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Agenda item 136

Financial reports and audited financial statements, and reports of the Board of Auditors

Draft resolution submitted by the Chair of the Committee following informal consultations

Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Recalling its resolution [52/212](#) B of 31 March 1998 and its decision 57/573 of 20 December 2002,

Recalling also its resolutions [78/242](#) A of 22 December 2023 and [78/242](#) B of 28 June 2024,

Having considered, for the period ended 31 December 2023, the financial reports and audited financial statements and the reports of the Board of Auditors on the United Nations,¹ the International Trade Centre,² the United Nations University,³ the United Nations Development Programme,⁴ the United Nations Capital Development Fund,⁵ the United Nations Children's Fund,⁶ the United Nations Relief and Works Agency for Palestine Refugees in the Near East,⁷ the United Nations Institute for Training and Research,⁸ the voluntary funds administered by the United Nations High Commissioner for Refugees,⁹ the Fund of the United Nations Environment Programme,¹⁰ the United Nations Population Fund,¹¹ the United Nations

¹ *Official Records of the General Assembly, Seventy-ninth Session, Supplement No. 5*, vol. I ([A/79/5 \(Vol. I\)](#)).

² *Ibid.*, vol. III ([A/79/5 \(Vol. III\)](#)).

³ *Ibid.*, vol. IV ([A/79/5 \(Vol. IV\)](#)).

⁴ *Ibid.*, *Supplement No. 5A* ([A/79/5/Add.1](#)).

⁵ *Ibid.*, *Supplement No. 5B* ([A/79/5/Add.2](#)).

⁶ *Ibid.*, *Supplement No. 5C* ([A/79/5/Add.3](#)).

⁷ *Ibid.*, *Supplement No. 5D* ([A/79/5/Add.4](#)).

⁸ *Ibid.*, *Supplement No. 5E* ([A/79/5/Add.5](#)).

⁹ *Ibid.*, *Supplement No. 5F* ([A/79/5/Add.6](#)).

¹⁰ *Ibid.*, *Supplement No. 5G* ([A/79/5/Add.7](#)).

¹¹ *Ibid.*, *Supplement No. 5H* ([A/79/5/Add.8](#)).



Human Settlements Programme,¹² the United Nations Office on Drugs and Crime,¹³ the United Nations Office for Project Services,¹⁴ the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women),¹⁵ the International Residual Mechanism for Criminal Tribunals¹⁶ and the United Nations Joint Staff Pension Fund,¹⁷ the note by the Secretary-General transmitting the concise summary of the principal findings, conclusions and recommendations contained in the reports of the Board of Auditors for the annual financial period 2023,¹⁸ the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations¹⁹ and on the United Nations funds and programmes²⁰ for the year ended 31 December 2023, the report by the Chief Executive of Pension Administration and the Representative of the Secretary-General for the investment of the assets of the Fund on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2023 on the United Nations Joint Staff Pension Fund²¹ and the related report of the Advisory Committee on Administrative and Budgetary Questions,²²

1. *Takes note* of the audit opinions and findings, and endorses the recommendations, contained in the reports of the Board of Auditors;
2. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;
3. *Reaffirms* that the Board of Auditors shall be completely independent and solely responsible for the conduct of audits;
4. *Decides* to consider further the report of the Board of Auditors on the International Residual Mechanism for Criminal Tribunals under the agenda item relating to the Mechanism;
5. *Also decides* to consider further the report of the Board of Auditors on the United Nations Joint Staff Pension Fund under the agenda item relating to the Pension Fund;
6. *Commends* the Board of Auditors for the continued high quality of its reports and the streamlined format thereof;
7. *Expresses its appreciation* to the Board of Auditors for the valuable cross-cutting recommendations and information, including on financial and budget performance, contained in the concise summary and its sections;
8. *Emphasizes* the recommendations of the Board of Auditors related to the cost-recovery fund, requests the Secretary-General to expedite the review of the cost-recovery fund balances and the relevant reserve levels to ensure that the distinction between spendable and non-spendable revenues is made, both on future revenues and on the stock of the 10 RCR and 20 PCR accumulated surplus, and requests the Advisory Committee to request the Board of Auditors to continue to keep matters related to cost recovery under review and report thereon in its future reports;

¹² Ibid., *Supplement No. 5I (A/79/5/Add.9)*.

