

**Opening statement to the Fifth Committee  
on the Board of Auditor's fourth annual progress report on the implementation of  
the Information and Communications Technology Strategy (ICT)**

Mr. Chairman, distinguished delegates,

On behalf of the Board of Auditors I have the honour to introduce the main findings from the Board of Auditors report on the implementation of the ICT Strategy.

**Background**

The ICT strategy is focused on five major areas or key drivers, namely, a strengthened governance and leadership framework, modernization in support of organizational priorities, the transformation of ICT delivery, innovation to foster new technological solutions in the long term, and optimal use of ICT resources. This would be the final report of the Board as strategy has completed its period of implementation in February 2020 and there has been no progress report by the Secretary General after his fifth progress report.

**Key findings**

*Governance and leadership*

*Governance framework*

The ICT Steering Committee (ICT-SC), the governance body established for ICT post management reforms, did not have representation from the bulk of client departments and business owners unlike governance bodies (the ICT Executive Committee and ICT Board) it replaced. The Board considers participation and coordination of the business owners and supported entities to be essential in ensuring better transparency and accountability in the ICT area.

*Gaps in organisation of functions/ activities*

The Board noted that there was a duplication and overlapping of functions between the three divisions of the restructured Office of Information and Communications Technology, following the management reform process. Some areas where the blurring of lines of responsibility and accountability has been seen are data management, application management, ICT strategy oversight, policy and compliance service, innovative technology, business intelligence and analytics.

### *Project implementation*

The Board noted that out of seven projects reported to be ongoing in the SG's fourth progress report, six were formally closed through change requests approved by the Chief Information Technology Officer (April 2019) well ahead of completion of the period of ICT Strategy and without completing all envisaged activities.

### *Modernization*

#### *Information security*

The Board noted that the short-term measures for promoting information security in the Secretariat, as had been envisaged in the ICT Strategy, were yet to be completed after five years of implementation of the strategy. This led to vulnerabilities as seen from the incident of information security breach experienced at Vienna in 2019.

#### *Disaster recovery management*

The Board was informed that all critical applications were planned to be moved to Enterprise Data Centres (EDCs) or Cloud. The Board noted that though the Office had a role to oversee and coordinate implementation of the disaster recovery plan, it could not provide appropriate evidence regarding the conduct of disaster recovery exercises for all identified critical applications.

### *Transformation*

#### *Application rationalization*

Though the strategy document envisaged that all application development were to cease outside of EACs, 19 out of 23 applications created in 2019 were outside of EACs. The lack of control over application development exposed the Organization to the risk of duplicating expenditure and associated security risks.

#### *Website rationalization*

As on 31 December 2019, there were 802 Secretariat websites that included 32 websites created in the year 2019. The Board noted that only 60 percent of the websites conformed to approved technologies. Four out of 32 new websites developed in 2019 also did not conform to approved technologies. Only 3 percent websites were fully compliant to the five key requirements. Besides, only 31 percent websites were fully compliant to the ICT security requirements. Most of the new websites created in 2019 were developed outside

of EACs though the ICT strategy envisaged that all application development were to cease outside EACs.

### *Network and Infrastructure*

In the year 2019, 3 of 45 critical incidents (6.67 percent) and 32 of 1172 High category incidents (2.73 percent) were not resolved in time. There were differences among the contracts with the vendors at the two data centres in Brindisi, Italy and Valencia, Spain though the Service Level Agreements were signed for the same Network Control Centre. The vendors' performance measurement was also found to be inconsistent with the respective contracts. Despite the breaches of KPI thresholds, no penalty was levied on the vendors.

### *Innovation*

#### *Hybrid Cloud Computing*

The Board observed that the cloud strategy was formally approved in April 2018 and that the activities envisaged to be completed by December 2018, were yet not complete. 49 of 91 selected applications had been migrated into cloud till February 2020. The Office had participated in an assessment of the hybrid scheme of cloud services during 2019 which identified potential concerns regarding security and governance which needed to be addressed.

#### *Information Management*

The Office, as a part of the Unite Workspace Project, had created more than 800 SharePoint Online sites (under stage-I) for the Departments of the United Nations Headquarters and trained 518 site owners by February 2020. The old policies for record-keeping and the management of United Nations archives, information sensitivity, data classification and handling were not revised. Besides, there was no policy for information privacy and integrity to deal with challenges posed by use of cloud-based systems.

#### *Optimal utilization of ICT resources*

#### *Global Sourcing Project*

Though the five-year period for implementation of ICT strategy has reached its end, contracts under the global sourcing project were yet to be awarded. While the contract for application services was in the stage of financial negotiations with vendors, the contract award for ICT services had been cancelled as only one vendor had been found technically qualified for both packages of ICT services.

*Avoidable expenditure on Office-365 license and desktop telephone*

The Office paid \$2.28 million on use of Microsoft Office (O365) licenses and IP telephones for 5441 dormant user accounts as on 31 December 2019 which could have been avoided if the Office had proactively liaised with the administrative or Human Resources focal point of the client departments in tracking and disabling dormant accounts.

*Defragmentation*

The Board noted that, even by March 2020, ICT units of only four departments had been consolidated and a unit of one department had been partially consolidated. The Office confirmed that it did not have any visibility on entity and funding source wise budget for ICT activities. The Office also accepted that it did not leverage information available in Umoja more effectively regarding ICT financial information.

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

Thank you.



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**Chairman, Audit Operations Committee**