



SECURITY COUNCIL REPORT

UPDATE REPORT



20 February 2006 No. 4

Debate on Procurement in DPKO

Expected Council Action

The Council has scheduled an open meeting on 22 February on alleged irregularities in procurement in UN peacekeeping, as described in a recent audit report by the Office of Internal Oversight Services (OIOS). At this stage, representatives of the Department of Peacekeeping Operations (DPKO) and OIOS are expected to address the Council. No formal outcome is expected.

Key Facts

This would be the first occasion for an official Council meeting to discuss an OIOS report. The prospect has triggered a major controversy within the UN, with G77 and Non-Aligned Movement members challenging the legitimacy of the Council taking up such an issue.

The origin of the report is a 2005 General Assembly request for an urgent review by OIOS of procurement issues in DPKO. The OIOS conducted an investigation from September through December 2005 and submitted a draft report to the Secretary-General in January. The report suggested mismanagement and fraud may have occurred, resulting in substantial financial losses.

The UN Under Secretary-General for Management, Christopher Burnham, briefed reporters soon after the Secretariat received the report, including information that several staff members had been placed on special administrative leave. Numerous media reports followed, some of them contained names of the suspended staffers. At that time the report had not been made available to member states. Many of them were angry to have learned about the findings and the measures taken by the Secretariat from newspaper accounts.

In the discussion of the Council's February Programme of Work, incoming President, Ambassador John Bolton of the US, proposed holding an open meeting of the Council on the procurement issue. This decision was taken in informal consultations and was approved by consensus.

The circulation of the Council programme of work prompted a storm of opposition amongst the wider UN membership. The Chair of the Non-Aligned Movement wrote to Bolton, raising concerns about encroachment by the Council on the functions and powers of the General Assembly. A few days later, the Chair of G77, a group of 132 developing nations and China, sent a letter to the Secretary-General protesting the briefing of the media about the OIOS report prior to informing the member states of the results of the procurement investigation. He subsequently followed with a letter to the President of the General Assembly, raising concerns about the legality of the scheduled meeting vis-à-vis the UN Charter and requested that the General Assembly President discuss these matters with the Council President.

Late last week, the two Presidents met. In comments to the media on Friday afternoon, the Council President said that the Council open meeting would proceed and that he had suggested that the General Assembly should hold its own open meeting on these matters.

Key Issues

A key issue for many Council members is going to be the management of their relationships with countries outside the Council. This could lead to unpredictable positions when it comes time to approve the agenda for the open meeting.

Even though the monthly programme of work was discussed by Council members and approved unanimously, the adoption of the agenda for every open meeting of the Council is a separate deliberate decision. In this case it may encounter difficulties, especially when it comes to reaching agreement on who should speak.

If a speakers list is opened to participation by non Council members, a fiery session may be a prospect, with many speakers likely to reject the Council's role in management and financial issues. There may also be expressions of concern about the Council disempowering the General Assembly as per article 12 (1) of the Charter.

Council Dynamics

The US Ambassador John Bolton has been arguing for some time that the Council should not limit itself to simply establishing and reviewing peacekeeping mandates but should take a more direct and detailed interest in and oversight of the complex field operations it creates. Another open meeting scheduled later in the week, on peacekeeping and sexual exploitation and abuse, is also part of this approach (there is a separate Update Report on this issue).

The Council agreement to include in the programme of work a discussion of peacekeeping procurement issues in an open meeting was not reached without some controversy. Some members wanted the discussion to be in closed consultations. Ironically, one of the arguments used by the proponents of an open meeting was that since the matters were also of concern to the UN's broader membership, all member states should be able to participate.

Since the programme of work was approved by consensus, the Non-Aligned Movement and G77 members of the Council obviously went along with the proposal. Subsequently, however, they have found themselves under criticism from their respective groupings.

Underlying Problems

The controversy surrounding the procurement debate has resurrected other serious tensions between the Council and the membership at large. The Non-Aligned Movement letter also criticised Council discussion of the situation of any member state that does not constitute a threat to international peace and security. (This probably signalled certain member states' discomfort with the fact that the Council has in recent months been discussing issues where severe human rights violations might produce threats to peace and security, such as Burma or Zimbabwe. At the 17 February G77 meeting, Zimbabwe was reported to be particularly vocal in its criticism of the US initiative.)

Also caught up in this controversy has been the plan to hold an open meeting on sexual exploitation and abuse by peacekeepers. Even though this matter had been addressed by the Council before, including in an open briefing dedicated solely to this issue in May, some members have been questioning the appropriateness of this discussion to be held at the Council as well.

Media reports suggested that an additional factor in governments' vigorous protest of the early publication of the procurement scandal details and the disciplinary measures taken might have been due to some governments' desire to protect their own nationals. On the other hand, many member states feel that their concerns are entirely legitimate, given recent problems with due process for at least one employee in a high profile case.

The procurement meeting controversy is also seen by some General Assembly members as directly linked to the fact that the official, who chose to brief the media on the procurement report prior to briefing member states, was the same official who, in a July 2005 newspaper interview, declared: "I came here at the request of the White House. It's my duty to make the UN more effective. My primary loyalty is to the United States of America."

Finally, a very strongly worded letter on 16 February from two US congressional leaders to the chairman of G77, accusing G77 of working to block efforts by the Secretary-General to reform the UN, has further inflamed the situation.

Options

The Council has several options which may come into play when considering the approval of the agenda for the open meeting:

- Limiting the meeting to a briefing by OIOS and DPKO
- A briefing by OIOS and DPKO followed by statements by Council members only
- A briefing by OIOS and DPKO followed by statements by both Council members and non Council members

UN Documents

- S/2006/111 (20 February 2006) was the Non-Aligned Movement letter to the President of the Security Council dated 15 February.
- 15 February 2006 G77 letter in reply to the 6 February Secretary-General letter.
- S/2006/85 (10 February 2006) was the Non-Aligned Movement letter to the President of the Security Council dated 3 February.
- A/60/675 (9 February 2006) was the G77 letter to the Secretary-General.
- A/RES/59/313 (12 September 2005) was a General Assembly resolution on strengthening and revitalising the body.
- A/RES/59/296 (15 August 2005) requested the Secretary-General to arrange, as a matter of priority, for a comprehensive management audit of DPKO by OIOS, with procurement being one of the areas covered.

Historical Background

16 February 2006 Leaders of the US Congress's Committee on International Relations sent a letter to Ambassador Kumalo strongly critical of G77 protests regarding public information about the procurement scandal.

14 February Non-Aligned Movement letter was sent to the President of the General Assembly.

6 February 2006 The G77 letter was sent to the Secretary-General.

3 February 2006 February's Council programme of work was made public and the Non-Aligned Movement sent a letter to the President of the Security Council.

31 January 2006 The OIOS report, still in draft form, was made available upon request.

23 January 2006 Burnham briefed reporters on the content of the OIOS report on procurement in DPKO.

12 September 2005 The General Assembly adopted a resolution on strengthening and revitalising the General Assembly in which *inter alia* it recommended the holding of thematic debates.

15 August 2005 The General Assembly requested a DPKO audit to be conducted by OIOS.