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Chair: Mr. Margaryan (Armenia)
*Chair of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Bachar Bong

Contents

Agenda item 142: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*)

Agenda item 149: Scale of assessments for the apportionment of the expenses of United Nations peacekeeping operations (*continued*)

Agenda item 146: Report on the activities of the Office of Internal Oversight Services

Agenda item 136: Review of the efficiency of the administrative and financial functioning of the United Nations

Agenda item 137: Programme budget for 2021

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The meeting was called to order at 3.05 p.m.

Agenda item 142: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/76/11, A/76/11/Add.1 and A/76/70; A/C.5/76/L.2)

Agenda item 149: Scale of assessments for the apportionment of the expenses of United Nations peacekeeping operations (*continued*) (A/76/296/Rev.1)

1. **Mr. Gafoor** (Singapore), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), said that Member States must fulfil their obligation to bear the expenses of the Organization in full, on time and without conditions. However, some countries, in particular developing countries whose economies had been disproportionately affected by the coronavirus (COVID-19) pandemic, faced genuine difficulties in doing so. ASEAN therefore supported the recommendation of the Committee on Contributions to allow such countries to vote until the end of the seventy-sixth session of the General Assembly.

2. The methodology currently underpinning the scales of assessment for the regular budget and for peacekeeping operations had been adopted by consensus after difficult negotiations in 2000, reflecting a common agreement on the principles underlying the scales that should not be taken for granted. Capacity to pay must remain the main criterion in the apportionment of the expenses of the United Nations. Under the current methodology, the assessments of States with rapidly growing economies, including many ASEAN members, would increase, while those of States with slower-growing economies would decrease. In addition, the regular-budget assessments of 45 developing countries would increase.

3. Although their collective contribution to the regular budget was projected to increase by nearly six per cent, ASEAN members remained committed to fulfilling their financial and legal obligations to the United Nations and called on other Member States to do the same, in order to provide the Organization with adequate resources to implement its mandates. ASEAN would not support proposals aimed at distorting the principle of the capacity to pay or at unduly shifting the financial burden to developing countries. The current maximum assessment rate of 22 per cent was the only aspect of the scale methodology that ran counter to the principle of the capacity to pay; it was a fundamental source of distortion in the scale benefiting only one Member State, and must therefore be addressed. In addition, intergovernmental organizations with an

enhanced observer status at the United Nations that enjoyed rights and privileges usually granted only to observer States, such as the right to speak in the general debate, should have the same financial obligations as such States, in order to ensure the equal treatment of such observers. ASEAN looked forward to a thorough consideration of that issue during informal consultations.

4. Member States must pay their peacekeeping assessments in full, on time and without conditions, in accordance with the Charter of the United Nations. In successive resolutions adopted by consensus since 1963, the General Assembly had set out the principles underpinning the financing of peacekeeping operations. In particular, it had indicated that the special responsibilities of the permanent members of the Security Council for the maintenance of peace and security should be borne in mind in connection with their contributions to the financing of peace and security operations. The permanent members of the Council should therefore continue to bear the expenses resulting from the discounts granted to other Member States, in recognition of their special decision-making prerogatives related to peacekeeping operations. They must also demonstrate leadership in order to justify those prerogatives and must refrain from shifting the financial burden for peacekeeping to developing States. That would help to avoid a situation in which the political dominance of permanent members continued to increase while their financial contributions decreased.

5. The peacekeeping scale must continue to take into account the circumstances of developing countries, in particular economically less developed countries with misleadingly high per capita incomes owing to their small populations. Developing countries should not bear the same financial responsibilities as developed countries. Accordingly, no developing country that was not a permanent member of the Security Council should be categorized above level C of the peacekeeping scale.

6. **Mr. Camelli** (Representative of the European Union, in its capacity as observer), speaking also on behalf of the candidate countries Albania, Montenegro and North Macedonia; the stabilization and association process country Bosnia and Herzegovina; and, in addition, Andorra, Georgia, Monaco, the Republic of Moldova and Ukraine, said that the States members of the European Union would endorse the recommendation of the Committee on Contributions to allow countries that had requested exemptions under Article 19 of the Charter to vote in the General Assembly until the end of its seventy-sixth session. Funding the United Nations was nevertheless a fundamental shared responsibility of all Member States, as indicated in Article 17 of the

Charter. However, some Member States faced temporary difficulties in fulfilling their financial obligations, and a number of countries that had requested exemptions had been facing such difficulties on a recurring basis. Once arrears had accumulated, multi-year payment plans were an effective tool for reducing those arrears. Member States that had requested exemptions should therefore consult the Secretariat in order to develop and submit practical multi-year payment plans as a means not only of fulfilling their responsibilities but of demonstrating solidarity with other countries which, despite their financial struggles, still paid their contributions.

7. The main collective priority of Member States should be to ensure the financial sustainability of the Organization so that it could effectively fulfil its mandates. To achieve that goal, the General Assembly should ensure an equitable and balanced distribution of financial responsibilities, in accordance with Member States' capacity to pay. The European Union was thus grateful to the Committee on Contributions for its assessment of the issues that were preventing the current methodology from adequately reflecting the capacity to pay, and called on Member States to improve that methodology.

