



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. ABDELHAKIM MIHOUBI, COUNSELLOR, PERMANENT MISSION OF ALGERIA TO THE UNITED NATIONS, ON AGENDA ITEM 136: IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS, AT THE SECOND RESUMED PART OF THE SIXTY-SIXTH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 24 May 2012)**

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 136, on improving the financial situation of the United Nations.
2. First I would like to thank Mr. Warren Sachs, Assistant Secretary-General and Officer-In-Charge of the Department of Management, for his presentation last week on the financial situation of the Organization. The Group would also like to take this opportunity to express its gratitude to the assistance received to date from the Office of Contributions, regarding the updated information of the assessments for Member States.
3. The Group notes that the financial situation of the United Nations shows certain changes in some areas, considering the global financial climate. Indeed, there are some positives signals such as the reduced level of outstanding contributions to the regular budget and the budgets of the peacekeeping operations compared to similar cut-off date in 2011.
4. However, the Group is still alarmed that the debt owed to Member States for troops and formed police units, contingent-owned equipment and consumables, letters of assist and death and disability has grown to 774 million USD, when by October 2011 the amount owed was 598 million USD.
5. The Group of 77 and China reiterates its strong position that more should be done to ensure that Member States are fully reimbursed in full, on time and as a matter of priority.
6. 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 nationals from members of the Group. Regarding peacekeeping operations with cash deficit, we reiterate the request to those countries that have not paid their assessments in full and on time, to do it as soon as possible.
7. The Group restates the importance that all Member State live up to their financial commitments so to enhance the effectiveness and efficiency of the United Nations.

Mr. Chairman,

8. The Group has constantly indicated 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 honour 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.

9. In this context, the Group 77 and China is especially concerned with the ongoing and 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.

10. Furthermore, the Group of 77 and China considers that if these problems with the banking accounts of the Missions of the Members States of the Group continue, those delegations should not be listed among those lagging behind in their payments neither be subject to the application of Article 19 of the Charter of the United Nations, regarding their right to vote.

11. The Group wishes to remind 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.

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

Mr. Chairman,

13. 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.