



Financial situation of the United Nations

Statement

by

Jan Beagle, Under-Secretary-General for Management

Fifth Committee of the General Assembly at its 73rd session

16 October 2018

I last briefed you in May this year. Since then, the Secretary-General has written to all Member States on 25 July, further to his letter of 11 January, and informed them of the troubling financial situation of the Organization.

I will focus today first on the regular budget, and then I will cover the financial situation of peacekeeping operations and the international tribunals. The cut-off date for this presentation is 30 September, but I will update you on developments in recent days as well. The Powerpoint and my statement will be made available on the website of the Fifth Committee.

Regular budget

As you see from **Chart 1**, the cash situation of the regular budget continues to be precarious, with deficits becoming larger and arising earlier in the year. The regular budget shortfall, which was \$139 million as at 30 June, has reached \$365 million by 30 September, exhausting the reserves of \$353 million (that is \$150 million from the Working Capital Fund, and \$203 million from the Special Account).

At that date, the shortfall, after taking into account these reserves, was \$12 million. This was covered by borrowing from the accounts of closed peacekeeping operations.

As shown in **Chart 2**, unpaid assessments at the start of 2018 were \$531 million, higher by \$122 million than at the start of 2017. Assessments were issued in 2018 at a level of \$2.5 billion. While assessments in 2018 were \$91 million less than in 2017, unpaid contributions at 30 September 2018 were only \$7 million less than as at the same date in 2017. A total of \$1.1 billion remained unpaid at 30 September 2018.

As seen in **Chart 3**, by 30 September 2018, 141 Member States had paid their regular budget contributions in full, seven more than at the same date last year (134 as seen in the chart).

These 141 Member States are listed in **Chart 4**. Since the cut-off date of 30 September, the Democratic Republic of the Congo, Saudi Arabia and Yemen joined this group. Let me thank these 144 Member States for their payments in support of the work of the Organization and urge other Member States to follow their example.

Chart 5 provides an analysis of the \$1.1 billion outstanding as at 30 September 2018. For comparison purposes, the chart lists the largest contributions outstanding at that date, and also shows the outstanding amounts owed by these Member States as at 30 September 2017.

Chart 6 details the amounts outstanding at 30 September 2018 from all Member States who have not paid, or who have not yet paid in full, their assessed contributions. As I mentioned, three of these have since paid in full. I urge all remaining Member States to pay their outstanding contributions as soon as possible. The final outcome of 2018 will depend on the action taken by Member States.

Peacekeeping operations

Turning to 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.

As seen in **Chart 7**, a total of \$4.9 billion has been assessed for peacekeeping operations in 2018. Contributions received by 30 September 2018 amounted to approximately \$4.3 billion. As at 30 September 2018, the total amount outstanding for peacekeeping operations was slightly above \$2.5 billion.

As **Chart 8** shows, as at 30 September, \$92 million was owed to Member States for troops and formed police units. For contingent-owned equipment claims, \$43 million was owed for active missions and \$86 million for closed missions. Payments for troops and formed police units are current for all missions up to July 2018 except for MINUJUSTH, MINURSO, UNFICYP and UNISFA; contingent-owned equipment claims are current for all missions up to June 2018 except for MINUJUSTH, MINURSO, UNFICYP and UNAMID.

Of the total \$221 million, \$9 million for troop and formed police units for UNFICYP and UNISFA, and \$24 million for contingent-owned equipment claims for UNAMID, have been paid in October.

The next chart, **Chart 9**, shows the breakdown of the \$221 million by Member State as at 30 September 2018.

The Secretary-General is committed to meeting obligations to Member States providing troops and equipment as quickly as possible, as the cash situation permits. I would like to reassure Member States that we will continue to monitor the peacekeeping cash flow 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 contingent-owned equipment contributors.

Chart 10 shows the breakdown of unpaid peacekeeping assessments as of 30 September 2018. For comparison purposes the chart also lists amounts outstanding from these Member States as of 30 September 2017. Here, I would note that payments were received from the United States, France and Italy after the cut-off date.

Chart 11 provides an overview of outstanding amounts by peacekeeping operation. As seen in the chart, the \$2.5 billion outstanding as at 30 September comprises approximately \$2.1 billion owed for active missions and \$426 million for closed missions.

As seen in **Chart 12**, by 30 September 2018, 41 Member States had paid all peacekeeping assessments in full. Since the cut-off date, Azerbaijan, Cuba, Democratic Republic of the Congo, Greece, India, Kuwait, the Republic of Korea, Saint Vincent and the Grenadines, Slovakia, Solomon Islands and Tuvalu joined the group. I would like to pay tribute to those 52 Member States.

Chart 13 shows the breakdown of peacekeeping cash among active missions with approximately \$1.6 billion, closed missions with \$153 million, and the Peacekeeping Reserve Fund with \$141 million.

Although the total cash available for peacekeeping at 30 September 2018 was approximately \$1.9 billion, this amount is segregated in accordance with the General Assembly's decision to maintain separate accounts for each mission. The General Assembly has specified that no peacekeeping mission should be financed from other active peacekeeping missions. The use of the Peacekeeping Reserve Fund is restricted to new operations and expansion of existing operations.

