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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Budget performance of the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2016 to 30 June 2017

Report of the Secretary-General

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Summary

The total expenditure for the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2016 to 30 June 2017 has been linked to the objective of the Regional Service Centre through the results-based-budgeting framework under the support component.

The Regional Service Centre in Entebbe incurred \$36.3 million in expenditure for the reporting period, representing a budget implementation rate of 92.7 per cent (compared with expenditure of \$29.8 million and an implementation rate of 83.7 per cent the prior financial period).

The increased requirements under civilian personnel (\$0.2 million) were attributable primarily to the higher requirements for international staff resulting from increased common staff costs. The increased requirements were partly offset by lower expenditure for national staff owing mainly to the higher actual average vacancy rate of 51.6 per cent and 9.7 per cent for National Professional Officer and national General Service, respectively, compared with the budgeted rates of 50 per cent and 6 per cent.

The decreased requirements under operational costs (\$3.1 million) were due mainly to: (a) lower expenditure under facilities and infrastructure owing to the lower final contract value for the horizontal works construction project, the cancellation of the sally port project and the non-implementation of the base-wide improvement projects, as well as the reduction in the Centre's percentage share of the costs for the common services provided by MONUSCO under the new cost-sharing methodology; and (b) lower expenditure under communications owing to the non-procurement of planned electronic and communications equipment. The overall underexpenditure was partially offset by increased requirements for the acquisition of information technology equipment, software packages and spare parts.

Performance of financial resources

(Thousands of United States dollars. Budget year is from 1 July 2016 to 30 June 2017.)

Category	Apportionment	Expenditure	Variance	
			Amount	Percentage
Military and police personnel	—	—	—	—
Civilian personnel	24 530.6	24 753.8	(223.2)	(0.9)
Operational costs	14 673.0	11 578.8	3 094.2	21.1
Gross requirements	39 203.6	36 332.6	2 871.0	7.3
Staff assessment income	2 786.7	2 686.6	100.1	3.6
Net requirements	36 416.9	33 646.0	2 770.9	7.6
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	39 203.6	36 332.6	2 871.0	7.3

The incumbency levels for international staff, national General Service and United Nations Volunteers decreased compared with the prior period, offset in part by the higher incumbency level for National Professional Officers.

Human resources incumbency performance

<i>Category</i>	<i>Vacancy rate 2015/16 (percentage)^a</i>	<i>Approved^b</i>	<i>Actual (average)</i>	<i>Vacancy rate (percentage)^a</i>
International staff	18.5	146	116	20.5
National staff				
National Professional Officer	83.3	31	15	51.6
National General Service	7.9	236	213	9.7
United Nations Volunteers	50.0	8	3	62.5

^a Based on monthly incumbency.

^b Represents the highest authorized level.

The actions to be taken by the General Assembly are set out in section V of the present report.

I. Introduction

1. The proposed budget for the maintenance of the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2016 to 30 June 2017 was set out in the report of the Secretary-General of 23 February 2016 (A/70/754) and amounted to \$42,000,200 gross (\$38,922,800 net). It provided for 147 international staff, 267 national staff, including of 31 National Professional Officers, and 8 United Nations Volunteers.
2. The Advisory Committee on Administrative and Budgetary Questions recommended that the General Assembly appropriate \$39,203,600 gross for the maintenance of the Regional Service Centre for the period from 1 July 2016 to 30 June 2017 (A/70/742/Add.17. para. 68).
3. The General Assembly, by its resolution 70/289 of 17 June 2016, appropriated an amount of \$39,203,600 gross (\$36,416,900 net) for the maintenance of the Regional Service Centre for the period from 1 July 2016 to 30 June 2017. In the same resolution, the Assembly decided that the amount of \$38,462,200 was to be prorated among the budgets of the active client peacekeeping operations for the period from 1 July 2016 to 30 June 2017, and the amount of \$741,400 was to be charged against the appropriation under section 3, Political affairs, of the programme budget for the biennium 2016–2017, as approved by the Assembly in its resolutions 70/249 A-C of 23 December 2015.

II. Mandate performance

A. Overall

4. The Regional Service Centre in Entebbe, Uganda, was established in July 2010, pursuant to General Assembly resolution 64/269, as a shared service centre for missions in the region under the global field support strategy.
5. In its resolution 69/307, the General Assembly decided to give the Regional Service Centre operational and managerial independence, and requested the Secretary-General to submit a budget proposal for the Centre for the period from 1 July 2016 to 30 June 2017, to be charged against the missions the Centre supports.
6. During the 2016/17 period, the client portfolio of the Regional Service Centre included 14 clients, consisting of the following 7 peacekeeping and support operations and 7 special political missions: United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA), United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA), United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO), African Union-United Nations Hybrid Operation in Darfur (UNAMID), United Nations Interim Security Force for Abyei (UNISFA), United Nations Mission in South Sudan (UNMISS), United Nations Support Office in Somalia (UNSOS), Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan, the Office of the Special Envoy of the Secretary-General for the Great Lakes Region, the Monitoring Group on Somalia and Eritrea, the United Nations Regional Office for Central Africa (UNOCA), the United Nations Office to the African Union, the United Nations Assistance Mission in Somalia (UNSOM) and the Special Envoy of the Secretary-General for Burundi. MINUSMA was added as a client mission as at 1 July 2016.
7. In the present report, actual performance is assessed against the planned results-based-budgeting frameworks set out in the budget for the 2016/17 financial period.

In particular, the performance report compares the actual indicators of achievement, that is, the extent to which actual progress was made during the period against the expected accomplishments, with the planned indicators of achievement, and the actual completed outputs with the planned outputs.

B. Budget implementation

8. During the reporting period, the Regional Service Centre provided its client missions with a range of human resources, administrative and financial services, for various categories of personnel, including services relating to onboarding and separation, education grant, benefits, payroll and travel for international staff; human resources, payroll, travel and claims for national staff; and human resources, payroll, onboarding and separation, travel and claims for uniformed personnel. The Centre also provided such financial services as bank reconciliations, inter-office billing, the processing of recoveries and debit advice, financial reporting, internal controls and compliance, cashier services and vendor services. In addition, the Centre was involved in efforts to integrate regional flight operations and passenger movements and supply chain management initiatives and provided information technology support services.

