



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. SEBASTIAN DI LUCA OF THE PERMANENT MISSION OF ARGENTINA TO THE UNITED NATIONS ON AGENDA ITEM 131: IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS, AT THE SECOND RESUMED PART OF THE SIXTY-FIFTH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 19 May 2011)

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 131, improving the financial situation of the United Nations.
2. I would first like to thank Ms Angela Kane, the Under-Secretary-General for Management, for her presentation last week on the financial situation of the Organization. The Group would like to also take this opportunity to express its gratitude to the assistance received to date from the Office of Contributions.
3. The Group notes that the financial situation of the United Nations at the end of the year 2010 has improved compared to the end of the previous year. While there are some positives such as the reduced level of debt owing to Member States by the end of 2010, the Group is concerned that the outstanding assessment for peacekeeping operations is 1.716 billion dollars as we take up this item this year.
4. While the Group can certainly sympathize with many Member States, particularly those in the developing world, facing the negative effects of the global financial crisis and/or catastrophic natural and human disasters, it is unfortunate that the bulk of the outstanding payments, for the Regular and Peacekeeping budgets, as well as those for the international tribunals, are owed by a small group of developed countries and surprisingly, in the case of the Peacekeeping budget, some Member States who are Permanent Members of the Security Council and who have a special responsibility for the maintenance of international peace and security.
5. This failure to live up to their financial commitments strikes at the heart of efforts being undertaken by Member States and the Secretariat to enhance the effectiveness and efficiency of the United Nations. We are concerned that this situation may undermine the ability of the Organization to fully carry out all its mandates.
6. The Group has constantly stated that the full, timely and non-conditional payment of assessed contributions by Member States to the various budgets of the Organization is a Charter obligation, and it remains our strong position that all Member States, especially those that have the capacity to settle their arrears, should honor their financial commitments in a timely fashion. For that reason, the Group of 77 and China also rejects all unilateral coercive measures contrary to the international law, which obstruct and sometimes impede payments from members of our Group to the budgets of the Organization.
7. In this context, The Group 77 and China is specially concerned with the new alarming phenomenon resulting in the closure of the accounts of many Member States of the Group. This has not only caused them extreme difficulties with their day-to-day functions but has especially resulted in the late payments of their contributions.

8. The Group wishes to remind of the responsibilities of the host government in providing proper environment for Member States for carrying out their UN related functions to which no excuse, including the private nature of the banking system, is acceptable.

9. The Group 77 and China urges the host country to find a speedy solution to this problem once and for all.

Mr. Chairman,

10. The Group of 77 and China takes note of the current status of the debt to troop and police-contributing countries Member States set at 728 million USD as at 30 April 2011. The Group is of the view that more should be done to ensure that Member States are fully reimbursed in full, on time and as a matter of priority.

11. This is of particular concern since most troop-contributing countries are also developing countries and are not in position to sustain their troop commitments and maintain their equipment on their own for extended periods of time. Let us be mindful of the many sacrifices being asked of these committed men and women in the field, many of whom are from members of the Group.

Mr. Chairman,

12. The Group of 77 and China firmly supports the efforts to strengthen the ability of the United Nations to fully implement its mandates. To this end, we would urge all Member States to meet their financial obligations to the Organization in full, on time, and without any precondition.

Thank you.