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Financial reports and audited financial statements, and reports of the Board of Auditors

Report of the Fifth Committee

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I. Introduction

1. At its 3rd plenary meeting, on 21 September 2018, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-third session the item entitled:

“Financial reports and audited financial statements, and reports of the Board of Auditors:

“(a) United Nations;

“(b) United Nations peacekeeping operations;

“(c) International Trade Centre;

“(d) United Nations University;

“(e) Capital master plan;

“(f) United Nations Development Programme;

“(g) United Nations Capital Development Fund;

“(h) United Nations Children’s Fund;

“(i) United Nations Relief and Works Agency for Palestine Refugees in the Near East;

“(j) United Nations Institute for Training and Research;

“(k) Voluntary funds administered by the United Nations High Commissioner for Refugees;

“(l) Fund of the United Nations Environment Programme;

“(m) United Nations Population Fund;



- “(n) United Nations Human Settlements Programme;
- “(o) United Nations Office on Drugs and Crime;
- “(p) United Nations Office for Project Services;
- “(q) United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women);
- “(r) International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991;
- “(s) International Residual Mechanism for Criminal Tribunals;
- “(t) United Nations Joint Staff Pension Fund”

and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 7th and 26th meetings, on 22 October and 22 December 2018. Statements and observations made in the course of the Committee’s consideration of the item are reflected in the relevant summary records.¹

3. For its consideration of the item, the Committee had before it the following documents:

(a) Financial reports and audited financial statements for the year ended 31 December 2017 and reports of the Board of Auditors on the United Nations (A/73/5 (Vol. I)), the International Trade Centre (A/73/5 (Vol. III)), the United Nations University (A/73/5 (Vol. IV)), the capital master plan (A/73/5 (Vol. V)), the United Nations Development Programme (A/73/5/Add.1 and A/73/5/Add.1/Corr.1), the United Nations Capital Development Fund (A/73/5/Add.2), the United Nations Children’s Fund (A/73/5/Add.3), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (A/73/5/Add.4), the United Nations Institute for Training and Research (A/73/5/Add.5), the voluntary funds administered by the United Nations High Commissioner for Refugees (A/73/5/Add.6), the Fund of the United Nations Environment Programme (A/73/5/Add.7), the United Nations Population Fund (A/73/5/Add.8), the United Nations Human Settlements Programme (A/73/5/Add.9), the United Nations Office on Drugs and Crime (A/73/5/Add.10), the United Nations Office for Project Services (A/73/5/Add.11), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) (A/73/5/Add.12), the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 (A/73/5/Add.14), the International Residual Mechanism for Criminal Tribunals (A/73/5/Add.15), and the United Nations Joint Staff Pension Fund (A/73/5/Add.16);

(b) Note by the Secretary-General transmitting the concise summary of the principal findings and conclusions contained in the reports of the Board of Auditors for the annual financial period 2017 (A/73/209 and A/73/209/Corr.1);

(c) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2017 on the United Nations and on the capital master plan (A/73/353);

(d) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2017 on the United Nations funds and programmes (A/73/353/Add.1);

¹ A/C.5/73/SR.7 and A/C.5/73/SR.26.

(e) Related report of the Advisory Committee on Administrative and Budgetary Questions ([A/73/430](#)).

4. At the 7th meeting, on 22 October, the Chair of the Audit Operations Committee of the Board of Auditors introduced the reports of the Board.

II. Consideration of draft resolution [A/C.5/73/L.12](#)

5. At its 26th meeting, on 22 December, the Committee had before it a draft resolution entitled “Financial reports and audited financial statements, and reports of the Board of Auditors” ([A/C.5/73/L.12](#)), submitted by the Chair of the Committee on the basis of informal consultations coordinated by the representative of Switzerland .

6. At the same meeting, the Committee adopted draft resolution [A/C.5/73/L.12](#) without a vote (see para. 7).

III. Recommendation of the Fifth Committee

7. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Recalling its resolution [52/212 B](#) of 31 March 1998 and its decision [57/573](#) of 20 December 2002,

Recalling also its resolutions [72/8 A](#) of 17 November 2017 and [72/8 B](#) of 5 July 2018,

Having considered, for the period ended 31 December 2017, the financial reports and audited financial statements and the reports of the Board of Auditors on the United Nations,¹ the International Trade Centre,² the United Nations University,³ the capital master plan,⁴ the United Nations Development Programme,⁵ the United Nations Capital Development Fund,⁶ the United Nations Children's Fund,⁷ the United Nations Relief and Works Agency for Palestine Refugees in the Near East,⁸ the United Nations Institute for Training and Research,⁹ the voluntary funds administered by the United Nations High Commissioner for Refugees,¹⁰ the Fund of the United Nations Environment Programme,¹¹ the United Nations Population Fund,¹² the United Nations Human Settlements Programme,¹³ the United Nations Office on Drugs and Crime,¹⁴ the United Nations Office for Project Services,¹⁵ the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women),¹⁶ the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991,¹⁷ the International Residual Mechanism for Criminal Tribunals,¹⁸ and the United Nations Joint Staff Pension Fund,¹⁹ the note by the Secretary-General transmitting the concise summary of the principal findings and conclusions contained in the reports of the Board of Auditors for the annual financial period 2017,²⁰ the 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 on the capital master

¹ *Official Records of the General Assembly, Seventy-third Session, Supplement No. 5*, vol. I ([A/73/5 \(Vol. I\)](#)).

