



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MS KAREN LOCK,  
PERMANENT MISSION OF SOUTH AFRICA TO THE UNITED NATIONS, ON AGENDA ITEMS 121  
(BOARD OF AUDITORS) AND 136 (ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE  
FINANCING OF UNITED NATIONS PEACEKEEPING OPERATIONS), AT THE FIFTH COMMITTEE  
OF THE GENERAL ASSEMBLY (New York, 23 May 2006)**

Mr. Chairman,

I have the honour to speak on behalf of the Group of 77 and China on agenda items 121 and 136, in particular on the reports of the Office of Internal Oversight Services (OIOS).

The Group wishes to thank Mr. Sabiniano Cabatuan, the Director of External Audit of the Philippines and Chairman of the Audit Operations Committee of the Board of Auditors for introducing the report of the Board (A/60/5 (Vol. II)). We, furthermore, wish to thank Mr. Andrzej Abraszewski, the Vice-Chairman of the ACABQ, for his introduction of the report of the Advisory Committee (A/60/784).

We also wish to thank the Under-Secretary-General for the Office of Internal Oversight Services, Mrs. Inga-Britt Ahlenius, and the various representatives of the Secretary-General for their respective presentations on the reports of the OIOS and the relevant reports of the Secretary-General. We recognise the efforts made by the OIOS to complete the audits and prepare the reports within the timeframe set by the Assembly.

The Group of 77 and China attaches great importance to the oversight functions of the United Nations and supports the work performed by the internal and external oversight bodies. We stress the need for full and timely implementation of the recommendations of the Board of Auditors and the OIOS, as approved by the General Assembly.

Mr. Chairman,

It will be recalled that it was the Group of 77 and China that called for a comprehensive management audit of the Department of Peacekeeping Operations in the context of General Assembly resolution 59/296. We believe that an audit of this nature has been long overdue given the scale and complexity of United Nations peacekeeping operations. We strongly support the primary oversight role performed by the General Assembly and insisted that the OIOS reports be submitted to the Assembly and not be debated by the Security Council.

It is concerning to us to learn from the OIOS reports that the internal controls in the Departments of Management and Peacekeeping Operations are lacking and need to be significantly improved. The OIOS reports point towards an inadequate emphasis by management on establishing a "high level of ethical behaviour and accountability". The OIOS further raises important questions regarding the management culture, management practices and accountability within the Secretariat for violations of rules and regulations. Many of these concerns are not new and the General Assembly, as recently as in its resolution 60/260, stressed the importance of defining accountability and establishing effective accountability mechanisms, as well as of ensuring the enforcement of accountability at all levels in the Secretariat.

The Group of 77 and China supports the request that was made by the delegation of Singapore for a comprehensive table indicating the problem areas, the status of implementation of the OIOS recommendations, the areas where the recommendations are being disputed by the Secretariat and the reasons for the dispute. We, furthermore, will require an indication of the extent of the co-operation by Senior Management of peacekeeping operations with the OIOS auditors and investigators in these and other audits that OIOS has undertaken in the field. The Group will also require an elaboration of the numerous procurement-related audits of the UN Procurement Services undertaken by the OIOS and various external auditors in recent years. In this regard, we require a clarification of the role of the Department of Management in the commissioning of some of these audits and the legislative basis upon which these decisions were based.

Mr. Chairman,

We appreciate the continued efforts of the Board of Auditors to ensure that the principles of fair presentation and full disclosure of financial statements are being adhered to. The Group wishes to join the ACABQ in commending the Board for the improvements to presentation of the Board's report, in particular in the summary of the report. We are encouraged that the Board was able to issue an unqualified audit opinion on the financial statements of the United Nations Peacekeeping operations.

The Group of 77 and China notes the recurrence of a number of recommendations that were revealed by the Board in previous audits, and stress the importance of fixing responsibility and setting achievable time-frames for the implementation thereof by the Secretariat, with a view to avoiding the repeated non-compliance with some recommendations. To this end, we note the information provided in Section III of the implementation report of the Secretary-General (A/60/691) and look forward to a reflection on how it could be improved to better respond to paragraph 11 of General Assembly resolution 60/234.

We are encouraged by the efforts made to improve co-ordination between the various oversight bodies and the measures taken by the bodies to ensure that they continue meeting the highest auditing and investigating standards. To this end, we welcome the efforts by the Board of Auditors to coordinate with the OIOS and Joint Inspection Unit in the planning of its audits to avoid duplication of efforts. We encourage the oversight bodies to increase their collaboration.

The Board of Auditors and the OIOS have raised several issues concerning the management of peacekeeping-related procurement activities of the Organisation. The Group of 77 and China intends to pursue these further in the informal consultations. We, however, at this stage wish to stress our concern with the findings that system contracts had not been allocated on an equitable geographical basis. In this regard, we wish to urge the Secretariat to take immediate and concrete measures to increase procurement opportunities for vendors from developing countries. It is imperative to ensure that efforts to reform the procurement system reflect the international character of the Organisation.

We, furthermore, intend to pursue the numerous findings and recommendations made by the Board and the Office of Internal Oversight Services, respectively, during the informal consultations, with a view to ensuring the effective management of peacekeeping operations and better use of the financial and human resources allocated to this crucial activity.

I thank you, Mr. Chairman.

