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Adoption of the report of the Committee on its fifty-second session

Draft report

Rapporteur: Ms. Imelda Smolcic (Uruguay)

Addendum

Proposed strategic framework for the period 2014-2015

(Item 3 (b))

Programme 26

Internal oversight

1. At its 17th meeting, on 14 June 2012, the Committee considered programme 26, Internal oversight, of the proposed strategic framework for the period 2014-2015 (A/67/6 (Prog. 26)).
2. The Under-Secretary-General for Internal Oversight Services introduced the programme and responded to queries raised during the Committee's consideration of the programme.

Discussion

3. Appreciation was expressed for the introduction of the proposed strategic framework for the period 2014-2015 and the important role played by the Office of Internal Oversight Services in promoting transparency and mandate implementation within the Organization.
4. It was noted that the quality of evaluation was governed by the qualitative aspects of indicators of achievement and that the Secretariat should take steps to ensure that outcomes of evaluation had a corresponding impact on strategic planning within the Organization.



5. It was also noted that the overall purpose of the Office included the contributions made to “the economy, high efficiency, effectiveness and goal fulfilment in the Organization”. Clarification was sought regarding the use of the term “economy” and the measures that would be undertaken by the Office towards achieving that goal.

6. In respect of the “operational independence” of the Office, it was recalled that the mandate for the Office referred to in paragraph 26.2 was derived from decisions of the General Assembly.

7. Reference was made to the work of the Office to “minimize overlap and duplication of effort” with other oversight bodies. The issue of whether significant overlap existed and needed to be minimized was raised, as it was noted that the Joint Inspection Unit was not an oversight body.

8. It was also noted that detailed reference to actions to be taken by the Office to achieve accountability and transparency, as reflected in paragraph 25.3, under programme 25, Internal oversight, of the strategic framework for the period 2012-2013 (A/65/6/Rev.1), had been removed from the present document. Clarification was sought as to whether the omission was due to the complete implementation of such actions.

9. Concern was raised regarding the removal in the present document of the reference to “internationally agreed development goals”, which had been included in paragraph 25.4, under programme 25, of the strategic framework for the period 2012-2013.

10. The view was expressed that the use of the phrase “increased mention” in indicator of achievement (a) (i) under subprogramme 1, Internal audit, was of questionable value, as the phrase could be indicative of both a positive and a negative change. The view was expressed that in order to clearly measure impact, the indicator should refer to a positive attribute.

11. In respect of the indicators of achievement for expected accomplishment (b) under subprogramme 1, the view was expressed that a “maintained percentage” of audit recommendations could not correlate with “improved levels of efficiency” and that the indicators should instead reflect an increased percentage.

12. Clarification was sought with respect to whether the performance measures for indicator of achievement (a) (ii) under subprogramme 1 were approximately 100 per cent. It was noted that the performance measures for indicators (a) (ii) and (b) (i) were 95 per cent and that, with regard to the new indicator (b) (ii), the Office expected to reach a 95 per cent implementation rate within three years of issuing recommendations. Clarification was also sought as to the reason for the deletion of the reference to the training of staff under the strategy for the subprogramme.

13. With regard to the use of the phrase “adapt its organization” in paragraph 26.5, queries were raised as to whether the Office intended to continually change its structure depending on the future challenges faced.

14. Attention was drawn to the fact that, under International Public Sector Accounting Standards, accounts were required to be submitted annually but were not required to be audited on an annual basis. Clarification was sought regarding the position of the Office with respect to this issue.

15. With respect to subprogramme 2, Inspection and evaluation, the view was expressed that further information should be provided on changes to the strategy for evaluation. Clarification was also sought as to how indicator of achievement (i) would be measured.

16. In addition, clarification was sought regarding the rules and regulations governing the hiring of outside expertise and whether the Office could hire experts independently, or whether prior approval by the General Assembly or by a specialized committee was required.

