



## INTERNAL AUDIT DIVISION

# REPORT 2014/067

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### Audit of the United Nations Compensation Commission liquidation preparedness

Overall results relating to the preparedness of the United Nations Compensation Commission for its liquidation process were initially assessed as partially satisfactory. Management has satisfactorily implemented the recommendation made.

FINAL OVERALL RATING: SATISFACTORY

23 July 2014

Assignment No. AE2014/820/01

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# **AUDIT REPORT**

## **Audit of the United Nations Compensation Commission liquidation preparedness**

### **I. BACKGROUND**

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the United Nations Compensation Commission (UNCC) liquidation preparedness.

2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.

3. UNCC was created in 1991 as a subsidiary organ of the United Nations Security Council. Its mandate is to process claims and pay compensation for losses and damages suffered as a direct result of the Government of Iraq's invasion and occupation of the State of Kuwait. UNCC administers the Compensation Fund, which is financed by receiving five per cent of the Iraqi oil export revenues, as required by Security Council resolution 1483 (2003) and re-affirmed in resolution 1956 (2010). In addition, in resolution 1956 (2010), the Security Council decided that Iraq should deposit into the Compensation Fund five per cent of the value of any non-monetary payments of petroleum, petroleum products and natural gas made to its various service providers.

4. In addition, UNCC had received claims for damage to the environment of various Governments as result of the invasion by Iraq. Pursuant to UNCC Governing Council decisions 132, 212, 234, 235 and 248 concerning these claims, a tracking and reporting programme was established to ensure that funds are spent on conducting the environmental monitoring and assessment activities in a transparent and appropriate manner and that the funded activities remain reasonable. The guidelines for the Follow-up Programme for Environmental Awards were adopted in 2005 with Governing Council decision 258.

5. Decision 269 of the Governing Council in April 2011 set the requirements for the fulfilment of the Follow-up Programme for Environmental Awards. At its seventy-fifth and seventy-sixth sessions in May and November 2013, the Governing Council adopted decisions 270 and 271 concerning the fulfilment of the mandate of the Follow-up Programme for Environmental Awards in respect of the Islamic Republic of Iran, the Kingdom of Saudi Arabia, the Hashemite Kingdom of Jordan and the State of Kuwait. With the decisions, the Governing Council authorized the UNCC Secretariat to take the necessary administrative action for the release of funds withheld under decision 268 along with any accrued interest to the applicable Governments.

6. During the seventy-sixth session, the Governing Council declared that upon the release of all withheld funds and any interest, the entire Follow-up Programme for Environmental Awards mandate will be considered fulfilled, and directed the UNCC Secretariat upon that event to proceed with the final accounting on the administrative expenditures of the Secretariat in respect of the Follow-up Programme for Environmental Awards and to return to each of the participating Governments any remaining funds in accordance with the proportional budgetary contribution of each Government, as required under decision 269.

7. As at the end of 2013, the UNCC Compensation Fund consisted of four staff members, including the Executive Head, the Personal Assistant, the Chief, Finance and Administration, and the

Accounting/Administrative Assistant. In its 2014 budget proposal for the Compensation Fund, UNCC requested that these staff members be retained. There were six staff members in the Follow-up Programme for Environmental Awards as at 31 December 2013. The 2014 budget proposal indicated that only the posts of the Financial Officer and the Legal Officer would be maintained for the year, in order to complete the residual activities.

8. In the absence of its own specific procedures for liquidation planning and implementation, the UNCC Secretariat has relied, to the extent applicable, on the December 2012 Department of Field Support (DFS) Liquidation Manual during its liquidation process.

9. Comments provided by UNCC are incorporated in italics.

## II. OBJECTIVE AND SCOPE

10. The audit was conducted to assess the adequacy and effectiveness of UNCC governance, risk management and control processes in providing reasonable assurance regarding the **preparedness of UNCC for its liquidation process**.

