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**Administrative and budgetary aspects of the financing
of the United Nations peacekeeping operations**

Sixth progress report on the enterprise resource planning project

Report of the Secretary-General

Summary

The present report is submitted pursuant to General Assembly resolution 64/243, in which the Assembly requested the Secretary-General to provide annual updates on the progress of the enterprise resource planning project, Umoja. The report provides an update since the issuance of the fifth progress report (A/68/375 and Add.1).

Project status

Since the issuance of the fifth progress report, steady progress has been made on Umoja. After considering the lessons learned from pilot implementation at the United Nations Interim Force in Lebanon and the Office of the United Nations Special Coordinator for Lebanon in July 2013, Umoja Foundation was deployed at all peacekeeping operations, the United Nations Logistics Base in Brindisi, Italy, and the Regional Service Centre in Entebbe, Uganda (cluster 1), on 1 November 2013. Subsequently, Umoja Foundation was also successfully deployed in 14 special political missions, the United Nations Truce Supervision Organization, the United Nations Military Observer Group in India and Pakistan and in the United Nations Kuwait Joint Support Office (cluster 2) on 1 March 2014.

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* A/69/150.

Umoja Foundation is fully operational in all United Nations peacekeeping operations, special political missions supported by the Department of Field Support and offices at United Nations Headquarters involved in the support and oversight of these missions. In addition, the integration of Umoja Foundation and Extension 1 was deployed in pilot format at the United Nations Stabilization Mission in Haiti (MINUSTAH) on 1 July 2014. At the end of August 2014, Umoja had more than 5,000 transactional end users and over 1,600 MINUSTAH staff members have access to the Employee Self-Service functionality.

Revised deployment schedule

As the project moves forward and the Organization absorbs the lessons learned, the steering committee has made adjustments to the deployment plan. These adjustments balance the need to maintain a realistic deployment pace within the schedule approved by the General Assembly in resolution 67/246 against the ability of the Organization to absorb the degree of change that Umoja brings.

The latest adjustments to the plan were approved by the steering committee in September 2014 and are described in section III of the present report. The plan remains in keeping with the overall timeline approved by the General Assembly in resolution 67/246 to deploy Umoja Foundation and Extension 1 across the United Nations Secretariat by the end of 2015, and to complete delivery in 2016.

Umoja Extension 2, with its functionality related mainly to supply chain management, budget formulation and programme management, will be released in early 2017, as planned.

Governance

The strengthened governance model described in the fifth progress report remains in force. During the reporting period, senior management in the Organization continually demonstrated strong support and personal engagement to ensure the success of Umoja.

The Secretary-General continues his proactive leadership of the project, and chaired a meeting in February 2014 at which all heads of departments and offices renewed their commitment to the successful implementation of Umoja in their respective entities.

During the reporting period, the Administration and the Umoja team worked assiduously towards the implementation of the recommendations of oversight bodies.

Project management and integrated planning capability have been strengthened. The monitoring and reporting of project deliverables and milestones against expenditure and budget forecasts have matured. The oversight and management of risks have strengthened also, with better monitoring and escalation of issues. Responsiveness has improved, and resulted in a dramatic decrease in identified risk items from 199 to 38 and issues from 491 to 41 in the year ending 31 March 2014. In the area of procurement, the contract for the long-term support requirements of Umoja is expected to be signed in September 2014, which means a single systems integrator will provide such services in the future.

Organizational readiness

As the first deployments in the field were completed, it became clear that organizational readiness is the single most important challenge for the Umoja project.

Following industry best practice, a high-level post-implementation review task force was established to regularly review the adoption of Umoja Foundation, take necessary corrective actions and provide guidance on preventative measures to enhance the plan for future deployments. The partnership and collaboration among the Department of Field Support, the Umoja team, the process owners and the Chief Information Technology Officer has been further strengthened during the reporting period, creating conditions more conducive to better adoption and future deployment of the solution

The adoption of Umoja enforces the convergence of numerous operating models, which have evolved over many years in response to local conditions, particularly in peacekeeping operations. While operational diversity across the Secretariat was widely acknowledged, the preparatory work for deployment at each entity revealed the depth and scale of diversity across United Nations Secretariat entities. Three subsidiary challenges are associated with this issue: (a) the need to implement a common operating model that will meet the business needs of all entities; (b) the need to design a customized path from every "as is" model to the new, common operating model; and (c) the need to successfully maintain business continuity for all entities during the process of implementing Umoja.

To properly adopt the new harmonized model, the Organization is now reviewing and updating policies and practices and adjusting processes, roles and responsibilities. The Organization is also expanding the cadre of Umoja experts and heightening the awareness of management to better operate under the new model. This increased understanding of the new way of working brought by Umoja will be essential to create a management system conducive to a culture of continuous improvement where new opportunities to fully realize the potential of Umoja will be identified and exploited.

During the reporting period, it became evident that a fully integrated, enterprise-wide solution could not be successfully mounted on top of a fragmented, "silo-oriented" organization. The Organization is making progress to define options for an optimum "end state" in a new global service delivery model, which will be submitted to the General Assembly for consideration at its seventieth session. In the meantime, Umoja is introducing the changes necessary to enable the proper implementation of a common enterprise solution by performing every task at the right level of aggregation and, whenever possible, reducing the complexity of the roll-out plan by simplifying and streamlining operating processes before deployment.

Benefits

The Secretary-General remains committed to realizing the qualitative benefits and recurrent quantitative benefits in the range of $140 million to $220 million from the project by 2019. Phased deployment means that benefits will be realized incrementally over several years from 2017 to 2019. Estimated accrued quantitative benefits for 2017 amount to $81.4 million, comprising $30 million from the regular budget and $51.4 million from peacekeeping operations. It should be noted that the

process owners and the Chief Information Technology Officer will continue to actively engage in the process of validating the statements of benefits for their respective processes across all the entities of the Secretariat, taking into consideration both functional phasing and deployment sequencing.

Mainstreaming Umoja into the United Nations Secretariat

The plan to gradually transfer knowledge and responsibilities from the Umoja team to the corresponding organizational areas within the Secretariat has commenced. The Umoja team, the Chief Information Technology Officer and the process owners jointly manage this effort. All tasks related to information and communications technology will eventually be transferred to the Chief Information Technology Officer, while the business expertise required to function under the new operating model and ensure continuous improvements will be transferred, as appropriate, to the process owner departments and the offices with authority for business re-engineering.

Resource requirements

The fifth progress report (A/68/375) presented estimated resource requirements in the amount of $360,856,800 for the project up to 31 December 2015, which represented an increase of $12,718,300 over the approved project budget of $348,138,500. Additional funding was not sought at that time. The Secretary-General indicated that revised resource requirements and a proposal for additional funding would be presented in the sixth progress report. The Secretary-General also advised that the sixth progress report would present the projected resource requirements for 2016 and 2017.

The present report provides details of the revised resource requirements for the project until the end of 2015 in the amount of $385,060,300, which the General Assembly is requested to approve. The report also provides details of the projected costs of the project for 2016 and 2017 in the amounts of $30,395,800 and $23,895,700 respectively, of which the General Assembly is requested to take note.

These additional resource requirements reflect adjustments to the implementation plan, including extended post-implementation support to the peacekeeping missions and special political missions; significant enhancement of training activities and strengthening of Organizational preparedness and provisions for design work, in anticipation of the deployments of clusters 3, 4 and 5.

The General Assembly is requested to approve the proposal of the Secretary-General to fund additional requirements of $36,921,800, the details for which are set out in section IV of the present report, to enable the Umoja project to deliver on its plan up to 31 December 2015.

Contents

I. Introduction

1.   The present report is submitted pursuant to General Assembly resolution 64/243, in which the Assembly requested the Secretary-General to provide annual updates on the progress of the enterprise resource planning project, Umoja. The report addresses the requests made by the Assembly in its resolution 67/246. It also provides an update on the status of the project since the issuance of the fifth progress report (A/68/375).

II. Project governance and oversight

A. Governance overview

2.   Umoja has benefitted from the strengthened governance model described in the fifth progress report.

3.   The United Nations Management Committee, chaired by the Chef de Cabinet, continues to ensure alignment of the project with other mandated reform initiatives across the Organization. The Umoja Project Director is a member of the Management Committee.

4.   As part of the enterprise risk management and internal control framework, the Management Committee identified organizational transformation as a critical risk requiring the attention of management. The Under-Secretary-General for Management has been identified as the corporate risk owner.

5.   The Umoja steering committee, chaired by the Under-Secretary-General for Management, oversees the strategic and operational management of the project, determining the steps necessary to ensure the successful implementation of the plan approved by the General Assembly in resolution 67/246.

6.   During the reporting period, the steering committee continued to closely monitor strategic risks; took necessary preventive and corrective actions such as the creation of a post-implementation review task force; regularly assessed the feasibility of the deployment plan; and made the revisions necessary to keep the right balance between the need to maintain a realistic deployment pace while ensuring the stabilization of the operations in those entities where Umoja had already been implemented.

B. Action taken to strengthen ownership and accountability

7.   The Secretary-General continues his proactive leadership of the project and chaired a meeting in February 2014, at which all heads of departments and offices renewed their commitment to a successful implementation of Umoja in their respective entities.

8.   The senior managers' compacts with the Secretary-General remain a useful tool to ensure that departments and offices are committed to the successful implementation of Umoja and the realization of its promised benefits. The compacts' assessments have, to date, shown full collaboration of departments and

offices' heads. The indicators of future compacts will increasingly focus on the need to ensure full adoption of the solution.

9.   The process owner concept and the partnership of Umoja with heads of departments and offices were successfully strengthened during the reporting period. Several activities were established or continued, such as the monitoring of stakeholders' progress with consolidated scorecards; monthly meetings of the Umoja steering committee; the creation of the post-implementation review task force; and periodic meetings of the process owners and Chief Information Technology Officer are held to discuss the actions necessary to align the Organization with the best practices embedded in the Umoja solution.

10.   The project owner holds meetings with relevant heads of departments and offices to settle issues and discuss solutions in preparation for future deployments. Senior management are prioritizing activities related to Umoja deployment and have agreed to empower and support deployment teams in their departments and offices. They are committed to realizing the benefits of harmonized processing as new ways of working in Umoja are stabilized.

C.   Update on implementation of oversight bodies recommendations

11.   During the reporting period, the Board of Auditors and the Office of Internal Oversight Services both reviewed the project. In its third annual progress report (A/69/158), the Board observed that the Umoja solution was technically viable and that, notwithstanding the project's complexity, significant milestones had been achieved. The Board, however, drew attention to slow progress in the development of the skills, capacity and capability to adopt different working practices across the Organization.

12.   The Board recognized the establishment of a post-implementation review process to assess the stability of the solution. This review will be conducted after six months of any major release of the solution.

13.   The Board also recognized the active role of the steering committee in assessing lessons learned and adapting the plan for future roll-outs to take into account the need to settle the solution and work further on business readiness to ensure better ability to cope with "day 2" (post-implementation) issues.

14.   In order to maximize the successful completion of the project and achievement of its aims, the Board made the following new and additional recommendations to the Administration: (a) that the feasibility of the budget and the revised project timeline agreed upon in February 2014 be reassessed, drawing on lessons learned from deployments; (b) that heads of business units, the process owners and the project team each confirm to the management committee that all enablers necessary for a successful roll-out are in place; (c) that it continue to embed the concept of process ownership by strengthening the partnership with heads of business units; (d) that it ensure that heads of business units have the resources and skills required to implement the standard business processes and new ways of working successfully; and (e) that process owners use learning from the previous implementations to refine any assumptions around potential qualitative and quantitative benefits when developing benefit realization plans for each department or office.

