

**72nd Session of the United Nations General Assembly
Fifth Committee
Agenda Item 133:
Financial Reports & Reports of the Board of Auditors
October 24, 2017**

India Statement

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Mr. Chairman, thank you for giving me the floor.

2. The Board of Auditors constitutes the core of the oversight mechanism of the United Nations. Their observations and recommendations play a vital role in the financial, administrative and performance management of the entire UN system.

3. I thank the Chairman and the Members of the Board of Auditors for their reports reflecting key trends in financial management across different UN entities. My delegation commends the Board for their insightful recommendations, including their commentary on various cross-entity issues.

4. My delegation also appreciates the work done by the Chairman and the members of the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

5. My delegation aligns with the statement made by the distinguished representative of Ecuador on behalf of the G-77 and China.

6. We note that the United Nations and its entities remain in stable and healthy financial position. For the financial period ended on December 31, 2016, the Board has issued unqualified audit opinions for all audited entities. There are sufficient funds available for discharge of liabilities.

Mr. Chairman,

7. In national capacity I would highlight few points in areas covering preparedness for implementation of Sustainable Development Goals; financial, cash and investment management; procurement management

and, fraud prevention in the UN system. We consider that these are important for the UN Secretariat and the Member States to focus on.

Mr. Chairman,

8. The Board rightly observes that there is scope for further alignment of long-term strategies with the activities on the frontline for implementation of 2030 Agenda. This would help achieving greater coherence in implementation and monitoring of the Sustainable Development Goals. The primary responsibility of achieving the SDGs lies with the Member States. However, the importance of the UN system to play an enabling role for the national governments is well established.

9. In the area of financial management, the concerns expressed by the Auditors on the absence of appropriate funding arrangements for fulfilling long-term employment benefit liabilities, needs to be addressed expeditiously. We also understand that there is some scope for improved management of financial reserves.

10. We note that the implementation processes of Umoja and International Public Sector Accounting Standards (IPSAS) are on course. As a significant step, the financial statements for nine UN entities for 2016 have been prepared through Umoja. This positive momentum needs to be sustained in line with the Board's recommendations, for effective management of funds and other resources across the UN system.

11. Defining clear criteria for delegation of procurement authority based on requirement, better monitoring of procurement process and contract management need focus. Greater oversight also needs to be exercised over the process of collecting and collating staff details for actuarial valuation. Implementation of Board's recommendations in these two areas must be given priority for prudent financial management.

12. Maintenance of a culture of integrity in the UN and its Funds and Programmes is important. As recommended by the Board, fraud risk assessments must be undertaken to identify procedural weaknesses for developing sound fraud prevention strategies. Effective implementation of Anti-Fraud and Anti-Corruption Framework of the UN Secretariat issued in September 2016 would be an important step in this direction.

13. We note that a number of recommendations of the Board of Auditors have been implemented. While some others are under implementation, some are not yet implemented. There is need for expeditious follow-up on the ones pending for two years or more. Further synergy between implementation of recommendations by different oversight bodies within the UN system will help to consolidate system-wide efficiency gains.

Mr. Chairman,

14. We look forward to further elucidation of the proposals and road-maps for the implementation of reform measures proposed by the Secretary General on three tracks of peace and security; development system and internal management. These proposals could have far-reaching impact on administrative and financial management of the UN system.

15. I conclude by assuring you of my delegation's constructive participation in the deliberations of the Committee on this important agenda item.

I thank you Mr. Chairman.
