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Proposed programme budget for the biennium 2008-2009*

Part IX Internal oversight

Section 29 Internal oversight

(Programme 25 of the biennial programme plan for the period 2008-2009)**

Contents

	<i>Page</i>
Overview	2
A. Executive direction and management	6
B. Programme of work	9
Subprogramme 1. Internal audit	10
Subprogramme 2. Inspection and evaluation	13
Subprogramme 3. Investigations	16
C. Programme support	18

* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixty-second Session, Supplement No. 6 (A/62/6/Add.1)*.

** *Official Records of the General Assembly, Sixty-first Session, Supplement No. 6 (A/61/6/Rev.1)*.



Overview

- 29.1 The overall purpose of the programme is to enhance effectiveness in the implementation of all programmes through continually improved internal control mechanisms within the Organization. The mandate for the programme derives from the responsibility of the Secretary-General as the Chief Administrative Officer of the United Nations, entrusted to him under Article 97 of the Charter of the United Nations. The Office of Internal Oversight Services exercises operational independence under the authority of the Secretary-General in the conduct of its duties, in accordance with Article 97 of the Charter of the United Nations. The Office has the authority to initiate, carry out and report on any action it considers necessary to fulfil its responsibilities with regard to its oversight functions. The Office assists the Secretary-General in fulfilling his internal oversight responsibilities in respect of the resources and staff of the Organization through monitoring, internal audit, inspection and evaluation and investigation.
- 29.2 The mandate for the programme is derived from General Assembly resolutions 48/218 B, 54/244 and 59/272, the relevant provisions of the Financial Regulations and Rules of the United Nations (ST/SGB/2003/7) and of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2000/8).
- 29.3 The Office assists Member States and the Organization in protecting its assets and in ensuring the compliance of programme activities with resolutions, regulations, rules and policies, as well as the more efficient and effective delivery of the activities of the Organization; preventing and detecting fraud, waste, abuse, malfeasance or mismanagement; and improving the delivery of the programmes and activities of the Organization to enable it to achieve better results by determining all factors affecting the efficient and effective implementation of programmes.
- 29.4 The strategy of the Office is focused on ensuring that the Organization has an effective and transparent system of accountability in place and the capacity to identify, assess and mitigate the risks that might prevent it from achieving its objectives. To that end, the Office will (a) propose measures to assist the Organization in responding rapidly to emerging risks and opportunities; (b) provide independent information and assessments to assist effective decision-making; (c) provide independent reviews of the effectiveness of the use of the resources of the Organization; and (d) promote a culture of change, including accountability, planning, integrity, results orientation, and risk awareness and management.
- 29.5 The Office undertakes a number of activities to support the commitment of the Organization to gender mainstreaming, including oversight of United Nations gender mainstreaming efforts. In addition, the Office assists the Organization in achieving better results by determining the factors affecting the efficient and effective implementation of programmes in accordance with, inter alia, the internationally agreed development goals, including those contained in the United Nations Millennium Development Goals, and in the outcomes of the major United Nations conferences and international agreements since 1992. The Office also continues to work to enhance coordination with the United Nations Board of Auditors and the Joint Inspection Unit.
- 29.6 The preparation of the biennial programme plan for the period 2008-2009 preceded the completion of the review of governance and oversight in the United Nations system, as requested by the General Assembly in its resolution 60/1. The report of the independent Steering Committee on the Comprehensive Review of Governance and Oversight within the United Nations and its Funds, Programmes and Specialized Agencies was subsequently issued in addenda (A/60/883 and Add.1 and 2) to the related report of the Secretary-General (A/60/883). A separate report of the Office of Internal Oversight Services addressed proposals for its strengthening (A/60/901). Programme budget proposals under the present budget section have been formulated consistent with the report

of the Office of Internal Oversight Services on its strengthening (ibid.), and the conclusions and recommendations of the Advisory Committee on Administrative and Budgetary Questions as endorsed by the General Assembly in its resolution 61/245. Consistent with the report of the Office of Internal Oversight Services (ibid.), the Secretary-General has issued reports containing revised estimates for the Office of Internal Oversight Services for the biennium 2006-2007 (A/61/610) and revised funding arrangements for the Office of Internal Oversight Services (A/61/810). The staffing adjustments proposed in the revised estimates (A/61/610) have also been taken into account in formulating proposals under the present budget section. Decisions of the General Assembly at its resumed sixty-first session on the resource adjustments set out in document A/61/610, and the related impact on these budget proposals, will be taken into account and incorporated in the budget appropriation at the time of adoption of the programme budget for the biennium 2008-2009 in December 2007. In addition to the resource adjustments contained herein, revisions have been required to programmatic aspects under subprogramme 2, which would now be entitled "Inspection and evaluation". Pursuant to resolution 58/269, programmatic aspects of these revisions will be submitted to the Committee for Programme and Coordination at its forty-seventh session for its review in performing its programmatic role in the planning and budgeting process.

29.7 The overall resources for the Office of Internal Oversight Services for the biennium 2008-2009 amount to \$38,768,900 before recosting, reflecting a growth of \$7,223,700 compared with the revised appropriation for the biennium 2006-2007. The present document takes into account the staffing adjustments reported in document A/61/610, with the exception of the transfer of resources related to the management consulting function. Resources related to the management consulting function continue to be reflected under the present budget section pending a decision by the General Assembly on the transfer of these resources. Should the transfer of the management consulting function as proposed in document A/61/610 be approved by the General Assembly, the related resources (1 D-1, 1 P-5, 1 P-2, 1 General Service (Other level)) would be transferred from section 29, Internal oversight, to section 28A, Office of the Under-Secretary-General for Management, and incorporated in the initial appropriation for the biennium 2008-2009. Detailed arrangements for the preparation of the programme performance report will be addressed separately in the context of the report of the Secretary-General on results based management requested by the General Assembly in resolution 61/245. The growth shown in table 29.2 can be summarized as follows:

