

Guterres sounds alarm over worst cashflow crunch in years

The United Nations is at risk of running out of cash, the UN chief has warned, urging Member States to pay their mandatory contributions on time and in full, so that the world body can continue to deliver on its key mandates.

In a letter to UN staff, [Secretary-General António Guterres](#) stated that he had “written to Member States regarding the troubling financial situation facing the United Nations”.

“Caused primarily by the delayed contributions of Member States to the Regular Budget, this new cash shortfall is unlike those we have experienced previously”, he wrote. “Our cash flow has never been this low so early in the calendar year, and the broader trend is also concerning: we are running out of cash sooner and staying in the red longer”.

At the end of June this year, the amount of [money paid by Member States](#) for the 2018 assessment stood at around \$1.49 billion. At the same time last year, the amount paid to the regular budget was just over \$1.70 billion.

So far this month, Iraq, Moldova, Japan, Lithuania and Mexico have paid their contributions, leaving the outstanding amount owed for 2018, at nearly \$810 million, with 81 States yet to pay.

“I have appealed to Member States to pay their assessments on time and in full, and highlighted the risk the current situation poses to the delivery of mandates and to the reputation of our Organization,” Mr. Guterres wrote in the letter.

Speaking to journalists at UN Headquarters, his Spokesman Stéphane Dujarric said that the UN fully understands that some Member States operate on different fiscal timetables, but unlike in previous years, the cash flow has never been this low, so early in the calendar year.

He also said the UN does not have much financial flexibility and relies on Member States to pay their dues on time and in full.

Mr. Dujarric added that the UN Secretariat would now be looking into ways of reducing expenses, with a focus on non-staff costs.