11. The audit was included in the 2014 internal audit work plan for UNCC at the request of the UNCC Secretariat due to the risk that the lack of preparedness for the Commission's liquidation could cause delays in the liquidation process and, as a result, additional costs.

12. The key controls tested for the audit were: (a) Strategic planning and risk management mechanisms; and (b) Regulatory framework. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Strategic planning and risk management mechanisms** - controls that provide reasonable assurance that a strategic planning approach is undertaken to support the liquidation of UNCC programmes; risks relating to the liquidation process are identified and assessed; and action is taken to mitigate those risks.

(b) **Regulatory framework** - controls that provide reasonable assurance that policies and procedures: (i) exist to guide the UNCC liquidation process, including the release of funds, closure of accounts, termination of service contracts, separation of staff, retention of records, disposal or transfer of assets, and return of facilities; (ii) are implemented consistently; and (iii) ensure the reliability and integrity of financial and operational information.

13. The key controls were assessed for the control objectives shown in Table 1.

14. OIOS conducted this audit from January to April 2014. The audit covered the period from 1 January 2013 to 30 April 2014.

15. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

### III. AUDIT RESULTS

16. The UNCC governance, risk management and control processes examined were assessed as **partially satisfactory** in providing reasonable assurance regarding the **preparedness of UNCC for its liquidation process**. OIOS made one recommendation to address issues identified in the audit.

17. Strategic planning and risk management mechanisms were assessed as satisfactory because arrangements were in place for planning and reporting on the liquidation process and the risks pertaining to the process were identified and assessed. UNCC also conducted an assessment of the staffing needs for completing the liquidation activities. In addition, it identified the actions for the implementation of the communication strategy to ensure that the UNCC legacy would be properly preserved and the appropriate information would be available to all relevant parties after the completion of its mandate.

18. In respect of regulatory framework, UNCC was taking action to comply with the Governing Council decisions regarding the closure of the Follow-up Programme for Environmental Awards. Furthermore, it identified the activities that needed to be performed during the liquidation process to ensure the effective settlement of obligations, closure of accounts, retention of financial records, termination of service contracts, separation of staff members, archiving of records, disposal of assets, and review of office space needs. However, this key control was assessed as partially satisfactory because UNCC needed to identify the methodology and steps involved in developing an estimate for the contingency reserve required to address any residual issues following the closure of UNCC.

19. The initial overall rating was based on the assessment of key controls presented in Table 1 below. The final overall rating is **satisfactory** as the recommendation made has been implemented satisfactorily.

Table 1  
Assessment of key controls

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Preparedness of UNCC for its liquidation process	(a) Strategic planning and risk management mechanisms	Satisfactory	Satisfactory	Not assessed	Satisfactory
	(b) Regulatory framework	Partially satisfactory	Partially satisfactory	Satisfactory	Satisfactory
<b>FINAL OVERALL RATING: SATISFACTORY</b>					

#### A. Strategic planning and risk management mechanisms

Arrangements were in place for planning and reporting on the liquidation process

20. The DFS Liquidation Manual emphasizes the need to identify all outstanding or unfinished administrative tasks in preparation of a liquidation plan. Those tasks are to be quantified and scheduled for completion in order of priority. The DFS Liquidation Manual further states that all liquidation plans must include a risk assessment leading to formulation of risk mitigation strategies as part of the

liquidation plan, since liquidation activities involve risks that can lead to unforeseen delays, unwanted consequences and potential failure to achieve the desired objectives.

21. The UNCC Secretariat had prepared a detailed work plan (the liquidation plan) identifying most of the substantial activities that related to the liquidation process and established a liquidation team which met on a weekly basis to discuss liquidation related activities and to provide an update on the status of major milestones. It was also keeping the Governing Council informed of the preparations for its liquidation process through informal meetings of the Governing Council, formal Council sessions, and distribution of information notes to the Governing Council.