International tribunals

Moving on to the international tribunals, **Chart 14** shows the overall status of assessments of the tribunals and the International Residual Mechanism for Criminal Tribunals (MICT). As at 30 September 2018, the total amount outstanding for the tribunals was \$68 million, higher than one year ago by \$19 million.

Chart 15 provides more detail on the situation of the tribunals. As seen in the chart, the \$68.2 million outstanding as of 30 September comprises \$7.7 million for ICTR, \$30.1

million for ICTY, and \$30.4 million for MICT. As of 30 September, 104 Member States had paid in full for ICTY and 62 for MICT. The lower number for MICT is due to the more recent assessment, which was issued in July following the approval of the appropriation for MICT on 5 July 2018. For ICTR, which was last assessed in 2016, a total of 165 Member States have paid in full.

Chart 16 shows the breakdown of the total amount outstanding as of 30 September 2018. For comparison purposes the chart also lists the amounts outstanding from these Member States as of 30 September 2017.

As seen in **Chart 17**, by 30 September 2018, 58 Member States had paid their assessed contributions for all tribunal operations in full. Since the cut-off date, payments were received from Azerbaijan, Bulgaria, Cuba, Democratic Republic of the Congo, Estonia, India, Iraq, Italy, Jordan, Malaysia, Malta, Panama and Tuvalu, making them fully paid for the international tribunals. I would like to thank all Member States for their financial support to the tribunals and urge those Member States with outstanding assessments to complete their payments as soon as possible.

Chart 18 summarizes the outstanding assessments for tribunals at year-end, and at 30 September 2018.

Next, **Chart 19** shows the month-by-month position of the overall cash balances for the tribunals over the last three years. The cash position is currently positive. However, the final outcome of 2018 will depend on Member States continuing to honour their financial obligations during the remaining months of 2018.

Conclusion

In conclusion Madam Chair, let me share with you the latest situation as of today. As seen in **Chart 20**, 43 Member States have paid all their assessments. The Secretary-General expresses his deep appreciation to these Member States.

As always, Madam Chair, the financial health of the Organization depends 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.

For our part, the Secretariat is committed to use the resources entrusted to it in a cost-effective and efficient manner, and to provide information to Member States with utmost transparency.



The United Nations Financial Situation

Jan Beagle
Under-Secretary-General for Management

United Nations

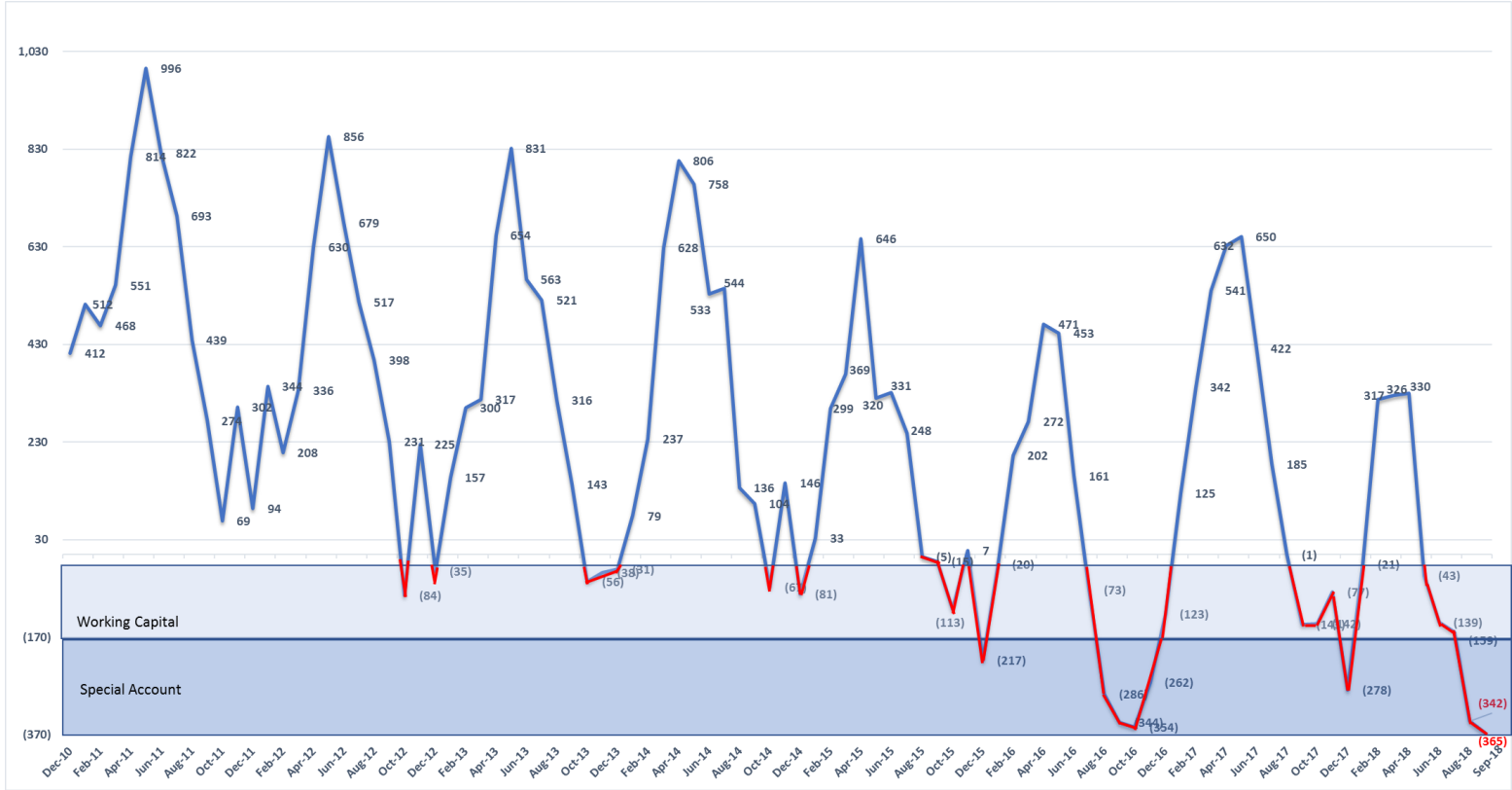
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Chart 1 - Regular Budget Cash Position for 2011-2018 (US\$ millions)



