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Chairman: Mr. Kelapile (Vice-Chairman). (Botswana)
*Chairman of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Mselle

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In the absence of Mr. Rosenthal (Guatemala), Mr. Kelapile (Botswana), Vice-Chairman, took the Chair.

The meeting was called to order at 10.10 a.m.

Agenda item 169: Scale of assessments for the apportionment of the expenses of the United Nations peacekeeping operations (*continued*)

1. **Mr. Mbanefo** (Nigeria), speaking on behalf of the Group of 77 and China, said that the current difficult financial situation of the United Nations was not linked to the peacekeeping scale of assessments and could be resolved if Member States, particularly the major contributor, settled their arrears and honoured their obligations by paying their contributions in full, on time and without conditions.

2. The principles and guidelines for the apportionment of the expenses of peacekeeping operations approved by the General Assembly in its relevant resolutions (1874 (S-IV) and 3101 (XXVIII)) should constitute the basis for any discussion of the peacekeeping scale. In view of the limited capacity of economically less developed countries to contribute towards peacekeeping operations, that discussion should take due account of the economic conditions in those countries and of the special responsibilities of the five permanent members of the Security Council for the financing of peacekeeping operations. In that connection, the Group of 77 and China believed that a new element in regard to the floor for those members would be contrary to the principle of capacity to pay and should therefore be excluded. Lastly, he emphasized the importance of reaching agreement on the scale of assessments for the regular budget before concluding the discussions on the special scale, as well as the importance of conducting the discussions in a comprehensive and transparent manner so that all Member States could make a meaningful contribution; the Group of 77 and China looked forward to the informal consultations on the subject and to engaging in a constructive dialogue on the issues raised.

3. **Mr. Darwish** (Egypt) reaffirmed the special importance which his country attached to peacekeeping as an effective means of maintaining international peace and security and the role which it had assumed in that connection for many years. He supported the statements made by the representative of Nigeria on behalf of the Group of 77 and China and by the representative of South Africa on behalf of the

Movement of Non-Aligned Countries. The worsening financial situation of the Organization could be resolved if Member States paid their contributions to its peacekeeping budget in full and on time. Their failure to do so also delayed reimbursement of the sums owed to developing countries, including Egypt, in connection with their participation in peacekeeping operations, and that, in turn, affected the ability of those countries to contribute to the desired extent.

4. His delegation was ready to participate in any discussions aimed at guaranteeing financial and administrative support for peacekeeping operations. In that connection, he re-emphasized the need to focus on the principles and guidelines referred to by the representative of Nigeria. In particular, any scale of assessments should take into account the economic circumstances of the developing countries and reflect the special responsibilities of the five permanent members of the Security Council. He endorsed the Mexican representative's comment concerning the difficulty of accepting a situation whereby a developing country paid higher contributions than a permanent member of the Security Council and he hoped that the new proposals put forward by Mexico, the United States of America and the European Union would be circulated in order to facilitate their further discussion. He was ready to engage in discussions aimed at reaching a consensus on the scale of assessments for peacekeeping operations whereby all Member States would meet their commitment to pay their contributions in full and on time, thus enabling the United Nations to carry out its responsibilities for maintaining international peace and security.

5. **Mr. Fonseca** (Brazil) supported the statements made by the representative of Nigeria on behalf of the Group of 77 and China and by the representative of Colombia on behalf of the Rio Group. His delegation attached great importance to the item under discussion. The financial crisis affecting peacekeeping operations, was a matter of great concern; the increasing complexity of such operations simply added to the magnitude of the challenge. As a traditional supporter of peacekeeping operations and an important troop contributor, Brazil remained committed to the successful outcome of such operations.

6. The recommendations contained in the report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809) merited careful examination. It was important to identify carefully the best means of

acquiring the substantial additional resources needed for their meaningful implementation. Although the present scale was outdated and required reform, the current financial problems could not be attributed to a flawed methodology; rather, they were due to the failure of the largest contributor to fulfil its obligations in full, on time and without conditions.