15. The progress made towards the implementation of previous audit recommendations is an indication of the project team's commitment to following the Board's advice.

16. Of the 13 recommendations made in the Board's second report, 6 are under implementation, 4 are to be started and 3 have been closed by the Board. In its first progress report, the Board made 13 recommendations, 3 of which were implemented in 2012. Of the 10 outstanding recommendations, a further 2 have been implemented, 5 are under implementation, 1 is to be started and 2 have been closed by the Board.

17. The Board acknowledged progress made towards the implementation of the recommendations with regard to: (a) designing, communicating and implementing a plan within each business area to exploit the defined benefits of up-to-date and consolidated data from the enterprise resource planning system; (b) adopting a consistent approach to benefits realization, including clear categories of qualitative and quantitative benefits and how the different categories of benefits will be measured; (c) setting out how it would manage change and the embedding of more efficient and standardized working practices across the Organization; and (d) managing risk. The Board recognized that the implementation of some recommendations was justifiably still in progress, such as those relating to benefits realization, which is a multi-year iterative process. The Board also noted that a number of the Board's recommendations related to the wider Administration and their implementation would require coordinated efforts among various departments and offices in the Secretariat.

18. At the end of June 2014, two main recommendations made by Office of Internal Oversight Services (OIOS) remained outstanding:

   (a) The Umoja steering committee should ensure that the results of the design phases are validated to confirm that they comply with the General Assembly's requirement for minimum customization of the new system;

   (b) The Umoja Office should finalize the documentation in support of data quality with the completion of: a data conversion technical specification template; a data conversion plan; a data conversion test script template; Umoja development standards; a Umoja client landscape strategy; and Umoja data standards.

19. The Umoja team continues to work with OIOS towards the imminent closure of the recommendations.

III. Status

A. Overview

20. During the reporting period, Umoja made steady progress, with necessary schedule adjustments decided by the steering committee based on lessons learned. Umoja first became a reality in July 2013 and by March 2014, Umoja Foundation had been implemented in all field missions that are supported by the Department of Field Support.

21. The solution has proven functional, and as attested to by the enterprise resource planning software provider and the system integrators, is one of the most

sophisticated and complex enterprise resource planning solutions of its type. It will be able to support a large, dynamic and complex organization such as the United Nations, with the potential to be expanded to other organizations of the United Nations system.

22. With the implementation of Umoja, the Organization will, for the first time, have access in real time to a single source of information, thus enabling faster and more informed decision-making.

23. The harmonization and standardization process is moving at a steady pace, tempered by the ability of the Organization to assimilate the change. As stressed by the General Assembly in its resolution 63/262, there is a need to implement the various functions of the enterprise resource planning system across the global range of United Nations offices in a well-planned manner that minimizes the burden of change on the Organization and its resources in order to mitigate organizational and managerial risks.

24. In order to continue this journey successfully, the process owners and Chief Information Technology Officer are taking proactive steps to further align the business practices and processes of the Secretariat with the Umoja solution. The Organization is now reviewing and updating policies and practices, championing the adoption of the Umoja work patterns and also adjusting missions, roles and responsibilities in line with an enterprise-wide operating model.

B. Past deployments

Umoja Foundation

25. Following a pilot in the United Nations Interim Force in Lebanon (UNIFIL) and the Office of the United Nations Special Coordinator for Lebanon (UNSCOL) in July 2013, Umoja Foundation was successfully deployed to all 14 peacekeeping operations,[1] service centres[2] in November 2013 (cluster 1) and to the 14 special political missions supported by the Department of Field Support, the United Nations Truce Supervision Organization (UNTSO), the United Nations Military Observer Group in India and Pakistan (UNMOGIP)[3] and the United Nations Kuwait Joint Support Office in March 2014 (cluster 2). The solution was also deployed to all the United Nations Headquarters offices that support field missions.

26. It is noteworthy that, in addition to the considerable effort to deploy the real estate module in peacekeeping, the Umoja steering committee decided to bring forward the deployment schedule for real estate management in non-peacekeeping entities. Umoja will provide a consolidated and transparent view of the real estate portfolio of the United Nations Secretariat and the ability to comprehensively record and manage assets, lease agreements and construction work in progress. By July 2014, the Umoja real estate management module had been deployed to clusters 1

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[1] Deployment in one of the 14 peacekeeping operations, the United Nations Stabilization Mission in Haiti (MINUSMA), took place in March 2014, together with special political missions (cluster 2).

[2] The Regional Service Centre in Entebbe, Uganda, and the United Nations Global Service Centre.

[3] UNTSO and UNMOGIP are military observer missions, not special political missions; however, they are also funded from the regular budget.

and 2 and to numerous United Nations offices around the world, including New York, Nairobi and Addis Ababa.

27. Cluster 1 and 2 deployments consolidated financial and procurement transactions from the 30 instances of legacy financial and procurement systems into one single source of information.

28. To deploy Umoja, two types of data were converted from legacy systems and loaded into Umoja: master data (identifying unique vendors, contracts, payees, banks and real estate) and transactional data (identifying unique transactions, purchase orders and vendor invoices). Following deployment in peacekeeping operations, more than 75,000 vendor records have been cleansed and reduced to approximately 7,000 records that were uploaded into the United Nations Global Marketplace and synchronized with Umoja. Real estate data have been collected and consolidated into a single set of data compliant with the International Public Sector Accounting Standards (IPSAS).

29. Umoja has more than 5,000 transactional users, covering a total of 250 sites across 32 countries. Five train-the-trainer sessions were held during the reporting period, with more than 100 trainers trained to support the delivery of end-user training. Users have generated more than 17,000 shopping carts (purchase requisitions), more than 20,000 purchase orders, with over 120,000 payments issued as at 31 August 2014.

30. In March 2014, Umoja conducted a user satisfaction survey for peacekeeping operations to gauge the end users' experiences with the Umoja solution since 1 November 2013. A total of 420 participants responded to the survey. Overall results indicate that a majority of the Umoja users are of the view that Umoja will improve the way the United Nations works, that they have been adequately prepared for deployment and that the training and support processes have been successfully organized and communicated. Several respondents suggested that the programme should include more hands-on, guided training, as opposed to in-classroom theoretical sessions.

31. To complete the development of the Umoja Foundation solution and to support its deployment, Umoja undertook one of the largest mobilizations of staff resources in the United Nations Secretariat for a given project, with more than 4,600 staff and several business partners involved, including approximately 700 local process experts who participated in the user verification testing, data collection and training activities. The Umoja team and colleagues in the Department of Field Support, the Department of Management and field missions all over the world have demonstrated exemplary collaboration, dedication and commitment to this initiative.

Umoja integration pilot

32. On 1 July 2014, an integration of the Umoja Foundation and Extension 1 solutions was successfully piloted at MINUSTAH. The Umoja integration pilot — so named as it merged 162 Umoja Foundation and Extension 1 processes — added human resources, travel, payroll and benefits functionalities to the Foundation functionalities already live in peacekeeping operations.

33. With the deployment of human resources and payroll functionality in MINUSTAH, seven instances of the Progen payroll system have been retired. In

terms of data conversions, all relevant data were converted and the local payroll system was replaced.

34. Preparation for going live included additional complex requirements for the integration of human resources, payroll, finance and travel components and the resolution of issues identified during testing cycles.

35. The pilot included the launch of employee self-service to more than 1,600 MINUSTAH staff, enabling them to update personal data and information, submit requests and applications for entitlements, time management and travel, and enabling managers to review and approve the transactions.

36. The Umoja integration deployment replaces a number of paper-based forms and steps, along with manual processes and legacy systems for maintaining personnel data such as addresses, bank details, leave requests and approvals.

37. The extensive Umoja Foundation and Extension 1 product integration and user verification testing cycle involved users from both peacekeeping and non-peacekeeping entities. Through this process, the education and learning on Umoja integration was facilitated in preparation for future deployments. The Umoja team and the Umoja post-implementation review task force continuously review the adoption of Umoja integration to improve the future roll-outs and operability of this package and provide feedback to the Umoja steering committee.

C. Achievements, challenges and lessons learned

38. The Umoja team is drawing upon various lessons-learned exercises to gauge the success and challenges of past deployments. All enterprise resource planning implementations at large organizations are difficult and challenging undertakings, which can take years to complete successfully.

Achievements

39. Despite the significant complexity and challenges presented by the implementation of enterprise resource planning in the Organization, the first deployments of Umoja have proven successful and are already demonstrating the following tangible improvements:

(a) Master data maintenance: a centralized, streamlined approach has been established to cleanse, consolidate and standardize master data from legacy systems and databases across the entire United Nations Secretariat. Through this approach, master data records are added and updated according to a clear protocol, thus ensuring consistency of data and allowing for global use of a single data repository. The ongoing management of master data is critical to the successful operation of the solution;

(b) Streamlining of procurement and supply chain: a centralized catalogue of goods and services for the Organization has been implemented, which enables managing and reporting on the goods and services throughout the supply chain life cycle in a more streamlined, efficient and transparent manner;

(c) Centralized chart of accounts: Umoja provides the Organization with a comprehensive chart of accounts, which is capable of better supporting business

requirements and allows consistent and comprehensive analysis of programmes across the Organization;

(d) Real estate and IPSAS: the early roll out of the real estate module is enabling the early inclusion of real estate asset information in the financial statements and facilitating compliance with IPSAS;

(e) Enterprise-wide post-implementation support model: the model presented in the fifth progress report (A/68/375) has been implemented and extensively used to support users. The functional support, namely, "how to" type of queries or functional issues, are driven mainly by the local process experts and process experts, while technical matters such as access to the system, performance issues and desktop matters, are being managed through the local service desks (tier 1) and the tier 2 service desk in Brindisi. The service desk in Brindisi was upgraded to meet Umoja requirements, becoming a "tier 2" help desk in support of the multiple, local "tier 1" service desks. This is operating effectively, resolving multiple user requests relating to information and communications technology (ICT), including the management of user access authorizations.

40. In addition, progress has been made towards longer-term objectives, such as the following:

(a) Enhanced transparency: Umoja offers the benefit of full and immediate visibility of global transactions, providing an opportunity to rethink delegations of authority and to further empower managers;

(b) Standardized administrative processes: Umoja provides a common, consistent recording of transactions at all duty stations and missions. This integrated information system for the entire Organization will improve managerial decision-making and financial controls. In addition, Umoja clears the way for better business continuity and peak load challenges by distributing workload across multiple duty stations and different time zones for quicker response time and delivery;

(c) Access to better information: through business intelligence, Umoja serves as a primary source for operational information and performance reporting. For example, the solution allows managers to analyse and report the status and progress of the business using multiple dimensions such as expenditure at entity level or by nature of expenditure. Business intelligence also enhances standardized reporting across all entities with the ability for comprehensive reporting within and across procurement, acquisitions, budget consumption and financial accounting. This will allow for better decision-making and increased transparency. A set of dashboards providing managers with tools to assess the health of their operations is also being developed. Through knowledge transfer from Umoja to the wider organization and with concentrated effort from a Department of Field Support development and support team, the number of staff with the analytical skills required to mine the rich information provided by Umoja is expanding;

(d) Organizational structure: Umoja Extension 1 demands the creation and maintenance of a very complex database with an up-to-date organization chart to be kept fully aligned with the budget structure and including all staff in the organization. This is indispensable for employee self-Service and for defining process flows. This represents another cross-functional responsibility role in the process of timely implementation for clusters 3 and 4;

(e) Mobility: the standardized operating model used throughout Umoja facilitates mobility by reducing the need for retraining when changing jobs.