9. The finance and human resources administrative processes of MINUSMA, previously supported by its staff from their office at the United Nations Operation in Côte d'Ivoire (UNOCI), were assumed by the Regional Service Centre, and 35 posts were transferred from MINUSMA to the Centre. During the reporting period, the Centre successfully rolled out Umoja cluster 5, including for human resources management and payroll for national staff and uniformed personnel. In preparation for the roll out of cluster 5, the Centre took over the function of administration of the national staff of its client missions. Since November 2016, payroll services for national staff and individual uniformed personnel in all missions based in Africa, with the exception of UNOCI, which was closed in June 2017, have been processed by the Centre. As a result, payroll services for six additional missions, comprising the United Nations Mission for the Referendum in Western Sahara (MINURSO), the United Nations Mission in Liberia (UNMIL), the United Nations Support Mission in Libya (UNSMIL), the United Nations Office for West Africa and the Sahel (UNOWAS), the Cameroon-Nigeria Mixed Commission and the United Nations Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS), are being provided by the Centre.

10. The deployment of new modules of Umoja in the Regional Service Centre necessitated a period of stabilization. The deployment of cluster 4 in November 2015, affecting international staff, and the deployment of cluster 5, affecting national staff and military personnel, were undertaken within a year of each other. One of the major impacts was that the benefits for international staff could not be processed during the payroll freeze period, thereby reducing the time available to process entitlements. Furthermore, with the deployment of cluster 4, the actual period during which the education grant could be processed was reduced from four to three weeks. The Centre processed between 7,000 and 8,000 education grants on an annual basis for staff working in a complex environment and thus necessitating a different profile compared with international staff in non-hardship duty stations, resulting in a high proportion of more complex entitlements. The transition to Umoja overall also involved a learning process. As a result, a backlog of education grant claims accumulated, which the Centre managed to clear in December 2016. In collaboration with the Department of Field Support, the Centre has since implemented several training programmes and obtained additional human resources roles in the system, thereby allowing for the provision of more support to international personnel in the field.

11. The challenges mentioned above affected international personnel in field missions, which in some cases had an impact on the results obtained in the client satisfaction surveys and in the key performance indicator reports for the Regional Service Centre.
12. In relation to cluster 5 deployment, the Regional Service Centre launched the first successful payroll under that system in November 2016 and tested the payment of the basic entitlements excluding deductions. In the December 2016 payroll run, the Centre ensured that the results of the thorough testing of all entitlements specific to field operations were properly reflected in the system, as well as adherence to internal controls of the Organization.
13. With the further stabilization of the operations of the Regional Service Centre, and in line with its efforts to strengthen service delivery, the Centre has embarked on a new performance management framework that links the key performance indicators of a particular service line to those of an individual staff member working in the service line. On a monthly basis, a report on the performance of each individual is generated by the Quality Management Unit, and acknowledgements of good performance are made, and discussions to support strengthening performance are held, as needed, during monthly performance meetings.
14. In addition to the performance management framework, the Regional Service Centre continued its efforts to strengthen client engagement using the iNeed query management system and making mission visits to address specific client needs. Feedback from clients was gathered and a call management service desk for client missions was established for the purpose of following up on specific queries registered in the iNeed system. With some 20,000 personnel supported by the Centre, the iNeed self-service query system provided a platform to ensure the receipt of queries by the Centre in a structured manner, disaggregated by category of personnel and by service line, therefore allowing for efficient distribution and monitoring.
15. Pursuant to General Assembly resolution [69/307](#), the governance arrangements for the Regional Service Centre were revised, with a new mechanism that includes a steering committee and a client board and new working level arrangements, established as at 1 July 2016, to ensure continuous improvement. The new Steering Committee established as the senior governance and decision-making body for the Centre reports directly to the Under-Secretary-General of the Department of Field Support. It is comprised of the Assistant Secretary-General of the Department of Field Support, who serves as Chair, the Chief of the Regional Service Centre, the directors of the Department and the Chair and Deputy Chair of the Client Board. The previous Steering Committee, composed of the directors and chiefs of mission support of the field operations that are clients of the Centre, has been replaced by a Client Board of the same composition, which plays an expert advisory role to the Chief of the Centre and reports to the new Steering Committee through the Chair of the Client Board. At the working level, the service delivery managers and service line managers meet on a quarterly basis with their counterparts, the chiefs of human resources and of budget and finance of the client missions, to review the performance of administrative services and the division of roles between the Centre and its client missions.
16. The overall variance of 7.3 per cent for the reporting period was attributable mainly to operational factors, such as a reduction of 36 per cent in the final contract value for the horizontal works project compared with the budgeted level and the reduction in the Regional Service Centre's percentage share of the costs for the common services provided by MONUSCO on the Entebbe Support Base, from 70.6 per cent to 53.4 per cent, as a result of the application of a new cost-sharing methodology, which was endorsed by the Base's Client Board and is based on headcount instead of occupied area, the previously used method. During the reporting

period, some planned construction projects, such as the sally port security installation project at the entrance of the Base and the base-wide improvement projects, were cancelled (see para. 21 below). In addition, planned electronic and communications measuring and testing instruments were not procured. Planned medical supplies were not purchased, in the absence of a system contract and timelines to establish a new contract. The Centre incurred higher than budgeted expenditure in information technology, following the acquisition of additional information technology equipment, software packages and spare parts, and higher than budgeted costs for maintenance and repair of equipment. Additional information technology equipment was required to upgrade the Technology Centre for systems testing before deployment of the equipment to client missions. The equipment included data storage and converged systems, accompanied by operating software and spare parts. The Regional Training and Conference Centre was upgraded with training systems, including digital whiteboard and videoconferencing devices and associated software packages, to support the training needs of client missions and staff of the Centre.

17. In the 2016/17 period, the Regional Service Centre accelerated the recruitment of National Professional Officers, with a total of 24 officers (of the 31 authorized) onboarded at the end of the financial period. In addition, 13 Field Service posts were converted to national posts.

