



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. SIVU MAQUNGO,  
CHARGÉ D'AFFAIRES, PERMANENT MISSION OF SOUTH AFRICA TO THE UNITED NATIONS,  
AT THE ADOPTION OF THE DRAFT RESOLUTION ON "INVESTING IN THE UNITED NATIONS:  
FOR A STRONGER ORGANISATION WORLDWIDE" (New York, 7 July 2006)**

Mr. President,

I have the honour to speak on behalf of the Group of 77 and China after the adoption of the report of the Fifth Committee containing its resolution on "Investing in the United Nations for a stronger Organisation worldwide".

When we take stock of our follow up on the decisions of our leaders reached in the World Summit Outcome Document, we can look back with pride to our progress achieved in the establishment of a Human Rights Council, the establishment of the Peacebuilding Committee, the adoption of a development resolution, and substantial achievements attained in the area of Secretariat and Management Reform in December 2005, April 2006 and today.

Mr. President,

The adoption of the resolution follows shortly after the collective agreement by Member States on 30 June 2006 to lift the spending cap that was imposed on the Organisation in 2005. The consensus decision to lift the spending cap ensured the continued financial solvency of the United Nations. It has also lifted the unfortunate cloud of doubt that has been hanging over the Organisation and improved the atmosphere by putting us on the right path to re-establishing trust among Member States that is needed to reach consensus decisions. Although it was regrettable that a few Member States were not able to join the consensus on 30 June 2006, we appreciate the assurance given that this would not prevent them from meeting their financial obligations to the United Nations, as enshrined in the Charter. We are further encouraged that all Member States were able to join consensus today in adopting this resolution.

Mr. President,

By adopting this resolution, Member States have collectively pronounced themselves in a very positive manner on the proposals that the Secretary-General submitted to the Fifth Committee for its consideration less than three weeks ago regarding strengthening the ability of the Organization to effectively fulfill its mandates. Member States have shown that we are able to reach consensus on important reform elements not due to the threat of the spending cap, or the "discipline" that some argued it may instill, but because we are committed to strengthening this Organisation. By respecting the existing mechanisms for negotiations and the sovereign right of every Member State to pronounce on budgetary and administrative matters, as well as by making a greater effort to understand the views and concerns held by others and not dismissing them outright, we were able to adopt this resolution by consensus.

Member States were also able for the first time ever to reach consensus on the aspect of limited discretion in budgetary implementation, which has proven to be a very divisive issue in previous negotiations. In an attempt to reach consensus and resolve a previously divisive matter in a constructive way, the Group of 77 and China submitted a concrete proposal on the issue of limited discretion. We further revised it after consultations with other Member States and we are encouraged that this has facilitated the negotiations and enabled the Committee to reach agreement on this proposal. We have been assured by the Secretariat that the decision of the Assembly on this issue will provide the Secretary-General with greater ability to meet evolving needs of the Organisation, whilst maintaining the integrity of the budget process and ensuring that the programmes approved by Member States are fully implemented. We wish to recognise the constructive contribution made by our negotiating partners to the attainment of a consensus decision.

Mr. President,

Member States can feel proud of our achievements reflected in the text that we have just adopted. The resolution, amongst other things, paves the way for the United Nations Secretariat to move towards the adoption of new accounting standards, which the Secretary-General felt was needed to strengthen financial management practices in the Secretariat. By adopting the new standards, the General Assembly is sending a positive signal to the remaining entities of the United Nations system, as well as enabling them to work together towards having a more transparent accounting system in place by 2010.

The resolution, furthermore, approves the request by the Secretary-General for a more up-to-date information

communication technology system by replacing the present system with an integrated enterprise resources planning system or another appropriate solution. This is a key component for the successful and expeditious implementation of the new accounting standards, as well as for improving inter-connectivity between the various United Nations Offices in New York, Nairobi, Geneva, and Vienna, and the Regional Economic Commissions and peacekeeping operations. Member States should therefore be ready to act on the future requests of the Secretary-General to strengthen the ICT system by providing the necessary additional resources that would be needed for the implementation of these proposals. Without such a tangible commitment, we stand the risk of supporting reform in name only.

