



SG

THE GROUP OF 77

New York

Office of the Chairman

For your attention
by



L-012/2007

1 February 2007

Excellency,

I have the honour to bring to your attention the position of the Group of 77 and China with regard to your recent call for a system wide external audit of the United Nations Funds and Programmes. In this context, the Group takes note of your intention to ensure that the process would be carried out in a credible manner that satisfied the requirement of legitimacy and the interests of all Member States.

The Group of 77 and China is committed to strengthening the independence of oversight bodies, as well as maintaining the oversight role of the General Assembly, including in the administrative and financial matters in the United Nations and its funds and programmes. In the context of the proposed external audit, the Group of 77 and China believes that the following considerations should be fully reflected:

- i. the terms of reference of the external audit consistent with the primary oversight role of the General Assembly must be submitted to it for its consideration. It should include information on the costs involved. It should substantiate the audits already planned for 2007;
- ii. it should seek clarification regarding the allegations made, and response of the UNDP to such allegations and measures taken to implement oversight recommendations since 1998;
- iii. the Secretary-General should submit a report to the General Assembly on the steps taken by the UNDP to implement the findings of the previous audits as well as its various resolutions calling on the funds and programmes to implement audit recommendations, assign responsibility to programme managers for their implementation, and set time frames to this end;
- iv. the external audit must ensure the independence of oversight bodies. To avoid any misunderstanding with regard to the outcome of the exercise, the Member States, the Secretariat, the UNDP and the auditors should all be made fully aware of the proposed terms of reference of the review;

SG OFFICE
#83 6 Feb.

- v. the exercise should also provide an assessment of the extent to which UN development programmes reflect national priorities and national development strategies;
- vi. it should help in determining the ratio of administrative and transaction cost of delivering UN development assistance to developing countries;
- vii. it should, furthermore, assess the quality of technical assistance and the impact and outcomes of UN development assistance.

The Group of 77 and China would greatly appreciate information about the measures that Your Excellency may deem fit to ensure the integration of above referred concerns in the terms of reference of the proposed external audit.

Please accept, Excellency, the assurances of my highest consideration.



Ambassador Munir Akram
Permanent Representative of Pakistan
to the United Nations
Chairman of the Group of 77

His Excellency
Mr. Ban Ki-moon
Secretary General of the United Nations
UN Headquarters
New York

1. Copies to UNDP.
P.M. for
consideration
2. pls acknowledge the
receipt.
3. pls consult w/me
in due course.
JG

| CdC | SG |
|--|---|
| For SG's approval <input type="checkbox"/> | Approved <input type="checkbox"/> |
| For SG's attention <input checked="" type="checkbox"/> <i>by</i> | Noted <input checked="" type="checkbox"/> <i>76w/07/02/07</i> |
| For SG's information <input type="checkbox"/> | Seen <input type="checkbox"/> |
| For SG's signature <input type="checkbox"/> | Signed <input type="checkbox"/> |
| Date <i>06.02.2007</i> | Date _____ |
| Comment (if applicable): | |