General Assembly

Seventy-fifth session
Agenda items 141 and 154

Proposed programme budget for 2021

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

Twelfth and final progress report on the enterprise resource planning project

Fifteenth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for 2021

I. Introduction

1.   The Advisory Committee on Administrative and Budgetary Questions has considered the twelfth and final progress report of the Secretary-General on the enterprise resource planning project (A/75/386) submitted pursuant to General Assembly resolution 64/243, in which the Assembly requested the Secretary-General to continue to ensure that the Assembly is kept informed, on an annual basis, of the progress regarding the enterprise resource planning project (Umoja). The Committee also had before it the ninth annual progress report of the Board of Auditors on the implementation of the United Nations enterprise resource planning system (A/75/159), submitted pursuant to Assembly resolution 66/246.

2.   During its consideration of the aforementioned reports, the Advisory Committee met with the representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 16 November 2020. The Committee also had an exchange with the members of the Audit Operations Committee.

II. Ninth annual progress report of the Board of Auditors on the implementation of the United Nations enterprise resource planning project

3.   The Board of Auditors indicates that its report covers progress in the scheduled deployment of the remaining functionalities of Umoja, the status and operation of the deployed functionalities, the mainstreaming of Umoja and the costs and benefits of

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Umoja, as well as the results of its examination of application controls in the areas of human resources and delegation of authority. The Board also indicates that it examined the implementation of the six Umoja Extension 2 (UE2) solutions and assessed the implementation status of the processes and functionality of each solution, as well as the entities to which they had been deployed as at December 2019 (A/75/159, summary and para. 34). Upon enquiry, the Board informed the Advisory Committee that it had conducted its audit from 13 January to 28 February 2020. The Board also informed the Committee that it would review, inter alia, the implementation status of the UE2 projects in the context of its next annual audit, planned for the first quarter of 2021. **The Advisory Committee commends the quality and comprehensiveness of the report of the Board.**

4.   With regard to the implementation status of its recommendations, the Board of Auditors notes that, of the 45 recommendations issued in its previous reports up to 31 December 2018, eight (18 per cent) have been fully implemented and 37 (82 per cent) are under implementation (A/75/159, summary). A more detailed commentary on the individual recommendations, together with details of the action taken by the Administration, is provided in the annex to the report of the Board. Upon enquiry, the Board informed the Advisory Committee that, after initial disagreement, the Administration had accepted its recommendations on: (a) the review of appendices to the licence agreement with SAP, the enterprise resource planning software provider (ibid., paras. 80–88); and (b) the mapping of Umoja user roles with the function and type of authority delegated under the new delegation of authority architecture (see also A/75/5 (Vol. I), paras. 222–312, and A/75/538, paras. 11–14).

5.   **The Advisory Committee recalls that, in its resolution 73/268 A, the General Assembly reiterated its request to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board of Auditors and the related recommendations of the Committee in a prompt and timely manner. The Committee reiterates its recommendation that the Assembly request the Secretary-General to fully cooperate with the Board and trusts again that the Administration will continue to enhance its collaboration with the Board on the recommendations that have been fully or partially accepted or not accepted by the Administration and on the status of recommendations for which the Administration has requested closure (see also A/74/528, para. 13, and A/74/528/Corr.1, and A/74/806, paras. 22 and 24).**

III. Twelfth and final progress report of the Secretary-General on the enterprise resource planning project

6.   The Secretary-General indicates that his twelfth and final progress report on the status of the implementation of Umoja provides an update on progress since the issuance of his eleventh progress report, in October 2019 (A/74/478). He also indicates that his report contains a proposal to end the project phase of Umoja at the end of 2020 and includes a mainstreaming plan effective 1 January 2021, as requested by the General Assembly. The Secretary-General states that the deployment of UE2, comprising 41 per cent of Umoja processes, will be completed by 31 December 2020, and that additional integration and other enhancement opportunities identified during the design and development phases will be pursued as part of continuous improvements (A/75/386, summary). Key issues covered in the twelfth progress report of the Secretary-General include: (a) a project review; (b) Umoja mainstreaming, consisting of a governance model, transforming a business need into a solution, the total cost of ownership and benefits realization; and (c) resource requirements for 2021.

