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44/203	Unforeseen and extraordinary expenses for the biennium 1990-1991 (A/44/905)	123	21 December 1989	297
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44/44. Financing of the United Nations Observer Group in Central America

The General Assembly,

Having considered the report of the Secretary-General on the financing of the United Nations Observer Group in Central America² and the related report of the Advisory Committee on Administrative and Budgetary Questions,³

Bearing in mind Security Council resolution 644 (1989) of 7 November 1989, by which the Council established the United Nations Observer Group in Central America for a period of six months,

Recognizing that the costs of the Group are expenses of the Organization to be borne by Member States in accordance with Article 17, paragraph 2, of the Charter of the United Nations,

Mindful of the fact that it is essential to provide the Group with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolution of the Security Council,

Urging all Member States to make every effort to ensure payment of their assessed contributions to the Group in full and on time,

Recognizing that in order to meet the expenditures caused by the Group, a different procedure from the one applied to meet expenditures of the regular budget of the United Nations is required,

Taking into account the fact that the economically more developed countries are in a position to make relatively larger contributions and that the economically less developed countries have a relatively limited capacity to contribute towards such an operation,

Bearing in mind the special responsibilities of the States permanent members of the Security Council, as indicated in General Assembly resolution 1874 (S-IV) of 27 June 1963, in the financing of the Group,

Mindful of the views expressed in the Fifth Committee⁴ on the requests of some Member States to change their placement in the existing groups "b", "c" and "d" of Member States, on the basis of the criteria set out in General Assembly resolution 3101 (XXVIII) of 11 December 1973,

1. Concurs with the observations, recommendations and conclusions contained in the report of the Advisory Committee on Administrative and Budgetary Questions;⁵

2. Decides to appropriate an amount of 40.8 million United States dollars, inclusive of the amount of 3,450,000 dollars authorized with the concurrence of the Advisory Committee, under the terms of General Assembly resolution 42/227 of 21 December 1987, for the operation of the United Nations Observer Group in Central America from 7 November 1989 to 6 May 1990, inclusive, and requests the Secretary-General to establish a special account for the Group;

3. Decides also, as an *ad hoc* arrangement, to apportion the amount of 40.8 million dollars for the above-mentioned period among the States Members of the United Nations, in accordance with the composition of groups set out in paragraphs 3 and 4 of General Assembly resolution 43/232 of 1 March 1989, to be adjusted by the decision to be taken by the Assembly, at its forty-fourth session, on the composition of groups "a", "b", "c" and "d" of Member States⁶ and taking into account the scale of assessments for the years 1989, 1990 and 1991;⁶

4. Decides further that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among the Member States, as provided for in paragraph 3 of the present resolution, their respective share in the Tax Equalization Fund of the estimated staff assessment income of 600,000 dollars approved for the above-mentioned period.

5. Authorizes the Secretary-General to enter into commitments for the Group at a rate not to exceed 4,524,100 dollars gross (4,389,500 dollars net) per month, with the prior concurrence of the Advisory Committee, for the twelve-month period beginning 7 May 1990, should the Security Council decide to renew the mandate of the Group beyond the period of six months authorized under its resolution 644 (1989), the said amount to be apportioned among Member States in accordance with the scheme set out in paragraphs 3 and 4 of the present resolution;

6. Invites voluntary contributions to the Group both in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedure to be established by the General Assembly at its forty-fourth session;⁷

7. Requests the Secretary-General to take all necessary action to ensure that the Group is administered with the maximum of efficiency and economy, bearing in mind the relevant observations contained in the report of the Advisory Committee

8. Decides to include in the provisional agenda of its forty-fifth session the item entitled "Financing of the United Nations Observer Group in Central America" and in this connection requests the Secretary-General to submit appropriate documentation.

77th plenary meeting
7 December 1989

44/183. Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Having considered the financial reports and audited financial statements for the period ended 31 December 1988 of the United Nations Development Programme,⁸ the United Nations Relief and Works Agency for Palestine

² A/44/246/Add.1

³ A/44/246/Add.2

⁴ See *Official Records of the General Assembly, Forty-fourth Session, Fifth Committee*, 45th to 49th meetings, and corrigendum.

⁵ See resolution 44/192 B.

⁶ See resolution 43/223 A.

⁷ See resolution 44/192 A.

⁸ *Official Records of the General Assembly, Forty-fourth Session, Supplement No. 5 (A/44/5/Add.1)*, sects. I and VI.

