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

Concise summary of principal findings, conclusions and recommendations contained in the reports prepared by the Board of Auditors for the General Assembly at its fifty-fifth session

Note by the Secretary-General**

The Secretary-General has the honour to transmit to the members of the General Assembly, pursuant to Assembly resolution 47/211 of 23 December 1992, the concise summary of principal findings, conclusions and recommendations contained in the reports on the audit of the accounts for the financial period ended 31 December 1999, prepared by the Board of Auditors.

* A/55/150 and Corr.1 and 2.

** Preparation of the concise summary is contingent upon the completion of all reports. Any delay in the completion of individual reports will therefore delay completion of the summary.

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Letters of transmittal

30 August 2000

Sir,

I have the honour to transmit to you, in accordance with the request by the General Assembly in paragraph 18 of its resolution 47/211, the concise summary of principal findings, conclusions and recommendations contained in the reports prepared by the Board of Auditors for the General Assembly at its fifty-fifth session.

Accept, Sir, the assurances of my highest consideration.

(*Signed*) Sir John **Bourn**
Comptroller and Auditor-General of the United Kingdom of
Great Britain and Northern Ireland and Chairman
United Nations Board of Auditors

The President of the General Assembly of the United Nations
New York

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The Secretary-General of the United Nations
New York

I. Introduction

1. The General Assembly, in paragraph 18 of its resolution 47/211 of 23 December 1992, invited the Board of Auditors to report in a consolidated fashion on major deficiencies in programme and financial management and cases of inappropriate or fraudulent use of resources together with the measures taken by United Nations organizations in this regard. The findings, conclusions and recommendations included in the present summary are mainly those of particular importance relating to common themes in organizations audited by the Board. The detailed findings relating to a particular organization can be found in the relevant report. A list of the organizations reported on by the Board appears in annex I.

2. The present summary includes comments on previous recommendations of the Board that have not been fully implemented and on financial and management issues as follows:

Financial issues

(a) Qualified audit opinions;

(b) United Nations accounting standards;

(c) Results of operations;

(d) Liquidity position;

(e) Treatment of programme expenditure;

(f) Advances from the Disaster Relief Assistance Fund;

(g) Outstanding receivables and/or overpayments;

(h) Reconciliation of accounts.

Management issues

(a) Procurement;

(b) Procurement-related arbitration claims and cases;

(c) Programme management;

(d) Integrated Management Information System;

(e) Consultants;

(f) Internal audit;

(g) Non-expendable property;

(h) International Civil Service Commission;

(i) Other issues.

II. Previous recommendations not fully implemented

3. The Board has highlighted separately in the individual reports those recommendations of the Board which had not been fully implemented by the administrations for financial periods ended 31 December 1995 and earlier. Seven organizations (United Nations, United Nations University, Office of the United Nations High Commissioner for Refugees, United Nations Environment Programme, United Nations Population Fund, United Nations Habitat and Human Settlements Foundation and United Nations International Drug Control Programme) had outstanding recommendations not fully implemented to varying degrees for one or more of the above financial periods.

4. The Board has commented, in an annex to each report, on the status of implementation of its recommendations by the various organizations for the financial period ended 31 December 1997, except for the Office of the United Nations High Commissioner for Refugees (UNHCR), the financial period for which ended 31 December 1998. Out of a total of 167 recommendations made in 16 organizations, 115 (69 per cent) had been fully implemented, 42 (25 per cent) were in progress and 10 (6 per cent) had not been implemented. A breakdown of the status of implementation of the recommendations by organization is set out in annex II. Regarding the 10 recommendations not implemented, the Board noted that in four cases (United Nations, United Nations Relief and Works Agency for Palestine Refugees in the Near East, United Nations Institute for Training and Research and United Nations Environment Programme) the recommendations had been overtaken by events. In the case of UNHCR, where the Board’s recommendations related to the more recent financial period ending 31 December 1998, the Board noted that progress to implement all of the Board’s previous recommendations was under way. The Board will continue to monitor the implementation of its recommendations.

III. Financial issues

A. Qualified audit opinions

5. The Board has qualified its audit opinion on the financial statements of four organizations. In one organization, the United Nations Development Programme (UNDP), the Board qualified its audit opinion for two reasons. First, the Board restricted the scope of its opinion because UNDP had not brought to account a total of some $11.1 million in adjustments in respect of disbursements affecting the Programme’s main bank account for contributions. The second qualification in respect of the UNDP financial statements relates to the lack of audit reports, as discussed below. In three cases, UNDP, the United Nations Population Fund (UNFPA) and the United Nations International Drug Control Programme (UNDCP), the Board restricted the scope of its opinion because it was unable to obtain sufficient evidence, in the form of audit reports from governments and non-governmental organizations, that funds advanced to them for national execution projects had been expended for the purposes intended. The amounts were $723 million for UNDP, $98.3 million for UNFPA and $14.2 million for UNDCP. In addition, UNDCP had neither followed up on nor received audit reports covering expenditures of $17.9 million incurred through UNDP on nationally executed expenditures in the biennium 1996-1997, which had not been received at the time of the Board’s last report. For UNDP, the Board noted that the proportion of national execution expenditure covered by audit reports had increased from 73 per cent in 1996-1997 to 75 per cent in 1998-1999. For UNFPA, the proportion of national execution expenditure covered by audit reports had decreased from 70 per cent in 1996-1997 to 50 per cent in 1998-1999. The Board was concerned at the worsening of the position regarding audit reports on programme expenditure, which has meant that UNFPA had no direct evidence to support half of its 1998-1999 expenditure executed nationally and by non-governmental organizations.[1]

6. In the fourth case, the Board found that the United Nations University (UNU) had not made a provision against long-outstanding unpaid pledged contributions. Some $10.376 million which had been outstanding for more than five years, included two unpaid pledges totalling $6.05 million, which had been outstanding for 24 and 13 years respectively. In the absence of such provision, the Board qualified its opinion.[2]

B. United Nations accounting standards

7. The Board confirmed that organizations generally complied with the United Nations accounting standards for the biennium 1998-1999. However, further work needed to be done to bring the financial statements fully in line with those standards. The main issues for attention are: disclosure of the full valuation of non-expendable property and contributions in kind; exchange losses on the sale of securities and equities netted off against income; disclosure of accounts receivable and accounts payable in net rather than gross terms; non-provision for uncollectible pledges; non-disclosure of contingent liabilities, prior years’ adjustments and reserves and fund balances; and liability for end-of-service benefits, post-retirement benefits and annual leave (International Trade Centre UNCTAD/WTO, UNU, United Nations Relief and Works Agency for Palestine Refugees in the Near East, United Nations Institute for Training and Research, UNHCR, UNDCP, United Nations Office for Project Services, United Nations Environment Programme, UNFPA, United Nations Habitat and Human Settlements Foundation and International Tribunal for the Former Yugoslavia).

