Secretary-General, Assistant Secretary-General and heads of peacekeeping missions. These persons have the relevant authority and responsibility for planning, directing and controlling the activities of peacekeeping operations.

Key management personnel as at 30 June 2025

Name	*Position*	*Date of appointment*
António Guterres	Secretary-General of the United Nations	January 2017
Amina J. Mohammed	Deputy Secretary-General of the United Nations	February 2017
Earle Courtenay Rattray	Chef de Cabinet	January 2022
Catherine Pollard	Under-Secretary-General for Management Strategy, Policy and Compliance	September 2019
Atul Khare	Under-Secretary-General for Operational Support	January 2019
Jean-Pierre Lacroix	Under-Secretary-General for Peace Operations	February 2017
Chandramouli Ramanathan	Controller	February 2019
Colin W. Stewart	Special Representative of the Secretary-General and Head of UNFICYP	December 2021
Major-General Anita Asmah	Head of UNDOF and Force Commander	January 2025
Major-General Aroldo Lázaro Sáenz	Head of UNIFIL and Force Commander	February 2022
Alexander Ivanko	Special Representative of the Secretary-General and Head of MINURSO	August 2021
Caroline Ziadeh	Special Representative of the Secretary-General and Head of UNMIK	January 2022
Bintou Keita	Special Representative of the Secretary-General and Head of MONUSCO	February 2021
Aisa Kirabo Kacyira (deceased)	Assistant Secretary-General and Head of UNSOS	March 2023
Major-General Robert Yaw Affram	Acting Head of UNISFA and Force Commander	February 2025
Nicholas R.L. Haysom	Special Representative of the Secretary-General and Head of UNMISS	April 2021
Valentine Rugwabiza	Special Representative of the Secretary-General and Head of MINUSCA	April 2022

216. The aggregate remuneration paid to key management personnel includes salaries, post adjustment and other entitlements such as grants, subsidies and employer pension and health insurance contributions.

(Thousands of United States dollars)

	2024/25	*2023/24*
Key management personnel		
Salary and post adjustment	5 583	5 664
Other monetary entitlements	1 848	1 754
Non-monetary benefits	1 050	1 025
Total key management personnel remuneration	**8 481**	**8 443**

217. A residence, with an annual rental fair value equivalent to $0.9 million (2023/24: $0.9 million), is provided to the Secretary-General free of charge. Other non-monetary benefits provided to key management personnel include free or subsidized housing and services. Advances made to key management personnel are those made against entitlements in accordance with the Staff Regulations and Rules; such advances against entitlements are widely available to all staff of peacekeeping operations.

Trust fund activities related to peacekeeping operations

218. All trust funds, including those relating to peacekeeping operations, are consolidated in the financial statements of the United Nations operations as reported in volume I. Financial rule 106.1 precludes peacekeeping-related trust funds from being reported in these statements. It limits these statements to peacekeeping operations with special accounts established by the Secretary-General only.

219. The following peacekeeping-related trust funds augment the activities of peacekeeping operations. The reserves and fund balances of these related trust funds as at year end are shown below.

Activities related to peacekeeping operations funded by trust funds: reserves and fund balances

(Thousands of United States dollars)

	2024/25	*2023/24*
Trust fund in support of the delimitation and demarcation of the Ethiopia/Eritrea border	1 561	1 561
Trust fund for Somalia – unified command	489	466
Trust fund in support of the implementation of the Agreement on a Ceasefire and Separation of Forces signed in Moscow on 14 May 1994	10	10
Trust fund for the police assistance programme in Bosnia and Herzegovina	385	367
Trust fund in support of United Nations peacemaking and peacekeeping activities	2 563	2 444
Trust fund in support of the Department of Peace Operations	53 455	49 199
Trust fund to support the peace process in the Democratic Republic of the Congo	2 834	2 538
Trust fund to support the United Nations Interim Administration in Kosovo	1 314	1 253
Trust fund to support the Ituri Pacification Commission	9	8
Trust fund in support of the peace process in the Sudan	541	516
Trust fund for the African Union-United Nations joint mediation support team for Darfur	6 809	6 453
Trust fund for the support of the activities of the United Nations Mission in the Central African Republic and Chad	2 097	1 999
United Nations trust fund in support of the African Union Mission in Somalia	1 385	4 973
Trust fund to support lasting peace in Darfur	412	390
Trust fund in support of the African-led International Support Mission in Mali	891	845
Trust fund in support of peace and security in Mali	–	3 243
Trust fund for the United Nations Operation in Côte d’Ivoire	203	193
Trust fund in support of the political transition in Haiti	287	272
Trust fund in support of the African-led International Support Mission in the Central African Republic	245	232
Trust fund for the United Nations Mission in South Sudan	5 145	4 731
Trust fund in support of the elimination of Syrian chemical weapons	284	348
Trust fund to support peace and security in Cyprus	30	29
Trust fund to provide assistance to human rights victims in Kosovo	12	11

