



**Financial situation of the United Nations
Statement**

by

Jan Beagle, Under-Secretary-General for Management
Fifth Committee of the General Assembly at its 72nd session
6 October 2017

I am pleased to present to you the current financial situation of the United Nations.

I shall discuss four main financial indicators:

- (a) Amounts of assessed contributions
- (b) Unpaid assessed contributions
- (c) Available cash
- (d) Outstanding Payments to Member States.

The cut-off date for this report is 30 September, but I will update you on developments in the last days as well. The presentation will be available on the website of the Fifth Committee following this briefing.

Chart 1 summarizes the status with respect to assessments as of 30 September 2016 and 30 September 2017.

Chart 2 summarizes the status with respect to cash held as of 30 September 2016 and 30 September 2017, followed by an overview of outstanding payments to Member States as at these dates.

As you can see, the financial indicators for 2017 for peacekeeping operations and the tribunals remain generally sound and positive. However, regular budget cash is currently exhausted and reserves are at low levels. Severe cash problems will be experienced in the final months of 2017, unless sufficient contributions are received. Members will recall that this has been the situation experienced in previous years, and we ask all remaining Member States to pay their contributions to the regular budget as soon as possible. The final outcome will largely depend on incoming contributions in the remaining months of the year.

Cash balances are positive for peacekeeping operations and the tribunals. As always, the Secretariat is making every effort to process payments for TCC and COE expeditiously, and as a result, the level of outstanding payments to Member States currently reflects a significant decrease.

Regular budget

Turning to the regular budget, as **Chart 3** shows, assessments in 2017 were slightly above the level in 2016. Payments received by 30 September 2017 were slightly below payments in 2016.

By 30 September 2017, 134 Member States had paid their regular budget contributions in full, eight more than the number a year ago (126 as seen in **Chart 4**).

We would like to thank these 134 Member States (see **Chart 5**). Since 30 September, Poland has joined this group. We urge the remaining 58 Member States that have not yet done so to pay their assessed contributions in full as soon as possible.

Cash resources for the regular budget under the General Fund, to which assessed contributions are paid, include the Working Capital Fund at the level of \$150 million set by the General Assembly, and the Special Account currently at a level of \$201 million. **Chart 6** shows the cash position at 30 September 2016 and 2017. On 30 September 2017, the cash shortfall was \$142 million, which was covered by the Working Capital Fund. Taking into account the reserves, a total of \$209 million cash was available at 30 September 2017.

The month-by-month regular budget cash position in 2015-2017 is shown in **Chart 7**. When you were last briefed in May, it was indicated that the regular budget cash position would experience some tightening as we draw closer to the end of the year. The regular budget experienced cash shortfalls in August and September this year. More severe cash problems will arise in the final months, unless sufficient contributions are received. We will continue to monitor the cash position closely. Clearly, the final cash position at the end of 2017 will depend largely on the payments to be made by the Member States in coming months.

The Working Capital Fund and Special Account amount to \$351 million, which is sufficient to cover only 6 weeks of regular budget operation. At 30 September only \$209 million remained. Sound financial management necessitates adequate cash reserves so that the United Nations can meet its financial obligations in a timely fashion. The level of the Working Capital Fund will be addressed as part of the Secretary-General's reform proposals.

Peacekeeping operations

The changing demand for peacekeeping activities makes it hard to predict financial requirements. In addition, peacekeeping has a different financial period, running from 1 July to 30 June rather than calendar year; assessments are issued separately for each operation;

and, since assessment letters can only be issued through the mandate period approved by the Security Council for each mission, they are issued for different periods throughout the year.

(See **Chart 8**) A total of \$6.1 billion has been assessed for peacekeeping operations in 2017. Contributions received so far in 2017 amount to approximately \$5.4 billion. The total amount outstanding for peacekeeping operations at 30 September 2017 is approximately \$2.5 billion. This amount includes recent assessments for UNIFIL (\$419 million) and UNSOS (\$462 million) following the extension of mandates.

Due to the unpredictable amount and timing of peacekeeping assessments throughout the year and the differences in financial fiscal years of Member States, we understand that it can be more difficult for Member States to keep fully current with assessments. On 30 September 2017, 32 Member States had paid all peacekeeping assessments in full (**Chart 9**). Since 30 September, Angola and Denmark have joined this group. I would like to pay special tribute to these 34 Member States for their efforts.

The total cash available for peacekeeping at 30 September 2017 was approximately \$3.4 billion including the Peacekeeping Reserve account. **Chart 10** shows the breakdown of this amount among active missions with approximately \$3.1 billion, closed missions with \$174 million, and the Peacekeeping Reserve Fund with \$138 million.