8. In addition, for the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the value of land and buildings of $298.7 million was not capitalized and was therefore not included in the statement of assets, liabilities and fund balances as at 31 December 1999, resulting in the understatement of assets totalling $68.7 million by $298.7 million. The Board decided not to qualify its audit opinion pending the outcome of the revision of the UNRWA financial regulations on this matter.[3]

C. Results of operations

9. The Board was pleased to note that for a number of organizations there was an excess of income over expenditure in 1998-1999 compared with the previous biennium:

(a) In the case of the United Nations Children’s Fund (UNICEF), there was an excess of income over expenditure of $138.4 million compared with a shortfall of $14.6 million declared in the previous biennium. Also, in the Private Sector Division (formerly the Greeting Card Operation), the net consolidated income from regular and other resources of $356.4 million exceeded the approved budgeted income of $311.2 million by $45.2 million;[4]

(b) The financial position of UNDCP improved significantly during the biennium 1998-1999 when it achieved a net excess of income over expenditure of $5.4 million compared with a net excess of expenditure over income of $1.1 million for the previous biennium;[5]

(c) In the case of UNRWA, the total combined income for all funds of $586.05 million exceeded the actual combined expenditure of $584.0 million, resulting in a surplus of $2.08 million of income over expenditure for 1998-1999 as compared with a deficit of $21.2 million for 1996-1997;[6]

(d) For the United Nations, the net income from revenue-producing activities increased by $1.5 million, or approximately 35 per cent, from $4.3 million in the biennium 1996-1997 to $5.8 million in 1998-1999. The net increase in income was achieved mainly through a reduction in the cost of sales, staff and other personnel costs, operating expenses and promotional costs. The excess of income over expenditure was arrived at after deducting a loss of $1.6 million in respect of services to visitors.[7]

10. In other organizations, there were net shortfalls of income over expenditure:

(a) At UNDP, while total income of $3.621 billion under other resources exceeded its total expenditure of $3.506 billion by $115 million, in 1998-1999, total expenditure from regular resources of $1.692 billion exceeded its total income of $1.504 billion by $188 million. UNDP has identified the need to raise regular resources as a major challenge for the future. In noting that the remaining balance of $107 million in the regular resources fund at 31 December 1999 was sufficient to cover only approximately one and a half months' total expenditure, the Board was concerned that if UNDP expenditure continued to exceed income by the same level as in 1998-1999, the fund balance would be insufficient to maintain current levels of expenditure;[8]

(b) For UNHCR, over the three-year period ending 31 December 1999, an average of 40.01 per cent of the reserve fund was used to cover shortfalls of income over expenditure. The Board considers that the decrease of contributions from donor countries poses a serious liquidity risk for UNHCR and could affect the delivery of service to its clients;[9]

(c) In the case of UNFPA, expenditures of $575.9 million under regular resources exceeded income of $524.9 million by $51.0 million. As a result, UNFPA had to draw on its reserves and funded $12 million of the deficit from unexpended resources in previous bienniums and transfers from other funds and the remaining $39 million from the operating reserve, which stood at $24 million (4 per cent of biennial expenditure) at the end of 1999. This represents a significant worsening of the financial position from 1996-1997, when UNFPA had a net excess of expenditure over income of $5.5 million. Much of the reason for the excess of expenditure over income was the organization's declining income base. Voluntary contributions fell from $590 million in 1996-1997 to $514 million in 1998-1999. The Board was concerned at the declining level of the operating reserve and noted that the current balance of $24 million was not sufficient to fund further deficits at the level incurred in 1998-1999. The Board was concerned at the deteriorating financial position of UNFPA and **recommended that, until its operational reserve is restored to at least $50 million, UNFPA operate on a fully funded basis over the biennium, limiting expenditure allocations to the level of actual income received**;[10]

(d) For the United Nations Office for Project Services, total recurrent and non-recurrent administrative expenditure of $106 million exceeded total income of $101 million by $5 million for the biennium 1998-1999. This was mainly because, as foreseen and approved by the Executive Board, the Office had to fund non-recurrent expenditure for implementation of the Integrated Management Information System (IMIS) and the relocation of the headquarters offices. The total cost of those two projects in 1998-1999 was $18.2 million. As a result, the Office eliminated its accumulated unexpended resources and reduced total reserves by $4 million, from $21.4 million to $17.4 million as at 31 December 1999. The Office intends to restore the reserve to the prescribed level in the biennium 2002-2003;[11]

(e) In the case of the United Nations Institute for Training and Research (UNITAR), the net excess of income over expenditure of $257,471 in the General Fund for 1998-1999 represented an improvement over 1996-1997, when there was a net shortfall of $85,370. However, the Special Purpose Grants Fund had a net shortfall of $568,608 in 1998-1999, compared with a net excess of $415,867 in 1996-1997.[12]

D. Liquidity position

11. The liquidity position of UNU remained high, and its total reserves and fund balances increased consistently at an average rate of 12.8 per cent during the last two bienniums. As at 31 December 1999, current assets of $41.9 million (excluding inter-fund balances receivable and unpaid pledged contributions) were nearly three times the amount needed to liquidate the current liabilities of $14.2 million (excluding inter-fund balances payable).[13]

12. By May 2000, the United Nations Habitat and Human Settlements Foundation had collected a high proportion of earmarked (99 per cent) and non-earmarked (95 per cent) pledges in respect of the biennium 1998-1999. The Board was pleased to note the good progress made by the Administration in collecting pledges.[14]

13. For the United Nations, arrears in assessed contributions had decreased from $473 million as at 31 December 1997 to $244 million as at 31 December 1999, or by $229 million (48 per cent). The Board was concerned that despite this improvement, the total unpaid assessed contributions represented some 10 per cent of the total assessed contributions of $2.409 billion. As at 31 December 1999, the United Nations General Fund owed $78 million to the United Nations Working Capital Fund, $47 million to the United Nations Special Account and $58 million to the peacekeeping reserve fund, representing a total of $183 million.[15]

