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Summary record of the 4th meeting
Held at Headquarters, New York, on Wednesday, 8 October 2008, at 10 a.m.

Chairman: Mr. Bródi . . . . . (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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08-54031 (E)

The meeting was called to order at 10.15 a.m.

Agenda item 122: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/C.5/63/L.2)

Draft resolution A/C.5/63/L.2: Scale of assessments for the apportionment of the expenses of the United Nations: requests under Article 19 of the Charter

1. *Draft resolution A/C.5/63/L.2 was adopted*.

Agenda item 117: Review of the efficiency of the administrative and financial functioning of the United Nations

Accountability framework and results-based management (A/61/805; A/62/701 and Corr.1 and Add.1 and A/62/704; A/63/268 and A/63/457)

2. **Ms. Kane** (Under-Secretary-General for Management), introducing the report of the Secretary-General on and revised estimates relating to the accountability framework, enterprise risk management and internal control framework and results-based management framework (A/62/701 and Corr.1 and Add.1), said that the report provided a combined response to the request for information made by the General Assembly in its resolution 61/245, following the Secretary-General's comprehensive review of governance and oversight in 2006, itself prompted by the 2005 World Summit, and to the request for annual reports on measures to strengthen accountability made by the General Assembly, in its resolution 59/272, as the three issues were inescapably linked.

3. Mindful of the public pressure on international organizations and national governments to increase accountability, the Secretary-General had made the matter a priority. His aim was to create an accountability architecture within the United Nations which moved from the current broad collection of loosely integrated regulations, rules and procedures to an integrated system in which results were monitored and evaluated and programme managers and individual staff members were responsible for the consequences of their actions. The accountability architecture would be based on three pillars, or key elements: performance, compliance and oversight, and integrity.

4. The performance pillar included the various planning instruments setting out the Secretariat's intended achievements, the resources required for their accomplishment and the mechanisms for holding the Secretariat and individual staff accountable for success or failure. The compliance and oversight pillar included all relevant regulations, rules and standards to be followed to achieve the desired results, and mechanisms for assessing compliance. The integrity pillar clearly established the standards of behaviour expected from all United Nations staff, and the support and advice mechanisms available to ensure that those ethical standards were met.

5. In addition, the proposed accountability architecture included two new dimensions: risk management and internal control; and results-based management. Through an enterprise risk management and internal control framework, the Secretariat should be able to identify, assess, evaluate, prioritize, manage and control risks, including those associated with reputation, financial resources, operational ability and governance. The incorporation of risk mitigation into the Organization's processes in order to promote success in its mandates and objectives required a change in planning culture, and a simple model or methodology of risk management that could be applied consistently by all departments, offices and peacekeeping missions.

6. As the Organization was called upon to do more and more in all parts of the globe, it must focus its time, energy and resources on the stated priorities of the Member States and enable them to measure success and hold it to account. The second new dimension of the proposed accountability architecture was therefore results-based management, reflecting the need to instil a results-oriented culture at all levels of the Secretariat while also adhering to the Organization's rules, regulations and ethical standards. To become fully results-oriented, managers needed better tools and guidance on how to link together planning, budgeting, monitoring and evaluation. Taking inspiration from a comprehensive review of results-based management conducted in response to General Assembly resolution 61/245, such guidance should indicate how to apply lessons learned and how to use information in decision-making. To make the Organization more performance-oriented, the Secretary-General had proposed implementation of a results-based management framework around a five-principle action plan based on proven management principles, in-house expertise and best practice.

7. Lastly, the resource requirements described in the revised estimates (A/62/701/Add.1), which included

the redeployment of two posts from the Office of Internal Oversight Services (OIOS), were not large, and carried substantial medium- and long-term benefits.

8. **Ms. Ahlenius** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services containing its review of results-based management at the United Nations (A/63/268*), drew the attention of the Committee to the reissued version of the report in question, dated 22 September 2008, which, unlike the version dated 12 August 2008, correctly reflected the OIOS analysis of the issue.

