

Monday, 14 May 2013

Agenda Item 146: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Budget of the Office of Internal Oversight Services under the support account for peacekeeping operations for the period from 1 July 2013 to 30 June 2014

Statement to the Fifth Committee on IAAC report A/67/772

**By J. Christopher Mihm
Chairman; Independent Audit Advisory Committee (IAAC)**

14 May 2013

Mr. Chairman, distinguished delegates

I have the honour to introduce the report of the Independent Audit Advisory Committee (A/67/772) on the budget proposals of the Office of Internal Oversight Services (OIOS) in respect of the support account for the period from 1 July 2013 to 30 June 2014.

The report was prepared in accordance with paragraphs 2 (c) and (d) of the IAAC's terms of reference (General Assembly resolution 61/275, annex).

Under this resolution, the IAAC has a responsibility to examine the workplan of OIOS, taking into account the workplans of the other oversight bodies and to advise the Assembly thereon. The IAAC is also mandated, to review the budget proposal of OIOS taking into account its workplan, and to make recommendations to the Assembly through the Advisory Committee.

Mr. Chairman, distinguished delegates

Since its inception, the IAAC has made recommendations relating to the various OIOS Divisions' workplanning and budgeting process. The IAAC has noted progress in the implementation of some of the recommendations that have led to improvements in the budgeting process of OIOS.

That important progress notwithstanding, the IAAC, in its current report noted some areas that needed continuing attention especially in respect of risk based workplanning, demonstration of the value of services OIOS delivers, and timeliness of OIOS reports which impact on its relevance.

Accordingly, the IAAC has made a number of observations and recommendations including, inter alia, the following:

- a) With respect to the Internal Audit Division (IAD), the IAAC noted some increases in procurement assignments. Nonetheless, the IAAC believed that OIOS should place more emphasis on the audit of procurement related activities

and recommended that OIOS devotes additional effort in refining its risk-based workplan.

- b) With regards to the Inspection and Evaluation Division (IED) to the IAAC recommended that for IED to ensure its relevance to stakeholders, it needed, inter alia, to finalize its reports in a timely manner. This recommendation is consistent with the findings of the external review. The IAAC also believed that OIOS expedites the finalization of IED workplan to ensure that the resources are being allocated effectively.
- c) In the context of the overall improvements in the effectiveness and relevance of the inspection and evaluation function of OIOS, the IAAC recommended that OIOS review the balance of its evaluation coverage between programs funded through the regular budget and those funded as part of the peacekeeping operations.
- d) The IAAC endorsed the continuation of the three posts in IED to carry out the identified assignments. However, in the absence of a risk-based workplan and the corresponding capacity gap analysis, the IAAC was not able to opine on the adequacy of the resources being requested comprising of 1 P-5 and 2 P-4.
- e) With respect to the Investigation Divisions (ID) Pilot Project, the IAAC was satisfied with the justification provided and endorsed OIOS' restructuring as proposed in the pilot project report.
- f) On the other hand, as far as the workplan for the ID is concerned, the IAAC continued to be concerned with the absence of effective risk-based workplans. Accordingly, the IAAC has recommended that OIOS re-examines its risk assessment processes to ensure that relevant risks (such as those associated with procurement) are appropriately considered and reflected in the workplan.

Mr. Chairman, distinguished delegates,

On behalf of the members of the IAAC, I thank you for the opportunity to present the IAAC report on the budget of the support account of OIOS and I look forward to answering any follow up questions you may have during the deliberations.

Thank you.