The Secretariat continues to make every effort towards minimizing the level of outstanding payments. **Chart 11** shows the breakdown of outstanding payments at the end of 2015, 2016, and at present. As of 30 September, only \$1 million was owed to Member States for troops and formed police units— this is a record. As regards to contingent-owned equipment claims, \$404 million was owed for active missions and \$86 million for closed missions. These components add up to \$491 million, reflecting a significant reduction in the amounts owed.

For our part, Mr. Chairman, the Secretary-General is committed to meeting its obligations to Member States providing troops and equipment as quickly as possible. I would like to reassure you that we will continue to monitor the peacekeeping cash flow situation closely, and maximize payments based on available cash and data.

To do so, however, we depend on Member States meeting their financial obligations to the United Nations in full and on time, and also on the expeditious finalization of MOUs with troop contributors for provision of equipment.

International tribunals

Turning to the international tribunals, the overall financial position of the tribunals and the International Residual Mechanism for Criminal Tribunals (MICT) remains generally sound in 2017 (see **Chart 12**). With the closure of ICTR, assessments were only issued for ICTY and the MICT in 2017. On 30 September 2017, unpaid assessments for the tribunals amounted to \$49 million, which is lower, by \$6 million, than the amount outstanding on 30 September 2016.

By 30 September 2017, as shown in **Chart 13**, 106 Member States had paid their assessed contributions to the tribunals and the MICT in full, which is five more than the number in 2016. Let me express our sincere appreciation to those 106 Member States and urge other Member States to follow their example.

Once again, the final outcome of 2017 will depend on Member States continuing to honour their financial obligations during the remaining months of 2017 (see **Chart 14**).

Chart 15 shows month-by-month position of cash balances for the international tribunals in 2015, 2016 and 2017. The cash position is currently positive, and is expected to remain solid through the year-end.

Summary

In summary, Mr. Chairman, taking into account the situation as of today, let me thank the 31 Member States that have paid all their assessments (see **Chart 16**).

For our part, the Secretariat continues to improve its processes. For example, in June this year Member States were provided a new option to receive assessment letters through electronic copies transmitted by email. Eighty-seven Member States have already taken advantage of this option, and I encourage the remaining Member States to do so. This makes for a faster and more streamlined process.

The financial health of the Organization continues to depend on Member States meeting their financial obligations in full and on time. A sound cash flow is essential for the Organization to deliver on its mandates.



The United Nations Financial Situation

Jan Beagle
Under-Secretary-General for Management

United Nations

6 October 2017

Chart 1 – Status of Assessments

(US\$ millions)



*The United Nations
Financial Situation*

		30 Sep 2016	30 Sep 2017
Assessments	Regular budget	2,549	2,578
	Peacekeeping	10,311*	6,143
	Tribunals	66	109
Unpaid Assessments	Regular budget	1,189	1,095
	Peacekeeping	2,341	2,514
	Tribunals	55	49
Unpaid/Assessments %	Regular budget	47%	42%
	Peacekeeping	23%	41%
	Tribunals	83%	45%

* Peacekeeping assessments increased in 2016, following a decrease in 2015, due to the timing of decision on scale of assessment rates applicable to 2016.



Chart 2 - Cash and Outstanding Payments to Member States (US\$ millions)

		30 Sep 2016	30 Sep 2017
Cash on Hand *	Regular budget*	(344)	(142)
	Peacekeeping*	4,895	3,266
	Tribunals	150	171

		30 Sep 2016	30 Sep 2017
Outstanding Payments to Member States**	Peacekeeping	588	491

*Not including reserve accounts and working capital fund

** Not including letters of assist, and death and disability claims



Chart 3 - Regular Budget: Assessment Status

(US\$ millions)

	30 Sep 2016	30 Sep 2017	Difference
Prior year's balance (1 January)	533	409	(124)
Assessments	2,549	2,578	29
Payments received	1,893	1,892	(1)
Unpaid assessments*	1,189	1,095	(94)

