

THE REPUBLIC OF KOREA

PERMANENT MISSION TO THE UNITED NATIONS

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Statement by Counsellor KIM Seo Jung

Fifth Committee of the 67th Session of the General Assembly

Item 130: Programme Budget; biennium 2012-2013(ERP)

16 November 2012 New York

<Check against Delivery>

Thank you, Mr. Chairman,

1. Since this is the first time that I take the floor, let me first extend my warmest congratulations to you on your assumption of the chairmanship of the 5th Committee. I also would like to express my sincere appreciation to Mr. Yukio Takasu, USG for the Department of Management, for introducing the Secretary-General's reports. I also wish to thank Mr. Hugh O'Farrell, Director of External Audit and Mr. Collen Kelapile, Chairperson of the ACABQ, for introducing the related report.

Mr. Chairman,

2. As we all know, Enterprise resource planning (ERP) is at the centre of the Secretary-General's management transformation efforts and as such, my delegation has been a strong supporter of the Umoja project from its inception. It will enable the UN to operate more efficiently and make the UN a more transparent and accountable organization. At this stage, I would like to make some comments that my delegation deems important.

- 3. First, I note, with appreciation, the Secretary-General's actions taken to strengthen governance structure and establish strong leadership scheme of the project. The Secretary-General has designated the USG for management as the Chair of the Steering Committee and project owner with ultimate accountability for the project. Also, he has revised the terms of reference for process owners in order to better define accountabilities and accelerate decision-making, in particular as regards change management and benefit realization. With these strong and accountable leadership in place, I believe that this important project is generating a good momentum for success.
- 4. Second, we still have some concerns with respect to the revised deployment strategy and time table presented in the Secretariat report. According to the fourth progress report, full deployment, including the Umoja Extension 2, will be finished in 2018. Although we acknowledge the complexity, and vast scale and scope of the project, this delay is worrisome considering the potential ramifications of cost escalation and its impact on the realization of the benefits of the project. In this regard, my delegation fully shares the view of the ACABQ that all efforts should be directed towards ensuring that the project does not suffer further delays and that resources are utilized efficiently and effectively.
- 5. Lastly, regarding the indirect costs related to Umoja's implementation, such as cleansing data, system validation, user testing, and end-user training, the Secretary-General stated that the working group would formulate new estimates, and all concerned Departments would make every effort to absorb these costs within their existing budgets. Given the tight budgetary situation and cost escalation of the project, it is critical to absorb these costs, as stated by the Secretary-General. My delegation is of the position that the Secretary-General should make sure his intentions to be materialized with tangible results.
- 6. In conclusion, Mr. Chairman, my delegation will engage constructively and actively in the discussion of ERP, based on the comments I made today.

I thank you, Mr. Chairman.