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EXECUTIVE OFFICE OF THE SECRETARY-GENERAL
CABINET DU SECRETAIRE GENERAL

8 August 2008

REFERENCE:

Dear Mr. Gettu,

Thank you for your letter dated 6 June 2008 transmitting a Note from the Administrator of UNDP for the Secretary-General's consideration regarding the proposed new governance structure for the Management Coordination Committee (MCC) of UNOPS.

It is noted that the new governance structure suggests a revision of the role and functions of the MCC to reflect an advisory role. As a result, the MCC would be renamed Policy Advisory Committee (PAC) and its composition and terms of reference would be amended accordingly. The PAC would provide policy guidance and ensure that UNOPS' mandate corresponds to the broader objectives of the United Nations and that UNOPS' work is coordinated with the work of other UN entities to ensure complementarity and avoid overlap.

The new governance structure would also have implications on the UNOPS regulatory framework relating to accountabilities for financial and human resources management. Responsibilities for the use of UNOPS financial and other resources are proposed to be vested with the Executive Director of UNOPS. The proposal would require amendment to the Financial Regulations and Rules applicable to UNOPS to indicate that the Executive Director would be accountable to the Executive Board as well as to the Secretary-General for UNOPS activities.

The new governance structure would also require amendments to applicable policies, procedures and delegations of authority relating to human resources management. These would, for example, include a delegation from the Secretary-General to the Executive Director of UNOPS for personnel matters, similar to the current arrangement for UNFPA.

The governance structure of UNOPS should align with the nature of its work. Any amendment to the governance structure should take into account the accountability framework and strong internal controls present within UNOPS. In this regard, it is noted that UNOPS has strengthened its accountability framework with the establishment of the Internal Audit Office and the creation of the Strategy and Audit Advisory Committee. Furthermore, the report of the Board of Auditors on UNOPS financial statements for the period ended 31 December 2007, indicates progress achieved in strengthening internal controls.

Mr. Tegegnework Gettu
Director and Chief of Staff
Office of the Administrator
United Nations Development Programme
New York

In light of the above, the proposed amendments to the governance structure of UNOPS meet the approval of the Secretary-General. The proposal should be presented for the consideration of the Executive Board.

The proposed amendments applicable to human resources policies, procedures and delegations of authority shall be elaborated in consultation with the Office of Human Resources Management, Department of Management, and should subsequently be submitted for the Secretary-General's approval.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Vijay Nambiar', with a long horizontal line extending to the right.

Vijay Nambiar
Chef de Cabinet