



STATEMENT ON BEHALF OF THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS BY MR. TERRENCE TEO, COUNSELLOR, PERMANENT MISSION OF SINGAPORE TO THE UNITED NATIONS, ON AGENDA ITEM 140: IMPROVING THE FINANCIAL SITUATION OF THE UN AT THE FIRST RESUMED SESSION OF THE 76TH SESSION OF THE GENERAL ASSEMBLY, NEW YORK, 4 MARCH 2022

Mr Chair,

1 I have the honour to deliver this statement on behalf of the Association of Southeast Asian Nations (ASEAN). At the outset, allow me to congratulate Pakistan on their chairmanship of Group of 77 and China. ASEAN aligns itself with the statement by Pakistan on behalf of the Group.

2 ASEAN thanks the Secretary-General and his team for their regular outreach on the financial situation of the organisation. We appreciate the efforts undertaken by the Secretariat to manage the liquidity challenges while striving to minimise negative impacts on mandate delivery. We acknowledge that this is a delicate balancing act, and that difficult decisions were taken such as the implementation of cost-saving measures through a partial hiring freeze and the postponement of non-post expenditures.

3 ASEAN is therefore heartened to note, as per the Secretary-General's letter of 15 February 2022, that the financial situation has improved due to increased and earlier collections throughout 2021. The collection rate of 113.3 percent which resulted in the lowest level of year-end arrears in the past five years is all the more impressive given the deep economic uncertainties arising from COVID-19. We commend all member states that made this possible.

Mr Chair,

4 ASEAN notes the proposals put forth by the Secretary-General to improve the financial situation. We have consistently stressed that the financial

challenges of the organisation are mainly due to the late payment of assessments. More flexibility to manage financial resources will be of little use if there are insufficient resources to begin with. The only truly sustainable solution to overcoming persistent liquidity challenges is for all member states to pay their assessments in full, on time and without conditions. This is a legal and financial obligation. We hope that the high collection rates for 2021 will signal a new trend, rather than an anomaly, in collection patterns. At the same time, we urge the Secretary-General to continue to exercise prudence in expenditures, to avoid relapsing into a deeper financial crisis.

5 While ASEAN's share of the regular budget is increasing, we remain committed to paying our assessments so as to support the Secretary-General and the work of the United Nations. ASEAN remains committed to engaging constructively in any efforts towards resolving the financial difficulties of the organisation. At the same time, we stress that such efforts must not result in an unfair additional burdens and negative consequences on member states. We look forward to a constructive and robust discussion on how we can best help the Secretary-General to implement the mandates we have laid out for him.

6 I thank you, Mr Chair.

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