C. Mission support initiatives

18. During the reporting period, the Transport and Movements Integrated Control Centre continued to be involved in the planning and adoption of a regional hub-and-spoke initiative to further integrate regional flight operations and passenger movement. The Integrated Control Centre was also fully involved in the planning and implementation of the supply chain management East Africa corridor project. The pilot project, which was due for implementation by June 2017, covered five peacekeeping missions, namely, MONUSCO, UNAMID, UNISFA, UNMISS and UNSOS, and was testing the use of coordinated planning, sourcing and delivery processes in the region for a small number of commodities with a high value and volume of consumption. The procurement processes for those items are handled by the regional procurement office of the Procurement Division of the Department of Management of the Secretariat in consultation with the Integrated Control Centre and are currently in various stages of implementation. In the first year of the project, some progress was made and valuable insights were obtained, even though the process of coordinated planning, sourcing and delivery was not completed. The lessons learned from the first phase of the project provided a valuable assessment of the challenges and recommendations for the way forward in the second phase, which began in July 2017 and involves the ordering and delivery processes of the selected commodities on behalf of the missions. The Integrated Control Centre developed a sourcing strategy, in collaboration with the regional procurement office, aimed at optimization of the delivery network and delivery terms (international commercial terms) and standard operating procedures for regional coordination. The pilot project was presented in early September 2016 to the client missions and the supply chain team at Headquarters and received a positive reception. The East Africa corridor project will serve as a proof of concept and on the basis of those results, best practices will be proposed for achieving regional economies of scale across missions.

19. The Regional Information and Communications Technology Service is charged with providing effective, efficient and timely non-location-dependent information technology support services to client missions on the basis of three principles of regionalization: (a) eliminating duplication; (b) achieving economies of scale and scope; and (c) eliminating disparities in service across missions through

standardization. During the 2016/17 period, it provided support to the Regional Service Centre and missions in the region through the oversight and completion of the high-bandwidth, low-latency pilot project for six missions and eight locations; the coordination of an integrated initiative on the physical security of information and communications technology; the provision of information and communications technology training to over 700 regional civilian and uniformed personnel; the implementation of 46 systems, 94 training courses and support during the one-month period following system implementation for 18 missions; and the processing of over 60,000 telephone bills for missions in the region.

20. During the 2016/17 period, the Regional Service Centre implemented many of its planned construction projects including:

(a) The construction of the Regional Training and Conference Centre, which was completed in July 2016;

(b) The horizontal infrastructure works project, which has been ongoing since January 2016 and is currently 85 per cent completed. The project is expected to be finalized in May 2018;

(c) The canteen facilities project is 80 per cent completed and expected to be finalized in January 2018.

21. Some Regional Service Centre projects aimed at improving the security of the Centre, including the sally port and base-wide improvement projects, were cancelled during the reporting period. The sally port project was cancelled in favour of an alternate plan using prefabricated facilities, in consultation with the Department of Safety and Security. The installation of tower lighting across the Entebbe Support Base was not carried out due to the acquisition of solar lighting to be installed across the Base at no extra cost. The relocation of the clinic was cancelled, after further review. Due to the opening of an office of the United Nations Federal Credit Union at the Centre, the relocation of the bank was also cancelled, given the need to accommodate the two institutions in the same location.

22. The Regional Service Centre developed an enhanced risk management mechanism across all its transaction service lines by rolling out the internal control framework of the Committee of Sponsoring Organizations of the Treadway Commission as the guiding principles for the design, implementation and review of internal controls at the Centre. The framework is aimed at optimizing existing risk management measures and bringing in a robust system of internal controls to further strengthen the control environment in processes across service lines in accordance with global best practices.

D. Regional mission cooperation

23. Following the deployment of Umoja cluster 5, the payroll functions for all missions in Africa were centralized at the Regional Service Centre, which allowed for standardization across missions in the processing of payroll and for processing it from a centralized hub. The Centre also played a key role coordinating and providing administrative and logistics support both to UNMISS, during the evacuation of its personnel, and to UNOCI, during the mission closure process.

24. The Regional Information and Communications Technology Service supported the implementation of the global and regional information and communications technology objectives set out in its annual workplan, which were aligned with the strategic goals set by Headquarters and approved by the Steering Committee of the Regional Service Centre. In the 2016/17 period, the support provided by the Service included the following: (a) oversight and coordination of the high-bandwidth, low-

latency pilot project for six missions (MONUSCO, MINUSCA, UNISFA, UNSOS, UNMISS and the Centre) and eight locations; (b) an initiative on the physical security of information and communications technology; (c) the provision of information and communications technology training to over 700 regional civilian and uniformed personnel; (d) system implementation and support during the one-month period following system implementation for missions in the region; and (e) the processing of telephone bills for missions in the region. The Regional Information and Communications Technology Service provided business continuity support to UNMISS staff during the evacuation.

25. With the implementation of Umoja and the International Public Sector Accounting Standards (IPSAS), the Financial Reporting Section of the Regional Service Centre began handling the closing of accounts in Umoja by processing accounting entries, in compliance with IPSAS, for its client missions. The reporting for missions was done on a monthly basis. The Section is currently reconciling 31 house bank accounts. The majority of the transactions, approximately 100,000 per month, were reconciled automatically by the system, and the focus has shifted to the review and resolution of open items. The reconciliation process has been significantly streamlined, with a focus on the value added by reviewing and resolving outstanding items as an internal control mechanism, which has provided enhanced visibility of open items for easier follow-up and clearance processes and thereby enhanced the management of financial and operational risks.

E. Partnerships, country team coordination and integrated missions

26. The Chief of the Regional Service Centre has engaged the United Nations country team to ensure that a representative of the Centre participates in the regular meetings of the country team. Given the Centre's distinct mandate, it was recognized that its participation would be beneficial to the United Nations presence in the country.

27. During the reporting period, the Regional Service Centre continued its operational relationship with MONUSCO, as a tenant of the Entebbe Support Base. MONUSCO provided support services, including utilities, maintenance and security, under an operational-level agreement. Construction projects at the Centre were coordinated and administered by the Engineering Section of MONUSCO at the Entebbe Support Base.