8. The States members of the European Union would examine the Committee's assessment of the regular-budget scale methodology, complementing that assessment with their own, with the aim of reviewing the methodology. They were particularly interested in the Committee's comments regarding the use of verifiable and comparable data on public external debt flow in determining the debt-burden adjustment, as such data would ensure that the adjustment better reflected the reality of the related financial flows, in accordance with its original purpose, and was effectively targeted at countries in need. In addition, the low per capita income adjustment, while an essential element of the scale methodology, was currently benefiting middle-income countries rather than countries truly in need, limiting the number of countries required to bear the resulting expenses and overburdening those that did so.

9. The States members of the European Union contributed military, civilian, police and other personnel to peacekeeping missions worldwide, and was thus committed to providing such missions with adequate financial resources. Peacekeeping assessments should reflect Member States' capacity to pay, while taking into account the special responsibilities of the permanent members of the Security Council. The European Union would therefore propose to modernize the peacekeeping scale formula to more accurately reflect contemporary realities, including by ensuring that discounts were

based on justifiable, objective and comparable criteria and were targeted at countries with limited capacity to pay.

10. **Mr. Liburd** (Saint Kitts and Nevis), speaking on behalf of the Caribbean Community (CARICOM), said that the financial stability of the United Nations depended on equitable burden-sharing among Member States for the expenses required to carry out its mandates. Capacity to pay was the fundamental criterion in the apportionment of the expenses of the United Nations. Core elements of the current scale methodology, such as the base period, gross national income (GNI), conversion rates, low per capita income adjustment, the gradient, the floor, the least developed countries ceiling and the debt-burden adjustment should remain unchanged. Any proposals intended to increase the contributions of developing countries should be rejected.

11. CARICOM said that the arrangements for the financing of peacekeeping operations were important, as they provided the mechanism by which Member States fulfilled their collective responsibility to address threats to international peace and security, and to promote human rights and dignity for all, in accordance with the Charter. Peacekeeping operations should be provided with adequate resources for the implementation of their mandates. Accordingly, the scale of assessments for peacekeeping operations should take into account the special responsibilities of the permanent members of the Security Council, in accordance with General Assembly resolution [55/235](#), and the special circumstances that prevented some developing countries from meeting their financial obligations.

12. The peacekeeping scale should also continue to reflect the common but differentiated responsibilities of developed and developing countries, taking into consideration the specific situation of small island developing States and other countries that had deceptively high per capita incomes owing to their small populations. The placement of developing countries above contribution level C was unacceptable and inaccurately reflected the economic reality of the States concerned. It was particularly regrettable that the Bahamas had been placed in level B, a category that should be reserved for developed countries, while the assessed contributions of other CARICOM members had doubled. Corrective measures should thus be taken to restore the balance between developed and developing countries. States members of CARICOM were grappling with such challenges as the COVID-19 pandemic, high levels of public debt, natural disasters, climate change and external economic shocks, all of which threatened to derail their fiscal policies. They, and

other developing countries with small, trade-dependent and vulnerable economies, could not be expected to bear the same financial burden as developed countries.

13. **Mr. Raguttahalli** (India), speaking also on behalf of Brazil, China, the Russian Federation and South Africa, said that the five delegations attached great importance to the scales of assessments and to ensuring that the Secretariat had adequate resources to fulfil its mandates. The elements of the current scale methodology were appropriate and should be retained; they were not negotiable. The principle of capacity to pay and the low per capita income adjustment were fundamental criteria in the apportionment of the Organization's expenses. However, the current maximum assessment rate ran counter to those criteria and was a source of distortion in the scales. Developed countries with high per-capita incomes should assume a greater share of the responsibility for funding the United Nations.

14. **Mr. Eboa Ebongue** (Cameroon), speaking on behalf of the Group of African States, said that the viability of any apportionment methodology depended on Member States fulfilling their financial responsibilities in full, on time and without conditions. The principle of the equality of Member States, as enshrined in Article 2 of the Charter, applied to their rights and responsibilities and implied their equitable financial contribution to the Organization in accordance with the principle of capacity to pay, which remained the main factor in determining their assessments. It was thus unacceptable and unfair that certain relatively wealthy Member States continued to shift their statutory responsibilities onto others, in particular developing countries.

15. General Assembly resolution [55/5 C](#) on the scale of assessments for the apportionment of the expenses of the United Nations was based on an outdated political agreement that had profoundly distorted the principles of the equitable sharing of responsibilities and of capacity to pay. The Assembly should thus ensure that Member State contributions were commensurate with their capacity to pay. Any change to the current assessment calculation methodology that would further increase the heavy burden borne by developing countries was unacceptable. Core elements such as base period, GNI, conversion rates, low per capita income adjustment, the gradient, the floor, the least developed countries ceiling and the debt-burden adjustment, must be kept intact.

