

# Estimating the fiscal impact of UN peacekeeping missions

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## 1. Overview

The purpose of this paper is to outline the methodology used to estimate the fiscal impact of United Nations peacekeeping missions on the host economy. Results on eight current and one former mission are presented. The next section outlines the methodology used. It focuses on isolating the local impact of the spending by starting with the expenditure reported to the General Assembly and then successively removing elements of that spending that either was never spent in the host country or was spent on either imported goods, services or factors of production. The third section of the paper provides a summary of results across the different countries that hosted UN missions and some brief discussion of these results. The final section of the paper discusses some of the associated economic impacts and provides brief concluding comments.

## 2. Estimation methodology

### 2.1 Introduction

The fiscal impact of UN peacekeeping missions ('missions') can be derived by assessing the overall expenditure of the mission and then subtracting out the parts of the expenditure that either are not spent locally, or are spent locally on imported goods and services. Specifically the direct fiscal impact of the mission on the host economy can be estimated as follows:

$$E_{local} = \alpha.G \& S_{external} + \beta.G \& S_{local} + salaries_{local} + \varphi.allowances \quad (1)$$

$E_{local}$  = the local impact of expenditure;

$\alpha$  = the local content factor of externally procured goods and services;

$G \& S_{external}$  = goods and services procured externally (eg on systems contracts from NY)

$\beta$  = the local content of locally procured goods and services;

$G \& S_{local}$  = goods and services procured by the mission in the field (which may be from local owned companies, local based companies owned by foreigners or international companies)

$salaries_{local}$  = wages and salaries paid to local engaged staff by the mission

$\varphi$  = the local content factor of spending from allowances paid to international staff (eg MSA, UNV allowances)

The remainder of this section outlines how each of these elements was calculated. The final part of this section extends the analysis from the direct fiscal impact to the overall

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fiscal impact by discussing the assumed Keynesian multiplier effect associated with the impact.

## *2.2 Expenditure reports to the General Assembly*

The primary data source for this study were the annual budget, finance and performance reports provided by the Secretary General to the General Assembly. Accordingly the study only considers expenditure up to and including the fiscal year 2004-05. The reports to the General Assembly provide aggregated information in the following form:

$$E_{total} = G \& S + military + civilian \quad (2)$$

where military is the expenditure including troop reimbursements and the cost of military observers and civilian is the cost of international staff and UNVs, including salaries, on-costs and allowances

In more recent years the military and civilian components have been broken down further into salaries and related employment costs for international staff, international staff allowances and national staff salaries. In earlier years (generally pre 2001) this was not the case. In order to estimate that breakdown in many cases additional material was sought from the Secretariat, in some cases estimates of breakdowns between categories was undertaken based on expenditure shares from later years. Based on this, the information presented in the reports to the General Assembly was retabulated in the form presented at Annex 1. This tabulation allows the direct extraction of the figures for *salaries<sub>local</sub>* and *allowances*.

## *2.3 Local v External Procurement*

The reports to the General Assembly do not distinguish between local and external procurement. In order to split *G&S* into *G & S<sub>external</sub>* and *G & S<sub>local</sub>* additional information was provided by the Department of Peacekeeping Operations (DPKO). DPKO provided information on local procurement (that is procurement where contracts are issued by the mission) from 2003 onwards. In late 2002 the UN changed the system it used to manage financial tracking of its procurement. Data from the previous system was not easily obtained. In the case of Kosovo and Timor-Leste data was obtained in the field. In the case of other missions it was assumed that the split between local and external procurement of goods and services was in the same proportion as in subsequent years.<sup>2</sup>

## *2.4 Local content of procurement*

Estimating  $\alpha$  and  $\beta$ , the local content multipliers for procurement, involved a combination of field based interviews and detailed assessment of the types of goods and services that were purchased.

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<sup>2</sup> There may be concerns that this would bias up the results of the local impact – on the assumption that as the economy recovers the capacity of the local economy to supply the mission would be enhanced. Any bias is likely to be small, given the generally low level of local procurement and the low local content of local procurement. Moreover, examination of the Kosovo data does not reflect an increasing trend towards greater local procurement over time.

In the case of external procurement the local content was minimal and information was limited. External procurement includes major purchases from systems contracts, such as air and ground transportation, vehicles, IT and communications infrastructure, or military contingent expenditure. For the vast majority of these contracts there was no local content. In some cases there was minimal local content, when international contractors hired local staff, or when military contingents hired local staff. Even in these cases the expenditure was very low. Based on interviews with contractors and an assessment of the share of contracts that fitted into these categories,  $\alpha$  was estimated at 0.005 (ie the local content was 0.5% for all external procurement).