Challenges

41. The first deployments of Umoja also presented challenges, primarily the ability of the Organization to easily adopt a common operating model.

42. In his report on investing in information and communications technology (A/60/846/Add.1), the Secretary-General stated that

> To be successful, an enterprise resource planning system must be part of a comprehensive strategic plan and must prompt standardization of business processes and change. […] the main benefit of enterprise resource planning systems to organizations is that they enable them to operate effectively through enhanced integration of processes and the sharing of information, bringing together people and departments that had previously been disconnected by process gaps and fragmented workflows. Enterprise resource planning implementation calls for an Organization-wide process orientation.

43. The United Nations Secretariat does not have a single operating model. Each of its entities has developed differently, with only a few enterprise systems (such as the Integrated Management Information System (IMIS) currently in use) fostering commonality. During preparation to go live, the Umoja team identified many inconsistencies in the application of policies, differences in the chart of accounts, local information technology solutions, the quality of data, and disparate process flows and work patterns. Multiple systems also duplicate data and are heavily reliant on the manual extraction of information.

44. As the first deployments in the field were completed, it became clear that the ability to transition to a common, enterprise-wide solution with a fully integrated model that does not distinguish between functional or geographic boundaries was the single most important challenge for the Umoja project. From the outset, enterprise resource planning implementation was intended to introduce an enterprise-wide, common operating model for a more efficient delivery of mandates and increased transparency in all United Nations business practices.

45. The new solution imposes a common way of conducting business, requiring less clerical workload and more analytical, valued-added tasks.

46. The integration of business processes under an enterprise resource planning model implies a big departure from the way the Organization has conducted its business. Umoja enforces the integration of processes across functional areas and departmental boundaries, and standardizes business processes.

47. While the Organization is fully committed to the successful implementation of Umoja, a deeper understanding will be needed on how Umoja will change the ways departments and offices operate. This requires the realignment of business practices with the principles of the Umoja solution: (a) a comprehensive revision of the respective authorities, roles and responsibilities of field missions, service centres, offices at Headquarters and away from Headquarters, and regional commissions; (b) the updating of administrative and personnel policies; (c) the harmonization of cost-recovery modalities; (d) the restructuring and cleansing of grants management data; (e) the resolution of cross-functional issues; (f) the resolution of conflicts in

the delegation of authority such as on procurement and logistics; and (g) and, as a result of lessons learned in MINUSTAH, improvements to training in order to support an estimated 50,000 users of employee self-service/management self-service facilities.

48. To properly implement the Umoja solution, a number of tasks have to be carried out at different levels of aggregation. Umoja has already begun to bring people together to work in an integrated manner in the following areas: master data management; reporting (business intelligence); treasury/bank management; and ICT infrastructure. The following are some examples:

(a) The post-implementation review task force, where process owners and departments work together to resolve adoption issues;

(b) The Umoja Academy, where experts from different departments in different functional areas work and learn together in order to gain in-depth knowledge of the integrated solution and how it can improve business processes;

(c) Joint intervention teams, representing Umoja, the Department of Field Support, the Office of Programme Planning, Budget and Accounts and the Office of Human Resources Management have visited peacekeeping operations and service centres to review the changes in work patterns and the adherence to the new model, and to recommend corrective actions, where necessary;

(d) Joint development and monitoring of a comprehensive scorecard to track the progress of all relevant activities that stakeholders need to accomplish for timely readiness to go live and to ensure the full adoption of the solution. The project owner, process owners, Chief Information Technology Officer and deploying entities use this scorecard as the reference for weekly status checks and to properly manage all cross-dependencies. Issues such as key business interdependencies, the prioritization of change requests, business readiness to provide post-implementation support are all discussed and tracked using the scorecard;

(e) Weekly discussions among process owners and the project owner;

(f) Monthly discussions at the steering committee level.

Lessons learned

49. Two main initiatives were launched in early 2014 to address some of the adoption challenges mentioned above.

Umoja post-implementation review task force

50. The Umoja post-implementation review task force was established in accordance with best practices of project management. A comprehensive and in-depth post implementation reviews enable the use of lessons learned for the benefit of future deployments. The task force is composed of members from all relevant stakeholders, such as the deploying entities, process owners and the Umoja project team. This set-up ensures that cross-functional and departmental challenges can be adequately addressed. All findings regarding the adoption of the solution are proving to be instrumental to the change management efforts and are the prerequisite for further successful roll-outs of the Umoja solution.

Umoja Academy

51. Comprehensive knowledge of Umoja is required to successfully adopt the solution, to efficiently support it and to benefit from business improvement opportunities, thereby also creating capacity in the Umoja team to focus on deploying the solution to further entities and on building additional functionality to the existing solution.

52. The Umoja Academy was established to develop a greater degree of Umoja expertise across the Organization. The Umoja Academy builds upon the existing training, which focuses on teaching end users how to use the new operating model. The Umoja Academy gives process experts an in-depth understanding of how the operating model functions in an integrated manner that can improve the business processes. The establishment of a comprehensive training strategy under the umbrella of the Umoja Academy was supported by the Board of Auditors in its third annual report on Umoja (A/69/158). Participants receive customized training programmes, which are composed of two modules:

(a) The managers' modules consist of comprehensive workshops to meet the specific needs of managers at different levels. Managers will familiarize themselves with the main aspects and benefits of the Umoja solution and learn ways to drive business improvement and become organizational champions for change;

(b) The experts' modules, geared towards process, technical and local experts, will provide a greater level of technical and functional knowledge about the solution. These modules will create a new cadre of Umoja specialists, who will help to drive and support the deployment and post-implementation stabilization and provide training and guidance to colleagues.

D. Revised deployment schedule

53. In the final months of the reporting period, following the lessons-learned exercises to gauge the success and challenges of past deployments, including the post-implementation task force, surveys of deployment teams and end-user experiences, the monitoring of the realization scorecards and tasks for cluster 3 and 4 entities, consultations with the Umoja process owners, and supported by the third annual report of the Board of Auditors on Umoja (A/69/158), it became clear to the steering committee that it would be necessary to revise the deployment schedule to non-peacekeeping entities of the United Nations Secretariat, in order to ensure a successful implementation, while keeping the project on schedule with its overall timeline approved by the General Assembly in resolution 67/246.

54. The pace of implementation will now be set in accordance with the ability of the Organization to meet the new paradigm. Therefore, change management and organizational readiness are now the driving factors for planning of future roll-out plans and the project budget.

55. As mentioned above, several critical areas of organizational readiness and preparations by the business must be resolved in order to responsibly deploy the solution further. As the project will be concurrently implemented in several Secretariat entities, it is now imperative that Umoja be treated as a business transformation opportunity.
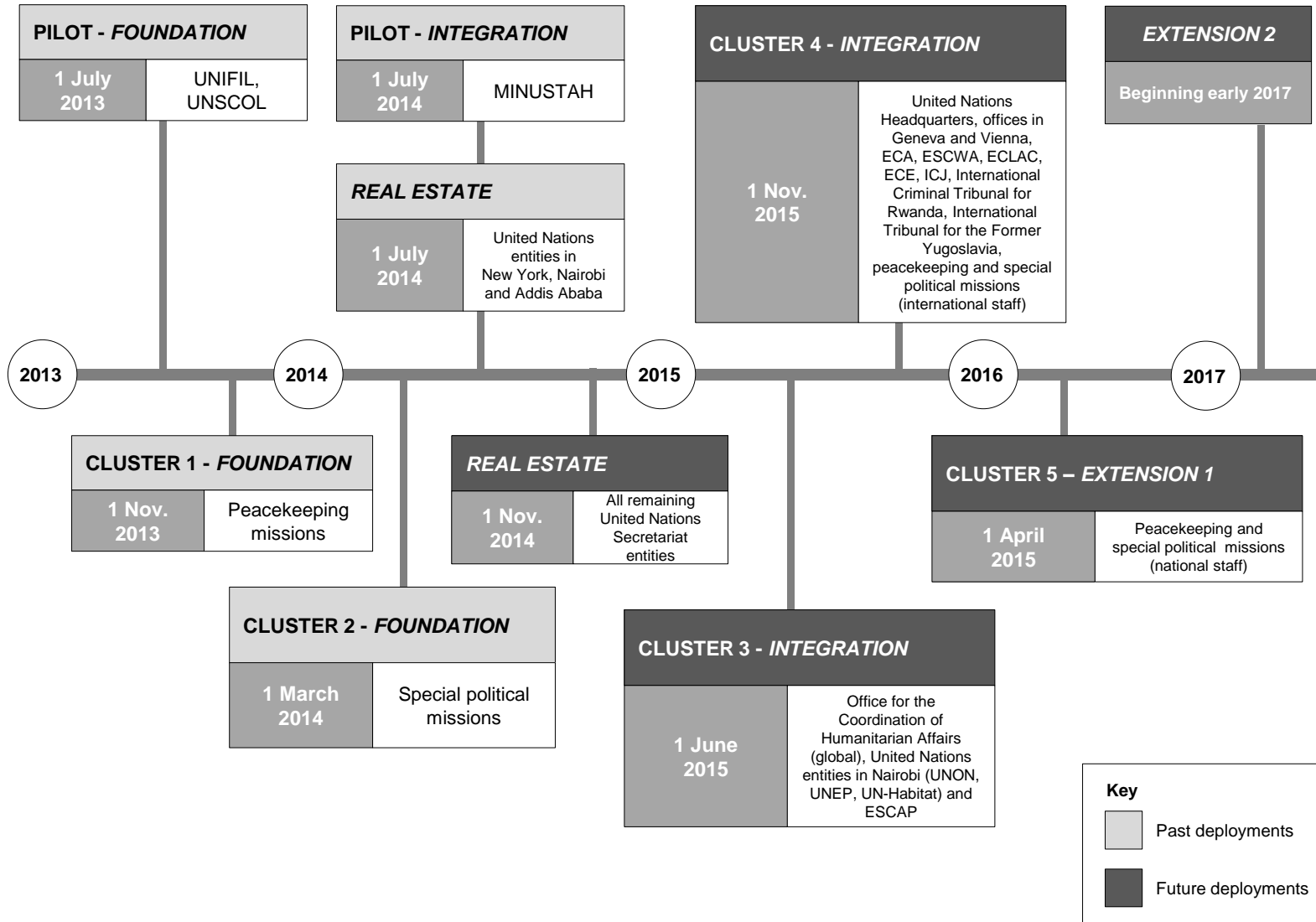
56.   The Umoja team has to complete the development of a number of functionality changes and improvements related to the integration of Foundation and Extension 1, that have been identified from lessons learned after months of operating in clusters 1 and 2, during the pilot preparation phase, or have resulted from the pilot integration implementation. This will further enrich a comprehensive enterprise resource planning solution. The team must also equip itself with the tools necessary for a concurrent deployment at a large number of entities, that is, implement site governance models to coordinate readiness activities; continue using tools such as the deployment guide containing advice, instructions and templates to support entities to prepare for going live.

57.   As shown in table 1 and the figure below, the Umoja steering committee has approved a revised timeline for deployment.

