

As Delivered



United States Mission to the United Nations

799 United Nations Plaza
New York, NY 10017

**Statement by Cherith Norman, Minister Counselor for UN Management and Reform
On Agenda Item 132: Board of Auditors
At the Main Session of the Fifth Committee
71st General Assembly
December 13, 2016**

Thank you, Madam Chair.

I would like to begin by expressing my appreciation to Mr. Salhina Mkumba, Director of External Auditors and Chair of the Board of Auditors, Ms. Bettina Tucci Bartsiotas, Assistant Secretary-General and Controller and to Mr. Babou Sene, Vice Chairman of the ACABQ, for introducing their respective reports. I would also like to take this opportunity to thank the UK National Audit Office for their work over the last six years and for their final reports on Volume I and other issues.

The United States highly values the important work of the Board of Auditors. The Board's work allows Member States to benefit from expert oversight on a system-wide scale, providing us with a holistic view of the challenges that UN entities face, and progress they have made, in management of financial performance, resources, workforce planning, enterprise risk, and counter-fraud initiatives, among others. Such oversight of the UN's operations and finances is crucial to ensuring that the United Nations functions efficiently and effectively, enabling it to continue to provide vital and necessary services around the world.

We note that all 20 United Nations entities examined by the Board of Auditors received unqualified audit opinions, and that these entities demonstrated solvency and the ability to meet their long- and short-term liabilities. A strong reflection of financial stability, these reports indicate that we can have confidence both in the integrity of the financial statements and also the strength of the UN's financial situation.

We welcome the Board of Auditor's overall conclusions, particularly the focus on the need to fully implement and capitalize on new platforms and initiatives to support improved management decision-making and demonstrate promised financial and service delivery improvements, including through the implementation of Umoja, IPSAS, and the continued mainstreaming of the Global Field Support Strategy. As the Board notes, "these initiatives provide the opportunity to transform the Secretariat into a more modern business administration." However, for the UN to measure its own progress in this regard, it must develop a baseline of current performance and employ the new tools at their disposal to better manage resources and results.

We also welcome the issuance of the UN's anti-fraud and anti-corruption framework. However, we note the Board's finding that the overall levels of fraud and presumptive fraud in UN peacekeeping and across six major funds and programs, have increased since 2014. Although this increase may be due to improved reporting mechanisms, we concur with the findings of the Board of Auditors, the ACABQ, and the Joint Inspection Unit, that there is still likely a high level of under-reporting and non-detection of fraud, given that the number of reported cases in the UN system is disproportionately low. We echo the Board's call that all UN entities develop systems to prevent and detect fraud, and strongly encourage the UN and other UN entities to take a more proactive approach in this regard.

Madam Chair,

We would like to take this opportunity to acknowledge the critical importance of the UN incorporating the Board of Auditor's recommendations into its everyday operations. By doing so in a timely manner, the UN can achieve significant improvements in the way activities are controlled and services are delivered for some of the most vulnerable in the world.

Thank you.