- (a) The net increase of \$705,400 under executive direction and management, relates mainly to the strengthening of the Office of the Under-Secretary-General through the inward redeployment of 1 P-5 post from subprogramme 1, Internal audit, to carry out special assistant functions, and the addition of 2 new posts to provide for Legal Officer (P-5 level) and Programme Officer (P-3 level) functions;
- (b) The net increase of \$6,180,400 under programme of work represents:
 - (i) A net increase of \$2,472,300 under subprogramme 1, comprising \$2,534,000 for posts, partially offset by a decrease of \$61,700 for non-post objects of expenditure. A substantial strengthening of the audit area is effected through the net addition of 17 posts, consisting of 9 posts converted from overall general temporary assistance provisions, 10 new posts, and the outward redeployment of 1 P-5 post to the Office of the Under-Secretary-General and 1 P-3 to subprogramme 2, Inspection and evaluation;
 - (ii) A net increase of \$3,984,100 under subprogramme 2, comprising \$2,395,300 for posts and \$1,588,800 for non-post objects of expenditure, would strengthen capacity in the Inspection and Evaluation Division. Through conversion from overall general temporary assistance provisions, 14 posts would be added, and 2 posts would be added through inward redeployment (1 P-4 post from subprogramme 3, Investigations, and

1 P-3 post from subprogramme 1, Internal audit) to strengthen the inspection and evaluation capacity. Adjustments in non-post provisions would provide mainly for services of consultants to increase the scope and frequency of inspection and evaluation, and travel of staff to conduct inspection and evaluation reviews and to carry out workshops at offices away from Headquarters;

- (iii) A net decrease of \$276,000 under subprogramme 3, comprising an increase of \$2,015,800 for posts and a reduction of \$2,291,800 for non-post objects of expenditure, reflects the net addition of 15 posts to strengthen investigative capacity in New York, Vienna, and Nairobi, resulting from 16 posts added through conversion from overall general temporary assistance provisions, and the outward redeployment of 1 P-4 to subprogramme 2, Inspection and evaluation. The reduction in non-post resources relate mainly to the decrease in general temporary assistance provisions as a result of the proposed conversions;
- (c) The net increase of \$337,900 under programme support, comprising an increase of \$284,400 for posts and an increase of \$53,500 for non-post requirements, primarily reflects 3 posts added through conversion from overall general temporary assistance provisions in order to ensure that the Executive Office maintains a capacity to administer increased operations.
- 29.8 Extrabudgetary resources estimated at \$63,903,000 would be utilized for internal oversight activities related to the United Nations funds and programmes, United Nations Joint Staff Pension Fund, United Nations Conference on Trade and Development/World Trade Organization International Trade Centre (ITC), the United Nations Human Settlements Programme (UN-Habitat), the Office of the United Nations High Commissioner for Refugees (UNHCR), the International Tribunal for the Former Yugoslavia, the International Criminal Tribunal for Rwanda, technical cooperation activities and peacekeeping operations. In addition, extrabudgetary resources would be used to enhance professional capacity related to internal oversight functions.
- 29.9 Pursuant to General Assembly resolution 58/269, resources identified for the conduct of monitoring and evaluation would amount to \$1,060,000, reflected under executive direction and management and the programme of work. The amount includes estimated extrabudgetary resources of \$342,300.
- 29.10 The estimated percentage distribution of resources under the present section would be as shown in table 29.1

Table 29.1 **Distribution of resources by component**
(Percentage)

<i>Component</i>	<i>Regular budget</i>	<i>Extrabudgetary</i>
A. Executive direction and management	6.4	—
B. Programme of work		
1. Internal audit	39.3	59.3
2. Inspection and evaluation	24.2	6.3
3. Investigations	24.2	33.0
Subtotal	87.7	98.6
C. Programme support	5.9	1.4
Total	100.0	100.0

- 29.11 Resource growth with respect to regular budget resources would be 22.9 per cent before recosting.

Table 29.2 Resource requirements by component

(Thousands of United States dollars)

(1) Regular budget

Component	2004-2005 expenditure	2006-2007 appropri- ation	Resource growth		Total before recosting	Recosting	2008-2009 estimate
			Amount	Percentage			
A. Executive direction and management	1 793.3	1 787.9	705.4	39.5	2 493.3	135.9	2 629.2
B. Programme of work	19 721.8	27 822.7	6 180.4	22.2	34 003.1	1 992.3	35 995.4
C. Programme support	1 522.7	1 934.6	337.9	17.5	2 272.5	136.0	2 408.5
Subtotal	23 037.8	31 545.2	7 223.7	22.9	38 768.9	2 264.2	41 033.1

(2) Extrabudgetary

	2004-2005 expenditure	2006-2007 estimate	2008-2009 estimate
A. Executive direction and management	—	—	—
B. Programme of work	37 220.9	48 384.5	63 028.8
C. Programme support	433.1	2 941.9	874.2
Subtotal	37 654.0	51 326.4	63 903.0
Total (1) and (2)	60 691.8	82 871.6	104 936.1

Table 29.3 Post requirements

Category	Established regular budget posts		Temporary posts				Total	
	2006-2007	2008-2009	Regular budget		Extrabudgetary ^a		2006-2007	2008-2009
			2006-2007	2008-2009	2006-2007	2008-2009		
Professional category and above								
USG	1	1	—	—	—	—	1	1
D-2	2	3	—	—	—	—	2	3
D-1	3	6	—	—	3	3	6	9
P-5	12	16	—	—	14	14	26	30
P-4/3	35	63	—	—	121	125	156	188
P-2/1	8	19	—	—	2	3	10	22
Subtotal	61	108	—	—	140	145	201	253
General Service								
Principal level	9	9	—	—	1	1	10	10
Other level	20	27	—	—	36	36	56	63
Subtotal	29	36	—	—	37	37	66	73
Other								
Local level	1	1	—	—	24	24	25	25
Total	91	145	—	—	201^a	206^b	292	351

(Footnotes on following page)

(Footnotes to Table 29.3)

^a Includes posts for extrabudgetary oversight activities as follows: UNEP (1 P-4 and 1 (Local level)); UN-Habitat (1 P-3 and 1 General Service (Other level)); UNHCR (1 D-1, 2 P-5, 5 P-4, 4 P-3, 1 P-2 and 3 General Service (Other level)); United Nations Office on Drugs and Crime (1 P-4); Office of the High Commissioner for Human Rights (1 P-4); United Nations Framework Convention on Climate Change (1 P-4); International Trade Centre (1 P-4 and 1 P-2/1); Office for the Coordination of Humanitarian Affairs (1 P-5, 1 P-4 and 1 General Service (Other level)); programme support costs of other extrabudgetary substantive activities (1 P-5, 1 P-3 and 2 General Service (Other level)); technical cooperation (1 P-4 and 1 General Service (Other level)); International Tribunal for Yugoslavia (2 P-4 and 1 P-3); International Criminal Tribunal for Rwanda (2 P-4 and 1 P-3); and support for peacekeeping activities (2 D-1, 10 P-5, 42 P-4, 55 P-3, 1 General Service (Principal level), 28 General Service (Other level) and 23 (Local level)), totalling 201 posts.