A. General observations and recommendations

7.   **While the report of the Secretary-General is the twelfth and final annual update on progress in the implementation of Umoja, the Advisory Committee is not fully convinced that the Umoja project will be fully implemented and deployed by the end of 2020 and notes that the stabilization period is not clearly established. The Committee considers that there is a need to establish a clear record of the achievements and outstanding activities at the end of the project and stabilization phases of Umoja. Accordingly, the Committee recommends that the General Assembly request the Secretary-General to submit for its consideration during the main part of its seventy-sixth session a final report on the project phase and stabilization period of Umoja, taking into account the observations and recommendations in the present report (see para. 5 above).**

8.   **The Advisory Committee also intends to request the Board of Auditors to conduct an independent assessment of the implementation status of the Umoja project with a view to identifying potential gaps, challenges and opportunities and quantifying the best practices and lessons learned, and to present an update in the context of its next annual progress report on the implementation of Umoja (see paras. 3 and 7 above).**

B. Project review

9.   From the information provided in the report of the Board of Auditors on the UE2 deployment as at the end of 2019 and the comments made by the Secretariat in response to the observations of the Board (A/75/159, paras. 33–68), as well as the update on the status of the six UE2 projects as at October 2020 provided in the twelfth progress report of the Secretary-General (A/75/386, paras. 10–34), the Advisory Committee notes that, in some cases, the Board and the Secretariat expressed differing views as to the planned scope and implementation status of the UE2 solutions in terms of processes, functionality and entities to be covered. For example, the Board considered that, to ensure optimum benefits, inter- and intra-solution linkages should be implemented as part of the solution, whereas the Secretariat indicated that some of the linkages had been implemented or partially implemented during the project phase and that others would be addressed as part of continuous improvements after stabilization of the system (A/75/159, paras. 66–68). The Board expressed its view that the status of implementation of processes and functionality and their deployment across entities at the end of 2019 pointed to a material risk that the full implementation of UE2 would not be achieved by the end of 2020.[1] **The Advisory Committee recommends that the General Assembly request the Secretary-General to provide in the aforementioned final report on the project phase of the implementation of Umoja full details on the planned processes, functionality and coverage, including of each of the six UE2 projects, as well as on the progress made towards their implementation and deployment, and the remaining activities to be completed after the end of the project phase, in particular those relating to integration, continuous improvement and production support.**

Strategic planning, budgeting and performance management

10.   In his twelfth progress report, the Secretary-General indicates that the strategic planning, budgeting and performance management solution has been deployed to all

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[1] Including the following UE2 projects: strategic planning, budgeting and performance management; fundraising and donor relationship management; and implementing partner management.

entities. Following the deployments in 2019, the solution was enhanced with new or adapted functionalities for travel budgeting, the position model, the recosting model, the preparation and processing of revised estimates and programme budget implications, performance monitoring and a performance dashboard. In addition, a new, integrated functionality for the end-to-end management of the life cycle of projects is to be implemented in the fourth quarter of 2020 (A/75/386, paras. 10–13).

11.   In its report, the Board of Auditors notes that the solution[2] has been partially developed and deployed during 2019, and that the processes pending deployment include core processes relating to budget formulation for extrabudgetary funds, programme execution and performance, project management and strategic management. The Board is also of the view that the integration of the three strategic planning, budgeting and performance management applications and of strategic planning, budgeting and performance management with the uniformed capabilities management and supply chain management solutions is a key requirement for full benefits realization. The Board further stresses that remaining functionality in scope for the budget formulation solution should be clearly documented to enable the use of the solution as an integrated budget planning tool, in place of the disparate arrangements that continue to be used (A/75/159, paras. 35–42).

Fundraising and donor relationship management

12.   In his twelfth progress report, the Secretary-General indicates that a dedicated business lead and extended business teams are now engaged to reinvigorate the project and drive the user adoption of the solution. In view of the liquidity concerns, the solution is also now being leveraged to track the status of assessed contributions and to track communications with Member States regarding their payment. In addition, the solution is being used to provide a library of standard agreements and terms and conditions to all entities, which will be relevant in the context of the delegation of authority and the decentralization of funds management (A/75/386, paras. 10–13)

13.   In its report, the Board of Auditors notes a number of weaknesses in the implementation of this UE2 project, including the lack of, inter alia, a project owner/dedicated business lead and adequate engagement with the end-user entities, as well as an oversimplification of the solution to reduce the complexity of change management, resulting in insufficient business value for end-user entities (A/75/159, paras. 35–42).

Implementing partner management

14.   In his twelfth progress report, the Secretary-General indicates that, after an initial roll-out to a small number of entities at the end of 2018, so as to minimize risks, the implementing partner management solution was deployed to all entities in December 2019. In response to user feedback after deployment, improvements have been introduced to support additional funding during the life cycle of an agreement, and tools are being developed to assess and evaluate implementing partners, a process that is expected to be completed by the end of 2020 (A/75/386, paras. 15–16).

15.   In its report, the Board of Auditors notes that multiple functionalities are yet to be deployed, including identification, assessment and selection of grantees, the definition of flexible project logical frameworks reflecting detailed agreement clauses, audit and inspection, and the recovery of inadmissible expenditure from grantees. It considers that there is a material risk that the deployment of the core

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[2] Consisting of three applications: strategic management application; business planning and consolidation; and portfolio and project management/project system.

functionality under this subproject may not be achieved by December 2020 (A/75/159, paras. 46–52).

