



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY MR. SEBASTIAN DI LUCA OF THE PERMANENT MISSION OF ARGENTINA
TO THE UNITED NATIONS ON AGENDA ITEM 142: REPORT ON THE
ACTIVITIES OF THE OFFICE OF INTERNAL OVERSIGHT SERVICES AND
AGENDA ITEM 132: REVIEW OF THE EFFICIENCY OF THE
ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED
NATIONS, AT THE FIFTH COMMITTEE DURING THE MAIN PART OF SIXTY-
SIXTH SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY**

(New York, 4 October 2011)

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 142: "Report on the Activities of the Office of Internal Oversight Services" and agenda item 132: "Review of the efficiency of the administrative and financial functioning of the United Nations."

We would like to thank Ms. Carman L. Lapointe, Under-Secretary-General of the Office of Internal Oversight Services (OIOS), for introducing the report on the activities of the OIOS for the period of 1 July 2010 to 30 June 2011, as contained in document A/66/286(Part I), as well as the associated Addendum. We would also like to express our appreciation to Mr. David Walker, Chairperson of the Independent Audit Advisory Committee (IAAC), for introducing the Committee's report.

Mr. Chairman,

2. The Group of 77 and China continue to attach great importance to the work of the OIOS in strengthening oversight throughout the Organization. The Office has an essential role to play in improving internal controls, accountability mechanisms and organizational efficiency and effectiveness, in accordance with its given mandate in the relevant General Assembly resolutions. The Group also notes the various assignments conducted and recommendations issued by the Office during the reporting period, aimed at cost savings, recovery of overpayments, efficiency gains and other improvements to ensure that risks were managed consistently and systematically through focused control processes across the Organization.

3. The Group takes this opportunity to reiterate its support for the operational independence of the OIOS within the context of General Assembly resolution 48/218 B, and its role in assisting the Secretary-General in fulfilling his internal oversight responsibilities, in respect of the resources and staff of the Organization, through internal audit, monitoring, inspection, evaluation and investigations.

4. The Group further reaffirms the separate and distinct roles of internal and external oversight mechanisms. To that end, we once again encourage the continued regular coordination and consultations of the Office with other UN oversight entities, namely the Board of Auditors and the Joint Inspection Unit, to help avoid possible duplication or overlap in duties, and to minimize gaps in oversight coverage.

Mr. Chairman,

5. The Group notes the ongoing internal efforts and initiatives aimed at strengthening the functions of the Office in improving the alignment of work priorities with organizational risks; innovations in oversight processes and methodologies, strengthening of internal work

processes and systems, and cultivation of a professional workforce for its staff. The Group will seek specific clarification on some of the new initiatives in this area during informal consultations.

6. The Group notes that the OIOS had issued 1,702 recommendations [of which 398 are critical] to UN entities during the period 1 July 2009 to 30 June 2010 - a decrease of 290 recommendations from the previous reporting period. We are pleased to note that a number of UN entities under OIOS coverage have consistently implemented recommendations in a timely manner during the reporting period. However, we are concerned to note that within this reporting period, there appears to have been an increase in the number of unaccepted recommendations, as well as lower implementation rates – including lower implementation rates for a greater number of critical recommendations. We are mindful of the IAAC's comments on the issues of quantity versus quality of recommendations made, and look forward to open discussions on number of issues in these matters during informal consultations.

7. The Group commends United Nations entities that accepted and implemented the OIOS' recommendations. We urge the OIOS to continue close engagement of the Secretariat and other UN entities to encourage and facilitate the implementation of its recommendations, and to resolve differences before matters surface to the wider United Nations system or to the deliberations of the General Assembly.

Mr. Chairman,

8. The Group notes that there are a number of changes that have been introduced by the Office. The Group will seek clarification on how these proposed changes fit with existing or pending decisions and/or mandates given by the General Assembly. We also look forward to receiving pending reports on constructions of additional office facilities at the United Nations Office at Nairobi and Economic Commission for Africa in a timely fashion and discussing the OIOS' key findings in the context of the relevant agenda items.

9. The Group is pleased to note that there has been improvement in filling vacancies at the OIOS. However, we remained concerned that the Office seems to face continuing difficulties in reaching optimum staffing levels, particularly in the investigation and internal audit divisions, and especially in the hubs. We reiterate once again the urgent need to fill vacant posts in the Office, with special emphasis on the principle of equitable gender and geographical distribution. The Group will follow up on specific issues of concern with regard to this matter.

Mr. Chairman,

10. The Group would like to thank the IAAC for its work in fulfilling its role as an advisory committee to the General Assembly, in accordance with its terms of reference as contained in General Assembly resolution 61/275. We note that the IAAC has continued to present a number of recommendations to enhance the effectiveness, efficiency and impact of audit activities and other oversight functions. We encourage the UN's various oversight bodies to continue sharing experiences, knowledge, best practices and lessons learned, in pursuit of our common goal of improving the overall functioning of the Organization. We look forward to having concrete discussion on number of its recommendations.

11. In conclusion, the Group of 77 and China stands ready to engage in constructive discussions, with the aim of achieving a positive outcome on these agenda items.

I thank you, Mr. Chairman.