16. Those with privileges within the Organization had a responsibility to contribute to its budgets. For example, countries, groups of countries and

organizations benefiting from the services of the United Nations, in particular those with enhanced observer status, must not be exempt from the financial responsibilities associated with such privileges. The General Assembly should address that situation as soon as possible. Similarly, the peacekeeping scale must clearly reflect the special responsibilities of the permanent members of the Security Council for the maintenance of peace and security.

17. Any discussion on the system of discounts applied to the peacekeeping scale should be focused on providing relief to countries whose economies had suffered the devastating consequences of the COVID-19 pandemic. The pandemic, together with other structural problems, had already temporarily prevented some developing countries from meeting their financial obligations to the Organization. The Fifth Committee should therefore urgently consider the matter of exemptions under Article 19 and endorse the recommendation of the Committee on Contributions to permit the Comoros, Sao Tome and Principe, and Somalia to vote in the General Assembly until the end of its seventy-sixth session.

18. **Mr. Croker** (United Kingdom) said that, in its resolution [73/271](#), the General Assembly had concluded that the regular-budget scale of assessments could be enhanced and that the peacekeeping scale should be reformed. It was the Committee's responsibility to fulfil those aims at the current session.

19. In its report on its eighty-first session ([A/76/11](#) and [A/76/11/Add.1](#)), the Committee on Contributions had set out clear rationale and data, as well as General Assembly guidance, indicating the need for adjustments to ensure that the regular-budget scale methodology accurately reflected capacity to pay. For example, given the improved availability of data, the current technically flawed method of determining the debt-burden adjustment should be changed, in accordance with General Assembly guidance. Gross national disposable income, rather than GNI, would be a more appropriate measure of capacity to pay, and relief should be targeted at Member States most in need. In that regard, it was questionable whether major creditor nations should continue to benefit from the debt-burden adjustment.

20. The discounts applied to the peacekeeping assessments of certain Member States, in particular those in level C, were not based on justifiable, objective and comparable criteria, and did not accurately reflect their capacity to pay. The United Kingdom welcomed the commitments made by some Member States to relinquish their discounts, including during their terms as non-permanent members of the Security Council, and

encouraged all Member States with the ability to do so to amend their contribution level to better reflect their responsibilities and capacity to pay. Precisely because the scales were intended to reflect capacity to pay, it was logical and fair that Member States' assessments fluctuated over time in response to changes in their relative economic growth. The United Kingdom endorsed the recommendations of the Committee on Contributions regarding exemptions under Article 19, given the need to assist States facing temporary and genuine difficulties in fulfilling their financial obligations. However, States must make every effort to pay their contributions in full and on time, and Article 19 was to be used only on an exceptional basis.

21. **Mr. Kimura** (Japan) said that, as one of the major financial contributors to the United Nations, Japan attached great importance to the scales of assessments. Assessed contributions were indispensable to effective mandate fulfilment. In accordance with Article 17 of the Charter and relevant General Assembly resolutions, Member States had a shared responsibility to provide financial support to the Organization. Assessed contributions should be based on capacity to pay. Japan was proud to have consistently fulfilled its responsibility by paying all its assessments in full.

22. Japan commended the Committee on Contributions on its efforts to reflect recent changes in the economic realities of Member States in its report (A/76/11 and A/76/11/Add.1), particularly in the light of the COVID-19 pandemic. In view of the changing global economy, the scale methodology should be improved to more equitably reflect Member States' actual capacity to pay, based on the most current, comprehensive and comparable data available.

23. The peacekeeping scale should continue to reflect the special responsibilities of the permanent members of the Security Council; that principle must not be attenuated. Japan endorsed the recommendations of the Committee on Contributions regarding exemptions under Article 19 of the Charter. Member States in arrears that had not yet submitted multi-year payment plans should do so, while States that had already submitted such plans should update them, as recommended by the Committee.

24. **Mr. Kennedy** (United States of America) said that ensuring that the regular-budget scale methodology reflected capacity to pay was not a straightforward task. While the scale could be improved in some respects, the ceiling had been a fundamental part of the methodology since 1946 and should not be changed.

25. Historically, many Member States had, for various reasons, volunteered to pay a higher share of

peacekeeping assessments than required. For example, during the 2001–2003 scale period, 14 countries had done so, increasing their collective share of contributions by half a percentage point, while during the 2004–2006 period, 13 countries had done so, increasing their share of contributions by a full percentage point. A similar level of additional contributions under the current peacekeeping budget would generate \$65 million. However, in 2021, only four countries had volunteered to pay at a higher rate. He thanked those countries and encouraged others to follow their example. In particular, the eight countries that, despite being wealthy, received a discount of 7.5 per cent on the peacekeeping scale because they identified as members of the Group of 77 and China, should relinquish that discount. In addition, non-permanent members of the Security Council that received discounts should relinquish their discounts, and those that did not receive discounts should pay a small premium in order to reflect their special responsibilities.