	2024/25	2023/24
Trust fund to support the United Nations Office to the African Union pursuant to Security Council resolutions 2320 (2016), 2378 (2017) and 2457 (2019)	577	286
Trust fund for the United Nations Integrated Transition Assistance Mission in the Sudan	48	226
Total	**81 586**	**82 593**

Peacekeeping-related operations funded by the regular budget

220. Shown below are peacekeeping-related operations that are funded by the regular budget and appear in the financial statements of the United Nations.

Peacekeeping-related operations funded by the regular budget

(Thousands of United States dollars)

	Appropriation	*Expenditure on a budget basis*	*Unencumbered balance*
Year ended 31 December 2024			
Department of Peace Operations	**6 283**	**6 458**	**(175)**
Peacekeeping missions funded by the regular budget			
UNTSO	41 011	40 492	519
UNMOGIP	9 807	9 231	576
Total	**57 101**	**56 181**	**920**
Year ended 31 December 2023			
Department of Peace Operations	**5 634**	**6 039**	**(405)**
Peacekeeping missions funded by the regular budget			
UNTSO	37 475	40 224	(2 749)
UNMOGIP	9 770	9 968	(198)
Total	**52 879**	**56 231**	**(3 352)**

Related entity transactions

221. In the ordinary course of business, in order to achieve economies in executing transactions, financial transactions are often executed by one financial reporting entity on behalf of another and subsequently settled. No interest is levied on inter-entity balances.

Payable to the United Nations General Fund

222. Peacekeeping operations have payables due to the United Nations General Fund in the amount of $47.4 million (2023/24: $47.4 million), of which $37.4 million relates to ONUC and $10.0 million relates to UNEF, as detailed under note 18.

United Nations peacekeeping operations: balances reflected in the Tax Equalization Fund

223. The financial statements of peacekeeping operations report employee benefits expenses on a net-of-tax basis. The tax liabilities relating to peacekeeping operations are reported separately as part of the Tax Equalization Fund in the financial statements of the United Nations operations as reported in volume I, which has a 31 December financial reporting date.

224. The Tax Equalization Fund was established under the provisions of General Assembly resolution 973 (X) to equalize the net pay of all staff members, whatever their national tax obligations. The Fund operationally reports as income staff assessment with respect to staff members financed under the regular budget, assessed peacekeeping operations and the International Residual Mechanism for Criminal Tribunals.

225. The Fund includes as expenditure the credits against the regular budget, peacekeeping and the International Residual Mechanism with respect to the assessments of Member States that do not levy taxes on the United Nations income of their nationals. Member States that do levy income taxes on their nationals working for the Organization do not receive this credit in full. Instead, their share is utilized in the first instance to reimburse staff members for taxes paid on their United Nations income. Such reimbursements for taxes paid are partially reported as expenditure by the Fund. Staff members financed by extrabudgetary funds who are required to pay income tax are reimbursed directly from the resources of those funds. Given that the Organization acts as an agent in this arrangement, the net total of the related revenue and expenses is reported as a payable in these financial statements.

226. The cumulative surplus accumulated in the Tax Equalization Fund as at 31 December 2024 was $170.0 million (2023: $229.2 million), consisting of amounts payable to the United States of America at year end of $133.9 million (2023: $193.1 million) and to other Member States of $36.1 million (2023: $36.1 million). The amount payable to the United States at year-end 2024 included approximately $97.2 million (2023: $85.6 million) relating to peacekeeping operations. The overall amount payable by the Fund was $228.8 million (2023: $291.4 million), which included an estimated tax liability of $56.5 million relating to the 2024 and prior tax years (2023: $60.4 million), of which approximately $35.6 million was disbursed in January 2025, approximately $15.4 million was settled by April 2025 and the remaining $5.5 million was expected to be settled as tax returns were submitted by staff.

