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## JOINT MEETING

**Hundred and Thirty-fifth Session of the Programme Committee and  
Hundred and Ninety-fifth Session of the Finance Committee**

**Rome, 13 and 15 March 2023**

**Feasibility study on the integration of administrative services among the  
Rome-based Agencies**

Queries on the substantive content of this document may be addressed to:

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### EXECUTIVE SUMMARY

- This document provides a summary of the feasibility study on the integration of administrative services among the Rome-based Agencies (RBAs) at headquarters level. An external consultancy firm, Global Goals Consulting, was hired by the three RBAs to carry out the study in 2022.
- While emphasizing the need to pursue RBA administrative integration efforts within the UN efficiency agenda, as emphasized by the Joint evaluation of collaboration among the United Nations Rome-based Agencies, particularly at the country and regional level, the feasibility study identified a number of services for each of the six areas of business operations at headquarters where there is room for closer collaboration and/or integration to achieve efficiency gains and potential savings.

### GUIDANCE SOUGHT FROM THE JOINT MEETING

- The Joint Meeting is invited to review the document and provide guidance, as deemed appropriate.

#### Draft Advice

##### **The Joint Meeting:**

- **welcomed the results of the feasibility study and encouraged the Rome-based Agencies (RBAs) to increase collaborative efforts under the umbrella of the UN efficiency agenda to achieve further efficiency gains and potential savings; and**
- **looked forward to receiving updates on RBAs collective and individual progress relative to its areas of business operations under the UN efficiency agenda.**



## I. Introduction

### A. Purpose and Scope

1. The Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP) are the three agencies of the United Nations system that are based in Rome, and have mandates related to food security and agriculture. Collectively, the three agencies are referred to as the Rome-based Agencies (RBAs). The RBAs share a commitment to Sustainable Development Goal (SDG) 2 - End hunger, achieve food security and improved nutrition and promote sustainable agriculture - and are working to strengthen their collaboration across their complementary mandates to achieve this common goal.

2. At the 163rd Session of the FAO Council held in December 2019, Members requested “FAO, together with WFP and IFAD, to provide a first assessment regarding the feasibility of integrating administrative functions, and greater collaboration in some oversight functions”. Following this request from Members, the RBAs carried out several internal studies to assess the feasibility of integrating administrative functions<sup>1</sup>. In 2021, a joint evaluation<sup>2</sup> was conducted on collaboration among RBAs, which included an evaluation of RBAs collaboration in corporate services, and its recommendations were to focus future integrative efforts in administration within the context of the overall UN efficiency agenda. In particular, one of the six recommendations produced by the evaluation stated: “Except for those limited areas of administrative collaboration between their three headquarters in Rome that clearly have practical value and cut costs for all the agencies, the RBAs should integrate their efforts at administrative collaboration with the overall United Nations efficiency agenda, specifically the workstreams of the Business Innovation Group, to which they should make a joint, proactive commitment at global, regional and country level”.

3. In view of the Members’ request and the Joint evaluation, the RBAs hired Global Goals Consulting (GGC) with the following objectives:

- a. Identify areas of integration of business operations at the corporate headquarters levels that have practical value and reduce costs for all the agencies.
- b. Carry out a well-documented assessment of the benefits of such integration, in the broader context of the optimization of business operations at the country level being implemented under the UN efficiency agenda.

4. The scope of the study includes the six areas of business operations of the UN efficiency agenda. The study aims to assess the feasibility of increased coordination, collaboration and integration amongst the RBAs in the provision of: a) local shared services in Rome; and b) global shared services to the country operations of the RBAs, considering the six areas of business

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<sup>1</sup> Further details on the process leading to the feasibility study can be found in document CL 170/17 “Update on Rome-based Agencies collaboration” submitted to Members’ consideration to the 170th Session of the FAO Council held in June 2022.

<sup>2</sup> <https://www.fao.org/documents/card/fr/c/cb7289en/>

operations: administrative services (location-dependent and location-independent), financial services, human resources, information and communications technology (ICT) and procurement.

5. Each of the areas of business operations include several services that involve discrete transactions that can be tracked through systems (e.g. payments, recruitments, purchases), and other services that cannot be easily quantified (e.g. talent management, policy articulation and oversight, definition of ICT user standards). Given the nature of this feasibility study, a few specific transaction-based services have been selected in each of the six areas for analysis.

6. The feasibility study was carried in the course of year 2022, during which the service provider conducted a desk review, engaged in interviews with key business and policy owners in the three RBAs and collected data for the analysis of each of the services.

### *B. Repositioning the UN development system context*

7. In 2017 the UN Secretary-General initiated larger management reform efforts under the framework of the UN repositioning agenda, including work on the business operations strategy (BOS), regional and global shared service centres (GSSCs), common back offices (CBOs), common premises (CPs), spearheaded by the Business Innovation Group (BIG) composed of representatives of UN agencies, funds and programmes, including RBAs. These efficiency interventions are collectively referred to as the “Efficiency agenda”, which set a target of USD 310 million in savings annually across the wider UN systems through a variety of interagency, agency and bilateral initiatives.