Refugees in the Near East,⁹ the United Nations Institute for Training and Research,¹⁰ the voluntary funds administered by the United Nations High Commissioner for Refugees,¹¹ and the United Nations Population Fund,¹² the reports and audit opinions of the Board of Auditors,¹³ the report of the Advisory Committee on Administrative and Budgetary Questions,¹⁴ the concise summary of the principal findings, conclusions and recommendations of common interest contained in the reports of the Board of Auditors,¹⁵ the report on the presentation and format of financial statements and accounting policies of all audited organizations and programmes¹⁶ and the reports submitted in accordance with paragraphs 6 and 7 of General Assembly resolution 43/216 of 21 December 1988,¹⁷

Noting with concern that the Board of Auditors, for the reasons stated in its reports, issued qualified audit opinions on the financial statements of the United Nations Development Programme and the United Nations Population Fund, and also issued a qualified audit opinion on compliance with the Financial Regulations of the United Nations and with legislative authority in the transactions of the United Nations Institute for Training and Research,

Noting also with concern the delay in the issuance of some reports related to this item for consideration by the General Assembly at its forty-fourth session,

Noting the efforts by a number of United Nations organizations and programmes to improve the presentation and format of financial statements and the accounting policies followed,

Taking into consideration the views expressed by delegations, by the Board of Auditors and by the Advisory Committee on Administrative and Budgetary Questions during the debate in the Fifth Committee on this item,¹⁸ and the widely expressed support for measures to improve the efficiency, effectiveness, management, financial accountability, budgetary control and standardization of the presentation of financial statements and accounting policies, and the accounting practices and procedures of the United Nations organizations and programmes concerned,

Stressing the need to standardize the presentation and format of financial statements and accounting policies among United Nations organizations and programmes,

Stressing also the importance of an effective internal audit function in those organizations and programmes on which the Board of Auditors reports,

1. *Accepts* the financial reports and audited financial statements and the audit opinions and reports of the Board of Auditors regarding the aforementioned organizations;

2. *Requests* the governing bodies of the United Nations Development Programme, the United Nations Population Fund and the United Nations Institute for Training and Research to require the executive heads concerned to take immediate steps within their competence to correct or im-

prove the conditions that gave rise to the qualification of audit opinions of the Board of Auditors;

3. *Urges* the administrations and governing bodies of the executing agencies and other relevant parties concerned to solve the technical problems identified by the Board of Auditors with regard to the certification of programme expenditures and programme support costs in cooperation with the United Nations Development Programme and with the United Nations Population Fund;

4. *Endorses* the observations and recommendations of the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions as contained in their respective reports;

5. *Requests* the competent governing bodies to ensure that the executive heads concerned take necessary steps to implement the recommendations of the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions as contained in their respective reports, and to report thereon to the General Assembly at its forty-fifth session;

6. *Requests* the Secretary-General and the executive heads of United Nations organizations and programmes concerned to take without delay appropriate measures within their competence and in the light of the comments, observations and recommendations of the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions, as endorsed in the present resolution, in particular those relating to accounts and financial reporting, programme expenditure, assets and liabilities, including unliquidated obligations, budgetary controls, cash management, trust funds accounts and management issues such as hiring of consultants, award of contracts and project formulation, and to report to the General Assembly at its forty-fifth session, through the governing bodies of those organizations and programmes;

7. *Also requests* the Secretary-General and the executive heads of United Nations organizations and programmes concerned to report to the General Assembly at its forty-fifth session, through the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions, on specific measures taken to implement the recommendations of the Board, and to explain if any of those recommendations have not yet been implemented, and requests the Board and the Advisory Committee to evaluate the efficacy of those measures and to report thereon to the Assembly at its forty-fifth session;

8. *Recommends* that all future reports of the Board of Auditors continue to include separate sections that summarize recommendations for corrective action to be taken by the organizations and programmes concerned, with an indication of relative urgency;

9. *Also recommends* that the Board of Auditors continue to submit to the General Assembly a concise document summarizing its principal findings, conclusions and recommendations of common interest, classified by audit area and, where appropriate, identifying the audited organization;

10. *Approves* the changes in the financial procedures of the United Nations Development Programme, as recommended by the Governing Council of the Programme in its decision 89/61,¹⁹ and the United Nations Population Fund, as recommended by the Governing Council of the Programme in its decision 89/49;¹⁹

⁹ *Ibid.*, Supplement No. 5C (A/44/5/Add.3), sects. I and V.

¹⁰ *Ibid.*, Supplement No. 5D (A/44/5/Add.4), sects. I and V.

¹¹ *Ibid.*, Supplement No. 5E (A/44/5/Add.5), sect. III.

¹² *Ibid.*, Supplement No. 5G (A/44/5/Add.7), sects. I and VI.

¹³ *Ibid.*, Supplement No. 5A (A/44/5/Add.1), sects. II and IV; *ibid.*, Supplement No. 5C (A/44/5/Add.3), sects. II and III; *ibid.*, Supplement No. 5D (A/44/5/Add.4), sects. II and III; *ibid.*, Supplement No. 5E (A/44/5/Add.5), sects. I and II; and *ibid.*, Supplement No. 5G (A/44/5/Add.7), sects. II and IV.

¹⁴ A/44/543.

¹⁵ See A/44/356.

¹⁶ A/44/537.

¹⁷ A/44/541 and A/44/544.

¹⁸ See *Official Records of the General Assembly. Forty-fourth Session, Fifth Committee*, 3rd to 7th, 12th and 13th meetings, and corrigendum.

