



## **Financial situation of the United Nations**

**Statement by Angela Kane, Under-Secretary-General for Management**

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Thank you Mr. Chairman and, through you, let me also thank the members of the Fifth Committee for giving me this opportunity to brief you on the current financial situation of the United Nations.

In doing so, I shall focus on four main financial indicators:

- (a) Assessments issued
- (b) Unpaid assessed contributions
- (c) Available cash resources
- (d) Debt to Member States.

**Chart 1** summarizes the status with respect to assessments at 31 December 2009 and as at 5 October 2010. **Chart 2** summarizes the status with respect to cash and debt to Member States as of 31 December 2009 and projections to 31 December 2010. The picture that these present is mixed, although there has been some improvement in some areas.

### Regular budget

Let me turn first to the regular budget (see **Chart 3**). Assessments and payments were both lower in 2010 than in 2009, by \$332 million and \$371 million respectively. Unpaid assessed contributions amounted to \$787 million on 5 October 2010. This is lower by \$43 million than the \$830 million outstanding on 13 October 2009, which I reported to you almost one year ago.



of assessment in December 2009. The distribution of unpaid assessments is reflected in **Chart 10**.

Due to the unpredictable amount and timing of peacekeeping assessments throughout the year, it can be more difficult for Member States to keep fully current with assessments. Let me therefore pay special thanks to the 11 Member States, listed in **Chart 11**, which at 5 October 2010 had paid all peacekeeping assessments that were then outstanding, due and payable. They were Australia, Azerbaijan, Canada, Chad, Democratic Republic of Congo, Denmark, Germany, Liechtenstein, South Africa

### Debt to Member States

When we reported to you in May, we had projected the Organization's debt to Member States providing troops and equipment to peacekeeping operations to \$525 million. Based on revised projections, it now appears that the amount outstanding at the end of 2010 will be some \$430 million, which is lower than the projection made in May, and also below the amount of \$775 million outstanding at 31 December 2009 (see **Chart 15**). New obligations in 2010 are up, due mainly to the deployment of troops in UNAMID and deployment of additional military contingent and formed police units in MINUSTAH, partly offset by the reduction in the deployed military strength of UNIFIL and UNMIL (see **Chart 16**). **Chart 17** sets out the \$541 million owed at 8 October 2010 and further detailed information is also available at the back of this conference room.

Payments of troop obligations were broadly current up to August 2010 for all active missions. Payments for contingent-owned equipment are current up to June 2010 for all active missions as well. This is a significant improvement from the situation one year ago. I would also like to reassure troop contributors that my colleagues and I will continue to monitor and review the peacekeeping operations cash flow situation constantly, with a view to maximizing the quarterly payments based on the cash that is available.

For our part, Mr. Chairman, the Secretary-General is committed to meeting the Organization's obligations to Member States providing troops and equipment to peacekeeping operations as expeditiously as possible. To do so, however, we depend on Member States to meet their financial obligations to the United Nations in full and on time, and on the finalization of MOUs with troop contributors for provision of equipment.

### International tribunals

The financial position of the international tribunals for Rwanda and the former Yugoslavia has improved slightly (see **Chart 18**). Assessments in 2010 are lower than those in 2009 and the amount outstanding is lower as well by \$13 million.

The number of Member States paying their assessed contributions for both international tribunals in full by 5 October 2010 was 88, five

The final financial position of the tribunals will obviously depend on the payment of assessed contributions by Member States (see **Chart 20**) during the balance of this year. The breakdown of unpaid assessed contributions for the tribunals (see **Chart 21**) also shows a high degree of concentration, with one Member State accounting for 68 per cent of the total, 3 Member States accounting for 16 per cent, and the remaining Member States accounting for 16 per cent. A lot will depend, therefore, on the action to be taken by these Member States.

**Chart 22** shows cash flow figures for the tribunals for 2009 and 2010. If recent trends continue, the tribunals should end the year with positive cash balances. Once again, however, the actual outcome depends on Member States meeting their financial obligations to the tribunals in full and in a timely fashion.

### Capital master plan

The total budget for the Capital Master Plan project of \$1.9 billion was approved by the General Assembly on 22 December 2006.

In accordance with the General Assembly resolution, 180 member states are under the multi year payments system and 12 Member States have opted for one time payment. As of 5 October 2010, payments totalling \$1.4 billion have been made against assessments due and payable, with \$84 million still outstanding (**See Chart 23**). In addition, a number of Member States which did not opt for one-time payment have nevertheless made advance payments. Cash balances through year-end 2010 are projected in **Chart 24**.

I should like to thank the 113 Member States (see **Chart 25**) that have paid in full their Capital Master Plan assessments as of 5 October 2010. In order to ensure the timely execution of the project, I would urge all Member States to pay their assessed contributions to the capital master plan in full and on time.

### Conclusions

In conclusion, Mr. Chairman, in this time of global financial crisis, let me first pay special tribute to those 12 Member States that had paid in full all assessments that were due and payable as of yesterday 11 October 2010 (see **Chart 26**). These were Australia, Azerbaijan, Canada, Democratic Republic of Congo, Denmark, Germany, Liechtenstein, the Netherlands, Singapore, Switzerland, South Africa and the United Republic of Tanzania.

As I indicated at the beginning of this statement, Mr. Chairman, the financial indicators for 2010 are mixed (see **Chart 27**).

