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Forty-second session Agenda item 43

CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS

Report of the Fifth Committee

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I. INTRODUCTION

1. At its 3rd plenary meeting, on 18 September 1987, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its forty-second session the item entitled "Current financial crisis of the United Nations", and to allocate it to the Fifth Committee.

2. The General Assembly took that decision on the understanding that such a decision should in no way prejudice the arrangements to be made for the future consideration of this item. The Assembly also decided that this item should be considered concurrently with item 41 entitled "Review of the efficiency of the administrative and financial functioning of the United Nations".

3. The Fifth Committee considered this item concurrently with items 41 and 117 ("Financial emergency of the United Nations") at its 56th, 57th, 59th to 61st meetings, and 65th and 66th meetings on 8 to 11 and 17 to 19 December 1987. Comments and observations made in the course of the Committee's consideration of this item are reflected in the relevant summary records (A/C.5/42/SR.56, 57, 59-61 and 65-67). The Fifth Committee also considered the item in the course of its general debate on this and items 41, 115 ("Proposed programme budget for the biennium 1988-1989") and 116 ("Programme planning") at its 15th to 27th and 51st to 54th meetings, on 22, 23, 26, 29 and 30 October, 2, 4-6, 9 and 10 November and 2 and 3 December 1987. Comments and observations made in the course of the Committee's general debate are reflected in the relevant summary record' (A/C.5/42/SR.15-27 and S1-54).

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4. For the consideration of the item, the Committee had before it the following documents:

(a) Report of the Secretary-General on the implementation of economy measures with particular attention to their programmatic implications (A/42/283);

(b) Report of the Secretary-General on the current situation and funding prospects for 1988: current financial crisis of the United Nations (A/42/841) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/42/861).

II. CONSIDERATION OF PROPOSALS

5. At the 66th meeting, on 18 December, the representative of <u>Zimbabwe</u>, on behalf of the States Members of the United Nations which are members of the Movement of Non-Aligned Countries, introduced draft resolution A/C.5/42/L.21 entitled "Current financial crisis of the United Nations".

6. At the 67th meeting, on 19 December, in response to suggestions by several representatives, the sponsors revised the draft resolution, as follows:

(a) The second preambular paragraph was recast to read

"Recalling also its resolution 41/213 of 19 December 1986;"

(b) In the fourth preambular paragraph, the word "more" was deleted and the phrase "in accordance with the Charter" was added at the end;

(c) A new operative paragraph 2 was added and read as follows:

"2. <u>Concurs</u> with the recommendations by the Advisory Committee on Administrative and Budgetary Questions on the current financial crisis of the United Nations (A/42/861);"

Former operative paragraphs 2 and 3 were renumbered as 3 and 4;

(d) In operative paragraph 3 the words "to consider" were replaced by the words "to keep under consideration" and the words "problems and needs" were replaced by the word "situation";

(e) In operative paragraph 4, after the words "to all Member States" the words "on an urgent basis" were deleted; the phrase "views already expressed by Member States since 1985 and any other views they may wish to submit on the financial problems and needs" were replaced by "views of Member States on the tinancial situation"; and after "General Assembly" the words "at its proposed resumed session" were deleted.

7. At the same meeting, the Committee adopted the revised draft resolution without a vote (see para. 8).

111. RECOMMENDATION OF THE FIFTH COMMITTEE

8. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

The General Assembly,

<u>Recalling</u> the purposes and principles of the Charter of the United Nations, in particular Article 17,

Recalling also its resolution 41/213 of 19 December 1986,

Deeply concerned with the current financial crisis, caused by the non-fulfilment by some Member States of their obligations under the Charter, which threatens the financial solvency, stability and work of the Organization,

<u>Reaffirming</u> the need for a durable, reliable and lasting financial foundation for the Organization, in accordance with the Charter,

<u>Taking note</u> of the report of the Secretary-General on the current financial crisis of the United Nations 1/ and the report of the Advisory Committee on Administrative and Budgetary Questions, 2/

Taking note also of the views expressed by Member States in the Fifth Committee on the current financial crisis of the United Nations,

1. <u>Reaffirms</u> the obligation of all Member States under the Charter of the United Nations, to finance the expenses of the Organization as apportioned by the General Assembly and calls upon them to pay all their assessed contributions in full and in a timely manner;

2. <u>Concurs</u> with the recommendations by the Advisory Committee on Administrative and Budgetary Questions on the current financial crisis of the United Nations; <u>2</u>/

3. <u>Requests</u> the President of the General Assembly, in consultation with the Secretary-General and the Chairmen of the regional groups, to keep under consideration the possibility of reconvening the forty-second session of the General Assembly, at an appropriate moment in 1988, to address the financial situation of the Organization;

<u>1/ A/42/841.</u>

^{2/} A/42/861.

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> 4. <u>Requests</u> the Secretary-General to communicate to all Member States the latest information on the magnitude of the current financial crisis facing the Organization and, taking into account the views of Member States on the financial situation of the Organization, to prepare a summary of such views together with an updated report on the financial situation of the Organization for the consideration of the General Assembly.