Supply chain management

16. In his twelfth progress report, the Secretary-General indicates that the transportation management solution was deployed in January 2019 for contingent-owned equipment, the rotation of military and police contingents and the transportation of commercially procured vehicles. He also indicates that the scope of the solution was expanded in December 2019 to cover transportation operations for all goods procured commercially and that a number of enhancements were implemented that related to the movement of military and police contingent personnel in commercial aircraft under long-term charter arrangements and the transportation of United Nations-owned inventory between entity locations.

17. With regard to demand planning and supply planning, the Secretary-General indicates in his report that progress had been hindered since 2017, owing to the decision by SAP to discontinue and replace the software product with a cloud-based subscription service called Integrated Business Planning. Negotiations were initiated for the acquisition of the service, which were finalized in September 2019, following which the initial solution was set up at the end of 2019. The Secretary-General also indicates that gross demand functionality has been designed and configured and will soon become available to all users, whereas net demand and source planning functionality is under development and will be designed and configured by the fourth quarter of 2020 (A/75/386, paras. 18–25; see also A/75/159, paras. 43–45).

Uniformed capabilities management

18. In his twelfth progress report, the Secretary-General indicates that release 1 of the solution was deployed in December 2018 and release 2 in August 2019. In July 2020, the recommendations of the 2020 Working Group on Contingent-Owned Equipment, as approved by the General Assembly in its resolution 74/279, were incorporated into the solution. The Secretary-General also indicates that the functionality for troop and formed police strength reporting and troop cost reimbursement will be delivered by the end of 2020 (A/75/386, paras. 26–30; see also A/75/159, paras. 60–61).

Conference and event management

19. In his twelfth progress report, the Secretary-General indicates that the solution for this project is based on an open source software (Indico.UN)[3] for meeting participant management and two legacy systems developed and maintained by the Department for General Assembly and Conference Management, namely, gMeets (for meetings management) and gDoc (for meeting documentation) (A/75/386, paras. 31–34; see also A/75/159, paras. 62–65). Upon enquiry, the Advisory Committee was informed that the 16 business processes identified for conference and event management were currently being delivered by those three comprehensive non-SAP applications. While not fully integrated with Umoja, those systems have the necessary workflows to plan, manage and process financial data required by Umoja for service delivery. In 2020, the Department for General Assembly and Conference Management established a project entitled Conference and event management UE2. The project will focus on assessing the business readiness of the three systems for integration with Umoja processes and undertake the necessary business analysis. The business analysis will identify integration points for each of the systems and their processes

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[3] The event registration system of the United Nations, based on the European Organization for Nuclear Research Indico.

with Umoja. Another essential step to facilitate the integration of conference and event management systems with Umoja is the participation of the Department in the Umoja Change Board.

20. It was further indicated that gDoc 2.0 was currently receiving data from the human resources module of Umoja for capacity planning. A project is also already under way to assess the integration of the Department of Safety and Security security system (C-Cure) with Indico.UN for providing greater value for meeting participant management. Though not in the original scope, this is perceived as more urgent than the financial integration with Umoja or an interface that could automate the transfer of information from those systems to Umoja.

Infrastructure

21. In his twelfth progress report, the Secretary-General indicates that several components of the Umoja information technology infrastructure underwent numerous upgrades to guarantee maximum application availability and mitigate possible security gaps. The optimization took eight months of coordinated effort by multiple teams and was completed in the third quarter of 2019 (see paras. 41–42 below).

Project management

22. The Board of Auditors indicates that it continued to notice shortcomings in the utilization of the project management tool. For example, owing to a lack of clear information, it is difficult to identify the specific constraints and causes of problems in individual projects or to compare planned dates for the completion of tasks with the actual dates of completion. **The Advisory Committee expects the Secretary-General to address the weaknesses in the utilization of the project management tool as a matter of priority, and trusts that an update on the measures taken will be provided in the final report.**

C. Umoja mainstreaming

23. In his twelfth progress report, the Secretary-General indicates that Umoja must be mainstreamed fully into the Secretariat with a sustainable business model that can ensure that the solution remains fit-for-purpose and continues to support the business case. The proposed mainstreaming plan covers: (a) a governance model; (b) transforming a business need into a solution; (c) the total cost of ownership; and (d) benefits realization.

24. The Secretary-General also indicates that some of the lessons learned from previous deployments of Umoja are that mainstreaming takes time to ensure a smooth transition and that the functions need to be properly staffed and funded for long-term sustainability. Upon enquiry, the Advisory Committee was informed that, as indicated in the eleventh progress report, the lessons were learned from the experiences of deploying and stabilizing the Umoja foundation and UE1, as well as the recommendations by the external experts who were engaged in 2018 for the Organization readiness review.