In the case of local procurement there was more data and a more systematic assessment was undertaken. Lists of successful vendors were obtained from UN procurement offices. Based on discussions with procurement officers and other officials these vendors were categorized as local and international companies. Then the purchases were separated into goods contracts and services contracts. Based on the nature of the contract and an assessment of the local economy's capacity to supply different goods, the local content of each type of contract was estimated. In general, goods contracts involved significant imports – in many cases the major locally procured item was diesel, with a very minimal local content. In the case of services contracts, the local content was much higher. Outsourced security or cleaning, predominantly a labour-based service contract, had a much higher local content. The local content for each type of contract was then multiplied by the value in that sector and averaged to provide an estimate of  $\beta$  across all local procurement. Specifically, denoting the different types of contracts with the subscript  $i$ ,

$$\beta = \frac{\sum \beta_i \cdot G \& S_{local_i}}{G \& S_{local}} \quad (3)$$

The actual values of  $\beta$  ranged from a high of 0.25 in Kosovo to a low of 0.14 in Liberia. The local content in most missions was around 0.2, or 20% of local procurement. The remaining 80% of the funds expended on local procurement went to imported inputs that were then provided by local or foreign companies, or to pay wages and salaries of international staff, or represented profits to international firms winning local contracts.

### *2.5 Local content of allowance spending*

Spending by international staff from allowances represents the largest area of local impact from UN missions. The local content of allowance spending,  $\varphi$ , is actually calculated as:

$$\varphi = \rho \cdot \eta \quad (4)$$

where  $\rho$  represents the share of allowances paid to international staff that was actually spent in country, and  $\eta$  represents the local content of that spending.

#### *2.5.1 Estimating the amount of MSA/UNVA spent in-country*

Estimating  $\rho$  involved examining four pieces of information. The overall level of allowances paid was obtained from DPKO data. A second piece of data obtained from UN mission Chief Financial Officers was the aggregate amount of allowances paid in

cash in the field and the amount paid via electronic transfer to the bank accounts of staff in their home countries (or third party countries). The third piece of data was the responses to the surveys conducted by the UN as a tool for setting the MSA rates. In these surveys, staff are asked to report their expenditures to inform decisions about the allowances that are paid. These surveys are conducted for each mission once every two or three years. Finally, a survey was also conducted by Peace Dividend Trust (PDT). PDT surveyed current and former staff of the missions in order to obtain data on both the size of expenditure and the breakdown across expenditure categories.

A particular challenge with the survey data is the incentive to overstate expenditure, because changes in allowances are based on the reports. This incentive is high in the case of the MSA survey, where the results are designed to directly feed into the process for adjusting MSA. In the case of the PDT survey the link is less direct, however once again the bias is likely to be upward. To partially correct for this bias,  $\rho$  was estimated in the following way:

$$\rho = \frac{\min(MSA_{cash}, (average(MSA_{UNsurvey}, MSA_{PDTsurvey})))}{MSA_{Total}} \quad (5)$$

Where  $MSA_{cash}$  is the amount of MSA paid in cash each year,  $MSA_{UNsurvey}$  and  $MSA_{PDTsurvey}$  are the implied annual expenditure from the UN and PDT surveys, and  $MSA_{Total}$  is the total MSA paid. For the purposes of estimation  $\rho$  was calculated on an annual basis. In some cases, MSA payments in cash were also provided on a disaggregated basis across different categories of staff (UNMO, Civpol, civilian, UNV). In these cases, different estimates of  $\rho$  were also calculated.<sup>3</sup>

Even this estimate of  $\rho$  is more likely to contain an upward, rather than a downward bias. Based on informal discussions with mission staff it became clear that many staff left missions carrying significant quantities of US dollars. A cursory examination of the banking systems in the country of origin of many staff supports the hypothesis that some staff are more comfortable receiving their allowances in cash and transporting any surplus funds themselves, rather than using their national banking systems. In addition, it was also reported that staff collected MSA in cash from the mission in order to fund short breaks away from the mission area (mission staff are entitled to one week of paid break outside the host country for every 8-12 weeks spent in country).