Chart 4 - Regular Budget Assessments

Number of Member States paying in full at Year-end



*The United Nations
Financial Situation*

■ Regular budget
■ Peacekeeping
■ Tribunals



* At 30 September 2017, compared to 126 Member States as at 30 Sep 2016

Chart 5 - Regular Budget Assessments

Fully paid at 30 September 2017: 134 Member States*

Afghanistan	Cuba	Iraq	Papua New Guinea	Turkey
Albania	Cyprus	Ireland	Philippines	Turkmenistan
Algeria	Czech Republic	Italy	Portugal	Tuvalu
Andorra	Democratic People's Republic of Korea	Japan	Qatar	Uganda
Angola	Democratic Republic of Congo	Kazakhstan	Republic of Korea	Ukraine
Antigua and Barbuda	Denmark	Kenya	Republic of Moldova	United Arab Emirates
Armenia	Djibouti	Kuwait	Romania	United Kingdom
Australia	Dominica	Kyrgyzstan	Russian Federation	Uruguay
Austria	Dominican Republic	Lao People's Democratic Republic	Rwanda	Uzbekistan
Azerbaijan	Ecuador	Latvia	Saint Kitts and Nevis	Vanuatu
Bahamas	El Salvador	Liberia	Saint Lucia	Viet Nam
Bahrain	Eritrea	Liechtenstein	Samoa	Zambia
Barbados	Estonia	Lithuania	San Marino	Zimbabwe
Belgium	Ethiopia	Luxembourg	Senegal	
Benin	Finland	Malawi	Serbia	
Bhutan	France	Mali	Singapore	
Bolivia	Georgia	Malta	Slovakia	
Bosnia and Herzegovina	Germany	Marshall Islands	Slovenia	
Botswana	Ghana	Mauritius	Solomon Islands	
Brunei Darussalam	Greece	Micronesia	South Africa	
Bulgaria	Guatemala	Monaco	South Sudan	
Burkina Faso	Guinea	Montenegro	Spain	
Burundi	Guinea-Bissau	Myanmar	Sri Lanka	
Cabo Verde	Guyana	Namibia	Sudan	
Cambodia	Haiti	Nepal	Swaziland	
Cameroon	Hungary	Netherlands	Sweden	
Canada	Iceland	New Zealand	Switzerland	
Chile	India	Nicaragua	Thailand	
China	Indonesia	Norway	Tonga	
Cote d'Ivoire		Oman	Trinidad and Tobago	
Croatia			Tunisia	



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■ **Regular budget**
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* Compared to 126 Member States at 30 September 2016

Chart 6 - Regular Budget Cash Position

(US\$ millions)

	30 Sep 2016	30 Sep 2017
Regular Budget	(344)	(142)
Working Capital Fund	150	150
Special Account	201	201
Combined General Fund	7	209



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■ **Regular budget**
Peacekeeping
Tribunals