1. Proposed governance model

25. In his twelfth progress report, the Secretary-General indicates that the broad functional scope of Umoja makes it imperative to create a governance model that can provide the right direction and support to ensure that the solution keeps adapting to the evolving needs of the business areas, and that its extensive technical footprint conforms to the United Nations information and communications technology

standards and policies. The proposed governance model (A/75/386, paras. 53–60) includes the following main elements:

(a) *Department of Management Strategy, Policy and Compliance and Department of Operational Support*. It is proposed that the two departments provide the joint business leadership necessary to ensure that the Umoja solution remains fit-for-purpose for the Organization globally;

(b) *Management Client Board*. It is proposed that the Management Client Board serve as a standing forum through which Secretariat entities can provide feedback on administrative policy, process, strategy and support, and that the Department of Management Strategy, Policy and Compliance and the Department of Operational Support use the Board to engage with clients on the strategic and operational needs addressed by Umoja;

(c) *Umoja Steering Committee*. It is proposed to retain the Umoja Steering Committee until the end of 2021 to support the mainstreaming process by focusing on ensuring that UE2 is technically stable and that user adoption is sustainable;

(d) *Umoja Change Board*. It is proposed that the Umoja Change Board: (i) be composed of representatives from a broad range of Secretariat functional areas and entities and the Office of Information and Communications Technology, the Business Transformation and Accountability Division and the Executive Office of the Secretary-General; (ii) be responsible for evaluating and prioritizing change requests, and escalating significant changes that are proposed to the Department of Management Strategy, Policy and Compliance and the Department of Operational Support; and (iii) include the functional subgroups chaired by directors in the Department of Management Strategy, Policy and Compliance and the Department of Operational Support that are accountable for driving process improvement and efficiency in Umoja and executing all change management activities.

2. Transforming a business need into a solution (Enterprise Resource Planning Solution Division)

26. In his twelfth progress report (A/75/386, paras. 61–91), the Secretary-General indicates that transforming an approved business need into a Umoja software solution involves the following steps and functions:

(a) Business change requests, which will be channelled through the Umoja Change Board and defined, documented and specified by the business areas;

(b) Solution design (architecture) and build (integration and delivery), to determine the process, functional, technical, architectural, security and integration-related impacts of the requested changes, followed by the translation of those business requirements into functional solutions integrated into Umoja;

(c) Business testing and testing coordination, which include product testing to ensure that the business requirements are designed and developed in accordance with the agreed specifications, and user verification testing to obtain confirmation from the business owner that the solution meets the business needs;

(d) Application security, to ensure that the application is based on best practices recommended by SAP and in adherence with the security policy of the Organization, in close consultation with the Office of Information and Communications Technology (see paras. 41–42 below);

(e) Reporting and analytics, to present Umoja data in a meaningful way with respect to business requirements as well as for improved decision-making;

(f) SAP administration, licensing control and maintenance;

(g)   Infrastructure maintenance, which has been incrementally mainstreamed to the Office of Information and Communications Technology since 2014;

(h)   User access provisioning, which is a key component of application security and ensures that users have only the appropriate levels of capabilities within the system;

(i)   Training, which will be transitioned to the Capacity Development and Operational Training Service in the Department of Operational Support as part of mainstreaming;

(j)   Change management, which will be handled by the functional subgroups of the Umoja Change Board, working closely with the Business Transformation and Accountability Division and the Enterprise Resource Planning Solution Division;

(k)   Tier 0 to tier 3 production support.

27.   In his report, the Secretary-General also indicates that the Umoja team has been steadily downsized since mid-2016 and reorganized and reprofiled into fewer integrated teams for greater consolidation of business and technical functions, and that it now has the knowledge and skills collectively to maintain the full suite of SAP software comprising the Umoja solution. It is proposed to convert the Umoja project team, currently with a total of 72 posts, as the Enterprise Resource Planning Solution Division from 1 January 2021 with the continuation of a total of 68 posts, as follows.

(a)   Abolishment of 4 posts: one Assistant Secretary-General, two P-5 and one General Service (Principal level);

(b)   Continuation of 68 posts, comprising 1 D-2, 3 D-1, 8 P-5, 20 P-4, 16 P-3, 7 P-2, 8 General Service (Principal level) posts and 5 General Service (Other level) posts.

28.   The Secretary-General further indicates that the Enterprise Resource Planning Solution Division would provide many of the functions needed to adapt Umoja to meet evolving business needs, as well as ensure the continued maintenance of the system (A/75/386, paras. 62–64). It is proposed that the Division be comprised of: (a) an office of the Director, with 1 Director (D-2), 1 General Service (Other level) and 3 general temporary assistance positions (1 P-5, 1 P-4 and 1 General Service (Principal level)); (b) three solution architecture teams, each headed by a Director (D-1), for finance, human capital management and supply chain management integration, respectively; and (c) one solution delivery management and SAP integration team, also headed by a Director (D-1) (see A/75/386, annex VI). Annexes IX and X to the twelfth progress report show the proposed placement of the Division within the organizational structures of the Department of Management Strategy, Policy and Compliance and the Department of Operational Support (see also A/75/386, paras. 92–93 and 131–142). Upon enquiry, the Advisory Committee was provided with a more detailed organizational chart of the proposed Enterprise Resource Planning Solution Division, which is attached in the annex to the present report.