Table 1
Revised timeline for future deployment activities

Date	Deployment activity
1 November 2014	Real estate rolled out in all offices and departments
1 June 2015	Cluster 3 (Umoja integration) rolled out in the United Nations Office in Nairobi, the United Nations Environment Programme (UNEP), the United Nations Human Settlements Programme (UN-Habitat), the Office for the Coordination of Humanitarian Affairs (including United Nations Headquarters and the United Nations Office at Geneva as its service providers) and the Economic and Social Commission for Asia and the Pacific (ESCAP)[a]
1 November 2015	Cluster 4 (Umoja integration) United Nations Headquarters, United Nations Office at Geneva, United Nations Office at Vienna, Economic Commission for Africa (ECA), Economic and Social Commission for Western Asia (ESCWA), Economic Commission for Latin America and the Caribbean (ECLAC), Economic Commission for Europe (ECE), international Tribunals, and (Extension 1) in peacekeeping operations/special political missions for international staff
1 April 2016	Cluster 5 (Extension 1) in peacekeeping operations/special political missions for national staff and uniformed personnel

[a] ESCAP has been moved from cluster 4 to cluster 3, given its significant administrative support of UNEP, the Office for the Coordination of Humanitarian Affairs and UN-Habitat. The inclusion of ESCAP in the June 2015 deployment will enable a smoother implementation of Umoja at these entities.

PILOT - *FOUNDATION*

| 1 July 2013 | UNIFIL, UNSCOL |

PILOT - *INTEGRATION*

| 1 July 2014 | MINUSTAH |

REAL ESTATE

| 1 July 2014 | United Nations entities in New York, Nairobi and Addis Ababa |

CLUSTER 4 - *INTEGRATION*

| 1 Nov. 2015 | United Nations Headquarters, offices in Geneva and Vienna, ECA, ESCWA, ECLAC, ECE, ICJ, International Criminal Tribunal for Rwanda, International Tribunal for the Former Yugoslavia, peacekeeping and special political missions (international staff) |

EXTENSION 2

Beginning early 2017

2013   **2014**   **2015**   **2016**   **2017**

CLUSTER 1 - *FOUNDATION*

| 1 Nov. 2013 | Peacekeeping missions |

REAL ESTATE

| 1 Nov. 2014 | All remaining United Nations Secretariat entities |

CLUSTER 5 – *EXTENSION 1*

| 1 April 2015 | Peacekeeping and special political missions (national staff) |

CLUSTER 2 - *FOUNDATION*

| 1 March 2014 | Special political missions |

CLUSTER 3 - *INTEGRATION*

| 1 June 2015 | Office for the Coordination of Humanitarian Affairs (global), United Nations entities in Nairobi (UNON, UNEP, UN-Habitat) and ESCAP |

Key

Past deployments

Future deployments

Abbreviations: ECA, Economic Commission for Africa; ECE, Economic Commission for Europe; ECLAC, Economic Commission for Latin America and the Caribbean; ESCAP, Economic and Social Commission for Asia and the Pacific; ESCWA, Economic and Social Commission for Western Asia; ICJ, International Court of Justice; ICTR, International Criminal Tribunal for Rwanda; ICTY, International Tribunal for the Former Yugoslavia; MINUSTAH, United Nations Stabilization Mission in Haiti; UNEP, United Nations Environment Programme; UN-Habitat, United Nations Human Settlements Programme; UNIFIL, United Nations Interim Force in Lebanon; UNON, United Nations Office at Nairobi; UNSCOL, United Nations Special Coordinator for Lebanon.

E. Realization of benefits

58. As has been described in previous progress reports, Umoja is expected to generate significant qualitative[4] and quantitative benefits. The process owners and the Chief Information Technology Officer, as principal agents in their respective functional areas, remain committed to the overall quantitative benefits of $140 million to $220 million by 2019.

59. The phased deployment schedule means that the recurrent benefits will be realized incrementally over several years from 2017 to 2019. Process owners and the Chief Information Technology Officer will continue to actively engage in the process of validating the statements of benefits for their respective processes across all the entities of the Secretariat, taking into consideration both functional phasing and deployment sequencing.

60. Following an internal assessment and analysis of the impact of delay in the deployment schedule during the reporting period, no material modification needs to be made with respect to the value and timing of the quantitative benefit projections previously reported. Based on this current assessment, estimated accrued quantitative benefits for 2017 amount to $81.4 million.

61. Estimated benefits for 2017 of $30 million will be reflected in the context of the proposed programme budget for the biennium 2016-2017. Similarly, for 2017 the peacekeeping operations will reflect estimated benefits in the amount of $51.4 million in their proposed budgets for the corresponding period.

62. All Umoja-related benefits will continue to be reported to the General Assembly in the context of future progress reports of the Secretary-General.

F. Internal controls and risk management

63. The Umoja team has instituted a number of mechanisms to improve risk management since the issuance of the previous report. A dedicated risk manager within the Project Management Office ensures that the risk and issue database is current and accurate. Each risk is assigned an internal risk owner and assignee to plan, implement, and monitor mitigation plans, as appropriate.

64. Umoja issues a weekly risk report for the Umoja leadership, highlighting those specific risks with the highest level of exposure (combination of likelihood and impact).

65. The following are the most significant risks being managed by the Umoja team:

(a) Organizational readiness. As the Organization moves forward to implement Umoja in non-peacekeeping entities, it is becoming evident that the gap

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[4] Paras. 39 and 40 above on achievements describes some of the key qualitative benefits of Umoja already achieved and those envisaged. See para. 30 of the fifth progress report (A/68/375), which stated "Potential qualitative benefits remain compelling reasons to implement an enterprise resource planning solution. These include: (a) improved operational effectiveness and timeliness; (b) better accountability; (c) the implementation of international best practices and standards; (d) greater transparency; (e) greater client satisfaction; and (f) multiple process improvements."

between the multiple existing operating models and the new, common Umoja model is wider than expected, requiring changes in the way services are being delivered, the revision of policies and work patterns, shifts of responsibilities, and so forth. The empowerment of management and the ability to execute necessary changes are key for the success of the project;

(b) Compressed timelines for deployment. The compressed timelines for deployment to all clusters present a risk that critical staff members, including the Umoja team, the implementing entities and other experts from the process owner departments and offices, will become fatigued. Mitigation of this risk should include rotating existing team members with other United Nations staff members who have the requisite skills, experience and potential to alleviate the burden on key staff;

(c) Production support is diverting human resources away from deployment activities. Support for those entities now in production is diverting attention from future deployment activities by the Umoja core team, as production support has not been mainstreamed within the Organization. With each subsequent roll-out, the burden on the Umoja core team to provide support increases dramatically.

G. Umoja operating, maintenance and support costs[5]

66. It will be recalled that since the earliest proposal for an enterprise resource planning system (see A/62/510/Rev.1, para. 54) that no provision has been made for the potential post-implementation maintenance and support cost requirements for the new system.

67. The Secretary-General advised, in his first progress report (A/64/380, para. 112), that future operating costs for Umoja would comprise "production hardware, software maintenance (initial software purchase is included in project costs), functional and technical support, hosting services, telecommunications, future upgrades to hardware or software, future improvements to the functional components, operating system licences and upgrades, database licences and upgrades and other standard costs for the operational components" of an enterprise resource planning system. Within the broad categorization of future operating costs listed above, it is important to distinguish between the two key areas, as described below.

(a) Direct operating and maintenance costs of Umoja. While the system is designed, tested, built and deployed, these costs are funded by the Umoja project budget. Subsequently, they become recurrent business operating costs after Umoja is deployed in its various phases. As such, the Department of Field Support has assumed responsibility for the operating costs of Umoja for peacekeeping operations since Umoja Foundation was deployed in late 2013. Similarly, the programme budget will assume responsibility for Umoja operating costs after deployment in late 2015;

(b) Information and telecommunications infrastructure for enterprise systems. These infrastructure areas support Umoja but are not exclusive to it. Their

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[5] It should be noted that of the currently estimated global costs of $54.4 million for Umoja operating, maintenance and support activities for the biennium 2016-2017, described in paras. 66-74, an estimated amount of $6.3 million will be reflected in the report of the Secretary-General on the proposed programme budget outline for the biennium 2016-2017.

genesis can be traced to separate proposals of the Secretary-General for infrastructure in the United Nations Support Base in Valencia, Spain, and the United Nations Logistics Base in Brindisi, Italy (see A/62/477, para. 5), with respect to disaster recovery and business continuity for the Organization.

(a) Direct operating and maintenance costs of Umoja

68. The direct operating costs of Umoja, after deployment, comprise hardware (plus replacement and upgrades) databases and licence fees, hosting services, maintenance fees for software licences (plus upgrades) and functional and technical support. Now that Umoja Foundation and Extension 1 have been developed substantially and are being deployed, the recurrent operating costs are readily identifiable and quantifiable. The estimated global costs for the Organization for the biennium 2016-2017 amount to $29.6 million.

(b) Information and telecommunications infrastructure for enterprise systems

69. As stated in the second progress report (A/65/389, para. 105), the central technical infrastructure required to support and host Umoja requires a substantial commitment by the Organization.

70. The information and telecommunications infrastructure is common to the entire Organization and relates to what is termed the "enterprise access (layer)". The enterprise access layer allows Umoja and other enterprise applications to be hosted in the United Nations Support Base and the United Nations Logistics Base and to be accessed remotely by the Organization's staff globally through dedicated communication links. These enterprise access operating costs comprise: hardware costs (plus replacement and upgrades), such as for virtual servers; databases and licence fees; hosting services; maintenance fees for software licences (plus upgrades), such as for Citrix licences; and functional and technical support. Such requirements in support of enterprise applications were previously highlighted in paragraphs 12 and 32 of the report of the Secretary-General on information and communications technology security, disaster recovery and business continuity for the United Nations (A/62/477). The estimated global costs for the Organization for the biennium 2016-2017 amount to $4.6 million.

71. In addition to the technical infrastructure described above, there is the matter of bandwidth, or capacity of the information and communications network systems. This has two components: (a) increased bandwidth for the landline systems that connect offices away from Headquarters, regional commissions and Headquarters to the enterprise data centres; and (b) satellite system upgrades for the field-based missions. In each case, adding bandwidth will improve operability and capacity for all ongoing operations, not just Umoja.

72. The estimated requirements for bandwidth increases to landlines, which are predominantly for non-peacekeeping operations, for the biennium 2016-2017 amounts to $7.2 million. With regard to peacekeeping operations, assuming the current estimates for recurrent satellite operating costs remain steady the estimated cost for the equivalent of the biennium 2016-2017 would be $13.0 million. This gives rise to estimated global telecommunication costs for the Organization for the biennium 2016-2017 in the order of $20.2 million.

73. These infrastructure support costs confer a wider benefit to the Organization than simply enabling Umoja to operate. Moreover, they are requisite infrastructure requirements and not post-deployment direct operating or maintenance costs for Umoja. As such, the ICT infrastructure enhancements, enterprise access and security and ICT bandwidth capacity requirements have not formed part of the Umoja project or its budget and, as stated above, were the substance of separate complementary proposals by the Secretary-General to the General Assembly.

74. With regard to the continued use of legacy systems and subsequent decommissioning and archiving, it should be noted that during the transition from IMIS and other legacy systems, resources are required to run these systems in parallel until the enterprise resource planning system is fully implemented (see A/62/510/Rev.1, para. 27).

H. Mainstreaming plan

75. Mainstreaming Umoja into the Organization is a strategic activity that will be conducted in concurrence with the Umoja team downsizing plan. The downsizing will begin at the end of 2015 following the implementation of Umoja Foundation and Extension 1 across the Organization, and it will conclude in 2017 when the Umoja project will cease to exist in its current form, after the deployment of Umoja Extension 2.