7. His delegation was proud of having led the negotiations concerning resolution 3101 (XXVIII), which set the principles governing the financing of United Nations peacekeeping missions. Those principles were as valid today as in 1973 and, in his view, remained equitable and fair. Although his delegation's position of principle on the issue had not changed, it was willing to consider proposals to update the formula without modification of the three basic principles: the collective responsibility for the cost of peacekeeping operations, the special responsibility of the permanent members of the Security Council, and the limited capacity of all economically less developed countries to contribute towards such operations.

8. Given that most developing countries were excluded from the decision-making process relating to the establishment and maintenance of peacekeeping missions, any change in the special scale that would entail reductions in the relative assessments of the five permanent members of the Security Council or a decrease in the assessments of the developed countries would be difficult to justify. In order to ensure fairness and achieve results acceptable to the whole membership, it was important to remember that no firm conclusions could be drawn until the impact which the regular scale of assessments for the period 2001-2003 would have on the scale for peacekeeping had been fully evaluated.

9. **Mr. Baali** (Algeria) supported the statements made by the representative of Nigeria on behalf of the Group of 77 and China and by the representative of South Africa on behalf of the Movement of Non-Aligned Countries. The ad hoc scale of assessments for peacekeeping operations required urgent reform; the current system was now too outdated to serve either the cause of international peace or the interests of Member States. In view of the vital role which peacekeeping operations played in a world plagued by regional and intra-State conflicts, it was important to provide the financial, human and logistical resources needed for the effective fulfilment of their mandates. In that context, there was a collective responsibility to put into

effect the commitment made by the Heads of State and Government in the United Nations Millennium Declaration to ensure that the Organization was provided on a timely and predictable basis with the resources it needed to carry out its mandate by participating constructively in transparent and open consultations aimed at achieving a universally acceptable reform of the scale of assessments for peacekeeping operations.

10. Since the establishment of the ad hoc scale in 1973, the economic situation of many countries, including his own, had fundamentally changed; that affected their capacity to pay. It was therefore time to adapt the scale to enable it to serve as an effective means of meeting the challenges of peacekeeping. The volume, scale and complexity of peacekeeping operations over the past 10 years had caused the peacekeeping budget to double, and it was doubtful whether the current scale was capable of guaranteeing regular and appropriate financing for such operations. His delegation's concern was heightened by the fact that the United Nations debt to troop-contributing countries, most of them developing countries, now amounted to \$800 million. Given the rising cost of peacekeeping operations, their mandates would ultimately be compromised. It was therefore crucial to rectify the anomalies in the special scale of assessments for their financing. To that end, the submission of precise, fair and realistic proposals for consideration was crucial so that a scale could be established which was both more equitable and more viable. His delegation would support proposals that did not depart from the fundamental principles, namely the special responsibility of the permanent members of the Security Council and the need to take into account the limited capacity to pay of the developing countries, in particular the least developed countries. It was imperative to base the method of calculating the scale of assessments for peacekeeping operations on clear and objective parameters, especially per capita income.

11. **Mr. Martynov** (Belarus) said that the time had come to negotiate an equitable and transparent scale of assessments for the financing of peacekeeping operations. Peacekeeping activities were becoming one of the priority areas of his country's participation in the United Nations. Belarus was in the final stages of formalizing its cooperation with the Organization under the stand-by arrangements system, and Belarusian

civilian experts were working in Kosovo and East Timor.

12. Belarus was making every effort to guarantee that it would be able to finance its share of peacekeeping operations and had laid the necessary foundations for that purpose. General Assembly resolution 54/242 had provided for the restructuring of his country's payments of assessed contributions and arrears, which had been attributable, to a large extent, to circumstances beyond its control. Belarus had paid its contributions to the regular budget in full and, at the beginning of 2000, had paid all its assessed contributions for peacekeeping operations as from 1 January 1996. It had also contributed to the financing of the international tribunals. It intended to continue to honour its financial obligations to the Organization, since the latter's stability depended primarily on the payment of contributions by Member States. By the end of 2000, Belarus would have allocated funds for its contributions to the regular budget, peacekeeping operations and the international tribunals for 2001.