Note 26
Commitments

Operating lease commitments

227. The peacekeeping operations enter into operating leases for the use of land, permanent and temporary buildings, and equipment. The total lease payments recognized in expenditure for the year were $26.3 million (2023/24: $32.0 million). The contingent rent payments are determined by the lease contracts. There were no purchase options, escalation clauses or restrictions imposed by the lease arrangements. Future minimum lease payments under non-cancellable arrangements are shown below.

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Less than 1 year	7 799	12 096
1 to 5 years	14 737	20 784
More than 5 years	–	1
Total minimum lease commitments	**22 536**	**32 881**

Contractual commitments

228. As at the reporting date, commitments for goods and services contracted but not delivered amounted to $203.2 million (2023/24: $247.4 million).

(Thousands of United States dollars)

	30 June 2025	*30 June 2024*
Property, plant and equipment	45 801	71 764
Intangibles	562	34
Goods and services	156 830	175 658
Total open contractual commitments	**203 193**	**247 456**

Note 27
Contingent liabilities and contingent assets

Contingent liabilities

229. In the normal course of peacekeeping operations, the missions are involved from time to time in various arbitrations, commercial claims and litigations, and other legal or governmental actions. Given the nature of legal matters and the complexities involved, it is often difficult to predict and determine a meaningful estimate of loss or range of loss or the timing of any future outflows. Thus, accruals for legal matters are not recorded until a loss for a specific matter is considered probable and can be reasonably estimated. As at 30 June 2025, the total amount of contingent liabilities related to commercial claims and other claims of a private-law nature was $13.7 million (2023/24: $15.5 million).

230. Following the rapid closure of MINUSMA, there remain some contingent liabilities arising from outstanding obligations to vendors, contractors and other third parties. These may include unsettled invoices, claims for damages, disputes over contract termination, and potential legal or regulatory actions. In addition, there is a possibility of other unforeseen losses related to the winding down of operations, asset disposal and staff separations. The Organization continues to monitor and assess these exposures and will take appropriate measures to address any valid claims in accordance with established United Nations financial rules and procedures.

231. Administrative law claims arise, for the most part, from appointment-related matters, benefits and entitlements, and separation from service. Accruals for those claims are not recorded until the outcome is probable and potential compensation can be reasonably estimated. The contingent liabilities for such claims, as at 30 June 2025, were $21.8 million (2023/24: $2.6 million), including an amount of $0.2 million (2023/24: $0.1 million) carried over from the previous year and an additional amount of $21.6 million (2023/24: $2.5 million) for cases filed during the course of the current year. These claims may be settled during 2025/26, but the uncertain outcome of these claims makes the amount and timing of the outflows unpredictable.

Contingent assets

232. In accordance with IPSAS 19: Provisions, contingent liabilities and contingent assets, the Organization discloses contingent assets when an event gives rise to a probable inflow of economic benefits or service potential to the Organization and there is sufficient information to assess the probability of that inflow. As at 30 June 2025, there were no (2023/24: $40.5 million) contingent assets arising from the Organization’s legal claims against third parties that were likely to result in an economic inflow.

Note 28
Events after the reporting date

233. There were no other material events, favourable or unfavourable, that occurred between the date of the financial statements and the date when the financial statements were authorized for issue that would have had a material impact on these statements.

Annex

Financial reporting by mission

Statement of financial position as at 30 June 2025: active missions

(Thousands of United States dollars)

	UNFICYP	*UNDOF*	*UNIFIL*	*MINURSO*	*UNMIK*	*MONUSCO*
Assets						
Cash and cash equivalents	858	1 269	12 251	1 120	812	10 060
Investments	7 854	11 624	115 625	10 367	7 626	95 430
Assessed contributions receivable	16 440	20 154	112 725	50 098	36 404	235 906
Other receivables	2	12 030	83 826	765	–	845
Inventories	1 870	2 189	19 846	4 803	1 990	36 667
Property, plant and equipment	7 554	30 454	72 623	12 549	2 148	100 167
Other assets	100	61	980	220	219	2 951
Total assets	**34 678**	**77 781**	**417 876**	**79 922**	**49 199**	**482 026**
Liabilities						
Accounts payable	7 903	19 626	219 585	8 442	748	272 742
Total employee benefits	412	474	5 123	901	1 209	7 844
Other liabilities and provisions	2 702	2 676	35 630	25 113	43 919	47 705
Total liabilities	**11 017**	**22 776**	**260 338**	**34 456**	**45 876**	**328 291**
Net of total assets and total liabilities	**23 661**	**55 005**	**157 538**	**45 466**	**3 323**	**153 735**
Net assets						
Accumulated surplus/(deficit) – unrestricted	23 643	18 992	137 710	45 441	3 306	153 515
Accumulated surplus/(deficit) – restricted	–	35 987	19 565	–	–	–
Reserves	18	26	263	25	17	220
Total net assets	**23 661**	**55 005**	**157 538**	**45 466**	**3 323**	**153 735**

