



**STATEMENT BY MR. JANARDHANA POOJARY, MEMBER OF PARLIAMENT
AND MEMBER OF THE INDIAN DELEGATION, ON AGENDA ITEM 128:
SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES
OF THE UNITED NATIONS IN THE FIFTH COMMITTEE OF THE 60TH
SESSION OF THE UN GENERAL ASSEMBLY ON OCTOBER 18, 2005**

Mr. Chairman,

At the outset, I would like to express our appreciation to Mr. Ugo Sessi, the Chairman of the Committee on Contributions, for his presentation of its report and also for his many years of service to the Committee. With the completion of his term in the CoC, his absence will surely be missed. We also thank the Controller for the presentation of the two other reports under this agenda item.

My delegation aligns itself with the statement made by the distinguished representative of Jamaica in her capacity as Chair of the G-77.

My delegation supports the conclusions of the CoC on the applications before it for exemption from the application of the provisions of Article 19. In addition, we support the cases of Liberia, Niger and Sao Tome and Principe as meriting similar consideration.

Presently, exemptions granted under Article 19 remain in effect only until 30 June of the following year. This means that Member States granted an exemption face the prospect of losing their vote between 1 July and the date on which the General Assembly takes action on the recommendation of the Committee on Contributions. It appears to us only logical that such exemption be granted at least until the end of the session of the General Assembly. We look forward to pursuing this issue in informal consultations.

We commend those Member States who have proposed multi-year payment plans and are making efforts to meet their obligations under those plans. In particular, we commend the Republic of Moldova for adhering to its payment plan and graduating

from the provisions of Article 19. Last year Tajikistan, Niger and Georgia all made payments in excess of what was required by their respective payment plans and this needs to be appreciated. We do recognize however, that not all Member States in arrears may be in a position to submit such plans and those cases deserve our sympathy and patience. The experience with multi-year payment plans may be mixed. However, it remains the only tool available to assist Member States who are facing payment difficulties to reduce their unpaid assessed contributions, and recent experience is cause for some cheer on this account.

We note the proposal of the CoC to fix the deadline for timely payment from the date of issuance of the assessments, rather than from the date of their receipt. We would however like to point out the inordinate delay experienced on occasions in receiving the assessment letters – which affects Member State' ability to make timely payment - and call upon the Secretariat to take steps to address this problem.

In its resolution 58/1 B, the General Assembly had requested the Committee on Contributions to continue to review the methodology of future scales of assessments on the basis of the principle that the expenses of the Organisation should be apportioned broadly according to capacity to pay. The Committee has now sought guidance from the General Assembly on elements of the scale methodology or potential new elements for the scale of assessments for the period 2007-9. It is important for the General Assembly to now give such guidance to the Committee for its work at its sixty-sixth session. The following are our views on the elements:

Income measure: We agree that the scale of assessments for the period 2007-9 should be based on Gross National Income (GNI) figures that are as current as possible. However, comprehensiveness and comparability of GNI data are of equal importance and the pursuit of current figures should not in any way impact negatively on these considerations. We are also not convinced that the annual recalculation of the scale will not result in an annual re-negotiation of the scale – a situation we should avoid.

Conversion rates: We also agree with the Committee that market exchange rates (MERs) should be used in the conversion of data except when excessive fluctuations justify the use of price adjusted rates of exchange (PAREs) or other appropriate rates.

Base period: Since the present scale is based on an average of the machine scales of six years' and three years' data, it does not altogether smoothen out short term fluctuations in GNI data. Also, the averaging of the two sets of data was merely a compromise arrived at in 2000 and is devoid of any technical merit. From the point of view of simplicity, technical soundness and to help smoothen out such short-term fluctuations, we would favour a six-year base period.

Debt-burden adjustment: We are as concerned as the Committee that changes in coverage by the World Bank and OECD has resulted in debt data not being available for several countries after 2002. We hope that the Secretariat will be able to obtain relevant data in time for this Committee's consideration of the scales of

assessment at its 61st session. We should also examine at that time the appropriateness or otherwise of the current application of the debt burden adjustment to higher income countries.

Low-per-capita income adjustment: My delegation believes that the amount of low per-capita income adjustment should continue to be distributed only among Member States above the threshold, which is the average per-capita GNI of all Member States, and not among all Member States.

Floor: Although the floor level of assessment was lowered from .01 percent to .001 percent since 1998, we would be open to examining if this still imposes an excessive burden on some of the smaller Member States. This is especially true for small island developing states and we urge the Committee on Contributions to consider this issue at its next session.

Ceiling: We are surprised from the report of the Committee on Contributions that there was no discussion in the Committee on the ceiling of 22 percent that was imposed in 2000 on the contribution of one Member State.. Given that this ceiling is a major source of distortion in the scale affecting the application of the principle of capacity to pay for all other Member States, we had expected that the Committee would have devoted more attention to analyzing its impact and the rationale, if any, for its continuance. This is all the more so since the gap between the ceiling rate and that Member State's share of total world gross national income has widened since 2000. We hope that the Committee will discuss this issue in detail when finalizing its report on the scale of assessments for 2007-9. The Committee should also discuss whether the premise under which the ceiling rate was imposed, namely commitment to pay dues owed to the Organisation in a timely manner, has been fulfilled.

My delegation looks forward to discussing the above issues during informal consultations of this Committee with a view to providing guidance to the Committee on Contributions on the important work before it at its next session.

I thank you Mr. Chairman.

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