Enterprise resource planning project (Umoja)

Statement by Catherine Pollard, Under-Secretary-General for Management Strategy, Policy and Compliance,

to the Fifth Committee

2 December 2019

Mr. Chairman, Distinguished Members,

I am happy to introduce the annual progress report on Umoja which is one of the most important reform initiatives mandated by the General Assembly. Umoja continues to be a major priority for my Department as it is also a key enabler of the Secretary-General's reform initiatives.

Over the past year, Umoja has made significant progress in many areas. Besides implementing a wide range of UE2 projects involving new software solutions, it has supported the three reforms relating to management, peace and security and the development system, replaced its entire ageing hardware infrastructure, enhanced many current functionalities, and rolled out a new platform to enable the use of Umoja on mobile devices and improve user adoption. And it has accomplished all this while the project team has become self-sufficient to develop and maintain the system, eliminating the need for a systems integrator.

It may be pertinent to recall that the ACABQ had observed that "Umoja Extension 2 comprises some of the more strategic functions, including planning and programming, budget formulation and supply chain management, and that the poor coverage of such functions under the previous systems was one of the main factors leading to the decision to shift to an ERP system". Some of the UE2 processes have no standard solutions available; the UN is also the first customer to use some of the combinations of SAP products. The functional and technical breadth and depth of Umoja has made it one of the most complex implementations among SAP's customers. This is also why UE2 deployments must be planned cautiously and executed judiciously.

The report deals with the progress of all the UE2 projects but I would like to touch very briefly on some of them.

The UE2 Strategic Planning, Budgeting and Performance Management solution has advanced significantly, progressively covering the entire cycle of programme planning, budgeting, implementation, performance monitoring and reporting. It underpins the Secretary-General's efforts to focus on institutional results and strengthen transparency and accountability through results-based management.

UE2's Uniformed Capabilities Management represents another example of a non-traditional ERP solution designed to cover most of the unique processes for the reimbursements to troop and police contributing countries for troops and contingent-owned equipment.

Today also marks the go-live of the second release of UE2 transportation management . This solution provides capabilities to plan, execute and monitor the movement of goods from vendors to UN warehouses, inter and intra mission transfers, as well as the deployment/rotation/repatriation of Contingent Owned Equipment and Personnel (Troops and Police). It also includes robust 'track-and-trace' capabilities, allowing real-time monitoring of movement of goods, include alerts for unforeseen events.

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While most of the software development is behind us, the project had a set back in finalizing the software contract for two elements of UE2 supply chain management, namely demand planning and supply network planning. Though a cloud-based SAP software was identified last year and commercial terms negotiated for its use, the legal terms for the cloud-based software took nearly 9 months to negotiate. The contract was executed only in mid-September and the project is focusing on completing these deployments in 2020.

Turning to mainstreaming, the Committee will recall that the back-end IT infrastructure has already been mainstreamed into OICT. However, a successful ERP-based business transformation project requires a number of business-facing functions for a typical "steady-state", such as business demand management, requirements analysis, process improvement and standardization, testing and training, deployment and post deployment support. The report describes how these functions are being mainstreamed and the work that lies ahead.

The report before you contains a request for resources of $22.6 million for 2020, after adjusting a carry-forward of over $12.7 million unused resources. The Committee may like to note that the project cost estimates have remained stable since the eighth progress report, attesting to the continued financial discipline of the project. The resource proposals also reflect a continuing reduction of GTA and contractual resources as part of the downsizing of project resources.

Mr. Chairman, ensuring the adoption of UE2 will continue to require strong business engagement and the support of senior management in all business areas. At the same time, the Organization's operations now depend critically on the smooth functioning of Umoja, which has also demonstrated its value in managing the ongoing financial liquidity challenges.

We count on the continued support of this Committee to ensure that the project can deliver on its fullest potential.

We look forward to the discussions in the informal sessions.

Thank you.