22. Before the completion of the audit, the UNCC Secretariat prepared a supplementary information note dated 19 May 2014 on the liquidation process for the Governing Council's consideration. It set out the broad risks applicable to all liquidation-related activities, the risks associated with specific activities and the related risk mitigation strategies. An updated liquidation plan detailing all liquidation activities with the required resource and associated timelines was also annexed to the information note. The information note and the updated liquidation plan were considered at the informal meeting of the Working Group on 21 May 2014. The UNCC Secretariat was planning to continue providing regular progress updates to the Governing Council, including in relation to the risks identified.

23. Based on the above, OIOS concluded that UNCC had adequate arrangements in place for the planning and reporting on the liquidation process.

#### A staffing needs assessment was undertaken

24. The DFS Liquidation Manual states that it is essential to assign to the liquidation team those persons who possess the necessary expertise and overall knowledge of the operation, so that they may be retained for the liquidation process. The DFS Liquidation Manual also included a generic diagram of the composition of a liquidation team structure.

25. The UNCC Secretariat had performed an informal staffing needs assessment and identified the skills required to accomplish the liquidation activities until the closure of the UNCC programmes. This assisted in the preparation of the budget proposals for 2014. Based on the staffing needs assessment, the UNCC Secretariat assigned staff members to specific responsibilities and documented them in the liquidation plan. The staffing needs for the liquidation period were planned to be further addressed in the 2015 budget for which the preparation timeline was highlighted in the liquidation plan. Based on the above, OIOS concluded that at this stage, UNCC was adequately prepared to address the staffing needs relating to the liquidation process.

#### Actions for the implementation of the Commission's communication strategy were identified

26. During the audit, OIOS discussed with the UNCC Secretariat the need to develop a communication strategy in view of the liquidation of the Commission. A robust communication strategy was essential to ensure that the UNCC legacy would be properly preserved and appropriate information would be available to all relevant parties after the completion of its mandate. Whilst the audit was ongoing, the UNCC Secretariat included in the liquidation plan activities related to the redesign of the UNCC website, the final report to be prepared to the Security Council, and the review of contractual obligations and their required notices to inform suppliers of the anticipated closure of UNCC operations. OIOS therefore concluded that UNCC had identified the appropriate activities and formulated a satisfactory action plan for implementing its communication strategy.

## **B. Regulatory framework**

### UNCC was taking action to comply with the Governing Council decisions regarding the closure of the Follow-up Programme for Environmental Awards

27. In accordance with the Governing Council decisions regarding the fulfilment of the mandate of the Follow-up Programme for Environmental Awards, the UNCC Secretariat issued memoranda to the United Nations Office at Geneva (UNOG) Financial Resources Management Service requesting the release of any remaining withheld funds under the Programme and accrued interest to the participating Governments. The UNCC Secretariat had also identified the activities that needed to be performed for the final accounting on the administrative expenditures of the Secretariat in respect of the Programme. OIOS therefore concluded that UNCC was taking adequate action to comply with the Governing Council decisions with regard to the closure of the Follow-up Programme for Environmental Awards.

### There was a need to identify the methodology and steps involved in developing an estimate for the contingency reserve to address any residual issues

28. As stated in the DFS Liquidation Manual, an important and complex part of any liquidation planning process is to estimate the costs of effectively terminating the operations and completing the residual activities. In addition, the United Nations Financial Regulations and Rules are required to be followed in the settlement of obligations, closure of financial accounts and bank accounts, and disposition of financial records.

29. The UNCC Secretariat had held preliminary discussions with the UNOG Financial Resources Management Service and was also planning to hold discussions with the Controller's Office at United Nations Headquarters regarding the final closing of bank accounts and general ledger accounts and the archiving of financial records. Related activities were included in the liquidation plan with associated timelines and assigned responsibilities. The UNCC Secretariat had also captured the known costs to continue the normal operations in its 2014 budget and the projected costs until the completion of the mandate were set to be included in the 2015 budget. The 2015 budget preparation timeline was included in the liquidation plan.

