



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY AMBASSADOR BOUBACAR DIALLO, G-77 COORDINATOR, PERMANENT
MISSION OF GUINEA TO THE UNITED NATIONS, ON AGENDA ITEM 142:
SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF
THE UNITED NATIONS AND AGENDA ITEM 149: SCALE OF ASSESSMENTS
FOR THE APPORTIONMENT OF THE EXPENSES OF UNITED NATIONS
PEACEKEEPING OPERATIONS, AT THE MAIN PART OF THE SEVENTY-SIXTH
SESSION OF THE FIFTH COMMITTEE OF THE UNITED NATIONS
GENERAL ASSEMBLY
(New York, 4 October 2021)**

Mr Chair,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 142, entitled "Scale of assessments for the apportionment of the expenses of the United Nations" and on agenda item 149, entitled "Scale of assessments for the apportionment of the expenses of United Nations Peacekeeping Operations".

2. The Group of 77 and China thanks Ambassador Bernardo Greiver, Chair of the Committee on Contributions, and Mr. Chandru Ramanathan, Controller and Assistant Secretary-General for Programme Planning, Finance and Budget for introducing their respective reports.

Mr Chair,

3. The Group of 77 and China reaffirms its longstanding position that the Organisation must be provided with sufficient financial resources to fully implement its mandates. All Member States should therefore fulfil their legal obligations to bear the expenses of the Organisation, in accordance with the Charter of the United Nations, and pay their assessed contributions in full, on time, and without conditions. It is neither realistic nor credible for any member state to continuously demand more of the Organisation while unilaterally withholding contributions.

4. The Group of 77 and China also stresses that the special and genuine difficulties faced by some developing countries that prevent them from temporarily meeting their financial obligations should be fully taken into account. The disproportionate impact of COVID-19 on the economies of many developing countries is of particular concern. The Group therefore emphasizes the importance of dealing with Article 19 on an urgent basis, and endorses the Committee on Contributions' recommendation that Comoros, Sao Tome and Principe, and Somalia, be permitted to vote until the end of the seventy-sixth session of the General Assembly. We ask that this Committee act on the requests of these countries at the earliest opportunity.

5. On multi-year payment plans, the Group appreciates the efforts made by Member States who have honoured their commitments under those plans. We reiterate that multi-year payment plans should remain voluntary. The Group encourages Member States with significant arrears to also consider multi-year payment plans in meeting their obligations to the Organisation.

Mr Chair,

6. In its successive Ministerial Declarations, the Group of 77 and China outlined key longstanding principles of its position on the scales of assessments.

7. First, the current methodology for the preparation of the scale of assessments reflects changes in the relative economic situations of Member States. We reaffirm the principle of "capacity to pay" as the fundamental criterion in the apportionment of the expenses of the United Nations. We reject any changes to the elements of the current methodology for the preparation of the scale of assessments aimed at increasing the contributions of developing countries.

8. Second, the Group of 77 and China emphasizes that the core elements of the current methodology of the scale of assessments, such as base period, Gross National Income, conversion rates, low per capita income adjustment, gradient, floor, ceiling for Least Developed Countries, and debt burden adjustment must be kept intact. They are not negotiable.

9. Third, the Group of 77 and China reiterates that the current maximum assessment rate or ceiling was fixed as a political compromise. It is contrary to the principle of the capacity to pay, and is a fundamental source of distortion in the scale of assessments. The Group notes that the ceiling has historically benefited only one Member State, and that it will result in a reduction of 6.565 percentage points for this Member State in the coming cycle. This represents a reduction of almost a quarter of that Member State's share without the ceiling. In dollar terms, it is a discount of approximately \$200 million dollars for a single Member State. We urge the General Assembly to review this arrangement, in accordance with paragraph 2 of resolution 55/5 C.

10. Fourth, the Group of 77 and China emphasizes that organisations which have an enhanced observer status at the United Nations giving them the rights and privileges usually only applied to observer states, such as the right to speak in the general debate of the General Assembly and the right of reply, should also have the same financial obligations to the United Nations as observer states. We urge the General Assembly to consider a decision on an assessment for such organisations.

Mr Chair,

11. The Group of 77 and China notes that applying the current methodology to the upcoming scale cycle will lead to substantial increases in the contributions of many developing countries. According to the data in the report of the Committee on Contributions, the share of the scale of assessments for the regular budget borne by members of the G77 and China in the 2022-2024 scale period will increase to 27.27%, which is three times the share borne by the G77 and China just over 10 years ago. In the meantime, developed countries' scales of assessment continue to decrease. Even so, as responsible members of the United Nations, the Group of 77 and China reaffirms our commitment to fulfilling our financial responsibilities. We emphasize that developed countries should take on more financial responsibilities to the United Nations.

