



Governing Council of the United Nations Environment Programme

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**ITEM 8:* THE ENVIRONMENT FUND, OTHER FINANCIAL
MATTERS AND ADMINISTRATION**

**ENVIRONMENT FUND: FINANCIAL REPORT AND AUDITED ACCOUNTS
FOR THE BIENNIUM 1990-1991 ENDED 31 DECEMBER 1991**

Note by the Executive Director

Summary

The present note refers to the report of the Board of Auditors on the financial report and audited financial statements of the Environment Fund for the biennium 1990-1991, ended 31 December 1991; to the observations of the Advisory Committee on Administrative and Budgetary Questions; and to the action taken by the General Assembly in connection therewith. The Executive Director's comments on the financial report were sent to the Board of Auditors and these have been reflected by them in the appropriate places in their report. The Executive Director's comments on the Advisory Committee's observations are set out below, in paragraph 5 of the present note.

Suggested action by the Governing Council

The Governing Council may wish to take note of the comments of the Executive Director on the report of the Board of Auditors on the financial report and audited financial statements of the Environment Fund for the biennium 1990-1991, ended 31 December 1991 and on the observations of the Advisory Committee on Administrative and Budgetary Questions.

**ENVIRONMENT FUND: FINANCIAL REPORT AND AUDITED ACCOUNTS
FOR THE BIENNIUM 1990-1991, ENDED 31 DECEMBER 1991**

1. Pursuant to regulation 11.4 of the Financial Regulations of the United Nations, General Assembly resolution 3192 (XXVIII) of 18 December 1973, and rule 213.3 of the Financial Rules of the United Nations Environment Programme, the Executive Director on 31 March 1992 transmitted the financial report and financial statements for the biennium 1990-1991 ended 31 December 1991 to the Chairman of the Board of Auditors, with copies to the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

* Refers to the number of the item on the Provisional Agenda (UNEP/GC.17/1).

2. The financial report and financial statements were subsequently examined by the Board of Auditors. Together with the audit opinion and report of the Board of Auditors, they were then submitted to the General Assembly at its forty-seventh session.¹ The General Assembly also had before it the report of the ACABQ,² which contained observations and comments on the financial reports and audited accounts of all United Nations organizations. As regards UNEP, the ACABQ noted that most of the recommendations of the Board of Auditors had been implemented by the administration. The Board had indicated in its report that UNEP had implemented the Board's recommendation, but that delays in the submission of travel claims and untimely liquidation of travel advances by experts, consultants and participants in meetings persisted. The ACABQ also noted that UNEP intended to review the present composition of technical cooperation trust funds and submit specific proposals to its Governing Council, suggesting a merger of some of the trust funds with a view to ensuring a further improvement in their management. ACABQ expects that the proposals will be submitted to it at the same time for its consideration.

3. The ACABQ also endorsed the recommendation of the Board of Auditors that a list of all non-expendable property of UNEP, including inventory holdings in regional offices, should be compiled and reflected in a master inventory listing.

4. Following its consideration of the financial reports and audited accounts of all United Nations organizations, the General Assembly adopted resolution 47/211 in which it accepted the financial reports and audited financial statements and audit opinions of the Board of Auditors, and approved the comments and observations of the Board of Auditors and the Advisory Committee, as contained in their respective reports.

5. The Executive Director has taken note of the comments and recommendations of the Board of Auditors, in so far as they apply to UNEP, and agrees with them. In connection with the ACABQ's comments on the financial report and financial statements of the Environment Fund, the Executive Director has taken action as follows:

(a) The present composition of technical cooperation trust funds has been reviewed with a view to merging some of them to ensure further improvement in their management and specific proposals have been formulated for submission to the Governing Council;

(b) Non-expendable property held in regional and outposted offices has now been reflected in a master inventory, with two exceptions that are still being followed up.

Notes

^{1/} Official Records of the General Assembly, Forty-seventh session, Supplement No. 5F (A/47/5/Add.6).

^{2/} A/47/500, 7 October 1992.