8. The three RBAs are fully committed and actively participating in the UN efficiency agenda. Through UN country teams and operations management teams, the RBAs continue to identify areas for enhanced collaboration, particularly through the BOS process and the consolidation of selected services as defined in the CBOs, CPs and GSSCs. In this regard, the UN development system (UNDS) repositioning provides an opportunity for enhanced efficiency gains, which allows the three RBAs to better support their collaborative efforts at country level on joint programming, policy and advocacy.

9. The Joint evaluation on collaboration among RBAs released in 2021 reiterated that RBA collaborative efforts occur in the broader context of the ongoing UNDS repositioning, highlighting the relevance of such collaboration to the principles and strategic direction of the UNDS repositioning. As such, the joint evaluation recognized that to maximize opportunities for efficiency gains and potential savings, RBA collaboration should largely comprise proactive commitment to the overall UN efficiency agenda, approaching integration of business operations by looking at service offerings across all UN entities, rather than pursuing separate administrative harmonization focused on Rome-based services only. The feasibility study identified a number of services for each of the six areas of business operations at headquarters where there is room for closer collaboration and/or integration to achieve efficiency gains and potential savings.

### *C. Findings*

10. The findings of the feasibility Study cover each of the six areas of business operations identified by the UNDS repositioning, and provide advice on potential priorities and opportunities the RBAs could pursue in light of current practices, opportunities and also limitations caused by different mandates, business models, processes and systems.

11. Consistent with the 2021 Joint Evaluation on collaboration among RBAs, the study notes that in order to maximize opportunities for efficiency gains and potential savings, the integration of business operations needs to be approached from a global level looking at service offerings across all UN entities, not just those headquartered in Rome. This is reflected in the findings for all six areas of business operations.

12. More detail on the findings can be found in the Executive Summary of the GGC report in Annex 1.

*D. RBA Management Response to the Feasibility Study Findings*

13. The RBAs take note of the findings and recommendations in the feasibility Study and agree to work together to put the relevant items into action. The RBAs will include the responsibility of overseeing the increased collaboration, coordination, and integration of administrative services within the Senior Consultative Group (SCG).

14. More detailed management responses to the main findings of the GGC report are in the following table.

***Management Response to findings of the Feasibility Study for the Rome-based Agencies on the Integration of Business Operations***

<b>Feasibility Study finding</b>	<b>Management response (b)</b> <b>Accepted</b> <b>Partially Accepted</b> <b>or</b> <b>Rejected</b>	<b>Management Actions to be taken, and/or comments about partial acceptance or rejection (c)</b>
<b>Location-dependent Administrative Services:</b> In seeking further efficiencies, there is a lot of room for a more structured approach. A systematic review and exploration of efficiencies in location-dependent services for Rome, which was started as part of this study, should lead to development of a Rome/Italy-specific Business Operations Strategy (BOS).	Accepted	The RBAs have significant collaboration in the area of administrative services and will strive to increase this further, especially in the selected areas of existing collaboration highlighted in the report. The RBAs agree to a light business operations strategy (BOS) for location-dependent administration services under the oversight of the SCG.
The area of location-independent Administrative Services is a clear success story of interagency collaboration. The joint UNHCR/WFP service on fleet management, UN Fleet, and the UN Booking Hub supported by WFP rank among the most-subscribed services among 43 services analysed by the DCO. Hence, the feasibility of the integration of business operations in this area is well established. The benefits of UN Fleet and the UN Booking Hub go beyond savings for individual agencies and have a clear potential to deliver UN system-wide efficiencies; hence, all agencies, not just RBAs, are encouraged to take advantage of these offers, particularly passenger mobility.	Accepted	The RBAs welcome the finding that UN interagency collaboration on UN Fleet management and UN Booking Hub provides a success story and agree to continue and increasingly take advantage of these offers with due attention to concerns of value for money, and efficient and effective delivery.
For <b>Financial Services</b> , a clear case for integration exists for payroll services. Several UN entities currently offer payroll services, as it is a well-defined service with a long history of outsourcing in the UN system. With regards to other financial services, such as cash	Accepted	The RBAs agree on the feasibility of integrating payroll functions and those RBAs requiring changes in their payroll services will explore the most appropriate service provider across the UN system including amongst RBAs.