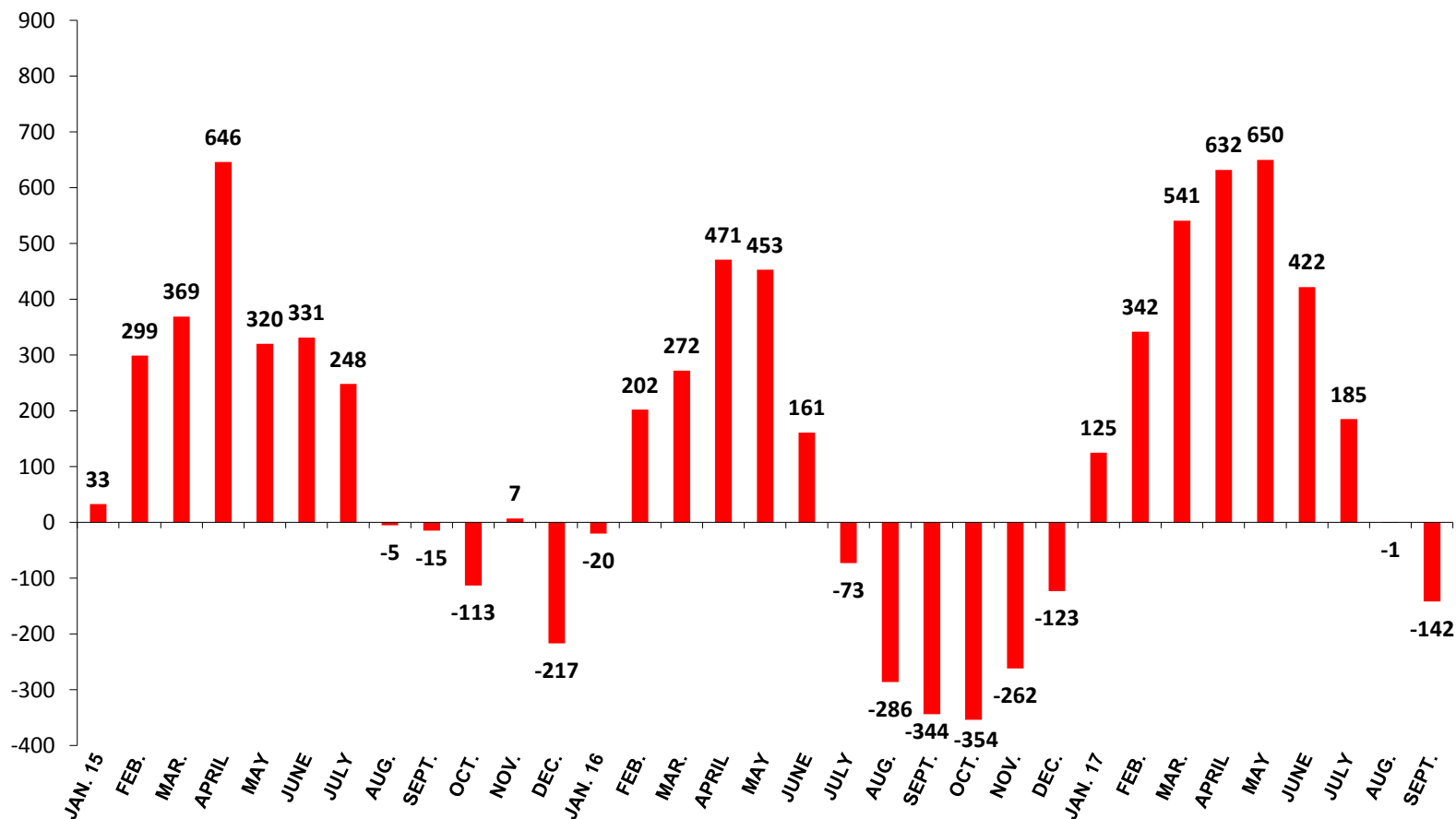
Chart 7 - Regular Budget Cash Position*

Actual Figures for Regular Budget for 2015-2017
(US\$ millions)



The United Nations
Financial Situation

■ Regular budget
■ Peacekeeping
■ Tribunals



* Does not include balances in Working Capital Fund and Special Account

Chart 8 – Peacekeeping: Assessment Status

at 30 September 2017 (US\$ millions)



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Outstanding assessments at 31 Dec 2016	1,802
Assessments during Jan – Sep 2017	6,143
Total	7,945
Payments/credits received during Jan – Sep 2017	5,431
Outstanding assessments at 30 Sep 2017	2,514*

Regular budget
■ Peacekeeping
Tribunals

* Including assessments within 30-day period for UNIFIL (\$419 million) and UNSOS (\$462 million) issued on 20 September 2017

Chart 9 - Peacekeeping Assessments

Fully paid - due and payable at 30 September 2017: 32 Member States*



Armenia	Liechtenstein
Bhutan	Malawi
Botswana	Monaco
Canada	Nauru
China	Netherlands
Cote d'Ivoire	New Zealand
Cuba	Norway
Cyprus	Qatar
Democratic Republic of Congo	Saint Kitts and Nevis
Finland	Senegal
Germany	Singapore
Hungary	Slovakia
Ireland	Slovenia
Japan	Sweden
Kyrgyzstan	Switzerland
Latvia	United Republic of Tanzania



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■ **Peacekeeping**
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*Compared to 25 Member States at 30 September 2016

Chart 10 - Peacekeeping Cash Position

Actual Figures for Peacekeeping for 2015-2017

(US\$ millions)