76. In 2016, the Umoja team will downsize from 90 to 74 posts, the majority of which are related to administrative and support functions. In early 2017, Umoja will further downsize from 74 to 50 posts. These 24 posts will consist mainly of process experts that will be transferred to the business.

77. From January 2017, responsibility for Umoja will be transferred ("mainstreamed") to the Chief Information and Technology Officer, who will take over the management and the execution of ICT-related activities such as: (a) ongoing system support and maintenance capacity to manage, maintain and enhance the Umoja production environment; (b) yearly building and testing programmes of work to integrate new functionality into the production environment, including the releases of Umoja Extension 2 functionality; and (c) periodic releases of new functionality and/or maintenance packages within the Secretariat.

78. With regard to the cost of fulfilling the Umoja project scope during 2016 and 2017, this will be met from the proposed resource requirements set out in section IV.D of the present report. Post-deployment operating, maintenance and support costs are discussed in section III.G above.

79. Efforts will be made to retain the ICT expertise of the Umoja team, after 2017, within the Office of Information and Communications Technology, or elsewhere, where possible, in full compliance with the established procedures for the recruitment of United Nations staff. Retaining the technical and substantive expertise would be valuable asset to the Organization. Succession planning entails retaining expertise such as business analysts, experts with strong expertise with software configuration and with know-how in the Umoja technical areas, together with a good understanding of the functions and operating methods of the United Nations. The business analysts will be responsible for tier 3 production support and solution architecture.

New service delivery model

80.   The vision of the Secretary-General for a new service delivery model, which builds on his Five-Year Action Agenda for strengthening the United Nations, is closely linked to the ongoing business re-engineering efforts that the Organization has embarked on as part of the process standardization brought by Umoja. The vision of the Secretary-General is of a truly global Secretariat with integrated service delivery across the Organization. The implementation of this vision will be facilitated through process standardization through Umoja and the consolidation of some administrative, transactional, back-office tasks throughout the Secretariat through the development of a new service delivery model.

81.   The delivery of highly transactional administrative processes through a new service delivery environment across the global Secretariat will:

(a)   Create efficiencies and economies of scale over time;

(b)   Allow resources to be redirected to more value-added work and new functions;

(c)   Achieve more consistency in the application of regulations and rules and more timely delivery of services;

(d)   Increase transparency and accountability through the standardization of processes and centralized oversight.

82.   Detailed proposals for a new global service delivery model will be submitted to the General Assembly at its seventieth session for its consideration and approval.

I.   Project staffing

83.   As shown in the organizational structure presented in the fifth progress report (A/68/375, annex II), the Umoja team is currently composed of 90 staff. Their current and projected recruitment status appears in table 2 below.

Table 2
Umoja status of vacancies, at 30 June 2014

Status	ASG	D-1	P-5	P-4	P-3	P-2	GS (PL)	GS (OL)	Total
Encumbered									
Regular	1	7	20	31	6	–	1	11	77
Temporary	–	1	–	2	1	1	–	1	6
Subtotal	**1**	**8**	**20**	**33**	**7**	**1**	**1**	**12**	**83**
Selected (JO/TJO)	–	–	–	–	1	–	–	–	1
With Central Review Board	–	–	–	–	–	–	–	–	–
Under evaluation	–	–	1	1	–	–	–	–	2

Status	ASG	D-1	P-5	P-4	P-3	P-2	GS (PL)	GS (OL)	Total
Advertised (JO/TJO)	–	–	–	–	1	–	–	–	1
Under consideration for advertising	–	–	–	3	–	–	–	–	3
Subtotal, vacant	–	–	1	4	2	–	–	–	7
Total, authorized	1	8	21	37	9	1	1	12	90

Abbreviations: ASG, Assistant Secretary-General; GS, General Service; JO/TJO, Job opening/temporary job opening; OL, Other level; PL, Principal level.

84.   As at 30 June 2014, 83 of the 90 posts were encumbered. The job openings and temporary job openings for seven vacant posts are at various stages of recruitment.

85.   The downsizing of the project from June 2014 was premised on a project timeline that was subsequently changed. The decision to reprofile the deployment of cluster 2, the Umoja Extension pilot in MINUSTAH and clusters 3 and 4 required the human resources component of the project to be adjusted accordingly.

86.   Whereas the downsizing of the project would have commenced in the second half of 2014, the revised proposal will see these movements taking place between July 2015 and December 2015, which is 12 months later than reported in the fifth progress report. The revised staffing requirements take into consideration the project replanning and provide adequate resources to deploy to clusters 3 and 4 in 2015, as well as provide necessary support for clusters 1 and 2 sites.

Request to upgrade the post of the Project Deputy Director

87.   It should be recalled that the Secretary-General, in his fifth progress report, proposed the reclassification of the post of the Deputy Director of the Umoja project from the D-1 to D-2 level.

88.   It is now becoming increasingly evident that the level of transformation associated with the implementation of Umoja poses more challenges than expected. Ensuring the thorough re-engineering and full adoption of the solution is not just about securing the realization of benefits, but is also critical to protecting the investment made in Umoja. Should the changes associated with this transformation not be properly managed, the Organization risks not only missed opportunities but also the success of the initiative itself.

89.   The lessons learned so far in peacekeeping demonstrate that the new Umoja operating model will require two distinct phases, both of which are very demanding. The first requires a complex re-engineering of processes and work patterns, implying changes in all offices and departments, while the second phase builds upon the first, exploiting the potential of the enterprise resource planning project to significantly improve the efficiency of the Organization.

90.   Both of these phases must be led and championed by senior management, in particular the heads of all offices and departments. Those senior managers must be guided and supported by the Umoja team at a correspondingly senior level.

91.   Heads of departments and offices will require a better understanding of the solution and its implications in order to advocate for it effectively. The Assistant Secretary-General for Umoja, with the assistance of the Deputy Project Director at

the D-2 level, would play a significant role in developing a clear understanding and support for organizational change management with senior leadership and throughout the Organization. This would include the following activities:

(a) Bringing awareness to senior management and heads of departments and offices of the changes brought by the new operating model, highlighting potential impact and providing advice on how to deal with the changes;

(b) Mobilizing and equipping managers to champion those changes;

(c) Assisting in resolving organizational interdependencies across different offices, in an operating model that depends on the harmonization and collaboration among offices;

(d) Being alert to capacity, pacing, resourcing and any other urgent issues requiring leadership attention;

(e) Helping to ensure the realization of benefits to be committed by every office and department;

(f) Recommending changes to the governance structure and ways to define and monitor the interdepartmental relation between service providers and client organizations.

92. In the meantime, Umoja must continue moving forward to deploy clusters 3, 4 and 5, while also expanding its functionality in accordance with the scope of Extension 2, as well as manage change requests generated by the experience of entities that have already implemented the solution.

93. In this context, the reclassification of the Deputy Project Director position from the D-1 to D-2 level is being proposed and is considered to be critical at this stage. The Deputy Project Director will have the required level of seniority and experience to properly assist the Project Director in managing the team resources, oversee the day-to-day operation of the project, manage the interaction with the systems integrator, and keep the project on track, thereby allowing the Assistant Secretary-General Project Director to engage stakeholders and senior managers in conducting the top-down change management effort.

94. This upgrade would be a key mitigating factor in protecting the investment made in Umoja, by reducing the high risks associated with the transformational aspect of this project. Subject to approval by the General Assembly, the Umoja project would expeditiously begin the recruitment process in order to identify the most suitable manager for this key role.

IV. Resource requirements

A. Overview of projected total resource requirements for Umoja

Revised resource requirements to the end of 2015

95.   According to the current project timeline, Umoja Foundation and Extension 1[6] will be implemented across the United Nations Secretariat by the end of 2015, and the design of Umoja Extension 2 will be completed.

96.   The fifth progress report presented estimated project requirements until the end of 2015 in the amount of $360,856,800, as compared with the budget of $348,138,500 for that period. Additional funding was not requested at that time and the Secretary-General indicated that revised resource requirements and a proposal for additional funding would be presented in the sixth progress report. This would enable the Secretariat to continue its efforts to contain costs and to incorporate critical lessons learned from Umoja deployment and pilot activities, which are of decisive importance to the successful outcome of the project.

97.   The revised resource requirements for the project through 31 December 2015 amount to $385,060,300, reflecting an increase of $24,203,500 as compared with the estimates provided in the fifth progress report,[7] which is illustrated in table 3 below.

Table 3
Revised resource requirements to the end of 2015
(Thousands of United States dollars)

Object of expenditure	Requirements in A/68/375	Revised requirements	Difference (increase/(decrease))
Posts	75 406.1	77 992.6	2 586.5
Other staff costs	36 980.7	44 846.3	7 865.6
Consultants and experts	2 833.9	2 808.9	(25.0)
Travel of staff	6 239.5	6 222.5	(17.0)
Contractual services	162 077.7	183 840.3	21 762.6
General operating expenses	19 513.7	19 502.7	(11.0)
Supplies and materials	1 047.2	1 034.5	(12.7)
Furniture and equipment	56 758.0	48 812.5	(7 945.5)
Total	**360 856.8**	**385 060.3**	**24 203.5**

98.   Since the issuance of the fifth progress report, the project timeline was revised for the successful delivery of cluster 2, which comprised the deployment of Umoja Foundation to some special political missions, in March 2014. At the same time, the deployment of the Umoja integration pilot (addition of Umoja Extension 1

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[6] Umoja Extension 1 for national staff in peacekeeping missions and special political missions will be deployed as cluster 5 in the first quarter of 2016. Substantially, preparatory work will be completed by the end of 2015. This assumption is included in the formulation of the resource requirements for the Umoja project.

[7] See A/68/375, table 11, revised requirements through 2015.

functionality to the already deployed Umoja Foundation) in MINUSTAH was rescheduled from February to July 2014.

99. During this period of delay, Umoja continues to provide support to peacekeeping operations as the missions adapt to the new operating model under Umoja Foundation and move towards stabilization. In parallel, the Secretariat is activating an extended, intensive preparatory period before the deployment of clusters 3 and 4. This plan is based on the lessons learned from the deployment to peacekeeping operations and will mitigate the post-implementation challenges experienced with clusters 1 and 2.

100. The combination of extended post-implementation support to peacekeeping missions, the addition of requirements to provide for a robust capacity-building and training for users and process experts under the Umoja Academy and the intensified and extended preparatory activities before the deployment of clusters 3 and 4 give rise to additional resource requirements. As shown in table 3 above, these can be identified in posts, reflecting the maintenance of 2014 project team levels (as opposed to the previously anticipated downsizing of the team); additional general temporary assistance, to support the deployment of process experts to the Umoja Academy for intensified training and contractual services.

101. With regard to financing, table 4 below presents an analysis of the revised funding requirements to the end of 2015, in the amount of $385,060,300, by biennium and year in comparison with the approved project financing of $348,138,500.

Table 4
Revised resource requirements and funding availability to the end of 2015

(Thousands of United States dollars)

	2008-2009[a] actual	2010-2011[b] actual	2012-2013[c] actual	2014 projected	2015 projected	Total
Funding	20 000.0	162 338.9	102 377.4	63 422.2	–	348 138.5
Expenditure	17 699.7	100 709.1	137 265.5	76 474.9	52 911.1	385 060.3
Net balance/(deficit)	**2 300.3**	**61 629.8**	**(34 888.1)**	**(13 052.7)**	**(52 911.1)**	**(36 921.8)**
Unutilized funds carried forward	–	2 300.3	63 930.1	29 042.0	15 989.3	–
Closing balance (surplus/(deficit))	**2 300.3**	**63 930.1**	**29 042.0**	**15 989.3**	**(36 921.8)**	**(36 921.8)**

[a] See second progress report (A/65/389) for details on actual expenditure for 2008-2009.
[b] See fourth progress report (A/67/360) for details on actual expenditure for 2010-2011.
[c] See sect. IV.B of the present report for details on actual expenditure for 2012-2013.