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- Cash deficit as of 30 September 2018 is \$365 million.
- Working Capital Fund of \$150 million and Special Account of \$203 million have been exhausted.

Chart 2 - Regular Budget: Assessment Status

(US\$ millions)



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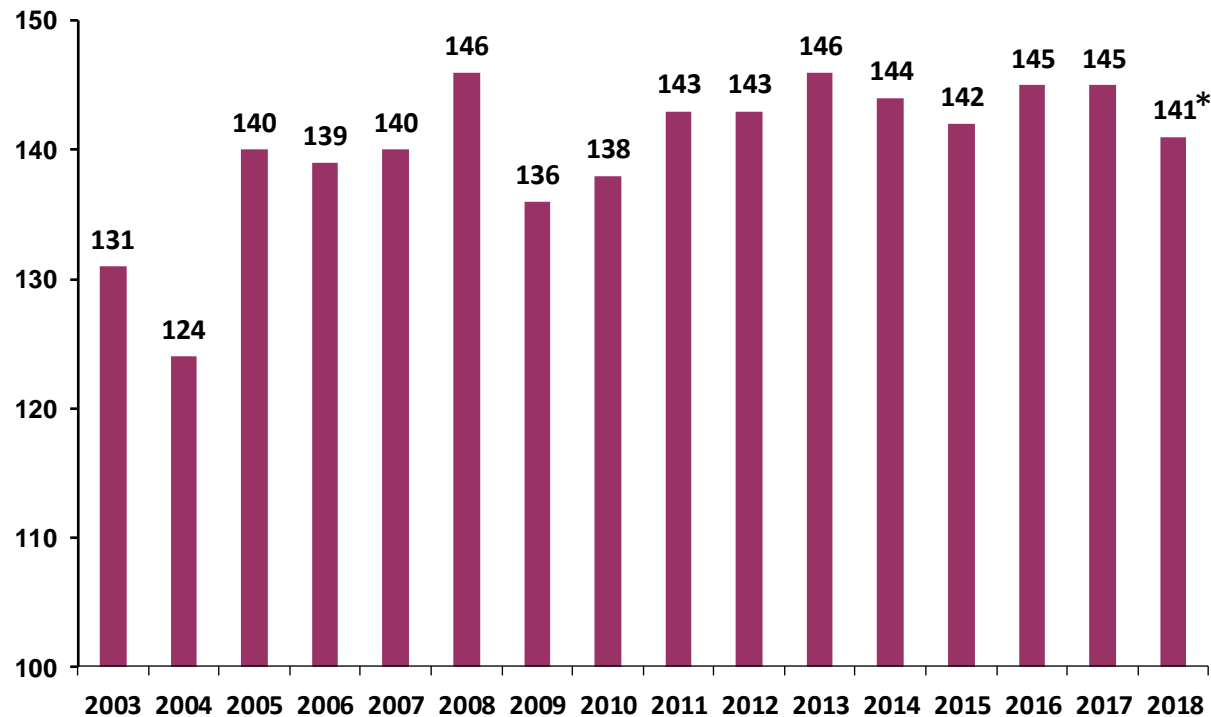
	30 Sep 2017	30 Sep 2018	Difference
Prior year's balance (1 January)	409	531	122
Assessments	2,578	2,487	(91)
Payments received	1,892	1,930	38
Unpaid assessments	1,095	1,088	(7)

Chart 3 - Regular Budget Assessments

Number of Member States paying in full at Year-end



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* At 30 September 2018, compared to 134 Member States as at 30 September 2017