Statement of financial position as at 30 June 2025: active missions (concluded)

(Thousands of United States dollars)

	UNSOS	*UNISFA*	*UNMISS*	*MINUSMA*	*MINUSCA*	*Total*
Assets						
Cash and cash equivalents	7 536	3 872	5 776	18 434	15 237	77 225
Investments	71 370	33 888	41 195	175 623	139 949	710 551
Assessed contributions receivable	194 449	72 302	306 259	214 502	239 986	1 499 225
Other receivables	276	201	3 002	5 381	70	106 398
Inventories	36 012	23 519	63 638	–	56 162	246 696
Property, plant and equipment	161 401	75 887	201 486	–	183 870	848 139
Other assets	3 107	1 071	8 586	2 293	3 717	23 305
Total assets	**474 151**	**210 740**	**629 942**	**416 233**	**638 991**	**3 511 539**
Liabilities						
Accounts payable	122 589	77 640	291 089	98 574	311 895	1 430 833
Total employee benefits	4 019	1 945	9 737	311	8 513	40 488
Other liabilities and provisions	136 759	25 717	78 441	246 214	54 720	699 596
Total liabilities	**263 367**	**105 302**	**379 267**	**345 099**	**375 128**	**2 170 917**
Net of total assets and total liabilities	**210 784**	**105 438**	**250 675**	**71 134**	**263 863**	**1 340 622**
Net assets						
Accumulated surplus/(deficit) – unrestricted	210 615	105 359	250 581	70 725	263 542	1 283 429
Accumulated surplus/(deficit) – restricted	–	–	–	–	–	55 552
Reserves	169	79	94	409	321	1 641
Total net assets	**210 784**	**105 438**	**250 675**	**71 134**	**263 863**	**1 340 622**

Statement of financial performance for the year ended 30 June 2025: active missions

(Thousands of United States dollars)

	UNFICYP	*UNDOF*	*UNIFIL*	*MINURSO*	*UNMIK*	*MONUSCO*
Assessed contributions	35 323	74 611	582 625	75 349	47 413	994 544
Voluntary contributions/other transfers and allocations	27 004	1 035	6 122	3 954	80	10 635
Investment revenue	620	1 497	10 727	7	–	9 559
Other revenue	1 449	1 877	4 570	1 084	1 265	3 816
Total revenue	**64 396**	**79 020**	**604 044**	**80 394**	**48 758**	**1 018 554**
Employee salaries, allowances and benefits	17 296	16 428	139 541	24 196	34 964	246 267
Contingent contracted services	18 721	36 991	315 222	945	–	326 134
Other expenses	26 042	23 248	115 234	52 219	13 342	416 282
Credits to Member States	2 596	2 530	32 732	4 976	106	45 305
Total expenses	**64 655**	**79 197**	**602 729**	**82 336**	**48 412**	**1 033 988**
Surplus/(deficit) for the year	**(259)**	**(177)**	**1 315**	**(1 942)**	**346**	**(15 434)**

Statement of financial performance for the year ended 30 June 2025: active missions (concluded)

(Thousands of United States dollars)

	UNSOS	*UNISFA*	*UNMISS*	*MINUSMA*	*MINUSCA*	*Total*
Assessed contributions	547 410	326 164	1 355 899	222 116	1 283 314	5 544 768
Voluntary contributions/other transfers and allocations	137 145	1 303	66 003	2 474	68 624	324 379
Investment revenue	200	2 042	5 510	8 227	11 502	49 891
Other revenue	9 106	4 685	9 581	14 853	8 067	60 353
Total revenue	**693 861**	**334 194**	**1 436 993**	**247 670**	**1 371 507**	**5 979 391**
Employee salaries, allowances and benefits	98 969	52 577	310 800	39 080	225 712	1 205 830
Contingent contracted services	77 287	108 323	459 904	33 310	529 796	1 906 633
Other expenses	514 536	177 342	614 835	113 980	576 755	2 643 815
Credits to Member States	17 355	4 963	50 825	111 184	47 100	319 672
Total expenses	**708 147**	**343 205**	**1 436 364**	**297 554**	**1 379 363**	**6 075 950**
Surplus/(deficit) for the year	**(14 286)**	**(9 011)**	**629**	**(49 884)**	**(7 856)**	**(96 559)**

