Enterprise resource planning project (Umoja)

Statement by Chandramouli Ramanathan, Assistant Secretary-General, Controller

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Mr. Chairman, Distinguished Members,

I am pleased to introduce the final progress report on the Enterprise Resource Planning Project.

This report is submitted pursuant to General Assembly resolution 64/243, and 75/253 in which the Assembly requested the Secretary-General to provide annual updates on the progress of the enterprise resource planning project, Umoja.

Umoja is a global system used across 476 locations that has replaced hundreds of legacy systems, providing an integrated and harmonized set of business processes to an ever-wider number and types of clients. Umoja has a vast functional footprint, a complex but robust technical architecture and infrastructure, and an advanced analytics platform. Its user base of 43,319 extends beyond the Secretariat to include Member States, external partners including meeting participants, implementing partners, and selected categories of vendors. Umoja has been critical in allowing the Secretariat to maintain business continuity during the COVID-19 pandemic and manage its persistent liquidity challenges.

The Board of Auditors, in its tenth annual report (A/76/131), noted that Umoja remained a key enabler for modernization and reforms in the administration of the United Nations. Further, the Board stated that "The Umoja project provided crucial support and functionality to the Organization, its stakeholders and its staff throughout the pandemic together with the data and reporting needed to assist the Organization. Through the timely implementation of a multitude of administrative measures related to the coronavirus disease (COVID-19) pandemic and its global reach, Umoja facilitated the ongoing functioning of the Organization."

Progress over the past year

Over the past year, the deployment of Umoja Extension 2 (UE2) was completed, and the project phase came to an end on 31 December 2020. It is key to note the distinction between full delivery of the project mandate, which has been fulfilled, and continuous improvements to the Umoja solution by the Division going forward.

The BOA, in their tenth annual progress report of the implementation of the United Nations enterprise resource planning system confirmed the end of UE2 activities: "*Umoja Extension 2, comprising processes with significant scope for transformation and value addition to the Organization, such as strategic planning and budget formulation, fundraising, implementing partner management, supply chain management and programme and project management. This phase comprised the more strategic functions and processes and was deployed by the end of 2020 to the entities that were agreed upon with the business owners for deployment in 2020*."

On 1 January 2021 the Enterprise Resource Planning Solution Division (ERPSD) started its operations with the continued maintenance and enhancement of the Umoja system, business-driven continuous improvements, and advanced analytics in support of the Organization and member states at the center of its mission going forward.

I am also pleased to report that Umoja closed its project phase with a cumulative expenditure of $554.8 million for 2008-2020 compared to the approved budget of $565.3 million for the same period. Against the $10.4 million of unused funding balance as at the close of 2020, the General Assembly authorized $3.6 million to fund the business support activities during 2021 with the reminder returning to the member states.

1

In its first year of operation, ERPSD is continuing the five-year trend of staying within budget with expenditure for 2021 projected to be $24.9 million against the approved budget of $25.4 million.

Umoja Extension 2

While the report includes an update on the delivery and deployment of all the UE2 projects, I would like to highlight some of them briefly due to their impact especially on Member States.

Strategic planning, budgeting and performance management (SPPM)

SPPM was deployed to all Secretariat entities in 2020, fulfilling its project mandate. The integrated planning, management, and reporting (IPMR) enhancement was deployed in the fourth quarter of 2020 providing a holistic, end-to-end capability, using new and existing UE2 modules, to manage the full life cycle of projects and across funding sources.

Supply Chain Management (SCM)

Transportation Management

Following the successful deployment of the solution to 37 entities at the end of 2019, several continuous improvements were delivered in the reporting period to further enhance the solution functionalities, including those facilitating troop and contingent-owned equipment movements. The transportation management functionality was also used to manage and track the Organization's COVID-19 vaccine shipments around the globe.

Demand planning and supply planning

The solution was deployed at the end of 2020, concluding UE2 scope and was deployed to 44 entities in July 2021, initiating supply chain planning activities through the integrated solution. The solution, rebranded as the 'Supply Chain Planning Tool', was the first SAP cloud-based application implemented in the Umoja solution architecture with the UN being the first major public sector implementation among SAP customers.

Uniformed Capabilities Management (UCM)

Functionality for monthly strength reporting for all uniformed personnel and reimbursement processing for Troops and Formed Police Units was delivered by the end of 2020, thereby concluding UE2 scope. Twenty-two peacekeeping and special political missions use Uniformed Capabilities Management (UCM) to capture daily gains and losses for uniformed categories, as well as to generate mission summary reports which are published for troop and police contributing countries. Monthly unit strength reports form the basis of subsequent claim and reimbursement processing for personnel, processed in UCM. With the successful conclusion of UE2 scope, several continuous improvements to the solution, including additional integrations were delivered through multiple releases to further enhance functionalities.