F. Results-based-budgeting frameworks

Expected accomplishment 1.1: Efficient and timely services to client missions in line with the global shared services strategy

Planned indicators of achievement

Actual indicators of achievement

1.1.1 Percentage of achievement of targets for all key performance indicators (2014/15: 45 per cent; 2015/16: 60 per cent; 2016/17: 75 per cent)

Achieved. 76 per cent of performance targets for all key performance indicators achieved during the reporting period

1.1.2 Percentage of key performance indicators with respect to which targets were not achieved but performance improved (2014/15: 30 per cent; 2015/16: 20 per cent; 2016/17: 10 per cent)

Achieved. Percentage improvement of targets for key performance indicators with respect to which targets were not achieved during the reporting period was 10 per cent, compared with the 2015/16 period

1.1.3 Improvement in the overall customer satisfaction level with respect to the Regional Service Centre in Entebbe, Uganda (2014/15: 57 per cent satisfied; 2015/16: 75 per cent; 2016/17: 80 per cent)

An average of 74 per cent of clients were satisfied with the services provided by the Regional Service Centre, based on the results of the client satisfaction survey of 2,487 respondents from the client missions conducted in June 2017, compared with 68 per cent in the survey conducted in December 2016

1.1.4 Improvement in the employee satisfaction level with respect to the Regional Service Centre (2014/15: 70 per cent satisfied; 2015/16: 75 per cent; 2016/17: 80 per cent)

Achieved. An average of 81 per cent of employees were satisfied, based on the survey conducted in March 2017 to measure staff satisfaction level, as a leading indicator of productivity, performance, employee retention and, ultimately, customer satisfaction. A total of 243 personnel responded, with 81 per cent expressing satisfaction with the Centre as a workplace

1.1.5 Reduction in average Regional Service Centre processing time by at least 10 per cent with respect to vendor payments, claims, education grant requests and settlements, entitlement travel requests and requests to issue tickets (2014/15: processing time reduced by 5 per cent or more for 3 out of 5 transaction types; 2015/16: processing time reduced by 5 per cent or more for 4 out of 5 transaction types; 2016/17: processing time reduced by 5 per cent or more for 4 out of 5 transaction types)

Processing time reduced by 5 per cent or more for 2 of 5 transaction types. The 2 transaction types with a reduction in processing time were vendor payments (15 per cent) and claims (6 per cent), whereas the 3 transaction types with an increase in processing time were education grant requests and settlement (9 per cent), entitlement travel requests (29 per cent) and requests to issue tickets (11 per cent)

<i>Planned outputs</i>	<i>Completed (number or yes/no)</i>	<i>Remarks</i>
Office of the Chief of the Regional Service Centre in Entebbe		
Provision of 13 monthly reports on service delivery performance to client missions	4	Quarterly reports issued to client mission. During the period under review, the Steering Committee of the Centre decided to consolidate the monthly reports into quarterly reports

<p>Service-level agreements agreed and in force with 13 client missions (MONUSCO, UNAMID, UNMISS, UNSOA, UNSOM, UNISFA, MINUSCA, UNOCA, United Nations Office to the African Union, Office of the Special Envoy for the Sudan and South Sudan, Office of the Special Envoy of the Secretary-General for the Great Lakes Region, Monitoring Group on Somalia and Eritrea and MINUSMA) and operational-level agreement maintained with MONUSCO (to be renegotiated in 2015/16)</p>	No	<p>The Centre provided services to 14 client missions (MONUSCO, MINUSCA, UNMISS, UNISFA, UNAMID, MINUSMA, UNSOS, UNSOM, Monitoring Group on Somalia and Eritrea, Office of the Special Envoy of the Secretary-General for the Great Lakes Region, Office of the Special Envoy of the Secretary-General for Burundi, Office of the Special Envoy for the Sudan and South Sudan, United Nations Office to the African Union and UNOCA). A standard service-level agreement, which was reviewed by the Steering Committee, was completed for 12 missions, while service-level agreements with the United Nations Office to the African Union and SESG-SSS were not completed due to delays related to the centralization of payroll processing, as well as the transfer to the Centre of the function of administration of the national staff of its client missions. A review of the service-level agreements is expected to be undertaken as part of the Department of Field Support shared services review. A reduced level of services was provided to the United Nations Office to the African Union in the 2016/17 period.</p> <p>The operational-level agreement with MONUSCO was maintained. Discussions were initiated to renegotiate the governance arrangements, with an initial review undertaken and presented to the Client Board of the Entebbe Support Base. Due to the changes in the governance structure, however, the review was not completed during the 2016/17 period</p>
<p>Implementation of audit recommendations by the Board of Auditors</p>	No	<p>The Centre had 21 open recommendations in the 2016/17 period. Of those, 13 (62 per cent) were fully implemented, while 4 (19 per cent) were still under implementation (enterprise risk management, key performance indicators and oversight of travel requests). The Board of Auditors advised closing the 4 remaining recommendations, since they had been overtaken by events (development of standard operating procedures on human resources management, review of staffing requirements by function and service line, refinement of key performance indicators, review of advances and claims a by Human Resources Officer as part of internal controls)</p>
<p>Ongoing monitoring of risk in the Centre's risk register</p>	Yes	<p>The Centre's risk register has been updated but will be further revised after the completion of the new risk analysis for the Centre. A process to onboard a consultant by October 2017 for that process is under way. An updated business continuity plan for the Centre will be prepared on the basis of the new risk assessment. The business impact analysis has been completed to facilitate the risk analysis</p>