Chart 4 - Regular Budget Assessments

Fully paid at 30 September 2018: 141 Member States*

Afghanistan	Croatia	Iraq	Montenegro	Singapore
Albania	Cuba	Ireland	Morocco	Slovakia
Algeria	Cyprus	Italy	Myanmar	Slovenia
Andorra	Czech Republic	Jamaica	Namibia	South Africa
Antigua and Barbuda	Denmark	Japan	Nauru	South Sudan
Armenia	Dominican Republic	Jordan	Nepal	Spain
Australia	Ecuador	Kazakhstan	Netherlands	Sri Lanka
Austria	Egypt	Kiribati	New Zealand	Sudan
Azerbaijan	El Salvador	Kuwait	Nicaragua	Sweden
Bahamas	Equatorial Guinea	Kyrgyzstan	Nigeria	Switzerland
Bahrain	Eritrea	Lao People's Democratic Republic	Norway	Syrian Arab Republic
Barbados	Estonia	Latvia	Pakistan	Tajikistan
Belarus	Eswatini	Liberia	Paraguay	Thailand
Belgium	Ethiopia	Liechtenstein	Philippines	The former Yugoslav Republic of Macedonia
Benin	Fiji	Lithuania	Poland	Trinidad and Tobago
Bhutan	Finland	Luxembourg	Portugal	Tunisia
Bolivia	France	Malawi	Qatar	Turkey
Bosnia and Herzegovina	Georgia	Malaysia	Republic of Korea	Turkmenistan
Botswana	Germany	Maldives	Republic of Moldova	Tuvalu
Brunei Darussalam	Greece	Mali	Romania	Ukraine
Bulgaria	Guatemala	Malta	Russian Federation	United Arab Emirates
Cabo Verde	Guinea	Marshall Islands	Rwanda	United Kingdom
Cambodia	Guinea-Bissau	Mauritania	Saint Lucia	Uzbekistan
Canada	Guyana	Mauritius	Saint Vincent and the Grenadines	Vanuatu
Central African Republic	Honduras	Mexico	Samoa	Viet Nam
Chad	Hungary	Micronesia	San Marino	Zambia
Chile	Iceland	Monaco	Serbia	Zimbabwe
China	India	Mongolia	Sierra Leone	
Cote d'Ivoire	Indonesia			



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* Compared to 134 Member States at 30 September 2017

Chart 5 – Unpaid Regular Budget Assessments (US\$ millions)



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Member State	30 Sep 2017	30 Sep 2018
United States	865	842
Brazil	66	93
Argentina	26	39
Iran (Islamic Republic of)	19	30*
Saudi Arabia	0.2	27**
Other Member States	119	57
Total	1,095	1,088

* Payment of \$5 million received subsequent to 30 September 2018.

** Full payment received subsequent to 30 September 2018.

Chart 6 - Unpaid Regular Budget Assessments as at 30 September 2018

(52 Member States, 1,087,671,794)

Member State	Amount	Member State	Amount
Angola	238,028	Libya	2,320,663
Argentina	38,753,953	Madagascar	1,403
Bangladesh	120,000	Mozambique	97,228
Belize	24,307	Niger	2,480
Brazil	92,925,930	Oman	686,675
Burkina Faso	2,128	Palau	71,598
Burundi	24,307	Panama***	548,678
Cameroon	243,071	Papua New Guinea	97,228
Colombia	7,020,778	Peru	2,145,837
Comoros*	668,908	Saint Kitts and Nevis	24,307
Congo	297,181	Sao Tome and Principe*	594,342
Costa Rica	675,223	Saudi Arabia**	27,470,754
Democratic People's Republic of Korea	121,535	Senegal	97,713
Democratic Republic of the Congo**	194,456	Seychelles	24,307
Djibouti	24,307	Solomon Islands	24,307
Dominica	13,750	Somalia*	1,193,938
Gabon	556,256	Suriname	221,512
Gambia	49,530	Timor-Leste	148,590
Ghana	217,791	Togo	26,742
Grenada	24,307	Tonga	24,307
Haiti	72,921	Uganda	218,764
Iran (Islamic Republic of)***	30,243,413	United Republic of Tanzania	281,571
Israel	16,071,866	United States of America	842,136,277
Kenya	437,527	Uruguay	1,920,259
Lebanon	1,118,125	Venezuela (Bolivarian Republic of)	17,053,924
Lesotho	49,530	Yemen**	49,264

* By resolution 73/4, the General Assembly agreed that the failure to pay the full minimum amount necessary to avoid the application of Article 19 of the Charter was due to conditions beyond control.

