

**STATEMENT BY HON'BLE MR. RAM NATH KOVIND, MEMBER OF  
PARLIAMENT ON SCALE OF ASSESSMENTS (AGENDA ITEM 124) AT  
FIFTH COMMITTEE OF THE 58<sup>TH</sup> SESSION OF THE UN GENERAL  
ASSEMBLY ON OCTOBER 15, 2003**

Mr. Chairman,

I would like to thank the Chairman of the Committee on Contributions, Mr. Ugo Sessi, for his presentation of the Report of the Committee contained in document A/58/11, and the Controller for his presentation of the Report A/58/63 on multi-year payment plans.

2. My delegation aligns itself with the statement of the distinguished representative of Morocco, in her capacity as Chair of the Group of 77.

Mr. Chairman,

3. Three years ago the General Assembly adopted the present methodology for determination of the scale of assessments. Those were difficult times - the financial situation of the UN was precarious, and the arrears of unpaid assessments had reached critical proportions. After protracted negotiations, the General Assembly reached agreement on the elements of the methodology and decided to freeze them for six years till 2006. With the reduction of the ceiling rate, arrears owed by one major contributor have since come down significantly. Therefore, the current system, while not pretending to be very equitable and despite new and significant arrears of payment arising from countries facing difficult economic situations, has served the Organisation well, to a large extent.

4. Resolution 55/5 C of the General Assembly had called for a review of the position at the end of 2003, and depending on the status of contributions and arrears, to determine appropriate measures to remedy the situation including adjustments to the ceiling. In accordance with Rule 160 of the Rules of Procedure of the General Assembly, the Committee on Contributions has reviewed and recommended the revised scale of assessments for the remaining three year period 2004-06 in terms of the current methodology. It is in this context that the deliberations of the Committee on Contributions and its recommendations assume importance.

Mr. Chairman,

5. My delegation wishes to commend the Committee on Contributions on its work. The Report of the Committee reflects the various points of view expressed by its membership, while at the same time presenting consensus recommendations. This will certainly assist the Fifth Committee in speedy consideration and disposal of this agenda item.

6. On the revised scale of assessments, there are Member States whose assessment rates have gone up significantly. India's own assessment rate has gone up by nearly twenty five percent. Based on the current methodology, we accept the inevitability of this, given the strong performance of the Indian economy in recent years. We recognise the delicate political balance of the current scales and welcome the fact that despite concerns expressed by some Member States at their assessment rates having gone up, there appears to be a consensus not to reopen till 2006 what could prove for the Organisation, at this present juncture, to be a ruinous debate on this issue.

7. Concerns remain, however, on the financial situation of the Organisation on account of the high outstanding arrears of assessments. We sympathise with the situation of those Member States who have not been able to meet their obligations to the Organisation on account of genuine economic difficulties. We hope that the downward revision of assessments, recommended by the Committee in the case of some of these Member States, will assist them in meeting their obligations on time.

8. In this connection, my delegation endorses the recommendations of the Committee on Contributions on modification of exchange rates used for those Member States in whose cases the use of market rates of exchange result in distortions in national income computation.

9. On the criteria for ad hoc adjustments of the rates of assessment, the deliberations within the Committee vindicate our stand that seeking to develop such criteria is a futile exercise and that Rule 160 of the rules of procedure of the General Assembly is itself the only practicable criteria for such consideration. We hope that the Committee will conclusively report on this matter at its next session.

10. On the subject of multi-year payment plans, we reiterate their essentially voluntary nature, and commend those Member States who have presented such payment plans, and express our deep appreciation for those who, in spite of difficulties, have made efforts to reduce their arrears in accordance with such payment plans.

11. We are somewhat disappointed that the Committee was unable to further elaborate on measures to encourage the payment of arrears by Member States. We remain ready to discuss this issue inter-alia in the context of updated information that has been requested from the Secretariat on the related experience of other organisations of the United Nations system.

12. My delegation looks forward to the informal discussions on this agenda item and to their speedy conclusion.

Thank you, Mr. Chairman.

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