

Financial situation of the United Nations

Statement by Yukio Takasu, Under-Secretary-General for Management

Fifth Committee of the General Assembly at its 70th to the presentation, there is also a handout which has been made

picked up in the room. this can be

Today, I shall focus on four main financial indicators:

- (a) Assessments issued
- (b) general

sound and positive, although there are some areas which still need to be closely monitored in 2016.

At the end of 2015, unpaid assessments were lower than the end of the previous year in all areas, except the tribunals. Cash balances were positive for peacekeeping, tribunals and CMP at the end of 2015, but the regular budget continued to show a pattern of tightness in the last quarter, which I had forecasted when I briefed you in October last year. The regular budget cash reserves covered these shortfalls.

More recently, at the end of April 2016, unpaid assessments were lower in all categories except peacekeeping operations compared to one year ago. The increase in unpaid peacekeeping assessments in 2016 is directly related to the increase in peacekeeping assessments in 2016, as half of the peacekeeping assessments for the 2015/2016 fiscal year could only be issued after adoption of the new scale in December 2015. Cash balances are currently positive for all areas, however regular budget cash is

As seen in the graph, the regular budget shortfall reached \$113 million in October 2015. With Umoja rollout at UNHQs in November 2015, Tax Equalization Fund cash is segregated from the regular budget cash. Accordingly, the Regular Budget shortfall dropped to \$217 million at the end of 2015, despite additional contributions made in November.

In 2016, the regular budget cash will continue to face pressure given the current reduced level of reserves resulting from General Assembly decisions on use of Special Account in recent years, as well General Assembly action to finance a significant level of activities with commitment authority (without assessment) during biennium 2016-17. The final cash position towards the end of 2016 will depend largely on the payments to be made by the Member States in coming months.

Peacekeeping operations

Mr. Chairman, peacekeeping has a different financial period from regular budget, running from 1 July to 30 June instead of the calendar year. Assessments are issued separately for each operation; and, since assessment letters are issued only through the mandate period approved by the Security Council for each mission, they are issued for different periods throughout the year. All of these factors complicate a comparison of the financial situation of peacekeeping operations with other budgets.

The total unpaid assessment for peacekeeping operations at the end of 2015 was \$976 million, reflecting a decrease of \$306 million compared to the \$1.28 billion outstanding at the end of the previous year (see **Chart 10**). As of 30 April 2016, new assessments of \$3.9 billion had been issued and the level of unpaid assessments amounted to \$2.4 billion. The increased level of peacekeeping assessments in the first few months of 2016 is the result of the increase of assessment for the second half of peacekeeping fiscal year 2015/2016, following adoption of the new scale of assessments for 2016 at the end of 2015.

Chart 11 shows the breakdown of unpaid assessments on 30 April 2016, which continue to be concentrated among few Member States. Here again we acknowledge the differences in financial year of Member States, and the timing of the related national legislative processes. This is a particular challenge for peacekeeping operations, because letters of assessment are issued throughout the year for different missions whenever the Security Council renews the respective mandates.

Given all these challenges, we greatly appreciate the efforts Member States are making to keep current with peacekeeping assessments. By 31 December 2015, 30 Member States had paid all peacekeeping assessments in full (see **Chart 12**). Let me thank these 30 Member States in the chart. (**Chart 13**) More recently on 30 April 2016, 40 Member States had paid all peacekeeping assessments in full, despite a considerable challenge to pay by the cut-off date of 30 April. I would like to pay special tribute to those 40 Member States in the chart for their exceptional efforts to expedite payment.

Although the total cash available for peacekeeping (including the reserve) at the end of 2015 amounted to almost \$3 billion, this amount is segregated in accordance with

depends on Member States continuing to honour their financial obligations to the tribunals.

Capital Master Plan

A total of \$1.87 billion was assessed under the special account for the Capital Master Plan. As of 30 April 2016, the bulk of the assessed contributions had been received, with \$0.2 million still outstanding (see **Chart 23**). Over the years, Member States have extended strong support to the project, and this is manifested by the number of Member States which have paid in full for the project. As of 30 April 2016, 185 Member States had paid their Capital Master Plan assessments in full (see **Chart 24**). I should like to thank these Member States. At the same time, I would like to urge the remaining 7 Member States to make a special effort to make their assessed payment so that we can make

The overall UN cash situation is currently positive for all categories at 30 April 2016. This is the result of the continued efforts by many Member States, to which I would like to express our deep appreciation.