9. OIOS had formed the understanding that the General Assembly, through its resolution 55/231 of 2001, had introduced results-based budgeting as a step towards results-based management, as the two concepts were inseparable. Results-based management moved the Organization's focus away from the delivery of inputs, activities and outputs, with an emphasis on rules and regulations, towards governance and oversight, with an emphasis on the effects of activities. Such a change in turn required a fundamental alteration of the associated framework of accountability and control, and the establishment of a kind of contract of trust between governing bodies and managers. Under that arrangement, managers were expected to report on their results and performance, and allow independent audit and evaluation, while being left free to decide how to achieve the mandates established by their governing bodies most effectively.

10. However, as indicated by the subtitle of its report, "Results-based management has been an administrative chore of little value to accountability and decision-making", OIOS had concluded that, in the Secretariat, results-based management had been established and perceived as yet another paper-based reporting and compliance requirement. Although desired results had been used to some degree to justify requests for financial resources, success or failure in achieving those results had no discernible effect on subsequent resource-allocation of and decision-making.

11. The introduction of results-based management had not reduced the overall burden of rules, procedures and reporting obligations applying to financial, programme and human resources management, thus undermining the flexibility and discretion managers required in order to achieve results. Moreover, the emphasis on results was superficial, inconsistent, and frequently based on very poor data. For example, the enterprise resource planning strategy, as currently conceived, failed to provide for measuring resource planning and reporting against programme results. The logical frameworks presenting the results used to justify resource requests were still to be monitored outside the enterprise resource planning system, yet until that system was able to show the financial and human resources used to pursue the desired results, it would not help to analyse the Organization's efficiency and effectiveness.

12. Results-based management could not be addressed simply by delegating responsibility to the Secretary-General, whose administrative authority under Article 97 of the Charter of the United Nations was too restricted to assist in ensuring accountability and the accomplishment of results. Rather, accountability must be seen as a two-way street, with the role of the General Assembly not being confined to placing demands on the Secretariat. If mandates were conferred with no restriction and the Secretary-General was unable to resist new mandates and requests for reports, and if, in addition, the General Assembly could not accept that decisions in an environment of results-based management required a willingness to acknowledge failure as well as success, the staff of the Secretariat would inevitably expend time and effort on performance that could be measured rather than on performance that was most relevant.

13. Contrary to intentions, results-based management had not so far helped to strengthen overall accountability. Rather than instilling a culture of decision-making based on evidence, or of continuous improvement in performance, and rather than encouraging innovation and reform, the policy might have perpetuated a culture of compliance. OIOS had observed a disconnect between expected accomplishments, measurements of performance and setting of targets. Furthermore, programme managers were able in practice to set their own performance targets even after a biennium had begun.

14. Results-based management was also disconnected from the budget process. Rather than helping Member States to make strategic and governance-related decisions, it had developed into a time-consuming and frustrating technocratic exercise, encouraging governing bodies to become more deeply involved than was necessary in the discussion of budgets and performance. Rather, results-based management should have led the

intergovernmental bodies to address questions of overall United Nations direction and strategy and the role required of Member States in order for the Organization to achieve its objectives.

15. The report of the Secretary-General on and revised estimates relating to the accountability framework, enterprise risk management and internal control framework and results-based management framework (A/62/701 and Corr.1 and Add.1) had been presented as a practical and phased strategy for the only realistic way to implement results-based management. However, OIOS had noted its failure to give clear guidance on how to provide a coherent, analytical or operational framework to reconcile results-based management with accountability, internal control and enterprise risk. While OIOS had no simple solution to the difficult task of implementing results-based management in the Organization, it took the view that the policy could only succeed if coupled with clear objectives, a framework of more delegated authority, and accountability systems. More broadly, a link should exist between expected accomplishments, decision-making procedures and methods for allocating financial resources.