29.   In his report, the Secretary-General also indicates that the Enterprise Resource Planning Solution Division will report to both the Department of Management Strategy, Policy and Compliance and the Department of Operational Support and will appear in the organizational structure of both departments. For budgeting purposes, the resources requirement of the Division will be presented under subsection 29A of the programme budget (Department of Management Strategy, Policy and Compliance). Furthermore, the Umoja maintenance cost will continue to be budgeted under the Office of Information and Communications Technology under subsection 29C of the programme budget and the support account for peacekeeping operations.

30. With regard to the dual reporting lines and supervision of the Enterprise Resource Planning Solution Division by the Department of Management Strategy, Policy and Compliance and the Department of Operational Support, the Advisory Committee was informed that, under the management reform, both departments held whole-of-the-Secretariat roles and responsibilities for budget and finance, supply chain, human resources management and information and communications technology: the Department of Management Strategy, Policy and Compliance for policy guidance, strategy, planning and independent quality assurance functions; and the Department of Operational Support for operational support, transactional services and surge, transition and special activities, with a particular emphasis on the requirements of all United Nations field activities. The Committee was also informed that the Under-Secretaries-General of those two departments were also uniquely positioned to leverage the Management Client Board (the standing forum through which all Secretariat entities provide feedback to the departments on administrative policy, process, strategy and support), to engage with clients on the strategic and operational needs addressed by Umoja. Furthermore, as chairs of the Information and Communications Technology Steering Committee, the two Under-Secretaries-General can ensure the technical coherence of enterprise systems and the prioritization of their respective activities (see also A/75/386, para. 93).

31. **The Advisory Committee considers that the mainstreaming provides an opportunity to test the adequacy of the proposed governance model, management structures and oversight mechanisms, the workload and the capacity-building requirements. Accordingly, the Committee recommends that the General Assembly authorize the Secretary-General to establish the proposed governance model and the Enterprise Resource Planning Solution Division for a period of one year and to provide in his final report an assessment of the efficiency and effectiveness of the governance model and the organizational structure of the Division, including its dual reporting lines. The Committee also recommends that the Assembly request the Secretary-General to reassess resource requirements for the maintenance phase of Umoja, taking into account the stabilization activities, the workload assessment and capacity development, and to resubmit his proposals in the final report, for the financing of the Division and business support functions with detailed justifications.**

3. **Benefits realization**

32. With regard to benefits realization, the Secretary-General provides in his twelfth progress report some information on how Umoja has performed with respect to its original objectives, an illustrative list of the qualitative benefits and a table of the quantitative benefits realized from Umoja and reported previously (A/75/386, paras. 103–120 and annexes VII and VIII). He also indicates that, in response to the recommendation of the Board of Auditors that the Administration identify a coordinating division or unit as a primary process owner of benefits realization responsible for monitoring the process of benefits realization, the Business Transformation and Accountability Division will have responsibility for coordinating benefits realization in Umoja. **The Advisory Committee recommends that the General Assembly request the Secretary-General to provide an update on benefits realization in his final report.**

33. Upon enquiry, the Advisory Committee was informed that the Umoja solution was accessible to users from remote and home locations and had facilitated the transition of the Organization to work away from the office during the coronavirus disease (COVID-19) pandemic, and that it played an instrumental role in keeping the Organization operational during the crisis. The Umoja team was also able to maintain the software remotely from their homes and carry out several enhancements to the

system to support new policies and procedures required for dealing with the response to the pandemic, such as the payment of danger pay to a limited group of staff directly involved in certain COVID-19 operations and the introduction of a new telecommuting type for COVID-19 for tracking alternate working arrangements, distinct from flexible working arrangements. In addition, Umoja had proved to be particularly useful in managing the liquidity challenges faced by the Organization, through, inter alia, the availability of globally integrated data real-time information and the ability to track and monitor the entire life cycle of expenditure and all cash movements across all funding sources and to analyse the cash inflows and outflows in a very granular fashion by types of commitments, entities and other criteria. Upon enquiry, the Board of Auditors also informed the Committee that, owing to the COVID-19 pandemic, the Board had been conducting most of its audits remotely since March 2020, including the final audit of most of the financial statements. The Board indicated that it had found Umoja to be useful in completing, in particular, the financial audits, with the support of the Administration, which itself had relied heavily on Umoja for responding to the information needs of the auditors of the Board.

4. Total cost of ownership

34. In his twelfth progress report, the Secretary-General indicates that the total cost of ownership has been updated and has increased from $1,429.8 million in the eleventh progress report to $1,478.7 million in the current report, taking into account the recommendations of the Board of Auditors to the extent possible. The recommendations of the Board included additional elements and some corrections, which are summarized in the table below, provided upon request to the Advisory Committee.