Statement of financial position as at 30 June 2025: support activities

(Thousands of United States dollars)

	Peacekeeping Reserve Fund	*Support account*	*United Nations Logistics Base*	*United Nations Logistics Base-strategic deployment stocks*	*Regional Service Centre*	*Employee benefits funds*	*Peacekeeping cost-recovery fund*	*Refurbishment and reuse of returned equipment*	*Total*
Assets									
Cash and cash equivalents	4 136	3 765	1 055	9 440	31	3 551	9 961	435	32 374
Investments	39 408	35 791	9 907	89 937	79	33 833	94 903	4 140	307 998
Assessed contributions receivable	–	–	–	–	–	–	–	–	–
Other receivables	120 320	25	511	–	27	–	10 034	–	130 917
Inventories	–	381	13 804	9 919	397	–	1 191	57	25 749
Property, plant and equipment	–	388	33 831	38 236	10 822	–	5 313	3 508	92 098
Other assets	–	5 471	113	–	554	–	175	(3)	6 310
Total assets	**163 864**	**45 821**	**59 221**	**147 532**	**11 910**	**37 384**	**121 577**	**8 137**	**595 446**
Liabilities									
Accounts payable	–	11 362	2 775	452	1 325	62	11 062	268	27 306
Total employee benefits	–	10 351	1 190	–	1 040	1 771 835	143	19	1 784 578
Other liabilities and provisions	–	–	27	5	7	–	–	–	39
Total liabilities	**–**	**21 713**	**3 992**	**457**	**2 372**	**1 771 897**	**11 205**	**287**	**1 811 923**
Net of total assets and total liabilities	**163 864**	**24 108**	**55 229**	**147 075**	**9 538**	**(1 734 513)**	**110 372**	**7 850**	**(1 216 477)**
Net assets									
Accumulated surplus/(deficit) – unrestricted	13 777	24 029	55 206	146 866	9 536	(1 734 592)	110 152	7 840	(1 367 186)
Accumulated surplus/(deficit) – restricted	–	–	–	–	–	–	–	–	–
Reserves	150 087	79	23	209	2	79	220	10	150 709
Total net assets	**163 864**	**24 108**	**55 229**	**147 075**	**9 538**	**(1 734 513)**	**110 372**	**7 850**	**(1 216 477)**

Statement of financial performance for the year ended 30 June 2025: support activities

(Thousands of United States dollars)

	Peacekeeping Reserve Fund	*Support account*	*United Nations Logistics Base*	*United Nations Logistics Base-strategic deployment stocks*	*Regional Service Centre*	*Employee benefits funds*	*Peacekeeping cost-recovery fund*	*Refurbishment and reuse of returned equipment*	*Total*
Assessed contributions	–	–	–	–	–	–	–	–	–
Voluntary contributions/other transfers and allocations	–	374 879	70 607	–	46 089	–	–	–	491 575
Investment revenue	6 958	3 845	783	4 740	300	1 676	4 658	205	23 165
Other revenue	127	377	23 472	2 923	1 367	3 094	86 284	5 959	123 603
Total revenue	**7 085**	**379 101**	**94 862**	**7 663**	**47 756**	**4 770**	**90 942**	**6 164**	**638 343**
Employee salaries, allowances and benefits	–	295 821	46 929	–	41 077	78 488	4 448	432	467 195
Contingent contracted services	–	4 364	–	–	–	–	(1 333)	–	3 031
Other expenses	4 843	75 669	41 714	4 731	8 096	2 695	70 777	1 081	209 606
Credits to Member States	–	–	–	–	–	–	2 500	–	2 500
Total expenses	**4 843**	**375 854**	**88 643**	**4 731**	**49 173**	**81 183**	**76 392**	**1 513**	**682 332**
Surplus/(deficit) for the year	**2 242**	**3 247**	**6 219**	**2 932**	**(1 417)**	**(76 413)**	**14 550**	**4 651**	**(43 989)**

Statement of financial position as at 30 June 2025: closed missions

(Thousands of United States dollars)