16. **Mr. Fontaine Ortiz** (Chairperson, Joint Inspection Unit), introducing the report of the Joint Inspection Unit (JIU) on results-based management in the United Nations in the context of the reform process (A/61/805), recalled that, in 2004, the General Assembly had been presented with a benchmarking framework for the implementation of results-based management in the United Nations system proposed by JIU in its overview of the series of reports on managing for results in the United Nations system (A/59/617); that, in 2005, the Chief Executives Board for Coordination (CEB) and the Committee for Programme and Coordination (CPC) had invited the General Assembly to endorse that framework; and that, also in 2005, the General Assembly, in its resolution 60/257 on programme planning, had endorsed the CPC recommendations. Although the present JIU report had been transmitted to the Secretariat in September 2006, the General Assembly had not received it until March 2007 and had faced a further wait, until February 2008, for the Secretary-General's related comments (A/62/704). That was not in consonance with article 11 of the statute of JIU regarding distribution of JIU reports and comments thereon.

17. JIU had compared its own report on results-based management, the benchmarking framework approved by the General Assembly in its resolution 60/257 and the new results-based management and accountability frameworks recommended by the Secretary-General in his report (A/62/701), concluding that the principles already adopted by the General Assembly on the basis of the original series of reports on managing for results, the subject of the JIU report in document A/59/617, were in fact more comprehensive and specific than the Secretary-General's new proposals, and contained elements crucial to the implementation of results-based management that were missing from those proposals. As the Secretary-General concurred with the findings and recommendations in the present JIU report, JIU wondered if the study which had yielded the new proposals was justified.

18. The Assembly must consider four frameworks on the same subject: the framework already approved in resolution 60/257; two new frameworks proposed by the Secretary-General in his report (A/62/701); and recommendation 1 made by OIOS in its report (A/63/268*), which invited the Secretary-General to propose to the General Assembly an overarching policy and terminological framework to circumscribe the extent and limitations of results-based management in the Secretariat. It was therefore for the Assembly to reconfirm, change or replace the benchmarking framework approved in its resolution 60/257.

19. Among the recommendations in the JIU report on results-based management in the United Nations in the context of the reform process (A/61/805) were two with far-reaching implications. In recommendation 1, JIU invited the General Assembly to establish a golden rule whereby new reports on the same reform or management processes should be accompanied by an evaluation of the implementation and impact of previous processes. As JIU had emphasized, Member States were continuously asked to review successive, superseding, and disconnected reform proposals contained in too many documents. It was unrealistic to believe that even the largest and best-equipped delegations would be able to read and absorb them. In recommendation 3, JIU suggested that the Secretary-General, with immediate effect, should develop a results-based management corporate conceptual framework and a time-bound implementation strategy or road map for consideration and approval by the

General Assembly, taking into account the benchmarking framework already approved.

20. **Ms. Kane** (Under-Secretary-General for Management), introducing the note by the Secretary-General containing his comments on the JIU report just introduced (A/62/704), emphasized the Secretary-General's commitment to full implementation of a Secretariat-wide results-based management strategy in accordance with General Assembly mandates. That commitment was reflected in the report of the Secretary-General on the accountability framework (A/62/701), which aimed to improve accountability and oversight, and the effectiveness and efficiency of management. The report included a results-based management dimension and took into consideration the JIU recommendations. The Secretary-General concurred with the view of JIU that the comprehensive implementation of results-based management would tangibly improve the formulation and implementation of programmes and activities.

21. **Mr. Kelapile** (Acting Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/63/457), said that the report of the Secretary-General failed to explain, in a concrete manner, how the stated objectives of a strengthened, better managed and more accountable Organization would be realized; did not consistently provide specific timelines or benchmarks; and did not clearly demonstrate the relationship between the various proposals or their connection to existing structures or mechanisms. In the view of the Advisory Committee, the report responded no more than partially to key aspects of the requests of the General Assembly, and focused on only one of the six points set out in the comprehensive review of governance and oversight (A/60/883), namely assessment of the current accountability policies and identification of omissions and weaknesses that must be addressed.