14. For UNICEF, as at 31 December 1999, current assets of $939.3 million exceeded current liabilities of $655.1 million by $284.2 million, disclosing a liquidity ratio of 1.43 to 1 as compared with a liquidity ratio of 1.36 to 1 for the previous biennium. Although this position showed an improvement over the previous biennium, it was still below the accepted standard, which requires that current assets exceed current liabilities by a factor of two. **The Board made recommendations to improve the liquidity of UNICEF**.[16]

E. Accounts and financial reporting

1. Treatment of programme expenditure

15. Although UNICEF has changed its financial regulations to reflect the new definition of programme expenditure approved by its Executive Board in September 1999, UNICEF has yet to further define “disbursement” in the new definition of programme expenditure to support the current treatment of cash assistance to governments as expenditure. Programme expenditure of $1,461.9 million in the financial statements for the biennium 1998-1999 included cash assistance of some $159.9 million that had not been accounted for by Governments as at 31 December 1999. The Board will keep this matter under review, taking account of the decision of the Executive Board.[17]

16. In its report on UNHCR for the financial period ended 31 December 1998, the Board had recommended that advances to implementing partners be treated as accounts receivable at the time the advances were made and that they be cleared to expenditure on receipt of financial reports. In its response, UNHCR agreed to gradually introduce this procedure during 2002, with completion expected in 2003. The Board recognized the efforts of UNHCR to reduce outstanding advances to implementing partners wherein the outstanding balances had decreased from a total of $155.5 million as at 31 March 1999 to $55.7 million as at 31 December 1999 in respect of projects implemented between 1994 and 1998. However, of 13 implementing partners that had a total of some $8.2 million long-outstanding advances, 8 had not submitted the final subproject monitoring reports, which delayed closure of the projects. The Board suggested that UNHCR determine if these implementing partners should continue to be eligible to implement its subprojects in the light of repeated non-compliance by implementing partners with the provisions of the subagreement on the submission of final monitoring reports upon termination of the subproject.[18]

2. Advances from the Disaster Relief Assistance Fund

17. The Office for the Coordination of Humanitarian Affairs advances unearmarked funds to provide resources for immediate needs following a sudden disaster pending receipt of voluntary contributions from donors. The Office had not established a policy on advances made from the unearmarked Disaster Relief Assistance Fund. At 31 December 1999, a total of $3.9 million was outstanding from advances to 14 projects, of which $104,000 had remained outstanding from 1997 and $3 million from 1998. **The Board recommended that the Office improve control over advances made from the Disaster Relief Assistance Fund and take action to recover outstanding advances made.**[19]

3. Outstanding receivables and/or overpayments

18. The Board's review of outstanding receivables revealed that there was a need for more vigorous follow-up in this area. For example:

(a) For the United Nations, as at 31 December 1999, accounts receivable of $25 million, excluding unpaid assessed contributions receivable, had been outstanding for more than one year;[20]

(b) UNDCP had not cleared three advances totalling $345,713, one of which was made in 1993;[21]

(c) For UNRWA, out of the overpayment of extended monthly evacuation allowance and education grants totalling $299,142 made to 14 staff members, only $37,959 had been recovered by the Administration, leaving a balance of $261,183 outstanding as at 31 March 2000.[22]

19. **The Board made recommendations for the administrations to intensify action to recover long-outstanding receivables and overpayments and for UNRWA to review instructions relating to extended monthly evacuation allowance and education grants so as to remove ambiguities in their interpretation and application**.

F. Reconciliation of accounts

20. As at 20 July 2000, UNDP had not completed the reconciliation of its main contribution bank account. Unadjusted items included disbursements of $5,269,711 that were shown in the accounting records and not in the bank statement and $5,828,766 in disbursements that were shown in the bank statements but not in the accounting records. The Board was concerned that, some seven months after the end of the biennium, these amounts had not been brought to account. Because of the uncertainty of these unadjusted amounts, the Board has limited the scope of its audit opinion, as discussed earlier in the present report. **The Board recommended that UNDP complete the reconciliation of the main contribution account and make the necessary adjustments in the financial records**.[23]

21. UNDCP had not reconciled its bank accounts properly for significant periods, with the result that two accounts totalling $825,000 were not brought to account until the Board carried out its audit. **The Board recommended that UNDCP ensure that bank reconciliations are regularly and promptly undertaken both at Headquarters and in field offices, and that long-outstanding items be investigated**.[24]

22. At the United Nations, the Administration had not conducted since 1989 a joint United Nations/contractor opening and closing inventory of the stocks of the United Nations newsstand facility at Headquarters, and there had thus been no basis for determining the excess or shortfall in the value of inventories to be paid by either the Organization or the contractor. **The Board recommended that the Administration jointly conduct with the contractor an inventory of the stock of the United Nations newsstand facility at the earliest opportunity**.[25]

23. A firm contracted by the United Nations Joint Staff Pension Fund and paid a total of some $1.65 million during the biennium to act as the master record keeper was persistently late in submitting the required accounting and financial reports on the Fund's investments. Delays of up to 10 months in 1998 affected the timely preparation of reconciliation statements and discrepancy letters. The Board also noted that the investment control and accounting system, which is meant to assist the Fund's Investment Management Service in maintaining and generating reports, had ceased to be operational since 31 December 1999 because it was not year-2000-compliant. This system had not been replaced or upgraded as at May 2000. **The Board recommended the inclusion of a penalty clause in future agreements to ensure the timely delivery of financial**

and accounting reports and the upgrading or replacements of the investment control and accounting system as a matter of urgency to ensure proper accounting for the investments and income earned.[26]

IV. Management issues

A. Procurement

24. In 1998, UNFPA raised more than half of its 1,487 purchase orders in just four months and just over a quarter in the last month alone. The country offices raised 92 per cent of the procurement requests in the last four months, despite senior management's repeated requests to phase requirements in over the year. The same pattern had occurred in 1996 and 1997. Also, in four cases involving a total amount of $1.36 million, the requisitioning units carried out their own procurement, including identifying potential suppliers, obtaining bids or quotations and assessing bids received. This contravened the UNFPA financial regulations. Further, UNFPA did not routinely monitor deliveries, did not follow up with suppliers who had not delivered and did not monitor the receipt of receipt and inspection reports. **The Board made recommendations to improve procurement planning and to adhere to established procedures for placing orders and monitoring receipts**.[27]

25. UNDP headquarters had not established a database of possible suppliers to assist it in letting contracts for goods and services. In addition, UNDP did not evaluate the performance of contractors on a systematic basis. The Board also noted that in 12 major headquarters contracts involving a total of over $4.7 million, UNDP took an average of 195 days between the date it issued invitations to tender or requests for proposals and the date it signed a contract. **The Board recommended that UNDP establish a database of potential suppliers and develop a more formal system for monitoring supplier performance. UNDP should also benchmark its performance with respect to the time taken to let contracts, establish timetables for each element of the procurement process and monitor performance against the benchmarks and timetables**.[28]