** Full payment received subsequent to 30 September 2018.

*** Partial payment received subsequent to 30 September 2018.



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Chart 7 – Peacekeeping: Assessment Status

at 30 September 2018 (US\$ millions)



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Outstanding assessments at 31 Dec 2017	1,930
Assessments during Jan – Sep 2018	4,856
Total	6,786
Payments/credits received during Jan – Sep 2018	4,263
Outstanding assessments at 30 Sep 2018	2,523

Chart 8 - Outstanding Payments to Member States

(US\$ millions)

	31 Dec 2016	31 Dec 2017	30 Sep 2018 ^a
Troops/formed police units	249	250	92
COE claims (active missions) ^b	475	460	43
COE claims (closed missions)	86	86	86
TOTAL^c	810	796	221

^a Payments for troops/formed police unit costs are current for all missions up to July 2018 except MINUJUSTH, MINURSO, UNFICYP, and UNISFA. Payments for COE for active missions are current up to June 2018 except for MINUJUSTH, MINURSO, UNFICYP and UNAMID.

^b Claims awaiting MOU signature (estimated at \$238 million), and current claims that are being certified (\$235 million) will become payable in the December quarterly cycle.

^c Does not include Letters of Assist (\$164 million) and death and disability claims (\$8 million).



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Chart 9 - Outstanding Payments to Member States

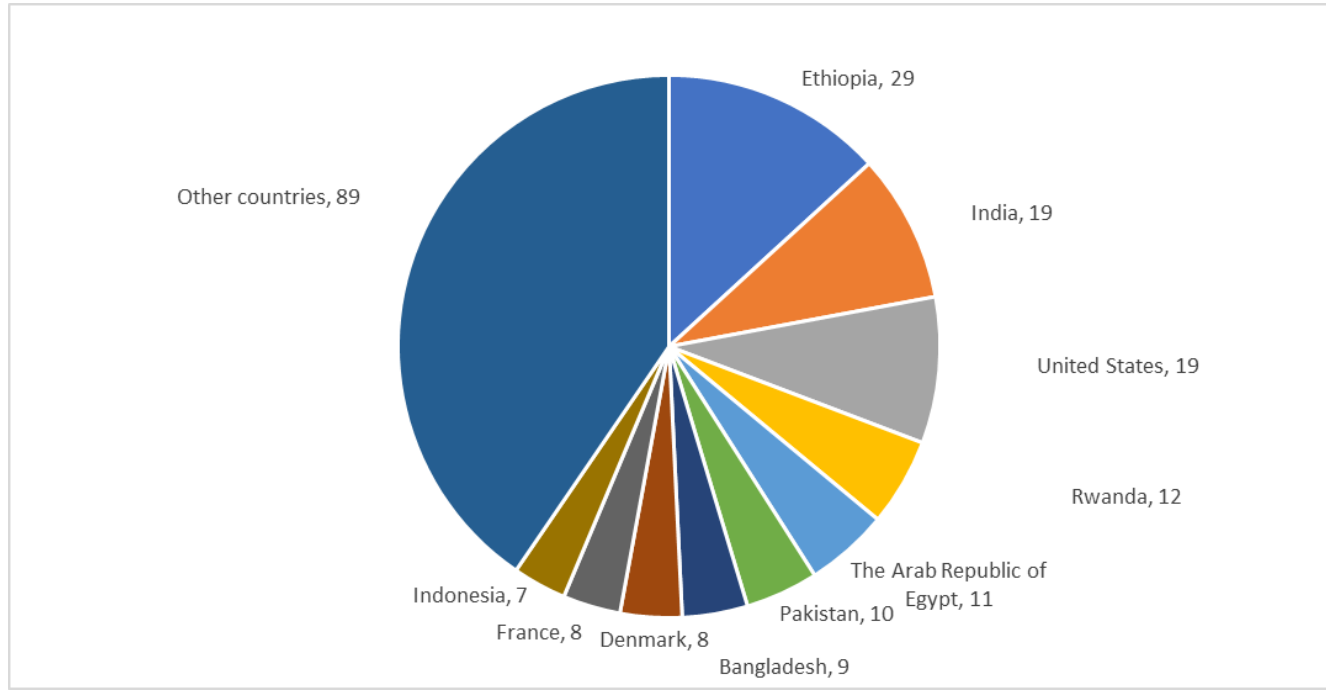
Amounts Owed for Troops/Formed Police Units and Contingent-Owned Equipment at 30 September 2018 (US\$ millions)



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- Capital Master Plan

76 Member States



TOTAL \$221 million

Chart 10 – Unpaid Peacekeeping Assessments (US\$ millions)



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Capital Master Plan

Member State	30 Sep 2017	30 Sep 2018
United States	672	1,216*
Brazil	228	268
France	304	183**
Italy	72	115***
Ukraine	113	103
Other Member States	1,125	638
Total	2,514	2,523

*Payment of \$172.5 million received subsequent to 30 September 2018.