26. **Ms. Al-Thani** (Qatar) said that peacekeeping operations should be adequately funded so that they could carry out their mandated activities, which were not limited to the maintenance of international peace and security but included political affairs, the protection of civilians, assistance in disarmament, the protection of human rights and the application of the rule of law. The principles underlying the apportionment of the expenses of United Nations peacekeeping operations, adopted by the General Assembly in its resolution 55/235, should form the basis of any discussion of the scale of assessments. The financing of peacekeeping operations was the collective responsibility of all Member States and should reflect the special responsibilities of Security Council members and the limited capacity of less developed countries to contribute to the budgets of peacekeeping missions.

27. As emphasized in the ministerial declarations of the Group of 77 and China, most recently at the forty-fourth annual meeting of the Ministers for Foreign Affairs of the States members of the Group, held in November 2020, no member of the Group that was not a permanent member of the Council should be categorized above level C. Transparency was essential to the conduct of negotiations on the matter. Qatar rejected attempts to exert political pressure on members of the Group to voluntarily transfer to level B.

28. **Mr. Elmahs** (Egypt) said that Member States must fulfil their financial obligations to the United Nations by paying their assessed contributions in full, on time and without conditions. In accordance with the Charter, regular budget assessments must reflect capacity to pay

and peacekeeping assessments must reflect the special responsibilities of the permanent members of the Security Council. Egypt shared the view of the majority of delegations that the current assessment calculation methodology accurately reflected the changes in the relative economic situations of Member States. Egypt therefore rejected any changes to the methodology aimed at increasing the contributions of developing countries.

29. The application of the current methodology to the regular-budget scale for the period 2022–2024 would lead to an increase of more than 27 per cent in the contributions of developing countries, while the contributions of developed countries would continue to decrease. Moreover, as a major troop- and police-contributing country, Egypt had been negatively affected by the liquidity shortage facing the Organization. In view of their veto rights under the Charter, permanent members of the Security Council had a responsibility to pay their premiums for the peacekeeping budget in full, on time and without conditions. Any attempt to modify the scale methodology would increase the burden borne by developing countries at a time when such countries, in particular those in Africa, were facing unprecedented health, economic and social challenges as a result of the pandemic.

30. **Mr. Pérez Ayestarán** (Bolivarian Republic of Venezuela) said that his delegation supported the recommendation of the Committee on Contributions to grant exemptions to the Comoros, Sao Tome and Principe and Somalia under Article 19 of the Charter so that they could fully exercise their rights and privileges, including the right to vote in the General Assembly, until the end of its seventy-sixth session.

31. The Bolivarian Republic of Venezuela was determined to pay its contributions on time and without conditions, in view of its firm commitment to the Organization and all that it represented, in particular during the pandemic. The Government of the United States was nevertheless continuing its systematic attempts to curtail the rights and privileges of the Bolivarian Republic of Venezuela, including its right to participate, by voice and vote, in United Nations proceedings. In 2020, the Bolivarian Republic of Venezuela had been denied an exemption under Article 19 of the Charter, despite having demonstrated that its failure to pay its assessments was the result of the imposition of a systematic and criminal policy of aggression by the Government of the United States, involving the theft of its resources and the pillaging of sovereign assets. As a result, for more than 10 months, the Bolivarian Republic of Venezuela had had its right

to vote in the General Assembly suspended for reasons clearly beyond its control.

32. Throughout the course of 2021, the Bolivarian Republic of Venezuela had alerted the Secretariat and the Committee on Relations with the Host Country to the persistence of the illegal economic, commercial and financial blockade preventing it from having access to its own funds and from being able to regularly transfer them within the international financial system. In that regard, his delegation had proposed, among other solutions, that the more than \$300 million that had been deposited in an account of the Central Bank of Venezuela at Citibank of New York, which had been stolen by the United States Department of the Treasury and was currently being held by the Federal Reserve Bank of New York, be transferred without delay to an account designated by the Organization. However, the Bolivarian Republic of Venezuela had still received no response to that request.

33. The United Nations must have timely and predictable funding in order to implement its mandates and overcome the current liquidity crisis. The Bolivarian Republic of Venezuela had the capacity to fulfil its financial obligations to the United Nations. It therefore called on the Government of the United States to cease its systematic abuse of its role as host country once and for all, and to comply with the letter and spirit of the United Nations Headquarters Agreement and the Charter of the United Nations. The United States could not use bilateral differences as an excuse to exploit its privileged position as host country in order to advance its policy of aggression against the Bolivarian Republic of Venezuela in violation of international legal norms, including the principle of the legal equality of States. The Bolivarian Republic of Venezuela was merely insisting that it be treated equally and without discrimination.

34. The Bolivarian Republic of Venezuela was committed to taking the necessary steps to put an end to the attempt at blackmail and neocolonial domination to which it was being subjected. The Fifth Committee should exercise its good offices to help the competent authorities of the host country, in coordination with the Secretariat, to determine a practical and lasting solution to that situation before January 2022. Time was running out, and the host country had, as yet, demonstrated no political will to resolve the issue.

