

United Nations Nations Unies

BOARD OF AUDITORS

Phone: (212) 963-5623

**Opening Statement to the Fifth Committee
on the Report of the UN Board of Auditors on progress handling ICT affairs in the
Secretariat
[A/70/581]**

29 February 2016

Mr. Chairman,

Distinguished Delegates,

On behalf of the Chairman, Mr. Mussa Juma Assad, (United Republic of Tanzania) and other Members of the Board, Sir Amyas Morse, (United Kingdom) and Mr. Shashi Kant Sharma (India), I have the honour to introduce the report of the Board of Auditors on the handling of Information Communication Technology affairs in the Secretariat.

Background

Effective information and communications technology (ICT) is essential to supporting the wide range of activities undertaken by the United Nations both at Headquarters and in the field. During biennium 2014-2015, the Administration estimates it spends an annual ICT budget (excluding Umoja) of \$663.7 million, and employs an ICT workforce of nearly 4,400 people to support over 70,000 users across 376 locations.

This is the second report produced by the Board on the handling of ICT affairs in the Secretariat. Its first report was produced in December 2012 (A/67/651) in response to a request from the General Assembly and found that the Administration had been unsuccessful in enforcing a centralized ICT strategy and highlighted some serious concerns over the adequacy of the UN information security environment. The Board concluded that the ICT strategy in place at that time could not be implemented through the work of a central ICT function that lacked the authority to enforce change, and that any global ICT strategy was

unlikely to be successful unless a number of fundamental managerial and structural issues were addressed.

Following the General Assembly's approval of the Secretary-General's revised ICT strategy in December 2014 (A/60/517), the Board decided to undertake a follow up audit in September 2015, three years after its first audit of ICT affairs. This report focused on the progress made addressing the Board's earlier concerns about the security of the United Nations information environment; the development of the revised ICT strategy; and, progress in implementing the revised strategy.

Key findings

Overall, the Board considers that the revised ICT Strategy is a good first step in responding to the Board's 2012 report. The Administration has taken a number of positive steps including developing and agreeing a revised ICT strategy and has begun restructuring the Office of Information and Communications Technology (OICT) to support its implementation. A new CITO, who was appointed in May 2013, is responsible for leading the implementation of the strategy in line with GA Resolution 69/262.

The revised ICT Strategy

The revised strategy focuses on standardization of ICT policies, applications and procedures, and harmonization of various support structures. Such activities have been necessary to establish the governance, infrastructure, and technical ability required for the Administration to implement the strategy successfully. There have been a number of areas where tangible progress has been made, for example the development of updated information security policies, the establishment of Regional Technology Centers, Enterprise Data Centres, the deployment of a global service help desk to help support the deployment of Umoja, and the development of an application management strategy.

However, many of the planned activities are in the preparatory or planning phases and some of the fundamental managerial and structural issues identified in the Board's 2012 report, have not yet been fully addressed. Until these issues are resolved there are significant limitations to what can be achieved in terms of the pace of substantive change.

Implementation of the strategy is currently reliant on collaboration rather than clear and agreed business rules. Although the Secretariat had intended to issue an updated Secretary-General's bulletin setting out revised policies and procedures, including delegations of authority on ICT matters, this has not yet been done and is now expected to be completed in the first quarter of this year. There also remains a lack of agreement regarding which activities require strong central control and which activities require or merit operational freedom.

Information Security

On information security, the Board found that the Administration has taken steps to improve information security including deploying an intrusion detection system and updating key information security policies. Measures to strengthen and harmonize desktop security and network security are also underway at Headquarters and mandatory training courses on information security have been introduced. However, there is a lack of formal authority and capacity to monitor and ensure compliance with information security policies and procedures, particularly beyond headquarters.

Progress implementing the ICT Strategy

The Board was unable to provide assurance that the overall implementation of the revised ICT strategy is on schedule and within budget. Progress has been slower than the Administration expected when its plans were first developed in 2013. Although progress is being made, the timetable for implementing the strategy is ambitious and did not reflect a full understanding of the depth of the challenges that needed to be overcome. Although the Administration is confident it has delivered activity to date within existing resources, key budget and spend data is missing from the majority of the projects underpinning the strategy and the Board had little confidence that these budgets and costs were being adequately overseen and controlled.

As requested by the General Assembly, the Administration attempted a five-year indicative budget projection for ICT but it is based on incomplete data. The most critical issue is the absence of baseline data from the Department of Field Support, which accounts for some 72 per cent of ICT expenditure.

The Board's previous report noted that any revised ICT strategy would need to evolve and adapt over time. The report also noted that a global ICT strategy would be unlikely to be successful without the full collaboration and support of all heads of business units. The strategy itself recognizes that it is dependent on clear governance, strong leadership and optimal use of resources. Significant improvements are needed in all three of these areas if the revised strategy is to be successful. In particular, the Administration needs to ensure unity of purpose around the key aims and objectives of the strategy by showing strong governance and leadership, and issuing updated policies and procedures to implement the CITO's mandate from the General Assembly. Departments also need to align their strategies and workplans with the requirements of the revised ICT strategy and take demonstrable action to support it.

To maximize the chances of successful implementation of the strategy, and the achievement of its aims, the Board makes a further seven recommendations, all of which have been accepted by the Administration, although one is only partially accepted.

Overall, of the 16 outstanding recommendations made in the Board's 2012 report, all of which were accepted by the Administration, the Board judges that two have been fully implemented and the remaining 14 are under implementation. The Board is also satisfied that notwithstanding the issues raised in its current report, management remains committed to implementing its recommendations.

This concludes my introductory statement. I, along with my colleagues, would be happy to provide any clarifications or additional information that the Committee may require.

Thank you.



Salhina Mkumba
Director of External Audit
United Republic of Tanzania
Chairman, the Audit Operations Committee