



**Statement on behalf of the Member States of the European Union**

**European Union Delegation to the United Nations**

**By**

**Mr. Jan De Preter  
First Counsellor**

**74<sup>th</sup> Session of the General Assembly  
Fifth Committee  
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**Item 137.  
Improving the financial situation of the UN**

**New York**

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**\*\* As delivered \*\***

I have the honour to speak on behalf of the Member States of the EU.

The Candidate Countries the Republic of North Macedonia\*, Montenegro\*, Serbia\* and Albania\*, the country of the Stabilisation and Association Process and potential candidate Bosnia and Herzegovina, as well as Ukraine and the Republic of Moldova align themselves with this statement.

At the outset, we would like to thank the Under-Secretary-General for Management Strategy, Policy and Compliance Ms. Catherine Pollard for her comprehensive briefing on the current financial situation of the UN.

Mr. Chair,

The Member States of the EU remain profoundly concerned by the financial situation of the UN and the continued liquidity crisis the Organisation is facing. The downward spiral whereby each year the situation becomes more critical is highly worrying. The UN ended 2019 with the highest level of arrears to the regular budget in a decade, followed by a further decline in the timely payment of assessments by Member States in 2020.

Unpredictable cash inflows, aggravated by the global crisis posed by the COVID-19 pandemic, seriously threaten the organisation's flexibility and ability to implement all of its mandates and respond to emerging crises in a timely manner. To slow down expenses and to avoid confronting a deficit earlier than in previous years, the Secretary-General was forced to suspend all hiring for regular budget operations, to further scale down non-post expenses and to postpone some of the vital payments to troop and police contributing countries.

As a result, the current situation risks undermining the effectiveness of the organisation. We therefore urge the Member States with pending assessments to address this matter as one of utmost priority and we wish to reiterate the importance of all Member States honouring their financial obligations by paying their assessments in full, on time and without conditions.

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\* *The Republic of North Macedonia, Montenegro, Serbia and Albania continue to be part of the Stabilisation and Association Process.*

We are proud to say that all EU Member States paid their share to the regular budget for 2020 and that our capitals are doing all they can to keep track with the various requests and assessments for the different peacekeeping operations. We encourage the Secretariat to continue its efforts to find ways to manage its resources more efficiently and effectively in order to keep mandate implementation on track. Last year in June the EU stood ready to adopt measures that would allow the Secretary-General to manage his budgets more strategically, while maintaining the highest standards of transparency and accountability.

We regret that last year only a partial solution was found for peacekeeping budgets and that no consensus could be found on the SG's proposals related to the regular budget. We continue to support all measures and all proposals that can lead to a budget that is more effective and more strategic for us to give the Secretary-General the necessary tools to positively mitigate the current cash crisis.

Mr. Chair,

We note with regret that, as of 30 April, \$2.2 billion of peacekeeping assessments remain outstanding, including \$97million for UNAMID. We are glad to hear that as a result of the recent collection of assessed contributions, totalling just over one billion dollars in April, all the payments for troops, formed police units and contingent-owned equipment for active operations payable by March will be paid shortly, except those for UNAMID.

We strongly believe that our top priority should always be mandate delivery. In this regard, we wish to recall that the Declaration of Shared Commitments the so-called Action for Peacekeeping, has reached more than 150 endorsements. We do believe that this shared roadmap for strengthening peacekeeping also applies directly to our work in the Fifth Committee, as sustainable financing, performance and accountability are integral parts of effective peacekeeping.

The Member States of the EU call upon all member states to make the utmost effort – to the extent possible and in line with national legislation – to pay peacekeeping contributions for the full 12-month budget period approved by the General Assembly, an option that has been made possible by GA Resolution 73/293.

Finally, regarding international tribunals, we note that, while the current cash situation is positive, the final outcome of 2020 will depend on Member States continuing to honour their financial obligations. This is why we are strongly encouraging everyone to do so.

To conclude, it is crucial that the UN has the necessary tools and resources to succeed and can successfully implement all of its mandates. A stable and sustainable financial footing is crucial for the UN's ability to respond to its numerous mandates and missions in the most effective and flexible way, especially in these challenging times, when financial predictability is of crucial importance.