

**Agenda item 135****Financial reports and audited financial statements,
and reports of the Board of Auditors****FIFTH COMMITTEE****Reports of the Secretary-General on the implementation of the
recommendations of the Board of Auditors contained in its reports
on the United Nations and its funds and programmes
for the year ended 31 December 2020 (A/76/307 and Add.1)****Statement by**

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Mr. Chairman,
Distinguished Delegates,

I have the honour to introduce the two reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors (the Board) contained in its report on the United Nations (A/76/307) and on the United Nations funds and programmes (A/76/307/Add.1) for the year ended 31 December 2020, which are being submitted in accordance with paragraph 7 of General Assembly resolution 48/216 B.

These reports provide further information to the comments already submitted to the Board, which in some cases were included in the Board's final reports to the Secretary-General and to the executive heads of the respective United Nations

Organizations. They also include information on the status of implementation, the department responsible, the estimated completion date and the priority for each recommendation contained in the respective reports of the Board; as well as an update on the status of implementation of the recommendations relating to prior periods that the Board considered not to have been fully implemented, including those relating to the information and communications technology affairs, the strategic heritage plan, and the capital master plan.

First, it is important to note that all entities received unqualified audit opinions and only two entities, UNFPA and UNOPS, received an “emphasis of matter” which is intended to draw users’ attention to a matter presented or disclosed in the financial report that, in the auditor’s judgement, is of such importance that it is fundamental to users’ understanding of the financial report.

With regard to the report of the Secretary-General on the implementation of the recommendations contained in the report of the Board on United Nations Volume I for the year ended 31 December 2020, out of the 137 recommendations made by the Board, the Administration requested for the closure 25 recommendations and the other 112 recommendations were under implementation as of August 2021.

In annex I to its report on the United Nations Volume I for the year ended 31 December 2020 (A/76/5 (Vol. I), chap. II), the Board provided a summary of the status of implementation, as of December 2020, of its 279 extant recommendations relating to nine prior financial periods. Of those 279 recommendations, 96 (34 per cent) had been fully implemented and an additional 31 (11 per cent) had been overtaken by events, 150 (54 per cent) were under implementation and 2 (1 per cent) had not been implemented. The Board noted that the reasons for having the outstanding recommendations could be attributed mainly to such factors as time constraints, multiple elements of the recommendations that needed time to be implemented, the impact of the COVID-19 pandemic and the scarcity of resources.

The Committee should also note that out of the total 518 recommendations relating to the previous nine financial periods, the Board had assessed 296 (57 per cent) as fully implemented and an additional 70 (13 per cent) had been closed by the Board or assessed as overtaken by events, 150 (29 per cent) were under implementation and 2 (1 per cent) had not been implemented, as of 31 December 2020.

In the Board’s report on the concise summary of the principal findings and conclusions contained in its reports for the annual financial period 2020 for the United

Nations and its funds and programmes (A/76/173), the Board noted that the overall implementation of extant recommendations relating to prior periods had increased from 41 per cent in 2019 to 48 per cent in 2020.

The Board noted that the decline in the implementation rates for some entities could be the result of several factors, one of which is the planned implementation dates indicated by the entities themselves, which may cover more than one audit period, allowing the entities to make gradual progress.

The Board noted that a second factor is that the recommendations may be composed of several elements that collectively address one finding. Therefore, there are cases where an entity displays concrete improvements for most of the elements, but not all of them. In such cases, the overall status of the recommendation is listed as being under implementation.

Please allow me, Mr. Chairman, distinguished Delegates, to express on behalf of the Secretary-General, his sincere appreciation to the Board of Auditors for the professionalism and constructive spirit in which it discharges its oversight function. The Administration is committed to the timely and thorough implementation of the Board's recommendations, as evidenced by the improved implementation rate this year, and as this will contribute to the improved management of resources and increased efficiency of the United Nations and its funds and programmes.

Finally, I would like to take this opportunity to express my appreciation to my colleagues from various entities of the Secretariat as well as colleagues from other United Nations Organizations, who will be available during the informal consultations sessions to respond to the questions by the distinguished Delegates of the Committee.

Thank you, Mr. Chairman.