



**PERMANENT MISSION OF SINGAPORE
TO THE UNITED NATIONS**

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**STATEMENT BY AMBASSADOR BURHAN GAFOOR,
PERMANENT REPRESENTATIVE OF THE REPUBLIC OF SINGAPORE,
ON AGENDA ITEM 138: IMPROVING THE FINANCIAL SITUATION OF
THE UNITED NATIONS, FIFTH COMMITTEE, 4 JUNE 2019**

1 Thank you Madam Chair, for giving me the floor. I also thank the Secretary-General for his presentation on this important agenda item. Singapore aligns itself with the statement delivered by the State of Palestine on behalf of the G77 and China, and the statement delivered earlier by my delegation on behalf of the Association of Southeast Asian Nations.

Madam Chair,

2 The financial situation of the UN has clearly been in deterioration. The numbers presented by the Secretary-General do not lie, and they do not paint a positive picture. Deficits are running deeper, and earlier in the year. Troop and Police Contributing Countries continue to be owed millions. Fortunately, we have managed to cope thus far without significantly affecting mandates. In this regard, my delegation recognises the Secretariat's efforts at implementing stricter budgetary discipline across all duty stations and departments, and encourages the Secretariat to continue to do so.

3 However, these efforts are stop-gap measures that can only go so far. In and of themselves, they do not present a sustainable solution to the perennial financial challenges of the UN. The main challenge is one of liquidity. The UN cannot be expected to deliver on its ever-expanding mandates if Member States do not live up to their obligations to pay their assessed contributions in full, on time, and without conditions.

4 The secondary challenge is flexibility to manage the budget. However, while flexibility and liquidity are related to some extent, not all proposals on flexibility will lead to greater liquidity. It is therefore important to focus as a matter of priority on liquidity issues that have created the current crisis. In this regard, I wish to make a few points:

5 First, my delegation is open to the concept of suspending the surrender of unspent appropriations for the regular budget for a limited duration, in order to address pressing liquidity issues. We note that similar measures were undertaken in the past to address the Organisation's financial difficulties. However, we stress that there must be clarity in the duration of any such suspension.

6 Second, my delegation is also open to the idea of replenishing the regular budget's Special Account, given its importance as a liquidity tool to complement the Working Capital Fund in managing the regular budget cash flow. For the Special Account to be effective as a liquidity tool, it has to maintain a sufficient buffer and should be replenished following significant draw-downs.

7 Third, the cash pooling mechanism for active peacekeeping missions, while still maintaining the balances in separate funds for each mission, is a proposal which has merit. This does not create additional financial burdens on Member States. Yet, it offers a partial solution to the selective and deliberate withholding of contributions to specific missions, which runs contrary to the General Assembly's position that all peacekeeping missions should be given equal and non-discriminatory treatment in respect of financial and administrative arrangements. It is unfair to expect Troop and Police Contributing Countries to continue offering their contingents when reimbursements are constantly delayed.

Madam Chair,

8 Let me conclude by assuring you that my delegation will closely study all proposals with an open mind. We stand ready to participate constructively in discussions, and hope to build consensus on as many of the proposals as possible. Good medicine is often bitter. And it must be taken early, before the situation worsens and necessitates even more drastic measures in future.