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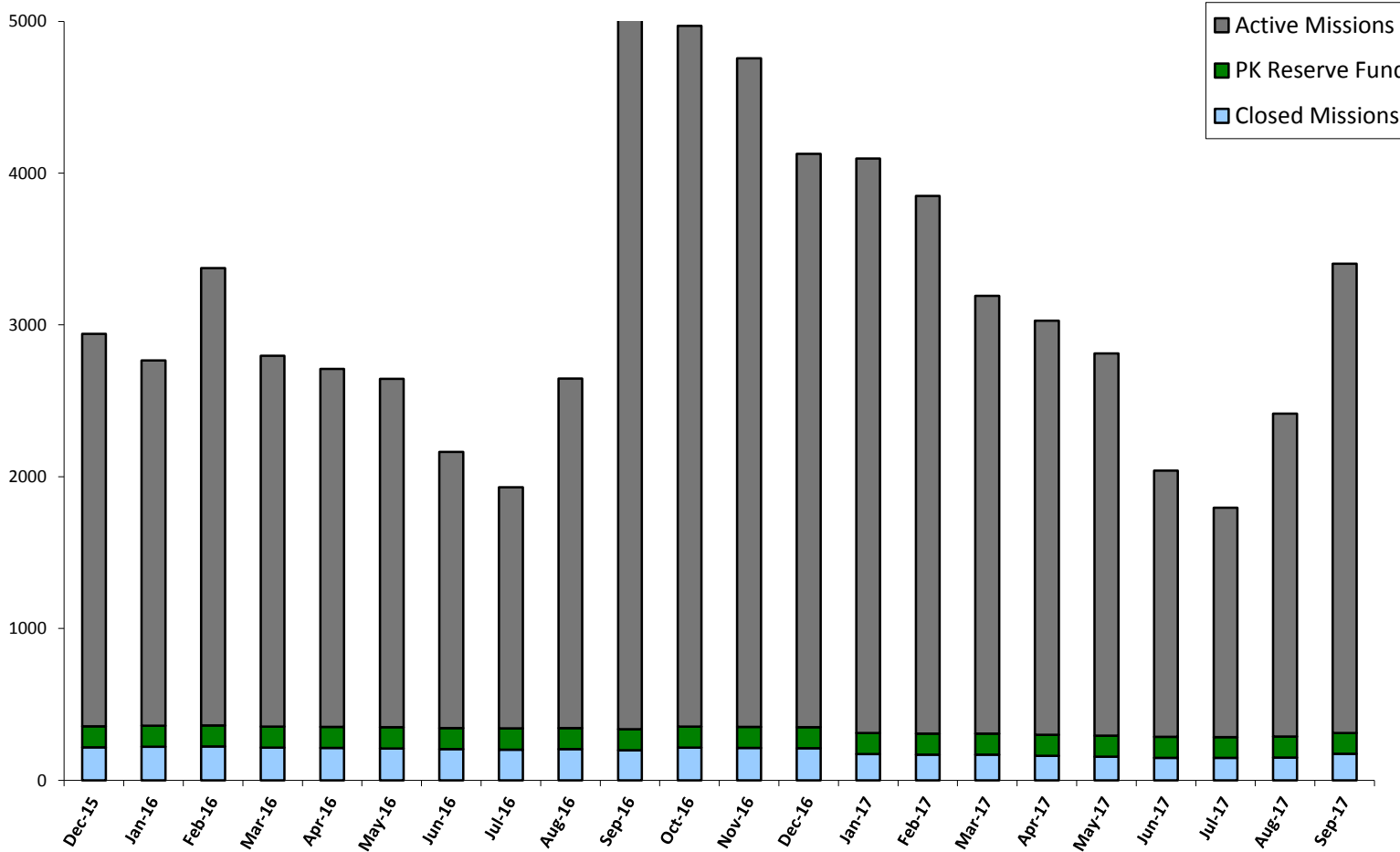


Chart 11 - Outstanding Payments to Member States

Projected 2017 Outstanding Payments (US\$ millions)



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	31 Dec 2015	31 Dec 2016	30 Sept 2017 ^a
Troops/formed police units	261	247	1
COE claims (active missions) ^b	477	475	404
COE claims (closed missions)	86	86	86
TOTAL^c	824	808	491

^a Payments for troops/formed police unit costs are current up to August 2017, except: UNDOF and UNSOS, which are paid up to July 2017. Payments for COE claims are current for claims certified up to June 2017, except: UNSOS, which is paid up to December 2016 and UNISFA, which is partially paid up to June 2017.

^b Estimated amount for COE claims in active missions includes claims related to unsigned MOUs, up to 31 August 2017.

^c Does not include Letters of Assist and death and disability claim costs which have balances of \$127.8 million and \$4.0 million respectively.

Chart 12 - Tribunals: Assessment Status*



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■ **Tribunals**

	30 September 2016	30 September 2017
Member States paid in full	101	106
Member States with amounts outstanding to one or both tribunals, and/or international residual mechanism	92	87
Payments received (US\$ millions)	77	100
Unpaid Assessments (US\$ millions)	55	49

* Including assessments for the International Tribunal for the Former Yugoslavia, the International Criminal Tribunal for Rwanda, and the International Residual Mechanism for Criminal Tribunals.