² *Ibid.*, vol. III ([A/73/5 \(Vol. III\)](#)).

³ *Ibid.*, vol. IV ([A/73/5 \(Vol. IV\)](#)).

⁴ *Ibid.*, vol. V ([A/73/5 \(Vol. V\)](#)).

⁵ *Ibid.*, *Supplement No. 5A* and corrigendum ([A/73/5/Add.1](#) and [A/73/5/Add.1/Corr.1](#)).

⁶ *Ibid.*, *Supplement No. 5B* ([A/73/5/Add.2](#)).

⁷ *Ibid.*, *Supplement No. 5C* ([A/73/5/Add.3](#)).

⁸ *Ibid.*, *Supplement No. 5D* ([A/73/5/Add.4](#)).

⁹ *Ibid.*, *Supplement No. 5E* ([A/73/5/Add.5](#)).

¹⁰ *Ibid.*, *Supplement No. 5F* ([A/73/5/Add.6](#)).

¹¹ *Ibid.*, *Supplement No. 5G* ([A/73/5/Add.7](#)).

¹² *Ibid.*, *Supplement No. 5H* ([A/73/5/Add.8](#)).

¹³ *Ibid.*, *Supplement No. 5I* ([A/73/5/Add.9](#)).

¹⁴ *Ibid.*, *Supplement No. 5J* ([A/73/5/Add.10](#)).

¹⁵ *Ibid.*, *Supplement No. 5K* ([A/73/5/Add.11](#)).

¹⁶ *Ibid.*, *Supplement No. 5L* ([A/73/5/Add.12](#)).

¹⁷ *Ibid.*, *Supplement No. 5N* ([A/73/5/Add.14](#)).

¹⁸ *Ibid.*, *Supplement No. 5O* ([A/73/5/Add.15](#)).

¹⁹ *Ibid.*, *Supplement No. 5P* ([A/73/5/Add.16](#)).

²⁰ [A/73/209](#) and [A/73/209/Corr.1](#).

plan,²¹ and on the United Nations funds and programmes²² for the year ended 31 December 2017, the report of the Secretary of the United Nations Joint Staff Pension Board and the Representative of the Secretary-General for the investment of the assets of the Fund on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2017 on the United Nations Joint Staff Pension Fund²³ and the related report of the Advisory Committee on Administrative and Budgetary Questions,²⁴

1. *Takes note* of the audit opinions and findings, and endorses the recommendations, contained in the reports of the Board of Auditors;¹⁻¹⁹

2. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;²⁴

3. *Reaffirms* that the Board of Auditors shall be completely independent and solely responsible for the conduct of audits;

4. *Underlines* the crucial role of the Board of Auditors, and calls upon the Secretary-General to make use of the expertise of this oversight body in the reform implementation process, as appropriate, by following its relevant recommendations;

5. *Requests* the International Residual Mechanism for Criminal Tribunals to closely monitor the progress of the six pending staff cases of the International Tribunal for the Former Yugoslavia to ensure that they are resolved promptly, and requests the Secretary-General to report thereon in the context of his next report on the implementation by the Mechanism of the recommendations of the Board of Auditors;

6. *Decides* to consider further the reports of the Board of Auditors on the International Tribunal for the Former Yugoslavia¹⁷ and the International Residual Mechanism for Criminal Tribunals¹⁸ under the respective agenda items relating to the Tribunal and the Mechanism;

7. *Also decides* to consider further the report of the Board of Auditors on the United Nations Joint Staff Pension Fund¹⁹ under the agenda item relating to the Pension Fund;

8. *Commends* the Board of Auditors for the continued high quality of its reports and the streamlined format thereof;

9. *Takes note* of the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2017 on the United Nations and on the capital master plan,²¹ and on the United Nations funds and programmes;²²

10. *Reiterates its request* to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board of Auditors and the related recommendations of the Advisory Committee in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board;

11. *Reiterates its request* to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board of Auditors a full explanation for the delays in the implementation of the recommendations of the

²¹ [A/73/353](#).

²² [A/73/353/Add.1](#).

²³ [A/73/342](#).

²⁴ [A/73/430](#).

Board, in particular those recommendations not yet fully implemented that are two or more years old;

12. *Also reiterates its request* to the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board of Auditors, as well as the priorities for their implementation and the office holders to be held accountable.