30. In addition, UNCC needed to have an additional contingency reserve to meet any potential costs that were not identified at the liquidation planning stage. For reference purposes, OIOS noted, for example, that the reserve during the liquidation of the United Nations Monitoring, Verification and Inspection Commission in 2003 was set at fifteen per cent of the total estimated costs. The UNCC Secretariat informed OIOS that it had already consulted the Controller's Office on lessons learned and best practices identified in relation to the establishment of the reserve for the United Nations Oil-for-Food Programme. Following those consultations, it aimed to present its proposals for the reserve at the October 2014 meeting of the Governing Council's Committee on Administrative Matters, with a view to finalizing the required reserve amount by the end of the year, subject to any adjustments as might be necessary as at the time the UNCC mandate would be formally concluded.

31. However, the UNCC Secretariat did not yet have a methodology for developing the estimate. Due to the complexity of the process for preparing an appropriate estimate for the contingency reserve, there was a risk that not all potential costs may be identified in a timely manner, or that the reserve established may be insufficient to cover unforeseen costs after the closure of UNCC.

**(1) The UNCC Secretariat, in consultation with the Controller's Office at United Nations Headquarters, should identify the methodology and steps involved in developing the estimate for the contingency reserve.**

*UNCC accepted recommendation 1 and stated that an information note, which included a substantive section on the post UNCC reserve, was discussed at the 21 May 2014 informal meeting of the Working Group. In the note, the UNCC Secretariat identified the activities which would continue, at least for some period of time, following the closure of the UNCC. The Working Group recognized the importance of this issue and requested that the Secretariat provide an update on this at its next informal meeting scheduled for July 2014. Subsequently, the UNCC Secretariat consulted with the Controller's Office on the methodology and steps involved in developing the reserve. The Controller's Office confirmed that the methodology/approach taken by the Secretariat of identifying activities and expenses expected to continue following the closure of the UNCC, and calculating the associated cost implications based on proposed timelines for maintaining the reserve, was appropriate and consistent with the discussions that had taken place on this issue with the Controller's Office. A specific note on the reserve which reflected the outcome of the consultations with the Controller's Office was discussed at the informal meeting of the Working Group on 17 July 2014. With the methodology agreed upon, the Secretariat would continue to work on refining the reserve amount that would be required to address any post-closure activities. Based on the action taken by UNCC, recommendation 1 has been closed.*

Arrangements were in place for the termination of service contracts

32. The United Nations Procurement Manual and the DFS Liquidation Manual provide guidance with regard to the closure of contracts and the termination of procurement activities. Both require that a formal termination notice be provided to all contractors. The UNCC Secretariat had eight active service contracts, six of which were related to services/goods provided by or through UNOG while the other two were related to services/goods provided by third parties. Most of the current contracts were annual and expected to expire at the end of 2014 or be renewed as necessary. The UNCC Secretariat had included the necessary activities related to the issuance of the termination notices for the service contracts in its liquidation plan. OIOS concluded that appropriate arrangements were in place for the termination of the service contracts.

Arrangements were in place to ensure separation of staff in compliance with the staff regulations and rules

33. The United Nations staff regulations and rules and the DFS Liquidation Manual provide guidance with regard to the separation of staff members. Staff members are to be informed within no less than thirty days regarding the termination of their contract. Additionally, they are to be provided with information with regard to their separation entitlements, pension entitlements and the separation protocol. The UNCC Secretariat had included these activities in its liquidation plan.

34. Four staff members were released from the Follow-up Programme for Environmental Awards on 31 December 2013. They were informed of the closure of the Programme five months in advance, in July 2013. Three of the staff members separated from the Organization while one staff member transferred to UNOG. In view of the action taken in the case of separated staff relating to the Follow-up Programme for Environmental Awards, OIOS concluded that UNCC had adequate arrangements in place for managing the separation of its remaining staff in accordance with the staff regulations and rules.



