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FINANCIAL EMERGENCY OF THE UNITED NATIONS

Report of the Fifth Committee

Rapporteur: Mr. Ali Achraf MOJTAHED (Islamic Republic of Iran)

I. INTRODUCTION

1. At its 3rd plenary meeting, on 21 September 1984, the General Assembly decided, on the recommendation of the General Committee, to include in its agenda and to allocate to the Fifth Committee the item entitled:

"Financial emergency of the United Nations:

- "(a) Report of the Negotiating Committee on the Financial Emergency of the United Nations;
- "(b) Report of the Secretary-General."
- 2. The Fifth Committee had before it a report of the Secretary-General (A/C.5/39/10 and Corr.1).
- 3. The Committee considered this item at its 33rd, 34th, 40th, 46th and 51st meetings, on 23 November, 3, 11, 12 and 14 December 1984. Comments and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/39/SR.33, 34, 40, 46 and 51).
 - II. CONSIDERATION OF DRAFT RESOLUTIONS A/C.5/39/L.19 and L.23
- 4. At the 51st meeting, the representative of Pakistan introduced a draft resolution entitled "Financial Emergency of the United Nations" (A/C.5/39/L.19),

sponsored by Algeria, Bangladesh, Burundi, Chile, Costa Rica, the <u>Dominican</u> Republic, Egypt, Honduras, Indonesia, the <u>Libyan Arab Jamahiriya</u>, Malaysia, Mali, Morocco, Nigeria, Pakistan, the <u>Philippines</u>, Saint Lucia, Saudi Arabia, Sweden, Thailand and <u>Turkey</u>.

- 5. At the same meeting, the Committee adopted draft resolution A/C.5/39/L.19 without a vote (see para. 8, draft resolution A).
- 6. At the same meeting, the representative of Sweden introduced a draft resolution (A/C.5/39/L.23) entitled "Financial Emergency of the United Nations", sponsored by Bangladesh, Canada, Denmark, Finland, Nigeria, Norway, Pakistan, Trinidad and Tobago and Sweden. The representative of Sweden orally revised the draft resolution by deleting the word "so-called" in the fifth preambular paragraph.
- 7. At the same meeting, the Committee adopted draft resolution A/C.5/39/L.23, as orally revised without a vote (see para 8, draft resolution B).

III. RECOMMENDATIONS OF THE FIFTH COMMITTEE

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

Financial emergency of the United Nations

A

ISSUE OF SPECIAL POSTAGE STAMPS

The General Assembly,

Having considered the report of the Secretary-General on the financial situation of the United Nations, $\underline{1}/$

Recalling its resolutions 35/113 of 10 December 1980, 36/116 of 10 December 1981, 37/13 of 16 November 1982 and 38/228 A of 20 December 1983,

Noting with concern that the deficit of the Organization is projected to increase to \$356 million by 31 December 1984,

Mindful of the necessity to place the finances of the Organization on a sound footing,

Taking note of the relevant statements of Member States in the Fifth Committee on this item,

^{1/} A/C.5/39/10 and Corr.1.

Noting with appreciation the implementation of the postage stamps project as envisaged in resolution 35/113, the utilization of one half of its sale proceeds for the promotion of the noble cause of conservation and protection of nature and endangered species and the allocation of the remaining half to the United Nations Special Account.

Bearing in mind that, pending comprehensive settlement of the differences which have given rise to the financial emergency of the Organization, partial or interim steps could enhance the liquidity of the Organization and alleviate its financial difficulties to some extent.

