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### United Nations Children's Fund

Executive Board

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Item 9 of the provisional agenda\*

### **Revised supplementary support budget for the 2006-2007 biennium to ensure operations preparedness and business continuity in a protracted crisis such as a human influenza pandemic**

#### **Report of the Advisory Committee on Administrative and Budgetary Questions**

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Executive Director of the United Nations Children's Fund (UNICEF) on the revised supplementary support budget for the 2006-2007 biennium to ensure operations preparedness and business continuity in a protracted crisis such as human influenza pandemic (E/ICEF/2007/AB/L.1). During its consideration of the report, the Advisory Committee met with representatives of the Executive Director, who provided additional information and clarification.

2. The Committee notes that the UNICEF secretariat is seeking approval by the Executive Board of a revised supplementary appropriation of \$9.6 million, as follows: (a) to enable UNICEF to move forward in identifying and equipping an alternate data centre outside New York; (b) to acquire the additional hardware, software and communication equipment needed to enable staff to maintain critical functions from off-site location; and (c) to ensure that necessary preparedness tasks are completed to fully realize the crisis management plan (see also annex). The updated budget proposal is submitted to ensure compliance with the Secretary-General's pandemic planning and preparedness guidelines; it also reports on related areas of interest, in particular coordination with other parts of the United Nations system. It is further indicated in the budget proposal that the balance of recurring costs included in the original estimate submitted to the Executive Board at the second regular session of 2006 (E/ICEF/2006/AB/L.9 and Corr.1) will be incorporated in the 2008-2009 biennial support budget proposal.

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\* E/ICEF/2007/1.



3. In its decision 2006/17 (E/ICEF/2006/5/Rev.1), the Executive Board prioritized the aspects of the preparedness plan related to staff health and safety and approved \$1 million of the proposed \$13.4 million budget for medicines and the other critical supplies that staff and their families would need in the event of an influenza pandemic. The Board postponed a decision on the balance needed for business continuity and requested the secretariat to resubmit its remaining budget for crisis and business continuity capacity, including for an influenza pandemic or other disasters, to the Executive Board, through the Advisory Committee on Administrative and Budget Questions, at its first regular session of 2007, and to ensure that every effort is made to coordinate and share resources with other United Nations entities. Of the remaining \$12.4 million, the budget has been revised to \$9.6 million for the current biennium. The Advisory Committee was informed that the difference of \$2.8 million is comprised of recurring costs for the information technology redundancy capacity as well as long-term crisis management capacity-building, and will be reflected in the 2008-2009 biennium budget.

4. The Advisory Committee notes from paragraph 6 of the report that an amount of \$6.5 million would be required to equip UNICEF with the capacity for full data redundancy through an alternate data centre away from New York City. At present, a back-up centre is located at UNICEF House; following the move to an off-site location, only the infrastructure to directly support the divisions located there would remain. Upon enquiry, the Advisory Committee was provided with a detailed breakdown of the \$6.5 million proposed under budget line item "Communications — other investments," as summarized in the table below:

Table

**Communications — Other investments**

(In United States dollars)

**(I)****Move the UNICEF House data centre to a remote location (one-time cost)**

\$244 000	Subject matter experts (consultants and support staff); incl. travel and training
\$612 000	Wide area network circuits
\$405 000	Equipment space
\$65 000	Data centre accessories

**Subtotal I: \$1 326 000****(II)****Implement two distant service centres (DSC) (one-time cost)**

\$50 000	One voice server
\$73 000	Six servers to support the field office admin. and financial system
\$65 000	Six messaging servers (e-mail)
\$200 000	Four remote access server clusters (for 150 users)
\$150 000	Local network for one DSC
\$1 971 000	Estimated labour costs (46,000 hours x \$42.86/hr.)
\$28 000	Other (additional telecom costs, software licence)
[ \$2 537 000 ]	[Total cost for one DSC]

**Subtotal II: \$5 074 000 Cost for two DSCs**

**(III)****Minimum maintenance and telecommunication costs (recurring)**

\$100 000

**Subtotal III: \$100 000****Total: \$6 500 000**

5. With respect to budgetary requirements, the Advisory Committee cautions that the \$6.5 million detailed above do not include budgetary requirements for such other expenditures as facility rent and/or maintenance, facility upgrade (e.g., cooling systems for server room temperature control and back-up generators) or security arrangements. The Advisory Committee was informed that a number of these criteria would be factored into the selection of a suitable site.

6. The Advisory Committee welcomes the cost break-down with regard to the technical core activities (equipment, labour and consultants) of moving the UNICEF House back-up centre to a remote location. However, the Committee notes from paragraph 7 of the report that the specific options with regard to the location of the data centre are still under review. Upon enquiry, the Committee was informed that UNICEF has established strong collaboration at the operational level with United Nations partners, in particular with the Department of Peacekeeping Operations (DPKO) and the Information Technology Support Division, to develop options for setting up a remote data centre; DPKO was currently developing a detailed costing. The Committee was further informed that once all elements are in place and the budget approved by the Executive Board, a minimum of 12 to 18 months would be required to establish a fully operational alternate data centre. Paragraph 7 of the budget document sets out the various geographic options, namely: Brindisi (Italy), Valencia (Spain), Geneva (Switzerland), Montreal (Canada) and Arizona and Colorado (United States). The Committee was informed that the possibility of co-locating with other United Nations partners is being explored and that the Brindisi location, with Valencia as a back-up, is being reviewed closely. Once the selection of place is finalized, the estimated expenditure could be projected more accurately. The Committee notes that the cost comparison would be provided to the Executive Board.

