



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MS. DAYANA RIOS, MINISTER COUNSELOR IN THE PERMANENT MISSION OF THE PLURINATIONAL STATE OF BOLIVIA TO THE UNITED NATIONS, ON AGENDA ITEM 131: FINANCIAL REPORTS AND AUDITED FINANCIAL STATEMENTS, AND REPORTS OF THE BOARD OF AUDITORS, AT THE SECOND RESUMED PART OF SIXTY-EIGHTH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 7 May 2014)

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 131, Financial Reports and Audited Financial Statements, and Reports of the Board of Auditors.

2. The Group would like to thank Mr. Hugh O'Farrell, Director of External Audit of United Kingdom of Great Britain and Northern Ireland and Chairman of the Audit Operations Committee of the United Nations Board of Auditors, for introducing Volume II of the Board's report. We would also like to thank the Assistant Secretary-General, Controller, Ms. Maria Eugenia Casar, for introducing the report of the Secretary-General on the implementation of the recommendations of the Board as well as Mr. Carlos Ruiz Massieu, Chairman of the ACABQ, for introducing the Advisory Committee's related report.

Mr. Chairman,

3. Our Group continues to attach great importance to the work carried out by the Board of Auditors as the independent external auditors of the United Nations and its Funds and Programmes. We highly commend the continued high quality of the report under consideration which once again continues to inform Member States on the issues related to external oversight in particular for the peacekeeping operations. The Group has also taken note of the information provided by the Secretary-General on the implementation of the Board's recommendations related to peacekeeping operations.

Mr. Chairman,

4. With regard to the implementation of the previous recommendations of the Board, we have taken note that on the recommendations made for 2011/2012 period about 55 per cent were fully implemented while 40 per cent were partially implemented and 1 per cent was not implemented and 4 per cent were overtaken by events during the period. The Group welcomes improvements in the implementation of the recommendations of the Board compare to the previous reporting period. The Group also encourages additional efforts to ensure all recommendations of the Board are fully implemented and dedicated efforts are put in place to avoid reoccurrence.

5. The Group has also taken note of that the Organisation has continued its positive efforts to address the Board's concerns and to enhance financial control and management including those related to the implementation of the International Public Sector Accounting Standards (IPSAS), and the progress towards implementation of the new Enterprise resource planning system (Umoja) and the global field support strategy.

6. Like in the previous years, it our expectation that these reforms will present a major opportunity

to improve the way in which United Nations peacekeeping operations are managed and backstopped. The Group of 77 and China also concurs with the Board on the need for more clarity and elaboration on new peacekeeping service delivery model supported by the three business transformation and other initiatives to achieve enhanced accountability and delivery.

Mr. Chairman,

7. The Group has taken note that, while there has been some improvement on previously cited issues by the Board, the Organisation continue to face similar problems especially in the areas of procurement and contract management, budget formulation and management, human resources management, asset management and the implementation of the global field support strategy. The Group will be interested to learn in details on the reasons for reoccurrence of similar issues during our informal consultations.

Mr. Chairman,

8. With regard to the IPSAS implementation, the Group has taken note that while the first set of IPSAS-compliant financial statement is due in few weeks from today, there are still a number of challenges the PKOS are facing including those related to agreement on an appropriate inventory accounting policy; validation of the resultant valuations of real estate produced by the standard methodology; and better tailoring IPSAS guidance to each mission's circumstance and requirements. We believe that efforts will be put in place to ensure successful delivery of statement. The Group also careful interested to learn how the technical problem facing ERP as connected to IPSAS operations are being addressed in the Mission and at the Regional Service Center.

9. With regard to the implantation of the GFSS, the Group will be interested to learn the conclusion of the previous recommendation of the Board related to the movement of staff from Missions to Regional Service Center including on its scope, the administrative and financial implication. We will also be interested to learn in details operation of the UN Logistics Base and the telecommunication base in Valencia in this regard as connected to previous findings. The Group will further examining the issues related to standardized funding model and how the organisation is advancing in addressing those issues.

Mr. Chairman,

10. In conclusion, the Group of 77 and China would like to assure you of our readiness to engage in constructive deliberations on a number of issues in this agenda items.

I thank you Mr. Chairman,