35. The Bolivarian Republic of Venezuela called for the full and immediate lifting of all the unilateral coercive measures and other restrictions to which it was subject, and which prevented it from carrying out its responsibilities fully and efficiently, and thus from

fulfilling the purposes of the United Nations, as indicated in section 27 of the United Nations Headquarters Agreement. The Organization must put an end to attempts to establish a practice whereby Member States had their rights and privileges suspended owing to the alleged non-payment of contributions when, in reality, they had the necessary resources to make the relevant payments but were being denied all possible means of access thereto. Similarly, Member States must ensure that the work of the United Nations was not held hostage to specific agendas underpinned by petty national interests. They must also halt the attempts of the United States to destroy multilateralism and all other values represented by the Organization through a policy that, although improved in some ways, was being quietly expanded under that country's current administration, which openly, arrogantly and persistently violated the Charter beneath a façade of "microphone diplomacy", underestimating the international community.

36. **Ms. Jun Ji Sun** (Republic of Korea) said that the scale of assessments must be based on Member States' capacity to pay and on the most current, comprehensive and comparable data available. The Fifth Committee must take into account the recommendation of the Committee on Contributions that States be requested to submit data on their gross national disposable income, which the Ad Hoc Intergovernmental Working Group on the Implementation of the Principle of the Capacity to Pay had agreed was theoretically the most appropriate measure of the capacity to pay. Her delegation also noted the decision of the Committee on Contributions to request representatives of the International Monetary Fund, the World Bank and the Organisation for Economic Co-operation and Development to provide a briefing at its eighty-second session as an important basic step towards data modernization. The Republic of Korea would continue to honour its financial obligations to the United Nations.

37. **Mr. Velázquez Castillo** (Mexico) said that Mexico attached great importance to the scales of assessment owing to their financial implications for the Organization and Member States over the next triennium. In view of the continued impact of COVID-19 on the global economic landscape, the Fifth Committee must ensure that those scales were fair and reflected the reality of the international system, and that, in accordance with its mandate and General Assembly rules, regular-budget and peacekeeping expenditures were apportioned on the basis of Member States' capacity to pay. In addition, peacekeeping assessments must reflect the special responsibilities of the permanent members of the Security Council, which should remain

intact. Accordingly, any expenses resulting from a change in the share of assessments of one permanent member should be borne by the other permanent members, without affecting the rest of the United Nations membership.

38. **Mr. Chatha** (Pakistan) said that, owing to the catastrophic consequences of the pandemic, the global economy had contracted by around 5 per cent. Developing countries had faced record job losses, and about 100 million people had fallen into extreme poverty, with no signs of recovery in the near future. The pandemic had also exposed the vulnerabilities and inequalities inherent in the global financial architecture, which had disproportionately affected developing and least developed countries as a result of the drop in commodity prices, declining remittances, the lack of tourism and the disruption of global supply chains. Against that backdrop, the United Nations and international cooperation were more important than ever.

39. Since the establishment of the United Nations, Pakistan had consistently demonstrated its commitment to international cooperation, budgeting and financing for the Organization, rules-based international governance and the upholding of the Charter. Despite the financial challenges it faced, Pakistan had paid its regular-budget contributions in full and without conditions. It had also engaged actively in the work of the Committee on Contributions, whose report ([A/76/11](#) and [A/76/11/Add.1](#)) provided a strong basis for the Fifth Committee's deliberations on the scales of assessment. In addition, Pakistan was a major troop-contributing country and the host of one of the oldest peacekeeping missions, the United Nations Military Observer Group in India and Pakistan (UNMOGIP), which supervised activities along the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan.

40. In accordance with the Charter, Member States had a legal obligation to bear the expenses of the Organization and to pay their assessed contributions in full and without conditions. The unilateral withholding of the contributions severely undermined not only peacekeeping performance but also the functioning of the United Nations and the sovereign equality of nations. The principle of the capacity to pay was a cornerstone of the scale methodology. Pakistan reaffirmed its faith in that principle and rejected any changes to the methodology. GNI, low per capita income and external debt adjustments were the best ways of measuring capacity to pay. Peacekeeping financing should reflect the special responsibilities of the permanent members of the Security Council and the limited capacity of countries with less developed

economies to contribute to the budgets of peacekeeping missions. Lastly, the current ceiling was the result of a political compromise that ran counter to the principle of the capacity to pay. As only one country had benefited from that ceiling historically, it should be reviewed in accordance with General Assembly resolution [55/5 C](#).

41. **Mr. Greiver** (Chair of the Committee on Contributions) said that he was grateful to the Secretariat and the Statistical Division for their assistance in the preparation of the report of the Committee on Contributions ([A/76/11](#) and [A/76/11/Add.1](#)), which contained extensive information in response to questions posed by Member States. The questions posed and comments made by Member States at the current meeting would be shared with the Committee for inclusion in its report on its eighty-second session. The Committee on Contributions stood ready to assist the Fifth Committee in its efforts to adopt a new scale of assessments. That task was particularly challenging task given the pandemic's impact on the economic and social situation of Member States, but was nevertheless essential to ensuring the smooth operation of the Organization.

