



**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 136: IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS, AT THE MAIN PART OF THE SIXTY-SIXTH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 20 October 2011)**

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. 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, regarding the updated information of the assessments for member states.
3. The Group notes that the financial situation of the United Nations presented a slight change this year, despite the global financial climate. While there are some positives changes such as the reduced level of debt owing to Member States, the Group is concerned that the outstanding assessment for peacekeeping operations has grown to about 3.3 billion USD, which is 843 million USD higher than the amount registered in December 31, 2010.
4. The Group also notes that the unpaid assessed contributions for the regular budget amounted 867 million USD as October 5, 2011, which is higher by 516 million USD than the unpaid assessments at the end of 2010.
5. While the Group can certainly sympathize with many Member States, particularly those in the developing world facing the negative effects of the global financial climate, 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, one in particular, and surprisingly, in the case of the Peacekeeping budget, several Member States who are Permanent Members of the Security Council and who have a special responsibility for the maintenance of international peace and security.
6. 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.
7. 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 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.

8. While the Group of 77 and China is encouraged by the news that the amount owing to troop and police-contributing countries look set to fall to about 448 million USD by the end of the present year, down from 539 million USD in 2010, more should be done to ensure that Member States are fully reimbursed in full, on time and as a matter of priority.

9. 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. 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.

Mr. Chairman,

10. 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.