Control Mechanisms in the UN, External and Internal

I. Introduction

The control and monitoring of the work of the → Secretariat of the UN and its special funds and programmes takes place at different levels, whereby the applied, politically and/or professionally determined criteria of evaluation can differ considerably. It can be undertaken through either inter-governmental or inter-institutional bodies. In this context, it is difficult to clearly define the borders between external and internal control. On the one hand, close mechanisms of co-operation exist, such as, e.g., between external and internal auditors, on the other hand institutions exist, which, besides the UN institutions, also include the → specialized agencies as objects of investigations. To that extent, it would be more appropriate to differentiate between inter- and intra-institutional control.

Objects of control could be the input or output side or also the transformation processes from inputs to outputs. Here, the principle of economic rationality is implicitly assumed, which means that given targets (outputs) should be realized through a minimum of inputs or a maximum of outputs at given inputs. In the following, the most important organs of control are briefly characterized. Afterwards, a description of the networking of these organs follows. Finally, their work will be evaluated.

II. The Advisory Committee on Administrative and Budgetary Questions (ACABQ)

The ACABQ was set up as a subsidiary organ of the → General Assembly by resolution 14A (I) of 1946 which defined the following tasks:

- to examine the programme budget estimates submitted by the → Secretary-General, the special accounts for → peacekeeping operations and the administrative budgets of the special funds and programmes;
- to advise the General Assembly on all administrative and budgetary matters;
- to examine on behalf of the → General Assembly the administrative budgets of the → specialized agencies of the UN;
- to consider the reports of the auditors on the accounts of the UN and its specialized agencies. (UN Doc. A/RES/14A (I) of 13 February 1946)

The ACABQ is an expert body. Since 1978 its membership stands at 16, most being diplomats from the permanent missions of the member states at the UN Headquarters in New York. The ACABQ members are elected for a period of three years by the Fifth Committee of the General Assembly (→ Committees, System of) in a secret ballot and ap-
pointed by the General Assembly; immediate re-election is possible. Personal qualifications and experience are necessary, whereby at least three of the members are to be recognized financial experts who may not retire simultaneously. The members are elected on the basis of a broad geographical representation.

The fact that the Group of Western European and Other States is represented by five experts, indicates, however, that the regional distribution is more closely linked to the (obligatory) assessments to the regular → budget of the UN than to the geographical representation (cf. Münch 1996, 46-47).

The ACABQ meets for two (sometimes also three) periods per year in New York for about eight months. The members meet in private (closed) sessions.

III. The Board of Auditors

This Board of Auditors was also established by the first General Assembly in December 1946 (UN Doc. A/RES/74 (I) of 7 December 1946) to serve as external auditors. It is composed of three members to be elected by the General Assembly from the Auditors-General (or officers holding equivalent titles) of the member states. The 55th General Assembly extended the term of Board members from three years to a non-consecutive term of six years from 1 July 2002 (UN Doc. A/RES/55/248 of 12 April 2001).

The Board is “completely independent and solely responsible for the execution of its work” (Financial Regulations and Rules of the United Nations, 9 May 2003, UN Doc. ST/SGB/2003/7, Regulation 7.6). The ACABQ may, however, request the Board “to perform certain specific examinations” (ibid., Regulation 7.7). According to the Financial Regulations of the UN the Board is responsible for the audit of the financial statement and the efficient functioning of the administration (ibid., Regulation 7.5). To be audited are the accounts of the Secretariat of the UN, the → International Court of Justice as well as the UN funds and programmes, such as, inter alia, → UNICEF, → UNDP, → UNEP, → UNHCR, → UNRWA. The specialized agencies of the UN have their own external auditors.

At present, the Board is composed of the Auditors-General of China, France, and South Africa. Each member must provide an audit staff of up to 50 professionals for four months a year. In addition, they delegate each a full-time Director of External Audit as a permanent representative to the UN Headquarters in New York.

The three Board members meet only twice or three times a year in order to adopt reports of the Board or to discuss some general problems. The on-going co-ordination of audit and the preparation of the Board decisions is undertaken by the three Directors of External Audit, supported by a secretariat of the Board.

The external audit by the Board covers the financial statements as well as the financial operations. In the case of the financial statements the Board must hand over a positive audit opinion, i.e. to approve the regularity of the annual closing of accounts by a respective number of sample audits. The Board can also express a qualified audit opinion which is meant to be a warning-signal for the → Secretariat as well as for the body of the affected institutions to remedy grievances.

The audit of the financial operations covers increasingly also the efficient use of resources; since 1991, between two and three cross-cutting audits of thematic focuses are also undertaken. The Board produces about 22 reports each year cycle to the General Assembly. These reports are available to the public and can be accessed through its website (www.un.org/auditors/board/reports.shtml).

The → Group of 77 criticized the unequal regional distribution in the membership and demanded an increase in membership from three to five, but without success.