^b Includes posts for extrabudgetary oversight activities as follows: UNEP (2 P-4 and 1 (Local level)); UN-Habitat (1 P-3 and 1 General Service (Other level)); UNHCR (1 D-1, 2 P-5, 5 P-4, 4 P-3, 1 P-2 and 3 General Service (Other level)); United Nations Office on Drugs and Crime (1 P-4 and 1 P-3); Office of the United Nations High Commissioner for Human Rights (1 P-4); the United Nations Framework Convention on Climate Change (1 P-4); ITC (1 P-4 and 1 P-2/1); Office for the Coordination of Humanitarian Affairs (1 P-5, 1 P-4 and 1 General Service (Other level)); programme support costs of other extrabudgetary substantive activities (1 P-5, 1 P-3 and 2 General Service (Other level)); technical cooperation (1 P-4 and 1 General Service (Other level)); International Tribunal for Yugoslavia (2 P-4 and 1 P-3); International Criminal Tribunal for Rwanda (2 P-4 and 2 P-3); and support for peacekeeping activities (2 D-1, 10 P-5, 42 P-4, 56 P-3, 1 P-2/1, 1 General Service (Principal level), 28 General Service (Other level) and 23 (Local level)), totalling 206 posts.

A. Executive direction and management

Resource requirements (before recosting): \$2,493,300

- 29.12 The Office of the Under-Secretary-General provides overall strategic planning and monitoring, and ensures effective coordination of the workplan for the Office of Internal Oversight Services. The Office coordinates the work of the three subprogrammes, undertakes liaison with the United Nations Board of Auditors and the Joint Inspection Unit and maintains a close working relationship with the other inspection and oversight services of the operational funds and programmes as well as with those of the United Nations system. Furthermore, the Office provides strict quality control over the reports of the Office of Internal Oversight Services to the General Assembly, oversees resource utilization and acts as a focal point on performance management and for compliance monitoring of recommendations of the Office of Internal Oversight Services.

Table 29.4 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To ensure the efficient and effective implementation and management of the Office's programmes, activities and operations in accordance with the relevant legislative mandates, and to facilitate more transparency and accountability.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Increased timeliness of submission of documentation	<p>(a) Increased percentage of pre-session documents submitted in accordance with the required deadline</p> <p><i>Performance measures</i></p> <p>2004-2005: 28 per cent</p> <p>Estimate 2006-2007: 70 per cent</p> <p>Target 2008-2009: 100 per cent</p>
(b) Increased cooperation with other oversight bodies in the United Nations	<p>(b) Increased number of activities carried out in collaboration with other entities</p> <p><i>Performance measures</i></p> <p>2004-2005: 8 meetings</p> <p>Estimate 2006-2007: 8 meetings</p> <p>Target 2008-2009: 9 meetings</p>
(c) Improved geographical representation and gender balance of staff	<p>(c) (i) Increased percentage of staff recruited from unrepresented and underrepresented Member States in the department</p> <p><i>Performance measures</i></p> <p>2004-2005: 33.3 per cent</p> <p>Estimate 2006-2007: 50 per cent</p> <p>Target 2008-2009: 50 per cent</p> <p>(ii) Increased percentage of women at the Professional level and above for appointments for one year or more</p> <p><i>Performance measures</i></p> <p>2004-2005: 37.9 per cent</p> <p>Estimate 2006-2007: 31 per cent</p> <p>Target 2008-2009: 50 per cent</p>

- (d) Timely recruitment and placement of staff (d) Reduction in the average number of days a Professional post remains vacant

Performance measures

2004-2005: 263 days

Estimate 2006-2007: 217 days

Target 2008-2009: 200 days

External factors

- 29.13 The Office is expected to achieve its objectives and expected accomplishments on the assumption that it receives timely feedback from clients and cooperation from external parties.

Outputs

- 29.14 During the biennium, the following outputs will be delivered:
- (a) Servicing of intergovernmental and expert bodies (regular budget): General Assembly:
- (i) Substantive servicing of meetings of intergovernmental and expert bodies and of the Fifth Committee (6);
- (ii) Parliamentary documentation: annual analytical and summary report to the General Assembly on the activities of the Office and ad hoc reports to the Assembly on specific activities of the Office (2);
- (b) Conference services, administration and oversight (regular budget): organization of and follow-up to meetings; strategic planning and initiatives.

Table 29.5 **Resource requirements**

Category	Resources (thousands of United States dollars)		Posts	
	2006-2007	2008-2009 (before recosting)	2006-2007	2008-2009
Regular budget				
Post	1 647.4	2 360.6	6	9
Non-post	140.5	132.7	—	—
Subtotal	1 787.9	2 493.3	6	9
Extrabudgetary	—	—	—	—
Total	1 787.9	2 493.3	6	9

- 29.15 The requirements of \$2,493,300 will provide for 9 posts and related non-post costs for the Office of the Under-Secretary-General. These resources include provisions for the inward redeployment of 1 P-5 post from subprogramme 1, Internal audit, to carry out the essential functions of Special Assistant to the Under-Secretary-General, and 2 new posts (1 P-5 and 1 P-3) converted from overall general temporary assistance provisions to augment the capacity of the Office of the Under-Secretary-General. They would provide for a Legal Officer at the P-5 level to report directly to the Under-Secretary-General for Internal Oversight Services to ensure the availability of competent legal counsel to enable the Office to respond properly to the outcome of oversight activities that