Chart 13 - Tribunal Assessments

Fully paid at 30 September 2017: 106 Member States*

Algeria	Denmark	Latvia	Republic of Moldova
Andorra	Ecuador	Liberia	Saint Kitts and Nevis
Angola	Estonia	Liechtenstein	Saint Lucia
Armenia	Ethiopia	Lithuania	Samoa
Australia	Finland	Luxembourg	San Marino
Austria	France	Madagascar	Senegal
Azerbaijan	Georgia	Malawi	Serbia
Bahrain	Germany	Malaysia	Seychelles
Barbados	Greece	Mali	Singapore
Belgium	Guatemala	Mauritius	Slovakia
Benin	Haiti	Micronesia	Slovenia
Bhutan	Hungary	Monaco	Solomon Islands
Bosnia and Herzegovina	Iceland	Mongolia	South Africa
Brunei Darussalam	India	Myanmar	Spain
Bulgaria	Iraq	Nauru	Sudan
Cabo Verde	Ireland	Netherlands	Sweden
Canada	Israel	New Zealand	Switzerland
Chile	Italy	Nicaragua	Thailand
China	Jamaica	Niger	Timor-Leste
Costa Rica	Japan	Norway	Tunisia
Cote d'Ivoire	Jordan	Oman	Turkey
Cuba	Kazakhstan	Pakistan	Ukraine
Cyprus	Kenya	Panama	United Kingdom
Czech Republic	Kuwait	Philippines	United Republic of Tanzania
Democratic People's Republic of Korea	Kyrgyzstan	Portugal	Uzbekistan
Democratic Republic of Congo	Lao People's Democratic Republic	Qatar	Vanuatu
		Republic of Korea	Zambia

*Compared to 101 Member States at 30 September 2016



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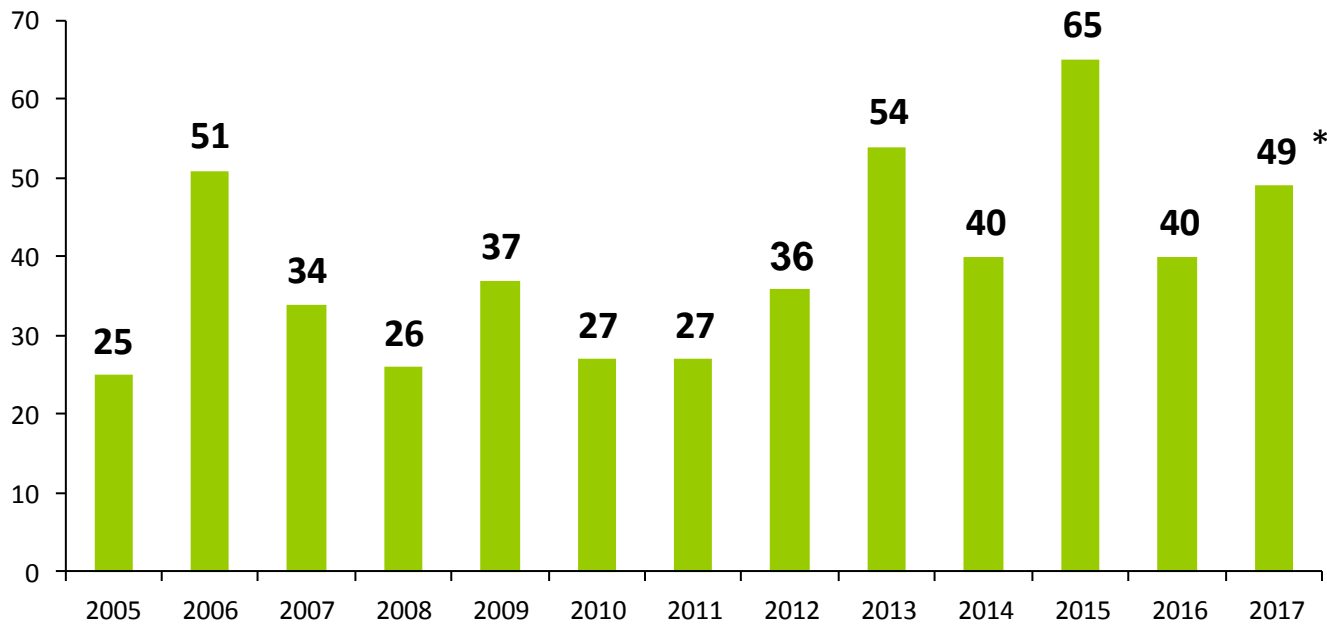
■ **Tribunals**

Chart 14 - Outstanding Tribunal Assessments

at 31 December (US\$ millions)



