

*Check against delivery*

**Statement of the Chairman**  
**Advisory Committee on Administrative and Budgetary Questions**

**6 November 2014**

**Sixth progress report on the enterprise resource planning project**

*(ACABQ report A/69/418)*  
*(Related report of the Secretary-General A/69/385)*

Mr Chairman,

The Advisory Committee notes that with the deployment of Umoja Foundation at peacekeeping operations and special political missions, the system has become an operational reality at the United Nations. The Committee considers this first large-scale deployment of Umoja to be a significant milestone, and recognizes the effort made towards this achievement.

The Advisory Committee also notes that major challenges and risks lie ahead. These must be addressed proactively to prevent further delays and cost escalation, and also ensure that the project fully achieves its business transformation objectives. In this regard, the Committee stresses the need to fully apply the lessons learned from the deployment of Umoja Foundation at peacekeeping operations and special political missions.

Mr Chairman,

The Advisory Committee's report covers a wide range of issues - in the interest of time, I will highlight only some of its main observations and recommendations.

In the area of project governance, the Advisory Committee stresses the important role of senior managers in ensuring organizational readiness activities, adoption of standard business processes and realization of benefits in their respective areas of responsibility. The Committee recommends that the General Assembly request the Secretary-General to take action, if necessary, to further strengthen ownership and accountability for the success of the project.

The Advisory Committee notes with appreciation that the Umoja Academy was established to address the lessons learned regarding the need for high-quality training in standardized business processes and new ways of working. The Committee emphasizes the importance of ensuring that relevant training is delivered to all users through the most appropriate delivery method in the most cost effective manner possible.

With regard to benefits, the Advisory Committee recommends that the Secretary-General be requested to accelerate the development of the benefits realization plans. It is of the view that objective and specific information on the expected quantified benefits as well as on the methodology used to estimate them should be provided to the General Assembly as soon as possible. Information should also be provided on qualitative benefits and expected improvements in programme delivery and in the operations of the Organization.

The Committee reiterates its previous recommendations regarding the global service delivery model. It is of the view that the Secretary-General should submit a proposal for consideration by the General Assembly as soon as possible in order to ensure that Umoja can be fully aligned in a timely manner with any new service delivery model that the General Assembly may decide to adopt.

With regard to Umoja operating, maintenance and support activities, the Advisory Committee recommends that the Secretary-General be requested to provide details on the related costs, the providers of services and cost recovery arrangements. He should also provide estimates of the resources expected to be released as a result of the retirement of legacy systems that can be redirected to offset Umoja support costs, as well as a timeframe for the decommissioning of those systems.

The Advisory Committee reiterates its concerns regarding the proposed Umoja mainstreaming plan, in particular the proposed timing of the transfer of responsibility for the project at the beginning of 2017, before the full deployment of the system. The Committee continues to believe that the authority and leadership of the project's governance and management structures will be necessary to deliver a complex business transformation such as Umoja Extension 2. It therefore recommends that the Secretary-General be requested to submit a revised proposal which includes maintaining the project structure until completion of the full deployment of Extension 2.

Finally Mr Chairman,

Regarding the resubmission of the request to upgrade the post of Deputy Project Director to the D-2 level, in view of the new information provided, the Advisory Committee recognizes that the Umoja project leadership must intensify its efforts to garner greater support for organizational change management with senior leadership throughout the Organization. The Committee therefore recommends that the General Assembly approve the Secretary-General's proposal.

Thank you, Mr Chairman.