

United Nations Nations Unies

BOARD OF AUDITORS

Phone: (212) 963-5623

Opening statement to the Fifth Committee on the Tenth Annual Progress report of the United Nations Board of Auditors on the implementation of the United Nations Enterprise Resource Planning system (Umoja) (A/76/131)

9 December 2021

Mr. Chairman,

Distinguished delegates,

On behalf of the Board of Auditors, I thank you for the opportunity to present the Board's tenth annual progress report on the implementation of the United Nations ERP system, Umoja.

Background

Umoja is a global project to modernize a wide range of business processes and systems that are essential to the efficient and effective functioning of the Organization. The solution will span most of the Organization's administrative and support functions, including finance and budget, supply chain and procurement, human resources, central support services, and programme and project management. This is the tenth annual progress report produced by the Board.

Key findings

The Board noted that Umoja remained a key enabler for modernization and reforms in the administration of the United Nations. The Board appreciates the efforts of the Administration towards multiple deployments in challenging technical and COVID-19 pandemic landscapes and in the face of competing demands on resources. The Board also noted that the project was working within the approved budget during the year 2020.

The Administration needs to take further efforts to assess and prioritize the integrations between subprojects as they are identified. The Administration also needs to continue its efforts to provide the level of production support required for the stabilization of Umoja Extension 2 and continuous improvements. There is also a need to address the process control and the implementation of delegation of authority in Umoja.

Project Governance

The Board noted that the implementation status of Umoja Extension 2 in 2020 and additional integration and enhancement plan in 2021 were not reported to the Management Committee as of the audit time.

Status of Umoja Extension 2 deployment

The Board noted that the functionalities of the six solutions had both intra- and inter-solution linkages, and some linkages were not established and would be assessed as part of continuous improvements in 2021 and onward as per business prioritization.

Application Controls

The Board noticed there were nine purchase orders for purchasing 448 items of the firearms and ammunition with the value of \$27,141 via Low Value Acquisition (LVA) process in 2020. The Board noticed gaps in the LVA process control over firearms and ammunition purchasing.

The Board also noted 132 cases where users holding certain roles were not delegated related authority as requested in Umoja Roles Guide and Security Liaison Officer workbook.

Status of Support Functionalities for Umoja

The Board noted that necessary documents were required when analytical reports in the United Nations business intelligence (UNBI) certified layer were prepared, including business requirement document, technical requirement document, testing document, data dictionary, technical document and job aids. However, 141 of 168 analytical reports lacked those documents more or less.

The Board also noted that there was no specific plan to consolidate and harmonize tier 1 and tier 2a of the production support system mentioned in the twelfth progress report on the enterprise resource planning project (A/75/386).

Umoja Business Case

The Board noted that the estimation method of maintenance costs had been changing since 2018. The estimation patterns for each year in the period 2022-2030 fluctuated and were based on an equal amount each year or an annual increase at 8 per cent rather than on detailed cost categories. The lack of estimation on detailed data basis will induce the risk of inconsistency and inaccuracy of forecasting the maintenance costs.

Mainstreaming Plan

The Board noted that there were no measurable indicators related to the mainstreaming plan with an effective assessment of resource requirements, taking into account the stabilization activities, the workload and the capacity development.

This concludes my introductory statement. I would be happy to provide any clarifications or additional information that the Committee may require.

Thank you.

Valentina Monasterio Gálvez
Director of External Audit, Chile
Chairwoman of the Audit Operations Committee