EXCELLENCE,

I write to thank you for your continued support in advancing the management reform agenda of the United Nations. As we near the end of the second year of implementation, I can report that despite the Coronavirus pandemic and persistent liquidity challenges, the Secretariat is making steady progress in increasing its effectiveness in implementing entrusted mandates.

Two main shifts underpin the new approach to management reform.

The first is decentralized decision-making under a new delegation of authority system. Senior managers across the Secretariat – including Heads of Departments, Executive Secretaries of Regional Commissions, Heads of Peace Operations and Resident Coordinators – are now fully empowered to manage the resources necessary to implement the mandates for which they are responsible. A monitoring system is in place, and a new business intelligence project provides data analytics for proactive decision-making and increases transparency through real-time reporting.

Managers are now supported by a new architecture at Headquarters consisting of the Department of Management Strategy, Policy and Compliance (DMSPC) and the Department of Operational Support (DOS). In addition to supporting the review and development of administrative policies, DMSPC oversees the new delegation of authority system through the continuous monitoring of decisions in the areas of budget and finance, human resources and supply chain management. Meanwhile, DOS provides advisory operational and transactional services to ensure that managers have the necessary guidance and operational capacities. In addition, administrative policies and practices that have long been inadequate to bolster the requirements of our field-based activities are being revised, with the support of a new body – the Management Client Board.

The second major shift is the move to a more responsive annual approach to programme budgeting. This is a significant step towards more realistic budgeting and a greater focus on results. It improves the accuracy of the resource estimates of the Secretariat, enabling it to adapt more quickly to changes in mandates and to adjust our planning based on actual programme performance, thereby improving accountability for results. The experience of preparing the 2020 programme budget – the first under the new approach – and feedback from Member States has allowed us to further refine the preparation and presentation of the 2021 programme budget which is currently under consideration by the United Nations General Assembly.
One objective of an annual budget is to increase transparency. To this end, a major evolution from the first annual budget has been the inclusion of a multi-year account of measurable results. Once this approach stabilizes next year, three measurable planned results and three measurable actual results for each of the 350 result frameworks will be presented on a rolling basis, offering a comprehensive picture of our programme delivery. A results.un.org portal was launched last month in all official languages, filtered not only by programme and subprogramme, but also by type of result and geographical location. Additionally, the new evaluation policy will improve the quality of assessments across the Secretariat.

Progress in the area of human resource management includes the following highlights:

- new tools to accelerate the recruitment process;
- a single point of entry for specialized advisory support;
- a standardized process guide for onboarding and staff movements, and a first set of solutions that focus on the user experience for candidates, human resources practitioners and hiring managers. This marks the first time that Secretariat entities have had such a globally applicable guidance document;
- the integration of the conduct and discipline and administrative law functions to facilitate quicker action on serious cases of suspected misconduct;
- a Misconduct Risk Management Toolkit and a Secretariat-wide conduct and discipline focal point network – ALD Connect – enabling entities to better identify, understand and mitigate risks; and

The integration of operational support for uniformed capabilities has enabled us to meet reimbursement deadlines and to reduce the number of units deployed without a signed Memorandum of Understanding to less than 2 per cent, well below the target of 10 per cent. A new Procurement Manual was issued, and a simplified vendor registration process was launched. We are rolling out support arrangements to the new Resident Coordinators system, with the United Nations Office at Nairobi now providing a range of location-independent human resource administrative services for international staff in all Resident Coordinators offices.

The COVID-19 pandemic has had an impact upon the work of the United Nations but has not caused major disruptions. Management reform has been critical in enabling the United Nations to deliver under these challenging circumstances by underpinning business continuity in the Secretariat, thereby allowing the work of the Organization to continue with minimal interruption, even as staff members had to shift quickly to alternate and remote work arrangements.
The division of responsibilities in the new management architecture at Headquarters ensured that there were dedicated resources for both policy development and backstopping. The shift to a decentralized approach allowed heads of entities around the globe to determine how best to apply policies on issues such as alternate work arrangements and home leave. The new approach to supply chain management enabled the acquisition of personal protective equipment and ventilators early in the pandemic at rates far below market rates. The consolidation of separate medical support capacities into a single division in DOS helped to ensure consistent and coordinated medical advice. Investments in information and communications technology facilitated remote work and collaboration in a manner that would not have been possible just a few years earlier.

A unified benefits management approach is in place to allow the Secretariat to track qualitative and quantitative indicators of progress. Information is available online at reform.un.org.

As I indicated in my report to the General Assembly (A/75/201), no changes are required in the area of management reform at this time. The new structures and budget processes are in place. For now, it is imperative to provide the space and time necessary to foster the internal changes in mindsets, working methods and systems that will ensure the sustainability of the early improvements we have already seen.

Your continued support, including in the General Assembly, remains critical to the success of the reform agenda and, in turn, our joint effort to enhance the effectiveness and accountability of the Organization to meet the needs of today and the promises of tomorrow.

Please accept, Excellency, the assurances of my highest consideration.

António Guterres