



## United States Mission to the United Nations

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**Statement by Cherith Norman, Minister Counselor for UN Management and Reform**  
**Agenda Item 132: Board of Auditors**  
**At the Main Session of the Fifth Committee**  
**72<sup>nd</sup> General Assembly**  
**October 24, 2017**

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*[Check Against Delivery]*

Thank you, Mr. Chairman.

I would like to begin by expressing my appreciation to Mr. Anand M. Bajaj, Director of External Audit and Chair of the Audit Operations Committee, Ms. Bettina Tucci Bartsiotas, Assistant Secretary-General and Controller and to Mr. Carlos Ruiz Massieu, Chairman of the ACABQ, for introducing their respective reports.

The United States places great importance on the work of the Board of Auditors. This year's report provides valuable insight on a number of issues essential to efficient functioning of the organization, including the comprehensive view Organization's accounts and its funds and programs. Coupled with the Board's findings and recommendations, this insight affords member states the information necessary to take informed decisions to improve the Organization. We look forward to discussing progress related to Umoja, results-based management, enterprise risk management, procurement, information and communications technology, counter-fraud initiatives, and human resources management, among others.

My delegation is pleased to note that all examined United Nations entities received unqualified audit opinions from the Board of Auditors. These entities have demonstrated solvency and the ability to meet their long-and short-term liabilities. We can therefore continue to enjoy confidence in the integrity of the UN's financial statements. We are further heartened to see the work of the Board was facilitated by the statements produced through Umoja in a timely way this year.

Mr. Chairman,

With regard to the Strategic Heritage Plan, we are carefully considering the concerns raised by the Board regarding project management and reported delays in procurement. The Organization must integrate the lessons learned from the Capital Master Plan and implement cost-neutral mitigation efforts to make up for lost time. We insist that the project be completed within budget and within the planned project timeline by 2023.

Procurement issues feature prominently in many of the Board's findings and recommendations, including in its review of the Strategic Heritage Plan, air assets, and information and communications technology. It is clear that effective procurement is one of the most important challenges the UN faces as it seeks to meet an ever-expanding variety of needs. We call upon Secretary-General Guterres to address the Board's numerous concerns with procurement, including the need for better and more transparent delegations of authority, contracting requirements, data management, and transactional processing through Umoja. These considerations will be especially important as he further develops his management reform proposals.

While the Board observed that the UN has sufficient assets to cover its liabilities, employee benefits liabilities remain an issue that has yet to be addressed. The significance and financial impact of these liabilities on the regular budget, valued at approximately \$4.4 billion for 2016, cannot be understated. As the Board noted, it will be critical to obtain a clear picture of these liabilities through the delivery of accurate census data to ensure proper financial planning.

Mr. Chairman,

In closing, we call on the UN to better integrate the Board of Auditor's recommendations into its day-to-day operations in order to improve performance by increasing good governance, transparency, and ensuring that Member States and UN stakeholders are able to make informed decisions regarding the Organization's resources. Through this implementation, supported by strong leadership, the Organization can achieve real, demonstrable improvements in mandate delivery. We look forward to working with other delegations in considering this issue.

Thank you.