26. The International Criminal Tribunal for Rwanda procured commodities and services with a total value of $17 million during the biennium 1998-1999. The Board noted that although the Tribunal maintained a log of its vendors, the necessary information on the vendors was not available to confirm that they had met the registration criteria, and the Tribunal had not carried out the required periodic evaluation of the performance of vendors during the biennium ended 31 December 1999. Also, contrary to established procedures, the Tribunal had used miscellaneous obligation documents to reserve credits totalling $7.66 million in the accounts for the purchase of goods and services. The Board also observed that, although the software for the procurement system was changed twice between August and December 1998, the Tribunal did not provide adequate training to the staff of the Procurement Section, which resulted in concentration of reliance on the chief of the Procurement Section, which in turn led to a lack of separation of duties. At the Tribunal, there were also deficiencies in the enforcement of the provisions of the agreement with its appointed travel agent. The agent had neither paid an amount of $39,216 due to the Tribunal in respect of rebates on international and domestic air transportation nor fulfilled certain obligations under a contract for the provision of travel agent services to the Tribunal. **The Board made recommendations to strengthen internal control over procurement and contract management**.[29]

27. The procurement activities of UNDCP were undertaken by more than seven different agencies and UNDCP did not routinely prepare procurement plans, thereby precluding any advantage from economies of scale. In addition, a contract for a public awareness campaign was cancelled one month after the award when pledged funding failed to materialize. UNDCP settled with the contractor in the amount of $235,000 (58 per cent of the contract value) for preparatory work, and the campaign was never completed. **The Board made recommendations to improve procurement activities, including planning, with the aim of benefiting from economies of scale**.[30]

28. Similarly, UNU headquarters did not prepare a procurement plan for the biennium ended 31 December 1999. Requisitions were placed on an as needed basis, resulting in the piecemeal issuance of purchase orders, which prevented the University from enjoying the benefits of economies of scale through bulk purchases. **The Board reiterated the recommendation made in its report for the biennium 1994-1995 that the**

University prepare in advance annual procurement plans to ensure competitive bidding for goods and services.[31]

B. Procurement-related arbitration claims and cases

29. The Board conducted a specific examination of practices and procedures with regard to the handling of arbitration cases by the United Nations Administration. The main findings were as follows:

(a) In four procurement-related arbitration cases, the United Nations was judged liable to pay compensation of $12.2 million to contractors mainly because of deficiencies in contract formulation, interpretation and implementation;

(b) The Procurement Manual requires the Office of Legal Affairs (OLA) to review contracts and amendments in excess of $200,000 involving major changes of terms and conditions or if the contract is not essentially identical to another contract previously reviewed by the Office. However, the Procurement Division did not submit for review two contracts valued at a total of $24 million that fell under this category. In these two cases, contract deficiencies led to settlements in favour of the contractors for some $8 million (33 per cent of the contract values);

(c) Although the Office of Legal Affairs contended that it utilized a standard process and criteria for shortlisting prospective arbitrators and outside counsel, the Board was concerned that the process was not sufficiently transparent;

(d) In 4 of the 17 procurement-related arbitration cases reviewed by the Board, outside legal counsel were allowed to commence work before contracts had been signed by all parties;

(e) In one contract for legal representation by outside counsel in a procurement-related arbitration case, the level of the fee cap increased from $0.59 million to $2.46 million over a period of only some two years;

(f) Regarding the engagement of outside legal counsel for procurement-related arbitration cases, the Office's functions of selecting outside counsel, recommending appointment, proposing contracts and requesting payment for services rendered were all vested in one person.

30. **The Board made recommendations to improve contract preparation and approval and to establish clear segregation of functions to ensure the operation of sound internal checks in selecting outside counsel, recommending appointment, proposing contracts and requesting payment for services rendered by outside counsel**.[32]

C. Programme management

31. The Board's review of programme management revealed deficiencies in expenditure control, project overruns in time and budget, delays in closing projects and the need for more accurate and reliable data to be maintained on programme performance, as noted below.

32. At UNRWA, over the years the Administration has relied on the funds of the regular budget to prefinance donor-specified and earmarked projects for which donors had failed to honour their contribution pledges. A total of $24.2 million from regular budget funds that had been applied to specific-purpose projects prior to the receipt of funds from donors was outstanding as at 31 December 1999. Of that total, $11.2 million had been outstanding since before 31 December 1997. The Board had, in its reports on the bienniums 1994-1995 and 1996-1997, raised concerns about the negative effects on the cash flow of the Agency arising from advance authorization of funds to start implementation of specific-purpose projects prior to the receipt of funds from donors. The Board welcomed positive steps taken by the Administration to obtain more donor funding to support approved projects. However, **the Board recommended that the Administration review its policy on the prefinancing of donor-specified projects in view of the adverse effect on the cash flow of the Agency. The Board also recommended that the Administration recover the $24.2 million outstanding from donors and reimburse the regular budget**.[33]

33. At UNDP country offices many of the projects reviewed were not carried out within the time-frame originally set out in the project document. In the case of 10 projects (39 per cent of the sample examined), there were delays in starting the project, which generally ranged from one to nine months, but in one project the delay was four years. For projects funded from other resources, the standard practice of UNDP is that it does not incur expenditure before receiving

funding. However, for projects funded by one major donor, the donor's practice is to pay a proportion of the funding in arrears once the project has been delivered. The Board considered that these approaches were mutually incompatible, and in accepting such funding, UNDP in effect accepted the donor's financial mechanisms. Also, country offices varied in the depth and timeliness of their monitoring and evaluation of projects, and many projects did not have quantified performance indicators or targets that would allow country offices to monitor projects effectively. **The Board made recommendations to improve project management and to control the timing of project delivery**.[34]

34. At the United Nations Environment Programme (UNEP), 247 projects with a total cost of $296 million were inactive, 84 of which had been inactive prior to 1995. The Board was disappointed to note that there had been no improvement in the closure of inactive projects despite its recommendation in its reports for the bienniums 1990-1991, 1994-1995 and 1996-1997. **The Board made recommendations regarding the timely closure of completed projects**.[35]

35. At UNICEF, global implementation of programmes funded through general resources and supplementary funds increased from 72 per cent in 1998 to 77 per cent in 1999. In spite of that achievement, the level of programme implementation during the biennium 1998-1999 was below the Fund's overall implementation benchmark of 80 per cent. **The Board recommended that UNICEF closely monitor programme implementation levels so that the desired implementation benchmark can be achieved**.[36]