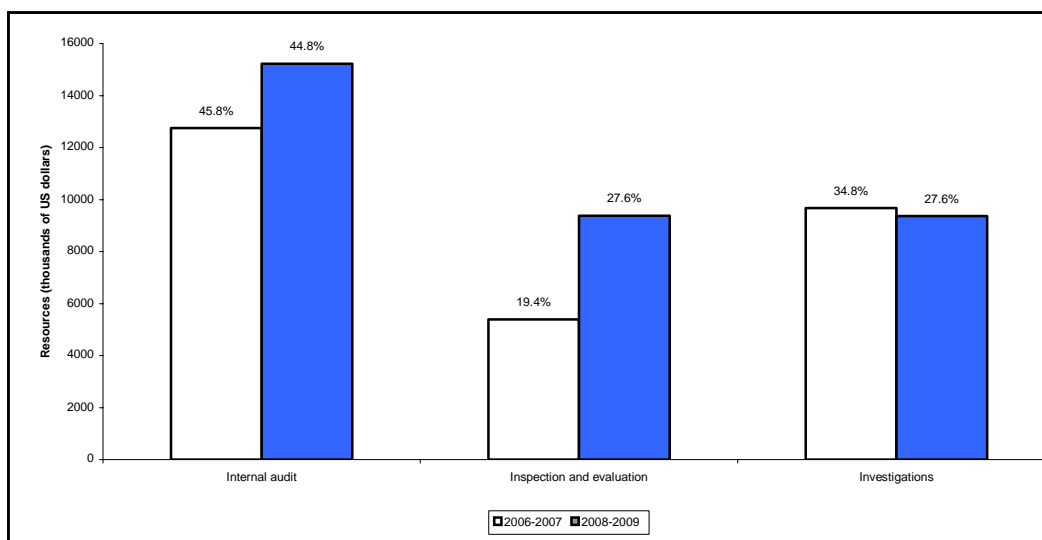
become subject to legal review and to review reports on an as-required basis, and a Programme Officer at the P-3 level to deal with, among other things, the Office's internal and external communications, given the recent growth in the number of the Office's staff and their geographical dispersion. These staffing adjustments are consistent with the proposals reflected in the report on the strengthening of the Office of Internal Oversight Services (A/61/610). Non-post resources primarily reflect decreased requirements for furniture and equipment, partially offset by increased provisions for travel, consultants, other staff costs, and supplies and materials.

B. Programme of work

Table 29.6 Resource requirements

Subprogramme	Resources (thousands of United States dollars)		Posts	
	2006-2007	2008-2009 (before recosting)	2006-2007	2008-2009
Regular budget				
1. Internal audit	12 748.8	15 221.1	41	58
2. Inspection and evaluation	5 394.0	9 378.1	18	34
3. Investigations	9 679.9	9 403.9	20	35
Subtotal	27 822.7	34 003.1	79	127
Extrabudgetary	48 384.5	63 028.8	197	202
Total	76 207.2	97 031.9	276	329

Regular budget resource requirements by subprogramme



Subprogramme 1 Internal audit

Resource requirements (before recosting): \$15,221,100

29.16 The responsibility for this subprogramme is vested in the Internal Audit Division.

Table 29.7 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To ensure efficient and effective implementation and management of programmes, activities and operations by programme managers, in accordance with the relevant legislative mandates, regulations and rules.

Expected accomplishments of the Secretariat	Indicators of achievement
--	----------------------------------

(a) Improved quality of reports provided to programme managers and legislative bodies	(a) (i) Increased percentage of programme managers and Member States that express their satisfaction with the usefulness of internal audit reports <i>Performance measures</i> 2004-2005: 75 per cent Estimate 2006-2007: 78 per cent Target 2008-2009: 80 per cent (ii) Number of external and internal quality reviews to appraise and express an opinion that internal audit activities generally conform with the Standards for the Professional Practice of Internal Auditing <i>Performance measures</i> 2004-2005: 1 Estimate 2006-2007: 1 Target 2008-2009: 2
(b) Increased coverage of areas presenting risks to the Organization	(b) (i) Increased percentage of audits based on a systematic assessment of risks <i>Performance measures</i> 2004-2005: 70 per cent Estimate 2006-2007: 80 per cent Target 2008-2009: 100 per cent

	(ii) Increased percentage of critical recommendations addressing identified key risk areas
	<i>Performance measures</i>
	2004-2005: zero per cent
	Estimate 2006-2007: 60 per cent
	Target 2008-2009: 70 per cent
(c) Improved levels of efficiency and effectiveness in the implementation of programmes, and enhanced accountability by programme managers	(c) (i) Increased percentage of critical audit recommendations accepted by programme managers
	<i>Performance measures</i>
	2004-2005: 80 per cent
	Estimate 2006-2007: 85 per cent
	Target 2008-2009: 100 per cent
	(ii) Actual savings and recoveries resulting from implementation of audit recommendations
	<i>Performance measures</i>
	2004-2005: 42.1 million
	Estimate 2006-2007: 13.5 million
	Target 2008-2009: 17.5 million

External factors

- 29.17 The subprogramme is expected to achieve its objectives and expected accomplishments on the assumption that programme managers render full support to the conduct of internal audits and implement recommendations to realize savings identified.

Outputs

- 29.18 During the biennium, the following outputs will be delivered:
- (a) Servicing of intergovernmental and expert bodies:
 - (i) General Assembly:
 - a. Substantive servicing of the Fifth Committee (12);
 - b. Parliamentary documentation: audit reports on the basis of audits conducted (8);
 - (b) Conference services, administration and oversight (regular budget/extrabudgetary): produce up to 400 audit reports for programme managers during the biennium; review compliance by departments and offices with audit recommendations.