17. In respect of expected accomplishment (b) under subprogramme 3, Investigations, the view was expressed that it was necessary to refer specifically to action undertaken to increase misconduct awareness among all United Nations staff.

Conclusions and recommendations

18. The Committee recommended that the General Assembly approve the programme narrative of programme 26, Internal oversight, of the proposed strategic framework for the period 2014-2015, subject to the following modifications:

Overall orientation

Paragraph 26.1

Replace the first sentence with the following:

“The overall purpose of the programme is to enhance transparency and accountability and contribute to high efficiency, effectiveness and goal fulfilment in the Organization.”

Paragraph 26.2

Replace the second sentence with the following:

“The Office works closely with the other relevant United Nations bodies, namely, the United Nations Board of Auditors, the Independent Audit Advisory Committee and the Joint Inspection Unit, to promote effective coordination and to minimize possible overlap and duplication of effort.”

Paragraph 26.3

Replace the second sentence with the following:

“This will be accomplished through the issuance of timely, high-quality reports on inspections, evaluations, internal audits and investigations, in accordance with applicable international standards and its mandate, as approved by General Assembly resolution 48/218 B.”

Paragraph 26.4

Replace paragraph 26.4 with the text of the corresponding paragraph 25.4 of the strategic framework for the period 2012-2013 (A/65/6/Rev.1), as follows:

“The Office assists the Organization in achieving better results by determining the factors affecting the efficient and effective implementation of programmes in accordance with intergovernmental mandates and, inter alia, the internationally agreed development goals, including those contained in the Millennium Development Goals and in the outcomes of the major United Nations conferences and international agreements since 1992. In addition, the Office undertakes a number of measures to support the Organization’s commitment to gender mainstreaming, including oversight of United Nations gender mainstreaming efforts.”

**Subprogramme 1
Internal audit**

Expected accomplishments of the Secretariat

Replace expected accomplishment (a) with the following:

“(a) Increased contribution to the decision-making process of Member States, and increased ability of the Secretariat to take appropriate actions based on internal audits, which strengthen internal control and governance processes and improve risk management”.

Indicators of achievement

In indicator (a) (i), replace the word “mention” with the word “acknowledgements”.

Paragraph 26.5

Replace with the following:

“The Internal Audit Division will continue, giving particular emphasis to quality assurance, the provision of methodological guidance and training for its staff, which should result in continued improvement in the quality, relevance and timeliness of its reports. The Division will also perform risk-based audits applying the International Standards for the Professional Practice of Internal Auditing to assist management in establishing and strengthening risk management, internal control and governance using a combination of assurance and advisory services. The Division will adapt its organization by reinforcing its capacity to meet future challenges, such as the implementation of the enterprise resource planning system, the International Public Sector Accounting Standards, enterprise risk management and major capital projects.”

**Subprogramme 2
Inspection and evaluation**

Objective of the Organization

Replace the objective with the following:

“To strengthen accountability, learning, relevance, efficiency, effectiveness and impact in the implementation of programmes, as well as to ensure

that outcomes of evaluation have a corresponding impact on strategic planning”.

Expected accomplishments of the Secretariat

Replace the expected accomplishment with the following:

“Increased contribution to the decision-making process of Member States, and increased ability of the Secretariat to take appropriate actions based on Office of Internal Oversight Services inspections and evaluations, including self-evaluations, that assess the relevance, efficiency and effectiveness of programmes and thematic issues”.

Paragraph 26.6

Replace the first sentence with the following:

“The Inspection and Evaluation Division will continue to contribute to the decision-making of Member States and strengthen the ability of the Secretariat to take appropriate actions through evaluations and inspections that provide timely, objective, credible and relevant information on the Organization’s performance.”

**Subprogramme 3
Investigations**

Indicators of achievement

Add a new indicator of achievement (b) (ii), as follows:

“(ii) Increased number of overall awareness-raising activities aimed at informing United Nations personnel about the consequences of misconduct and the related mechanisms”.

Renumber existing indicator (b) (ii) as indicator (b) (iii).