### 2.5.2 Estimating the local content of allowance spending

In order to estimate  $\eta$ , the local content of allowance spending, two sources of information were used. Firstly, the PDT survey broke down expenditure from allowances into eight distinct categories: accommodation; food and supplies purchased at local stores/markets; food and supplies purchased at international stores; spending at local restaurants; spending at western/international restaurant, local entertainment, entertainment at western/international establishments and transportation. Secondly surveys were conducted of local businesses and with UN and other international officials to estimate the local content associated with spending in each of these categories. The

<sup>3</sup> As an interesting aside, and showing the power of good data, a major claim for increased allowances by UNVs in Sierra Leone associated with the high cost of living was rejected by the mission based on the fact that only half of the total UNV allowances were actually paid in country.

local content of expenditure is then calculated by weighting the local content of each of the categories with the expenditure share from that category. Analogous to equation (3) and letting  $X_i$  represent spending in each of the eight categories above,

$$\eta = \frac{\sum \eta_i \cdot X_i}{\sum X_i} \quad (6)$$

This estimate uses data from the PDT survey, which in some cases may represent an overestimate of actual expenditure. However, as long as each category of expenditure is equally over-represented, then  $\eta$  still accurately captures the local content of local allowance spending.

### *2.6 Estimating the Keynesian Multiplier*

There is considerable anecdotal reporting on the multiplier impact of expenditure by UN missions. Reports such as ‘*each job associated with the mission generates five other jobs*’ are common. In reality this is unlikely to be true. While it is not possible to be precise around the magnitude of the multiplier associated with this spending, it is unlikely to be greater than two. The Keynesian multiplier measures the overall impact of a fiscal stimulus – that is how many times an additional dollar cycles around the economy. However, each time the original dollar cycles, a portion of it is taken out. These leakages are associated with the amount of the dollar that is saved, the amount that is paid in taxes and the amount that is spent on imported goods.

The primary economic beneficiaries from a mission’s presence were those that gained employment either directly with the mission or indirectly through expansion in the provision of services for international staff; and those that either had land to lease, or capital to expand their businesses. As a share of the total population, mission employment of national staff is generally quite low and so the number of primary beneficiaries will actually be low as a share of the population. Moreover, it is likely that the primary beneficiaries would have occupied the upper portion of the wealth distribution, and been well placed to save a portion of this income. Additionally, these people would also have been aware of the transitory nature of the economic windfall they were receiving from the international presence, so would be unlikely to have spent it all. In the absence of concrete data, it is postulated that the saving rate out of this income may have been in the range of 15-30%.

Again, in determining the likely leakage into imports it is important to remember that the group receiving this economic windfall are likely to be at the upper end of the socio-economic distribution. Hence their consumption spending would have a higher import content than that of the average consumer in the society. There are two features of the Timor-Leste economy that are particularly relevant. First, in most countries where missions are operating there are very few consumption goods or services produced domestically outside of food, basic household furniture, or construction and rehabilitation of property. Increasingly services provided for internationals enjoy a crossover of clientele from the wealthier members of the local population. During the process of post-conflict recovery an increasing amount is produced domestically. During the first couple of years of most missions people who wished to purchase consumption goods had to purchase imports. Second, in many of the countries where missions have been

established, the economy has been characterized by very few intermediate ‘value-adding’ industries. Most production involves taking either raw materials or imports, and then transforming these directly into a finished product. This means that the import content of consumption is always going to be higher than in a country where there are several intermediate production steps. The only non-imported value-added is either the natural raw material or the labour of the business doing the production. These two features together suggest that the leakage into imports could be quite high.

In terms of quantifying this effect, assuming a savings rate of 15-20%, assuming a tax take of around 5-10% and a marginal propensity to import of 25-30% generates a Keynesian multiplier with an upper bound of two. Discussions with UN mission staff, and IMF and World Bank field staff suggest that, if anything, both of these figures are at the low end of likely estimates. On the balance of probabilities, the multiplier is more likely to be below two, probably closer to 1.5 than above two.

### 3. Results

In this section the major results of the research are presented.

#### 3.1 Breakdown of expenditure by category

The breakdown of expenditure by major category for the year when each mission made its largest expenditure is presented in Table 1. As outlined above, the local impact is comprised of the local content of goods and services purchased from international staff allowances, national staff wages and salaries and the local content of procured goods and services. Effectively this represents the payments to local factors of production. In each of these countries the major factor that was utilized was labour.

