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Fifth Committee
Thursday 15 May 2013

Item 132: Improving the financial situation of the United Nations

**Statement by Mr Scott-Marshall Harper, First Secretary,
Permanent Mission of Australia to the United Nations on behalf
of Canada, Australia and New Zealand (CANZ)**

(Check against delivery)

Mr Chairman

I have the honour to speak today on behalf of Canada, Australia and New Zealand. We would like to thank Under Secretary-General Takasu for his presentation on the financial situation of the United Nations provided to us last week on 6 May.

CANZ delegations welcome Mr Takasu's assessment that, overall, financial indicators at the end of April 2014 were generally sound. It was pleasing to see that, compared with the position a year earlier, outstanding assessed contributions had decreased across most budget categories.

CANZ continues to stress the consequences of unpaid assessed contributions. Not only does it create inequity between Member States which have paid their assessed contributions in full and on time, and those which have not, but unpaid assessments also leave troop, police and equipment-contributing countries waiting for the reimbursement of the costs they have incurred. This delay, in turn, can impact negatively on the motivation of Member States to contribute their precious assets to future peacekeeping operations.

At the end of 2013, \$513 million was still owed to Member States for peacekeeping activities. Whilst it is projected that this number will decrease to \$500 million by the end of the year, the number is still too high. As has been pointed out on many occasions, the level of payments

made to Member States for troops and formed police units, contingent-owned equipment claims, letters of assist and death and disability claims will always depend on Member States meeting their obligations to the United Nations in full and on time.

Mr Chairman

Unpaid assessed contributions also have a significant adverse impact on the cash flow of the Organization. As at 30 April 2014, \$1.39 billion of regular budget contributions remained outstanding. While the Working Capital Fund was established to provide advances necessary to fund budgetary appropriations pending the receipt of contributions, this liquidity mechanism can only function properly if those contributions are paid on time and in full. We must be vigilant over the use of this Fund. As Mr Takasu pointed out last week, the regular budget situation will be tighter towards the end of this year, and if the trend of the previous year continues, the budget's cash position will be facing significant stress.

CANZ delegations will continue to demonstrate our commitment to the work of the United Nations by paying our dues in full, on time and without condition. We urge all Member States to similarly fulfil their Charter obligations. The Organization already has a mechanism to assist Member States addressing their fiscal arrears, and we encourage all eligible Member States to make use of this mechanism by submitting multi-year payment plans.

Mr Chairman

The halcyon financial years before the global financial crisis are long since passed, and the concept of doing more with less has entered into permanence. We must all continue to provide the Organisation with the resources it needs, but more than that, we must apply a collective effort to identify areas where savings can be made, to refine processes, and commit ourselves fully to exhausting all options to make the most of what we have. In particular, we can all work to simplify business processes and minimise duplication within the UN system. In these times, it is the firm view of CANZ that in order to improve the financial situation of the United Nations we must, above all else, effectively and astutely manage the resources provided to the Organisation.

The United Nations must review its practices, seek efficiencies, prioritise its activities and streamline its procedures, in the same way that Member States are, domestically.

Thank you Mr Chairman.