

**Statement by Kent Vachon on behalf of Canada, Australia and New Zealand (CANZ) to the Fifth Committee on Improving the financial situation of United Nations
New York, 11 May 2017**

Thank you Madam Chair,

I have the honour to speak today on behalf of Canada, Australia and New Zealand.

CANZ delegations would like to thank Under-Secretary-General Takasu for his presentation on the financial situation of the United Nations provided to us last week. We welcome the assessment that the financial situation of the UN is "sound", and are encouraged at the increased number of Members making timely payments to the Regular, Peacekeeping and Tribunals budgets.

We note with concern, however, the increasing dependence on budget reserves, and that projected cash shortfalls will again present "severe" problems later in the year if outstanding assessed contributions are not paid in a timely manner. We join the Under-Secretary-General in urging all Member States that have not yet done so to pay their assessed contributions without delay.

Madam Chair,

We remain concerned at the flow-on effects of the nearly \$1.7 billion dollars in unpaid peacekeeping assessments. It is the troop- and police-contributing countries, as well as those who provide specialised equipment, that are forced to shoulder this financial burden. Timely payments to Member States for the troops, formed police units, and contingent-owned equipment they contribute, as well as for letters of assist and death and disability claims, will always depend on Member States meeting their financial obligations to the UN in full and on time. We commend the Secretariat for continuing to prioritize swift payment in this regard, despite the difficulties caused by late-paying Member States.

Madam Chair,

Unpaid assessed contributions also have a significant adverse impact on the Organisation and we note the lengths to which it had to go in December 2016 to deal with inadequate funds for Regular Budget expenses. We are concerned with the increasing reliance on the Working Capital Fund and the Special Account each year, and note the call to review their levels in light of this experience.

Madam Chair,

CANZ delegations will continue to demonstrate our commitment to the work of the United Nations by paying our dues in full, on time and without condition. We urge all Member States to do the same, and are pleased that this year we are in broader good company.

The Organisation has a mechanism in place to assist Member States to address their arrears, and we encourage all eligible Member States to make use of this by submitting multi-year payment plans.

In order to effectively carry out the many jobs we require of it, we must all ensure the Organisation has the resources it needs. At the same time, we must collectively find areas where we can save costs, improve processes, and better use existing resources. CANZ also believes that improved transparency, managing for results and clear reporting on expenditures will all incentivize greater respect for members' treaty obligations.

Thank you.