	UNAMID	*MINUJUSTH*	*UNMIL*	*UNOCI*	*UNSMIS*	*UNMIT*	*UNMIS*
Assets							
Cash and cash equivalents	1 168	1 056	781	2 503	7	79	254
Investments	11 123	10 063	7 440	23 849	66	753	2 424
Assessed contributions receivable	–	–	–	–	–	–	–
Other receivables	486	62	–	–	–	–	–
Inventories	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–
Other assets	9	33	14	5	–	–	–
Total assets	**12 786**	**11 214**	**8 235**	**26 357**	**73**	**832**	**2 678**
Liabilities							
Accounts payable	11 770	2 525	3 724	23 625	52	699	2 318
Total employee benefits	2	–	1	–	–	–	–
Other liabilities and provisions	74 302	12 341	2	403	8	–	–
Total liabilities	**86 074**	**14 866**	**3 727**	**24 028**	**60**	**699**	**2 318**
Net of total assets and total liabilities	**(73 288)**	**(3 652)**	**4 508**	**2 329**	**13**	**133**	**360**
Net assets							
Accumulated surplus/(deficit) – unrestricted	(73 314)	(3 675)	4 491	2 274	13	131	354
Accumulated surplus/(deficit) – restricted	–	–	–	–	–	–	–
Reserves	26	23	17	55	–	2	6
Total net assets	**(73 288)**	**(3 652)**	**4 508**	**2 329**	**13**	**133**	**360**

Statement of financial position as at 30 June 2025: closed missions (continued)

(Thousands of United States dollars)

	MINURCAT	*UNOMIG*	*UNMEE*	*ONUB*	*UNAMSIL/ UNOMSIL*	*UNMISET/ UNTAET*	*UNIKOM*
Assets							
Cash and cash equivalents	118	19	82	58	62	163	22
Investments	1 121	184	785	553	586	1 551	208
Assessed contributions receivable	–	–	–	–	–	–	–
Other receivables	–	–	–	–	–	–	–
Inventories	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–
Other assets	–	–	–	–	–	–	–
Total assets	**1 239**	**203**	**867**	**611**	**648**	**1 714**	**230**
Liabilities							
Accounts payable	1 042	180	731	515	548	3 269	192
Total employee benefits	–	–	–	–	–	–	–
Other liabilities and provisions	4	–	–	1	1	–	–
Total liabilities	**1 046**	**180**	**731**	**516**	**549**	**3 269**	**192**
Net of total assets and total liabilities	**193**	**23**	**136**	**95**	**99**	**(1 555)**	**38**
Net assets							
Accumulated surplus/(deficit) – unrestricted	190	23	134	94	98	(1 559)	38
Accumulated surplus/(deficit) – restricted	–	–	–	–	–	–	–
Reserves	3	–	2	1	1	4	–
Total net assets	**193**	**23**	**136**	**95**	**99**	**(1 555)**	**38**

Statement of financial position as at 30 June 2025: closed missions (continued)

(Thousands of United States dollars)

	UNMIBH	*UNMOT*	*UNSMIH/UNTMIH/ MIPONUH*	*MINURCA*	*MONUA/ UNAVEM*	*UNPREDEP*	*UNTAES*
Assets							
Cash and cash equivalents	193	5	25	–	236	358	223
Investments	1 841	46	236	1	2 249	3 410	2 123
Assessed contributions receivable	–	–	–	–	–	–	–
Other receivables	–	–	–	–	4 574	–	–
Inventories	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–
Other assets	–	–	–	–	–	–	–
Total assets	**2 034**	**51**	**261**	**1**	**7 059**	**3 768**	**2 346**
Liabilities							
Accounts payable	6 103	43	114	1	11 640	3 315	6 693
Total employee benefits	–	–	–	–	–	–	–
Other liabilities and provisions	–	–	7 367	23 808	–	–	–
Total liabilities	**6 103**	**43**	**7 481**	**23 809**	**11 640**	**3 315**	**6 693**
Net of total assets and total liabilities	**(4 069)**	**8**	**(7 220)**	**(23 808)**	**(4 581)**	**453**	**(4 347)**
Net assets							
Accumulated surplus/(deficit) – unrestricted	(4 073)	8	(18 407)	(30 044)	(4 586)	445	(4 352)
Accumulated surplus/(deficit) – restricted	–	–	11 186	6 236	–	–	–
Reserves	4	–	1	–	5	8	5
Total net assets	**(4 069)**	**8**	**(7 220)**	**(23 808)**	**(4 581)**	**453**	**(4 347)**

