

Comprehensive review of governance and oversight within the United Nations and its funds, programmes and specialized agencies

Statement by the Chairman of the Advisory Committee on Administrative and Budgetary Questions

Mr. Chairman, during its consideration of the report of the Steering Committee on the Comprehensive Review of Governance and Oversight within the United Nations System, the Advisory Committee held extensive consultations with the Audit Operation Committee, the Under-Secretary-General for Internal Oversight Services and other representatives of the Secretary-General, as well as with the Chairperson and Vice-Chairperson of the Joint Inspection Unit.

In its report, the Advisory Committee has sought to facilitate consideration of this important subject by clearly indicating which recommendations of the Steering Committee address matters that are within the prerogative of the Secretary-General as Chief Administrative Officer of the Organization, which should await the completion of pending reports, which relate to matters upon which the Assembly has already pronounced itself, and which can be taken up at the present time.

The Committee has identified five issues for early decision. These relate to strengthening results-based management and accountability, the establishment of the Independent Audit Advisory Committee, the operational independence of the Office of Internal Oversight Services, and strengthening of the internal control framework and the related application of risk management. I will briefly highlight the recommendations of the Committee on these issues.

With regard to the Steering Committee's recommendations regarding strengthening results-based management and accountability, the Advisory Committee supports the Secretary-General's proposals in document A/60/883 for further study. The Committee recommends the use of expertise from within the United Nations system in carrying out the study on results-based management. As to the in-depth review of the Secretariat's accountability framework proposed by the Secretary-General, the Advisory Committee stresses that it should include concrete proposals for specific sanctions to be applied in the case of under- or non-performance, as well as for recognition of outstanding performance.

The Advisory Committee recommends that the Secretary-General, after consulting with the Board of Auditors and OIOS, and taking into account the comments of the Advisory Committee, submit revised terms of reference for the Independent Audit Advisory Committee to the General Assembly at the first part of its resumed sixty-first session which would reflect, among other things, the purely advisory role of IAAC. The Advisory Committee also recommends that the IAAC be composed of 5 members, rather than 10, to allow for greater ease of decision-making and that the General Assembly develop procedures to verify the qualifications of prospective members.

With regard to reporting arrangement for OIOS, the Advisory Committee points out that, regardless of the internal administrative arrangements made, the ultimate responsibility rests with the Secretary-General under Article 97 of the Charter of the United Nations. Moreover, the operational independence of the Office requires that it report directly to the Secretary-General.

The Advisory Committee recommends that the Secretary-General proceed with his proposal to establish terms of reference for the provision of appropriate technical advice on the introduction of a performance-focused, enterprise-wide risk management framework. The Committee recognizes that outside expertise may be required to provide guidance on best practices, but emphasizes that the study should be led in-house.

With regard to the independence of expert committees, the Advisory Committee points out that one important aspect of the issue that the Steering Committee has not addressed pertains to the autonomy of secretariats of such entities. Without proper procedures to ensure such autonomy, the independence of the bodies themselves is at risk.

Mr. Chairman, at this stage, the Advisory Committee considers the cost estimates presented in the report to be merely indicative since they represent an analysis carried out by the Steering Committee but have not gone through the normal budgetary formulation process. Precise estimates will depend on such action as the General Assembly may take with regard to the proposals before it. At that time, the Secretary-General would prepare a statement of programme budget implications which should contain precise, detailed and fully justified budget estimates.