



Finland's EU Presidency

**Fifth Committee
UNITED NATIONS**

Agenda items 47, 113, 116, 117, 122, 123, 124, 132, 149: Comprehensive review of governance and oversight within the United Nations and its funds, programmes and specialised agencies

Statement on behalf of the European Union

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Ambassador
Deputy Permanent Representative of Finland to the United Nations**

New York, 12 December 2006

(check against delivery)

Mr. Chairman,

I have the honour to speak on behalf of the European Union.

The Acceding Countries Bulgaria and Romania, the Candidate Countries Turkey, Croatia* and the former Yugoslav Republic of Macedonia*, the Countries of the Stabilisation and Association Process and potential candidates Albania, Bosnia and Herzegovina, Montenegro, Serbia, and the EFTA countries Iceland, Liechtenstein and Norway, members of the European Economic Area, as well as Ukraine and Moldova align themselves with this declaration.

Mr. Chairman,

We have a great number of reports on the table under this agenda item. At the outset, I would like to thank Controller, Mr. Warren Sach, Under-Secretary-General of the Office of Internal Oversight Services Mrs. Inga-Britt Ahlenius, Chairperson of the Joint Inspection Unit, Ms. Deborah Wynes and Senior Adviser on Information Management Policy Co-ordination of the Secretariat of the United Nations Chief Executives Board for Co-ordination, Mr. Ken Herman, for introducing the reports.

Furthermore we wish to thank the Chairman, Mr. Rajat Saha and other members of the ACABQ, who have produced a report, which, although rather too long in the coming, frames a very complex series of subjects in a way that will undoubtedly make it easier for this committee to have a constructive, substantive debate on this agenda item. The EU also extends its appreciation to the members of the Steering Committee for the Comprehensive Review of Governance and Oversight.

Mr. Chairman,

At the 2005 World Summit, our leaders sent an unambiguous signal that substantial reform of the UN's governance and oversight structures and procedures was needed. It goes without saying, therefore, that the EU attaches a great deal of importance to this agenda item.

Most important for us, however, is getting the right result. We have the opportunity to make a real difference on an area of reform that really matters; to ensure processes and structures are in place in the UN system to get managers to take ownership of, and be held to account for, managing risks and delivering their objectives. This is not an opportunity to squander.

Nor is this a debate in which the Committee should allow itself to become distracted by issues such as the composition and working methods of the Committee for Programme and Co-ordination, the ICSC or the ACABQ, or the composition of this Committee, not least since these are matters upon which the Assembly has already pronounced itself.

*) Croatia and the former Yugoslav Republic of Macedonia continue to be part of the Stabilisation and Association Process.

We support, therefore, the logical approach set out in the ACABQ's report: to focus, at least initially, on strengthening the results-based approach and accountability; on putting into effect the Independent Audit Advisory Committee; on enhancing the operational independence of the Office of Internal Oversight Services; and on strengthening the internal control framework and the related application of systemic risk management.

We also welcome the distinction in the Advisory Committee's report between those questions that fall to the General Assembly to resolve in our consideration of the reports, and those issues that the Secretary General already has a clear mandate to take forward.

As the ACABQ recommends, the Secretary General should now further amend his proposed terms of reference for the IAAC. We encourage him to do so at the earliest opportunity in order to facilitate the Assembly's further consideration of the issue at the first resumed sixty-first session.

He should also put forward detailed proposals on ensuring adequate funding arrangements which ensure the independence of the Office of Internal Oversight Services. Again, we encourage ask him to do so before we consider this issue in the first resumed session.

On the issue of strengthening the results-based approach and accountability, we encourage the Secretary General to use the Chief Executives Board to prepare the ground for a study on how to update, improve and institutionalise results-based management in the United Nations and to align and integrate results-base management within the accountability framework of the UN. However, we recognise that action is necessary on the part of the Assembly before the necessary in-depth review can be taken forward.

Likewise, while we are clear that the Secretary General is responsible for risk management and internal controls, we recognise that this Assembly needs to take action in order for the requested study to proceed. The EU would be keen to see such a study undertaken without delay, and fully endorses the recommendations of the Advisory Committee in this regard.

Mr Chairman,

This list of priorities is not long, but the issues are complex, and part of a multi-dimensional approach to control and management in the UN. If we are to transform governance and oversight in the Organisation, which I believe is our aim, we should take the time to get it right. But, in this session at least, time is one thing we do not have. Even if these proposals enjoy a great deal of consensus in this Committee, which we believe they do, we are concerned that there is simply not adequate time remaining in this session for proper consideration of the reports and the various proposals on the table.

Our instinct is that we should defer this issue to the first resumed session. However, we are willing to work constructively with other delegations in informal

consultations to see whether it is possible to base an action-oriented resolution on the report of the ACABQ, paving the way for a more detailed consideration of the issues in the first resumed session. If such an agreement were possible, we would, of course, welcome it. However, should it prove impossible to reach such an agreement in the very short time available, we would see no other alternative but to ask you to defer consideration of the whole issue to the first resumed session, in order to ensure this very important agenda item gets the time it needs and deserves.

Thank you, Mr. Chairman.