



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA  
BY MR. SAED KATKHUDA, SENIOR ADVISOR, MISSION OF THE STATE OF  
PALESTINE, ON AGENDA ITEM 138: IMPROVING THE FINANCIAL SITUATION  
OF THE UNITED NATIONS, AT THE SECOND RESUMED SESSION OF THE  
SEVENTY-THIRD SESSION OF THE FIFTH COMMITTEE OF THE UNITED  
NATIONS GENERAL ASSEMBLY  
(New York, 4 June 2019)**

Madam Chair,

1 I have the honour to speak on behalf of the Group of 77 and China on agenda item 138: Improving the financial situation of the United Nations.

2 The Group thanks the Secretary-General for his briefing on his proposals to address this important issue. We also thank Ms. Jan Beagle, Under-Secretary-General for Management, for her presentation and update on this issue on 7 and 16 May 2019. The Group also thanks Mr. Cihan Terzi, Chair of the ACABQ, for introducing their report for this agenda item.

Madam Chair,

3 The Group reiterates its serious concern at the financial health of the Organisation. For the UN to be effective in fulfilling its mandates, it must be given adequate resources.

4. The Group recognizes the need to extend sympathetic understanding to those temporarily unable to meet their financial obligations, as a consequence of genuine economic difficulties. The Group also commends Member States who have made real efforts to reduce their outstanding contributions despite facing difficulties at home. The Group reiterates its longstanding position that any deliberate and unilateral withholding of contributions by Member States that do have the capacity to pay is unacceptable.

5. We believe that the non-payment of assessed contributions, and indeed, the wilful and unilateral withholding of contributions, has led the Organization to its sorry state. The Group urges all Member States in a position to do so to pay their assessed contributions in full, on time, and without conditions. We now face a paradox where certain member states with special privileges are effectively setting the mandates, but not living up to their legal and financial obligations to see these mandates through.

6. In this regard, the Group reiterates its call for all stakeholders to remain committed to upholding our legal obligation to bear the expenses of the UN. Only then will the Secretary-General have the resources to translate mandates into outcomes.

Madam Chair,

7. The Group has long defended that management reform must be grounded in the Organization's intergovernmental, multilateral and international character. In that regard, we emphasize the oversight roles of the Fifth Committee, the Committee for Programme and Coordination, and the Advisory Committee, and their critical involvement in planning, programming, budgeting, monitoring and evaluation processes, as well as in ensuring the Secretariat's accountability to Member States for programme implementation.

8. The Group expresses concern regarding the proposals to transfer managerial authorities to Secretariat and underlines the importance of compliance with Article 17 of the UN Charter. We note that the proposal for managerial authorities contained in report A/73/809, did not take into account the existing mechanisms of budgetary discretion. The Group will also examine this issue in accordance with the prerogatives of the General Assembly.

Madam Chair,

9. The Group expresses its appreciation to the Secretary-General for ongoing efforts to improve efficiencies, and for his budget reform proposals to achieve financial stability and predictability for the Organisation. The Group will study these proposals carefully. Nevertheless, we stress that no amount of budgetary and managerial flexibility will solve a basic lack of financial resources. At the same time, any proposed solution should not create unfair burdens on those who have constantly lived up to their legal and financial obligations.

10. In closing, Madam Chair, let me assure you that the Group of 77 and China will participate constructively in a collective and inclusive effort towards resolving the financial difficulties of the Organisation.

I thank you, Madam Chair.