¹⁹ See *Official Records of the Economic and Social Council, 1989, Supplement No. 13 (E/1989/32)*, annex I.

11. *Requests* the governing bodies of those audited organizations and programmes which are on biennial budget cycles to review at their next session the question of the periodicity of audit reports, bearing in mind the desirability of annual reporting on management issues;

12. *Requests* the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions to continue to cover in their reviews of the organizations and programmes, including peace-keeping operations, the areas relating to the efficiency and effectiveness of the financial procedures and controls, the accounting system and related administrative and management areas, in accordance with regulation 12.5 of the Financial Regulations of the United Nations, and to recommend measures, as appropriate, to strengthen financial and management controls;

13. *Also requests* the Board of Auditors to continue to study the desirability and feasibility of conducting its reviews as stipulated in regulation 12.5 of the Financial Regulations of the United Nations in a more comprehensive manner and to report thereon to the General Assembly at its forty-fifth session;

14. *Requests* the Secretary-General and the executive heads of United Nations organizations and programmes concerned, in consultation with the Board of Auditors, to develop further, with a view to prompt completion, the general accounting framework within which financial statements may be prepared, having regard to the relevant financial regulations and rules and also to generally accepted accounting principles, and to report thereon to the General Assembly at its forty-fifth session;

15. *Invites* the Board of Auditors to keep under review the stated accounting policies of each organization and programme and to draw the attention of the General Assembly to specific areas in which it considers that there are differences in accounting policies, having regard to the respective mandates of each entity and with a view to greater harmonization;

16. *Requests* all administrations and governing bodies concerned, in co-operation with the Board of Auditors, to complete the review and clarification of their accounting policies with respect to the recording of unliquidated obligations, taking into account generally accepted accounting principles and regulations 4.3 and 4.4 of the Financial Regulations of the United Nations;

17. *Invites* Governments that are represented on the governing bodies of organizations and programmes for which audited financial statements have been considered by the General Assembly to ensure that full consideration is given to the reports of the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions and the comments made thereon in the Fifth Committee;

18. *Encourages* all governing bodies of organizations and programmes to invite a representative of the Board of Auditors to be present at their meetings when considering the reports of the Board;

19. *Requests* the Secretary-General and the executive heads of United Nations organizations and programmes concerned to ensure that their respective internal audit units carry out follow-up audit work to assess the corrective action taken by the administrations in response to the main recommendations of the Board of Auditors;

20. *Requests* the administrations concerned and the Board of Auditors to ensure that comments of the administrations on the observations of the Board are available to the Board prior to the finalization of its reports;

21. *Requests* the executive heads of the organizations and programmes concerned to apply existing controls and procedures in order to ensure that expenditures do not exceed the level of funds provided under allotments in accordance with financial rules and to enforce existing disciplinary measures with a view to enhanced accountability and budgetary discipline;

22. *Requests* the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions to review the liquidity position held by all United Nations organizations and to report thereon to the General Assembly at its forty-fifth session;

23. *Also requests* the Board of Auditors to carry out an audit examination of substantive matters, including management issues, for the United Nations Children's Fund in respect of the first year of each biennium and to submit a report on its findings and recommendations, through the Advisory Committee on Administrative and Budgetary Questions, to the General Assembly and to the Executive Board of the Fund;

24. *Further requests* the Board of Auditors to review the administrative instructions issued in implementation of the Financial Regulations and Rules of the United Nations, in particular rule 114.1, and to report on their adequacy and efficacy to the General Assembly at its forty-fifth session.

83rd plenary meeting
19 December 1989

44/184. Joint Inspection Unit

The General Assembly,

Recalling its resolutions 40/259 of 18 December 1985, 41/213 of 19 December 1986, 42/218 of 21 December 1987 and 43/221 of 21 December 1988,

Having considered the report of the Joint Inspection Unit on its activities during the period 1 July 1988 to 30 June 1989,²⁰ the work programme of the Unit for 1989 and the nucleus of its work programme for 1990-1991,²¹ and the report of the Secretary-General on the implementation of the recommendations of the Unit,²²

Welcoming the continuing reform measures employed by the Joint Inspection Unit to enhance the quality and effectiveness of its work in all respects, as described in section VI of its report,

Reiterating the importance of a detailed and timely consideration of the report of the Joint Inspection Unit, particularly by Member States and the organizations concerned,

1. *Takes note* of the report of the Joint Inspection Unit²⁰ and of its work programme for 1989,²¹ as well as of the detailed information contained in the report of the Secretary-General on the implementation of the recommendations of the Unit;²²

2. *Requests* the Joint Inspection Unit, in the development of its work programme, to give even greater attention to management, budgetary and administrative issues relevant to the agendas of the governing bodies of its participating organizations and to their main and common concerns;

²⁰ *Official Records of the General Assembly, Forty-fourth Session, Supplement No. 34 (A/44/34).*

²¹ See A/44/129.

²² A/44/488.