Draft resolution [A/C.5/76/L.2](#): Scale of assessments for the apportionment of the expenses of the United Nations

42. *Draft resolution [A/C.5/76/L.2](#) was adopted.*

Agenda item 146: Report on the activities of the Office of Internal Oversight Services ([A/76/281 \(Part I\)](#) and [A/76/281 \(Part I\)/Add.1](#))

Agenda item 136: Review of the efficiency of the administrative and financial functioning of the United Nations ([A/76/270](#))

43. **Ms. Ndiaye** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on its non-peacekeeping activities from 1 July 2020 to 30 June 2021 ([A/76/281 \(Part I\)](#) and [A/76/281 \(Part I\)/Add.1](#)), said that, during the reporting period, OIOS had issued 188 oversight reports relating to non-peacekeeping matters, including 9 to the General Assembly. The reports included 418 recommendations aimed at improving risk management, governance and operations, 6 of which had been classified as critical.

44. OIOS had aligned its activities with the enterprise risk management frameworks of the Secretariat and other entities, developing a workplan focused on high-risk aspects of strategic management, governance and operations, in which it had given priority to the implementation of reforms, organizational culture, procurement and the supply chain, and missions in

transition. OIOS had also taken steps to ensure the timely implementation of its recommendations so that weaknesses in internal controls were quickly addressed and opportunities for performance improvements were swiftly harnessed. As a result, the number of long-outstanding recommendations had been reduced by half compared with a year earlier. OIOS had also modified the method used to categorize the level of criticality of recommendations, adopting the scoring criteria set out in the Secretariat's enterprise risk management framework. Although the Office intended for all its recommendations to be implemented in a timely manner, the new approach would help to ensure that recommendations classified as critical more clearly and urgently captured the attention of senior management.

45. Following the outbreak of the COVID-19 pandemic, the Internal Audit Division had updated its risk-based workplan to ensure that its staff and other resources remained directed towards activities with the greatest potential value. As part of its strategy to support management reforms resulting in the decentralization of authority, the Division had focused 25 per cent of its 310 audit recommendations on strengthening the centralized, business-enabling functions that supported enterprise risk identification, risk response and Organization-wide performance monitoring and reporting – the second line of defence in the Secretariat's risk management and control system.

46. The Inspection and Evaluation Division had launched a new evaluation approach focusing on the outcomes achieved by subprogrammes under the sustainable development pillar; such evaluations were under way for four regional commissions. The Division had also completed two new synthesis reports for managers based on lessons learned from past OIOS assignments. In addition, it had collaborated with the Department of Management Strategy, Policy and Compliance in finalizing the new administrative instruction on evaluation ([ST/AI/2021/3](#)), and would lead the development of the accompanying guidelines.

47. Despite an initial reduction at the beginning of the pandemic, the number of reports received by the Investigation Division had continued to increase. The Division had received 675 reports and issued 59 investigation reports, 39 closure notices and 13 advisory reports on non-peacekeeping matters. Timely investigation remained a challenge, primarily owing to the impact of the pandemic, including on the Division's ability to conduct interviews and gather other evidence. OIOS would soon engage independent experts to undertake an external quality assessment review of the Division in order to ensure the efficiency and

effectiveness of investigation practices and to identify opportunities for further improvement.

48. OIOS had cooperated effectively with management and staff, and there had been no inappropriate limitations on its scope of work or independence. The Independent Audit Advisory Committee (IAAC) and the audit committees of the United Nations High Commissioner for Refugees and the United Nations Joint Staff Pension Fund had continued to share guidance and best practices that had helped to strengthen the Office's work. OIOS had also closely coordinated with the Board of Auditors and the Joint Inspection Unit in order to enhance synergies and efficiencies in the discharge of their respective mandates. She expressed gratitude to Secretariat management and staff and to Member States for their support.

49. **Ms. St. Laurent** (Chair of the Independent Audit Advisory Committee), introducing the report of the Independent Audit Advisory Committee (IAAC) on its activities for the period from 1 August 2020 to 31 July 2021 ([A/76/270](#)), said that IAAC had reviewed trends in the rates of implementation of the recommendations of OIOS, the Board of Auditors and the Joint Inspection Unit, noting that the rate of implementation of the Board's recommendations, while improved, remained low. Although from 2019 to 2020 the average rate of implementation of the Board's recommendations for entities outside the Secretariat's purview had improved from 58 per cent to 66 per cent, the rate for entities within the Secretariat's purview had increased at a slower rate, from 25 to 34 per cent. Moreover, the rates for two entities had declined. Thanks to the efforts of the Management Committee to encourage senior managers to pay greater attention to the implementation of the Board's recommendations, implementation rates had improved for all Secretariat entities, except for the United Nations Human Settlements Programme (UN-Habitat) and the International Residual Mechanism for Criminal Tribunals. The lessons learned from the Secretariat's analysis of the root causes of the low implementation rates should contribute to more timely implementation.