13. The scale of assessments for peacekeeping operations was a complex issue. In taking decisions on the matter, the Committee must be careful to avoid any errors; in the past, Belarus had suffered the consequences of incorrect decisions. The new scale should be based on capacity to pay, which should be measured on the basis of precise information on gross national product (GNP) and per capita income. The scale should reflect the developing countries' capacity to pay by providing for a lower floor and taking their accumulated arrears into account.

14. He was grateful to those countries which had announced their willingness to give up the 80 per cent discount applied to their peacekeeping contributions, and supported South Africa's request to be relocated to group C of the financing scheme. Belarus had been in the same situation a few years earlier, when an agreement with Portugal had enabled it to be relocated to group C. The data on his country's economic development clearly showed that it should remain in that group and that its assessment rate for peacekeeping operations should not be increased in the new scale. His Government was considering the possibility of making additional contributions to the Organization's peacekeeping activities.

15. **Ms. Achouri** (Tunisia) said that peacekeeping was the most visible activity of the United Nations and

thus the basis on which world public opinion judged its effectiveness. In view of the significant changes over the years in the scope of peacekeeping operations, as well as the challenges faced, a comprehensive reform process was needed. In order for such a reform to be effective, it must also cover the financial aspects of peacekeeping operations.

16. Her delegation attached great importance to the principles on which the General Assembly had based the scale of assessments for peacekeeping operations, including the collective responsibility of Member States, the special responsibility of the permanent members of the Security Council, and the limited ability of developing countries to participate in the financing of such operations. Her delegation supported the position of the Movement of Non-Aligned Countries, which called for those principles to become the permanent foundation for the system of financing peacekeeping operations.

17. Capacity to pay should be taken into account, but a balance between economic and political considerations must be maintained in order to establish a truly equitable scale that did not increase the burden on the developing countries. The peacekeeping scale should continue to be based on the scale of assessments for the regular budget, which best reflected the capacity to pay of Member States. Since the two scales were closely linked, the work on the scale of assessments for the regular budget should be concluded as quickly as possible in order to allow a decision on peacekeeping financing to be taken during the current part of the fifty-fifth session.

18. **Ms. Legwaila** (Botswana) supported the statement made by the representative of Nigeria on behalf of the Group of 77 and China. It was important to bear in mind that the need to prevent conflict and maintain peace and the cost of the failure to do so were no more greatly illustrated than in Africa, where several United Nations peacekeeping missions were in operation. The outcome of the current discussion was therefore of major significance to her country and to Africans in general; her main concern was to find alternatives which offered tangible solutions to the practical problems faced.

19. Efforts should continue to be based on the fundamental principles which had already served the Organization well, namely the collective responsibility of Member States for the expenses of the United

Nations, and capacity to pay. Her delegation urged all Member States to follow Botswana's example and discharge their financial and other responsibilities to the Organization. The principles and guidelines laid down in the relevant resolutions of the General Assembly remained reliable pillars in the mechanism for assessing the expenses of peacekeeping operations. The system of discounts for Member States which were experiencing genuine economic difficulties should be retained in any future peacekeeping scale and the special responsibilities of the permanent members of the Security Council remained a valid consideration.

20. Lastly, she shared the view that the recommendations contained in the report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809) offered a realistic vision which could advance United Nations peacekeeping efforts in the years to come. However, in the absence of renewed political commitment on the part of Member States and without institutional change and increased financial support, the ability of the United Nations to deliver effectively in its peacekeeping efforts would remain forever questionable.

21. **Mr. Mahbubani** (Singapore) said that, despite his small country's economic achievements, it had made a political choice to decline membership in groupings of the North such as the Organisation for Economic Cooperation and Development (OECD) because it considered itself a country of the South.

