



Permanent Mission of
Malaysia
to the United Nations

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**STATEMENT BY
THE HONOURABLE DATUK HAJI HASAN MALEK
MEMBER OF PARLIAMENT
REPRESENTATIVE OF MALAYSIA**

**ON AGENDA ITEM 126:
IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS**

**AT THE FIFTH COMMITTEE
60TH SESSION OF THE UNITED NATIONS
GENERAL ASSEMBLY
NEW YORK, 20 OCTOBER 2005**

Mr. Chairman,

Since this is the first occasion that my delegation is addressing this Committee, allow me to begin by congratulating you on your election as the Chairman of this Committee. I also wish to congratulate the newly appointed members of the bureau. My delegation is confident that with your extensive knowledge and experience you will be able to steer the work of the Committee to a successful outcome. Towards this end we offer you our full support.

2. My delegation would also like to thank Mr. Warren Sach, the United Nations Controller, for his comprehensive briefing to the Committee on the financial situation of the Organization last Thursday.

3. My delegation associates itself with the statement made by the distinguished representative of Jamaica on behalf of the Group of 77 and China, and the statement of the distinguished representative of Lao People's Democratic Republic on behalf of ASEAN.

Mr. Chairman,

4. Like other Member States, Malaysia attaches high importance to this agenda item. We consider the regular, tribunal and the peacekeeping budgets as equally important components of the financing of the United Nations. We are encouraged to note that there have been some signs of improvement in 2005 with a slightly better cash position as compared to the previous year. However problems of the financial situation of the Organisation continue to remain and we share the concern expressed by the UN Controller on the continuing fragility of the financial situation. We have noted that over a total USD 400 million are expected to be paid by some Member States to the Organisation during the final quarter of this year. We earnestly hope that Member States concerned would be able to meet with the expectations in due time to avoid the UN to end the year in the red.

Mr. Chairman,

5. On the financing of peacekeeping operations, we note that there is a reduction in the budget this year, with a total assessment of USD 3.317 billion compared to last year's figure of USD 5.154 billion. While we are aware of the reason for the reduction and welcome the development, we wish to underline that it is vital to provide adequate resources and tools to the peacekeeping missions in ensuring their successful implementation.

6. Like in the previous year, my delegation is also concerned with the continuous practice of the International Tribunals and several ongoing peacekeeping operations, which have had to resort to borrow funds from the accounts of closed peacekeeping missions. We fully hope that active Missions will not have to resort again to borrowing from closed peacekeeping accounts in the next budget.

7. In relation to the Tribunal budget, we are pleased to note the progress achieved in resolving the outstanding amount of the Tribunals. We hope that this positive trend would continue to improve in future, to enable these Tribunals to carry out their important work expeditiously.

8. On the Capital Master Plan, we hope that all aspects concerning the implementation of the project could be finalized as soon as possible, given the fact that further delays in the design phase would escalate the costs of the project. Therefore, we look forward to the issuance of a detailed report on this project in early November this year.

Mr. Chairman,

9. At this 60th session, we are confident that Member States would continue to make collective efforts and renew their commitments to enable the United

Nations to be better organized, provided with the necessary resources and fully equipped to fulfill its mandate and responsibility in the fields of security, economic, social and humanitarian issues as well as in other areas. It is therefore important for us to bear in mind, that unless Member States meet their obligations to pay in full and on time their assessed and voluntary contributions, it would be difficult for the Organisation to carry out its functions and the reform process in the expected efficient and effective manner.

10. We wish to reiterate that the only viable solution to secure financial health of the United Nations is for Member States to meet their financial obligations in full, on time and without conditions. At the same time, we are mindful of the difficulties faced by some Member States in settling their arrears. Nevertheless, it is our hope that Member States, in particular the major contributors will honour their assessed contributions and to settle their arrears as expected by the Organisation without any conditions attached.

Thank you.