**Payment of \$93.6 million received subsequent to 30 September 2018.

***Payment of \$106.8 million received subsequent to 30 September 2018.



Chart 11 - Unpaid Peacekeeping Assessments by Operation as at 30 September 2018 (US\$ millions)

Peacekeeping	2017 and prior	2018	Total
<i>Active Missions</i>			
UNDOF	2.8	27.3	30.1
UNIFIL	37.8	168.6	206.4
UNFICYP	10.7	11.7	22.4
MINURSO	37.6	11.2	48.8
UNMIK	28.8	8.4	37.2
MONUSCO	85.1	340.3	425.4
MINUJUSTH	19.0	59.2	78.2
UNAMID	58.3	237.0	295.3
UNISFA	16.9	61.6	78.5
UNMISS	53.5	207.3	260.8
UNSOS	37.9	153.9	191.8
MINUSMA	60.3	160.1	220.4
MINUSCA	55.9	146.3	202.2
Subtotal	504.6	1,592.9	2,097.5
<i>Closed Missions</i>			
	425.7	-	425.7
Total	930.3	1,592.9	2,523.2

Chart 12 - Peacekeeping Assessments

Fully paid - due and payable at 30 September 2018: 41 Member States*



Algeria	Estonia	Monaco
Armenia	Ethiopia	Netherlands
Australia	Finland	New Zealand
Bahrain	Georgia	Norway
Belgium	Germany	Poland
Bhutan	Hungary	Qatar
Brunei Darussalam	Iceland	Russian Federation
Bulgaria	Ireland	Samoa
Canada	Israel	Singapore
China	Japan	Slovenia
Costa Rica	Kyrgyzstan	Sweden
Croatia	Latvia	Switzerland
Cyprus	Liechtenstein	Thailand
Czech Republic	Luxembourg	



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*Compared to 32 Member States at 30 September 2017

Chart 13 - Peacekeeping Cash Position

Actual Figures for Peacekeeping for 2016-2018
(US\$ millions)



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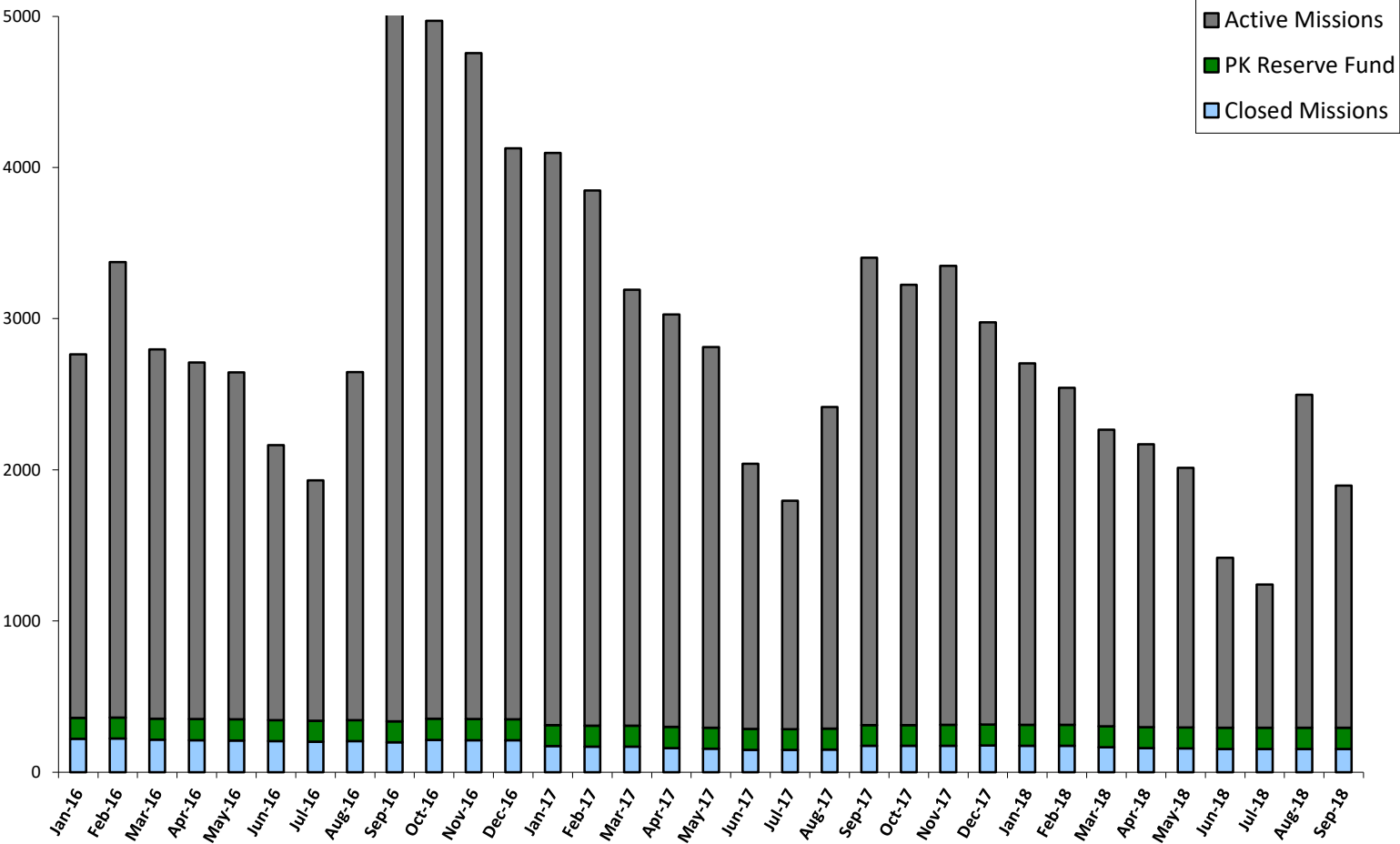