22. The United Nations was the only Organization responsible for global collective security, yet its Members had failed to provide it with adequate resources or personnel to carry out that responsibility. The decisions of the 15 members of the Security Council did not treat all parts of the world equally. When conflicts broke out in areas deemed to be important, such as Kosovo, large amounts of financial and human resources were mobilized; but when conflicts broke out in areas considered less important, such as Africa, resources were harder to find. The countries that took such decisions must bear the responsibility for them. That was one reason why the scale of assessments for peacekeeping operations must always have a group A for as long as the Security Council had permanent members. The remaining countries must ensure that those five States did not shirk their responsibilities.

23. Although democracy had been proclaimed as a value of the "global village", the full membership of the Security Council was neither elected by, nor accountable to, the remaining Members of the United Nations. While Singapore accepted the unequal balance of power among the Organization's Members as unavoidable, the great Powers and those countries that aspired to join them must accept inequalities in the peacekeeping scale, which were intended to reflect political and economic realities. In the interest of ensuring that the Organization's peacekeeping activities were adequately funded, the country groupings of the current scale must be reviewed and updated in order to reflect the full range of contemporary economic and political circumstances.

24. Virtually all countries agreed that capacity to pay should form the basis for the scale, but they disagreed as to how it should be measured. With respect to the criterion of per capita income, some countries with abundant human and natural resources had low per capita incomes because they had large populations, while smaller, less populous countries had deceptively high per capita incomes that did not accurately reflect their place in the international community. Significantly, of the 10 countries with the highest per capita incomes, seven had populations below 10 million, and the smallest States in the world were among the 50 countries with the highest per capita incomes. Thus, per capita income alone was an insufficient measurement of capacity to pay.

25. Paradoxically, the Organization's Members were being asked to approve a reduction in the assessment of the richest Member at a time when the latter was growing richer by the day. Inevitably, some countries would be required to increase their contributions under a revised peacekeeping scale, but it would be unfair to impose that requirement for the sole purpose of reducing the contribution of the richest country. Any increases in countries' contributions should be implemented gradually.

26. In view of the global community's increasing interdependence, each country had an interest in ensuring the survival of the Security Council. An imperfect Council was better than no Council at all. If the Committee mishandled the issue, it could imperil the only organization for global collective security. His delegation would therefore participate constructively in the negotiations on a new peacekeeping scale and would support any solution that was equitable and did

not structurally disadvantage any country or group of countries.

27. **Mr. Yel'chenko** (Ukraine) said that reform of the system for apportioning the expenses of the United Nations peacekeeping operations was at the core of the overall efforts to enhance the Organization's peacekeeping capabilities. At a time when the Organization faced unprecedented challenges owing to the increased scope and complexity of peacekeeping activities, the reforms proposed in the High-level Open-ended Working Group on the Financial Situation of the United Nations should be considered carefully. The current upsurge in the funding requirements for peacekeeping made it more important than ever to distribute the financial burden equitably to ensure that the Organization could obtain adequate resources.

28. Paradoxically, the Member States had sought for some time to improve the methodology for the regular budget scale, yet they had waited 27 years to address the system for funding peacekeeping operations, even though it was based on an ad hoc arrangement. That system gave rise to serious distortions of the capacity to pay of a number of countries and did not reflect changes in the economic performance of Member States. Owing to the rigidity of the peacekeeping scale, Ukraine had been heavily overassessed during the period of rapid growth in peacekeeping activity in the mid-1990s.

29. A reformed peacekeeping scale should reflect the collective responsibility of Member States, as well as capacity to pay, the special responsibilities of the permanent members of the Security Council and the relatively limited capacity of economically less developed countries to contribute to peacekeeping. It should be based on the regular budget scale and should align the country groupings on the basis of per capita gross national product (GNP) benchmarks to be agreed upon by the Committee. That exercise represented a historic opportunity to establish a stable, transparent and equitable mechanism for the apportionment of peacekeeping expenses.

