

Agenda Item 134

Unit. The Committee also met routinely with the Under-Secretaries-General for Internal Oversight Services and for Management or their representatives at every session. We are pleased to report that the Committee has received adequate access to the individuals,

With regards to the Board of Auditors, Management has taken commendable action to implement the Board's recommendations. Nonetheless, an overall 45 percent implementation rate for 2010/2011, however, shows plenty of room for improvement. The Board notes that some of its more strategic recommendations take time to implement. We agree of course, but this does not diminish the need for management to be aggressive in responding to the Board's findings and recommendations.

The Committee continues to dialogue with the Board of Auditors and other oversight bodies on issues of common interest. For instance, in our previous report, the

Committee had noted a sharp reduction in the number of recommendations issued by the Board in its financial statements. In the discussion with the oversight bodies, the Committee wanted to know whether there was correlation between the observed trend

and ensure that programme managers adhere to the target dates they set for implementing oversight bodies' recommendations.

With respect to the Joint Inspection Unit recommendations, the Committee was pleased to note the continued improvement in both the acceptance and implementation rates by Management.

Mr. Chairman, distinguished delegates

Let me now turn to the findings related to risk management and internal control framework, the second broad area of our mandate.

The Committee continues to see steady interest in the implementation of the Enterprise Risk Management (ERM) by Management. However, consistent with paragraph 24 of General Assembly resolution 66/257, and paragraph 32 of ACABQ report A/6776, the Committee recommends that the Organization systematically identify

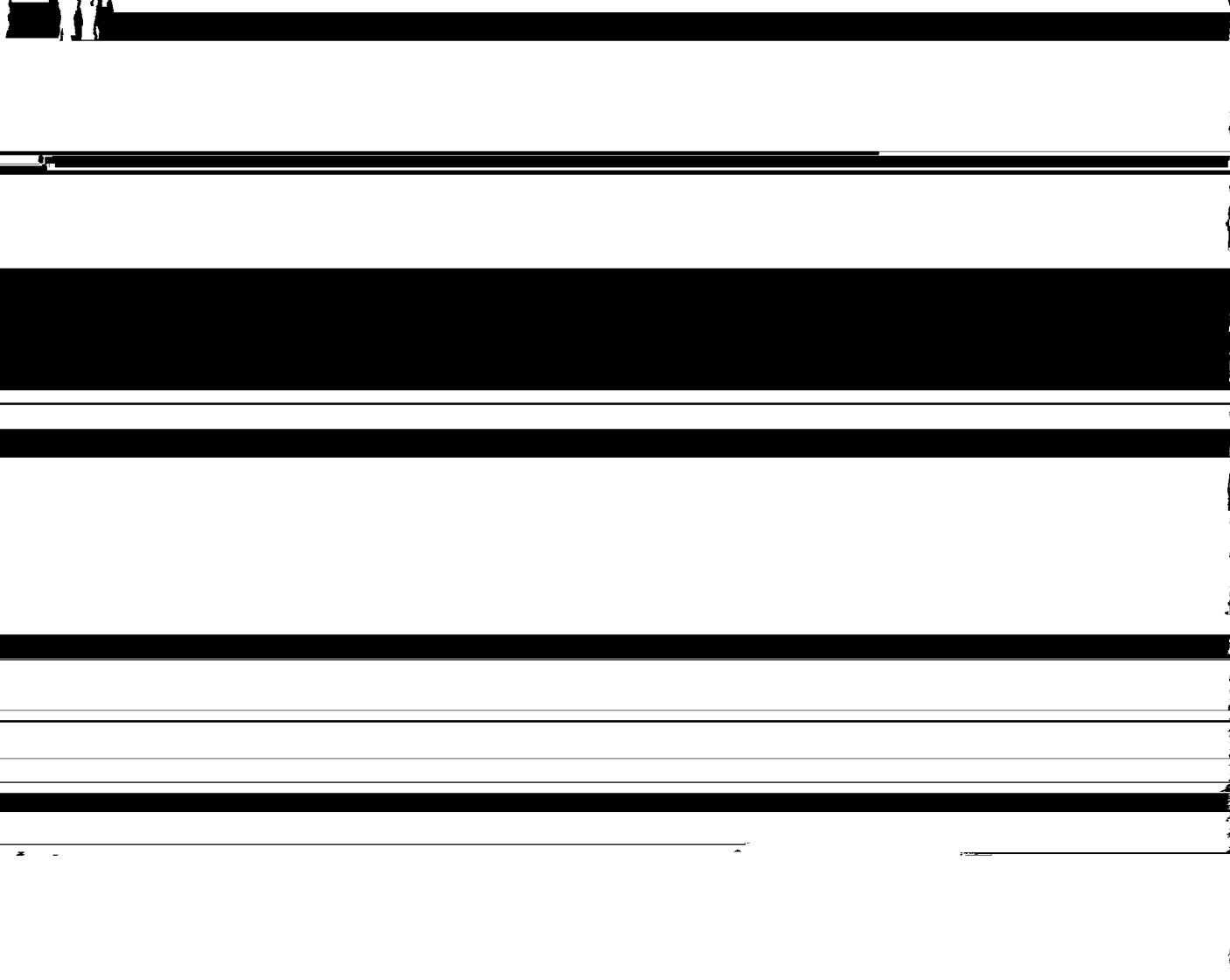
is important because it would help to set a baseline from which future progress could be measured as well as identify priority areas for attention. Accordingly, the Committee looks forward to receiving updates on the status of this important effort.

Furthermore, the Committee also believes that one of the more important elements of an effective ERM is that it helps to break down organizational “silos” and provide an organization-wide perspective. A silo-based approach to risk management may result in situations where a risk mitigation strategy by one department affects

- avoid silos among its three Divisions.

In its prior reports, the Committee noted the high vacancy rates that prevailed in OIOS. The Committee has since observed a significant improvement in the vacancy situation which has declined from a high rate of 21.5 percent reported in 2011 to 14 percent as at 30 June 2013. This is real progress. The challenge now is to translate that real improvement into a more complete execution of its work programme. However, OIOS continues to be plagued by high carry-over of assignments and long durations of others—hence the Committee’s recommendation that OIOS should ensure congruence between budget execution and program delivery.

In its previous report A/67/259, the Committee had reported that the Internal Audit Division had made progress in implementing the recommendations of the external



assessment that was conducted in 2011. During the course of this year, the Committee was informed that the external assessment of the two remaining divisions had been

absence of a robust fraud detection system. This led the Committee to recommend that

budgets. While the Committee was pleased to subsequently hear that a proactive investigation unit had been established in OIGS, it remains concerned at the slow