



Financial situation of the United Nations

Statement

by

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Madame Chair, Distinguished delegates,

I thank you for this opportunity to present to you the current financial situation of the United Nations. The Secretary-General continues to actively engage with Member States on the liquidity situation of the Organization, which unfortunately has not improved for regular budget operations since my last briefing to you.

I will focus first on the regular budget, and then I will cover the financial situation of peacekeeping operations and the international tribunals. The presentation and my statement will be made available on the website of the Fifth Committee.

Regular budget

As you can see from **Chart 1**, monthly regular budget collections continue to fluctuate significantly each year, making it difficult to plan the implementation of the budget efficiently or effectively. This year, we collected \$134 million more than we anticipated in the first quarter and \$178 million more than anticipated by the end of the second quarter. This was in part due to some Member States paying earlier than expected. We

were still ahead of our estimated collections by \$58 million at the end of the quarter this year. While this is a positive sign, collections in the last quarter of the year are far from certain and our collection forecast is still short of the liquidity needed to execute the budget in full. In September we had to borrow the full amount of the Working Capital Fund and we may need to borrow from the Special Account this month, leaving us only about \$130 million of surplus cash in the Closed Tribunals as a last liquidity buffer. We now await the outcome of the fourth quarter.

As we have said on several occasions in recent years, predictability in the timing and amount of collections is critical for managing the Organization's cash outflows and planning spending properly and safely without risk of payment default. We, therefore, appeal to Member States to commit to paying earlier and to communicate their plans for payment as early as possible. The more confident we can be about collections; the greater will be our ability to commit funds when we need them for programme delivery.

As shown in **Chart 2**, stringent cash conservation measures were effective during the last few years in increasing liquidity for ensuring business continuity and reducing the risk of disruptions by exhausting reserves. During these years, the regular budget cash deficit occurred later in the year due to these measures. The first borrowing occurred in May in 2018, July in 2019, September in 2020, and November in 2021. Last year, we borrowed from the Working Capital Fund in August, and this year we had to borrow in September.

To execute the budget in full and not be worse off than at the beginning of this year, we need to collect 105 per cent of the assessment, including arrears. Ideally, we should end the year with liquidity reserves fully replenished which would require us to collect 115 per cent of the assessments; in the last 5 years, the highest we have collected is 113 per cent in 2021, though the average has been only 97.6 per cent. We, therefore, needed to conserve cash by reducing and slowing down expenditures until we have more clarity on collections. The initial cash conservation target was established at about \$350 million; in this scenario, we would still end the year with all liquidity reserves exhausted (except the closed Tribunals' cash). We had revised our collection forecast in May from 94.7 per cent to 97.5 per cent, due to larger collections of arrears. This means that some of the worst-case scenarios initially contemplated are less likely to happen. However, this is still short of the minimum target

to be able to execute the budget in full. Heads of Entities have been provided maximum autonomy in managing their post and non-post budgets within a reduced financial ceiling. Each department/entity is trying its best to minimize the impact on mandate delivery but cannot avoid negative impact on proper or full mandate delivery. The impact will vary depending on the situation of each entity based on its funding model, i.e. the proportion of post and non-post budgets.

Chart 3 shows the cash resources available on 30 September and 31 December of last year, and on 30 September this year. Last year, we borrowed the full amount from the Working Capital Fund in August and from the Special Account in October, we almost exhausted the regular budget liquidity reserves. This year we borrowed the full amount from the Working Capital Fund in September and may exhaust the Special Account in October. This year, we have collected about 78.1 per cent of the year's assessment by 30 September, compared to about 64.0 per cent the same time last year. Last year, we ended the year with a cash deficit of \$405 million after collecting only about 82.3 per cent of the year's assessments. If collections in the fourth quarter do not materialize as estimated, we could end 2024 with a cash deficit that would exacerbate liquidity pressure in 2025.

Chart 4 summarizes the status of regular budget assessments on 30 September 2023 and 2024. In 2024, assessments were \$231 million above the level in 2023. By 30 September 2024, we received \$605 million more than the same period in 2023. Approximately \$2.6 billion was collected by 30 September 2024 and of this amount, \$569 million relates to the delayed receipt of outstanding contributions. The Chart also reflects an increase in unpaid assessments from \$1.3 billion as of 30 September 2023 to \$1.5 billion as of 30 September 2024, indicating a worrisome trend. Collections in the final quarter remain critical for the outcome of 2024. We hope collections will pick up as large arrears deplete liquidity reserves.