¹³ Ibid., *Supplement No. 5J (A/79/5/Add.10)*.

¹⁴ Ibid., *Supplement No. 5K (A/79/5/Add.11)*.

¹⁵ Ibid., *Supplement No. 5L (A/79/5/Add.12)*.

¹⁶ Ibid., *Supplement No. 5O (A/79/5/Add.15)*.

¹⁷ Ibid., *Supplement No. 5P (A/79/5/Add.16)*.

¹⁸ [A/79/243](#).

¹⁹ [A/79/328](#).

²⁰ [A/79/328/Add.1](#).

²¹ [A/79/311](#).

²² [A/79/513](#).

9. *Takes note* of the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2023 on the United Nations and on the United Nations funds and programmes;

10. *Requests* the Secretary-General to continue to ensure unhindered communication and cooperation between the Board of Auditors and the Administration in the conduct of audits and during the preparation of their respective reports, which is indispensable to informed decision-making by the General Assembly;

11. *Reiterates its request* to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board of Auditors and the related recommendations of the Advisory Committee in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board;

12. *Also reiterates its request* to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board of Auditors a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that are two or more years old;

13. *Further reiterates its request* to the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board of Auditors, as well as the priorities for their implementation and the office holders to be held accountable;

14. *Notes* the findings of the Board of Auditors regarding the cost-recovery resources, and requests the Secretary-General to submit a comprehensive report on cost recovery to the General Assembly, covering all the issues identified, including the generated interest revenues, with a view to improving the management of the cost-recovery fund and enhancing the compliance with cost-recovery guidelines and accountability for non-compliance, and also requests the Secretary-General to propose options to the Assembly for the allocation of these generated interest revenues at the main part of the eightieth session of the Assembly;

15. *Invites* the Secretary-General to examine in the context of the performance report the amount and use of interest generated by existing funds and mechanisms within the Secretariat, disaggregated by funding stream, including but not limited to the cost-recovery funds, and to report thereon to the General Assembly, and requests the Advisory Committee to request the Board of Auditors to keep matters related to accrued interests under review and report thereon in its future reports;

16. *Notes* the significant overexpenditure related to communications and information technology equipment in the context of special political missions from 2021 to 2023, and requests the Secretary-General to ensure that the Office of Information and Communications Technology can effectively perform its oversight responsibilities in the field, and to report thereon in the context of the proposed programme budget for 2026;

17. *Requests* the Secretary-General to continue developing a culture of efficiency and cost-effectiveness, with a view to improving financial and budget performance, and report thereon in the future budget submissions;

18. *Notes* the findings and related recommendations of the Board of Auditors regarding loss or waste of resources, inactive funds and idle resources, inefficiencies in operations, and challenges in meeting performance targets, and invites the

Secretary-General to take action with regard to the recommendations made by the Board;

19. *Expresses concerns* over the findings of the Board of Auditors regarding the use of hedging instruments and forward pricing, and in this regard emphasizes that internal controls need to monitor this issue, with an aim to strengthen financial compliance and mitigate financial risks and losses;

20. *Notes with concern* the poor assets management in the context of the regular budget, evidenced in the disposal of unused equipment and the non-distribution of these assets for use after more than two years of acquisition, leading to financial losses to the Organization, and requests the Secretary-General to report on this situation, as well as details on the functioning of the accountability framework in the case of assets management;

21. *Reiterates* that increased delegated authority must be matched by enhanced transparency and accountability, and requests the Secretary-General to provide a detailed description of the responsibilities and lines of accountabilities of relevant Secretariat departments that utilize functions and services of other United Nations entities;

22. *Invites* the Secretary-General to tighten the accountability of employees in the event of damage caused by gross negligence and to improve processes for the confiscation of assets from criminal acts.