30. **Mr. Valfré** (Peru) said that the developing countries had a special interest in the reform of the scale of assessments for peacekeeping operations. Peru, as a troop-contributing country, felt that the arrangements for funding peacekeeping activities should be institutionalized so that the Organization could carry out its mandates in that area with adequate

human and material resources and could become a decisive factor in conflict situations. The establishment of appropriate mandates and the best possible conditions for peacekeeping operations would enhance the effectiveness and safety of personnel in the field, and would help to ensure that the missions achieved their objectives.

31. The new peacekeeping scale should strike a balance between the Organization's growing needs in the area of international peace and security, including considerations related to the political importance of the participation of the five permanent members of the Security Council in taking decisions on peacekeeping operations, and the level of economic development of each Member State, including special consideration for developing and relatively less developed countries. Some of the parameters to be used in determining assessment rates might be related to the relative size of national economies, as calculated under the methodology for the regular budget scale, which should form the basis for the new peacekeeping scale. While the division of countries into four groups was a useful way of expediting the consideration of countries with similar levels of economic development, it was important to establish thresholds and discounts with care in order to ensure that developing countries did not absorb part of the contributions assessed on developed countries. Developing countries would be better able to honour their obligations if any increases in their contributions were introduced gradually.

32. Many States had supported the initiative to review the special scale of assessments for peacekeeping operations. Since that issue concerned the financial obligations of all Member States towards the Organization, the decisions taken must be agreed upon by consensus. The Millennium Declaration had reflected the aspiration of the majority of Member States to strengthen the General Assembly's capacity to consider and make recommendations on matters related to international peace and security, in line with the relevant provisions of the Charter. That would create a more direct link between the decision-making process on peacekeeping operations and the capacity to finance them.

33. **Mr. Sharma** (India) said that, even though most peacekeeping operations had been set up in developing countries and most of the troop-contributing countries had been developing countries, most people in the developing world attached far greater importance to

United Nations socio-economic development activities than to peacekeeping. While the Governments of developing countries, including his own, understood the importance of peacekeeping as an international obligation, they took a larger view of the Organization's work and did not feel that peacekeeping was its most important component. Developed countries, however, took the opposite view. It was therefore hard to understand why the most ardent advocates of strengthening United Nations peacekeeping were unwilling to pay their share of its costs, especially since they could afford to do so.

34. According to figures from the *World Development Report 2000-2001: Attacking Poverty*, the amount by which the eight richest developed countries wished to reduce their contributions to peacekeeping represented no more than 0.001 per cent of what their collective GNP had been in 1999; 0.084 per cent of the increase in their collective GNP between 1998 and 1999; and 0.006 per cent of their Governments' domestic spending in 1998. Moreover, none of those countries had progressed more than halfway towards meeting the agreed target of spending 0.7 per cent of their GNP on official development assistance. If the full amount of that assistance had been forthcoming, it might have changed the situation in many developing countries to the point of obviating the need to deploy peacekeeping operations in those countries. The major contributors, therefore, should take a larger view of what they were being asked to contribute.

35. India and other troop-contributing countries in the developing world had not pressed the United Nations to pay the reimbursements they were owed for troop and equipment costs, which usually amounted to hundreds of millions of dollars. In effect, those countries were being told that the reimbursements, which they could ill afford to lose, would not be paid unless the richest countries were granted a further reduction in their assessment rates, even though the amounts involved were negligible in comparison to the size of their economies, as was shown by the World Bank's figures.

36. It was not the scale that was unrealistic, but rather the mandates set by the Security Council for peacekeeping operations. The spiralling costs of those operations were largely attributable to the practice of assigning them increasingly ambitious and often unfeasible tasks driven by political agendas and unrelated to the needs of the countries which the operations were meant to benefit. In such

circumstances, the United Nations was set up for failure, and was then blamed for being ineffective and not offering value for money.

37. On the basis of the report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809), the Committee would be asked to approve new posts in the Department of Peacekeeping Operations. However, the failures of peacekeeping had been failures of political will or of performance on the ground, and could not be prevented through the expansion of that Department. Although the latter would benefit from reinforcements, the same was true of nearly every other department in the Secretariat. If the Department of Peacekeeping Operations was expanded within a zero nominal growth budget, the Organization's resources and work would thereby be skewed in a direction favoured only by a few Member States. The consequences of the Committee's decisions in that regard must therefore be considered carefully.

