

**Statement of the Chairman**  
**Advisory Committee on Administrative and Budgetary Questions**

**13 December 2016**

**Global service delivery model for the United Nations Secretariat**  
*(ACABQ report A/71/666 related report A/71/417)*

Madam Chairperson

I am pleased to introduce the Advisory Committee's report on the global service delivery model.

The Advisory Committee welcomes the submission of the report of the Secretary-General and the progress made in further developing the proposals for a global service delivery model for the United Nations Secretariat.

Madam Chairperson

The Advisory Committee is of the view that the report of the Secretary-General responds only partially to the request of the General Assembly for a business case, a detailed cost-benefit analysis and comprehensive baseline information for each process. The Committee concludes that the report of the Secretary-General does not provide complete information for decision-making by the General Assembly, and that the proposals need further refinement and development in a number of areas. For instance:

- With regard to the global service delivery assessment, the Advisory Committee has reiterated the need for a comprehensive and detailed inventory of the 201 location-independent administrative processes that can potentially be considered for consolidation into shared service arrangements. The Committee has also highlighted the need for a coherent and uniform approach to the delivery of administrative services across all parts of the United Nations Secretariat, including peacekeeping, based on a harmonised catalogue of administrative services.
- With regard to the business case, the Advisory Committee is of the view that the full-time equivalent – or FTE – analysis on which baseline information quantitative benefits are estimated, is very preliminary. It is of the view that the data quality needs to be improved and that detailed information should be provided on the underlying methods and assumptions made in the development of the FTE analysis. The Committee emphasises the importance of ensuring that the FTE requirements for performing administrative tasks can be measured, compared and verified in a consistent manner over time.

Given the scale and scope of the proposals, and taking into account also that the proposals are still preliminary and need further development, the Advisory Committee is of the view that there is need to take into account the capacity of the Organization to implement in parallel another major business transformation initiative. At the same time, the Advisory Committee recognizes, as indicated by the Secretary-General, that the global service delivery model is closely interrelated with Umoja, and is required in order to fully realize the potential benefits of Umoja.

In view of these considerations, the Advisory Committee is of the view that it is in the best interest of the Organization to adopt a more sequential approach to the implementation of the first phase of the global service delivery model, with implementation at a limited number of locations rather than at all six locations concurrently. The Committee believes that such a pragmatic approach would allow the Secretariat to fully develop its proposals and also provide an opportunity to test the model in a pilot environment. Such an approach would also allow the United Nations to absorb more gradually the significant organizational changes that will undoubtedly result from the consolidation of administrative services across the Secretariat.

The Advisory Committee is therefore recommending that, prior to embarking on a major consolidation of administrative services in New York, the global service delivery model should be tested at locations such as Geneva and Nairobi, which provide a wide range of services to a large number of clients, and which have different levels of volume of activity, but where there are a fewer number of offices providing administrative support services.

In view of its recommendation that two instead of the proposed six locations be implemented in phase 1 (2018-2019), the Advisory Committee recommends approval of four of the eight positions proposed for the project team. The Advisory Committee is recommending approval of the application of the cost-sharing formula applied for the Umoja project to the resource requirements for the implementation of the global service delivery model project.

Finally, Madam Chairperson,

The Advisory Committee is recommending that the General Assembly request the Secretary-General to submit for consideration by the General Assembly during its 72<sup>nd</sup> session, a report containing a comprehensive and fully developed proposal.

Thank you Madam Chairperson