Service lines

Processing of 38,863 vendor payments (including 5,013 for UNMISS, 2,900 for MINUSCA, 9,000 for MONUSCO, 4,350 for UNAMID, 6,050 for UNSOA/UNSOM, 1,850 for UNISFA, 9,200 for MINUSMA and 500 for the Centre)	57,534	Vendor payments processed (including for United Nations Electoral Observer Mission in Burundi (MENUB) (20), MINUSCA (7,440), MINUSMA (8,155), MONUSCO (11,259), Centre (611), Office of the Special Envoy for the Great Lakes Region (18), UNAMID (7,682), UNISFA (2,161), UNMISS (9,489), UNOCA (311), UNSOM (264), UNSOS (9,886), and Office of the Special Envoy for Burundi (238))
Processing of 48,590 personnel claims for all categories of staff (including 2,000 for MINUSCA, 13,780 for MONUSCO, 8,063 for UNAMID, 384 for UNISFA, 47 for the Office of the Special Envoy of the Secretary-General, 1,136 for UNSOA/UNSOM, 7,480 for UNMISS, 15,500 for MINUSMA and 200 for the Centre)	36,612	Personnel claims processed for all categories of staff (including for MINUSCA (4,150), MINUSMA (5,933), MONUSCO (12,174), Office of the Special Envoy for the Sudan and South Sudan (6), Centre (178), Office of the Special Envoy for the Great Lakes Region (94), UNAMID (8,773), UNIOGBIS (34), UNISFA (329), UNMISS (3,435), United Nations Office to the African Union (4), UNOCA (180), UNSOM (583), UNSOS (683) and Office of the Special Envoy for Burundi (56)). The actual number of requests received from client missions was based on the actual 2016/17 deployment levels of the client missions
Processing of 6,735 education grant requests (including 400 for MINUSCA, 1,169 for MONUSCO, 119 for the Centre, 1,668 for UNAMID, 151 for UNISFA, 1,070 for UNMISS, 421 for UNSOA, 31 for UNSOM and 1,706 for other entities (including UNOCI, MINUSMA and UNMIL))	8,750	Education grant requests processed (including for MINURSO (123), MINUSCA (1,006), MINUSMA (950), MONUSCO (1,378), Office of the Special Envoy for the Sudan and South Sudan (8), Centre (259), Office of the Special Envoy for the Great Lakes Region (16), UNAMID (1,435), UNIOGBIS (80), UNISFA (253), UNMIL (398), UNMISS (1,387), United Nations Office to the African Union (59), UNOCA (43), UNSMIL (160), UNSOM (168), UNSOS (450), ONUCI (479), UNOWAS (96) and the Office of the Special Envoy for Burundi (2)). The higher number of requests processed reflects clearance of the backlog from the prior financial period
16,506 airline tickets issued (including 2,218 for MINUSCA, 3,978 for MONUSCO, 5,643 for UNAMID, 793 for UNISFA, 3,320 for UNMISS, 456 for UNSOA, 1,965 for MINUSMA and 98 for the Centre)	10,999	Airline tickets issued (including for MINUSCA (1,799), MINUSMA (1,143), MONUSCO (2,009), Centre (128), Office of the Special Envoy for the Great Lakes Region (134), UNAMID (2,278), UNISFA (524), UNMISS (1,879), United Nations Office to the African Union (14), UNOCA (321), UNSOM (268), UNSOS (480) and Office of the Special Envoy for Burundi (21)). The reduction in the number of airline tickets issued in the 2016/17 period reflects the lower number of requests received from client missions
694 check-ins and 338 check-outs for civilian staff, including international and United Nations Volunteers (including 526 for MONUSCO, 173 for UNMISS, 19 for UNAMID, 263 for MINUSCA, 40 for UNISFA, 8 for UNSOA and 3 for Centre)	No	253 check-ins and 100 check-outs for civilian staff, including international staff and United Nations Volunteers (including for MONUSCO (279), Centre (5), UNAMID (1), UNISFA (12) and UNMISS (56)). Some check-ins and check-outs were finalized in client missions

		<p>Check-ins and check-outs for international civilian staff normally take place remotely through the Field Support Suite system, with the exception of MONUSCO, UNMISS and UNISFA, for which check-in and check-out takes place at the Centre. Following the Steering Committee decision at the recommendation of the Client Board, check-in and check-out for international staff is expected to be supported entirely remotely. Once the process is completed in the Field Support Suite, the relevant documents for international staff are uploaded to the Centre's onboarding and separation service line for processing the required personnel actions in Umoja. The Centre has not administered United Nations Volunteers since the function was taken over by the United Nations Development Programme in July 2016</p>
3,281 check-ins for uniformed personnel (including 726 for MINUSCA, 1,116 for MONUSCO, 1,160 for UNMISS and 279 for UNISFA) and 1,116 check-outs of uniformed personnel (1,116 for MONUSCO)	1,054	<p>Check-ins for uniformed personnel (including for MONUSCO (532), UNISFA (224) and UNMISS (298)) and 914 check-outs of uniformed personnel (including for MONUSCO (885), UNISFA (2) and UNMISS (27)). Some check-ins and check-outs were finalized in client missions. As for international staff, with the exception of MONUSCO, UNMISS and UNISFA, check-ins and check-outs for uniformed personnel is done remotely through the Field Support Suite</p>
Hosting of 250 regional training sessions with the participation of 6,200 staff from regional missions (1,362 from MONUSCO, 1,762 from UNMISS, 181 from UNAMID, 314 from UNISFA, 240 from UNSOA, 110 from MINUSCA, 1,236 from the Centre and 995 from other entities) and 23 civilian predeployment training sessions for 350 civilian personnel	301	<p>Regional training sessions with the participation of 5,118 staff from missions in the region (including staff from MONUSCO (1,240), Centre (1,279), MINUSCA (106), UNAMID (177), UNMISS (720), UNISFA (127), UNSOS (104) and other entities (1,365)). Civilian predeployment training is not a function of the Centre and remains a function of the Integrated Training Service of the Department of Peacekeeping Operations</p>
144 monthly financial reports (up to the trial balance stage) for 12 client missions, prepared in compliance with IPSAS	192	<p>Monthly financial reports (up to the trial balance stage) for 16 client and other missions, prepared in compliance with IPSAS (including for United Nations Office in Burundi (12), MENUB (12), MINUSCA (12), MINUSMA (12), MONUSCO (12), Office of the Special Envoy for the Great Lakes Region (12), Centre (12), Monitoring Group on Somalia and Eritrea (12), Office of the Special Envoy for Burundi (12), UNAMID (12), UNISFA (12), United Nations Mission for Ebola Emergency Response (UNMEER) (11), UNMISS (12), UNOCA (12), UNSOM (12), UNSOS (12) and UNOCI (1))</p>

288 monthly bank reconciliation reports for 24 client mission house banks	346	Monthly bank reconciliation reports for 31 client house banks (including for Office of the Special Envoy for Burundi (24), MINUSCA (24), MINUSMA (48), MONUSCO (24), Centre (24), UNAMID (36), UNMEER (72), UNMISS (56), UNOCA (36) and UNOCI (2))
312 monthly incoming inter-office voucher instructions/outgoing inter-office voucher reports produced for 12 client missions	No	This function is no longer performed, since the implementation of Umoja
Documentation and review of the operational effectiveness of all internal controls in operation at the Centre, and implementation of a process of ongoing and timely monitoring of internal controls	Yes	Documented, reviewed and monitored internal controls for the following: payroll related open items, vendor-related open items, open fund commitments, education grant compliance, duplicate payments and value added tax, for the period from 1 July 2016 to 30 June 2017
Regional Information and Communications Technology Service		
Transfer of end user services from the Entebbe Support Base (MONUSCO) to the Centre	No	As endorsed by the Centre Client Board, the governance and organizational structure of information and communications technology services on the Entebbe Support Base was being harmonized, with the Regional Information and Communications Technology Service absorbing oversight responsibilities for operations and relevant resources of campus information and communications technology services
Monitoring of compliance with Information and Communications Technology Division standards for 6 client missions and the Centre	No	Monitoring of compliance was done for 3 missions (UNMISS, MONUSCO and Office of the Special Envoy for Burundi) as well as for the Centre. Planning is under way to complete the process for the remaining missions in the 2017/18 period
Assessment and provision of information and communications technology physical security solutions, including cameras and smart cards, at the Centre	Yes	The initial requirements of the information and communications technology physical security solution were largely completed in the 2016/17 period, including the design services, installation of cameras and access card readers, database integration, cabling and other related horizontal works. During the design and assessment phase, additional requirements were also identified, including for additional cameras, data storage, switches, licences and a video monitoring system. Procurement was initiated in the 2016/17 period, with installation and implementation to be completed in the 2017/18 period