38. **Mr. Effah-Apenteng** (Ghana) said that, in accordance with the resolve expressed in the United Nations Millennium Declaration, the international community should endeavour to ensure that the United Nations was provided with the financial, human and other resources it needed to carry out its mandates, which included the maintenance of international peace and security. Rightly or wrongly, the Organization was evaluated and judged in the court of public opinion by the effectiveness and efficiency with which it carried out its peacekeeping operations. The main constraint was financial. While it might be difficult to surmount that hurdle, it would be possible to do so if Member States summoned the necessary political will, as was emphasized in the report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809).

39. Ghana would continue to contribute troops and play an active role in United Nations peacekeeping operations, as it had done for 40 years despite its limited resources. It was greatly concerned, however, that the United Nations was unable to meet its obligations to reimburse those countries which contributed troops and equipment, owing to the failure of some Member States to settle their peacekeeping contributions. In the short term, the United Nations debt could not be eliminated unless those Member States which were in arrears discharged their legal obligations and honoured their commitments to peacekeeping activities. In the long term, however, the solution was to find a stable, assured and predictable

basis for assessing the contributions of all Member States to peacekeeping activities. The current outmoded scale of assessments should therefore be revised to reflect current political and economic realities on the basis of the three underlying principles laid down for the apportionment of peacekeeping expenses in resolutions 1874 (S-IV) and 3101 (XXVIII). Due account should be taken of the economic situation of the developing countries, of the special responsibility of the permanent members of the Security Council and of the time-tested criterion of capacity to pay.

40. A thorough review of the peacekeeping scale of assessments was essential in order to ensure that Member States would be able to honour their financial obligations to the peacekeeping budget in full, on time and without conditions. He therefore hoped that all Member States would display flexibility and cooperation in a spirit of international solidarity and collective responsibility in order to reach an agreement that would end the perennial financial problems which had hitherto dogged United Nations peacekeeping activities. To that end, his delegation intended to participate fully in the discussions on the subject.

41. **Mr. Wang Yingfan** (China) said that his delegation fully associated itself with the statement made by the representative of Nigeria on behalf of the Group of 77 and China. Peacekeeping operations were an important means for the United Nations to fulfil its responsibility for the maintenance of international peace and security. His delegation therefore noted with regret that such operations were faced with increasing financial difficulties.

42. While the peacekeeping scale of assessments could be adjusted in the light of changing circumstances, the principle of capacity to pay must be preserved in a way that did not unfairly burden the developing countries. As a permanent member of the Security Council, China was fully aware of its responsibility for international peace and security, and had fulfilled its financial obligations both to the regular budget and to peacekeeping. However, any attempt to set a floor for permanent members or to increase China's assessment drastically was unacceptable to his Government. It had been pointed out repeatedly that the main cause of the current financial difficulties was the arrears accumulated over the years by a small number of countries, the major contributor in particular. Only when all Member States paid their

dues in full, on time and without conditions could the United Nations have a sound financial basis for peacekeeping. Otherwise, all talk of strengthening the role of the United Nations in peacekeeping would remain mere rhetoric.

43. **Ms. Ibraimova** (Kyrgyzstan) said that peacekeeping operations were the core task for which the Organization had been formed and the one on which it would ultimately be judged. The scope, as well as the number of peacekeeping operations had increased and there was consequently a need to enlarge this budget. The price in human lives had also been very high: between 1948 and 30 June 2000, 1,648 peacekeepers had died while serving under the United Nations flag. The international community owed a debt of gratitude to military and civilian peacekeepers for their courage and sacrifice.

44. The report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809) was a very important step towards reform, and the recommendations contained therein should be studied carefully. Her delegation supported the Panel's proposal that the Secretary-General should be given authority, with the approval of the Advisory Committee on Administrative and Budgetary Questions, to commit up to \$50 million well in advance of the adoption of a Security Council resolution establishing a new peacekeeping operation (Executive Summary, page xii). Such authority could provide the mobility needed to save lives in conflict zones.

