



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY MS NADA TARBUSH, MISSION OF THE STATE OF PALESTINE TO THE
UNITED NATIONS, ON AGENDA ITEM 135: REVIEW OF THE EFFICIENCY OF
THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED
NATIONS, IN PARTICULAR PROPOSED AMENDMENTS TO THE FINANCIAL
REGULATIONS OF THE UNITED NATIONS, AT THE FIRST RESUMED PART OF
THE SEVENTY-THIRD SESSION OF THE FIFTH COMMITTEE OF THE GENERAL
ASSEMBLY
(New York, 1st April 2019)**

Madam Chair

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 135: Review of efficiency of the administrative and financial functioning of the United Nations - proposed amendments to the Financial Regulations of the United Nations.
2. The Group thanks Mr. Pedro Guazo, Director of the Finance Division, Office of Programme Planning, Finance and Budget, for introducing the report of the Secretary General on the proposed amendment to the Financial Regulations as contained in document A/73/717, as well as to Mr. Cihan Terzi, Chair of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), for introducing the respective report as contained in document A/73/817. In line with the latter, the Group shares the perspective of the ACABQ that there is scope for refinement, consistency, sound justification and articulation of the proposed amendments. Nevertheless, the Group wishes to expound on its views.

Madam Chair,

3. The Group recalls that the Financial Regulations and Rules respond to the legislative directives agreed to by the General Assembly. In other words, the purpose of the Financial Rules and Regulations is to implement the decisions of this Assembly. Every effort should be made to abide by the existing regulations and rules, as well as by the resolutions of the General Assembly.
4. The framework established by the Financial Regulations and Rules is critical to the management of the financial resources entrusted to the Secretary-General, and to the internal control network of the United Nations. To this end, it is imperative that the Secretariat provide detailed, specific and thorough explanations for any proposed amendments, including the accurate presentation of the level of compliance with the

IPSAS, as appropriate. Member States should be provided with a legislatively and technically sound basis for proposals, and not an oversimplified statement of intent.

5. In this context, the report of the Secretary General should have included a clear description of the lessons learned from the application of the current regulations and rules. It would also have been helpful to provide details of the internal process from which these amendments arose, including from any consultations with the Board of Auditors and the Office of Internal Oversight Services.
6. In addition, the report should have explained how the proposed amendments, if approved, would be operationalized and specifically aligned to fulfilment of the mandates created through General Assembly resolutions, including those relevant to the ongoing reform initiatives of the Secretary General. The relevant definitions should have been provided, and the proposed amendments presented within the complete context of the Financial Regulations and Rules and other regulatory frameworks of the United Nations. In our consideration of these changes, this Assembly requires sufficient information, not assurances, on how these proposals will faithfully implement agreements reached between Member States and not alter or contradict these agreements.

Madam Chair,

7. The Group attaches great significance to this agenda item. Any amendment to the Financial Regulations will have an important and wide-ranging impact on the financial management of the Organization, including the financial responsibilities and obligations of the Secretary-General and staff of the United Nations, as well as cooperation with other organizations of the United Nations system, Governments, intergovernmental organizations, or other relevant stakeholders. It is therefore necessary for Member States to have all relevant information and sufficient time in which to examine proposals.
8. The Group therefore trusts that the Bureau of the Fifth Committee will schedule sufficient time for the consideration of these proposed amendments, especially given their very late presentation. This will enable the full democratic participation of all delegations in our negotiations.
9. In closing, the Group looks forward to thorough and constructive negotiations on this issue, with a view to arriving at a sensible outcome, not determined by artificial deadlines. The Group reiterates that management reform is a significant undertaking, not an event, and requires a meticulous process with full involvement of all stakeholders from start to finish.

I thank you.