**Table 1: Expenditure by Category (\$US ‘000)**

	UNMIK	UNTAET	UNAMSIL	UNMIL	ONUCI	ONUB	MONUC	MINUSTAH	UNTAC
	Kosovo	Timor	Sierra Leone	Liberia	Cote-d'Ivoire	Burundi	DRC	Haiti	Cambodia
	2001-02	2001-02	2001-02	2004-05	2004-05	2004-05	2004-05	2004-05	11/91 - 4/93
<b>Local Impact</b>									
Allowances	50,181	17,765	5,255	13,414	14,453	14,671	23,956	13,876	41,968
National salaries	40,892	6,355	3,108	10,042	7,630	4,305	15,657	4,631	11,253
procurement	6,333	2,181	6,479	5,186	5,353	11,177	31,121	13,599	9,614
Subtotal	97,406	26,301	14,843	28,642	27,436	30,153	70,734	32,106	62,834
<b>External Impact</b>									
external spending	164,057	424,547	549,313	598,353	306,232	235,445	696,257	257,226	853,432
allowances not spent	63,828	37,871	18,411	34,063	11,806	8,036	44,984	15,132	71,944
spending on imports	34,957	38,866	35,080	61,575	32,999	56,080	142,790	74,582	154,769
Subtotal	262,842	501,284	602,804	693,992	351,037	299,561	884,032	346,941	1,142,980
<b>Total Spending</b>	<b>360,248</b>	<b>527,585</b>	<b>617,646</b>	<b>722,634</b>	<b>378,473</b>	<b>329,714</b>	<b>954,766</b>	<b>379,047</b>	<b>1,205,815</b>

These numbers provide an indication of the overall magnitude of expenditure across the different missions. Total mission annual expenditures ranged from around \$330m in Burundi to just under \$1b in the case of the mission to the DRC. UNMIS, the assistance mission to Sudan is budgeted to spend over \$1b per year for several years. UNMIS is not included in this study as it commenced too recently to allow inclusion. While UNTAC spending was \$1.2b this represents expenditure over 18 months – data on an annual basis was not available.

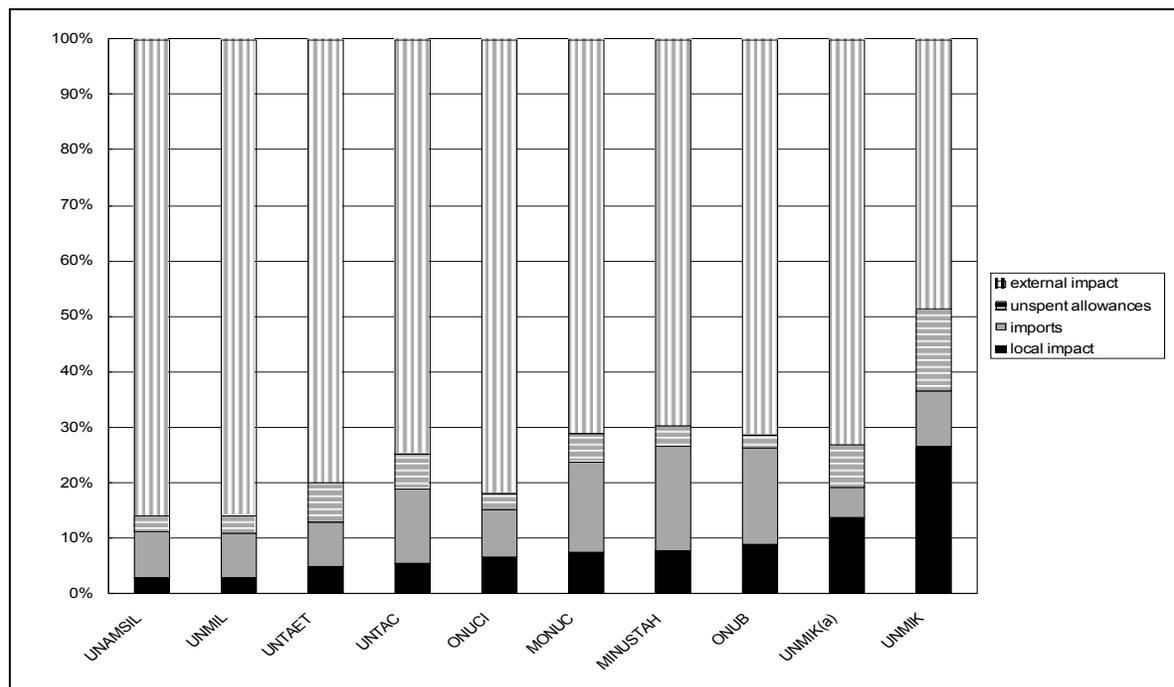
The information for Kosovo does not provide an accurate basis of comparison. The \$360m figure does not include the military component which is accounted for separately. In all other missions, troop contributing countries are reimbursed for both troops and contingent owned expenses, according to established formulae. In the case of Kosovo, troop contributing countries incurred their own expenses and were not reimbursed. Based on costs from other missions, to allow an effective comparison given the troop strength deployed in Kosovo, an amount in the range of \$300m per year should be added to the overall expenditure. In this regard the mission expenditure statements also do not accurately capture the cost of the mission as civilian police salaries are not included in the expenditure. Countries that contribute civilian police pay the civilian police their salary, while allowances are paid from the mission budget. In contrast, civilian staff have both their salary and allowances included in the mission budget.