50. The usefulness of enterprise risk management depended on a number of factors, including the extent of its implementation throughout the Organization and the robustness of risk registers and risk mitigation plans. The future of enterprise risk management seemed promising, given the Secretariat's efforts to prioritize a robust enterprise risk management framework as part of the accountability system. IAAC would continue to monitor management's efforts to expand the

implementation of enterprise risk management throughout the Organization.

51. IAAC had focused its assessment of the work of OIOS on strategic planning, performance measurement, organizational culture, the investigation function and the Office's role in the implementation of the 2030 Agenda for Sustainable Development. In its previous report ([A/75/87](#)), IAAC had noted the decision of OIOS that the performance of all departments not responsible for programme-related activities, such as the Department of Management Strategy, Policy and Compliance and the Department of Operational Support, would be evaluated through performance audits conducted by the Internal Audit Division rather than programme evaluations conducted by the Inspection and Evaluation Division, as had previously been the case. While the audits performed by the Internal Audit Division to date had addressed specific aspects of the work of those departments, the evaluations previously conducted by the Inspection and Evaluation Division had been broader in focus. OIOS should therefore consider the need to include comprehensive, department-wide assessments in its future workplans. OIOS should also take further steps to ensure the timely implementation of oversight bodies' recommendations, which was essential to addressing risks that could prevent the Organization from achieving its objectives.

52. While the average length of an investigation had increased from 10.8 months to 11.7 months between 2020 and 2021, the caseload of the Investigation Division had also increased. IAAC was concerned that the proportion of investigations taking more than one year to complete had increased from 18 per cent in 2020 to 29 per cent in 2021. In accordance with best practices and due process requirements, investigations must be carried out expeditiously in order to prevent impunity and uncertainty in the workplace. The Investigation Division should increase its efforts to complete investigations in a timely manner, analyse the root causes, including any resource constraints, that resulted in investigations exceeding the established time frames, and propose ways of reducing the length of investigations. IAAC looked forward to the results of the external assessment on the matter.

53. With respect to financial reporting, IAAC congratulated the Organization on preparing its first statement of internal control and shared the view of the Internal Control Advisory Group that the statement required continuous improvement and that the process for its development needed time to mature. As noted by the Board of Auditors in volume I of its reports to the General Assembly at its seventy-sixth session ([A/76/5 \(Vol. I\)](#)), after-service health insurance liabilities had

increased from \$5.39 billion as at 31 December 2019 to \$5.89 billion as at 31 December 2020, representing an increase of 9.3 per cent. For peacekeeping operations, such liabilities had decreased from \$1.67 billion as at 31 December 2019 to \$1.57 billion as at 31 December 2020, as reported in volume II ([A/76/5 \(Vol. II\)](#)). The fact that after-service health insurance liabilities accounted for the largest share of total liabilities, or 75 per cent, represented a significant risk. The General Assembly should thus consider alternative strategies for funding after-service health insurance liabilities in order to mitigate that risk.

54. **Mr. Kalugin** (Russian Federation) said that the Russian Federation attached great importance to ensuring the independence of OIOS so that it could impartially and objectively consider information from staff regarding misconduct and abuse. As an impartial entity, OIOS was required to treat all staff equally, regardless of their employment status. It should analyse submissions relating to senior managers particularly carefully, as they set the tone for the ethical climate at the United Nations.

55. His delegation was concerned at the increase in the average duration of investigations and shared the view of IAAC that investigations must be performed efficiently in order to prevent impunity and uncertainty in the workplace, in accordance with best practices and due process requirements. OIOS should carry out an internal review in order to identify the causes that resulted in investigations exceeding the established time frames, and to improve the efficiency of its work. The Russian Federation shared the concerns expressed by IAAC with regard to the ability of OIOS to fulfil its mandate given its high vacancy rate, while noting that, each year, States were requested to approve the establishment of new posts in the Office. Before establishing new posts, OIOS should focus on filling existing vacancies or propose that unnecessary posts be abolished.

56. The Russian Federation welcomed the preparation of the Secretariat's first statement of internal control. OIOS should continue to improve the presentation of data in the statement, and the Secretariat should strengthen its internal control mechanisms. OIOS was to be commended for strengthening the accountability of staff involved in procurement activities by making recommendations aimed at clarifying the Secretary-General's bulletin on post-employment restrictions ([ST/SGB/2006/15](#)). The Russian Federation trusted that, after the Department of Management Strategy, Policy and Compliance had made the necessary adjustments, OIOS would verify compliance with the bulletin.

57. **Ms. Ndiaye** (Under-Secretary-General for Internal Oversight Services) said that the timeliness of investigation was important for all parties involved. OIOS leadership would hold informal meetings with the directors of the Internal Audit Division, the Inspection and Evaluation Division and the Investigation Division in order to address that issue. She appreciated the comment made by the representative of the Russian Federation regarding the recommendations of OIOS concerning the Secretary-General's bulletin on post-employment restrictions ([ST/SGB/2006/15](#)).

