



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. MAGID YOUSIF, MINISTER PLENIPOTENTIARY, PERMANENT MISSION OF THE REPUBLIC OF THE SUDAN TO THE UNITED NATIONS, ON AGENDA ITEM 129: FINANCIAL REPORTS AND AUDITED FINANCIAL STATEMENTS, AND REPORTS OF THE BOARD OF AUDITORS, AT THE FIFTH COMMITTEE DURING THE MAIN PART OF THE 64TH SESSION OF THE GENERAL ASSEMBLY (New York, 7 October 2009)

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 129, entitled "Financial reports and audited financial statements, and reports of the Board of Auditors".

2. The Group wishes to thank Mr. Imran Vanker, Director of External Audit of South Africa and Chairman of the Audit Operations Committee of the Board of Auditors for his introduction of the reports of the Board. We also wish to thank Ms. Susan McLurg, Chairperson of the ACABQ, for introducing the report of the Advisory Committee.

Mr. Chairman,

3. The Group of 77 and China attaches great importance to the work of the internal and external oversight mechanisms of the United Nations. Their observations and recommendations are crucial for Member States to ensure that the principles pertaining to proper procedures and practices and full disclosure of financial statements are being adhered to by the Organization. We wish to commend the hard work of both committees. The Group believes that observation and recommendations by the oversight mechanisms are crucial to the improvement of the work of the United Nations and should therefore be implemented fully and in a timely manner.

Mr. Chairman,

4. The Group notes, in this regard, with concern the findings of the Board which states in its report on the voluntary funds administered by UNHCR that, for the year ended 31 December 2007, on 21 recommendations, 7 had been fully implemented, 11 had been partially implemented and 3 had not been implemented with 1 being first raised in 2002, 1 in 2006, and 1 in 2007.

5. Standing on its position on timely implementation of the Board's recommendations, the Group wishes also to express its concern on the ageing of previous recommendations implemented only partially or not at all as mentioned in paragraphs 17 and 18 of the report A/64/5/Add.5. The Group concurs with the ACABQ that UNHCR should work out to implement these recommendations which cover areas such as after service health insurance liabilities, progress made towards implementation of the International Public Sector Accounting Standards (IPSAS), cash management, management of non-expendable property, expendable property, human resources management, programme and project management, internal audit activities, write-offs, ex gratia payments and cases of fraud and presumptive fraud.

6. With regard to the non-receipt of audit certificates, the Group concurs again with the Advisory Committee's recommendation as expressed in paragraph 8 of its report.

7. With regard to the implementation of the recommendations of the Board relating to the biennium

2006-2007, we note that, while the number of recommendations made by the Board decreased by 22 per cent over the previous biennium, the rate of implementation also decreased in comparison with the previous biennium from 52 per cent to 47 per cent. In this regard, we note that some common reasons have been identified and cited in the report of the Board for lack of full implementation.

8. The Group of 77 and China believes that the Organization needs to take prompt and effective measures by doubling its efforts to implement the recommendations of the Board and ensure a dedicated follow-up mechanism, strengthen sufficient inter-agency coordination in the implementation of recommendations that pertain to more than one organization, avoid addressing recommendations in a symptomatic manner, and focusing not only on the main recommendations of the Board but also on other recommendations. We also concur with the Advisory Committee that the Organizations needs to take measures, at the most senior level, to overcome the deficiencies in the implementation of the Board's recommendations.

Mr. Chairman,

9. The Group notes with interest that the Board has conducted its audit on the capital master plan and it will keep under review matters such as human resources reform. The Group wishes to call the attention of the Board that issues like the implementation of the recommendations of the High-level Panel on United Nations System-wide Coherence and the enterprise resource planning project are still under consideration by Member States and there is no intergovernmental decision yet on the way forward. In that regard, caution should be exercised at the moment of evaluating the impact of those processes on the work of the Organization. We look forward to the reports of the Advisory Committee on its consideration of the Board's reports on the capital master plan for the year ended 31 December 2008 as well as the other issues.

I thank you, Mr. Chairman.