However, the regular budget cash is expected to again tighten towards the end of this year. The Secretariat will continue to monitor the cash flow closely and to ensure tight financial management. The level of reserves (both Working Capital Fund and Special Account) is to cover only 6 weeks of regular budget operation. It will be prudent to review the adequacy of the level of reserves, in light of pattern of payment of member states and high level of commitment authority.

An increased number of Member States are making timely contributions to peacekeeping operation, and the Secretariat is making every effort to expedite outstanding payments for troops and formed police units, and COE claims. The level of outstanding payments to Member States is projected to decrease to \$818 million at the end of 2016.

The overall number of Member States which have paid all assessments due and payable reflects an increase at 35 Member States compared to 22 Member States one year ago.

As always, Mr. Chairman, the financial health of our Organization depends on Member States meeting their financial obligations in full and on time. On behalf of the Secretary-



The United Nations Financial Situation

Yukio Takasu
Under-Secretary-General for Management

United Nations

4 May 2016



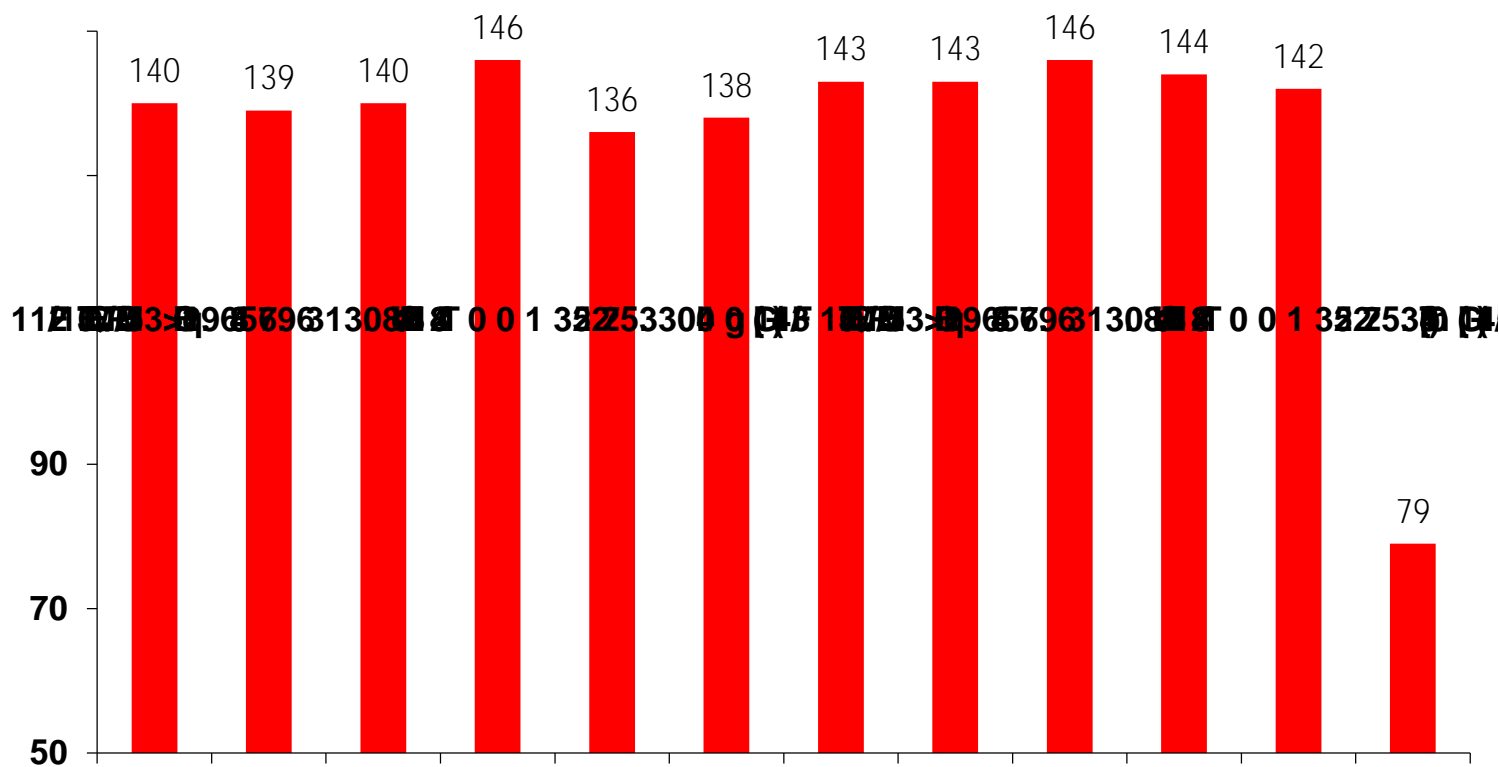
- Regular budget
- Peacekeeping
- Tribunals
- Capital Master Plan

