



THE PRESIDENT
OF THE
GENERAL ASSEMBLY

28 June 2006

Excellency,

A decision on lifting the spending cap, thereby authorizing the expenditure of the remaining funds appropriated for the biennium 2006 – 07 in resolution 60/247 A, is to be taken very soon.

It is my sincere hope that the spending cap will be lifted by consensus.

Facing this decision I believe we should look back on how we have implemented the 2005 World Summit Outcome and assess the reforms we have achieved so far during the 60th General Assembly:

1. We have created the Peacebuilding Commission. The first meeting of its Organizational Committee was held 23 June.
2. We have established the Human Rights Council which is now having its first session in Geneva.
3. We have decided to set up the Central Emergency Response Fund.
4. We have adopted the Optional Protocol to the Convention on the Safety of United Nations and Associated Personnel.
5. In the field of Secretariat and management reform, the Ethics Office is now functioning. Systems of whistleblower protection, as well as financial disclosures, have been instituted.
6. Work is proceeding on a counter terrorism strategy and an initial phase of consultations on environmental governance has just been concluded.

7. A new milestone has been reached by the agreement on the draft resolution on Development follow-up. The intention is to have it adopted by the General Assembly on Friday, 30 June.

The focus for our attention is now on continued work on Secretariat and management reform. This work is proceeding along three tracks: (1) Management reform based on the Secretary-General's report "Investing in the United Nations: for a stronger Organization worldwide", (2) issues related to the comprehensive review of governance, oversight and accountability and (3) review of mandates with the report of the Secretary-General "Mandating and delivering: analysis and recommendations to facilitate the review of mandates" as a basis.

(1) On the first track, the 5th Committee is about to embark on intensive consultations regarding a draft resolution on **management reform**. It is my understanding that Member States generally agree that such a draft resolution should contain, inter alia, the following elements:

- Chief Information Technology Officer,
- Enterprise Resource Planning System (ERPS),
- limited discretion to the Secretary-General in budgetary implementation,
- improved Financial Management Practices
- increase in the Working Capital Fund,
- United Nations of International Public Sector Accounting Standards (IPSAS),
- reporting mechanisms and public access to UN documents.

It is my expectation that there will be agreement on this draft resolution by Friday, 30 June.

It is also my understanding that Member States will defer remaining management reform issues to the 61st General Assembly. Among these are:

- procurement rules, regulations and policies,
- issues related to human resources management,
- redesigning the system of Administration of Justice,
- further reforms regarding information and communication technology,
- issues of cost-benefit analysis of select administrative services.

(2) On the second track, **the comprehensive review of governance, oversight and accountability**, I understand that due to the lack of time Member States may wish to defer consideration of the following issues to the 61st General Assembly:

- the Independent Audit Advisory Committee (IAAC)
- the independent external evaluation of audit and oversight capabilities of the Organization,
- strengthening of the accountability of the Secretariat.

(3) On the third track, **mandate review**, the co-chairs have provided me with an interim report with annexes containing, inter alia, the following observations:

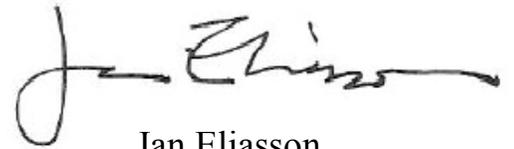
- a working group has been established to consider those mandates five years and older that have not been renewed,
- the 400 mandates the working group has considered have been separated into categories on the basis of their status of implementation,
- the group has agreed to continue looking at mandates in the category implemented/in-progress with a view to identifying areas for early action,
- the working group has identified 66 mandates as discontinued,
- the working group considered a concrete proposal to discontinue the Regular Program of Technical Cooperation (RPTC) and redirect said resources to the development account and agreed that this issue requires comprehensive review on an expedited basis.

As concerns the way forward the co-chairs have suggested the following:

- the Working Group will conclude the review of five year old, unrenewed mandates, preferably before the end of July,
- a number of confidence building measures should be agreed upon in order to pave the way for a Phase 2 of Mandate Review covering all mandates older than five years created by the General Assembly,
- Phase 2 will begin as soon as practicable, but not later than July 15, and will address all mandates organized by “issue areas”,
- the selection of an “issue area” for early review as a pilot project.

It is my hope and expectation that these elements, which will constitute a credible process for the way forward, will be included in a draft resolution.

Serious and constructive negotiations concerning all aspects of Secretariat and management are continuing. All parties must commit themselves to agree on a resolution containing concrete and substantive measures on the management and oversight issues by 30 June.

A handwritten signature in black ink, appearing to read 'Jan Eliasson', with a stylized, cursive script.

Jan Eliasson

All Permanent Representatives and
Permanent Observers to the United Nations
New York