Within the external impact, the major items of expenditure included payments for military contingents, international civilian salaries, IT and communications infrastructure and air transportation.

One somewhat anomalous result is that the overall local impact of five of the nine missions assessed was at a similar level – between \$26m and \$32m. Across these missions the overall budget was quite different, in part reflecting that the major determinant of the overall mission budget is the size of the military contingent.

More detail on expenditure by category is presented in Figure 1. This figure splits the aggregate spending over the life of the mission into the four categories: external; unspent allowances; spent on imported goods, services and factors; and local impact.

**Figure 1: Expenditure by Category**

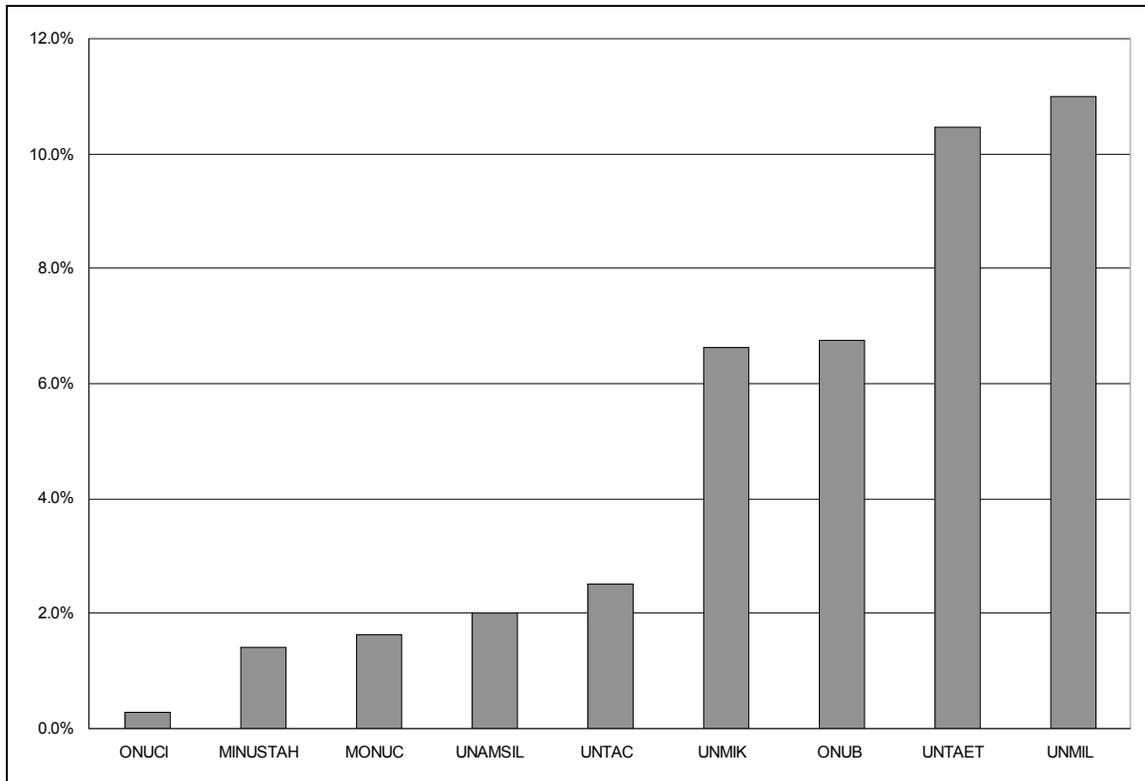


The striking result from each of these missions is the low level of local impact. While a major part of the expenditure goes externally to fund military contingents and international staff salaries, the local impact is less than 10% of total mission expenditure in eight of the nine missions. While UNMIK has total local impact of 27% of expenditure, ONUB is the next highest with 9%. Adjusting UNMIK expenditure to take into account the absence of expenditure on military contingents (as discussed above) still yields a local impact of around 14% - reflecting the higher allowances expenditure associated with a large civilian administration presence, higher wages paid to national staff in Kosovo than in other UN posts (Kosovo has the second highest wages behind Cote-d'Ivoire), and the higher local content in production, particularly in the services industry. In contrast, UNTAET, which also had a high civilian component had significantly lower national staff wages, and a much lower local content in both the procurement and services sector.

