



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MRS KAREN LINGENFELDER, COUNSELLOR AT THE PERMANENT MISSION OF THE REPUBLIC OF SOUTH AFRICA TO THE UNITED NATIONS, ON AGENDA ITEM 134 : PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2016 - 2017 : ENTERPRISE RESOURCE PLANNING (ERP) PROJECT, UMOJA, DURING THE MAIN PART OF THE SEVENTIETH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 19 November 2015)

Mr Chairman

I have the honour to speak on behalf of the Group of 77 and China on Agenda Item 134 : Proposed Programme Budget for the Biennium 2016 - 2017 and in particular, Enterprise Resource Planning Project, Umoja.

At the outset, the Group wishes to thank the Under-Secretary General for Management, Mr Yukio Takasu, for introducing the seventh progress report of the Secretary General on the enterprise resource planning project contained in document A/70/369 and corrigenda 1 and 2; the Director of External Audit (United Republic of Tanzania) and Chair of the Audit Operations Committee, Board of Auditors, Mr Salhina Mkumba, for introducing the note by the Secretary General transmitting the fourth annual progress report of the Board on the implementation of the United Nations enterprise resource planning system, contained in document A/70/158; and the Chair of the Advisory Committee on Administrative and Budgetary Questions, Mr Carlos Ruiz Massieu, for introducing the related report of that Committee contained in document A/70/7/Add19.

The Group of 77 and China reaffirms its support for management reform initiatives, including Umoja, aimed at increasing the efficiency and effectiveness of the organization in delivering the given mandates.

Mr Chairman

The Group of 77 and China welcomes the steady progress achieved thus far, in particular on the successful roll-out of the Umoja real estate functionality to all Secretariat entities, and the deployment of the Umoja Integration Cluster III and Cluster IV entities in June and November respectively. We have taken note that these achievements were realized despite the difficult circumstances and many challenges encountered during the initial stage.

The Group also notes improvements made in the management of the project as well as the execution of the Umoja master project plan in accordance with the target dates and functionality.

Mr Chairman

Despite the progress made, the Group remains concerned by the significant challenges and risks faced by the project, as pointed out by both the Board of Auditors and the Advisory Committee including those related to organizational readiness, building the necessary in-house capacity for supporting the core Umoja activities, cost escalation for the remaining phases of the project, delays in the implementation of the project schedule, lack of some information and transparency on the full cost of the project, as well as the lack of a consistent delivery and benefits plan.

The Group is also concerned with the post-deployment issues namely accountability, required

resources, level of coordination as well as a shortage of trained experts in many departments. The Group will be interested to learn the details of each of these elements during the informal consultations.

The Group of 77 and China has also taken note of the establishment of the Umoja Business Intelligence Academy and the management dashboard by the steering committee to support preventive or corrective decision making to tackle emerging problems. We acknowledge that lessons learned from these initiatives are fundamental for strengthening the maintenance and implementation of the remaining elements of this project. The Group will be interested to learn the elements related to post-implementation reviews of Cluster III and IV as well as the preparedness of future implementation of the remaining functional phase - Extension II and Cluster V.

Mr Chairman

The Group would also like to reiterate that strong leadership and coordination are key to successfully manage and deliver such a complex organization-wide business transformation. In that regard, the Group will look for assurances that the project will continue to benefit from strengthened and effective governance, oversight, accountability and management arrangements, which are essential for the achievement of the project's goals and objectives.

The Group of 77 and China also shares the views of the Board of Auditors and the Advisory Committee on the importance of knowledge transfer to and the development of solid knowledge of Umoja within the Office of Information and Communications Technology, the need for greater clarity regarding governance, management and operational arrangements for the maintenance, upgrade and continuous improvements of the Umoja Integration Solution to maintain a well-coordinated, centralized and updated transitional process. The Group would be interested to receive assurances that the transfer of responsibility to the OICT will further enhance the Umoja Integration solution.

Mr Chairman

Turning to the benefit realization plan, the Group shares the views of the Board of Auditors that the Secretariat has as yet not established a clear baseline from which the actually achieved benefits can be measured, and sees the formation of the dedicated project team, for the task of determining how the benefits realization targets will be achieved, as an opportunity to refresh the business case with a more current estimated rates benefit, as the existing estimate dates back to over six years ago.

The Group also stresses the need to ensure that a benefits realization plan provides more clarity on how data from Umoja will be used to deliver benefits and on the potential impacts of more efficient and effective administration processes necessary for a better understanding of the implications of the implementation of Umoja.

Lastly the Group would like to emphasize the importance of providing Member States with comprehensive, high-quality, accurate and timely information to facilitate consideration of and decision-making on administrative and budgetary proposals.

In conclusion, we would like to re-assure you of our readiness to engage constructively on the deliberation of this important agenda item.

I thank you, Mr Chairman.