Statement of financial position as at 30 June 2025: closed missions (continued)

(Thousands of United States dollars)

	UNOMIL	*UNPF*	*MINUGUA*	*UNMIH*	*UNAMIR/UNOMUR*	*ONUSAL*	*ONUMOZ*
Assets							
Cash and cash equivalents	8	1 489	–	1 498	135	20	400
Investments	76	14 183	1	14 274	1 285	187	3 814
Assessed contributions receivable	–	–	–	–	–	–	–
Other receivables	–	34 641	–	14 366	3 713	–	–
Inventories	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–
Other assets	–	–	–	–	–	–	–
Total assets	**84**	**50 313**	**1**	**30 138**	**5 133**	**207**	**4 214**
Liabilities							
Accounts payable	71	59 550	–	17 537	4 905	178	3 884
Total employee benefits	–	–	–	–	–	–	–
Other liabilities and provisions	–	130	124	–	–	–	29
Total liabilities	**71**	**59 680**	**124**	**17 537**	**4 905**	**178**	**3 913**
Net of total assets and total liabilities	**13**	**(9 367)**	**(123)**	**12 601**	**228**	**29**	**301**
Net assets							
Accumulated surplus/(deficit) – unrestricted	13	(9 400)	(141)	12 568	225	29	292
Accumulated surplus/(deficit) – restricted	–	–	18	–	–	–	–
Reserves	–	33	–	33	3	–	9
Total net assets	**13**	**(9 367)**	**(123)**	**12 601**	**228**	**29**	**301**

Statement of financial position as at 30 June 2025: closed missions (concluded)

(Thousands of United States dollars)

	UNOSOM	*UNMLT*	*UNTAC*	*UNTAG*	*UNIIMOG*	*UNEF*	*ONUC*	*Total*
Assets								
Cash and cash equivalents	7	–	6	28	17	10	107	11 137
Investments	67	1	53	270	158	91	1 019	106 091
Assessed contributions receivable	–	–	–	–	–	–	–	–
Other receivables	–	–	–	–	–	–	–	57 842
Inventories	–	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–	–
Other assets	–	–	–	–	–	876	1 973	2 910
Total assets	**74**	**1**	**59**	**298**	**175**	**977**	**3 099**	**177 980**
Liabilities								
Accounts payable	197	1	11 184	220	155	17 607	6 597	201 185
Total employee benefits	–	–	–	–	–	–	–	3
Other liabilities and provisions	10 950	–	28 037	38	–	21 542	39 743	218 830
Total liabilities	**11 147**	**1**	**39 221**	**258**	**155**	**39 149**	**46 340**	**420 018**
Net of total assets and total liabilities	**(11 073)**	**–**	**(39 162)**	**40**	**20**	**(38 172)**	**(43 241)**	**(242 038)**
Net assets								
Accumulated surplus/(deficit) – unrestricted	(48 636)	–	(39 980)	39	20	(38 172)	(43 243)	(298 103)
Accumulated surplus/(deficit) – restricted	37 563	–	818	–	–	–	–	55 821
Reserves	–	–	–	1	–	–	2	244
Total net assets	**(11 073)**	**–**	**(39 162)**	**40**	**20**	**(38 172)**	**(43 241)**	**(242 038)**

Statement of financial performance for the year ended 30 June 2025: closed missions

(Thousands of United States dollars)

	UNAMID	*MINUJUSTH*	*UNMIL*	*UNOCI*	*UNSMIS*	*UNMIT*	*UNMIS*
Assessed contributions	–	–	–	–	–	–	–
Voluntary contributions/other transfers and allocations	–	–	–	–	–	–	–
Investment revenue	501	506	496	1 265	3	38	121
Other revenue	346	10	15	27	–	1	2
Total revenue	**847**	**516**	**511**	**1 292**	**3**	**39**	**123**
Employee salaries, allowances and benefits	18	7	1	8	–	–	–
Contingent contracted services	(1 109)	(154)	–	–	–	–	–
Other expenses	(6 590)	(31)	(48)	(321)	–	–	(5)
Credits to Member States	–	–	–	–	–	–	–
Total expenses	**(7 681)**	**(178)**	**(47)**	**(313)**	**–**	**–**	**(5)**
Surplus/(deficit) for the year	**8 528**	**694**	**558**	**1 605**	**3**	**39**	**128**