### 3.2 Local impact as a share of the economy

While the local impact represents a small share of expenditure compared to the overall level of expenditure, in some cases it makes a significant contribution to the GNI of the host country. Figure 2 presents the estimate of the local impact of spending in the peak year of the mission, as a proportion of the host country GNI. For the purposes of estimating this overall impact, a Keynesian multiplier of 1.5 has been assumed for all countries. As discussed above, while the multiplier in each country may vary, it is unlikely to be over two in any case.

**Figure 2: Estimated Local Impact as a share of GNI**



In four of the nine missions the local impact was over 6% of GNI and in two cases it was over 10%. In the case of Kosovo, this was mainly due to the relatively high local impact. In the cases of Timor-Leste, Liberia and Burundi, the high local impact as a share of GNI had more to do with the relatively low level of GNI compared to other countries where the mission was operating.

### 3.3 Breakdown of Local Expenditure

Finally Figure 3 presents the breakdown of the local impact into the three categories of expenditure: expenditure associated with the spending of allowances; local staff salaries and wages; and the local content of procured goods and services.

**Figure 3 : Breakdown of Local Impact**

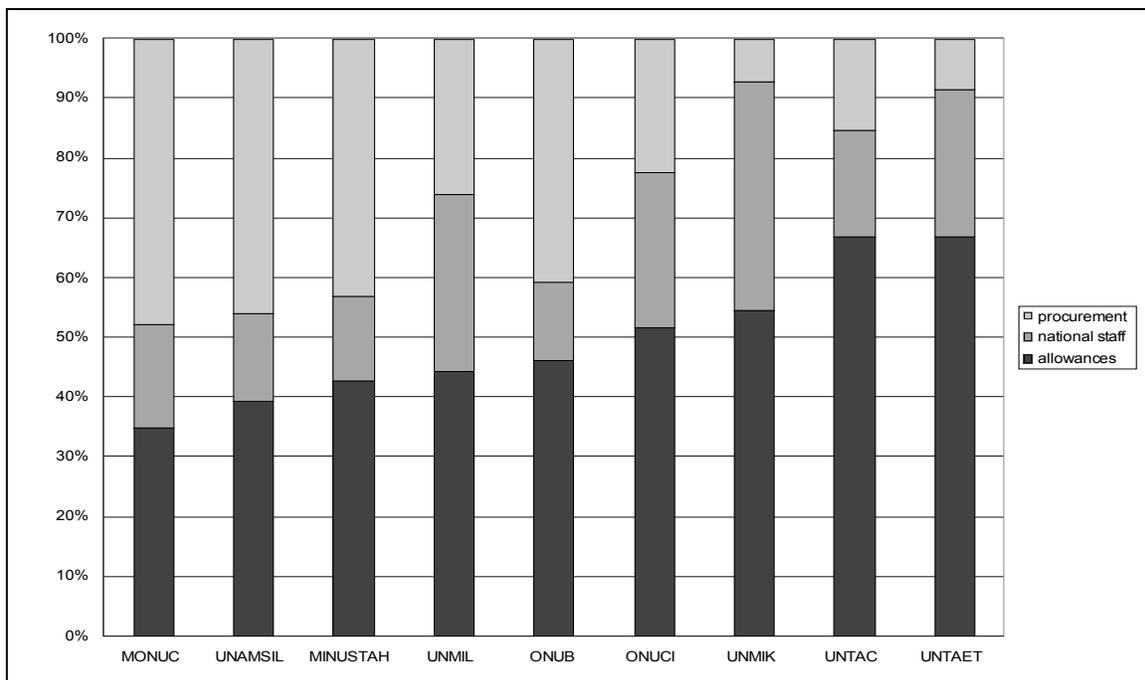


Figure 3 indicates that overall spending of allowances by international staff makes the largest overall contribution to the local impact; over half of the impact in four missions and between 40 and 50% in four others. The local content of procurement also makes up more than 40% of the impact in four missions.

Interpreting these numbers in more detail requires some specific understanding of the missions and the environments in which they operated. Two factors which contribute to the ability to procure locally are the time that the mission has been established and the size of the economy. In the case of MONUC and UNAMSIL the missions had been in place for several years and over time the volume of procurement from the field had increased due to: an increasing familiarity of the mission with the local economy, a general economic recovery associated with the cessation of conflict; and a specific supply response associated with the mission.

The three missions with the lowest share of impact from procurement were UNTAET, UNMIK and UNTAC. These missions all involved large civilian administrations, requiring the presence of a large contingent of international staff (spending their allowances) and a large national staff presence. These factors meant that despite long mission durations in the case of UNMIK and UNTAET, the impact of local procurement was relatively small. That said, in the case of UNMIK there was a greater local impact from procurement than in Timor, primarily because of the more developed economy and the capacity to source more locally.