36. At UNFPA, in 9 of the 12 completed projects examined, the executing agencies had failed to deliver all their planned outputs. Four projects, on which UNFPA had spent $24.9 million by the end of 1999, fell significantly short in their deliveries. Also, poor project design hampered the effective measurement of the impact of projects. In four cases, involving expenditure totalling $37.4 million, project evaluators found that limitations in the design of the project prevented them from properly assessing the impact of the projects or whether they had achieved their objectives. **The Board made recommendations to strengthen the management and monitoring of projects at the design phase by incorporating baseline information, qualitative and quantitative performance indicators and an explanation of how the executing agency will collect performance data in the course of the projects**.[37]

37. At the United Nations Habitat and Human Settlements Foundation, expenditures exceeded allotment limits by a total of $1.27 million in respect of 11 trust funds and by $0.41 million in respect of 3 earmarked projects. This indicated weak budgetary control and expenditure monitoring. The Board recalled the comments made in its report on the Foundation for the biennium 1994-1995, wherein the Board had reported on excess expenditures incurred for the Habitat II conference, and which eventually resulted in a significant write-off, as mentioned in the present report. **The Board recommended that the Foundation apply strict expenditure control over each trust fund and project to ensure that expenditures do not exceed the authorized allotment limits in accordance with existing rules**.[38]

38. During the biennium 1998-1999, the United Nations Office for Project Services delivered projects with a value of some $1.1 billion and generated fee income of $86.4 million on this work. It also authorized $371 million in disbursements for projects funded by loans from the International Fund for Agricultural Development, for which it received fees of $9.9 million. The Board noted that project objectives, tasks or activities generally lacked quantified measures of success, although many of them had the potential to be quantified. **The Board recommended that, where appropriate, the Office disclose performance indicators in its business plan**.[39]

39. In 1998 the International Trade Centre UNCTAD/WTO (ITC), the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD) established the joint Integrated Technical Assistance Programme for selected least developed and other African countries. The main purpose of the Programme is to build capacity in recipient countries to enable them to benefit from the new multilateral trading system. The Board noted that against the initial budget of $10,344,100 for the Programme, ITC had secured pledges of $8,094,644 as at 31 December 1999, of which only $5,043,919 had been received at that date. In addition, although ITC manages the delivery of the Programme on a "cluster" basis, whereby activities are grouped around 15 themes, the financial reporting system does not provide information on expenditure incurred

against a particular cluster. ITC had also developed a corporate management information system at a cost of $290,000, but the data on the system had not been kept up to date and the system was not, therefore, providing an accurate or reliable summary of achievements against the annual operations plan. **The Board recommended that ITC strengthen its efforts to secure donor contributions to support the full Joint Integrated Technical Assistance Programme and to take action to ensure that the corporate management information system is kept up to date so that it can be used as an effective management tool.**[40]

40. The United Nations Fund for International Partnerships (UNFIP) completed five funding rounds (tranches) as well as a number of small emergency projects during the biennium 1998-1999. As at 31 December 1999, the United Nations Foundation had allocated a total of $252 million for projects and UNFIP had reported disbursements by implementing partners totalling $23.8 million. The Board noted some delays in the submission of quarterly utilization reports on project expenditures, which are required to be submitted within 30 days after the end of the quarter. As a result, expenditure was understated by some $2.15 million and advances outstanding from implementing partners were overstated by the same amount. The duration of projects was one of the factors considered when projects are approved for implementation. Of the 14 projects programmed to be completed for the biennium 1998-1999, 1 had been completed, the duration of 6 was extended, and 2 projects had revised starting dates. Furthermore, the status of accomplishment of five of the projects could not be determined owing to the absence of progress reports and annual and final reports. **The Board recommended that UNFIP enforce the requirement that implementing partners submit quarterly utilization reports within the established deadlines and also closely monitor the submission of the report on the status of project accomplishments by implementing partners**.[41]

D. Integrated Management Information System

41. The Board reviewed the implementation of the Integrated Management Information System at the United Nations, ITC, UNDP, UNFPA and the United Nations Office for Project Services and noted that:

(a) At the United Nations, IMIS Release 3, covering accounting, financial and travel applications, had not yet been developed sufficiently to enable the consolidated financial statements to be prepared on the basis of a consolidated database and to provide an adequate audit trail between the IMIS-generated reports and the financial statements. Furthermore, the Administration had not yet implemented an important recommendation of the Board to provide detailed information about debtor/creditor identity. This had resulted in errors and inconsistencies in the financial records. Also, IMIS had no facility to transfer data into archives and, therefore, reports produced by IMIS that were intended to provide information on the current biennium continued to include data relating to previous bienniums. As a result, IMIS data will continue to accumulate and the operation of the system will increasingly slow down. **The Board recommended that the United Nations Administration, as a matter of priority, develop and implement a consolidated database to facilitate the preparation of financial statements and to reduce reliance on ad hoc reports; ensure that all adjustments that are made in the preparation of the financial statements are approved and supported by an audit trail; and develop an archiving facility for IMIS**;[42]

(b) At ITC, implementation of IMIS had to be deferred because the system did not meet the Centre’s specific reporting requirements to report in Swiss francs and United States dollars. **The Board made recommendations to address the Centre’s specific reporting requirements**;[43]

(c) Although UNDP planned for IMIS to go online on 1 January 1999, it was delayed until 1 April 1999. UNDP was able to start entering the majority of its expenditure data onto the system only in September 1999. The Board considered that the Programme’s difficulty in implementing IMIS provided UNDP with clear lessons on the future introduction of new information technology systems;[44]

(d) Since UNFPA uses UNDP accounting and treasury services, it adopted the IMIS accounting system with effect from 1 January 1999 in line with the transfer of UNDP to the new system. UNFPA faced difficulties similar to those experienced by UNDP in introducing IMIS. Although UNDP planned for IMIS to go online on 15 January 1999, it was delayed until April 1999. The majority of UNFPA expenditure data was entered onto the system only starting in October 1999;[45]

(e) Although the United Nations Office for Project Services planned for IMIS to go online on 1 January 1999, it was delayed until 1 April 1999. The Office was able to start entering the majority of its expenditure data onto the system only in June 1999.[46]

42. The Board considered that the delays in the implementation of IMIS had led to weaknesses in financial control in UNDP, UNFPA and the United Nations Office for Project Services during 1999. These problems had also delayed the Board's audits of those three organizations.