22. Further taking the view that the report failed to respond to the request of the General Assembly, in paragraph 9 of its resolution 59/272, for annual reports on the steps taken to strengthen accountability in the Secretariat and the results achieved, the Advisory Committee would have expected the report to contain information on concrete cases in which accountability measures had been applied and remedial action taken. It was concerned that expertise available within the Secretariat had not been solicited in the preparation of the report and that there had been a striking absence of consultation with the oversight bodies as well as with other organizations of the United Nations system, inter alia, through the Chief Executives Board for Coordination/High-Level Committee on Management. Closer interaction between the management and oversight bodies would have resulted in a better presentation of the issues under consideration. The Secretary-General was ultimately responsible for achieving expected results and reporting on them in a timely and transparent manner. Concrete measures should be put in place to ensure that senior management promptly implemented the recommendations of oversight bodies.

23. In the Advisory Committee's view, one of the fundamental weaknesses in the Secretary-General's accountability architecture — the lack of a clear definition of accountability — could be addressed by drawing on the definition of various aspects of accountability already available within the United Nations system to achieve a common comprehensive definition of the concept. While the posting of senior manager compacts on the Secretariat Intranet was a useful way of promoting transparency and accountability, the compacts must be further developed to define managers' expected accomplishments in terms of departmental efficiency and effectiveness; to focus on outcomes rather than the administration of inputs; to further the links between the performance expectations of senior managers and performance management at the other levels in a department; and to address underperformance by senior managers.

24. The Advisory Committee recommended that the Secretary-General should continue to develop enterprise risk management and internal control in the light of updated information and the results of consultations with other entities of the United Nations system, and that he should report on the matter in the context of the proposed programme budget for the biennium 2010-2011. While he had proposed in his report a number of specific actions to strengthen self-evaluation in the Secretariat, no similar actions had been proposed for improving performance monitoring. It was unclear how the urgent issue of timeliness of performance reporting and quality and relevance of performance data would be addressed. Programme managers should be equipped with cost-effective, user-friendly, efficient information tools and support systems to track and analyse results. However, the

report provided no further information on the scope, parameters and time frame for such systems and their degree of compatibility and integration with existing and projected information management systems of the Secretariat, in particular the enterprise resource planning system.

25. The Advisory Committee recommended that the General Assembly should take note of the Secretary-General's report and revised estimates (A/62/701 and Corr.1 and Add.1), and endorse the proposals contained in paragraphs 104 (b) and (c) of the report, subject to the Advisory Committee's comments and observations. However, it did not recommend approval of the dedicated capacity proposed in paragraph 104 (d). Accordingly the Advisory Committee did not recommend approval, at the current stage, of the proposed changes to the organizational structure of the Secretariat contained in the report, or any of the resources requested in the revised estimates (A/62/701/Add.1).

26. **Mr. Hunte** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, said that the Group continued to support strengthening the accountability of the United Nations, having witnessed repeated examples of deficiencies leading to crises of all degrees, from the oil-for-food scandal to the lack of progress on new office facilities at the Economic Commission for Africa, to the failure to implement mandates on development. The fundamental point of departure for any discussion of accountability was the Secretariat's obligation to follow faithfully the mandates conferred on it by the Organization's legislative bodies.

27. Noting that the report of the Secretary-General did not mention any dialogue with the Organization's existing oversight bodies, the Group wished to highlight the Advisory Committee's views regarding the use of in-house expertise as opposed to the expertise of consultants. The quality of the report appeared to have suffered from the recourse to consultants who might not be familiar with the Organization's unique character as an intergovernmental body.

28. The Group was concerned that, while the report of the Secretary-General addressed a number of concepts connected with strengthening accountability, it contained very few concrete proposals and provided for little coherence. The Group agreed with the Advisory Committee that the Secretariat's working definition of accountability was unclear, making practical and measurable results difficult. It also recalled that the General Assembly, in its resolution 60/260, and as a counterpart to allowing the limited budgetary discretion granted temporarily to the Secretary-General to continue, had called for a clear definition of accountability and clear measures to apply and enforce it. As OIOS had indicated in its report (A/63/268*), accountability and budgetary flexibility went hand in hand.