12. The Group recalls that the rationale for reducing the ceiling to 22% in 2000 was to facilitate the payment of arrears, and thereby improve the financial situation of the United Nations. The Group recalls the severe financial crises over the past years, described by many

in the Secretariat as the “worst in a decade”, and further recalls that these arrears were largely owed by a single Member State. The Group will request detailed information on the history of payment of arrears, to determine whether this rationale has been met.

13. In addition, the Group of 77 and China rejects any attempt to unilaterally withhold contributions as a tool to pressure the United Nations. This is contrary to both the letter and spirit of the Charter, which upholds the principle of sovereign equality of all Member States. We also emphasize that any attempt to change the methodology, to unfairly and further shift the burden of financing this Organisation to developing countries, will only generate unproductive discussions without consensual outcomes. Any attempt to do so during this period is particularly egregious, given that COVID-19 has disproportionately ravaged the economic and social livelihoods of many developing countries.

Mr Chair,

14. On the scale of assessments for the apportionment of peacekeeping operations, the Group of 77 and China reiterates that peacekeeping is an indispensable function of the United Nations. We stress in the strongest terms that all peacekeeping operations should be provided with the necessary resources to implement their mandates. All Member States should fulfil their legal obligations to bear the expenses of the Organisation, in accordance with the Charter of the United Nations, and pay their assessed contributions in full, on time, and without conditions.

15. The Group of 77 and China reaffirms the principles that underpin the financing of peacekeeping operations, that this Assembly has adopted since resolution 1874 (S-IV) of 27 June 1963. At the highest levels, the Group of 77 and China have affirmed that the current principles and guidelines for the apportionment of the expenses of peacekeeping operations, approved by the General Assembly in its relevant resolutions, should constitute a basis for any discussion on the peacekeeping scale. Our Ministers have consistently stressed that the peacekeeping scale must clearly reflect the special responsibilities of the permanent members of the Security Council for the maintenance of peace and security. Our Ministers also recalled that the economically less developed countries have limited capacity to contribute towards the budgets of peacekeeping operations. They emphasised that any discussion on the system of discounts applied to the peacekeeping scale should take into account the situation faced by of developing countries, whose current positions must not be negatively affected. The Ministers stressed, in this regard, that no member of the Group of 77 and China that is not a permanent member of the Security Council, should be categorised above Level C. This particular point is a long-standing position of the Group of 77 and China and it is not negotiable.

16. In view of their special responsibilities for the maintenance of peace and security, the Group of 77 and China calls for the permanent members of the Security Council to continue to shoulder their respective premiums of peacekeeping financing based on their capacity to pay as well as the agreed scale of assessments. Over the years, the arbitrary and unilateral withholding of assessments has led to shortfalls in liquidity for the Organisation, which has forced the Secretariat to borrow from closed peacekeeping missions. This is not in line with proper budgetary practices. The challenges in cash flow due to the wilful withholding of assessments have also had a disproportionate impact on other member states, especially troop- and police-contributing countries, who render the greatest service in the maintenance of peace and security.

Mr Chair,

17. The Group of 77 and China rejects attempts by developed countries to shift obligations to developing countries. Developing countries should not be arbitrarily targeted to move to higher levels or forced to accept reductions in their discounts for peacekeeping contributions. The current methodology provides for all countries to voluntarily contribute more than their calculated scales.

18. The peacekeeping scale should also reflect the principle of common but differentiated responsibilities between developed and developing countries. Developing countries should not be assigned to the same level of contributions as developed countries on the sole basis of their per capita incomes. The exclusive use of this single measure ignores the difficult and unique circumstances faced by developing states, which cannot be expected to contribute to peacekeeping operations on the same level as developed countries. Further, special consideration should continue to be given to Least Developed Countries, and they should continue to be assessed at the lowest level in the scale.

19. The Group of 77 and China recalls that the current levels of discounts for the peacekeeping scale were created in 2000 together with the 22% maximum ceiling for a single Member State. Developing countries were compelled to give up discounts of 80% or 90% overnight in order to accommodate these new levels. The category of Level C was created in 2000 to afford developing countries a minimum discount of 7.5% in the peacekeeping scale. The Group of 77 and China reiterates that developing countries are not in a position to agree to any further reductions in their discounts.

20. The Group is also concerned that developing countries, including Small Island Developing States, have been repeatedly allocated to Level B of the scale since 2000. This violates the principles underlying the 2000 agreement which created the 22% maximum ceiling and the current levels of discounts for the peacekeeping scale. In this regard, the Group of 77 and China reiterates that no developing country that is not a permanent member of the Security Council should be classified above Level C in the peacekeeping scale.

Mr Chair,

21. The Group of 77 and China emphasizes that negotiations on all Fifth Committee agenda items, including the present one, must be conducted in an open, inclusive, and transparent manner which upholds the legitimacy and competency of the Fifth Committee as the sole Main Committee of the General Assembly entrusted with responsibilities for administrative, financial, and budgetary matters. We affirm the unity and solidarity of all our Members on this item, and reiterate our strong opposition to decision-making in small-group configurations.

I thank you, Mr Chair.