Arrangements were in place for the archiving of records

35. The UNCC Secretariat prepared, specifically for the liquidation process, its own archiving work plan where appropriate activities were identified. The archiving process was monitored on a weekly basis with staff members assigned responsibilities for specific activities. OIOS review of the archiving work plan showed that some activities had already been successfully completed, including the disposal of the majority of claim files, the verification of electronic and physical documents, and the inventory taking of documents in UNCC premises. The UNCC Secretariat was also working with the United Nations Archives and Records Management Section on the transfer of some records to United Nations Headquarters. OIOS therefore concluded that satisfactory arrangements were in place to ensure that the retention of records would be conducted in accordance with the UNCC policy on archiving.

Arrangements were in place for the disposal of assets

36. The Geneva Office Instruction No. 176 entitled “Property management and inventory control at the United Nations Office at Geneva”, and the DFS Liquidation Manual provide guidance with regard to the disposal of assets. The UNCC Secretariat had identified the preparation of an asset disposal plan in its liquidation plan. As at 31 December 2013, it had 314 non-expendable property items valued at \$170,406. The majority of the equipment was information technology related in terms of value, and office furniture related in terms of quantity. The Property Control Unit of the Central Support Services Section of UNOG maintained the UNCC inventory records and the UNOG Property Survey Board approved the write-off of the assets as endorsed by the UNCC Chief of Finance and Administration. The UNCC Secretariat had performed a cleaning-up of its non-expendable property during each of the last three years. Based on a review of the above-mentioned procedures, OIOS concluded that appropriate arrangements were in place to ensure that UNCC assets would be disposed of effectively and timely as part of the liquidation process.

Arrangements were in place for the review of office space needs

37. The DFS Liquidation Manual provides guidance with regard to the turnover of premises. It states that the liquidation team should assess the office space requirements in consideration of the reduction of staff and ensure that suitable office premises would be retained for the duration of the liquidation process. A plan to hand over the premises back to the landlord should also be in place.

38. The UNCC Secretariat reviewed its office space needs in anticipation of the liquidation of its activities and, in this regard, included a provision in its liquidation plan for maintaining communication with UNOG with regard to its future needs for office space. Upon the release of four staff members on 31 December 2013, the UNCC Secretariat amended its 2014 lease agreement with UNOG and vacated some of its office space. The lease agreement was renewed for a one-year period. The new lease agreement detailed the number of offices available to UNCC. OIOS therefore concluded that appropriate arrangements were in place for the periodic review of the office space needs of the UNCC Secretariat.

#### **IV. ACKNOWLEDGEMENT**

39. OIOS wishes to express its appreciation to the Management and staff of UNCC for the assistance and cooperation extended to the auditors during this assignment.

*(Signed)* David Kanja  
Assistant Secretary-General for Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of the United Nations Compensation Commission liquidation preparedness

Recom. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	C/ O <sup>3</sup>	Actions needed to close recommendation	Implementation date <sup>4</sup>
1	The UNCC Secretariat, in consultation with the Controller's Office at United Nations Headquarters, should identify the methodology and steps involved in developing the estimate for the contingency reserve.	Important	C	Action completed	Implemented

<sup>1</sup> Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

<sup>2</sup> Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

<sup>3</sup> C = closed, O = open

<sup>4</sup> Date provided by UNCC in response to recommendations.

# **APPENDIX I**

## **Management Response**

UNITED NATIONS



NATIONS UNIES

SECURITY COUNCIL

CONSEIL DE  
SÉCURITÉ


UNITED NATIONS  
COMPENSATION COMMISSION

COMMISSION  
D'INDEMNISATION  
DES NATIONS UNIES

MEMORANDUM

TO: Mr. Gurpur Kumar  
Deputy Director  
Internal Audit Division, OIOS

DATE: 17 July 2014

FROM: Irene Muchira   
Acting Head, UNCC

REFERENCE: UNCC/96/2014

SUBJECT: **Assignment No. AE2014/820/01 – Audit of United Nations Compensation Commission liquidation preparedness**

