

15 February 2006

Excellency,

I would like to thank you for your letter of 6 February 2006, which was sent on behalf of the Group of 77 and China. I take the concerns raised in the letter seriously.

I agree with the Group of 77 and China that the staff of the Organization should refrain from any action that would infringe upon the prerogatives of Member States and the General Assembly. I also agree with the Group on the importance of accountability at all levels, and am encouraged by the seriousness with which the Group takes allegations of abuse, fraud and mismanagement in the Secretariat.

I have noted the Group's concern regarding the recent comments to the media by a senior Secretariat official about the contents of the draft audit report of the Office of Internal Oversight Services (OIOS) on the Department of Peacekeeping Operations. Given that the contents of the report had already reached the media through unauthorized leaks, we believed it was in the best interest of the Organization to inform the media immediately with accurate information on what steps were being taken. The Group can be assured that this was an exceptional measure, taken to avoid misperceptions created by incomplete information. Nevertheless, I acknowledge that greater efforts should have been made to keep Member States informed on the matter and regret that this did not happen.

His Excellency Mr. Dumisani Shadrack Kumalo Chairman of the Group of 77 New York I fully agree with the Group of 77 and China that staff under investigation are entitled to due process. Although the audit report was in draft form at the time, I believed it was in the best interest of the Organization to place eight staff members on administrative leave with full pay pending the finalization of the audit report and any subsequent investigations deemed necessary. I would like to point out that placing staff on paid administrative leave is not a disciplinary measure. Management has the responsibility, however, to act decisively on any information they believe is sufficient to conclude that the Organization is at risk or that fraud, theft, mismanagement or misconduct has occurred. In this case management could decide that the audit reports of the OIOS are a sufficient basis for disciplinary action against staff. The process, roles and responsibilities and action that can be taken are set out clearly in ST/AI/371.

I understand the Group's concerns regarding the commissioning of consultants by the Secretariat to undertake reviews and studies. I would like to reassure the Group that such action is not intended to replace the oversight role of the General Assembly nor undermine the mandate of the OIOS. To the contrary, only through comprehensive technical reviews can I play my role in identifying key issues on which the General Assembly might want to act.

Let me also say that I do not believe any senior official has sought to act in a way that breaches the independence and impartiality I expect of all United Nations staff. Rather, difficult management decisions have been made on the basis of facts that by their very nature cannot be shared publicly.

I welcome the Group's proposal to engage in an ongoing dialogue with me as we continue our collective efforts to reform and strengthen the United Nations to implement effectively the mandates given to the Organization by its Member States. The Group of 77 and China plays an important role in ensuring that we move forward in key areas of United Nations reform in the coming weeks and months.

Please accept, Excellency, the assurances of my highest consideration.

ofi A. Annan