



**STATEMENT ON BEHALF OF THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS BY MR TERRENCE TEO, COUNSELLOR AT THE PERMANENT MISSION OF SINGAPORE TO THE UNITED NATIONS, ON AGENDA ITEM 140: IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS, AT THE MAIN PART OF THE 76<sup>TH</sup> SESSION OF THE FIFTH COMMITTEE OF THE UNITED NATIONS GENERAL ASSEMBLY, NEW YORK, 28 OCTOBER 2021**

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Thank you, Mr Chair.

1 I have the honour to speak on behalf of the Association of Southeast Asian Nations (ASEAN) on Agenda Item 140: Improving the Financial Situation of the United Nations. ASEAN aligns itself with the statement made by Guinea on behalf of the Group of 77 and China.

2 ASEAN thanks Ms Catherine Pollard, Under-Secretary-General for Management Strategy, Policy and Compliance, for her presentation on 19 October and for her updates today. We also thank Mr Chandramouli Ramanathan, Controller and Assistant Secretary-General for Programme Planning, Finance and Budget, for his presentation on the management of the liquidity situation on 11 October.

Mr Chair,

3 ASEAN notes that the liquidity situation for the regular budget has improved slightly, and that the Organisation has not had to borrow from the Working Capital Fund thus far this year. We commend the member states that have made this possible by paying their assessments earlier in the year, despite the financial constraints faced by many member states as we continue to deal with the fallout from COVID-19.

4 Nonetheless, the regular budget is still facing significant arrears. While collections for the year have increased, the improved liquidity situation is also

due to the stringent cash conservation measures that were imposed to reduce the risk of a disruption in operations. ASEAN understands that these measures were necessary to stave off a short-term liquidity crisis. Unfortunately, these measures are also disruptive to the Organisation in the longer term. Vacant posts must be filled as expeditiously as possible, as it is unrealistic to expect mandates to fulfil themselves without adequate manpower and expertise. The only sustainable and lasting solution to break the perpetual cycle of operating in a cash-conservation mode is to address the root cause of the issue, namely the persistent late payments of assessments. ASEAN therefore calls on all member states to fulfil their financial obligations in full, on time, and without conditions. To recover from successive years of under-collections, member states that have the capacity to do so must commit to paying not only their full assessments, but also their arrears.

Mr Chair,

5 On the peacekeeping front, ASEAN is pleased to note that the measures approved in General Assembly resolution 73/307 have borne fruit in improving the financial situation. But let us be clear: these measures merely alleviate the symptoms, rather than address the root cause of the issue. Again, the simplest yet most effective solution is for all member states to pay their assessed contributions in full, on time and without conditions. This is a legal obligation enshrined in the Charter of the United Nations, and a duty for all member states who want multilateralism to succeed.

Mr Chair,

6 Notwithstanding the above, ASEAN is cognisant that some member states do face genuine difficulties in paying their assessed contributions due to factors beyond their control. We commend those member states who, despite these difficulties, endeavour to meet their obligations to the United Nations. While the share of ASEAN's assessed contributions to the United Nations continues to increase, ASEAN remains strongly committed to fulfilling our financial obligations to the Organisation. We call on our fellow member states to likewise re-affirm their support and commitment to the effective functioning of the United Nations.

7 I thank you.

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