



Financial situation of the United Nations

Statement by Warren Sach, Officer-In-Charge, Department of Management

Fifth Committee of the General Assembly at its second resumed 66th

number by five (see **Chart 3**). On behalf of the Secretary-General, I should like to thank

financial situation of peacekeeping operations and those of the regular budget and the tribunals.

The total amount outstanding for peacekeeping operations at the end of 2011 was \$2.63 billion, reflecting an increase of \$164 million from the amount of \$2.46 billion outstanding at the end of 2010 (see **Chart 11**). The breakdown of the amount that remained outstanding at 5 October 2011 and its status as on 31 December 2011 are shown in **Chart 12**. Again, like Regular Budget, there has been a good reduction in the outstanding assessment, perhaps reflecting the effect of differing payment cycles for Member States. However, approximately 80 per cent of the \$2.63 billion outstanding at the end of 2011 was owed by nine Member States.

Russian Federation, Singapore, South Africa, Sweden, Switzerland, Tajikistan, Thailand and the United Republic of Tanzania.

Based on information currently available, we expect the total cash available in peacekeeping accounts at the end of 2012 to amount to over \$3 billion, with \$2.6 billion in the accounts of active missions, \$279 million in the accounts of closed missions and \$139 million in the Peacekeeping Reserve Fund (see **Chart 18**). These estimates are based on projected receipts and disbursements, as well as the reclassification of MINURCAT from active to closed mission. The cash in closed missions will be the projected total cash and not the surplus cash that would be available for return to Member States.

As regards Debt to Member States - as indicated in **Chart 19**, the amount owed for troops, formed-police units and contingent-owned equipment at 31 December 2011 was \$529 million, reflecting a decrease from the \$539 million owed at the start of the year. New obligations are projected to increase in 2012 compared to 2011. This is primarily due to UNSOA's exceptional reimbursement for COE as well as the increase in the COE reimbursement rate effective 1 July 2011, which has been partly offset by MINUSTAH's partial drawdown of the post-earthquake surge capacities. By the end of 2012, it is projected that debt to Member States will increase to \$678 million. This is based on projected new obligations of \$2.1 billion and projected payments of \$1.9 billion. As at 7 May 2012, the amount owed was \$774 million, of which 50 per cent is owed to 8 Member States (see **Chart 20**).

Payments for troops and formed police unit costs, including the supplemental payment as decided by the General Assembly during its 65th session, are current up to January/February 2012 for all missions, except for MINURSO and UNMIT due to insufficient cash in the special accounts of these two missions (see **Chart 21**). Payments for contingent-owned equipment are current up to December 2011 for all active missions with liabilities for COE, except for MINURSO, UNFICYP, UNMIT and UNOCI, due to insufficient cash in the special accounts for these missions. Projected paymen

The number of Member States paying their assessed contributions for both international tribunals in full by the end of 2011 was 105, seven more than the level reached at the end of 2010. On behalf of the Secretary-General, let me express our sincere thanks to those 105 Member States listed in

Operations, the International Tribunals, and the Capital Master Plan that were due and payable as at 7 May 2012 (see **Chart 32**). These were Australia, Austria, Belize, Burkina Faso, Canada, Eritrea, Estonia, Finland, Germany, Hungary, Iceland, India, Ireland, Israel, Italy, Japan, Kuwait, Latvia, Luxembourg, Malawi, Monaco, the Netherlands, New Zealand, Nicaragua, Niger, Norway, the Republic of Moldova, Singapore, South Africa, Sweden, Switzerland, Tajikistan, Thailand and the United Republic of Tanzania. In addition, payments received after the cut-off date of 7 May result in the addition of Denmark and Liechtenstein to the list of Member States that have paid all assessments as of today's date.

The latest situation reflects the continued emphasis on improving Member States' access to information on the status of contributions. With the gains made in recent years, there has been a steady increase in the number of Member States demonstrating their commitment to the Organization by meeting their financial obligations in full at the time of the financial situation presentation (see **Chart 33**).

The financial situation at the end of 2011 showed improvement in some areas despite the global financial climate. Though unpaid assessments were higher compared to end of 2010, the number of Member States meeting their obligations in full had increased in all categories and the cash situation was also better in most areas; in addition, the debt to Member States had also decreased a little.

There have been further encouraging signs of progress in the financial position of the Organization in 2012 (see **Chart 34**). At 7 May 2012, unpaid assessments were below the levels of one year ago across all categories. Total unpaid assessments were \$600 million lower at 7 May 2012. However, some peacekeeping operations continue to be affected by cash shortages, which also impact the payments to TCCs.

Finally, while I am heartened by the increase in the number of Member States that have settled their financial obligation in full as at 7 May 2012, a significant level of outstanding assessments remains. Clearly, the final outcome for 2012 will depend in large measure on action to be taken by the Member States that have outstanding assessments. As always, Mr. Chairman, the financial health of our Organization depends on Member States meeting their financial obligations in full and on time.

Thank you.