Table 29.8 Resource requirements

Category	Resources (thousands of United States dollars)		Posts	
	2006-2007	2008-2009 (before recosting)	2006-2007	2008-2009
Regular budget				
Post	10 551.2	13 085.2	41	58
Non-post	2 197.6	2 135.9	—	—
Subtotal	12 748.8	15 221.1	41	58
Extrabudgetary	30 701.2	37 896.7	114	117
Total	43 450.0	53 117.8	155	175

29.19 The amount of \$15,221,100 will provide for 58 posts and related non-post resources. Adjustments under this subprogramme reflect an increase of 17 posts as follows:

- (a) Nine posts would be converted from general temporary assistance resources, consisting of eight posts (1 D-1, 1 P-5, 3 P-4 and 3 P-3) to strengthen audit operations in New York, and one D-1 post to head audit operations based in Nairobi (see also A/61/610, para. 14);
- (b) Two net outward redeployments resulting from the outward redeployment of one P-5 post to strengthen the Office of the Under-Secretary-General, and one P-3 post to strengthen capacity in subprogramme 2, Inspection and evaluation; and the redeployment within the subprogramme of one General Service (Other level) post from Internal Audit, New York, to augment Internal Audit, Geneva, as initially reflected in the proposed programme budget for 2006-2007 (see also A/61/610, para. 14). It is recalled that action on Office of Internal Oversight Services proposals contained in the proposed programme budget for the biennium 2006-2007 was deferred pending the result of the review of the Office of Internal Oversight Services, in accordance with the recommendation of the Advisory Committee on Administrative and Budgetary Questions (A/60/7/Add.14);
- (c) Ten new posts are proposed to strengthen the audit area. Five posts at the New York Office, consisting of: (i) three P-4 posts and one P-3 post to conduct additional risk assessments to obtain a comprehensive picture of the risks faced by the Organization, and to audit high-risk, and medium- and low-risk areas adequately, and to achieve the goal of 100 per cent risk-based audit plans from 2008 onward; and (ii) one P-4 post for the Office of the Director to handle the increased workload of the Office owing to the recent merging of two internal audit divisions and additional risk assessments. At the Geneva office, the four additional posts consists of the following: one P-5 post to supervise and provide direction to audits of the significantly increasing United Nations field operations, learning and training institutions in Europe and other worldwide operations under the remit of the Geneva office, to ensure the coverage of high-risk areas plus medium- and low-risk areas on a cyclical basis, and to achieve the goal of 100 per cent risk-based audit plan from 2008 onward; one P-3 post and one P-2 post to cover auditing of regular budget-funded operations, and high-risk areas which are considered to have inadequate audit coverage; and one P-3 post as a Programme Officer to head the Administration Unit and support the staff at the Geneva office. At the Nairobi office, a P-4 post is required to ensure adequate audit coverage of high-risk areas of regular budget activities under the responsibility of the Nairobi office, including the economic commissions, medium- and low-risk areas on a cyclical basis, and regular budget activities in UNEP, UN-Habitat and United Nations Office at Nairobi.

- 29.20 The reduction of \$61,700 in non-post resources relates primarily to decreased provisions for general temporary assistance, partially offset by increased provisions for audit-related consultancy services and travel, and other non-post requirements.

Subprogramme 2 Inspection and evaluation

Resource requirements (before recosting): \$9,378,100

- 29.21 In accordance with the report of the Office of Internal Oversight Services on its strengthening (A/60/901), responsibility for subprogramme 2, Inspection and evaluation (formerly Monitoring, evaluation and consulting) would be vested in the Inspection and Evaluation Division. The Inspection and Evaluation Division would comprise two sections, namely, the Evaluation Section and the Inspection Section in support of the strengthened focus on inspection and evaluation. It is expected that the Division will increase the number of reports to 11 to 13 inspection reports, and 8 to 10 evaluation reports on an annual basis.
- 29.22 A stronger Office of Internal Oversight Services inspection function will be assigned the task of conducting detailed inspections of entities and cross-cutting areas based on predetermined criteria that would include an assessment of risks and concerns expressed by the General Assembly or senior management. The inspection approach and methodology will be reassessed by the Office of Internal Oversight Services and realigned with the work of the other Office of Internal Oversight Services functions. The Office also foresees the use of staff in investigations and internal audit as required to supplement the skills of the inspection teams.
- 29.23 The Office of Internal Oversight Services will continue to provide the Organization and the General Assembly with central, independent, in-depth evaluations. This function also provides the centre of excellence for the Organization in regard to methodology, expertise and support for programme evaluations undertaken at the departmental level. Additional evaluations will be proposed, based on the requirements of the Committee for Programme and Coordination. Evaluation complements the other three oversight functions of audit, inspection and investigation by focusing on the broader issues of the relevance, effectiveness and impact of Secretariat programmes. Although Secretariat programmes do conduct self-evaluation, such exercises are not sufficient as the only source of information on programme performance and they therefore need to be complemented and validated by the central evaluation function in the Organization, which provides more independent and objective evaluative information.
- 29.24 With regard to the monitoring function, the preparation of the biennial report of the Secretary-General on programme performance would be relocated within the Secretariat. At the same time, the ability of the Office of Internal Oversight Services to carry out the oversight aspects of monitoring will be strengthened through an expanded inspection and evaluation programme, with increased staff resources and by being released from conflicting simultaneous roles of performance reporting and determining actual performance. With the transfer of responsibility for preparation of the performance report, oversight skills and competencies will instead be utilized to provide management and the General Assembly with independent, objective validation and analysis of programme performance reporting rather than to compiling the report, which is more appropriately a management responsibility. Detailed arrangements related to the preparation of the programme performance report, will be addressed in the context of the report of the Secretary-General on results-based management requested by the General Assembly in its resolution 61/245.
- 29.25 With regard to management consulting services, as indicated in the report of the Office of Internal Oversight Services (A/60/901), this function would be more appropriately positioned outside that

Office. Pending a decision by the General Assembly, no action has as yet been taken in the present document to reflect the transfer of the related resources. Following General Assembly consideration of the report of the Secretary-General (A/61/610), any related resulting adjustment of resources would be incorporated in the initial appropriation for the biennium 2008-2009.