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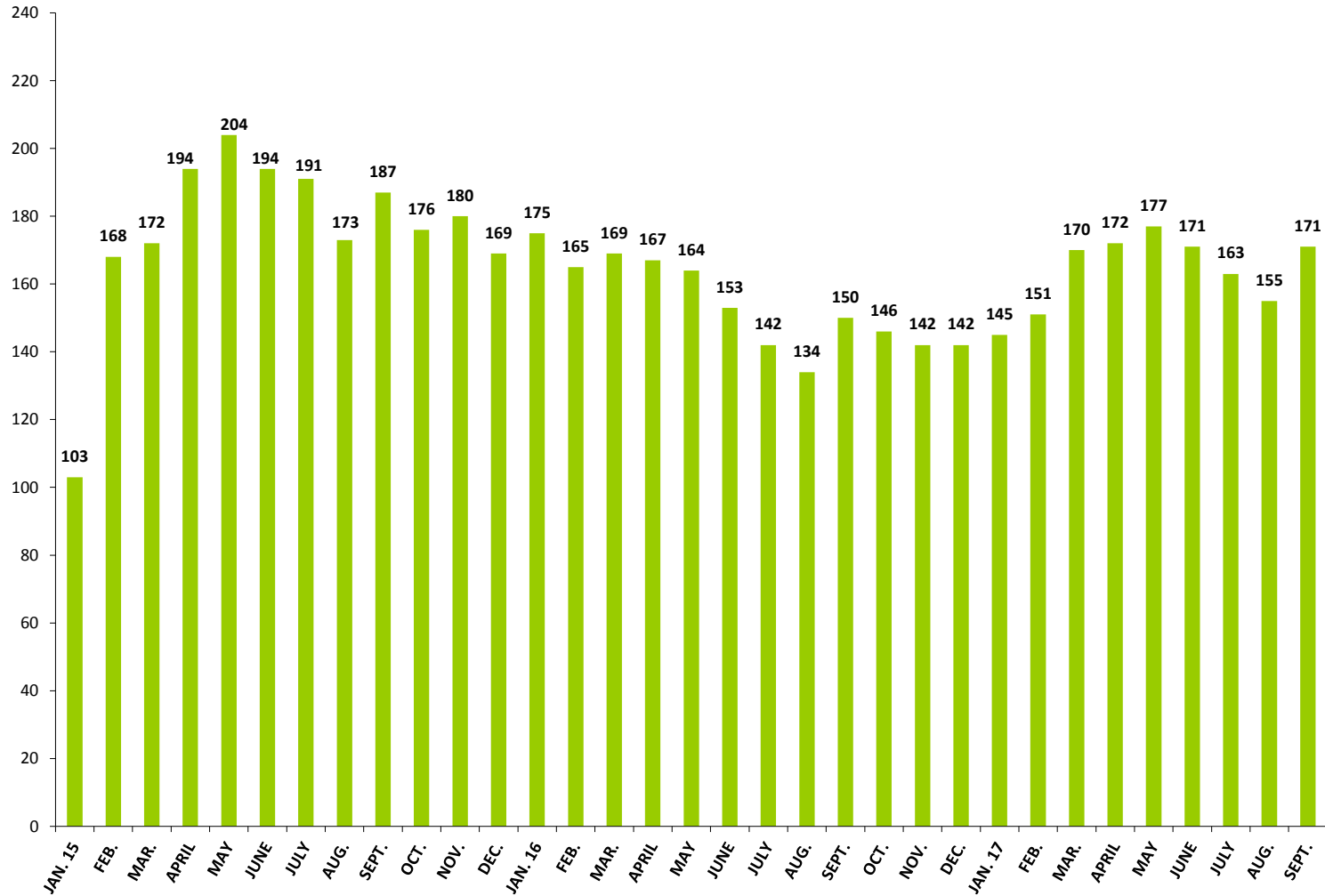


Regular budget
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■ Tribunals

* Outstanding as at 30 September 2017

Chart 15 - Tribunals Cash Position

Actual Figures for Tribunals for 2015-2017 (US\$ millions)



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■ Tribunals

Chart 16 - All Assessments

Paid in Full: 31 Member States*



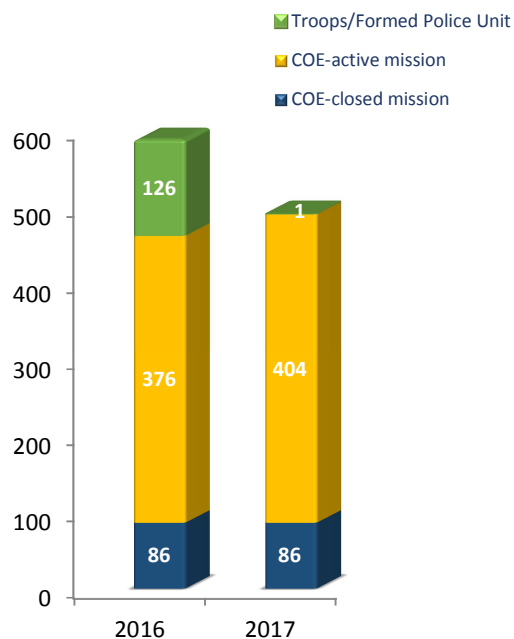
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Angola	Germany	New Zealand
Armenia	Hungary	Norway
Bhutan	Ireland	Qatar
Canada	Japan	Saint Kitts and Nevis
China	Kyrgyzstan	Senegal
Cote d'Ivoire	Latvia	Singapore
Cuba	Liechtenstein	Slovakia
Cyprus	Malawi	Slovenia
Democratic Republic of Congo	Monaco	Sweden
Denmark	Netherlands	Switzerland
Finland		