#### ***4. The broader economic impact and some concluding comments***

This paper has outlined the methodology adopted to estimate the fiscal impact of the United Nations peacekeeping missions. The final report to be presented to the United Nations in January will include more detailed information on each specific mission. It will also address broader cross-cutting issues around the overall economic impact. In that context, several comments are worth making. First and foremost, the comments below need to be read in the light of the fact that the primary purpose of UN missions is to establish peace and security. By delivering on this, they make the single biggest contribution to economic development, as in the absence of security, legitimate economic activity beyond a subsistence level is rare. That said, there are a number of comments and areas for possible reform.

Notwithstanding popular perceptions, the overall inflationary impact associated with these missions was relatively benign. At one level that is not altogether surprising as, despite the large size of mission budgets relative to the size of the country, the actual impact on aggregate demand was significantly smaller. Where there were significant inflationary effects, these appeared to have more to do with other factors. In the case of Timor, inflationary pressures resulted more from the disruption of supply associated with the conflict, and the removal of government price subsidies on staple consumer items after the popular consultation than the arrival of UNTAET. In Cambodia, a process of monetizing deficits in the period prior to UNTAC's arrival contributed to significant Riel-based inflation prior to and during UNTAC's term. Many of the perceptions of inflation come about because of the personal experiences of international staff during their stay in a mission environment. There is no doubt that very localized inflation occurs in some markets, such as that serving the international community, but there is limited evidence of it spreading. By way of example, during the period of UNMIK, international staff reported a major spike up in housing prices – a doubling or tripling of rents – over the period 2000-02. Then as the supply of housing increased and the number of international staff reduced, they reported that rents had dropped dramatically – not back to their original levels, but certainly by 30 or 40%. The Kosovo Statistics Agency began collecting its rental price series for its CPI calculations during 2002. For the period when the dramatic fall in house prices was occurring only a marginal decline was recorded in the rental price series. One conclusion of this benign outcome is that there is additional scope for increasing local procurement without hitting capacity constraints.

That said, one area where there was significant inflationary issues was around local wages. This is an area that has received considerable anecdotal attention. Based on the

research undertaken several stylized facts became clear. First, where the UN is only a small employer, there are still concerns over the UN attracting staff away from the government with higher wages. There are also broader issues around the impact of the UN system in terms of wage inflation and the associated distortions around the allocation of labour - particularly the scarce skilled professional labour. There are also issues around the wage setting policies, even when the mission has a relatively small national staff component, but because of its early entry the mission plays the role of a price setter in the skilled, semi-skilled and even unskilled market.

This issue is even more problematic when the mission has a large civilian component and is charged with a civilian administration responsibility, such as UNMIK and UNTAET. In these cases the mission was the largest employer in the formal labour market. It was also both a price-setter, because of its size – and the first mover. It also had the added responsibility, as the civilian administration, of laying the foundation for economic development. Moreover, the wage-setting practices of the mission led to upward pressure on the wages of civil servants during the process of setting the initial wage scale. Evidence from these missions suggests that they were not well equipped to manage these multiple and competing challenges.

There are two possible ways forward on this issue. One option is to increase the extent of outsourcing, and in this way reduce the number of national staff who are paid at high UN wages. The extent of outsourcing across different missions varied. In some cases significant amounts of security and cleaning work was outsourced. In Sierra Leone the mission HQ was rented as a serviced building, removing the need for cleaning or maintenance staff. The co-location of UN security guards on higher wages, working alongside staff from an outsourced provider at much lower wages did not appear to cause problems in either Kosovo or Sierra Leone. If it is not possible politically to move forward on a more wide sweeping reform of national staff wages, increased recourse to outsourcing represents an approach that will minimize the harm from these practices. Outsourcing functions, which reduces both the number of national staff employed by the mission and the number of international staff can easily be done in a way that reduces the overall cost to the member states and has a higher local impact – when one takes into account the high cost of each international staff member.

That said, the negative impacts on broader economic development from the wage setting policies of the United Nations system and the development community more broadly were clear. Unfortunately, this labour market is supply constrained and so there are always going to be wage pressures. However, the wages set by the international community are somewhat caught in the middle. They are not high enough to elicit the supply response they require (which would involve setting the wages at a much higher level to attract back diaspora); but they are much higher than is needed to attract most of the available skilled labour into the development sector. The most common informal report from UN personnel officers was that for every batch of jobs there were hundreds of applicants, not enough qualified applicants to fill the jobs, but the number of jobs advertised were filled. Reform to the wage-setting principles is a major undertaking, but a necessary one – if for no other reason than to reflect that the context in which these

principles were established sixty years ago when the UN was established is somewhat different today.