Agenda item 137: Programme budget for 2021

United Nations Office for Partnerships ([A/76/218](#))

58. **Ms. Hou** (Acting Executive Director, United Nations Office for Partnerships), introducing the report of the Secretary-General on the United Nations Office for Partnerships ([A/76/218](#)), said that, by engaging with key stakeholders, the Office served as a global gateway for collaboration aimed at accelerating the fulfilment of the Sustainable Development Goals. In order to implement its mandate, the Office leveraged the expertise and networks of its teams and initiatives, including Sustainable Development Goals Advocates, Sustainable Development Goals Strategy Hub and Climate Action Team, the United Nations Democracy Fund (UNDEF) and the United Nations Fund for International Partnerships (UNFIP).

59. The Office had helped the Office of the Secretary-General to organize the second annual Sustainable Development Goals moment, held in a virtual format on 20 September 2021, at the start of the high-level week of the General Assembly, pursuant to the political declaration of the 2019 high-level political forum on sustainable development. The event had highlighted the urgent steps needed to ensure the equitability and inclusiveness of the COVID-19 response and recovery, and to accelerate the transition to sustainable development. It had been attended by the Secretary-General, a number of Sustainable Development Goals Advocates (a group of eminent persons supporting the achievement of the Goals), top United Nations officials and more than 30 Heads of State, and had included a performance by the iconic Korean "K-pop" band, BTS. Together with the Government of the Netherlands, the United Nations Office for Partnerships had conceptualized and brought into use across the Secretariat the Sustainable Development Goals Studio, an interactive online broadcasting platform. The second Sustainable Development Goals moment had been the first event hosted on the platform, where it had been viewed more than 6 million times. The Sustainable Development Goals Studio would continue to host

original programmes and to serve as an essential platform for United Nations leadership.

60. The Office had also organized the 2020 Sustainable Development Goals action zone, a three-day virtual event aimed at addressing poverty and inequality, gender and climate change, core issues identified in the context of the decade of action for the Sustainable Development Goals. In addition, in collaboration with the Department of Global Communications, the Office had launched Keeping the Promise, a campaign designed to accelerate engagement for the fulfilment of the Sustainable Development Goals by providing an online platform on which people worldwide could make specific commitments to achieve the Goals. A total of 130,000 users had posted their promises on the platform.

61. Guided by the Sustainable Development Goals, the Office had channelled expertise and resources towards ensuring a sustainable and inclusive recovery from the pandemic, which had highlighted the need for intersectoral collaboration and for strategic leadership. For example, the Office had supported the launch of Women Rise for All, an initiative of the Deputy Secretary-General aimed at promoting the recognition of women as drivers for an inclusive, resilient and sustainable recovery. Moreover, in collaboration with the Canadian Institutes of Health Research, it had published the *UN Research Roadmap for the COVID-19 Recovery: Leveraging the Power of Science for a More Equitable, Resilient and Sustainable Future*, underscoring the importance of science-based solutions to the pandemic.

62. During its fourteenth round of funding, UNDEF, which supported projects to empower civil society and promote democracy, had received approximately \$7.5 million for the implementation of 33 projects. UNDEF had also worked closely with its civil society partners to adapt projects to respond to the challenges to civic space and democracy that had arisen as a result of the pandemic. In response to its call for project proposals launched as part of its fifteenth round of funding on 1 November 2020, UNDEF had received 1,621 proposals, the vast majority of which had been submitted by local or regional civil society organizations in Africa, Asia, the Americas, the Arab region and Eastern Europe. During its first 14 rounds of funding, UNDEF had supported more than 830 projects in more than 130 countries, for which it had disbursed a total of \$185 million. The projects' objectives had included supporting the efforts of civil society to strengthen accountability and transparency, building capacity to improve media literacy, ensuring good governance and promoting the rule of law.

63. The United Nations Fund for International Partnerships (UNFIP) served as a trust fund that received extrabudgetary donor contributions for projects, campaigns, fiduciary grant-making and grant-management activities. It was the primary interface between the United Nations and the United Nations Foundation, a relationship governed by the Relationship Agreement between the United Nations and the United Nations Foundation, established in 1998 and subsequently renewed in 2007 and 2014. The parties' main joint governing mechanisms were the UNFIP Advisory Board, chaired by the Deputy Secretary-General, and the Joint Coordination Committee.

64. In 2020, UNFIP had focused on advancing the fulfilment of the Sustainable Development Goals and promoting an inclusive and resilient recovery from the pandemic. By the end of the year, the United Nations Foundation had disbursed \$9.76 million through UNFIP for United Nations projects, including \$4.98 million to address global health crises. As in previous years, the Foundation had continued to provide support for work focused on women and girls, capacity development, fiduciary agreements and multi-stakeholder alliances. Over the past two decades, UNFIP had collaborated with the Foundation on 676 innovative, cross-sector projects implemented by the United Nations system globally. The Office had continued to facilitate inclusive and transformative engagement among stakeholders, including diverse and marginalized groups. In the future, it would continue to build its capacity to deliver results and scale up partnerships, in line with the Sustainable Development Goals.

The meeting rose at 4.55 p.m.