Cost category	Period	Amount, as indicated in the eleventh progress report (United States dollars)	Remarks of the Board of Auditors
Direct costs	2008–2020	566 385 611	The cost towards the Umoja team included under direct costs in 2020 is not included in other costs (maintenance or indirect costs) for the subsequent period
Indirect costs	2013–2019 2020–2030	144 150 496 38 693 696	There was an understatement of the total cost of ownership by $1,787,467 (calculated up to 2030)
Training costs	2013–2019 2020–2030	83 195 065 4 221 044	The total cost of ownership was underestimated by $24.22 million
Maintenance costs	2016–2019 2020–2030	79 349 102 513 771 016	The maintenance costs were calculated on the basis of the estimation for 2020, which included an amount of $1.085 million that was actually not spent. The maintenance costs estimated for 2020–2030 based on the estimation of 2020 assuming an 8 per cent annual increase was overstated to that extent

D. Expenditure for 2020 and resource requirements for 2021

35. In his twelfth progress report, the Secretary-General indicates that the approved cumulative funding for the project up to the end of 2020 is $565,324,300, and that the projected expenditure by the end of 2020 is $553,242,100, leaving an unused balance of $12,082,200. Table 4 of the report provides a breakdown of the cumulative resource requirements for the period 2008–2020 by category of expenditure. The Secretary-General also indicates that the unused balance does not take into account the potential outcome of an ongoing negotiation with SAP for the licensing of a relatively new and

advanced analytics product launched by SAP that is estimated to require a net outlay of some $5 million for a five-year period after discounts. **The Advisory Committee trusts that updated information on expenditure will be presented to the General Assembly during its consideration of the present report.**

36. The total proposed resources for 2021 amount to $29,692,400, comprising $25,997,000 for the Enterprise Resource Planning Solution Division and $3,695,400 for the business support areas in the Department of Management Strategy, Policy and Compliance, the Department of Operational Support and the Department for General Assembly and Conference Management. A breakdown of resource requirements by category of expenditure is presented in table 9 of the report of the Secretary-General, while details on the post and non-post resources of the Enterprise Resource Planning Solution Division are provided in paragraphs 132–158.

Proposed resources for the Enterprise Resource Planning Solution Division

Posts

37. The proposed resources under posts amount to $12,971,600 to provide for the salary and common staff costs for the 68 posts proposed for the Enterprise Resource Planning Solution Division, comprising 1 D-2, 3 D-1, 8 P-5, 20 P-4, 16 P-3, 7 P-2, 8 General Service (Principal level) posts and 5 General Service (Other level) posts. In his twelfth progress report, the Secretary-General indicates that, as at 1 October 2020, 62 posts were encumbered, including 5 temporarily, and that 12 posts were at various stages of recruitment. **In view of its recommendation in paragraph 31 above, the Advisory Committee recommends that the General Assembly approve the establishment of the 68 posts proposed for the Enterprise Resource Planning Solution Division as temporary posts for one year, pending the submission of an assessment of the efficiency and effectiveness of the organizational structure of the Enterprise Resource Planning Solution Division and a reassessment of the requirements for the maintenance phase of Umoja. The Committee also recommends that the Assembly request the Secretary-General to include in his final report on the project phase of Umoja an updated proposal for the resource requirements of the Division, including detailed justifications for the requirements and grade levels of the individual posts proposed, based on their functions and workload (see para. 28 above).**

Other staff costs

38. The proposed resources under other staff costs amount to $3,412,100 to provide for temporary positions that will vary from 17 initially in 2021 to 14 by the end of the year (A/75/386, para. 144). Upon enquiry, the Advisory Committee was informed that the 17 positions comprised one D-1, three P-5, six P-4, two P-3, one P-2, 1 General Service (Principal level) and 3 General Service (Other level). **In view of the proposed capacity of the Enterprise Resource Planning Solution Division, the Advisory Committee recommends that the General Assembly reduce the proposed requirements under other staff costs by two positions (1 P-4 and 1 P-3) to provide for a total of 15 positions initially, to be reduced to 12 positions by the end of the 2021. Any related non-post resources should be adjusted accordingly.**

Travel of staff

39. The proposed resources for travel of staff amount to $305,700, comprising $263,800 for travel to attend specialized technical training available off-site only according to a calendar established by SAP Education, and $41,900 for other official business travel of the team. **The Advisory Committee considers that further efforts should be made to use online training opportunities to the extent feasible, as well**

as to limit in-person meetings and use alternative means of communication in the light of experience acquired during the COVID-19 pandemic. Accordingly, the Committee recommends that the General Assembly reduce the proposed requirements for travel of staff by 15 per cent (i.e. $45,900).