Statement of financial performance for the year ended 30 June 2025: closed missions (continued)

(Thousands of United States dollars)

	MINURCAT	*UNOMIG*	*UNMEE*	*ONUB*	*UNAMSIL/ UNOMSIL*	*UNMISET/ UNTAET*	*UNIKOM*
Assessed contributions	–	–	–	–	–	–	–
Voluntary contributions/other transfers and allocations	–	–	–	–	–	–	–
Investment revenue	56	9	39	28	29	78	10
Other revenue	1	–	1	1	1	2	–
Total revenue	**57**	**9**	**40**	**29**	**30**	**80**	**10**
Employee salaries, allowances and benefits	–	–	–	–	–	–	–
Contingent contracted services	–	–	–	–	–	–	–
Other expenses	(2)	–	–	–	(3)	(2)	(3)
Credits to Member States	–	–	–	–	–	–	–
Total expenses	**(2)**	**–**	**–**	**–**	**(3)**	**(2)**	**(3)**
Surplus/(deficit) for the year	**59**	**9**	**40**	**29**	**33**	**82**	**13**

Statement of financial performance for the year ended 30 June 2025: closed missions (continued)

(Thousands of United States dollars)

	UNMIBH	*UNMOT*	*UNSMIH/UNTMIH/ MIPONUH*	*MINURCA*	*MONUA/UNAVEM*	*UNPREDEP*	*UNTAES*
Assessed contributions	–	–	–	–	–	–	–
Voluntary contributions/other transfers and allocations	–	–	–	–	–	–	–
Investment revenue	93	2	12	–	113	170	106
Other revenue	2	–	–	–	2	4	2
Total revenue	**95**	**2**	**12**	**–**	**115**	**174**	**108**
Employee salaries, allowances and benefits	–	–	–	–	–	–	–
Contingent contracted services	–	–	–	–	–	–	–
Other expenses	(4)	–	(1)	–	(10)	(1)	(5)
Credits to Member States	–	–	–	–	–	–	–
Total expenses	**(4)**	**–**	**(1)**	**–**	**(10)**	**(1)**	**(5)**
Surplus/(deficit) for the year	**99**	**2**	**13**	**–**	**125**	**175**	**113**

Statement of financial performance for the year ended 30 June 2025: closed missions (continued)

(Thousands of United States dollars)

	UNOMIL	*UNPF*	*MINUGUA*	*UNMIH*	*UNAMIR/UNOMUR*	*ONUSAL*	*ONUMOZ*
Assessed contributions	–	–	–	–	–	–	–
Voluntary contributions/other transfers and allocations	–	–	–	–	–	–	–
Investment revenue	4	738	–	718	65	9	191
Other revenues	–	15	–	15	1	–	4
Total revenue	**4**	**753**	**–**	**733**	**66**	**9**	**195**
Employee salaries, allowances and benefits	–	–	–	–	–	–	–
Contingent contracted services	–	–	–	–	–	–	–
Other expenses	–	(47)	–	(2)	(4)	(1)	(5)
Credits to Member States	–	–	–	–	–	–	–
Total expenses	**–**	**(47)**	**–**	**(2)**	**(4)**	**(1)**	**(5)**
Surplus/(deficit) for the year	**4**	**800**	**–**	**735**	**70**	**10**	**200**

Statement of financial performance for the year ended 30 June 2025: closed missions (concluded)

(Thousands of United States dollars)

	UNOSOM	*UNMLT*	*UNTAC*	*UNTAG*	*UNIIMOG*	*UNEF*	*ONUC*	*Total*
Assessed contributions	–	–	–	–	–	–	–	–
Voluntary contributions/other transfers and allocations	–	–	–	–	–	–	–	–
Investment revenue	3	–	3	15	8	5	51	5 485
Other revenue	–	–	–	–	–	–	–	452
Total revenue	**3**	**–**	**3**	**15**	**8**	**5**	**51**	**5 937**
Employee salaries, allowances and benefits	–	–	–	–	–	–	–	34
Contingent contracted services	–	–	–	–	–	–	–	(1 263)
Other expenses	(16)	–	(15)	–	–	1 003	61	(6 052)
Credits to Member States	–	–	–	–	–	–	–	–
Total expenses	**(16)**	**–**	**(15)**	**–**	**–**	**1 003**	**61**	**(7 281)**
Surplus/(deficit) for the year	**19**	**–**	**18**	**15**	**8**	**(998)**	**(10)**	**13 218**