7. The Advisory Committee recalls paragraph 5 of its last report (E/ICEF/2006/AB/L.10) in which it referred to the revised UNICEF management plan seeking to ensure continuity of business services at six headquarters locations. Although this aspect of the plan is not mentioned again in the current report of the Executive Director, the Committee was assured that the continuity of business services at the six locations remains an integral part of the plan.

8. Upon enquiry, the Advisory Committee was informed that UNICEF has based its budget request on a recovery-time objective of 48-72 hours. This recovery point objective (real-time data) would vary depending on the application, i.e., for e-mail, the recovery point objective would be within 30 minutes of maximum data loss while critical systems such as SAP and interfaces would aim for recovery within four to eight hours of maximum data loss. UNICEF also informed that the cost of possible solutions would increase with any decrease of recovery times.

9. The Advisory Committee is cognizant that identification of locations remains in its planning stages; however, in view of the paramount importance of secure off-site data centres, the Committee trusts that this process will be completed expeditiously and well before the end of the 2006-2007 biennium. Under the circumstances and in view of the importance of the matter, the Advisory Committee recommends approval of an amount of up to \$9.6 million, contingent upon evidence of further progress being provided to the Executive Board with regard to the coordination and sharing of resources with other United Nations entities, including the identification of a suitable data-centre site and a related analysis of relevant costs not yet ascertained.

## Annex

## Breakdown of the revised 2006-2007 supplementary support budget for operations preparedness and business continuity in a protracted crisis such as a human influenza pandemic

	Original UNICEF US\$	Year 2 US\$	Revised UNICEF Millions of US\$	Remarks
<b>Maintaining business continuity</b>				
Working from UNICEF House / Copenhagen office	497,530	0	0.5	Food, sanitary consumables, radio and office equipment, furniture, generator, etc.
Working from home				
Communications - Hardware:	597,766	20,400	0.6	38 satellite telephones, 105 laptop computers, 11 servers and other associated equipment
Communications - Software	222,048	35,550	0.2	Software, licences, IP security replacement
Communications - Supplies and & running costs:	268,320	0	0.3	BGAN satellite phones and other transmission costs for cell phones and Immarsat
Communications - Other investments	8,603,002	2,098,942	6.5	<b>(i) Move the 633 Data Centre to a Remote Location -one time cost</b> in \$'000 Subject Matter Experts (consultants & support staff) including travel and training 244 Wide Area Network circuits (SITA, Telenor, Internet and backup lines) 612 Equipment space (estimated 45 racks, assumed footprint: 2 ft. x 3.5 ft. per rack) 405 Data Centre accessories (Local switches, storage media) 65 Sub-total <b>1326</b> <b>(ii) Implement Two (2) DSCs (Distant Service Centres) - one time cost</b> 1 Voice server - for digital voice services 50 6 ProMS servers - to support Field Office administrative and financial system 73 6 Messaging servers - to support email, instant messaging, etc. 65 4 Remote Access server clusters - to support 150 concurrent users 200 Local network for 1 DSC - to interconnect servers to Wide Area Network 150 Estimated labour to setup (46,000 hours x \$42.86/hr.) 1971 Other (additional telecoms costs, software license) 28 Cost of 1 DSC 2537 Cost of 2nd DSC 2537 Sub-total: <b>5074</b> <b>(iii) Minimum maintenance and recurring telecommunications costs</b> <b>100</b> <b>TOTAL</b> <b>6500</b>
	<b>10,188,666</b>	<b>2,154,892</b>	<b>8.0</b>	
<b>Preparatory Activities</b>				
Capacity - long term	1,858,616	625,856	1.2	Establish an operations preparedness and business continuity unit in Office of Emergency Programmes with 1 P-5, 1 P-4 and 1 GS-5, provision for simulation exercises and operating costs including stress counselling and maintaining an emergency communication roster.
Capacity - short term	124,500	0	0.1	Streamline payment systems and consultancies
Training	218,050	0	0.2	User training, yearly drills, and training of staff in New York/Copenhagen/Geneva
	<b>2,201,166</b>	<b>625,856</b>	<b>1.6</b>	
<b>Total</b>	<b>12,389,832</b>	<b>2,780,748</b>	<b>9.6</b>	
<b>Already approved in E/ICEF/2006/AB/L.10</b>				
<b>Medical Intervention</b>				
Vaccines	320,000	0	0.3	
Antivirals	28,174	0	0.0	
Antibiotics	25,379	0	0.0	
Antipyretics	74	0	0.0	
Medical Supplies	636,957	0	0.6	
	<b>1,010,583</b>	<b>0</b>	<b>1.0</b>	
<b>Grand Total</b>	<b>13,400,415</b>	<b>2,780,748</b>	<b>10.6</b>	