Implementation of high-bandwidth, low-latency satellite technology in 6 client missions	Yes	High-bandwidth, low-latency satellite technology services were deployed in 8 locations (Goma, Kinshasa, Entebbe, Juba, Wau, Mogadishu, Abyei and Bangui) across 6 missions and entities (MONUSCO, MINUSCA, UNISFA, UNSOS, UNMISS and the Centre)
Organization and delivery of 10 courses of information and communications technology training in Entebbe (2 on SharePoint, 1 on rigging, 1 on geographic information systems, 1 on HP3PR, 1 on Checkpoint, 1 on videoconferencing, 2 Umoja technical training sessions and 1 Motorola technical training session) for the regional missions, for a total of 250 military and civilian personnel served and 24 training courses (2 per month) held for the information and communications technology Technical and Signals Academy	Yes	26 technical and professional courses were held in Entebbe for 10 missions in the region (MINUSCA, MINUSMA, MONUSCO, UNAMID, UNISFA, UNMISS, United Nations Office to the African Union, United Nations Office for Project Services, UNSOS and UNSMIL) and the Centre for a total of 739 participants (130 military and 609 civilian)
Effective management of 26,887 telephone accounts for MONUSCO (10,065), UNAMID (7,924), UNMISS (4,199), UNSOA (718), UNISFA (114), MINUSCA (327) and other field missions (3,540)	30,249	Telephone accounts distributed among missions in the region, according to size and account requirements (including for MONUSCO (5,039), UNAMID (9,074), UNMISS (6,423), UNSOS (2,363), UNISFA (650), MINUSCA (6,497) and other field missions (203))
Maintenance of operational resilience capacity in Entebbe to facilitate business continuity in case of the evacuation of staff from a regional mission to Entebbe, to include an expanded Terrestrial Trunked Radio (TETRA) network and point-to-multipoint microwave solution to enable staff to work from home	Yes	The Regional Information and Communications Technology Service provided business continuity support to UNMISS staff during the temporary relocation/evacuation through Entebbe in the third quarter of 2016. The TETRA network was extended to cover 90 per cent of the residential areas (previously 80 per cent) and point-to-multipoint microwave services were implemented, allowing for 70 per cent of essential staff to work from home (2015/16: 50 per cent) across the Entebbe-Kampala corridor
Transport and Movements Integrated Control Centre		
Coordination of 624 troop and police movement flights (legs) using United Nations long-term charter aircraft (including 119 for MONUSCO, 28 for UNMIL, 67 for MINUSMA, 8 for UNOCI, 134 for UNMISS, 147 for UNAMID, 152 for UNSOA and 121 for MINUSCA)	No	During the reporting period, the Transport and Movements Integrated Control Centre did not have access to an aircraft suitable for troop movement in Africa. The strategic movement of contingent personnel was conducted by the Movement Control Section of the Logistics Support Division of the Department of Field Support, under short-term contracts, letters of assist and a long-term agreement for a B-767 aircraft

48,447 troops and police moved (including 7,451 for MONUSCO, 1,775 for UNMIL, 4,201 for MINUSMA, 483 for UNOCI, 8,353 for UNMISS, 9,159 for UNAMID, 9,471 for UNSOA and 7,554 for MINUSCA)	No	The strategic movement of contingent personnel was conducted by the Movement Control Section of the Department of Field Support under short-term contracts, letters of assist and a long-term agreement for a B-767 aircraft
Coordination of 1,248 regional flights, using a joint schedule between missions: MONUSCO: 312 flights per year; UNISFA: 416 flights per year; UNMISS: 520 flights per year	1,126	Regional flights were coordinated during the reporting period (for MONUSCO (131), UNISFA (280) and UNMISS (715)). The reduction in the number of flights is owing to the fact that MONUSCO reduced the number of planned flights to one flight per week, compared with the initial arrangement of two flights per week, due to its operational requirements
80 surge (ad hoc) flights (legs) conducted (50 for MINUSCA, 10 for UNISFA, 10 for UNMISS and 10 for other field missions) as very important person (VIP) flights, passenger and cargo flights	33	Ad hoc flight (legs) were undertaken, in support of UNISFA (2), UNMISS (27), MONUSCO and the Office of the Special Envoy for the Great Lakes Region (2) and the Office of the Special Envoy for Burundi (1) for very important person (VIP) flights and cargo flights
Coordination of 4 regional movement technical training events	2	Technical training events conducted by the Transport and Movements Integrated Control Centre on supply chain management and analysis and on the supply chain operation reference model, which were attended by staff of the Control Centre

III. Resource performance

A. Financial resources

(Thousands of United States dollars. Budget year is from 1 July 2016 to 30 June 2017.)

