

21 February 2024

Dear Dr. Yatun,

I write to acknowledge receipt of your letter dated 21 November 2023, informing me of the deliberations of the Panel of External Auditors of the United Nations (the Panel) during its sixty-third regular session held at United Nations Headquarters in New York on 20 and 21 November 2023.

I would like to express my gratitude to the Panel for bringing to my attention those matters of concern related to the United Nations system. I would also like to use this opportunity to reiterate my commitment to working jointly with the United Nations oversight bodies for a more efficient and better managed United Nations, as well as to addressing all issues raised by the External Auditors.

### **Risk Management**

The paramount importance of managing emerging issues and critical risks to uphold the Organization's effective delivery capacity is highlighted through the efficacy of risk management processes. Within the United Nations system, the Risk Management Forum, a key initiative that encompasses 25 United Nations related organizations, is currently co-led by the World Intellectual Property Organization and the Office of the United Nations High Commissioner for Refugees. It operates as a multidisciplinary body reporting to the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination and serves as a collaborative hub, mainstreaming risk management practices and the Reference Maturity Model on Risk Management. It offers guidance for the holistic integration of risk management across all relevant fora – such as networks and special interest groups – and operational domains, such as human resources, finance, budget and information security. It facilitates joint and early discussions on emerging risks and how to manage them, while learning from the practices of different United Nations organizations, and strengthens inter-agency collaboration.

Notably, the United Nations Secretariat maintains robust risk management

**Financial and Management Issues**

*Challenging financial environment*

*Engagement with the United Nations Task Force on Accounting Standards (TFAS)*

While United Nations organizations have agreed among themselves to key standard provisions in contribution agreements, there is no United Nations system-wide strategy on how to engage with key donors to accept and agree to standard contribution agreements. Thus, linking or emphasizing the implementation of new International Public Sector Accounting Standards (IPSAS) to the contribution agreements is not recommended.







With respect to inter-agency coordination, broader strategic coordination efforts are provided under the auspices of the Digital and Technology Network (DTN), under the High-level Committee on Management, and the Inter-Agency Working Group on Artificial Intelligence (IAWG-AI), under the High-level Committee on Programmes, as well as operational coordination within the United Nations Information Security Special Interest Group (UNISSIG). This body develops proposals for common technical baselines, and also provides a platform to coordinate the response to large-scale and cross-cutting attacks.

The importance of adopting an Enterprise Resource Planning (ERP) tool (or process/approach) in driving improvements in efficiency, effectiveness and accountability is a shared belief. A number of organizations within the United Nations system have recently made significant investments in new or modernized systems and the United Nations Secretariat continues to invest in the Umoja system.

### **Role of the External Auditor**

The work of the External Auditors can greatly contribute to all the workstreams highlighted in this letter.

The efficiency-related initiatives of the United Nations system could further benefit from formal recognition by the External Auditors, as was done through a formal statement on the Principle of Mutual Recognition by the United Nations Representatives of Internal Audit R -10 Td(s)1 (ta)6 (te)62(Te8of)Tj1.08 0 Td(s)-1 ( )TJ.08 s

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