As seen in **Chart 5**, 141 Member States have paid their regular budget assessments in full by 30 September 2024, compared to 137 Member States as of 30 September 2023. In doing so, we tied the 2018 record for the number of Member States paying in full for the regular budget by the end of September since we started tracking these statistics in 2001. We hope we can exceed the 2021 record of 153 Members States paying in full by year-end.

Chart 6 lists the 141 Member States that have paid their assessed contributions in full. I would like to thank those Member States for their regular budget contributions. Since the cut-off date, Bangladesh has also paid its assessments in full, bringing the count of fully paid Member States to 142. I would also like to acknowledge that we have received an advance payment for 2025 from Ukraine. We appreciate the efforts of Member States to make advance payments, and we stand ready to provide estimates for any Member State that is interested in making advance payments.

Chart 7 shows the 52 Member States who were yet to pay their assessments to the regular budget in full as of 30 September 2024, four less than September last year.

Chart 8 provides a comparative view of the largest outstanding assessments for the regular budget as of 30 September 2023 and 2024.

Peacekeeping operations

As you know, peacekeeping has a different financial period from the regular budget, running from 1 July to 30 June rather than the calendar year.

Chart 9 shows the status of peacekeeping assessments and collections by September, for the five most recent fiscal years. By September 2024, assessments issued for the 2024/25 fiscal year amounted to \$2.5 billion, with \$2.1 billion of it being assessed in July for mandated periods. The lower level of assessments for the period July to September 2024 compared to the same period in 2023 is attributed to; a) operations with effective mandates that could not be billed beyond 31 December 2024 due to the absence of a scale of assessment for 2025 and; b) assessments that could not be fully issued for operations awaiting the extension of the Security Council mandate. Total payments and credits in the last four fiscal years have ranged from \$2.6 billion to \$3.7 billion, resulting in unpaid contributions as a percentage of assessments, ranging from 63 per cent to 92 per cent. As at 30 September 2024, this percentage stood at 74 per cent due to significant receipts from one Member State during the months of August and September, compared to 79 per cent during the previous fiscal year when the scale had yet to be approved. Without demonstrated commitments from Member States to make any remaining payments in full and on time, the current liquidity problems facing peacekeeping operations will continue and could impact the

reimbursement of troop and police contribution countries.

As shown in **Chart 10**, on 30 September 2024, 59 Member States had paid all peacekeeping assessments in full. This was 18 more than on 30 September 2023. I would like to pay tribute to these Member States for their efforts. Since the cut-off date, Armenia, Jamaica, the Federated States of Micronesia, Slovakia and Tuvalu have also paid their assessments in full, bringing the count of fully paid Member States to 64.

Chart 11 provides an overview of outstanding amounts by peacekeeping operation. As seen in the chart, the \$1.8 billion outstanding on 30 September 2024 comprises \$1.3 billion owed for active missions and \$487 million for closed missions. For active missions, out of \$1.3 billion, \$835 million relates to 2024/25 assessments and \$510 million relates to assessments in 2023/24 and prior years.

Chart 12 shows the unpaid peacekeeping assessments as of 30 September 2024 for Member States. The chart also lists amounts outstanding from these Member States as of 30 September 2023. Please note that the figures for 30 September 2024 do not include assessments for 2025 as a new scale of assessment has not yet been approved.

Before moving to the next chart, I would like you to recollect that, in its resolution 73/307, the General Assembly decided that the Secretary-General should issue assessments for peacekeeping operations for the full budget period for which scales are available, including the period for which the mandate has not yet been approved by the Security Council, with the understanding that the ‘advance’ assessment will be considered due within 30 days of the effective date of the extension of the mandate.

Chart 13 shows the impact of this General Assembly decision. In July 2024, \$634 million was assessed for peacekeeping operations for the ‘non-mandated’ period through 31 December 2024, lower than previous periods, due to the non-availability of scales for January to June 2025. This chart shows the amounts paid voluntarily by Member States against these assessments. As of today, pending the General Assembly approval of the 2025-2027 scale of assessment and based on provisional estimates, Member States have made advance payments totaling \$123 million for the period January to June 2025. I would like to take this opportunity to thank the Member States who have reached out for provisional amounts, as this is important for overall liquidity which helps settle dues to troop and police contributing countries.

Together with the General Assembly decision in resolution [73/307](#) to remove the restriction on cross-borrowing of cash for active missions, the assessment and collection for non-mandated periods has assisted with the overall liquidity which in turn has helped settle dues to troop and police contributing countries.

Chart 14 shows those Member States that have paid in full for the period to 31 December 2024 including the non-mandated period. I would like to thank these 29 Member States for their additional payments to all peacekeeping operations.

