



**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 138: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS, AT THE MAIN PART OF THE SIXTY-SIXTH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 3 October 2011)**

Mr Chairman,

I have the honour to speak on behalf of the Group of 77 and China on Agenda Item 138, entitled "Scale of assessments for the apportionment of the expenses of the United Nations".

Mr Chairman,

2. The Group of 77 and China would like to thank Mr Bernardo Greiver, Chairperson of the Committee on Contributions, for introducing the report of the 70th session of the Committee on Contributions, as contained in the document A/66/11. We value and recognise the important work undertaken by the Committee on Contributions in advising the Fifth Committee on the technical aspects of the item under consideration. We also thank Mr Chandramouli Ramanathan, Director Accounts Division, Office of Programme Planning, Budget and Accounts, for introducing the report of the Secretary-General on multi-year payment plans, as contained in A/66/69.

Mr Chairman,

3. The Group reaffirms its long-standing position that the financial resources provided to the Organisation must be commensurate with its legislative mandates. Without adequate resources, the Organisation cannot be expected to implement its mandates effectively. We therefore believe that all Member States should fulfill their legal obligations to bear the expenses of the Organisation, in accordance with the Charter of the United Nations and the requirements to pay their assessed contributions in full, on time and without conditions. We also stress that the special and genuine difficulties faced by some developing countries that prevent them from temporarily meeting their financial obligations should be fully taken into account and that the decisions of the General Assembly on this item must be responsive to such difficulties. The Group thus emphasizes the importance of dealing with the issue of Article 19 on an urgent basis.

4. The Group of 77 and China further reaffirms that the Fifth Committee of the General Assembly is the sole Main Committee of the organization entrusted with responsibilities for administrative, financial and budgetary matters. In this regard, we stress that any budgetary, financial, and administrative related matters be discussed solely in the framework of the Fifth Committee, in conformity with the UN Charter.

Mr Chairman,

5. The Group of 77 and China recalls that resolution 64/248 had approved the scale of assessments for three years for 2010-2012 on the basis of the current methodology. In this regard, the Ministers of the Group of 77 and China, meeting in New York on 23 September 2011, further reaffirmed the principle of "capacity to pay" as the fundamental criterion in the apportionment of the expenses of the United Nations and, while recalling General Assembly resolution 64/248, rejected

any changes to the elements of the current methodology for the preparation of the scale of assessments aimed at increasing the contributions of developing countries. In this regard, they emphasized that the core elements of the current methodology of the scale of assessment, such as base period, Gross National Income, conversion rates, Low Per Capita Income Adjustment, gradient, floor, ceiling for Least Developed Countries and debt stock adjustment must be kept intact and are not negotiable.

6. Our Ministers also stressed that the current maximum assessment rate, or ceiling had been fixed as a political compromise and is contrary to the principle of "capacity to pay" and a fundamental source of distortion in the scale of assessments. In this context, they urged the General Assembly to undertake a review of this arrangement, in accordance with paragraph 2 of General Assembly resolution 55/5 C.

Mr Chairman,

7. On the issue of multi-year payment plans, the Group appreciates the efforts made by those Member States that have submitted multi-year payment plans and that have honoured their commitments under those plans. At the same time, we reiterate that multi-year payment plans should remain voluntary in nature and should take into account the financial situation of the concerned Member State. It should not be used as a way of exerting pressure on Member States that are already in difficult circumstances, and should definitely not be included as a factor when considering exemption under Article 19 of the Charter. We continue to invite all Member States with significant arrears to consider submitting multi-year payment plans if they are in a position to do so.

Mr Chairman,

8. Article 19 is the main priority for this agenda item in this session. In this regard, the Group of 77 and China has carefully reviewed the requests by the Central African Republic, Comoros, Guinea-Bissau, Liberia, Sao Tome and Principe and Somalia for exemption under Article 19 of the Charter. We are convinced that their inability to make the minimum payments on their assessed contributions was due to conditions beyond their control. We therefore endorse the recommendations of the Committee on Contributions to permit these countries to vote until the end of this 66th session of the General Assembly. In this connection, we stress that this Committee should act promptly on the requests of these countries at the earliest opportunity.

I thank you, Mr Chairman.