29. Recognizing that accountability was a question of management culture and organizational culture, the Group was concerned at the prospect of establishing a dedicated accountability unit in the absence of a clear proposal to ensure that managers retained primary accountability for their own actions and for compliance with mandates. Any proposal from the Secretariat regarding administrative issues should state clearly the intended lines of accountability.

30. **Mr. Cazalet** (France), speaking on behalf of the European Union, said that a fully results-oriented Organization that held managers and staff at all levels accountable for the achievement of results would ensure a more efficient allocation of resources and, hence, greater achievements. However, the comprehensive accountability architecture proposed in the Secretary-General's report (A/62/701 and Corr.1) would be successful only if Member States defined clear objectives that could be evaluated through reliable, measurable indicators of achievement. It was also important to set up human resources management mechanisms that encouraged action and sanctioned inaction. Above all, the proposed accountability framework presupposed a change in culture; otherwise it would simply become a new administrative exercise that was a waste of the Organization's time and personnel.

31. The European Union shared some of the concerns raised in the report of the Advisory Committee (A/63/457) and stressed that particular attention should be paid to the modalities of implementing the Secretariat's proposals.

32. Lastly, the European Union considered that, given the status of the project, it was premature to set up a permanent body within the Department of Management.

33. **Mr. Ruiz Massieu** (Mexico), speaking on behalf of the Rio Group, said that, although the Secretary-General's report provided information on the proposed accountability architecture, it did not explain, in a

concrete manner, how the objectives would be realized; nor did it consistently provide specific timelines and benchmarks. Furthermore, it did not clearly define the roles of the existing external and internal entities in charge of oversight, auditing and investigation. The Rio Group regretted that such entities had not been consulted and that external consultants with limited knowledge of the internal operations of the Organization had been hired instead, at considerable cost. What was needed was a comprehensive proposal that included analyses by the Office of Internal Oversight Services, the Joint Inspection Unit and the Independent Audit Advisory Committee (IAAC).

34. In its resolution 60/260, the General Assembly had requested the Secretary-General to provide a specific definition of accountability. The Advisory Committee had made a similar request. However, the Secretary-General's report had not provided such a definition and failed to stipulate that accountability went beyond the responsibility to "explain and justify" to include responsibility for action or lack thereof. The Rio Group believed that transparency in the senior management selection process should be increased; senior managers' annual compacts should include measures to sanction poor performance; and the General Assembly should be apprised of the follow-up to those measures.

35. With respect to the proposal on enterprise risk management, the Rio Group agreed with the Secretary-General regarding the need for a system that prevented and reduced internal risk and held senior managers and staff accountable at all levels for the achievement of results. Because some United Nations entities were already practising risk management but using different criteria and processes, it was essential to develop a uniform methodology.

36. Member States required further clarification regarding the relevance and implementation costs of the Secretary-General's proposal, the budget rationale and the control of superfluous expenses. They needed to know how the proposal would be implemented and what role oversight bodies such as OIOS and JIU would play.

37. With respect to results-based management, the Rio Group was surprised that the Secretary-General should have included defining the roles and responsibilities of intergovernmental bodies as part of the principles and action plan for the proposed results-based management framework. Again, it would be useful to receive further information on how the proposal would be implemented and what role the oversight bodies would play. As pointed out by OIOS in its report (A/63/268), it would be difficult to implement the proposal unless the staff were properly trained.

38. Lastly, the Group concurred with OIOS that the Secretary-General's proposal should include an overarching policy and terminological framework to circumscribe the extent and limitations of results-based management in the Secretariat and an internal control framework that established direct links between levels of results.

39. **Mr. Loy** Hui Chien (Singapore) said that strengthening accountability was a vital part of the Organization's administrative and management reform. In that context, his delegation was disappointed at the lack of depth and clarity in the Secretary-General's proposal.