Chart 15 shows the status of peacekeeping cash over the last three years. As of 30 September 2024, the cash balance consisted of approximately \$2.3 billion in the accounts of active missions, closed missions, and the Peacekeeping Reserve Fund. As a mechanism to ease the liquidity problems, the General Assembly, in resolution [76/272](#), directed the use of the Peacekeeping Reserve Fund as the first choice for borrowing for active peacekeeping operations, retaining \$40 million to support new missions and the expansion of existing missions as originally intended for the Fund. The chart shows the drawdown of the Peacekeeping Reserve Fund from July 2022 as it became the first lender for active missions requiring cash infusion.

As **Chart 16** shows, on 30 September 2024, the total liabilities for payments to Member States for troops, formed police units and contingent-owned equipment have been settled in full. The total liabilities for contingent-owned equipment amounted to \$30 million for closed peacekeeping missions. These amounts are pending settlement only because we are awaiting instructions from the respective Member States. In June

2024 as was the case in June 2023, there was not enough cash to settle contingent-owned equipment claims. In fact, in June 2024 there was barely enough cash to even pay troop and police contributing countries.

The Secretary-General is committed to meeting obligations to Member States providing troops and equipment as expeditiously as possible, as the cash situation permits. I would like to reassure you that we monitor the peacekeeping cash flow situation continuously and attach high priority to maximize the quarterly payments based on the available cash and data. To do so, we also depend on the expeditious finalization of MOUs with contingent-owned equipment contributors. As requested by the General Assembly in resolution 73/307, quarterly briefings are being organized for Member States on the status of these reimbursements and the actions taken for their timely settlement.

International Tribunals

Moving on to international tribunals, **Chart 17** provides details on the situation of the Tribunals. As seen in the chart, the total contributions outstanding for the Tribunals as of 30 September 2024 are \$55 million. This includes amounts outstanding for ICTR, which was last assessed in 2016, and for ICTY, which was last assessed in 2018, and the most recent assessment for MICT in 2024.

Chart 18 shows the overall situation as of 30 September 2024, where 116 Member States had paid their assessed contributions in full for all the Tribunals, five more than on 30 September 2023. Since the cut-off date, Bangladesh, Indonesia, Jamaica and the Federated States of Micronesia have also paid their Tribunal assessments in full, bringing the total count of Member States to 120. I would like to thank all Member States for their financial support to the Tribunals and urge those Member States with pending assessments to complete their payments as soon as possible.

Chart 19 provides the breakdown of unpaid tribunals assessments as of 30 September 2024, with the largest contributions outstanding. For comparison purposes the chart also lists amounts outstanding from these Member States on 30 September 2023.

Next, **Chart 20** shows the month-by-month position of the overall cash balances for the tribunals over the last three years. As per General Assembly resolution 76/272, the surplus cash in closed tribunals may be used for regular

budget liquidity if needed, from January 2023. The final outcome of 2024 will depend on Member States continuing to honour their financial obligations to the Tribunals.

Conclusion

In conclusion, **Chart 21** summarizes the status of assessments and unpaid assessments for each of the three categories of operations at the end of the last two years as well as at the end of the third quarter for comparison purposes. Unpaid assessments for the regular budget are higher this year but lower for peacekeeping operations and tribunals compared to a similar period last year. Kindly note for peacekeeping operations, assessments have not been issued for 2025 owing to the absence of approved scales for 2025-2027.

The Chart also provides an overview of the evolution of the cash situation for all three categories of operations, as well as the evolution of the outstanding payments to troop and police contributing countries for peacekeeping operations. The outstanding payments to Member States amounted to \$30 million as of 30 September 2024 which are awaiting instructions from Member States.

Chart 22 gives you the very latest information on payments as of today, 15 October 2024, 58 Member States have paid all their assessments in full. On behalf of the Secretary-General, I would like to express my deep appreciation to these Member States.

As always, Madame Chair, the financial health of the Organization depends on Member States meeting their financial obligations in full and on time. The full and efficient implementation of our programme of work depends on the financial support of Member States through the adoption of realistic budget levels and the provision of timely contributions to ensure a stable and predictable financial situation throughout the year. For our part, the Secretariat is committed to using the resources entrusted to it in a cost-effective and efficient manner, and to provide information to Member States with utmost transparency.

I would like to take this opportunity to express my gratitude to Member States for heeding the Secretary-General's repeated calls for predictable and timely payments to help improve the financial situation of the United Nations.

Thank you.