

STATEMENT BY MR. A.K.S. VIJAYAN, MEMBER OF PARLIAMENT AND MEMBER OF THE INDIAN DELEGATION, ON AGENDA ITEM 119: IMPROVING THE FINANCIAL SITUATIONOF THE ORGANIZATION AT THE FIFTH COMMITTEE OF THE UN GENERAL ASSEMBLY ON NOVEMBER 09, 2006

Mr. Chairman,

We would like to thank the Controller, Mr. Warren Sach for his presentation of the financial situation of the United Nations. My delegation aligns itself with the statement made by South Africa on behalf of the G-77 and China.

Mr. Chairman,

My delegation firmly believes that unconditional, timely and full payment of legitimate dues is a fundamental obligation which the UN charter imposes on all Member States according to their capacity to pay. In our opinion, it is not just a legal obligation but a moral one as well. Provision of adequate financial resources to the Organization is mandatory, if we expect the implementing entities to deliver the tasks mandated to them. It is all the more distressing when those with more than adequate means are essentially responsible for not paying their dues in full, on time and without conditionality, thereby creating the financial crisis often faced by the Organization. We as Member States need to do some introspection before we simply blame the managerial and institutional failures as being solely responsible for the alleged inefficiencies and ineffectiveness of the United Nations.

Mr. Chairman,

Our Organization represents the collective will of human civilization. As Member States, it is our solemn duty to provide the Organization with all possible resources for it to execute our will. Millions of lives throughout the globe are dependent on the good work being carried out by the United Nations. It is unfortunate that, time and again, we are confronted with a situation where the Organization's financial viability creates a question mark on its capacity to perform its expected role. We have to decide in our own wisdom whether the financial solvency of the United Nations is in our collective interest.

Mr. Chairman,

While acknowledging that due to payments in the last quarter of 2005, unpaid contributions to the regular budget were down by US Dollar 58 million and currently stood at US Dollar 661 million, we note with concern the uncertainty regarding the position of the regular budget for this year, as it would depend on the action of a few member states in the near future, particularly the largest contributor accounting for nearly 80% of the outstanding dues. It is noteworthy that if the largest contributor were to pay its 2006 assessment in full, the Organization could have cash balance at approximately the same level as at the end of 2005 or else it would have to borrow over US Dollar 200 million from the reserve account. Financial uncertainty is never good for any organization less so for ours. Its sustained presence would derail us from important agenda items that are before us and we would be found guilty before our people for failing to deliver what they expect of us. We, therefore, call for an expeditious correction of the current situation.

Mr. Chairman,

My delegation is also distressed by the fact that as on 31st October 2006 an amount of over US Dollar 2.5 billion is outstanding for peacekeeping operations. As with the regular budget, over half of the total was owed by two Member States. Consequently, the Organization's outstanding obligations to Member States that contribute troops and equipment to peacekeeping operations has been projected to grow by over \$ 300 million this year. Adequate funding of peacekeeping operations is not merely a question of financial book-keeping but it involves a larger issue of the United Nations' credibility and its ability to fulfill the commitments made by the international community while resolving conflicts in various parts of the world. At the same time, those Members States who have steadfastly contributed troops and equipment to UN peacekeeping operations should not be denied their legitimate dues and be penalized for their allegiance to the principles and purposes of the UN Charter.

Mr. Chairman,

The only way to resolve these issues is for Member States to meet their financial obligations to the United Nations in a fuller and timelier fashion, particularly those who have no legitimate reasons to withhold their obligations.

Thank you, Mr. Chairman.

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