



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY H.E. AMBASSADOR BOUBACAR DIALLO, G-77 COORDINATOR OF THE
PERMANENT MISSION OF THE REPUBLIC OF GUINEA TO THE UNITED
NATIONS ON AGENDA ITEM 143: IMPROVING THE FINANCIAL SITUATION OF
THE UNITED NATIONS, AT THE SECOND PART OF THE RESUMED SEVENTY-
FIFTH SESSION OF THE FIFTH COMMITTEE OF THE UN GENERAL ASSEMBLY**

(NEW YORK, 14 MAY 2021)

Mr. Chair,

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 143: Improving the Financial Situation of the United Nations.

2. The Group thanks Ms. Catherine Pollard, Under-Secretary-General for Management Strategy, Policy and Compliance, for her presentation on the financial situation of the Organization on 7 May, and for the updates provided. The Group also expresses its appreciation to the Office of Contributions for the updated information on the assessments of Member States, and its continued support to Member States, in these very difficult times.

Mr. Chair,

3. The world Leaders declared at the High-Level Commemoration of the 75th anniversary of the UN that multilateralism is not an option, but a necessity. This is especially true in times of global crises such as the COVID-19 pandemic. To enable the UN and the multilateral system to fulfil its mandates, the UN must be funded adequately and in a predictable manner. In this regard, the Group remains concerned with the ongoing liquidity issues in the regular budget. We acknowledge that the cash position has improved slightly for now, due to the record collections in April 2021, and we thank all Member States that have already fulfilled their financial and legal obligations. But we should not be complacent as this can be attributed to austerity measures such as the slowdown in hiring, and controlled spending due to COVID-19. The Group reiterates that budget management must be driven by programme delivery, and not based on available cash on hand.

4. The Group is concerned that the implementation rate of the regular budget has consistently fallen short over the past decade. We also remain concerned that there may still be a need to borrow from the accounts of closed peacekeeping missions by the end of the year to cover the regular budget cash shortfalls. This is partly due to the persistent arrears in the regular budget, which hit a record high at the beginning of this year. While we are encouraged to note that collections are now likely to exceed assessments for 2021, we urge Member States to continue paying their assessments in full, on time and without conditions, so as to ensure that the Organisation has the necessary resources to fully implement its mandates.

Mr Chair,

5. On the peacekeeping front, the Group is encouraged that the cross-borrowing mechanism approved by the General Assembly in its resolution 73/307 has facilitated the timelier payment of liabilities to troop and police contributing countries. As of 30 April 2021, outstanding payments amount to \$65 million, and are confined to just one mission. Nevertheless, this is still one mission too many.

6. The ability for the Organisation to settle its liabilities is fully contingent on payments being made to the UN. It is extremely concerning that one member state currently owes approximately two-thirds of all outstanding assessments to the UN, despite having the capacity to pay. This is especially egregious in the current circumstances. Despite already benefiting from a fundamental distortion in the determination of how the Organization is financed, this member state continues to unilaterally withhold its contributions for political reasons, while still clinging on to its special privileges in the Security Council. We call on member states who are in a position to do so to put their words and commitments into action, and to settle their arrears and pay their assessments in full, on time and without conditions.

Mr. Chair,

7. The Group reiterates that ensuring financial stability is critical for the Organization to function effectively and fully implement its mandates. The Group wishes to express its appreciation to Member States who have made real efforts to reduce their outstanding contributions, despite the impact of the pandemic on their economies. We continue to empathize with Member States who are genuinely unable to meet their financial obligations for reasons beyond their control. The Group also wishes to reaffirm that all actions should be taken in order to facilitate the payments of assessed contributions of Member States, and that Member States should not be prevented or hindered from honoring their legal and financial obligations to the Organization. This is especially pertinent when the Organization is experiencing persistent liquidity challenges.

Mr. Chair,

8. Despite bearing an ever-increasing share of the financial burden of the Organization, the Group remains committed to participate constructively in any efforts towards resolving the financial difficulties of the Organization. Likewise, we call on our partners to do the same. Otherwise, we will be setting up the Organization for failure at a time when its success is most imperative.

I thank you.