102. The revised resource requirements for 2014 and 2015 are explained in more detail in section IV.C below.

Projected resource requirements for 2016 and 2017

103. As noted above, by the end of 2015, Umoja Foundation and Extension 1 will be substantially deployed across the Secretariat. At that point, the ongoing support and maintenance of Umoja Foundation and Extension 1, effectively, will be mainstreamed into the Organization as part of the normal operations. In practical

terms this means that all responsibility, ongoing activities and costs to maintain Umoja Foundation and Extension 1 will be considered in the context of the established budget procedures for operational activities of the Secretariat, whether the proposed programme budget or the proposed budgets for peacekeeping operations. With the exception of the costs associated with the deployment of Umoja Extension 1 (for national staff[8]) to peacekeeping missions and special political missions, the Umoja project costs to be incurred during 2016 and 2017 will be in relation to Umoja Extension 2. The building, testing and deployment of Umoja Extension 2 throughout the United Nations Secretariat will introduce new functionality to the global operations of the Organization.

104. In his fourth progress report (A/67/360) the Secretary-General indicated that based on historical expenditure rates, a very preliminary estimate of approximately $30 million of contractual services would be required for the build, test and deployment of Umoja Extension 2 in two annual releases. In his fifth progress report, the Secretary-General advised that projected resource requirements for 2016 and 2017 would be presented in the sixth progress report, taking into account updates on the progress of the project.

105. Estimates of the project resource requirements for 2016 and 2017 have now been determined. These amount to $54,291,700 in total and are summarized by object of expenditure in table 5 below. The projected resource requirements for each year are explained in more detail in section IV.D below.

Table 5
Summary of projected resource requirements for 2016-2017

(Thousands of United States dollars)

Object of expenditure	2016	2017	Total
Posts	12 870.3	8 663.7	21 534.0
Other staff costs	4 997.6	4 992.1	9 989.7
Consultants	464.6	464.6	929.2
Travel of staff	1 140.0	763.8	1 903.8
Contractual services	8 350.0	7 300.0	15 650.0
General operating expenses	2 426.3	1 625.6	4 051.9
Supplies and materials	73.0	48.9	121.9
Furniture and equipment	74.1	37.1	111.2
Total	**30 395.9**	**23 895.8**	**54 291.7**

Projected total resource requirements for the Umoja project and financing of costs

106. The total projected resource requirements for the Umoja project through to deployment of Umoja Extension 2 by the end of 2017 are set out in table 6 below.

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[8] Umoja Extension 1 for international staff in peacekeeping operations and special political missions is scheduled for deployment in November 2014 (cluster 4).

Table 6
Projected total resource requirements for the Umoja project
(Thousands of United States dollars)

Object of expenditure	2008-2013 actual (a)	2014-2015 revised (b)	2008-2015 total (c)=(a)+(b)	2016-2017 projected (d)	Total (e)=(a)+(b)+(d)
Posts	45 501.7	32 490.9	77 992.6	21 534.0	99 526.6
Other staff costs	22 487.3	22 359.0	44 846.3	9 989.7	54 836.0
Consultants and experts	1 742.5	1 066.4	2 808.9	929.2	3 738.1
Travel of staff	3 222.7	2 999.8	6 222.5	1 903.8	8 126.3
Contractual services	125 339.0	58 501.3	183 840.3	15 650.0	199 490.3
General operating expenses	13 584.9	5 917.8	19 502.7	4 051.9	23 554.6
Supplies and materials	855.8	178.7	1 034.5	121.9	1 156.4
Furniture and equipment	42 940.4	5 872.1	48 812.5	111.2	48 923.7
Total	**255 674.3**	**129 386.0**	**385 060.3**	**54 291.7**	**439 352.0**

107. With regard to financing, it will be recalled that in its resolution 63/262, the General Assembly endorsed the cost-sharing arrangement for the financing of the enterprise resource planning project proposed in paragraph 79 of the report of the Secretary-General on enterprise systems for the United Nations Secretariat worldwide (A/62/510/Rev.1). The approved cost-sharing arrangement is: 15 per cent from the regular budget; 62 per cent from the support account for peacekeeping operations; and 23 per cent from the special accounts for programme support costs.

108. The projected total resource requirements to the end of 2017 are summarized in table 7 below, by source of funds and in accordance with the approved cost-sharing arrangement.

Table 7
Projected total resource requirements for Umoja, by biennium and source of funds
(Thousands of United States dollars)

Source of funds	2008-2009[a]	2010-2011[b]	2012-2013[c]	Revised 2014-2015	Proposed 2016-2017	Total 2008-2017	Percentage
Regular budget	5 110.0	11 182.9	–	41 466.1	8 143.7	65 902.7	15
Support account for peacekeeping operations	7 050.0	114 065.9	74 675.3	42 946.2	33 660.9	272 398.3	62
Extrabudgetary	7 840.0	37 090.1	27 702.1	15 931.7	12 487.1	101 051.0	23
Total	**20 000.0**	**162 338.9**	**102 377.4**	**100 344.0**	**54 291.7**	**439 352.0**	**100**

[a] In accordance with resolution 63/262.
[b] In accordance with resolutions 64/243 and 65/290.
[c] In accordance with resolutions 65/290, 66/265 and 67/287.

109. Further details of the financing requirements to provide for the projected shortfall of $36,921,800 through 31 December 2015, as well as the projected

resource requirements for 2016 and 2017 in the amount of $54,291,700, and the specific proposals of the Secretary-General are presented in section V of the present report.

B. Implementation during the period from 2008 to 2013

110. Cumulative expenditure to the end of 2013 was $255,674,300, comprising $17,699,700 in respect of the biennium 2008-2009, $100,709,100 for the biennium 2010-2011 and $137,265,500 for the biennium 2012-2013. Table 8 below provides a comparison of actual expenditure for the biennium 2012-2013 against previous estimates, by object of expenditure.

Table 8
Expenditure for the biennium 2012-2013
(Thousands of United States dollars)

Object of expenditure	Projected in *A/68/375*	Actual	Difference *(increase/ (decrease))*	Percentage *change*
Posts	28 754.0	28 673.2	(80.8)	(0.3)
Other staff costs	12 440.5	12 431.0	(9.5)	(0.1)
Consultants	1 027.9	1 005.7	(22.2)	(2.2)
Travel of staff	1 896.9	1 329.8	(567.1)	(29.9)
Contractual services	69 946.8	70 865.2	918.4	1.3
General operating expenses	4 364.8	4 545.5	180.7	4.1
Supplies and materials	85.3	72.6	(12.7)	(14.9)
Furniture and equipment	19 861.3	18 342.5	(1 518.8)	(7.6)
Total	**138 377.5**	**137 265.5**	**(1 112.0)**	**(0.8)**

111. Actual expenditure for 2012-2013 amounted to $137,265,500, representing underexpenditure of $1,112,000 (0.8 per cent), compared with the amount projected in table 7 of the fifth progress report (A/68/375). Actual expenditure for posts, other staff costs, consultants and general operating expenses were broadly consistent with the estimates provided. The net decrease was mainly attributable mainly to:

(a) Underexpenditure in travel costs by $567,100 (29.9 per cent) owing to changes in the deployment schedule and the approach to training delivery for cluster 2. In addition, travel activities originally planned during the fourth quarter of 2013 relating to the Umoja integration pilot in MINUSTAH were deferred until the first and second quarters of 2014;

(b) Overexpenditure of $918,400 (1.3 per cent) under contractual services, which resulted from additional services to support the Umoja Foundation for building and deployment of cluster 1. Contractual services were required to complete the development of functionality for cluster 1 that was not deployed to the pilot in UNIFIL;

(c) Expenditure under furniture and equipment was lower by $1,518,800 (7.6 per cent) than projected in the fifth progress report owing to software licences

maintenance fees that were lower than anticipated following the reprofiled deployment timeline and the Department of Field Support taking ownership of the maintenance costs following the deployment to peacekeeping missions in July and November 2013.

C. Revised resource requirements for 2014 and 2015

112. Tables 9 and 10 below summarize the revised estimates for the resource requirements of Umoja for 2014 and 2015, respectively, and provide a comparison with the estimates presented in the fifth progress report.

Table 9
Revised resource requirements for 2014

(Thousands of United States dollars)

Object of expenditure	Projected in *A/68/375*	Revised	Difference *(increase/ (decrease))*	Percentage change
Posts	16 441.4	16 424.2	(17.2)	(0.1)
Other staff costs	9 282.6	9 732.6	450.0	4.8
Consultants	526.0	526.0	–	–
Travel of staff	1 157.4	1 157.4	–	–
Contractual services	21 974.2	41 989.1	20 014.9	91.1
General operating expenses	3 457.4	2 958.9	(498.5)	(14.4)
Supplies and materials	89.7	89.7	–	–
Furniture and equipment	5 672.6	3 597.0	(2 075.6)	(36.6)
Total	**58 601.3**	**76 474.9**	**17 873.6**	**30.5**

113. Revised requirements for 2014 amount to $76,474,900, reflecting an increase of $17,873,600 (30.5 per cent), compared with the estimates presented in the fifth progress report. Significant revisions in resource requirements for 2015 are explained below.

Posts and other staff costs

114. The marginal reduction in posts costs reflects the removal of a provision for the upgrade of one D-1 level post to D-2, which was proposed but not approved by the General Assembly in 2013.

115. The projected increase in other staff costs of $450,000 reflects the cost of 20 additional general temporary staff to provide for backfilling the responsibilities of process experts and other candidates that will be assigned to Umoja, from departments and offices, to participate in the Umoja Academy programme to be accommodated during the fourth quarter of 2014.

Contractual services

116. Revised requirements of $41,989,100 under contractual services, reflecting an increase of $20,014,900 (91.1 per cent), arise from the decision to adjust the

deployment schedule for cluster 2 by two months, from January to March 2014, and the Umoja integration pilot in MINUSTAH by four months, from February to July 2014; and new requirements that have been added to the scope of functionality of the solution. Furthermore, the changes in the deployment schedule required the continuation of the activities of the systems integrator to support cluster 1 locations, complete Umoja Foundation build activities for cluster 2 locations, address the gaps in the Umoja Extension 1 design, conduct additional product integration testing and payroll testing cycles for Umoja Extension 1, and develop training materials for the human resources and travel solutions.

117. Of the total increase in contractual services ($20,014,900), an amount of $3,894,100 is attributable to systems integration services for the Umoja Extension 1 that resulted from changes to the deployment schedule and provision of services for additional testing cycles that were not anticipated.

