



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. JIBRAN KHAN DURRANI, FIRST SECRETARY OF THE PERMANENT MISSION OF PAKISTAN TO THE UNITED NATIONS, ON AGENDA ITEM 149: REPORTS OF THE OFFICE OF INTERNAL OVERSIGHT SERVICES AND THE INDEPENDENT AUDIT ADVISORY COMMITTEE AT THE FIFTH COMMITTEE DURING THE MAIN PART OF THE SEVENTY-SEVENTH SESSION OF THE GENERAL ASSEMBLY

(New York, October 4th, 2022)

Mr. Chair,

1. The Group of 77 and China would like to thank the Under-Secretary-General, Ms. Fatoumata Ndiaye, for introducing the report *A/77/278* of the Office of Internal Oversight Services. The Group also wishes to thank Ms. Janet St. Laurent, Chair of the Independent Audit Advisory Committee (IAAC) for introducing its related report *A/77/273*.

Mr. Chair,

2. The Group welcomes the planning phase of the office of Internal Oversight Services, prioritizing critical areas such as implementation of reforms, procurements and supply chains, Missions in transit and organizational cultures. We are of the opinion that implementation of reforms and strengthening of the internal oversight of the organization through internal audit, inspection, evaluation and investigations should go hand in hand. In this context, it is the OIOS playing a key role in improving internal controls, risk governance, accountability and organizational efficiency and effectiveness. We strongly reaffirm our support to the operational independence of the Office in line with General Assembly resolution 48/218 B, as well as the Office's efforts to carry out its work with the highest standards of professionalism and efficiency.

3. The Group welcomes the continuous coordination between the Office and other oversight entities, including the Board of Auditors and the Joint Inspection Unit, in order to minimize overlap and duplication of oversight work. We encourage maintaining and further enhancing this coordination. In addition, the Group urges the full cooperation of all relevant UN entities with the Office in discharging its responsibilities. Even though the Office has not reported impediments to its work for the period under consideration, we encourage the Secretary-General to ensure continuous reporting on any impediments to the work of the OIOS, and to take measures to prevent such a situation.

Mr. Chair,

4. We observed an overall increase in number of reports issued by the Office of Internal Oversight services to 484 as compared to 419 last year, representing an increase of 15.5%. However, the overall recommendations of the office decreased to 883 from 1004 representing a decrease of 12%. We will be discussing more about them in latter stages. Similarly, the office closed 776 recommendations during the reporting period. Of them, 392 (51%) were issued during the current period and 384 (49%) had been issued previously. We hope that it represent compliance of recommendations of the office of Internal Oversight services.

5. The Group noted that cumulative critical recommendations that are open, have been reduced to 01. However, it is alarming to note that recommendations considered important has increased from 63 percent to 99.8 percent. In this regard, the Group acknowledges the steps taken by OIOS to review the way in which it rates and monitors its recommendations, though we reaffirm that the Office can only do so much if the Secretariat and system entities do not accept recommendations or complete a timely implementation of those they have accepted.

6. The Group notes with pleasure that perusal of some recommendations connected to loss and waste of resources resulted in realization of \$0.1 million of saving.

7. We also wish to recognize the important work that the Internal Audit Division has been carrying out, especially towards strengthening the second line of defense in the face of reforms and the roll-out of the framework of delegation of authority. We also underscore the efforts of the Inspection and Evaluation Division and are seeking to align its work to cover more of all of the Secretariat's sub- programmes.

8. Regarding the Investigations Division, we support the ongoing efforts to reduce the average time taken to complete an investigation, which included an end-to-end review of its investigation process. The Group wishes to reiterate its support for the role of OIOS in the enforcement of the zero-tolerance policy for any actions of corruption, fraud or misconduct.

Mr. Chair,

9. The Group would like to express its appreciation for the expert advice and assistance it received from the Independent Audit Advisory Committee (IAAC). We note that the Committee published three reports from 01st August, 2020 to 31st July, 2021. One of the pleasant observation is to note that the implementation status of recommendation of Board of Auditors has continued to improve with the largest improvements in Peace keeping Mission from 35% to 60%, UNEP from 42% to 68% and UN Habitat from 5% to 40%. The Group welcomes the finalization of Fraud and Corruption awareness handbook and concurs with the findings of the Committee that it will be useful tool to address this critical risk.

10. We will continue to attach great value to the Advisory Committee's comments, observations and recommendations aimed, among other important tasks, at ensuring compliance with audit and oversight recommendations, as well as the overall effectiveness of the risk management procedures in internal control systems.

Mr. Chair,

11. The Group of 77 and China will carefully examine the comments and recommendations contained in the reports, and look forward to engage in an open and constructive manner during informal consultations.

I thank you Chair.