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**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY MS. LOURDES PEREIRA SOTOMAYOR, FIRST SECRETARY, PERMANENT
MISSION OF THE REPUBLIC OF ECUADOR TO THE UNITED NATIONS, ON
AGENDA ITEM 136: IMPROVING THE FINANCIAL SITUATION OF THE UNITED
NATIONS, AT THE SECOND RESUMED PART OF THE SEVENTY-FIRST SESSION OF
THE FIFTH COMMITTEE OF THE UNITED NATIONS GENERAL ASSEMBLY
(New York, 11 May 2017)**

Madam Chair,

1. I have the honour to deliver this statement on behalf of the Group of 77 and China on agenda item 136: Improving the financial situation of the United Nations.
2. The Group wishes to thank Mr. Yukio Takasu, Under Secretary-General for Management for the presentation on the financial situation of the United Nations on 3 May 2016. The Group also expresses its appreciation to the Office of Contributions for the updated information on the status of assessments for Member States.

Madam Chair,

3. The presentation is a suitable opportunity to reflect on our collective efforts towards the continued financial health of the Organization. This overview of the financial situation of the United Nations is also a time to reaffirm our collective commitment to meeting our legal obligations towards bearing the expenses of the Organization. In particular, the Group of 77 and China reaffirms our strong support for the work of the Organization in implementing the 2030 Agenda for Sustainable Development, in accordance with paragraph 74 of that resolution.
4. The Group is encouraged that financial indicators for the Organization are generally sound and positive, although we note that certain areas need to be closely monitored over the rest of 2017. We are also pleased that unpaid assessments were lower for the regular budget and the tribunals at the end of 2016. Nevertheless, the Group remains concerned over the increase in unpaid assessments for peacekeeping operations.

Madam Chair,

5. Allow me to turn to specific issues. First, the Group express its appreciation to all Member States who have made real efforts to reduce their outstanding contributions. We trust that these efforts will continue, taking into consideration the major undertakings and mandates for this Session.
6. Second, the Group acknowledges the collective efforts of many Member States resulted in lower unpaid assessments in all categories compared to one year ago. The Group reiterates that the financial health of the Organization through the rest of this year depends on action by *all* Member States. The Group looks forward to action to support improvement in the financial position of the

UN, although we also recognize that not all Member States have national financial cycles aligned with that of the United Nations.

7. Third, the Group notes that the level of outstanding payments to Member States, as it relates to troop costs and contingent owned equipment, is slightly lower than the end of 2016. The Group appreciates the efforts of the Secretariat towards progress in addressing outstanding payments to Member States. This is especially important because many troop contributing countries are also developing countries, and are not in a position to sustain their troop commitments and maintain equipment on their own for extended periods of time. This issue remains a major concern and priority for the Group, and we wish to continue seeing improvement in the timelines for this process. The Group urges the Organization to continue its utmost efforts to significantly reduce outstanding amounts during the course of this year.

Madam Chair,

8. Allow me to return to the subject of unpaid assessments. The Group reaffirms the legal obligations of Member States in accordance with the Charter of the United Nations to bear the expenses of this Organization. It is important that we safeguard the financial stability of this Organization in order for it to function effectively, and fully implement all its mandates and activities. In this regard, while the Group understands the situation of some Member States that are temporarily unable to meet their financial obligations, especially as a consequence of genuine economic difficulties, the Group urges all Member States to pay their assessed contributions in full, on time, and without conditions.

9. Particularly with regard to peacekeeping, the Group reiterates the importance of the United Nations' work in the maintenance of international peace and security. It is essential that we all live up to our financial obligations, to enable the effective and efficient delivery of these mandates. It is not enough to express support for this Organization with words; we must also do so in deeds. The Group remains concerned at efforts by some to create artificial justifications for non-payment of their assessed contributions, which not only affect mandate delivery, but undermines the established principles of governance of the United Nations on the basis of the sovereign equality of Member States.

Madam Chair,

10. The Group of 77 and China will continue to constructively participate in our collective efforts towards resolving the persistent financial difficulties of this Organization. We call for all to do the same.

I thank you, Madam Chair.