Table 29.9 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To mitigate risks to, and to enhance relevance and effectiveness of the Secretariat through independent, rigorous and objective programme inspection and evaluation.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) High quality of inspection reports	(a) Percentage of inspection reports assessed externally to be of good quality <i>Performance measures</i> 2004-2005: zero per cent Estimate 2006-2007: 100 per cent Target 2008-2009: 100 per cent
(b) High quality of in-depth, thematic and other external evaluation reports	(b) Percentage of evaluation reports assessed externally to be of good quality <i>Performance measures</i> 2004-2005: zero per cent Estimate 2006-2007: 100 per cent Target 2008-2009: 100 per cent
(c) Improved tools and methods for self-evaluation and their increased use	(c) Increased percentage of requests met for technical assistance with self-evaluation <i>Performance measures</i> 2004-2005: zero per cent Estimate 2006-2007: 75 per cent Target 2008-2009: 80 per cent

External factors

- 29.26 The subprogramme is expected to achieve its objectives and expected accomplishments on the assumption that programme managers render full support to the conduct of self-evaluation, and for external inspections and evaluations.

Outputs

29.27 During the biennium, the following outputs will be delivered:

- (a) Servicing of intergovernmental and expert bodies (regular budget):
 - (i) General Assembly:
 - Substantive servicing of meetings including those of the Fifth Committee on evaluation issues (8);
 - (ii) Committee for Programme and Coordination:
 - a. Substantive servicing of meetings of other intergovernmental and expert committees directly concerned with each programme evaluated (10); substantive servicing of the Committee for Programme and Coordination (30);
 - b. Parliamentary documentation: biennial report on follow-up to evaluation recommendations (1); biennial report on strengthening the role of evaluation (1); in-depth evaluation reports (14); thematic evaluation reports on topics to be decided by the Committee for Programme and Coordination (4);
- (b) Conference services, administration and oversight (regular budget):
 - (i) Inspections: five inspection reports and two reports on compliance with programme performance reporting per year (14); input to annual report of the Office of Internal Oversight Services (1); monitoring the implementation of recommendations resulting from inspections on the status of implementation (1);
 - (ii) Evaluations: assistance to programme managers in strengthening self-evaluation capacities and providing training as requested (1); client-requested evaluations (2); input to the annual report of the Office of Internal Oversight Services (1); methodological assistance and guidance to programme managers on self-evaluation (1); review of compliance by departments and offices with approved evaluation recommendations (1); support for the United Nations Evaluators Group (1).

Table 29.10 Resource requirements

Category	Resources (thousands of United States dollars)		Posts	
	2006-2007	2008-2009 (before recosting)	2006-2007	2008-2009
Regular budget				
Post	5 162.5	7 557.8	18	34
Non-post	231.5	1 820.3	—	—
Subtotal	5 394.0	9 378.1	18	34
Extrabudgetary	1 842.0	4 023.3	3	5
Total	7 236.0	13 401.4	21	39

29.28 Requirements of \$9,378,100 reflect the strengthening of this subprogramme, including the net addition of 16 posts. Two posts would be inwardly redeployed, consisting of one P-4 post from subprogramme 3, Investigations, to establish a self-evaluation and learning function; and one P-3 post from subprogramme 1, Internal audit, to increase capacity to carry out inspections. The other 14 additional posts (1 D-2, 5 P-3, 6 P-2/1, and 2 General Service (Other level)) would support the

strengthened focus on inspection and evaluation given the overall requirements under this subprogramme, consistent with the staffing adjustments reflected in the report on the strengthening of the Office of Internal Oversight Services (A/61/610). In that report it is proposed that nine posts would be converted from general temporary assistance provisions, and with the planned outward transfer of the management consulting function, an additional five posts would strengthen operations under this subprogramme. Pending a decision by the General Assembly on the transfer of the management consulting function, no action has as yet been taken in the present document to reflect the transfer of the related resources. Should the transfer of the management consulting function as proposed in document A/61/610 be approved by the General Assembly, the related resources (1 D-1, 1 P-5, 1 P-2 and 1 General Service (Other level) under the regular budget and 2 P-4 posts under the peacekeeping support account) would be transferred from section 29, Internal oversight, to section 28A, Office of the Under-Secretary-General for Management, and incorporated in the initial appropriation for 2008-2009. Provisions for non-post objects of expenditure mainly reflect increases in provisions for services of consultants to increase the scope and frequency of inspection and evaluation, and travel of staff to conduct inspection and evaluation reviews and to carry out workshops at offices away from Headquarters, partially offset by a reduction in contractual services.

Subprogramme 3 Investigations

Resource requirements (before recosting): \$9,403,900

29.29 The subprogramme is under the responsibility of the Investigations Division.

Table 29.11 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To ensure through investigations compliance with regulations and rules of the United Nations and to minimize the occurrence of fraud, violations of regulations and rules of the United Nations, mismanagement, misconduct, waste of resources and abuse of authority.

Expected accomplishments of the Secretariat

Indicators of achievement

Better protection of the Organization's assets and resources and greater compliance with the Organization's rules and regulations

Increased percentage of investigation recommendations accepted and implemented

Performance measures

2004-2005: 84 per cent

Estimate 2006-2007: 86 per cent

Target 2008-2009: 88 per cent

External factors

29.30 The subprogramme is expected to achieve its objectives and expected accomplishment on the assumption that external parties will cooperate in investigations.

Outputs

- 29.31 During the biennium, the following outputs will be delivered:
- (a) Servicing of intergovernmental and expert bodies (regular budget):
 - (i) Substantive servicing of the Fifth Committee (4);
 - (ii) Parliamentary documentation: investigation reports on the basis of investigations conducted (4);
 - (b) Internal oversight services (regular budget/extrabudgetary): assessment of the potential within programme areas for fraud and other violations through the analysis of systems of control in high-risk operations as well as offices away from Headquarters; clearance of backlog of cases for the period from 1998 to 2003; continuing improvements in the confidential reporting facility as instituted under administrative instruction ST/AI/397; management of a conservatively estimated 970 additional cases of theft, embezzlement, smuggling, bribery and other forms of misconduct, as well as waste of resources, abuse of authority and mismanagement; assistance and advice on prevention of fraud and other acts of misconduct, as well as waste of resources, abuse of authority and mismanagement; assistance and expertise for programme managers and for the separately administered funds and programmes and investigations units of other international agencies with their investigation needs; investigative oversight services relating to functions performed by United Nations staff in connection with missions established by the Security Council; review of compliance of departments and offices with recommendations resulting from investigations, and provision of assistance; participation in the Conference of International Investigators, the Interpol Group of Experts on Corruption and the International Group for Anti-Corruption Coordination.