Chart 14 - Tribunals: Assessment Status*



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■ **Tribunals**

	30 September 2017	30 September 2018
Member States paid in full	106	58
Member States with amounts outstanding to one or both tribunals, and/or international residual mechanism	87	135
Payments received (US\$ millions)	100	72
Unpaid Assessments (US\$ millions)	49	68

* 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 15 - Tribunals Assessments as at 30 September 2018



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	Last Assessed	Assessments in 2018 (\$millions)	Unpaid Assessments (\$millions)	Paid in full (# of Member States)
ICTR	Jan-16	-	7.7	165
ICTY	Jan-18	6.8	30.1	104
MICT	Jan, Jul-18	85.8	30.4	62
Total		92.6	68.2	

Chart 16 - Unpaid Tribunal Assessments

(US\$ millions)



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Member State	30 Sep 2017	30 Sep 2018
United States	18	33
Russian Federation	13	17
Indonesia	5	5
Brazil	4	3
Saudi Arabia	1	2
Other Member States	8	8
Total	49	68

Chart 17 - Tribunal Assessments

Fully paid at 30 September 2018: 58 Member States

Algeria	Guyana	Pakistan
Armenia	Haiti	Poland
Australia	Hungary	Qatar
Austria	Iceland	Republic of Moldova
Bahrain	Ireland	Saint Vincent and Grenadines
Barbados	Israel	Samoa
Bhutan	Japan	Serbia
Bosnia and Herzegovina	Kuwait	Singapore
Brunei Darussalam	Kyrgyzstan	Slovenia
Canada	Latvia	Solomon Islands
China	Liechtenstein	Sweden
Costa Rica	Luxembourg	Switzerland
Cyprus	Malawi	Syrian Arab Republic
Czech Republic	Micronesia	Thailand
Denmark	Monaco	Turkey
Ethiopia	Mongolia	Ukraine
Finland	Montenegro	United Kingdom
France	Netherlands	Zambia
Georgia	New Zealand	
Germany	Norway	



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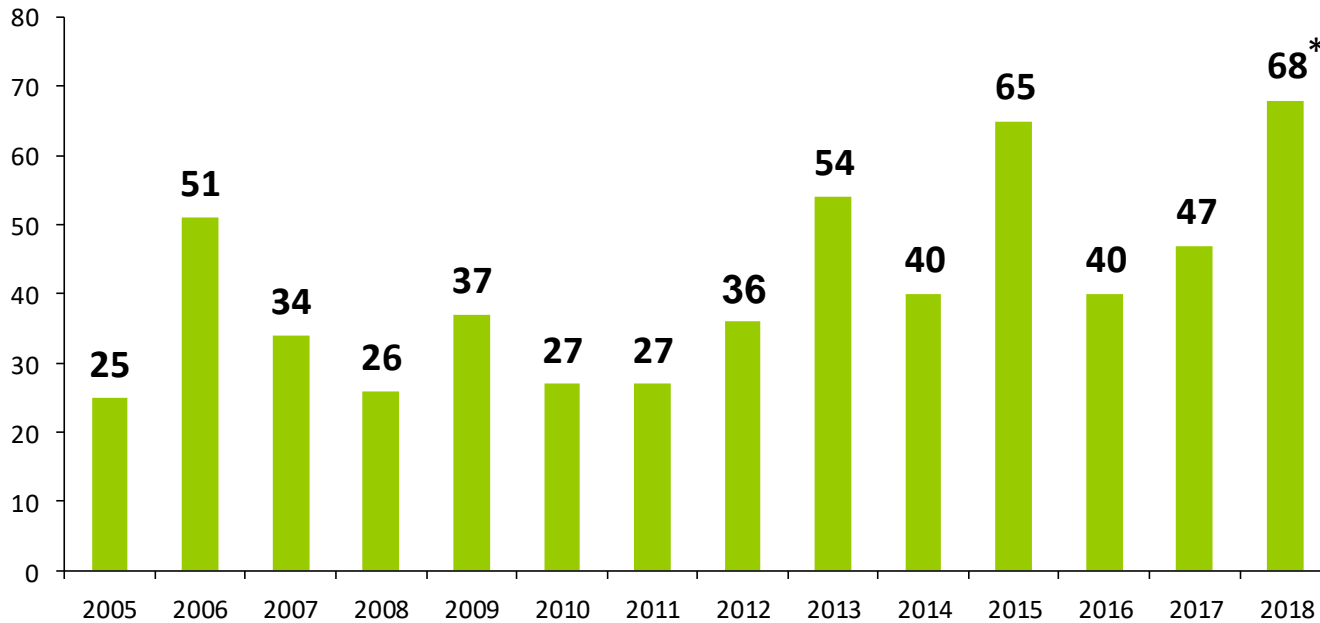
■ **Tribunals**