Consultants

40.   The proposed resources for consultants in 2021 amount to $408,100 to provide for the continued services of four full-time consultants during 2021, including Siebel developers within the Office of Information and Communications Technology in New York and Valencia. Upon enquiry, the Advisory Committee was provided with the actual and projected expenditure for 2020 by category of expenditure showing that the estimated expenditure for consultants in 2020 amounted to $308,100. **In view of the pattern of expenditure, the Advisory Committee recommends that the General Assembly reduce the proposed requirements of $408,100 for consultants in 2021 by 10 per cent (i.e., $40,800).**

E.   Other matters

41.   In his twelfth progress report, the Secretary-General indicates that the Enterprise Resource Planning Solution Division will continue to design and manage the application security and access control of the Umoja applications on the basis of best practices recommended by SAP and in adherence with the security policy of the Organization, in close consultation with the Office of Information and Communications Technology. The Advisory Committee recalls that, in its fourth annual progress report on the implementation of the information and communications technology strategy (A/75/156), the Board of Auditors noted that the short-term measures (10-point action plan) for promoting information security in the Secretariat envisaged in the context of the information and communications technology strategy adopted by the General Assembly in its resolution 69/262 (see also A/68/552) were yet to be completed, leading to vulnerabilities resulting in information security incidents, and that although a new cybersecurity action plan was developed at the end of 2019, it did not contain any mechanism for ensuring its broad implementation and accountability. In its related report (A/75/564), the Committee expressed its serious concern that critical and urgent actions related to information security had not been comprehensively implemented and that the Organization continued to be exposed to significant risks.

42.   Upon enquiry, the Advisory Committee was informed that the technical components of Umoja (including network infrastructure, storage, power, backup, remote access services and document repositories) were managed on the basis of global guidance, policies and tools by the Office of Information and Communications Technology and data centres of the Global Service Centres at Valencia and Brindisi.[4] The Committee was also informed that numerous additional technological protections were in place to reduce risks relative to communications with external partners and vendors and that further efforts were under way, in partnership with the Office, to deliver additional tools that further reduced risks. **The Advisory Committee recommends that the General Assembly request the Secretary-General to ensure that the risks to Umoja information security are comprehensively addressed and mitigated and to provide an update on the measures taken in his final report.**

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[4] The Global Service Centres have attained ISO 27001 certification for information security relating to network, data centre and infrastructure.

IV. Conclusions and recommendations

43. The actions requested of the General Assembly are set out in paragraph 164 of the twelfth and final progress report of the Secretary-General. **Subject to its comments and recommendations in the paragraphs above, the Advisory Committee recommends that the General Assembly:**

(a) **Take note of the twelfth and final progress report of the Secretary-General on the enterprise resource planning project;**

(b) **Approve the resource requirements of $25,483,100 for 2021 for the Enterprise Resource Planning Solution Division and the dual reporting line to the Department of Management Strategy, Policy and Compliance and the Department of Operational Support;**

Programme budget

(c) **Approve an amount of $3,822,500 under the programme budget for 2021 under subprogramme 1, component 1, Enterprise resource planning solution, of section 29A, Department of Management Strategy, Policy and Compliance, representing the regular budget share for the costs of the Division for 2021;**

(d) **Revise the appropriation under the proposed programme budget for 2021 by reducing the provisions under section 29A, Department of Management Strategy, Policy and Compliance, by an amount of $77,500;**