E. Consultants

43. The Board's review of the hiring of consultants revealed that:

(a) At UNU, 11 of the 21 special service agreements reviewed had been renewed or extended without the required performance evaluation. There were, therefore, no records to confirm that the contractors had provided a satisfactory service;[47]

(b) At UNEP, terms of reference for the engagement of consultants did not include performance indicators such as timeliness to assess or evaluate results. In addition, UNEP did not provide the United Nations Office at Nairobi with the information needed to maintain a central roster of consultants, which should be the basis for their selection;[48]

(c) At the United Nations Habitat and Human Settlements Foundation, in 12 of the 28 cases reviewed, consultants were not selected on a competitive basis, contrary to the requirement of the comprehensive guidelines for the use of consultants;[49]

(d) At UNITAR, the process of selecting and appointing Special Fellows lacked full transparency. Also, letters of appointment for Special Fellows did not address important factors such as contracted hours, copyright of written material, property title rights and other standard arrangements, which are generally included in contracts with consultants. Such letters did not always include a clear description of the nature of the work to be performed, and UNITAR had granted annual and sick leave to Fellows, contrary to the terms and conditions set out in the letters of appointment.[50]

44. **The Board made recommendations to strengthen the recruitment and management of consultants and Fellows**.

F. Internal audit

45. The Board reviewed internal audit procedures in the United Nations, UNICEF and UNDP and found that there was room for improvement in the maintenance of audit working papers, in documenting internal control systems and in reviewing the work contracted out to audit firms. For example:

(a) In the Office of Internal Oversight Services, a review of the working paper files of a number of audit assignments undertaken in 1998 disclosed that most of the working papers were not properly organized (indexed or cross-referenced) while some were kept loosely and were exposed to possible loss; furthermore, the Audit Management and Consulting Division had not documented its evaluation of the United Nations internal control system. Since the completion of the Board's audit, the Office has established a formal information technology task force to review its information technology requirements on an office-wide basis and to address the Audit Management and Consulting Division's requirements for automating working paper preparation;

(b) At UNICEF, the working papers of the Office of Internal Audit were not indexed and cross-referenced to provide the audit trail necessary to facilitate review, and there was no evidence of a supervisory review of the working papers;

(c) At UNDP, the Office of Audit and Performance Review did not maintain standing data on the organization's systems of control. Furthermore, the Office did not have an audit manual setting out internal audit standards as recommended by the Institute of Internal Auditors. The Office contracted out its audits of country offices in the Africa, Asia and Pacific, Arab States and Latin America and Caribbean regions to four private audit firms. Although it required the audit contractors to conduct thorough reviews of their own working papers and to coordinate and control the quality of their services, the Board noted instances of poor quality audit work from the contractors.

46. The Board was pleased to note, however, that:

(a) The Audit Management and Consulting Division of the Office of Internal Oversight Services had established a sound and effective system of resource planning, taking account of risks and other parameters to guide its audit work;

(b) The Office of Internal Audit of UNICEF covered 36 field offices in 1998 and 38 field offices in 1999, exceeding its annual planned coverage of 28 field offices. The Office of Internal Audit had pioneered and adopted the internal control integrated framework approach and had promoted its use as a tool for internal control self-assessment at UNICEF;

(c) The Office of Audit and Programme Review of UNDP had adopted a strategy to conduct compliance audits of UNDP country offices every two years and management audits of UNDP units and functions every seven to eight years. To complete this work, the Office split the work between its own staff and private sector audit firms. The Office had also begun the process of implementing and monitoring the new accountability framework adopted by the Executive Board of UNDP by using control self-assessment.

47. **The Board made recommendations to improve the functioning of internal audits, to increase the training of internal audit staff and to establish better internal audit documentation and guidance**.[51]

G. Non-expendable property

48. UNRWA was unable to physically locate some 500 items of non-expendable property on its inventory list. Also, the inventory list had not been updated since 1996, and it showed incorrect locations of non-expendable property items. **The Board made recommendations to improve the management and control of non-expendable property items**.[52]

49. At UNHCR, MINDER, a computerized asset management system, was not able to capture accurate and complete non-expendable property databases and had failed to provide support to the effective tracking and decentralized management of UNHCR assets. UNHCR discontinued MINDER as at 31 December 1999. It was replaced by a new asset management system called Asset Trak, which was programmed to replace MINDER on 1 January 2000 but which had not yet been fully implemented at the time of the Board's audit because of resource constraints. **The Board made recommendations to address the implementation of the Asset Trak system and the recording of non-expendable property**.[53]

H. International Civil Service Commission

50. In general, the Board was pleased to note the progress made by the ICSC secretariat in implementing the recommendations of the Board. The Board looks forward to further progress on the development of a total compensation methodology, the results of the quinquennial study of grade equivalencies, the results of the ICSC review of the effects of regression analysis techniques, the development of a framework for human resources management, the whole scale review of the pay and benefits system of the United Nations and the results of the review of the ICSC secretariat's data-processing systems.[54]

I. Other issues

51. At the International Criminal Tribunal for Rwanda, there had been 7 trials and sentences, 1 trial in progress and 30 pre-trial proceedings as at April 2000, some four years after the commencement of its operations. In 17 cases, although the accused were transferred to the Tribunal's detention facility in 1996 and 1997 and their initial appearance took place before June 1998, their trials had not yet begun by April 2000. There were also instances in which the absence of trial chamber judges resulted in a delay in the hearing of cases, and in one case the lack of a quorum led to the release of an accused person, in November 1999, who had been held more than three months without an initial appearance. In order to speed up procedures, the Tribunal amended its rules of procedure and evidence in June 1999, allowing decisions to be taken by only one judge and also on the basis of written briefs. Also, the time limit for the defence to bring preliminary motions following an amendment of indictment and disclosure of evidence by the Prosecutor was reduced from 60 to 30 days.[55]

52. At the International Tribunal for the Former Yugoslavia, as at 31 December 1999, after six years of operation and expenditures of $225 million, the Tribunal had convicted six accused, acquitted one and released seven. The Tribunal did not use its three courtrooms for 58 per cent of the available 1,614

sessions between July 1998 and August 1999, and between 1997 and 1999, defence expenditures increased by 364 per cent, from $3.3 million to $12 million, while prosecution costs increased by 100 per cent, from $12.5 million to $25 million. **The Board made recommendations to improve the use of the courtroom facilities and to limit defence costs.**[56]