45. Any new methodology for calculating assessments for peacekeeping operations must be based on transparency, consensus and the good will of all Member States. The current ad hoc system had been devised 27 years earlier to be applied to one operation only. It was high time to review the financial aspects of peacekeeping in all their complexity.

46. **Mr. Sotirov** (Bulgaria) said that his delegation aligned itself with the statement made by the representative of France on behalf of the European Union. The financial challenges facing United Nations peacekeeping activities must be resolved if the goals laid out in the Millennium Declaration were to be achieved.

47. For its part, Bulgaria was ready to make additional commitments to the peacekeeping budget, as was demonstrated by the recent decision of the Government to relinquish voluntarily the discount it

had received under the current financial scheme, thereby moving from group C to group B of the peacekeeping scale of assessments. In addition, arrangements were being made to pay the entire outstanding amount of its assessed contributions for peacekeeping.

48. **Mr. Niehaus** (Costa Rica) said that his delegation associated itself with the statements made by the representative of Nigeria on behalf of the Group of 77 and China and by the representative of Colombia on behalf of the Rio Group. The work of the Fifth Committee was essential to the fulfilment of the goals and principles of the Charter; it should therefore not become involved in political disputes, but should maintain the highest standards of objectivity and professionalism.

49. The United Nations required a sustainable financial system and the peacekeeping scale should therefore be based on the principle of capacity to pay. The special situation of the developing countries must also be taken into account, along with that of the permanent members of the Security Council. In addition, it was important to recognize the particular contribution made to peace by those countries which had renounced the use of force. Countries which had no standing armies or which devoted only a tiny portion of their gross national product to the military budget contributed much more to peacekeeping than did countries which had enormous military budgets or which exported arms, and therefore deserved an additional discount on their assessments for the peacekeeping scale.

50. **Mr. Jordan Pando** (Bolivia) said that the outcome of the Millennium Summit had revealed that, while the United Nations was not an organization in crisis, there were problems to be addressed in some sectors. For example, the Security Council, which had a great deal of executive power, reflected the world situation of 1945 rather than current realities. In addition, resources for development and for peacekeeping were becoming increasingly scarce.

51. His delegation endorsed the statements made by the representative of Nigeria on behalf of the Group of 77 and China, and by the representative of Colombia on behalf of the Rio Group. It agreed with the latter that the main cause of the financial problems was the failure by the major contributor to meet its obligations both to the regular budget and to the peacekeeping

budget. A State's membership in the Organization meant that the Organization's objectives and commitments must become part of Government policy; a State should not use the Organization to further its domestic political agendas.

52. Capacity to pay should be the determining factor for both regular budget and peacekeeping assessments, based on per capita income and gross national product. The existing method of apportioning peacekeeping expenses was not really a scale, but a stratification of countries into groups (A, B, C and D) with little consistency or regard for economic realities. A true scale would rank all 189 Member States, taking into account their economic and financial realities, poverty thresholds, development levels and responsibilities in the Security Council. The increased cost of peacekeeping operations was a matter of concern to all; virtually all countries wished to see a scale established based on capacity to pay. The special interests of regional groups could not be taken into consideration as that would run counter to the principle of collective responsibility for peacekeeping. Capacity to pay was, in the end, the most equitable way to ensure adequate financing for peacekeeping.

53. It was also important to adopt clear guidelines to determine what constituted a peacekeeping operation. The excellent report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809) offered an evaluation of the current situation, including its financial aspects, and recommendations for the future. It was important to the developing countries that equal priority should be placed on financing for development and on peacekeeping. Instead of allocating resources to perpetuate peacekeeping operations, the Organization should direct those resources towards development; that would lead to peace and help to prevent conflicts. A United Nations which ignored the noble objective of development and which dedicated itself only to peacekeeping would become a sort of international police force. That was not the purpose for which it had been founded.

The meeting rose at 12.10 p.m.