Category	Apportionment	Expenditure	Variance	
			Amount	Percentage
	(1)	(2)	(3)=(1)-(2)	(4)=(3)÷(1)
Civilian personnel				
International staff	18 013.2	18 775.5	(762.3)	(4.2)
National staff	6 336.4	5 763.7	572.7	9.0
United Nations Volunteers	181.0	178.9	2.1	1.2
General temporary assistance	—	35.7	(35.7)	—
Government-provided personnel	—	—	—	—
Subtotal	24 530.6	24 753.8	(223.2)	(0.9)
Operational costs				
Civilian electoral observers	—	—	—	—
Consultants	218.0	532.5	(314.5)	(144.3)
Official travel	444.0	584.1	(140.1)	(31.6)
Facilities and infrastructure	7 506.6	4 303.3	3 203.3	42.7
Ground transportation	130.0	97.3	32.7	25.2
Air transportation	—	—	—	—
Naval transportation	—	—	—	—
Communications	2 696.5	1 134.1	1 562.4	57.9
Information technology	2 663.1	4 350.4	(1 687.3)	(63.4)
Medical	153.1	46.3	106.8	69.8
Special equipment	—	—	—	—
Other supplies, services and equipment	861.7	530.8	330.9	38.4
Quick-impact projects	—	—	—	—
Subtotal	14 673.0	11 578.8	3 094.2	21.1
Gross requirements	39 203.6	36 332.6	2 871.0	7.3
Staff assessment income	2 786.7	2 686.6	100.1	3.6
Net requirements	36 416.9	33 646.0	2 770.9	7.6
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	39 203.6	36 332.6	2 871.0	7.3

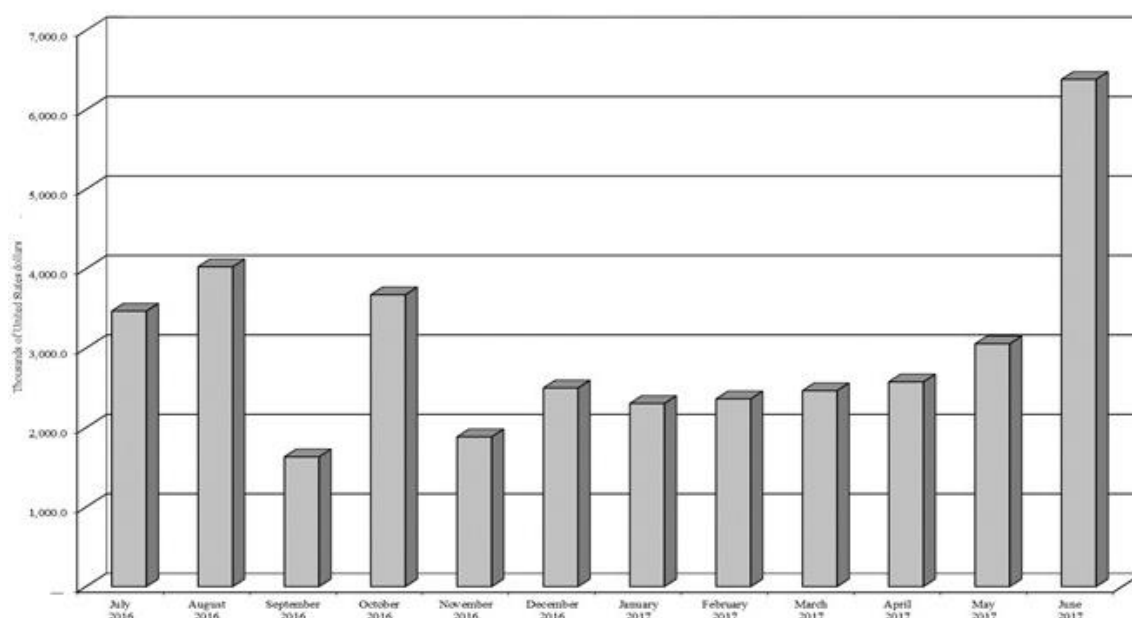
B. Summary information on redeployments across groups

(Thousands of United States dollars)

Group	Appropriation		
	Original distribution	Redeployment	Revised distribution
I. Military and police personnel	–	–	–
II. Civilian personnel	24 530.6	341.6	24 872.2
III. Operational costs	14 673.0	(341.6)	14 331.4
Total	39 203.6	–	39 203.6
Percentage of redeployments to total appropriation			0.9

28. Redeployments of funds from facilities and infrastructure, under operational costs, was required to cover higher than budgeted expenditure for international staff common staff costs.

C. Monthly expenditure pattern



29. The higher expenditure for the first quarter of the financial period was attributable primarily to obligations raised at the beginning of the financial period for major activities, such as construction, information and communications technology services, and maintenance and support services. The higher expenditure in June 2017 is attributable to the acquisition of additional information technology equipment, software packages and spare parts that were required for the upgrade of the Technology Centre of the Regional Service Centre for testing systems before their deploying to client missions, and the requirements for the upgrade of the training systems in the Regional Training and Conference Centre to allow for interactive sessions, in support of client missions and staff in Entebbe.

D. Other revenue and adjustments

(Thousands of United States dollars)

<i>Category</i>	<i>Amount</i>
Investment revenue	110.8
Other/miscellaneous revenue	1.4
Prior-period adjustments	—
Cancellation of prior-period obligations	—
Total	112.2

IV. Analysis of variances¹

	<i>Variance</i>	
International staff	(\$762.3)	(4.2%)

30. The variance is attributable mainly to the increase in common staff costs resulting from: (a) the processing of a high volume of prior-period education grant claims to clear the backlog caused during the deployment of the education grant module of Umoja in the 2015/16 period; (b) the increase in the number of claims for residential security allowance, following the adoption of a simplified procedure by which staff members need submit the required documentation only once per year, rather than each month, in order to receive payments automatically through payroll; and (c) changes in the compensation package for international staff, which affected such areas as dependency allowance and mobility incentive.

31. The overexpenditure was partially offset by the higher actual vacancy rate for international staff (20.5 per cent) experienced during the reporting period, compared with the budgeted rate of 19.0 per cent.

	<i>Variance</i>	
National staff	\$572.7	9.0%

32. The variance is attributable mainly to the higher actual average vacancy rate of 51.6 per cent and 9.7 per cent for National Professional Officers and national General Service staff, respectively, compared with the budgeted rates of 50 per cent and 6 per cent, owing to delays in the recruitment of National Professional Officers in the first half of the reporting period, as well as the appreciation of the United States dollar against the Ugandan shilling. It should be noted that accelerated recruitment activities in the second half of the reporting period resulted in an actual incumbency of 24 of 31 National Professional Officers as at 30 June 2017, which reduced the vacancy rate to 22.6 per cent.

33. The underexpenditure was partially offset by the increases in salary for national staff of 12 per cent for National Professional Officers and 27 per cent for national General Service staff, under the revised salary scales effective 1 September 2016.

¹ Resource variance amounts are expressed in thousands of United States dollars. Analysis is provided for variances of at least plus or minus 5 per cent or \$100,000.

