



Statement on behalf of the Member States of the European Union

By

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First Secretary

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Mr Chairman,

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

The Candidate Countries Turkey, the former Yugoslav Republic of Macedonia*, Montenegro* and Serbia*, the country of the Stabilisation and Association Process and potential candidate Bosnia and Herzegovina, as well as Ukraine, the Republic of Moldova and Georgia, align themselves with this statement.

At the outset, the Member States of the European Union would like to thank the Chair of the Audit Operation Committee and Director of External Audit from the United Kingdom of Great Britain and Northern Ireland Mr. O'Farrell for introducing the report of the Board of Auditors; we also thank the Assistant Secretary-General and Controller, Ms. Casar, for presenting the Secretary General's report; and Mr. Ruiz Massieu, Chairman of the Advisory Committee on Administrative and Budgetary Questions, for introducing the relevant report of that committee.

First of all, we would like to underline that we highly value the expertise of the Board that provide us with information which is indispensable to our decision-making.

We would also like to commend the efforts made by the peacekeeping missions in implementing a growing number of Board recommendations, including improved monitoring.

Mr. Chairman,

We acknowledge that the Administration has continued its efforts to address the concerns of the Board and to enhance financial control and management. IPSAS-implementation, progress towards Umoja-implementation and the GFSS are vital instruments in improving the effectiveness and efficiency of the UN's peacekeeping

* The former Yugoslav Republic of Macedonia, Montenegro and Serbia continue to be part of the Stabilisation and Association Process.

activities. In this regard, we agree with the Board that the Administration needs to more clearly elaborate on the new peacekeeping service delivery model, including a benefits realisation plan.

In line with its usual practice, the Board clearly points out a number of particularly pressing concerns. We concur with the Board's analysis and believe that – indeed – improved procurement, the functioning of the Regional Procurement Office in Entebbe, improved budget formulation & review and GFSS project management should be priority areas for the Organisation.

Mr. Chairman,

Asset management is another area of concern to us. The Board has been raising this issue now for several years, and while we recognise that the Administration has made some improvement in this regard, the potential for loss and waste is still too high; there is still considerable scope for further progress. We realize that – with the implementation of IPSAS – the individual missions will have a tool at hand to strengthen their overview and management, but at the same time mission management must be held accountable for ensuring that all new acquisition activity is checked against existing stock, waste minimised, and that mission key performance indicators are in compliance with established asset management policies.

We also noted the challenges the Organisation faces in the execution of construction projects; these projects are insufficiently assessed, lack adequate control in project execution and there is a need for increased monitoring of field projects by Headquarters.

The Member States of the European Union will pay close attention to all the pertinent issues the Board of Auditors raised in its report and we will also follow the status of implementation of its recommendations.

Thank you, Mr. Chairman.