31 Dec 2014

30 Apr 2015

31 Dec 2015

30 Apr 2016



- Regular budget
- Peacekeeping
- Tribunals
- Capital Master Plan



Member State	2 Oct 2015	31 Dec 2015
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Total	1,053	533
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- Regular budget
- Peacekeeping
- Tribunals
- Capital Master Plan



31 Dec 2014 30 Apr 2015 31 Dec 2015 30 Apr 2016

297 1,008 133 821

- Regular budget
- Peacekeeping
- Tribunals
- Capital Master Plan





Regular budget
■ Peacekeeping
Tribunals
Capital Master Plan



Regular budget
■ Peacekeeping
Tribunals
Capital Master Plan

Member State

30 Apr 2016

Total

2,396



Bosnia and Herzegovina

Canada

China

Czech Republic



Regular budget

■ Peacekeeping

Tribunals

Capital Master Plan



Australia
Bhutan
Bosnia and Herzegovina
Bulgaria
Canada
China
Cote d'Ivoire
Czech Republic
Denmark
Estonia
Ethiopia
Finland
Georgia
Germany

Ghana
Hungary
Iceland
Ireland
Israel
Italy
Japan
Jordan
Kazakhstan
Kenya
Kuwait
Latvia
Lesotho

Liechtenstein
Luxembourg
Mali
Monaco
