



Permanent Mission of Japan to the United Nations

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Statement by Mr. Sho Ono,
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Agenda Item 130:

Programme budget: biennium 2012-2013 on Umoja/ERP and the IPSAS
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Mr. Chairman,

At the outset, my delegation would like to thank H.E. Mr. Yukio Takasu, Under-Secretary-General for Management, Mr. Hugh O'Farrell, Director of External Audit, Audit Operations Committee, Board of Auditors, and Mr. Collen V. Kelapile, Chair of the Advisory Committee on Administrative and Budgetary Questions for introducing their respective reports on Umoja/ERP and the IPSAS. I wish to briefly outline my delegation's views on this issue.

Regarding Umoja/ERP, Japan is encouraged by the strengthening of the governance structure of the project, including through the designation of the Under-Secretary-General for Management as the Umoja Project Owner. My delegation is pleased to see that the project is now on track towards completion of the project.

Japan shares the view of the ACABQ that the full scope of the Umoja project should be delivered in the interest of the Organization. While regretting further delays in implementation, my delegation welcomes the revised deployment strategy and timetable as a practical proposal under the current circumstances. Japan expects that, with strict management of the timetable of costs for the project, each phase of the project will be completed in accordance with the proposed timeline.

Mr. Chairman,

In order to achieve the success of a business transformation project of this magnitude, organizational readiness across the entire Secretariat is imperative, and Japan believes that the Secretary General's strong leadership in this regard is vital for the success of Umoja. Furthermore, my delegation shares the observation of the ACABQ that key actors, i.e. the Project Owner, the Project Director, and the process owners, must be granted the appropriate authority to enforce organizational decisions across the Secretariat in order to realize the successful implementation of the project.

With respect to the costs and benefits of Umoja, Japan would like to point out three issues:

First, given the serious financial difficulties that the Member States are facing at this time, we are scrutinizing the recently proposed programme budget outline for the biennium 2014-2015. In this context, we would like to have further detailed information on the estimated requirements for 2014 and 2015 which includes an increase of approximately 32 million dollars, in order to enable the Member States to judge whether it is appropriate or not. In this context, Japan welcomes the Secretary General's initiative to ask all concerned departments to make every effort to absorb indirect costs within their existing budget and looks forward to seeing such efforts realized across the entire Secretariat.

Second, while emphasizing the importance of the timely implementation of the full scope of the Umoja project, Japan is of the view that the size and composition of the project team should be aligned with the requirements of each implementation phase. From this point of view, my delegation will look at the Secretary General's proposal on the "Umoja center of excellence", which will be established upon the completion of the Foundation and Umoja Extension 1 implementation activities.

With regard to the benefits of the project, while Japan welcomes the projected benefits elucidated in the Secretary General's report, Japan would like to request further detailed information on the staff cost related benefits, including those expected to arise from the decommissioning of existing systems. Japan urges the Secretariat to explore ways to expeditiously reflect expected savings from the implementation of Umoja in the budget.

Mr. Chairman,

On the IPSAS, at these early stages of its implementation Japan welcomes the progress achieved so far at the United Nations and throughout the United Nations system. Japan underscores the importance of full preparation for the implementation of the IPSAS including ensuring correct opening balances in IPSAS compliant financial statements, and close collaboration between the IPSAS and Umoja teams.

As for the issue of the increased number of audit reports, while this change would contribute to strengthening transparency and accountability of the United Nations, we should examine its impact on the work of this Committee.

Finally, I would like to assure you, Mr. Chairman, that my delegation will participate actively in the consultations on this agenda item under your able guidance.

Thank you, Mr. Chairman.