1. <u>Invites</u> the Secretary-General to take appropriate measures to issue special postage stamps on the critical social and economic crisis in Africa with a view to sensitizing the international community to the problems in Africa;

2. Decides that:

- (a) One half of the revenues so earned shall be earmarked for the implementation of objectives as detailed in the Declaration on the Critical Economic Situation in Africa 2/ adopted by the General Assembly on 3 December 1984;
 - (b) The remaining revenues shall be placed in a special account;
- 3. <u>Further decides</u> that the provisions of regulations 5.2 and 7.1 of the Financial Regulations of the United Nations shall not apply to the sale proceeds of the above-mentioned postage stamps;
- 4. Requests the Secretary-General to give appropriate publicity to the above-mentioned postage stamps, with the aim of mobilizing the support of all States, intergovernmental and non-governmental organizations and the philatelic community;
- 5. Further requests the Secretary-General to submit to the General Assembly at its fortieth session a progress report on the status of the project on the issuance of special postage stamps.

В

FINANCIAL SITUATION OF THE UNITED NATIONS

The General Assembly.

Having considered the report of the Secretary-General on the analysis of the financial situation of the United Nations, $\underline{1}$ /

^{2/} Resolution 39/29, annex.

Recalling its resolutions 3049 A (XXVII) of 19 December 1972, 3538 (XXX) of 17 December 1975, 32/104 of 14 December 1977, 35/113 of 10 December 1980, 36/116 B of 10 December 1981, 37/13 of 16 November 1982, and 38/228 B of 20 December 1983,

 $\underline{\text{Mindful}}$ of the report of the Negotiating Committee on the Financial Emergency of the United Nations $\underline{2}/$ and of the views expressed by Member States thereon in the Fifth Committee at its thirty-second session,

Reiterating earlier appeals to Member States, without prejudice to their position of principle, to make voluntary contributions to the special account referred to in annex IV of the report of the Secretary-General on the analysis of the financial situation of the United Nations, 1/

Noting with concern that the short-term deficit of the Organization is expected to exceed \$356 million as at 31 December 1984,

Concerned at the increasingly precarious financial situation of peace-keeping operations and, in particular, its adverse impact on developing-country troop contributors, 3/

Noting also with concern that delays and partial payment of assessed contributions continue to create serious cash-flow problems for the Organization,

Considering the possibility that for many Member States administrative considerations, including a calendar difference between the national fiscal year and that of the Organization, may be responsible for the delay in the payment of assessed contributions,

Taking note of the views expressed in the Fifth Committee,

- l. Reaffirms its commitment to seek a comprehensive and generally acceptable solution to the financial problems of the United Nations, based on the principle of collective financial responsibility of Member States and in strict compliance with the Charter of the United Nations;
 - 2. Urges all Member States to meet their financial obligations;
- 3. Renews its appeal to all Member States to make their best efforts to overcome constraints to the prompt payment early each year of full assessed contributions and of advances to the Working Capital Fund;
- 4. Expresses its appreciation to all Member States which pay their assessed contributions in full within thirty days of the receipt of the Secretary-General's communication, in accordance with regulation 5.4 of the Financial Regulations of the United Nations;

^{3/} S/15863, para. 28.

- 5. Requests the Secretary-General, in addition to his official communications to the permanent representatives of Member States, to approach, as and when appropriate, the Governments of Member States for the purpose of encouraging expeditious payment in full of assessed contributions in compliance with regulation 5.4 of the Financial Regulations of the United Nations;
- 6. <u>Invites</u> Member States also to provide, in response to the Secretary-General's official communication and consistent with regulation 5.4 of the Financial Regulations of the United Nations, information regarding their expected pattern of payments, in order to facilitate the financial planning by the Secretary-General;
- 7. Requests the Negotiating Committee on the Financial Emergency of the United Nations to keep the financial situation of the Organization under review and to report, as and when appropriate, to the General Assembly;
- 8. Requests the Secretary-General to submit to the General Assembly at its fortieth session detailed information relating to the extent, rate of increase and composition of the deficit of the Organization, the pattern of payments of Member States, the cash-flow situation and voluntary contributions received from Member States and other sources pursuant to Assembly resolutions 2053 A (XX) of 15 December 1965 and 3049 A (XXVII) of 19 December 1972;
- 9. <u>Decides</u> to include in the provisional agenda of its fortieth session the item entitled "Financial emergency of the United Nations".