53. The costs of relocating the United Nations Office for Project Services headquarters considerably exceeded the budget. The first cost estimate, in June 1998, was $7.3 million, but by June 1999 it had increased to $12.1 million. By the end of June 2000 the cost of relocation had increased to $16.8 million, more than 130 per cent above the original estimate. The Office considered that the increases were justified, as they represented the costs of additional goods or services, which became necessary as the project unfolded and its complexity became clearer. The Office's contract with the construction manager required it to pay the firm a management fee of 9.25 per cent of the total construction costs. Such an arrangement reduced the incentive for the managing consultants to control costs, as the contractor stood to make more money from higher overall expenditure. The Board was concerned that the contract modalities adopted by the Office may have contributed to the cost overruns, particularly in linking the consultant's remuneration to final costs and the lack of penalties for late delivery. **The Board recommended that, in future, the Office avoid the proportional remuneration of lead contractors as a contract mechanism and include penalty clauses for late delivery**.[57]

54. Governments subjected two organizations to the payment of taxes and customs duties. With respect to the United Nations Joint Staff Pension Fund, some Member States have consistently refused to recognize the tax-exempt status of the Fund's investments under the Convention on the Privileges and Immunities of the United Nations, and therefore have decided not to refund to the Fund the amounts withheld by them. As a result, the foreign tax account receivable balance of $17.5 million as at 31 December 1997 had increased to $22.4 million as at 31 December 1999, an increase of 22 per cent. Similarly, at UNRWA, two Governments subjected the Agency to direct taxes and customs duties totalling $24.58 million, contrary to the Convention. In spite of the serious efforts of the Administration, UNRWA was able to recover only $0.86 million out of the total, leaving a balance of $23.72 million outstanding against the two Governments as at March 2000. **The Board recommended that the administrations strengthen their efforts to recover the outstanding tax reimbursements from the concerned Governments and make further efforts to persuade the Governments to accept the tax-exempt status of the respective organizations.**[58]

J. Cases of fraud and presumptive fraud

55. The Board was provided with information on some 71 cases of fraud or presumptive fraud involving a total of $4,230,687 that became known to eight organizations during 1998-1999. Of that amount, approximately $945,859 has been recovered; those cases involved both staff members and non-members of the staff. Disciplinary action in the form of summary dismissal was taken against some of the staff members, and other cases are still under investigation.

(*Signed*) Sir John **Bourn**
Comptroller and Auditor-General
of the United Kingdom of Great Britain
and Northern Ireland

Osei Tutu **Prempeh***
Auditor-General of Ghana

(*Signed*) Celso D. **Gangan**
Chairman, Philippine Commission on Audit

30 August 2000

* The term of office of the Auditor-General of Ghana expired on 30 June 2000 prior to the signature of this summary. The Auditor-General, however, has expressed agreement with the contents of the summary.

Notes

[1] *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 5A* (A/55/5/Add.1), chap. II, para. 21; ibid., *Supplement No. 5G* (A/55/5/Add.7), chap. II, para. 26; ibid., *Supplement No. 5I* (A/55/5/Add.9), chap. II, paras. 17-21.

[2] Ibid., *Supplement No. 5* (A/55/5), vol. IV, chap. II, para. 16.

[3] Ibid., *Supplement No. 5C* (A/55/5/Add.3), chap. II, paras. 23 and 24.

[4] Ibid., *Supplement No. 5B* (A/55/5/Add.2), chap. II, paras. 15-20.

[5] Ibid., *Supplement No. 5I* (A/55/5/Add.9), chap. II, paras. 23 and 24.

[6] Ibid., *Supplement No. 5C* (A/55/5/Add.3), chap. II, paras. 12-15.

[7] Ibid., *Supplement No. 5* (A/55/5), vol. I, chap. II, para. 72.

[8] Ibid., *Supplement No. 5A* (A/55/5/Add.1), chap. II, paras. 24-28.

[9] Ibid., *Supplement No. 5E* (A/55/5/Add.5), chap. II, paras. 42 and 43.

[10] Ibid., *Supplement No. 5G* (A/55/5/Add.7), chap. II, paras. 18-22.

[11] Ibid., *Supplement No. 5J* (A/55/5/Add.10), chap. II, paras. 16 and 18.

[12] Ibid., *Supplement No. 5D* (A/55/5/Add. 4), chap. II, paras. 17 and 18.

[13] Ibid., *Supplement No. 5* (A/55/5), vol. IV, chap. II, para.17.

[14] Ibid., *Supplement No. 5H* (A/55/5/Add.8), chap. II, paras. 15-17.

[15] Ibid., *Supplement No. 5* (A/55/5) vol. I, chap. II, paras. 14 and 16.

[16] Ibid., *Supplement No. 5B* (A/55/5/Add.2), chap. II, para. 17.

[17] Ibid., paras. 23-26.

[18] Ibid., *Supplement No. 5E* (A/55/5/Add.5), chap. II, paras. 28-32.

[19] Ibid., *Supplement No. 5* (A/55/5), vol. I, chap. II, paras. 29-32.

[20] Ibid., paras. 66-68.

[21] Ibid., *Supplement No. 5I* (A/55/5/Add.9), chap. II, paras. 28 and 29.

[22] Ibid., *Supplement No. 5C* (A/55/5/Add.3), chap. II, paras. 46-51.

[23] Ibid., *Supplement No. 5A* (A/55/5/Add.1), chap. II, para. 37.

[24] Ibid., *Supplement No. 5I* (A/55/5/Add.9), chap. II, paras. 25 and 26.

[25] Ibid., *Supplement No. 5* (A/55/5), vol. I, chap. II, paras. 301 and 302.

[26] Ibid., *Supplement No. 9* (A/55/9), annex III, paras. 30-33 and 39-42.

[27] Ibid., *Supplement No. 5G* (A/55/5/Add.7), chap. II, paras. 63, 64, 70 and 79.

[28] Ibid., *Supplement No. 5A* (A/55/5/Add.1), chap. II, paras. 91-94, 96 and 97.

[29] Ibid., *Supplement No. 5K* (A/55/5/Add.11), chap. II, paras. 21-24, 34, 35 and 40-43.

[30] Ibid., *Supplement No. 5I* (A/55/5/Add.9), chap. II, paras. 51, 54 and 55.

[31] Ibid., *Supplement No. 5* (A/55/5), vol. IV, chap. II, paras. 28 and 31.

[32] Ibid., vol. I, chap. II, paras. 188, 197, 198, 204, 209, 212, 219-221 and 223.

[33] Ibid., *Supplement No. 5C* (A/55/5/Add.3), chap. II, paras. 39-41.

