



THE REPUBLIC OF KOREA

PERMANENT MISSION TO THE UNITED NATIONS

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Statement by H.E. Ambassador SUL Kyung-hoon

Deputy Permanent Representative

Fifth Committee of the 67th Session of the General Assembly

Item 134: Scale of assessments for the apportionment of the expenses of the UN

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Mr. Chairman,

1. Let me first warmly congratulate you on your assumption of the chairmanship of the 5th Committee at this 67th Session of the General Assembly. I am confident that, under your able leadership, we will have a very productive and timely discussion on our subject. I assure you of my delegation's full support and engagement in our deliberations.

2. I would also like to thank Ambassador Bernardo Greiver, Chairman of the Committee on Contributions, for his informative introduction of the CoC report. The report effectively shows that the current methodology for the scale of assessments brings about many changes in the scale of Member States reflecting the dynamic reality of the economic landscape around the globe. My thanks also go to Mr. Lionelito Berridge, Chief of the Contributions and Policy Coordination Service, for presenting the Secretary-General's report on the multi-year payment plan.

Mr. Chairman,

3. The issue of scale of assessments continues to pose complex and contentious challenges. Especially at this time of economic downturns and financial constraints, we need to approach this issue with more open mind and desire to achieve consensus.

4. As many Member States are strengthening their fiscal discipline to overcome the ongoing fiscal crisis, it is critical to find a fairer and more reasonable burden-sharing mechanism for the United Nations' activities and operations. In this regard, we need to focus less on how much the methodology of the scale of assessments affect Member States' assessments rates, but more on whether our agreed methodology will result in more equitable and sustainable scales.

5. Without a doubt, as for the current methodology, we believe that there is room for further enhancement based on equitability, sustainability, and simplicity, as well as the principle of capacity to pay. In this regard, we believe that the deviation between the scales and the GNI shares after applying various adjustment mechanisms, such as, Debt Burden Adjustment (DBA), Low Per Capita Income Adjustment (LPCIA), and Ceilings, should be within a reasonable range. While the deviation coming from any element in the methodology is intended to reflect the economic situation of the Member States, distortion between the scale and the capacity to pay may also deepen if those deviations ever continue to grow.

6. Thus, as the CoC report indicates, we now need to take a fresh look at whether we can improve the application of the Debt Burden Adjustment by using the actual data, instead of theoretical or hypothetical assumptions as more accurate data, including debt flow and public debt, are now easily available. This will enable us to reflect the capacity to pay in a more accurate and equitable manner. In addition, we believe that the methodology should be kept as simple as possible. The current methodology already has various built-in mechanisms to absorb rapid changes in scales, such as, gradient, long and multiple base periods. If we introduce a new element to address sharp changes in scales, it will inevitably further complicate the scale calculation and bring more distortion to the principle of capacity to pay.

7. As for the application of Article 19 of the Charter, my delegation endorses the recommendation of the Committee on Contributions on the exemption of its application. We encourage those Member States to do their best to reduce unpaid assessed contributions.

8. In conclusion, Mr. Chairman, my delegation will engage constructively and actively in the discussion of the scale of assessments for the apportionment of the expenses of the UN, based on the comments we made today.

I thank you, Mr. Chairman.