40. First, the concept of accountability should take into account responsibility for performance — for all managers up to the level of Under-Secretary-General — and should include a system of sanctions to deal with poor performers. A sanctions system was a basic requirement for any organization that purported to become a world-class international civil service. Singapore regretted that the Secretary-General's proposal had omitted that essential aspect of accountability.

41. Second, it was disturbing that managers viewed results-based management as an administrative chore of little value to accountability and decision-making. It was even more troubling that the Secretary-General's proposal contained no specific measures on improving performance-monitoring and integrating past experience. Unless that issue was addressed, results-based management would remain a paperwork exercise, and inefficient and ineffective programmes and their managers would elude censure.

42. Third, the role of the various oversight bodies in the proposed accountability architecture must be clarified. Little effort had been made to explain the scope and function of oversight in relation to management. The proposal did not contain any concrete measures to ensure timely implementation of the recommendations of the oversight bodies and made no significant effort to take advantage of in-house expertise on internal control and risk assessment. The Organization could not be accountable if it continued to work in silos.

43. With regard to accountability in general, he drew attention to the Volcker report on the United Nations oil-for-food programme, which had been released three years earlier, pursuant to Security Council resolution 1538 (2004). That sorry tale of global bribery and fraud had highlighted the hollowness of the debate on accountability and the inadequacy of measures to ensure the credibility of the United Nations system. The report had raised issues which merited discussion in an open setting — an essential step if the United Nations was to maintain its reputation. His delegation hoped that, having been inscribed on the General Assembly's agenda for three years, the matter would be taken up at the current session.

44. **Mr. Gürber** (Switzerland) said that it could take considerable time for the benefits of the three-in-one proposal on accountability, enterprise risk management and results-based management to become apparent. His delegation understood the criticisms expressed by the Advisory Committee and shared some of its concerns. It was difficult to understand, for example, why the Secretariat's expertise and the advice of internal and external oversight bodies had not been solicited.

45. In Switzerland's view, accountability meant more than just "explain and justify". Full accountability must include the possibility of imposing sanctions on individuals for the non-achievement of results and the possibility of reducing resources as a consequence. Although it would be challenging to establish a credible system of incentives and disincentives for all employees, failure to do so would prevent the Organization from attracting and retaining a competent and committed workforce.

46. One of the most critical challenges for Member States and the Secretariat was to determine how much risk the United Nations should accept as it strove to fulfil its mandates. Switzerland was convinced that enterprise risk management would help the Organization meet that challenge more effectively in the future.

47. Switzerland agreed with Singapore that results-based management must not be "an administrative chore of little value to accountability and decision-making". Member States should revisit the policy framework on which results-based management was currently based and strengthen the Organization's technical and methodological capacities to implement such management.

48. Switzerland was ready to endorse the Secretary-General's proposals in principle. It recognized that implementation could take years, as the proposed frameworks required significant cultural change within the Organization. In the coming weeks, however, Member States would have the possibility — indeed the responsibility — to set the course for greater accountability and transparency.

49. **Ms. Norman** (United States of America) said that the United States was fully committed to the principles of accountability, transparency and efficiency throughout the United Nations. The Organization needed strong control mechanisms and oversight capabilities to monitor the achievement of results and ensure that mandated activities were carried out responsibly and economically and, when they were not, to take corrective action. Almost 15 years earlier, the United States had joined with other members to establish OIOS, which had proven to be one of the most important management reforms. A few years later, delegations had joined in a consensus to implement results-based budgeting in the Organization.

50. In considering the issues of risk assessment and the need for an internal control framework, the Organization might do well to examine the example of the World Health Organization (WHO), which had concluded that strong preventive internal control measures were necessary to mitigate the risk of fraud. The WHO example reinforced the observation by the Independent Audit Advisory Committee that successful implementation of enterprise risk management, accountability and internal controls depended on clear communication to United Nations staff regarding what the concepts meant, what was required of staff members, what benefits the change could bring to their work and how it would foster the achievement of results. The WHO example also showed that preventive measures which might appear duplicative or send a signal that staff were not trusted were easily addressed.