*Compared to 25 Member States at 30 September 2016

Outstanding Payments to Member States (TCC/COE)

Amounts owed for Troops/Formed Police Units & Contingent Owned Equipment at 30 September 2017 (US \$M)



31 Fully paid Member States

All assessments fully paid at 6 October 2017

Angola		Latvia	
Armenia		Liechtenstein	
Bhutan		Malawi	
Canada		Monaco	
China		Netherlands	
Cote d'Ivoire		New Zealand	
Cuba		Norway	
Cyprus		Qatar	
Democratic Republic of Congo		Saint Kitts and Nevis	
Denmark		Senegal	
Finland		Singapore	
Germany		Slovakia	
Hungary		Slovenia	
Ireland		Sweden	
Japan		Switzerland	
Kyrgyzstan			

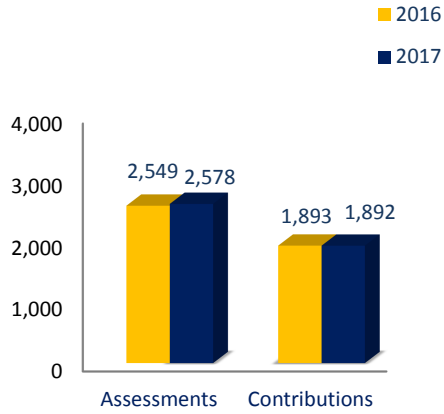
The United Nations Financial Situation



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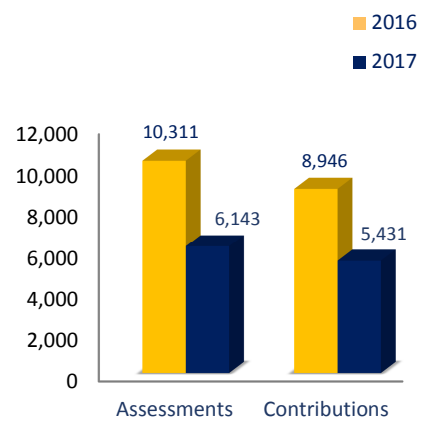
Regular Budget

Assessments and Contributions Paid (US \$M)



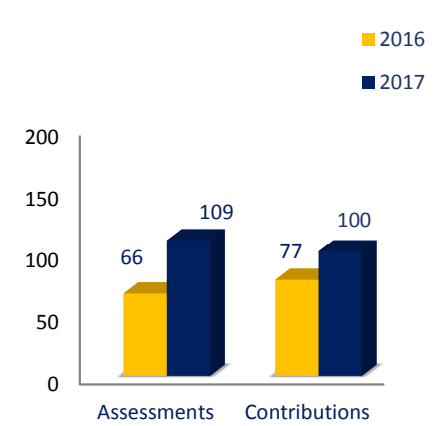
Peacekeeping

Assessments and Contributions Paid (US \$M)

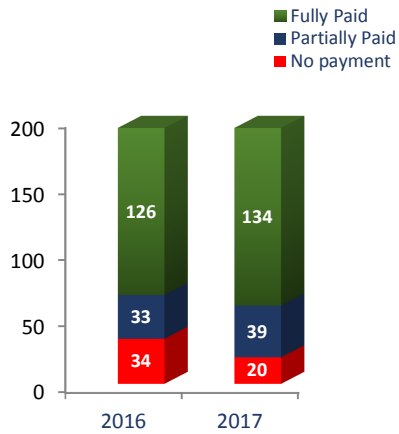


Tribunals

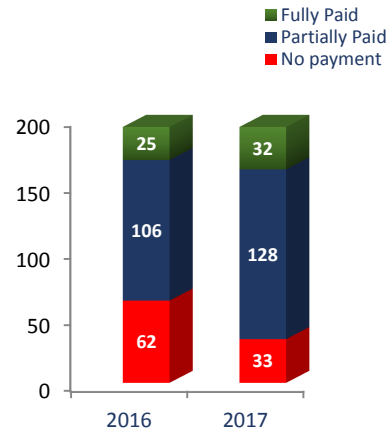
Assessments and Contributions Paid (US \$M)



Member States who paid by 30 September (Total of 193)



Member States who paid by 30 September (Total of 193)



Member States who paid by 30 September (Total of 193)