Another important element that will ensure the success of the significant monetary investments that Member States over the next few years are expected to make so as to improve the information and communication technology system, is the decision of the Assembly to establish a Chief Information Technology Officer in the Office of the Secretary-General. The Group of 77 and China supported providing the requisite resources for this important post. The Secretariat repeatedly stated that they would not be able to fulfill this crucial function if they have to find the resources through redeployment. Any decision not to provide additional resources would have undermined the future success of our collective efforts to improve the ICT system. Clearly, the suggestion to meet this function from “within existing resources” therefore was not a feasible option.

The resolution we just adopted also approves an increase in the level of the Working Capital Fund. This increase has been long-overdue. Although the Group of 77 and China was supportive of the request by the Secretary-General to increase the level to an amount higher than the \$150 million approved in the resolution, we were willing to settle for a lower amount in order to ensure that the Committee could reach consensus on this matter. The resolution, furthermore, contains agreement that will guide our future consideration of a policy on public access to United Nations documentation and a prototype of the proposed annual report.

Mr. President,

The General Assembly in the 61 st session will receive the findings of the external evaluation of audit and oversight, as well as the comprehensive governance review. During the World Summit, Member States agreed that these findings would form the basis for our future consideration of the issue of operational independence of the OIOS, as well as the terms of reference for the Independent Audit Advisory Committee.

It was therefore regrettable that these elements, which were not before the General Assembly at this stage, were brought into our negotiations on the present resolution. Attempts to change the consensus agreements that were reached in September and December 2005, as well as in April 2006, on the necessity for an external evaluation have not been productive and we trust that they will not be repeated. However, in an attempt to reach consensus, the Group of 77 and China and other Member States have put forward proposals to place on record our political commitment to strengthening oversight.

Similarly, and without the benefit of any formal request before us, we have proposed to provide resources to the Secretary-General to strengthen the internal controls of the United Nations procurement system and develop programmes for business seminars in developing countries. We have been assured that this will be sufficient until Member States are able to consider the actual requests of the Secretary-General based on the reports that will be placed before the Committee in the 61 st session. We are encouraged that this proposal has enjoyed wide support but regret that an agreement on such an important issue was not unanimous.

Mr. President,

The Group of 77 and China remains committed to efforts to strengthen the United Nations and enable it to implement its mandates more effectively and use its resources more efficiently. We are also committed to providing the Organisation with sufficient resources to meet the mandates bestowed upon it, as well as our share of the additional resources that may be needed to finance approved reform proposals. We, therefore, believe that it was crucial in this resolution, for Member States to pledge their commitment to providing the United Nations with adequate funding, as supports for reform in the Organisation should also entail a willingness to fund such proposals. We, furthermore, remain committed to meeting our financial obligations on time, in full and without conditions.

Member States in the next session of the Assembly will receive and consider the remaining proposals that we have requested in resolution 60/260, including measures to ensure greater accountability in the Secretariat and to Member States. We expect that the Secretariat will implement the provisions of that resolution fully, as respect for General Assembly resolutions is part and parcel of our efforts to strengthen accountability. General Assembly resolution 60/260 provides the departure point for any action that the Assembly will take in future on the proposals of the

Secretary-General. In this vein, the five reports of the Secretary-General, which we have acted on today, have been submitted in accordance with the provisions of resolution 60/260, which some Member States in May 2006 argued would delay the consideration of the proposals of the Secretary-General. We trust that this question has now been laid to rest.

In conclusion, we wish to pay tribute to the Co-ordinator of this important item, Mr. Morteza Mirmohammed, for his efforts in ensuring that the Fifth Committee was able to reach a consensus agreement on the reports of the Secretary-General on "Investing in the United Nations: for a stronger Organisation". We also wish to thank the numerous Secretariat officials who have been working tirelessly over the past few weeks to provide Member States with the information needed to facilitate our decision-making.

I thank you, Mr. President.