118. The remainder of the increase ($16,120,800) is attributable to additional scope, which increased by 43 per cent for the Umoja Foundation and by 36 per cent for the Umoja Extension 1, as well as enhancements to existing functionality; additional development of training materials for Umoja Extension 1; development of business intelligence reports and additional professional services that were not forecasted In particular, for Umoja Extension 1, additions were made to the employee self-service functionality and for Umoja Foundation, the management and complexity of grants and projects systems have added additional forms, reports, interfaces, conversions, enhancements and workflows requirements that were not required for peacekeeping operations. The additional requirements entail significant effort to design, build and test the new functionality.[9]

119. It should also be noted that the contractual services estimate for 2014, as presented in the fifth progress report, reflected a plan to move from multiple vendors for systems integration services to a single vendor from 1 July 2014. The contract for the new single systems integrator will include activities relating to both Foundation and Extension 1. The procurement process was not yet finalized as at the end of July 2014, necessitating an extension of the two incumbent systems integrators until the new contract is finalized and the transition to the single systems integrator is complete. Of the $16,120,800 mentioned in paragraph 118 above, $10,791,600 is included in the contract extensions for the two incumbent systems integrators for the period from 1 July 2014 to 21 November 2014.

General operating expenses

120. Revised requirements of $2,958,900 under general operating expenses would provide for the rental of premises and the maintenance and support of the local area network technical infrastructure and central servers. The projected underexpenditure of $498,500 is attributable to reduced charges for rent following the relocation of the Umoja project team to alternative off-site leased premises.

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[9] The additions to scope are submitted in the form of change requests that are evaluated within the Umoja project team and agreed with the respective process owner representatives to confirm that the requirement is indeed essential.

Furniture and equipment

121. Revised requirements under furniture and equipment of $3,597,000 would provide for: (a) annual maintenance fees for the enterprise resource planning software ($2,310,000); (b) maintenance fees for database tools and database licences ($669,700); (c) maintenance fees and licences for testing tools ($250,000); (d) other software licences ($276,900); and (e) the replacement of laptops and the acquisition of videoconferencing equipment ($90,400). The reduction of $2,075,600 (36.6 per cent), as compared with the estimate provided in the fifth progress report reflects mainly software and database licence maintenance fees that were previously included in the project budget, but which are now borne by peacekeeping missions, following the deployment of Umoja Foundation in 2013. These post-implementation maintenance costs are funded by the support account for peacekeeping operations under the budget of the Department of Field Support for the period from 1 July 2014 to 30 June 2015.

Table 10
Revised resource requirements for 2015

(Thousands of United States dollars)

Object of expenditure	*Projected in A/68/375*	*Revised*	*Difference (increase/ (decrease))*	*Percentage change*
Posts	13 382.2	16 066.7	2 684.5	20.1
Other staff costs	5 201.3	12 626.4	7 425.1	142.8
Consultants	543.2	540.4	(2.8)	(0.5)
Travel of staff	1 292.3	1 842.4	550.1	42.6
Contractual services	15 682.9	16 512.2	829.3	5.3
General operating expenses	2 652.1	2 958.9	306.8	11.6
Supplies and materials	89.0	89.0	–	–
Furniture and equipment	6 626.2	2 275.1	(4 351.1)	(65.7)
Total	**45 469.2**	**52 911.1**	**7 441.9**	**16.4**

122. Revised projected requirements for 2015 amount to $52,911,100, reflecting an increase of $7,441,900 (16.4 per cent), compared with the estimates presented in the fifth progress report. Significant changes in resource requirements for 2015 are explained below.

Posts and other staff costs

123. Requirements of $16,066,700 under posts would provide for salary and common staff costs for the continuation of 90 posts (1 Assistant Secretary-General, 1 D-2, 7 D-1, 21 P-5, 37 P-4, 9 P-3, 1 P-2, 1 General Service (Principal level) and 12 General Service (Other level)). The increase of $2,684,500 in resource requirements for posts in 2015 reflects the postponement of the planned downsizing of the project team and the net effect of revisions in standard salary costs, common staff costs and staff assessment rates.

124. The previously estimated resource requirements, as presented in the fifth progress report, were based on assumption that the project team staffing level would

be reduced from 90 to 74 from the start of 2015. However, following the revision of the deployment schedule, as presented in paragraphs 53 to 57 above, Umoja will postpone the downsizing plan and retain the full complement of 90 posts throughout 2015. The downsizing of the Umoja project team from 90 to 74 posts will start from 1 January 2016.

125. The revised requirements of $12,626,400 under other staff costs, reflecting an increase of $7,425,100, would provide for general temporary assistance in respect of the subject-matter experts for functional requirements across the project at the same level as 2014 and would also provide for backfilling the responsibilities of local process experts and other candidates that will be assigned to Umoja, from departments and offices, to participate in the Umoja Academy programme.

126. The increased requirements reflect the postponement of the downsizing in the same manner as explained above for project team posts. The revised provision also includes an additional $3,570,000 for 20 additional general temporary positions to provide for backfilling the responsibilities of process experts and other candidates that will be assigned to Umoja from departments and offices, to participate in the Umoja Academy programme to ensure that the programme is sustained in 2015. Given the scope of the deployments planned for 2015, the project team itself will be fully engaged with preparations for implementation to a broad range of entities. It is critical, therefore, for the project to ensure that staff in the Organization are trained and have the capacity to support the solution, sustain the adoption of the changes and ensure that the benefits of Umoja are realized.

Travel of staff

127. Travel of the Umoja team to provide training to trainers, travel for Umoja Academy participants, entity realization and post-production support for cluster 3 and 4 entities is estimated at $1,842,400. Umoja anticipates that it will maintain the previously estimated travel costs associated with deployment and end-user training activities as presented in the fifth progress report and will require an additional provision of $550,100 for the anticipated travel associated with the new Umoja Academy.

Contractual services

128. Revised requirements of $16,512,200 under contractual services comprise: (a) application management support; (b) enterprise resource planning software training for Umoja staff; (c) hosting services; (d) advisory services with respect to infrastructure integration; and (e) conference facilities.

129. The cost of the single systems integrator for the enterprise resource planning application management and integration services for Umoja Foundation and Umoja Extension 1 is estimated at $11 million for 2015.

130. The remainder of the contractual services estimate is for professional services ($3,942,000) to complete the design of the highly specialized modules in the Umoja Extension 2 scope of functionality, such as, defence forces and public security, demand planning, supplier network planning, warehouse management and budget formulation; enterprise resource planning software training for Umoja staff ($580,000); hosting services ($552,200); legal consulting services for the

negotiation of contractual terms, quality assurance advice and project tools support ($400,000); and conference room facilities ($38,000).

General operating expenses

131. General operating expenses of $2,958,900 are an estimate of costs for the rental of premises, the maintenance and support of the local area network technical infrastructure and central servers and the rental and maintenance of office automation equipment. The estimated provision is retained at the same level provided for 2014 since staffing levels will remain the same in 2015.

Furniture and equipment

132. Furniture and equipment costs of $2,275,100 are estimated maintenance costs for enterprise resource planning maintenance, database maintenance, and testing tools maintenance. The requirements are for: maintenance costs for enterprise resource planning software licences ($1,330,100); database ($669,700) and testing tools maintenance ($50,000); other software licences ($134,900) and the replacement of laptops and maintenance of communications equipment ($90,400). The decrease of $4,351,100 represents the removal of a previous estimated provision for additional database licences ($1,112,400), which was based on sizing estimates and growth that has not materialized; and maintenance fees for various software and testing tools ($1,278,900), which is not required since the project has executing the testing in a manner that does not require licences to be used concurrently to the extent envisaged; as well as software maintenance costs ($1,959,800) that were previously included in the project budget, which are now borne by the peacekeeping missions following deployment of Umoja Foundation in the field.

133. The revised resource requirements for 2014 and 2015 combined are summarized in table 11 below.

Table 11
Summary of revised resource requirements for 2014-2015

(Thousands of United States dollars)

Object of expenditure	2014	2015	Total
Posts	16 424.2	16 066.7	32 490.9
Other staff costs	9 732.6	12 626.4	22 359.0
Consultants	526.0	540.4	1 066.4
Travel of staff	1 157.4	1 842.4	2 999.8
Contractual services	41 989.1	16 512.2	58 501.3
General operating expenses	2 958.9	2 958.9	5 917.8
Supplies and materials	89.7	89.0	178.7
Furniture and equipment	3 597.0	2 275.1	5 872.1
Total	**76 474.9**	**52 911.1**	**129 386.0**

D. Projected resource requirements for 2016 and 2017

134. Tables 12 and 13 below summarize the projected resource requirements of Umoja for 2016 and 2017, respectively. As noted above, the only Umoja project costs to be incurred during 2016 and 2017 will be in relation to Umoja Extension 2 building, testing and deployment.

Table 12
Projected resource requirements for 2016

(Thousands of United States dollars)

Object of expenditure	Projected 2016
Posts	12 870.3
Other staff costs	4 997.6
Consultants	464.6
Travel of staff	1 140.0
Contractual services	8 350.0
General operating expenses	2 426.3
Supplies and materials	73.0
Furniture and equipment	74.1
Total	**30 395.9**

135. The project will continue its activities for 2016, as previously described in the fifth progress report. The projected resource requirements, which the Secretary-General proposes for funding in the next biennium, are presented below.

Posts and other staff costs

136. The Umoja project team in 2016 will comprise 74 posts, reduced from 90, beginning January and it is proposed to downsize the team to 50 posts by the end of December 2016. The estimated resource requirements for 2016 amount to $12,870,300 for salary and common staff costs for 74 posts (1 Assistant Secretary-General, 1 D-2, 3 D-1, 18 P-5, 30 P-4, 5 P-3, 1 P-2, 4 General Service (Principal level) and 11 General Service (Other level)). The project team has deemed it prudent to reflect the estimated cost of 74 posts for the full year in 2016 since the precise timing of the downsizing will be staggered and cannot be predicted with accuracy.

137. Requirements under other staff costs of $4,997,600 would provide for general temporary assistance in respect of the subject-matter experts for functional requirements across the project. Umoja estimated a requirement for 30 temporary positions, based on its historical experience with the building and testing of Umoja Foundation and Extension 1.[10]

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[10] It should be noted that the 2015 estimate included a provision for 20 positions for backfilling staff from departments and offices that joined the Umoja as subject-matter experts and as Umoja Academy participants. This requirement has not been included under the Umoja estimates for 2016, since it is envisaged that the need will be significantly reduced and provisions, if any, would be accommodated within the approved resources of departments, offices and missions.

Consultants and contractual services

138. It is estimated that a provision of $464,600 will be required for consultant fees, based on previous expenditure patterns and the anticipated services for 2016. The requirements for individual consultants provides for six consultants providing expert services in real estate, human resources, finance-controlling and an expert to support Umoja project tools who is remunerated on a "when actually employed" basis.

139. Projected resource requirements for contractual services during 2016 amount to $8,350,000. The provision comprises the estimated cost of project related services required from the single systems integrator ($6.8 million), requirements for specialist services for human resources functionality and Umoja Extension 2 functionality ($1.3 million), and for enterprise resource planning technical training ($250,000).

Travel of project staff

140. Travel costs for the Umoja project team are estimated at $1,140,000 for cluster 5 training, realization and deployment. Cluster 5 is the deployment of Umoja Extension 1 functionality to national staff in peacekeeping missions and special political missions in 2016.

General operating expenditure

141. General operating expenses of $2,426,300 are an estimate of costs for the rental of premises, the maintenance and support of the local area network technical infrastructure and central servers and the rental and maintenance of office automation equipment. The estimated provision is commensurate with the reduction in posts from 90 to 74.

Supplies and materials and furniture and equipment

142. An estimate of $73,000 for supplies and materials is based on the standard provision for the staffing level (74 posts) for 2016. By the start of 2016, Umoja Foundation and Extension 1 will have deployed to all Secretariat locations, hence the full cost of software licences and maintenance are not provided for in the Umoja cost estimates.