Table 29.12 **Resource requirements**

Category	Resources (thousands of United States dollars)		Posts	
	2006-2007	2008-2009 (before recosting)	2006-2007	2008-2009
Regular budget				
Post	5 085.6	7 101.4	20	35
Non-post	4 594.3	2 302.5	—	—
Subtotal	9 679.9	9 403.9	20	35
Extrabudgetary	15 841.3	21 108.8	80	80
Total	25 521.2	30 512.7	100	115

- 29.32 The amount of \$9,403,900 would provide for 35 posts and related non-post resources. The net adjustment of 15 additional posts is the net result of 16 conversions and 1 outward redeployment from this subprogramme. A total of 16 posts are proposed to be converted from general temporary assistance provisions, of which 8 posts (1 D-1, 4 P-4, 2 P-3 and 1 General Service (Other level)) would be based in New York, while the complement in Vienna would increase by 6 posts (1 P-5, 4 P-2 and 1 General Service (Other level)) and in Nairobi by 2 posts (2 P-4). In addition, 2 posts (1 P-5 and 1 P-4) from the Investigations Office in Vienna would be redeployed to Investigations New York, and 1 P-4 post would be outwardly redeployed from Investigations New York to subprogramme 2, Inspection and evaluation. These staffing adjustments are consistent with the

proposals reflected in the report on the strengthening of the Office of Internal Oversight Services (A/61/610). The reduction in non-post resources relates primarily to the decrease in general temporary assistance as a result of the proposed conversions, partially offset by increased provisions for investigation related consultancy services and travel, and other non-post requirements.

C. Programme support

Resource requirements (before recosting): \$2,272,500

- 29.33 Responsibility for providing backstopping support for the work of the internal oversight programme is vested in the Executive Office.

Outputs

- 29.34 During the biennium, the following outputs will be delivered: overall administration and management: administration of the Office of Internal Oversight Services staff and financial resources located at Headquarters, Geneva, Vienna, Nairobi and other duty stations under the delegation of authority granted by the Secretary-General (see ST/AI/401 and ST/AI/2003/4) and in accordance with the regulations and rules of the United Nations; recruitment of oversight staff in peacekeeping missions; provision of advice to the Office of Internal Oversight Services senior managers on administrative, financial, personnel and budgetary matters; and servicing of the Office of Internal Oversight Services review body.

Table 29.13 **Resource requirements**

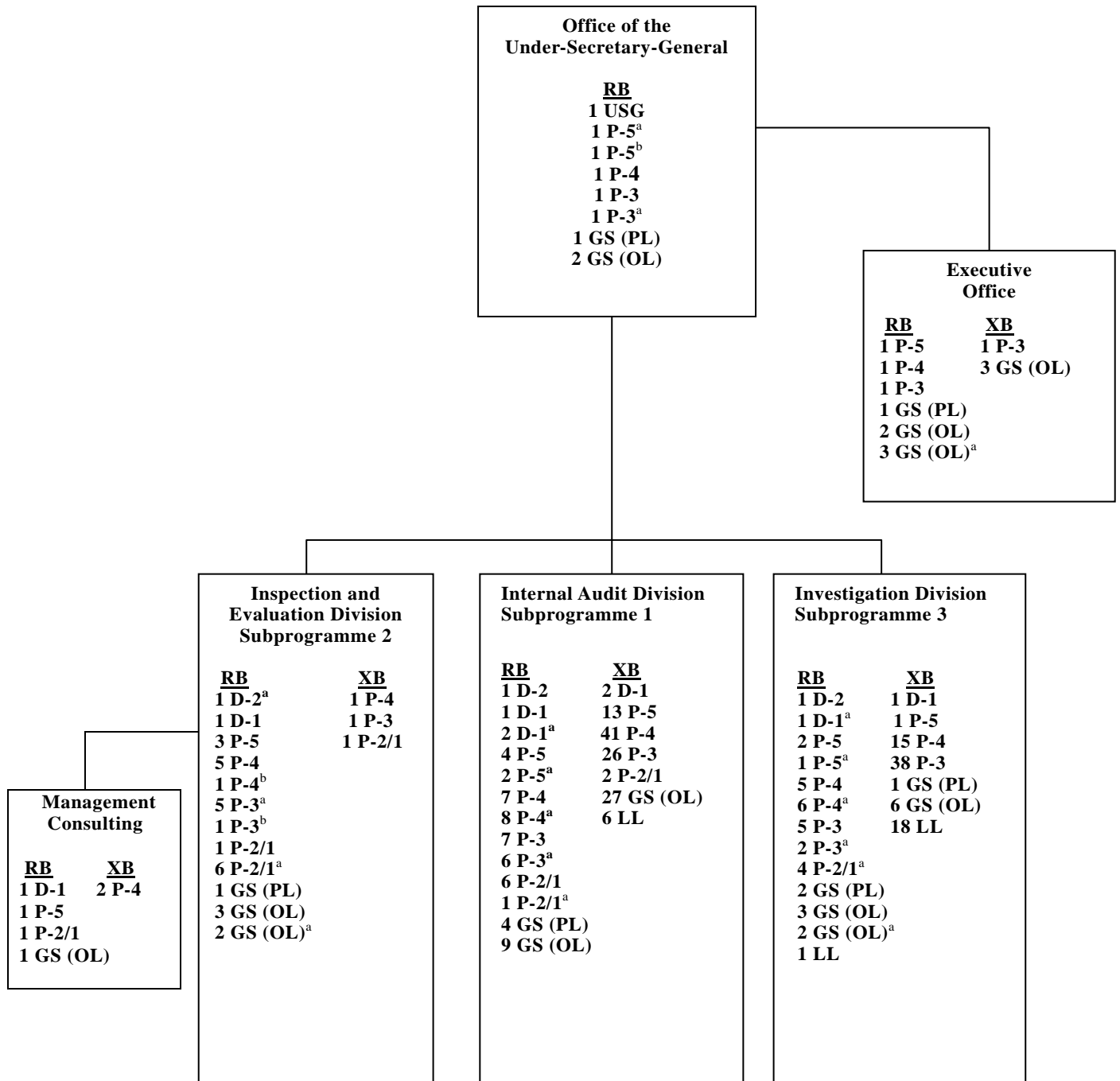
Category	Resources (thousands of United States dollars)		Posts	
	2006-2007	2008-2009 (before recosting)	2006-2007	2008-2009
Regular budget				
Post	1 434.8	1 719.2	6	9
Non-post	499.8	553.3	—	—
Subtotal	1 934.6	2 272.5	6	9
Extrabudgetary	2 941.9	874.2	4	4
Total	4 876.5	3 146.7	10	13