1. Thank you for the draft report dated 3 July 2014 on the audit of UNCC liquidation preparedness. With the outstanding compensation awards expected to be paid in full in 2015 and the UNCC therefore nearing the conclusion of its mandate, the Secretariat requested this audit and appreciates that OIOS incorporated it into its 2014 audit work plan.
2. The Secretariat notes that the OIOS has concluded that the UNCC has adequate arrangements in place for the planning and reporting on the liquidation process. The Secretariat accepts the recommendation made by OIOS that the UNCC Secretariat, in consultation with the Controller's Office at United Nations Headquarters, should identify the methodology and steps involved in developing the estimate for the contingency reserve that will be required to address any post-closure costs associated with the UNCC.
3. As a result of our ongoing dialogue with OIOS as it conducted the audit, the Secretariat has already taken action in relation to the recommendation as set out in appendix I. In brief, the Secretariat prepared a number of information notes that deal with the issue of the reserve and that set out the activities expected to continue, at least for some period of time, following the closure of the UNCC. These information notes have been discussed by the Council at its seventy-seventh session in April 2014, and at an informal meeting of the Working Group. Further, the Secretariat has consulted with the Office of the Controller and obtained the confirmation that the methodology/approach taken by the Secretariat of identifying activities and expenses expected to continue following the closure of the UNCC, and calculating the associated cost implications based on proposed timelines for maintaining the reserve, is appropriate and consistent with the discussions that have taken place to date on this issue with the Controller's Office. The outcome of these consultations with the Controller's Office is reflected in an information note on the reserve that was considered by the Governing Council

at an informal meeting of the Working Group on 17 July 2014. With the methodology agreed upon, the Secretariat will continue to work on refining the reserve amount that will be required to address any post-closure activities with a view to finalizing by the end of 2014, subject to any adjustments as may be necessary at the time of UNCC closure.

4. The UNCC Secretariat would like to thank OIOS and its audit team for its work over the past few months which has certainly helped the Secretariat solidify its planning going forward.

cc: Ms. Cynthia Avena-Castillo, Professional Practices Section, Internal Audit Division, OIOS

## Management Response

## Audit of the United Nations Compensation Commission liquidation preparedness

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNCC Secretariat, in consultation with the Controller's Office at United Nations Headquarters, should identify the methodology and steps involved in developing the estimate for the contingency reserve.	Important	We consider this recommendation to have been implemented	UNCC Acting Head & Legal Officer	July 2014	<p>By way of background, the UNCC liquidation plan has been presented to the Governing Council in the format of a number of information notes by the Secretariat for its consideration, each of which includes a component on the post UNCC reserve. The first note, dated 10 April 2013, was considered by the Council at its 75th session in May 2013 and highlighted issues to be addressed as part of the Commission's final liquidation process in light of the 2015 projected date for final payment of compensation, including the establishment of a post UNCC reserve. The second note, dated 25 April 2014, considered by the Governing Council at its 77<sup>th</sup> session in April 2014, elaborated on the issues identified in the first note.</p> <p>A further information note which included a substantive section on the post UNCC reserve, was discussed at a May 2014 informal meeting of the Working Group. In the note, the Secretariat identified the</p>

<sup>1</sup> Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

<sup>2</sup> Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.



Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>activities which will continue, at least for some period of time, following the closure of the UNCC. The Working Group recognized the importance of this issue and requested that the Secretariat provide an update on this at its next informal meeting scheduled for July 2014.</p> <p>The Secretariat has consulted with the Controller's Office on the methodology and steps involved in developing the reserve. The Controller's Office has confirmed that the methodology/approach taken by the Secretariat of identifying activities and expenses expected to continue following the closure of the UNCC, and calculating the associated cost implications based on proposed timelines for maintaining the reserve, is appropriate and consistent with the discussions that have taken place to date on this issue with the Controller's Office.</p> <p>A specific note on the reserve which reflects the outcome of the consultations with the Controller's Office was discussed at informal meeting of the Working Group on 17 July 2014.</p> <p>With the methodology agreed upon, the Secretariat will continue to work on refining the reserve amount that will be required to address any post-closure activities with a view to finalizing at the end of 2014, subject to any adjustments as may be necessary at the time of UNCC closure.</p>