Chart 18 - Outstanding Tribunal Assessments

at 31 December (US\$ millions)



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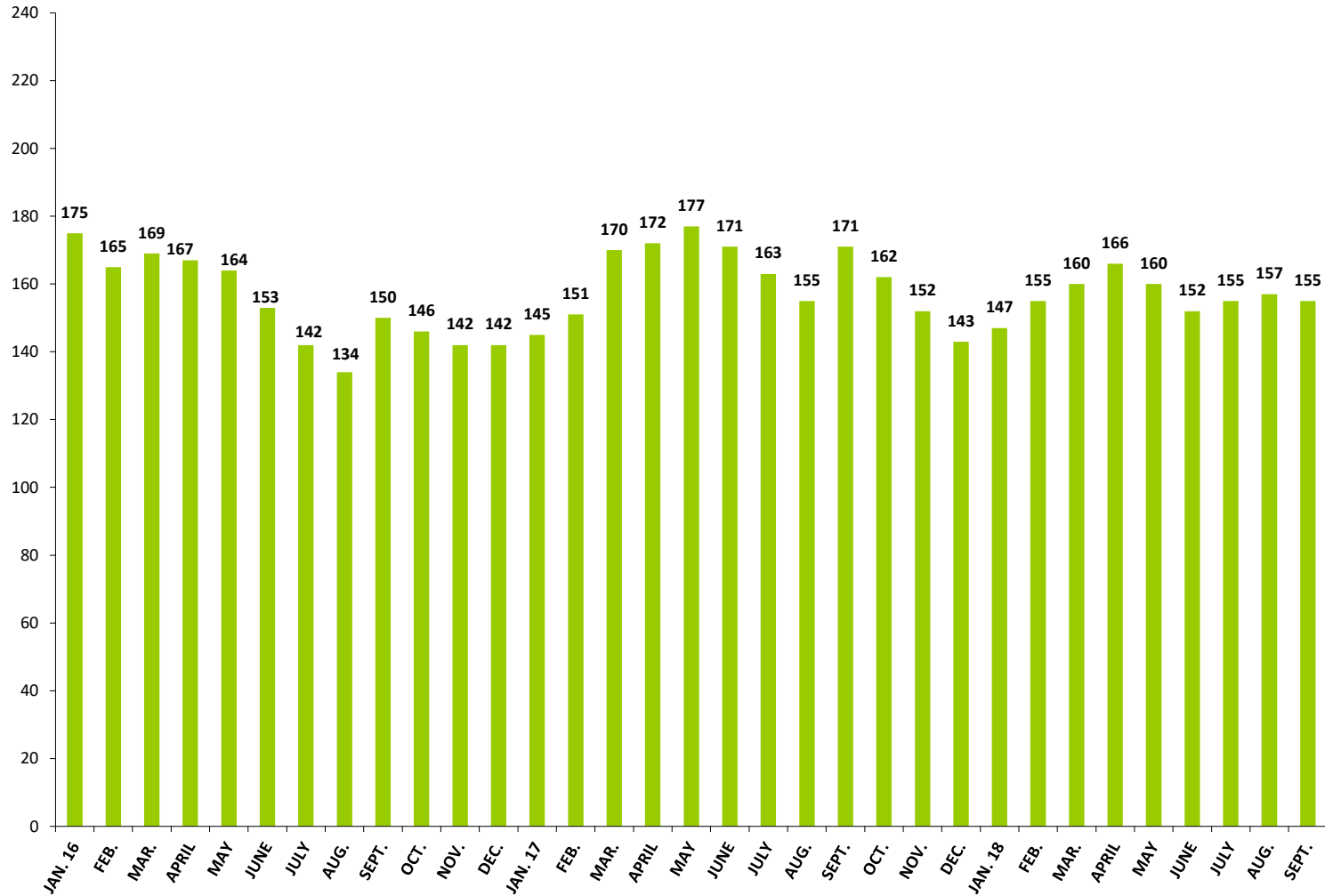


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* Outstanding as at 30 September 2018

Chart 19 - Tribunals Cash Position

Actual Figures for Tribunals for 2016-2018 (US\$ millions)



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Chart 20 - All Assessments

Paid in Full as at 16 October 2018: 43 Member States*



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Algeria	Ethiopia	Netherlands
Armenia	Finland	New Zealand
Australia	Georgia	Norway
Azerbaijan	Germany	Poland
Bahrain	Hungary	Qatar
Bhutan	Iceland	Saint Vincent and the Grenadines
Brunei Darussalam	India	Samoa
Bulgaria	Ireland	Singapore
Canada	Japan	Slovenia
China	Kuwait	Sweden
Cuba	Kyrgyzstan	Switzerland
Cyprus	Latvia	Thailand
Czech Republic	Liechtenstein	Tuvalu
Democratic Republic of the Congo	Luxembourg	
Estonia	Monaco	

*Compared to 31 Member States at 6 October 2017