[34] Ibid., *Supplement No. 5A* (A/55/5/Add.1), chap. II, paras. 139, 140, 148 and 149.

[35] Ibid., *Supplement No. 5F* (A/55/5/Add.6), chap. II, paras. 21-25.

[36] Ibid., *Supplement No. 5B* (A/55/5/Add.2), chap. II, paras. 35 and 36.

[37] Ibid., *Supplement No. 5G* (A/55/5/Add.7), chap. II, paras. 41, 46 and 51.

[38] Ibid., *Supplement No. 5H* (A/55/5/Add.8), chap. II, paras. 20-22.

[39] Ibid., *Supplement No. 5J* (A/55/5/Add.10), chap. II, summary, paras. 45 and 47.

[40] Ibid., *Supplement No. 5* (A/55/5), vol. III, chap. II, paras. 26, 28, 29, 36, 37, 58 and 63.

[41] Ibid., vol. I, chap. II, paras. 35, 38-41, 48 and 49.

[42] Ibid., paras. 99-101, 112 and 113.

[43] Ibid., vol. III, chap. II, paras. 22 and 23.

[44] Ibid., *Supplement No. 5A* (A/55/5/Add.1), chap. II, paras. 32 and 33.

[45] Ibid., *Supplement No. 5G* (A/55/5/Add.7), chap. II, paras. 30 and 31.

[46] Ibid., *Supplement No. 5J* (A/55/5/Add.10), chap. II, paras. 22 and 23.

[47] Ibid., *Supplement No. 5* (A/55/5), vol. IV, para. 21.

[48] Ibid., *Supplement No. 5F* (A/55/5/Add.6), chap. II, paras. 27, 28, 31 and 32.

[49] Ibid., *Supplement No. 5H* (A/55/5/Add.8), chap. II, paras. 24-26.

[50] Ibid., *Supplement No. 5D* (A/55/5/Add.4), chap. II, paras. 42-46, 53 and 54.

[51] Ibid., *Supplement No. 5* (A/55/5), vol. I, chap. II, paras. 244, 245 and 247-249; ibid., *Supplement No. 5B* (A/55/5/Add.2), chap. II, paras. 47, 48 and 50-53; and ibid., *Supplement No. 5A* (A/55/5/Add.1), chap. II, paras. 158, 187-194 and 199.

[52] Ibid., *Supplement No. 5C* (A/55/5/Add.3), chap. II, paras. 52-55.

[53] Ibid., *Supplement No. 5E* (A/55/5/Add.5), chap. II, paras. 57-60.

[54] Ibid., *Supplement No. 5* (A/55/5), vol. I, chap. II, para. 181.

[55] Ibid., *Supplement No. 5K* (A/55/5/Add.11), chap. II, paras. 44-48.

[56] Ibid., *Supplement No. 5L* (A/55/5/Add.12), chap. II, paras. 21-27 and 33-38.

[57] Ibid., *Supplement No. 5J* (A/55/5/Add.10), chap. II, paras. 77 and 83-85.

[58] Ibid., *Supplement No. 9* (A/55/9), annex III, paras. 20-24; ibid., *Supplement No. 5C* (A/55/5/Add.3), chap. II, paras. 42 and 43.

Annex I

List of organizations reported on for the financial period ended 31 December 1999

United Nations[a]

International Trade Centre UNCTAD/WTO[b]

United Nations University[c]

United Nations Development Programme[d]

United Nations Children's Fund[e]

United Nations Relief and Works Agency for Palestine Refugees in the Near East

United Nations Institute for Training and Research[g]

Voluntary funds administered by the United Nations High Commissioner for Refugees[h]

Fund of the United Nations Environment Programme[i]

United Nations Population Fund[j]

United Nations Habitat and Human Settlements Foundation (including the United Nations Conference on Human Settlements (Habitat II))[k]

Fund of the United Nations International Drug Control Programme[l]

United Nations Office for Project Services[m]

International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994[n]

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[o]

The Board also examined the accounts of the United Nations Joint Staff Pension Fund, and the audit report thereon will be included in the report of the United Nations Joint Staff Pension Board.[p]

Notes

[a] *Official Records of the General Assembly, Fifty-third Session, Supplement No.5* (A/55/5), vol. I.

[b] Ibid., *Supplement No. 5* (A/55/5), vol. III.

[c] Ibid., *Supplement No. 5* (A/55/5), vol. IV.

[d] Ibid., *Supplement No. 5A* (A/55/5/Add.1).

[e] Ibid., *Supplement No. 5B* (A/55/5/Add.2).

[f] Ibid., *Supplement No. 5C* (A/55/5/Add.3).

[g] Ibid., *Supplement No. 5D* (A/55/5/Add.4).

[h] Ibid., *Supplement No. 5E* (A/55/5/Add.5).

[i] Ibid., *Supplement No. 5F* (A/55/5/Add.6).

[j] Ibid., *Supplement No. 5G* (A/55/5/Add.7).

[k] Ibid., *Supplement No. 5H* (A/55/5/Add.8).

[l] Ibid., *Supplement No. 5I* (A/55/5/Add.9).

[m] Ibid., *Supplement No. 5J* (A/55/5/Add.10).

[n] Ibid., *Supplement No. 5K* (A/55/5/Add.11).

[o] Ibid., *Supplement No. 5L* (A/55/5/Add.12).

[p] Ibid., *Supplement No. 9* (A/55/9).

Annex II

Status of implementation of recommendations for the period 31 December 1997

	Number of recommendations	*Completed*	*In progress*	*Not implemented*
1. United Nations	25	17	6	2
2. International Trade Centre UNCTAD/WTO	10	4	5	1
3. United Nations University	6	6	0	0
4. United Nations Development Programme	21	13	7	1
5. United Nations Children's Fund	14	14	0	0
6. United Nations Relief and Works Agency for Palestine Refugees in the Near East	13	7	5	1
7. United Nations Institute for Training and Research	6	5	0	1
8. Office of the United Nations High Commissioner for Refugees[a]	6	0	6	0
9. United Nations Environment Programme	8	3	3	2
10. United Nations Population Fund	17	13	3	1
11. United Nations Habitat and Human Settlements Foundation	8	7	0	1
12. United Nations International Drug Control Programme	14	11	3	0
13. United Nations Office for Project Services	10	9	1	0
14. United Nations Joint Staff Pension Fund	8	6	2	0
15. International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994	0	0	0	0
16. 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	1	0	1	0
	167	**115**	**42**	**10**

[a] For UNHCR the previous financial period was 31 December 1998.