Audit Recommendations

15 recommendations were closed since the last progress report. The Administration will continue to make a concerted effort to close all open audit recommendations and provide a robust package of evidence to the auditors upon their next audit.

Continuous Improvements

One of the key activities for the new division, ERPSD, is the implementation of a continuous improvement program of work in close collaboration with the business and in line with the SG's reform. The deployment of Umoja functionalities has continued to cultivate opportunities for the Organization to further strengthen business transformation. This has enabled business units to drive a culture of continuous improvements and innovation, leveraging the capabilities of Umoja and its potential for enhanced process efficiencies to meet business needs. These continuous improvements, along with enhancements and technical upgrades to Umoja will gradually transform the solution into a next generation ERP.

This is in line with recommendation contained in the Board of Auditors 10th Report (A/76/131) that the Administration assess the feasibility of further integrations among UE2 solutions and monitor the implementation status of those integrations as they are identified, assessed and prioritized.

The Umoja Change Board (UCB) was established in April 2020. In 2021, the Board's terms of reference were updated following the closure of the Umoja project, the establishment of ERPSD, and the mainstreaming of relevant former Umoja project team responsibilities to the business. The UCB is led by the Office of the USG DMSPC, and the Office of the USG DOS as Co-Chairs with ERPSD performing the role of the Secretariat to the Board.

Umoja Analytics

Umoja, as the primary enterprise resource planning solution for the Secretariat, provides a wealth of qualitative and quantitative information about the management of a wide variety of the Secretariat's resources, including funds, personnel, tangible and intangible assets, civil society, business partners and more. Umoja data is rich and can be further mined, in even more breadth and depth that further increases its value to the Organization. As data gets richer and more reliable with user adoption and quality assurance, decisions become more effective.

Umoja Analytics blends a broader and deeper level of internal and external data using the latest available technology. Umoja Analytics powered by this technology will be the foundation for Member States to access richer data with greater ease of use and sophistication. The Member States Portal, Digital Boardroom, and Self-Service Analytics will all be enabled through advanced analytics tools.

ACABQ and Member States' Access

The Member States Portal went live at the end of July 2020 with the introduction of the Contributions Portal - an online portal which provides Member States with financial information on the status of assessed contributions for an individual Member State and/or for a specific fund or operation. Continuous enhancements are underway to enhance the user experience.

The Umoja Budget Information Pilot is a custom solution providing Umoja financial data to the ACABQ and Fifth Committee, for their use during the review of budget proposals. Since its deployment in September 2020 the Portal was gradually expanded to also include liquidity ratios and monthly expenditures for the regular and peacekeeping budgets.

Member States can also expect additional functionality in the areas of human resources and uniformed capabilities management through Umoja Analytics

Infrastructure and Application Landscape

The Administration continues to ensure that the infrastructure and application landscape supporting Umoja remains up to date, robust and secure. This includes the assessment of SAP solution roadmaps which is undertaken as part of the Division's multi-year planning.

In the area of security, the Administration continues to take proactive measures to detect and safeguard the solution from cyberattacks and related threats. Critical security patches are applied on a regular basis. Azure authentication was implemented, which enforces multifactor authentication that reduces risks and strengthens Umoja security. Further, the Administration has fast-tracked the deployment of a threat-hunting solution, as well as a state-of-the- art vulnerabilities detection and response module.

Mainstreaming

The result of extensive consultations with multiple stakeholders, the mainstreaming plan has been successfully implemented. ERPSD is, for budgetary purposes, part of DMSPC, but the Director reports to the USG of Operational Support and the USG for Management Strategy, Policy and Compliance on a regular basis. This dual reporting line has proven to be effective and has ensured that the Umoja solution remains fit-for-purpose for the entire Organization.

Resource Requirements for 2022

The report before you contains a request for resources of $24.5 million for 2022 for ERPSD. This includes 68 posts supplemented by 10 GTA positions and represents the minimum level of skilled personnel required to maintain and sustain the Umoja solution without any support from a systems integrator. The proposal includes a continued reduction of GTA and contractual resources as part of the continued downsizing of project resources and reflects the culmination of a five-year re-organization and re-profiling of resources from mid-2016.

Separately, and in addition to the $24.5 million requested for 2022 for the Division, the report also includes a request for the continuation of funding of $3.2 million for 22 GTA to support DOS, DMSPC and DGACM.

The financing model approved in General Assembly resolution 63/262 for the project phase is proposed to be changed from 2023 for the post-project phase. This proposal builds on the previous model which was based on the relative shares of the budgets and reflects a more updated apportionment among funding sources that are reflective of shifts that have taken place over the course of the last 12 years.

Mr. Chairman, Distinguished members,

The report has addressed the requests of the General Assembly as best as we could. We count on the continued support of this Committee to ensure that ERPSD may continue its valuable work in support of the Umoja solution to continue to deliver on its fullest potential. We will be glad to respond to the Committee's questions and comments.