51. Given that the Secretary-General's report had been issued in the spring of 2008, it was disappointing that the Fifth Committee had not progressed further in its discussions. Having studied the reports of the Advisory Committee and IAAC, her delegation was not surprised that the Advisory Committee had recommended against approval of the proposed changes in organizational structure and the requested resources. In particular, it had been struck by the Advisory Committee's observations that the report did

not explain, in a concrete manner, how the proposal's objectives would be realized; that expertise available within the United Nations Secretariat had not been solicited in the preparation of the report and that neither the oversight bodies nor other entities in the United Nations system had been consulted; that the Secretariat had not provided information on concrete cases where accountability measures had been applied and remedial action taken; that the Secretary-General had not provided a clear definition of accountability; that the Advisory Committee was not satisfied with the explanation that the expenditure of $1.32 million on the consultancy for the enterprise risk management aspect of the report had resulted in value added commensurate with the cost; and that no discernible effort had been made to benefit from the expertise of the Board of Auditors or OIOS.

52. Her delegation would seek answers to the Advisory Committee's questions in informal consultations. It would also be interested in learning the Secretariat's and the Advisory Committee's views on IAAC's proposal to appoint a Chief Risk Officer in the Secretariat. Lastly, it would like to know whether the Secretariat had taken into account the recommendations of OIOS on results-based management in developing its proposals.

53. **Ms. Ureña** (Costa Rica) said that her delegation endorsed the comments by the delegation of Singapore with respect to the Organization's poor management of the oil-for-food issue. For three years, Costa Rica had requested that the matter should be included in the General Assembly's agenda. It fully understood that it would be costly to issue the entire Volcker report in the six official languages but proposed that, at the very least, the conclusions and recommendations of the Independent Inquiry Committee should be transmitted to the Fifth Committee for deliberation.

54. **Mr. Chumakov** (Russian Federation) said that, with the increasing quantity and complexity of the Organization's mandates, efforts to improve accountability and effectiveness were timely. Moreover, they appeared to have wide support among Secretariat staff, confirming that insiders too perceived difficulties in the effective implementation of decisions taken by Member States in intergovernmental organs.

55. The actions of the Secretariat must be transparent and remain fully accountable to Member States. Any alteration of management structures must avoid unjustified inflation of expenditure and increases in staffing. The Organization should also exercise care in adopting the now-fashionable, business-inspired, practice of risk management. As a PricewaterhouseCoopers study suggested, its advantages were far from clear, and there were doubts as to whether it genuinely led to effective decision-making. The core of the issue was a change in managers' thinking, which would be a long, incremental, process.

56. The Russian Federation was concerned at the considerable management reform resource requirements put forward outside the usual cycle for examination and adoption of the regular budget, particularly in connection with risk management and strengthening internal control and accountability. While it had not objected to restructuring and resource redeployment within the Department of Management, it disagreed with the allocation of additional resources. As the sphere of activity of OIOS already included risk management, its potential should be more fully exploited. There was a danger that parts of the Secretariat might duplicate each other's functions.

57. **Mr. Safaei** (Islamic Republic of Iran) said that his delegation endorsed the statement by the Rio Group. In Iran's view, "accountability" meant primarily the accountability of senior managers to Member States, not the accountability of the various departments of the Secretariat to each other or the accountability of staff to managers. Member States defined mandates and the Secretariat should be accountable for their full implementation.

58. Accountability for non-performance or poor performance in areas that might be of particular interest to Member States was an important aspect that, unfortunately, had not been fully covered in the Secretary-General's report.

59. Lastly, Iran endorsed the proposal by the delegations of Singapore and Costa Rica regarding the oil-for-food inquiry.

The meeting rose at 11.40 a.m.