Support account for peacekeeping operations

(e) **Note that resource requirements in the amount of $15,799,500 will be included in the subsequent requirements for the support account for peacekeeping operations for the financial period from 1 July 2021 to 30 June 2022;**
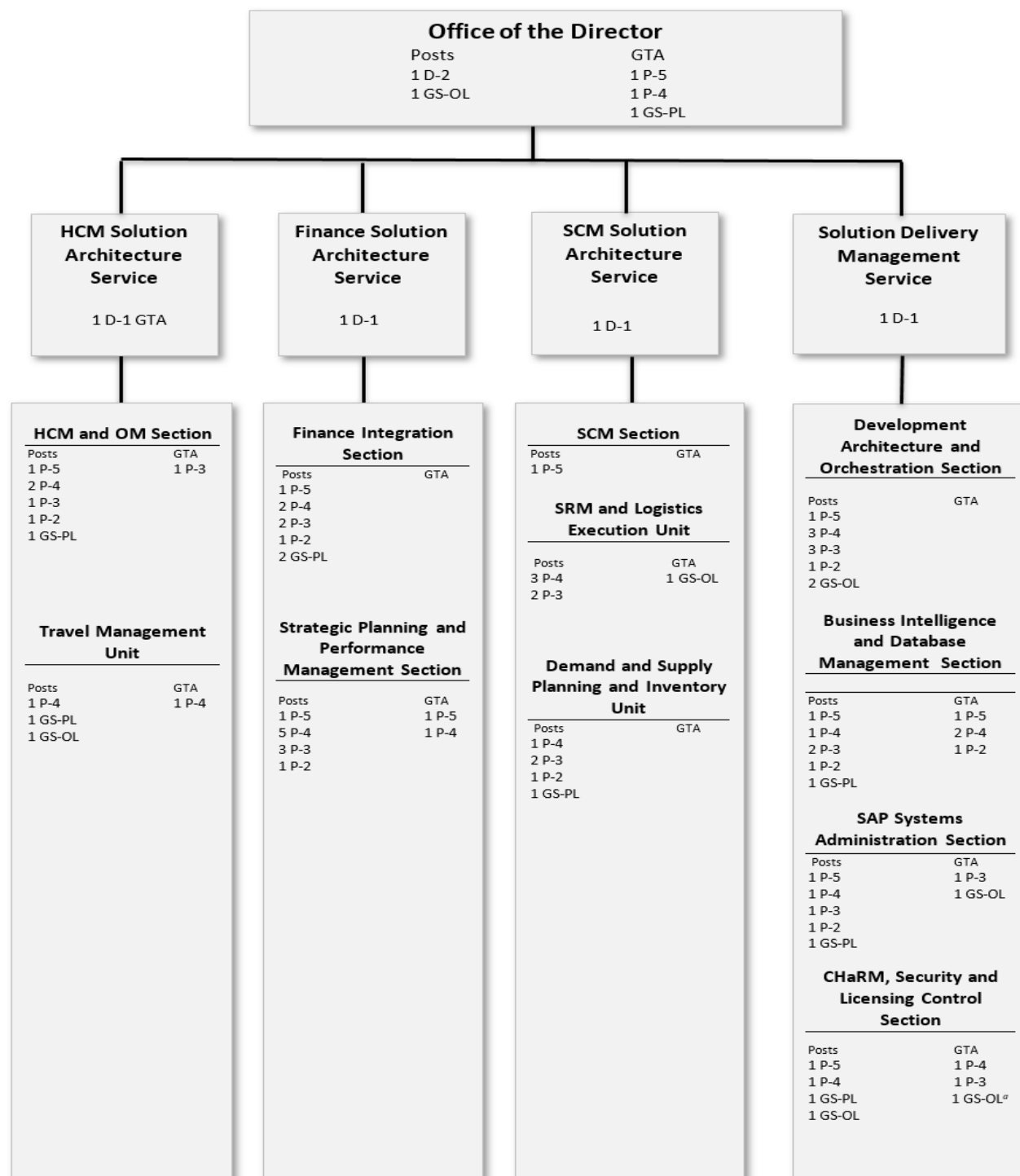
Extrabudgetary resources

(f) **Note that requirements in the amount of $5,861,100 will be funded from extrabudgetary resources in the financial year 2021;**

Business support activities

(g) **Approve the resource requirements of $3,695,400 for 2021 for the business support activities, to be funded from the unused balance at the end of 2020, currently estimated at $12,082,200.**

Annex

Organizational structure of the Enterprise Resource Planning Solution Division

Office of the Director
Posts	GTA
1 D-2	1 P-5
1 GS-OL	1 P-4
	1 GS-PL

HCM Solution Architecture Service
1 D-1 GTA

Finance Solution Architecture Service
1 D-1

SCM Solution Architecture Service
1 D-1

Solution Delivery Management Service
1 D-1

HCM and OM Section
Posts	GTA
1 P-5	1 P-3
2 P-4	
1 P-3	
1 P-2	
1 GS-PL	

Travel Management Unit
Posts	GTA
1 P-4	1 P-4
1 GS-PL	
1 GS-OL	

Finance Integration Section
Posts	GTA
1 P-5	
2 P-4	
2 P-3	
1 P-2	
2 GS-PL	

Strategic Planning and Performance Management Section
Posts	GTA
1 P-5	1 P-5
5 P-4	1 P-4
3 P-3	
1 P-2	

SCM Section
Posts	GTA
1 P-5	

SRM and Logistics Execution Unit
Posts	GTA
3 P-4	1 GS-OL
2 P-3	

Demand and Supply Planning and Inventory Unit
Posts	GTA
1 P-4	
2 P-3	
1 P-2	
1 GS-PL	

Development Architecture and Orchestration Section
Posts	GTA
1 P-5	
3 P-4	
3 P-3	
1 P-2	
2 GS-OL	

Business Intelligence and Database Management Section
Posts	GTA
1 P-5	1 P-5
1 P-4	2 P-4
2 P-3	1 P-2
1 P-2	
1 GS-PL	

SAP Systems Administration Section
Posts	GTA
1 P-5	1 P-3
1 P-4	1 GS-OL
1 P-3	
1 P-2	
1 GS-PL	

CHaRM, Security and Licensing Control Section
Posts	GTA
1 P-5	1 P-4
1 P-4	1 P-3
1 GS-PL	1 GS-OL[a]
1 GS-OL	

Abbreviations: HCM, Human Capital Management; GS (OL), General Service (Other level); GS (PL), General Service (Principal level); GTA, general temporary assistance; OM, Organizational Management; SCM, supply chain management; SRM, supplier relationship management.

[a] Embedded in the Procurement Division.