



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MRS. NORMA TAYLOR ROBERTS, PERMANENT MISSION OF JAMAICA, ON AGENDA ITEM 107: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS, DURING THE FIRST PART OF THE RESUMED FIFTY-NINTH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 7 March 2005)

Mr. Chairman,

I have the honour to speak on behalf of the Group of 77 and China.

I would like to thank Under Secretary-General Mr. Dileep Nair for introducing the OIOS report, Assistant Secretary-General Mr. Andrew Toh and Mr. Vladimir Kuznetsov, Chairman of the ACABQ for respectively introducing the reports of Secretary General and the ACABQ.

Mr. Chairman,

The Group of 77 and China considers the issue of procurement reform in the United Nations to be very important. Questions related to both transparency and accountability are critical to the integrity of the Organization and the effectiveness of procurement reform.

The Group welcomes the progress achieved in addressing many concerns expressed by the General Assembly in its resolution 57/279. This includes: - the creation of a standing working group at the last meeting of the Inter-Agency Procurement Working Group (IAPWG) in Indonesia to coordinate activities related to business seminars in the United Nations system; - conducting business seminars in developing countries on how to do business with the United Nations system; - improving the harmonization of procurement practice; - simplifying the vendor registration process by creating the United Nations Global Marketplace as a single internet-based system in which 14 organizations are currently participating.

Mr. Chairman,

The Group of 77 and China is interested in achieving more diversity in the sources of procurement. The General Assembly, in recent resolutions, has called for an increase in the level of procurement from developing countries. The Group notes with concern that the data provided in the annexes to the Secretary General's report shows a low percentage of procurement from developing countries. Only 27% of the volume went to developing countries. More efforts should be made towards increasing this level. To this end, the UN Secretariat should also include this aspect in the IAPWG agenda on a regular basis.

The Group further requests that it be provided with updated information on the status of the discussions on the remaining technical aspects of the question of the rules of origin.

The Group supports harmonization of procurement practices which should aim at transparency and efficiency. In this regard, the Group notes the conclusion of agreements with specific large suppliers and would like to seek more information on these agreements and their conformity with the financial rules.

Mr. Chairman,

On the issue of simplifying and streamlining the registration process for vendors, the Group of 77 and China is interested in receiving details on the implementation of the recommendations included in the report of the IAPWG at its annual meeting in 2004. In this regard, it is noted that the Secretary General's report focused on the use of the internet in simplifying the registration process. The Group would like to receive information on the use of means other than the internet in conformity with paragraph 5 of General Assembly resolution 57/279, taking into consideration the difficulties in accessing the internet by many developing countries.

The Group of 77 and China attaches great importance to developing the code of conduct and the declaration of independence of the procurement staff. The Group is concerned that the provisions for putting these requirements in place are not yet concluded.

The Group of 77 and China stresses once again the importance of accountability in the UN System. In the main part of the 59th Session, the General Assembly focused on this aspect and requested clear improvement in

accountability in different areas. The request in the Secretary General's report for more delegation of authority to the field should be considered within this context.

With respect to the OIOS report on air safety standards, the Group notes the recommendations of the OIOS and would like to follow this important issue in the informal sessions.

Mr. Chairman,

Let me now turn to the issue of outsourcing practices.

The Group of 77 and China wishes to emphasize the need to adhere to the criteria for outsourcing as included in the pertinent General Assembly resolutions. Outsourcing should not compromise the international character of the Organization and should be in full conformity with the financial rules.

The Group notes with concern that many outsourced activities could be performed by in-house expertise. The Group notes that during 2002 and 2003 many security functions were outsourced and in this regard, would like to be informed of the situation that will obtain in light of the new security provisions following the establishment of the Safety and Security Department.

The Group notes that translation and text processing services for United Nations documents, publications and treaties were outsourced on the basis that outsourcing achieved savings and provided a more effective, efficient and expeditious service. The Group would like to know the basis on which these costs were calculated and whether outsourcing achieved the highest quality.

Mr. Chairman,

This question could also be raised with respect to other aspects of outsourced activities.

I thank you.