143. The amount of $74,100 covers maintenance and replacement of laptops and communications equipment for the project team.

Table 13
Projected resource requirements for 2017
(Thousands of United States dollars)

Object of expenditure	Projected 2017
Posts	8 663.7
Other staff costs	4 992.1
Consultants	464.6
Travel of staff	763.8
Contractual services	7 300.0

Object of expenditure	Projected 2017
General operating expenses	1 625.6
Supplies and materials	48.9
Furniture and equipment	37.1
Total	**23 895.8**

144. The estimated resource requirements for completing the building, testing of Umoja Extension 2 as well as its deployment in 2017 amount to $23,895,800. These project-related activities will be under the direction of the Chief Information Technology Officer. The start of 2017 marks the transition of the project activities to the relevant information and communications technology.

Posts and other staff costs

145. The estimated cost of Umoja project related posts for 2017 is $8,663,700. This is based on the continuation of the 50 temporary posts under the Umoja project team for 2016. This would comprise: 1 D-2, 2 D-1, 8 P-5, 24 P-4, 5 P-3, 1 P-2, 3 General Service (Principal level) and 6 General Service (Other level) posts.

146. Projected resource requirements of $4,992,100 under other staff costs would provide for general temporary assistance in respect of the subject-matter experts for functional requirements across the project. Umoja estimated a requirement for 30 temporary positions, based on its historical experience of the testing and deployment of Umoja Foundation and Extension 1.

Consultants and contractual services

147. It is estimated that a provision of $464,600 should be maintained for consultant fees, which is the same as the estimate for 2016, based on projected consultancy needs. The consulting expertise will be related primarily to the Umoja Extension 2 functionality developed in 2016. The same expertise will be required to provide support for deployment and post-deployment activities during 2017.

148. Resource requirements for contractual services are projected to be $7.3 million. This provision would cover the anticipated costs for the systems integrator to provide development and deployment services, enterprise resource planning specialist services. The services relate to the project activity planned for 2017, which is the integration, realization (including organizational readiness, data management and training) and deployment of the Umoja Extension 2 solution to the Secretariat.

Travel of staff

149. It is estimated that resource requirements would amount to $763,800, in order to provide for the travel costs associated with the deployment of Umoja Extension 2 functionality throughout the United Nations Secretariat. The requirement reflects the consideration that Umoja Extension comprises functionality that will be mainly used by staff in Headquarters, offices away from Headquarters, the regional economic commissions and the Global and Regional Support centres, therefore limiting the requirements for travel for training, and deployment activities.

Other operating costs

150. General operating expenses of $1,625,600, supplies and materials of $48,900 and furniture and equipment of $37,100 are cost estimates that are directly related to the level of staffing that is envisaged for 2017. The estimates cover expenses such as rent, communications and laptops.

V. Summary of resource requirements and request for action by the General Assembly

A. Proposed financing of projected resource requirements for Umoja

151. As explained in section IV.A of the present report, on the basis of the most recent cost estimates the projected resource requirements for the planned activities of the Umoja project until the end of 2015 amount to $385,060,300, which represents an increase of $36,921,800 above the approved resources for Umoja for this period.

152. The Secretary-General requests that the additional resource requirements necessary to complete the planned activities to be undertaken for the remainder of 2014 and during 2015 be approved by the General Assembly. The proposed financing of these additional requirements would be apportioned in accordance with the approved cost-sharing arrangement, as illustrated in table 14 below.

Table 14
Summary of proposed resource requirements to be approved by the General Assembly for 2014 and 2015, by source of funding

(Thousands of United States dollars)

Source of funds	Approved resources (A/68/375)	Revised requirements	Proposed additional requirements
Regular budget	52 220.8	57 759.0	5 538.2
Support account for peacekeeping operations	215 845.9	238 737.4	22 891.5
Extrabudgetary	80 071.8	88 563.9	8 492.1
Total	**348 138.5**	**385 060.3**	**36 921.8**

153. As advised in the fifth progress report (A/68/375), the Secretary-General presents the projected resource requirements for 2016 and 2017. The Secretary-General requests that the projected resource requirements necessary to undertake the planned activities for 2016 and 2017 be approved by the General Assembly. Financing of these proposed resource requirements would be apportioned in accordance with the approved cost-sharing arrangement, as illustrated in table 15 below.

Table 15
Summary of proposed resource requirements to be approved by the
General Assembly for 2016 and 2017, by source of funding

(Thousands of United States dollars)

Source of funds	Proposed requirements 2016-2017	Percentage
Regular budget	8 143.7	15
Support account for peacekeeping operations	33 660.9	62
Extrabudgetary	12 487.1	23
Total	**54 291.7**	**100**

B. Recommended actions to be taken by the General Assembly

154. **The General Assembly is requested:**

(a)   **To take note of the progress made on the implementation of Umoja since the issuance of the fifth progress report;**

(b)   **To approve the revised resource requirements of the project through 31 December 2015, as presented in table 14;**

(c)   **To take note of the projected costs of the project for 2016 and 2017, as presented in table 15;**

(d)   **To approve the reclassification of the post of Deputy Project Director as a D-2 post;**

(e)   **To take note that the estimated resource requirements for 2016 and 2017 will be included in the proposed programme budget for the biennium 2016-2017 and in the respective proposed budgets of the support account for peacekeeping operations for the same period;**

Programme budget

(f)   **To appropriate an amount of $5,538,200 under the programme budget for the biennium 2014-2015 under section 29A, Office of the Under-Secretary-General for Management, representing the regular budget share for the additional Umoja project costs until 31 December 2015, which would represent a charge against the contingency fund for the biennium 2014-2015;**

Support account for peacekeeping operations

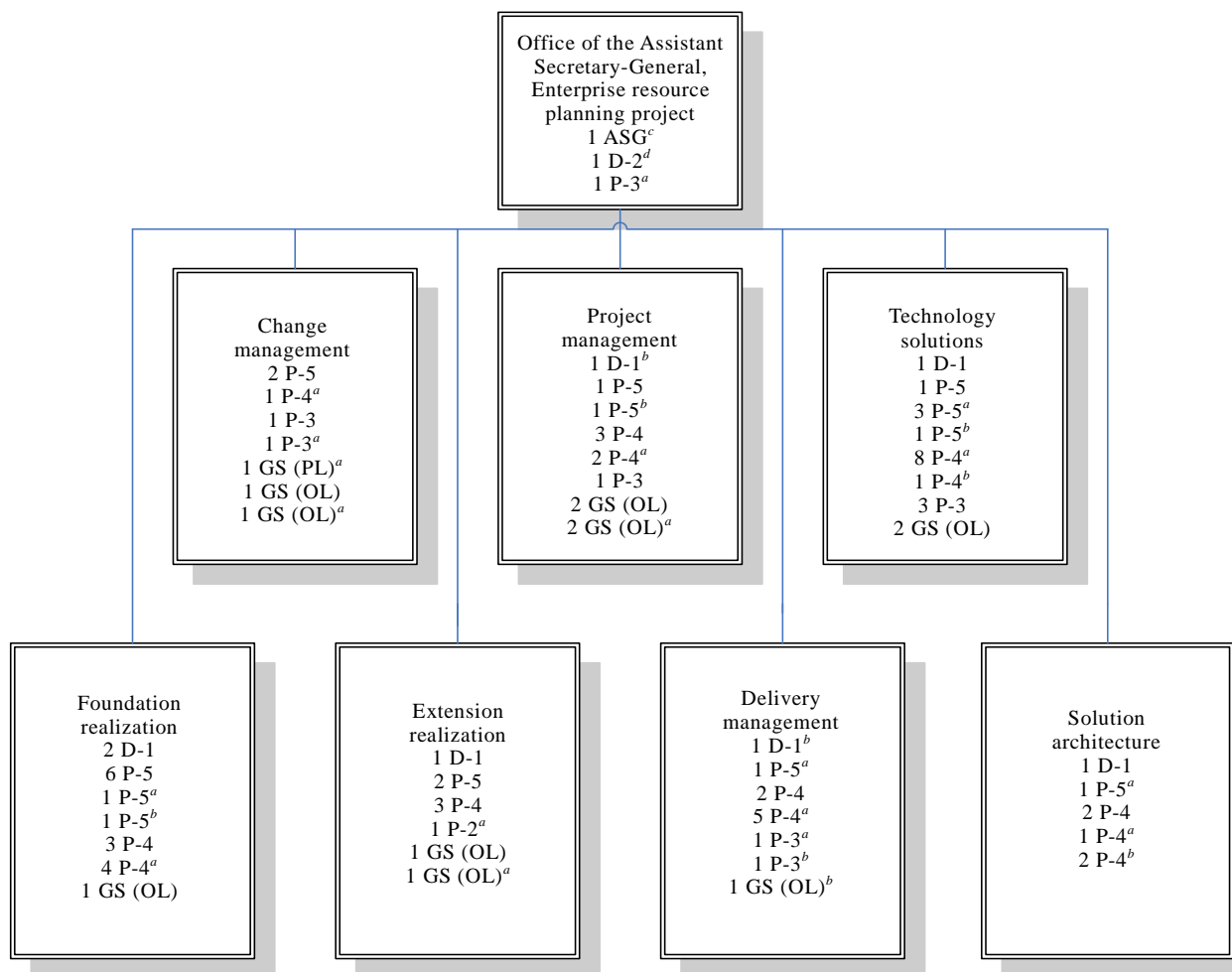(g)   **To note that resource requirements in the amount of $22,891,500 will be included in the subsequent requirements for the support account for peacekeeping operations for the financial period from 1 July 2015 to 30 June 2016;**

Extrabudgetary resources

(h)   **To note that requirements in the amount of $8,492,100 will be funded from extrabudgetary resources in the financial period from 1 January 2015 to 31 December 2015.**

Annex

Organizational structure and post distribution for 2015

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                    ┌─────────────────────────┐
                    │ Office of the Assistant  │
                    │   Secretary-General,     │
                    │  Enterprise resource     │
                    │   planning project       │
                    │        1 ASG^c           │
                    │        1 D-2^d           │
                    │        1 P-3^a           │
                    └─────────────────────────┘
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Change management
2 P-5
1 P-4^a
1 P-3
1 P-3^a
1 GS (PL)^a
1 GS (OL)
1 GS (OL)^a

Project management
1 D-1^b
1 P-5
1 P-5^b
3 P-4
2 P-4^a
1 P-3
2 GS (OL)
2 GS (OL)^a

Technology solutions
1 D-1
1 P-5
3 P-5^a
1 P-5^b
8 P-4^a
1 P-4^b
3 P-3
2 GS (OL)

Foundation realization
2 D-1
6 P-5
1 P-5^a
1 P-5^b
3 P-4
4 P-4^a
1 GS (OL)

Extension realization
1 D-1
2 P-5
3 P-4
1 P-2^a
1 GS (OL)
1 GS (OL)^a

Delivery management
1 D-1^b
1 P-5^a
2 P-4
5 P-4^a
1 P-3^a
1 P-3^b
1 GS (OL)^b

Solution architecture
1 D-1
1 P-5^a
2 P-4
1 P-4^a
2 P-4^b

Abbreviations: ASG, Assistant Secretary-General; GS, General Service; OL, Other level; PL, Principal level.

[a] Approved at the sixty-fourth session.
[b] Approved at the sixty-fifth session.
[c] Approved at the sixty-sixth session.
[d] Proposed for approval at the sixty-ninth session. The Deputy Project Director also serves as head of the Umoja organizational change management team.

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