- 29.35 The requirements of \$2,272,500 will provide for nine posts and related non-post resources, reflecting three additional General Service (Other level) to ensure that the Executive Office maintains a capacity to administer increased operations (see A/61/610, para. 19). The increase in non-post resources relates primarily to requirements for central data processing services and infrastructure and information technology service level agreements for staff based in New York.

Table 29.14 **Summary of follow-up action taken to implement relevant recommendations of the oversight bodies**

<i>Brief description of the recommendation</i>	<i>Action taken to implement the recommendation</i>
Report of the Board of Auditors (A/59/5, vol. I, chap. II)	
<p>The Board recommends that (a) the Office continue to ensure that staff are adequately trained and (b) continue with its plan of implementing online training. The Board also recommends that the Office ensure that it obtain the required resources to effectively perform ICT audits.</p>	<p>(a) Current resources have been inadequate to provide the level of training required to comply with internal audit standards. In the current budget, the Office requests increased training funds in order to meet valid training requirements, which are needed to increase capacity and competence of staff, and (b) online training is already being used in the Office and will continue. Regarding the ICT audits, resources have been obtained to recruit ICT audit staff. Currently, an ICT auditor has been recruited and three more are being recruited.</p>
<p>The Board recommends that the Office of Internal Oversight Services address the causes of delays in reporting its audit results.</p>	<p>The Office of Internal Oversight Services will continue to make every effort to ensure that audit results are issued on a timely basis. As a result of the recent implementation of an audit information system and the internal restructuring of operations, it is expected that the monitoring of the status of reports will be significantly improved.</p>

**Office of Internal Oversight Services
Organizational structure and post distribution for the biennium
2008-2009**



^a New.
^b Inward redeployment.

Abbreviations:
RB — Regular budget; XB — extrabudgetary.
GS (PL) — General Service (Principal level)
GS (OL) — General Service (Other level)
(LL) — Local level

Annex

Outputs produced in 2006-2007 not to be carried out in the biennium 2008-2009

<i>A/60/6 (Sect. 29) paragraph</i>	<i>Output</i>	<i>Quantity</i>	<i>Reason for discontinuation</i>
29.24 (a) (i) a.	Substantive servicing of meetings on management consulting issues	3	To be moved out of Office of Internal Oversight Services
29.24 (a) (i) a.	Substantive servicing of meetings on monitoring and inspection issues	10	With programme performance reporting activity to be moved out of the Office of Internal Oversight Services, monitoring issues have been moved to major activity "Conference services, administration and oversight" under inspections
29.24 (a) (i) b.	General Assembly-mandated reports on topics to be decided	1	No General Assembly requests received
29.24 (a) (i) b.	Reports on initial or follow-up inspection reviews of selected Secretariat departments and regional commissions	5	Activity reformulated — moved from "Parliamentary documentation" to "Conference services, administration and oversight" under inspections
29.24 (a) (ii) a.	Substantive servicing of the Committee for Programme and Coordination on monitoring issues	5	Programme performance reporting to be moved out of Office of Internal Oversight Services
29.24 (a) (ii) b.	Report of the Secretary-General on the programme performance of the Organization for the biennium 2004-2005	1	Programme performance report for the 2004-2005 biennium completed in 2006 Future programme performance reports to be moved out of Office of Internal Oversight Services
29.24 (a) (ii) b.	Triennial reviews of programmes on the law of the sea and ocean affairs and public administration, finance and development	2	Completed in 2006-2007 biennium
29.24 (b)	Maintenance and expansion of programme performance website	1	To be moved out of Office of Internal Oversight Services
29.24 (b)	Maintenance of network of programme performance focal points	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (i)	Learning: learning and training services to enhance skills and knowledge in the area of oversight	1	Activity no longer centralized under subprogramme 2
29.24 (c) (ii)	Monitoring enhancement of the Integrated Monitoring and Documentation Information System	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (ii)	Support for the further implementation of results-based management, including methodological enhancements	1	To be moved out of Office of Internal Oversight Services

<i>A/60/6 (Sect. 29) paragraph</i>	<i>Output</i>	<i>Quantity</i>	<i>Reason for discontinuation</i>
29.24 (c) (ii)	Periodic monitoring of programme implementation and results under all programme budget sections and feedback to programme managers	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (ii)	Assistance in strengthening monitoring and programme performance assessment efforts to support the implementation of results-based management, including guidelines, advisory notes, training and the sharing of knowledge on best practices and in other areas	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (iii)	Strengthening the monitoring and evaluation initiative of the Secretary-General's reform	1	Completed in 2006-2007 biennium
29.24 (c) (iii)	Guidance and training on participatory evaluation techniques	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (v)	Management reviews: monitoring the implementation of recommendations	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (v)	Input to the annual report of the Office of Internal Oversight Services	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (v)	Change management support for programme managers to implement reform objectives	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (v)	Identification of areas for organizational change and strategies to address resistance to change, and design of plans to implement and ensure the sustainability of change, as requested	1	To be moved out of Office of Internal Oversight Services
29.24 (c) (v)	Management consulting services, as requested, to improve the efficiency and effectiveness of programme implementation and to enhance organizational structures, business processes and the management of departments and offices	1	To be moved out of Office of Internal Oversight Services
Total		41	