There are a number of ways in which the UN operates that has impacted on the way in which economic development has occurred. Particular concerns were aired around the capacity of the missions to engage in debate around, and make effective policy decisions over economic issues. This was particularly the case in areas where the UN had a degree of administrative control. Concerns were also raised around the UN's approach to building a sustainable revenue system – both the direct impact on revenue collection of the application of the Privileges and Immunities Convention, but also the indirect impact of the largest economic agent in town not paying tax. Not only was the demonstration effect regarding tax compliance negative, but the additional administrative burden associated with having significant exempt economic agents was costly and opened the way for increased corruption.

A particularly positive impact of missions in terms of stimulating economic development was their ability to transfer significant sums of capital into the hands of the community through both national staff hiring and also the spending of internationals – including on rent. These resources appear to have been the seed capital for many small businesses. Whether there is a more effective way of providing capital to small and medium sized businesses that has actually been implemented (rather than a theoretical one) is contestable, but this was a reasonably successful way of doing it.

Finally, the report of the project also contains a considerable number of specific recommendations directed towards improving the practices on missions – particularly in the areas of strengthening local procurement and better personnel operations for managing local staff. Many of these involve simply taking the best practices from different missions and applying these as policy across all missions.

**Table A1 – Overall Spending in Timor Leste (\$US 000)**

	12/99-6/00	7/00-6/01	7/01-6/02	7/02-6/03	7/03-6/04	Total
<b>Military and police personnel</b>						
Military observers (excl MSA)	680	953	458	497	449	3,037
Military observer MSA	3,930	4,823	4,138	3,869	2,931	19,690
Military contingents	94,080	225,297	140,424	100,041	65,709	625,550
civilian police (excl MSA)	2,576	6,929	3,232	2,002	1,154	15,893
Civpol MSA	17,597	41,006	38,551	24,702	9,143	131,000
Formed Police Units		3,991	3,658	0	2,049	9,698
<b>Subtotal</b>	<b>118,863</b>	<b>282,997</b>	<b>190,461</b>	<b>131,110</b>	<b>81,435</b>	<b>804,866</b>
<b>Civilian personnel</b>						
International Staff (excl MSA)	19,985	79,241	66,173	36,944	30,233	232,575
International Staff MSA	16,627	31,991	28,028	13,576	10,460	100,682
National Staff	4,013	6,355	5,834	3,601	3,440	23,243
UNVs (excl allowances)	2,012	5,167	7,475	4,230	2,208	21,092
UNV allowances	4,200	10,200	15,138	6,457	5,444	41,438
<b>Subtotal</b>	<b>46,836</b>	<b>132,954</b>	<b>122,647</b>	<b>64,806</b>	<b>51,785</b>	<b>419,029</b>
<b>Operational costs</b>						
General Temporary Assistance			791	6,838	4,600	12,229
Premises/Accommodation/Facilities & Infrastructure	24,787	11,497	26,944	20,348	15,350	98,926
Consultants			916	4,265	4,611	9,792
Official Travel			1,257	1,170	593	3,020
Transport Operations	19,162	12,532	7,552	8,518	3,858	51,622
Air Transportation	18,311	56,219	50,701	32,754	21,619	179,603
Naval Transportation	492	466	513	913	573	2,956
Communications	22,144	8,874	9,145	7,352	4,735	52,250
IT			870	894	576	2,339
Medical			7,311	4,282	3,012	14,604
Special/Other Equipment	16,358	7,063	1,751	1,361	1,091	27,624
Miscellaneous Supplies and Services	5,154	12,547	28,215	3,329	2,172	51,416
Air and Surface Freight	19,903	2,437	4,987	0		27,327
<b>Subtotal</b>	<b>126,311</b>	<b>111,635</b>	<b>140,950</b>	<b>92,025</b>	<b>62,788</b>	<b>533,709</b>
<b>TOTAL EXPENDITURE</b>	<b>292,010</b>	<b>527,587</b>	<b>454,058</b>	<b>287,941</b>	<b>196,008</b>	<b>1,757,604</b>
Less Staff Assessment	4,042	14,444	13,109	8,233	6,946	46,774
Net Expenditure	287,968	513,143	440,949	279,708	189,062	1,710,830

This table is included for illustrative purposes only, the full report, Interim Report: Economic Impact of Peacekeeping Phase 1, is available online at <http://www.un.org/Depts/dpko/lessons/>.