	<i>Variance</i>	
Consultants	(\$314.5)	(144.3%)

34. The variance is attributable mainly to: (a) unbudgeted consultancy services in support of the project to review Department of Field Support shared services (\$486,700); and (b) the recruitment of two local consultants for a period of nine months to supervise the ongoing horizontal works construction project at the Entebbe Support Base. The Department hired a consultancy firm to conduct an independent review of the Regional Service Centre in Entebbe, Uganda, as a shared services provider, with a view to providing findings and recommendations relating to its performance, management and governance. The Steering Committee decided to charge the cost of the consultancy to the Regional Service Centre's budget, and the contract was signed in June 2017. The review was conducted during the third quarter of 2017, and a report was produced by the consultancy firm.

35. The overexpenditure is partially offset by: (a) the cancellation of the planned engagement of a consultancy service for business continuity, due to the reprioritization to hire a consultant to conduct the risk assessment for the Regional Service Centre, and of the end-to-end review of invoice processing, as well as the recruitment for the consultant for implementation of the internal control framework having been completed in the 2015/16 period, in line with the Board of Auditors recommendation to strengthen the financial operations of the Centre; and (b) the non-recruitment of training consultants, following the decision to utilise lower-cost commercial companies to conduct training activities.

	<i>Variance</i>	
Official travel	(\$140.1)	(31.6%)

36. The variance is attributable mainly to the unbudgeted requirement for temporary duty assignment to support the Regional Service Centre during the implementation of the centralization of payroll services for national staff and uniformed personnel and the following official travel requirements: (a) for site visits to the United Nations Office at Nairobi during the roll-out of Umoja cluster 5 and the related workshops; (b) for the Galileo decommissioning project, with a focus on the migration of the logistic execution and service delivery modules still in use by peacekeeping missions and special political missions; (c) to support the Centre's building assessment, as part of occupational safety; (d) for visits to clients, such as MINURSO, to prepare for its transition to a client mission in 2017/18, and to UNOCA and MINUSMA, among others; and (e) to support the liquidation of UNOCI.

37. The overexpenditure was offset by the reduced requirements for official travel for training, owing to the heavy reliance on the train-the-trainer concept in delivering 27 training sessions to 464 participants on the finance, travel and human resources modules of Umoja.

	<i>Variance</i>	
Facilities and infrastructure	\$3 203.3	42.7%

38. The variance is attributable mainly to: (a) the reduction in the final contract value for the horizontal works construction project to \$3.3 million, compared with the budgeted amount of \$5.1 million, resulting in the amount of \$2.3 million for the Regional Service Centre's share of the costs, compared with the budgeted amount of \$3.5 million; (b) the cancellation of the sally port project and the non-implementation of the base-wide improvement projects; (c) the cancellation of the planned contract for the supervision of the horizontal works project, which was replaced by the

engagement of two local engineering consultants to supervise the project; (d) the reduction in the Centre's percentage share of the costs for the common services provided by MONUSCO on the Entebbe Support Base from 70.6 per cent to 53.4 per cent for maintenance, security, utilities and waste disposal services, under the new cost-sharing methodology; and (e) the lower consumption of generator fuel of 80,657 litres, compared with the budgeted quantity of 140,392 litres, which was based on the higher share previously assumed by the Centre of fuel consumption on the Base of 70.3 per cent, compared with the actual percentage of 53.8 per cent.

39. The underexpenditure was partly offset by the unplanned acquisition of engineering supplies and electric equipment for the heating, ventilation and air conditioning (HVAC) system in the Regional Service Centre Technology Centre and accommodation equipment for the office buildings.

	<i>Variance</i>	
Ground transportation	\$32.7	25.2%

40. The variance is attributable mainly to the lower consumption of 31,629 litres of petrol and lubricants, compared with the budgeted amount of 63,685 litres, due to the reduction in the number of vehicles used by the Centre, from 22 to 19, and the lower actual average fuel cost of \$0.86 per litre, compared with the budgeted price of \$0.91, as well as the lower requirements for maintenance, repairs and insurance.

	<i>Variance</i>	
Communications	\$1 562.4	57.9%

41. The variance is attributable mainly to: (a) the lack of procurement of the planned electronic and communications measuring and testing instruments, because the contract was not established during the reporting period; (b) the lower costs for centrally managed information and communications technology services charged to the Regional Service Centre for the 2016/17 period, in part as a result of the lower usage of 2 transceiver stations for digital radio (TETRA) support services, compared with the 4 transceiver stations budgeted, as well as lower video- and teleconferencing charges; and (c) the lower actual cost of \$6,000 per month for leased lines, compared with the budgeted cost of \$30,000 per month, which included requirements for the Centre's share of the infrastructure costs of the high-bandwidth, low-latency satellite technology installed on the Entebbe Support Base, as well as service charges during the 2016/17 period. Given that the infrastructure installation was completed late, however, the Centre reimbursed MONUSCO for the service fees only.

	<i>Variance</i>	
Information technology	(\$1 687.3)	(63.4%)

42. The variance is attributable mainly to the additional requirement for acquisitions of information technology equipment, software packages and spare parts during the reporting period for the upgrade of the Technology Centre of the Regional Service Centre for systems testing before its deployment to client missions and requirements for upgrading the training systems in the Regional Training and Conference Centre to improve support to client missions and staff in Entebbe.

	<i>Variance</i>	
Medical	\$106.8	69.8%

43. The variance is attributable mainly to the reduced requirement for medical services due to the lower actual average number of staff (347), compared with the budgeted number (421), owing to the lower than planned deployment of staff and to the non-acquisition of planned medical supplies during the reporting period, due to the absence of system contracts and the timeline for a new procurement exercise.

	<i>Variance</i>	
Other supplies, services and equipment	\$330.9	38.4%

44. The variance is attributable mainly to the lower requirements for freight, which was partially offset by: (a) increased requirements for training fees, supplies and services for training courses conducted at the Regional Service Centre for the staff of the Centre and client missions; and (b) the payment of a settlement to a staff member.

V. Actions to be taken by the General Assembly

45. The actions to be taken by the General Assembly in connection with the financing of the Regional Service Centre in Entebbe, Uganda, are:

(a) To decide on the treatment of the unencumbered balance of \$2,871,000 with respect to the period from 1 July 2016 to 30 June 2017;

(b) To decide on the treatment of other revenue/adjustments for the period ended 30 June 2017 amounting to \$112,200 from investment revenue (\$110,800) and other/miscellaneous revenue (\$1,400).