Netherlands



Regular budget
■ Peacekeeping
Tribunals
Capital Master Plan





Regular budget
■ Peacekeeping
Tribunals
Capital Master Plan

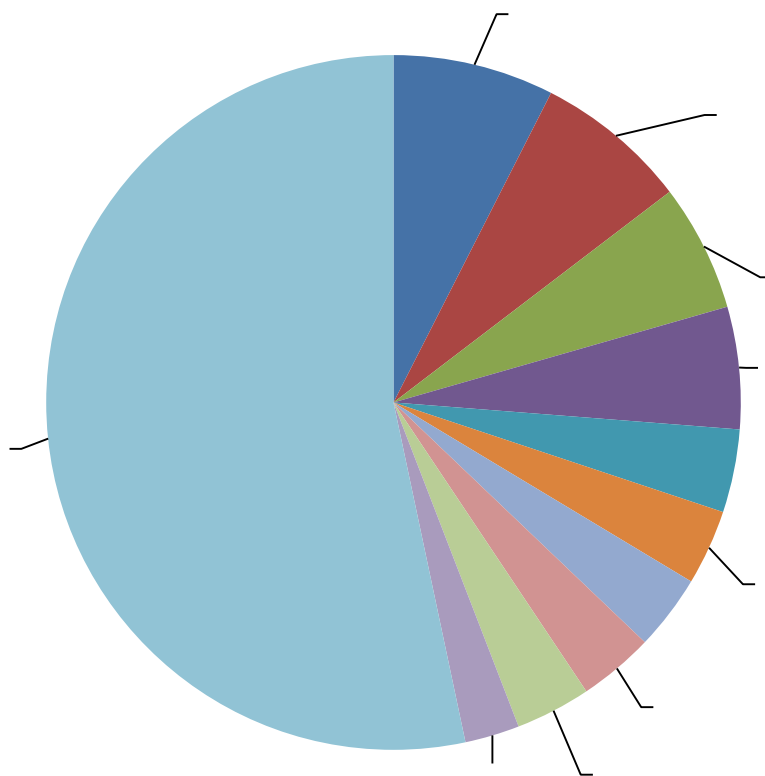


Regular budget
■ Peacekeeping
Tribunals
Capital Master Plan

	31 Dec 2014	31 Dec 2015	31 Mar 2016 ^a	31 Dec 2016 ^b
TOTAL ^c	828	824	827	818

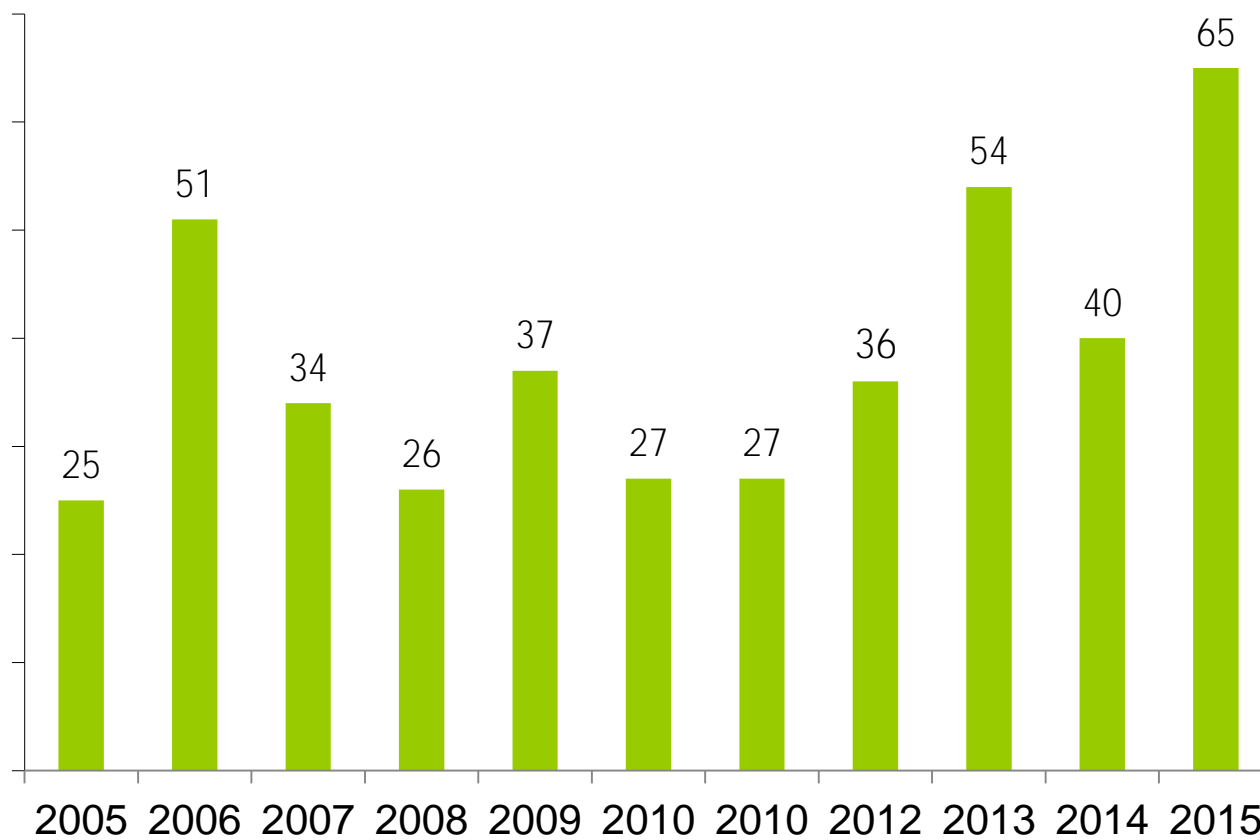


86 Member States



- Regular budget
- Peacekeeping
- Tribunals
- Capital Master Plan

TOTAL 827 million*



Regular budget
Peacekeeping
Tribunals
Capital Master Plan



Member State	2 October 2015	31 December 2015
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Total	69	65
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Regular budget
Peacekeeping
■ Tribunals
Capital Master Plan



Regular budget
Peacekeeping
Tribunals



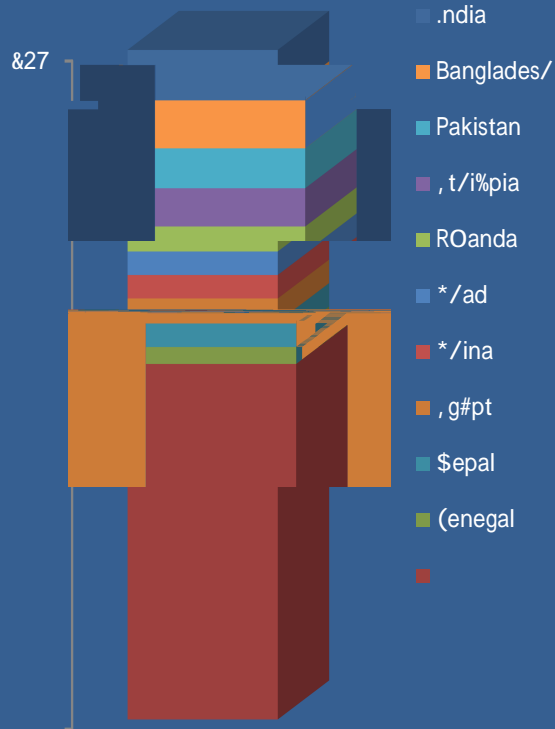




Outstanding Payments to Member States

Outstanding Payments to Member States

Amounts owed by Member States (in US\$ millions) as at 31 March 2017



United Nations (Financial Situation)

4 March 2016

