

**STATEMENT BY MR KENNY TAN, DELEGATE OF THE PERMANENT MISSION OF SINGAPORE TO THE UNITED NATIONS ON AGENDA ITEM 135: PROGRAMME BUDGET FOR 2020: ENTERPRISE RESOURCE PLANNING PROJECT, UMOJA, AT THE FIFTH COMMITTEE, MAIN PART OF THE 74<sup>th</sup> SESSION OF THE GENERAL ASSEMBLY ON 2 DECEMBER 2019**

2 Dec 2019

Thank you, Mr Chair.

1 Singapore aligns itself with the statement delivered by the distinguished representative of the State of Palestine on behalf of the Group of 77 and China.

2 My delegation thanks Mr Chandramouli Ramanathan, Controller and Assistant Secretary-General for Programme Planning, Finance and Budget, Mr Peter Korn, Director of External Audit (Germany) and Chair of the Audit Operations Committee of the Board of Auditors, and Mr Cihan Terzi, Chair of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for introducing their respective reports.

3 Singapore has supported the application of Umoja at the United Nations from the outset. Our delegation sees merit in using digital solutions to improve efficiency, harmonise processes, and increase transparency. We thus share the Secretary-General's vision of an Enterprise Resource Planning system to streamline the UN's operations through process re-engineering, data-sharing and implementation of best practices, while ensuring accountability. It is encouraging that the Umoja user base has expanded to over 43,000 users across 420 locations since its inception, with the majority of users benefitting from this system.

4 Nevertheless, Singapore remains deeply concerned at the repeated delays in the timeline for completion, and the project's significant cost escalation. While we recognise that any ICT project of this scale has its challenges, it is baffling that a project that touts savings and efficiency will, by the time of its completion, have taken three times as long as originally projected, and cost over twice its original estimation, at \$1.43 billion. We call on the Secretary-General to take urgent measures to ensure that the project is completed without further delay and additional cost, including the finalisation of the Umoja benefits realization plan. While we will carefully study the Secretary-General's request for additional resources, we also emphasise that there should not be any further extensions to the project beyond 2020.

Mr Chair,

5 Singapore also reiterates the need to implement the Board of Auditors' recommendations in a timely fashion. Two issues flagged by the Board and the ACABQ are of particular concern to my delegation. First, the risk of fraud due to gaps in the application controls for the processing of vendor payments and the maintenance of master data, still persists. We urge the Secretary-General to implement the necessary mitigation measures, such as automating the execution of daily payment proposals, minimising the exceptions for the execution of ad hoc payment proposals, and reviewing the master data for banking details, to correct cases of multiple vendors being associated with the same bank account.

6 Second, details of the Umoja mainstreaming plan have yet to be released. In light of the growing reliance on Umoja across the United Nations, it is pertinent that the Secretary-General ensure that the Organisation has the relevant capacity to maintain the system and enhance its resilience against possible shocks, with minimal dependency on outside expertise. We look forward to the Secretary-General's update on this issue in his final report, including measures to step up in-house training and capacity-building.

Mr Chair,

7 In closing, Singapore remains committed to supporting initiatives that enhance the Organisation's effectiveness, accountability, and transparency. We will continue to work constructively with our colleagues to ensure that Umoja can fully deliver on its promises of administrative and cost efficiency sooner rather than later.

Thank you.

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