



Statement on behalf of the Member States of the European Union

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Delegation of the European Union to the United Nations

Improving the financial situation of the United Nations

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Mr. Chair,

I have the honor to speak on behalf of the Member States of the European Union.

At the outset, we would like to thank the Assistant Secretary-General and Controller for his presence today, and for his updates on the liquidity situation of the United Nations this morning. The European Union and its Member States welcome the opportunity to hold this important discussion and to take action on the report by the Secretary-General regarding the implementation of the measures adopted during our 73rd session and on the improvements that could further enhance the financial situation of the United Nations.

Mr. Chair,

It is a relief that the financial situation has improved, and that the cash conservation measures set in place in 2020 and early 2021 are no longer necessary.

Our debate today is not about the merits of these measures; it is about the reasons why they were necessary in the first place. The rationale for these measures was undeniable: with skyrocketing cash deficits, they avoided operational shutdown of the UN. Were it not for the efforts of the Secretary-General and the Controller, further activities and outputs would have been postponed or canceled and persistent under-execution would have hampered the relevance of the Organization. We would like to commend all programme managers for their dedication to deliver on all their mandates despite these inherent difficulties, and in the context of the COVID-19 pandemic.

The liquidity situation of the UN is improving with the partial reimbursement of arrears and more favorable payment patterns. We reiterate our call that all Member States make every effort to pay their assessed contributions in full, and on time. In those exceptional cases where payment in full and on time proves impossible, we urge Member States to timely communicate their payment plans clearly and reliably to the Secretariat in order to provide as much predictability as possible. In this regard, we welcome the reduction of arrears by some Member States and urge all others who have accumulated arrears to address this matter of utmost priority.

Mr. Chair,

As the Secretary-General described in his letter, “the system is clearly broken”: we need to address the structural root causes of the cash liquidity’s ‘downward spiral’.

On the UN regular budget, the rigid regulatory framework makes effective management and an already tensioned cash situation difficult. The Organization is facing a vicious cycle where lower budgetary implementation requires the return of unspent appropriations to Member States thus further deepening the cash deficit: in 2023, this could exceed 200 M\$.

On peacekeeping operations, we note with great satisfaction the positive effects of the measures adopted during our 73rd session, notably so the cash-pooling mechanism and annual assessment. These measures clearly improve not only liquidity management and cash predictability but they also have a positive impact on missions in the field and the implementation of their mandates. We welcome in particular the significant improvements in timely payments of uniformed personnel. We regret, however, that shortfalls in the regular budget continue to impede the liquidation of closed peacekeeping operations.

Mr. Chair,

As strong defenders of the principles of multilateralism, and as the largest collective financial contributor to the United Nations, the Member States of the European Union would like to reiterate our commitment to providing the necessary resources to the Organization so it can implement all its mandates, fully and effectively. Ensuring the financial health of the organization is a shared responsibility, fundamental for the ability of the United Nations to respond to its numerous mandates and missions.

We have repeatedly called upon the Committee to rise up to this challenge and we continue to advocate for the adoption of responsible and sustainable solutions to this issue. We stand ready to engage on all options where our committee could converge, while upholding at the same time the highest standards of transparency and accountability.

I thank you, Mr. Chair.