Feasibility Study finding	Management response (b) Accepted Partially Accepted or Rejected	Management Actions to be taken, and/or comments about partial acceptance or rejection (c)
payments to beneficiaries (i.e. digital wallet) or investment services, the case for integration is not strong because the potential savings appear limited.		
<p>The <b>Human Resources</b> area has a longstanding tradition of periodical coordination amongst the RBAs, particularly at the policy level. The administration of benefits and entitlements appears to have integration potential.</p> <p>However, given the total scope of the service across all RBAs, other potential service providers across the UN system need to be considered.</p>	Accepted	<p>The RBAs acknowledge the potential efficiency gains in the area of Human Resources, and more specifically in the administration of benefits and entitlements.</p> <p>The SCG will coordinate a process to explore possibilities for further efficiencies in this area.</p>
<p>The <b>Information and Communication Technology</b> strategies of the RBAs are quite different, and RBAs currently have different Enterprise Resource Planning (ERP) systems. The findings and recommendations of this study are consistent with an earlier ERP Interoperability Study, which concluded that interoperability is feasible but is an enabler, and not a goal in itself. In the short term, to enable shared services, RBAs are encouraged to explore opportunities for teaming up with other UN agencies using the same ERP. In the medium to long term, when ERPs must be upgraded or replaced, it is recommended to consider replacing them together with relevant UN peers to reduce cost of the new ERP.</p>	Accepted	<p>The RBAs agree that ERP integration is not a goal in itself and note that ERP upgrade and replacement could be very costly. Progress in interoperability can be achieved even with different ERP systems provided there is progress in alignment of policies, processes and procedures, an area for which RBAs commit to pursue ongoing progress.</p> <p>The RBAs agree that when one of the agencies will need to upgrade or replace its ERP, the relevancy of integration will be duly considered. This is a consideration for the long-term and requires no short-term action.<sup>3</sup></p>
<p>While some of the benefits from integration of <b>Procurement</b> have already been realized through the Common Procurement Team for the RBAs in Rome, there may be significant potential in further integration. The following three options should be explored in more detail:</p> <p>1) significantly increased collaboration</p>	Accepted	<p>Building on existing close collaboration in the area of procurement, the RBAs will further strive to strengthen this collaboration through the Common Procurement Team.</p> <p>The RBAs will explore the three options provided, with emphasis on the first one, while</p>

<sup>3</sup> While the integration of specific services including the possibility of acquiring external services could achieve efficiency, it is important to consider the different ERP and case management systems used across RBAs based on the cost-benefit analysis of integration and/or acquiring external services vis-à-vis the potential efficiency gains in RBAs.

Feasibility Study finding	Management response (b) <b>Accepted</b> <b>Partially Accepted</b> <b>or</b> <b>Rejected</b>	Management Actions to be taken, and/or comments about partial acceptance or rejection (c)
through the Joint Procurement Team; 2) full integration of the HQ based procurement functions for all three agencies,; and 3) each agency taking responsibility for procurement of specific categories of products and services. The agencies are also encouraged to take full advantage of UN system-wide offers in procurement, such as UN Web Buy Plus.		continuing to take advantage of UN system-wide offers.

## Annex 1



# Feasibility Study for the Rome-based Agencies on the Integration of Business Operations

## Executive Summary

**30 January 2023**

**Global Goals Consulting GGC GmbH**

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## Executive Summary

### Background

The Rome-based agencies (RBAs) have a long history of working together at headquarters-level and in the field. They are actively contributing to the UN efficiency reform efforts launched by the UN Secretary-General in 2017. The recent joint evaluation<sup>1</sup> of collaboration among RBAs found that “collaboration between RBAs is a daily reality”. At the same time, several challenges with regards to administrative processes and procedures were highlighted.

The origins of this feasibility study on the possible integration of business operations goes back to a member states’ request following the 2020 progress report<sup>2</sup> on RBA collaboration. Several documents focused on collaboration at country level and headquarters, and recommended further business transformation at country level in the context of UN reform efforts.

While working together presents its own challenges, the review team found a genuine interest in achieving efficiency gains and potential savings among RBAs. In the recently conducted global shared services demand assessment<sup>3</sup> IFAD expressed interest in receiving in 18 global services, FAO in 6 global services, and WFP in 5 global services. Four services offered by WFP rank among the most demanded service by UN entities.

### UN Reform Context

UN efficiency reform efforts over the last years have resulted in several consequential findings. The evidence shows that the “highest levels of efficiency gains are likely to be achieved from entities individually centralizing functions at the global level”.<sup>4</sup> And indeed, FAO’s Budapest shared service center<sup>5</sup> and WFP’s global shared services for fleet management and travel management are examples of this type of vertical integration that lifts administrative transactions out of field locations and consolidates them in as global services. In addition, collaborative efforts around global services allow other UN entities to benefit from efficiency gains. Still, progress on establishing a marketplace for UN entities demanding and supplying global shared services has been slow.

The consequence for this feasibility study is that to maximize opportunities for efficiency gains and potential savings, the integration of business operations needs to be approached from a global level looking at service offerings across all UN entities, not just those headquartered in Rome. The study considered both *location-dependent* and *location-independent services*, ultimately proposing different ways forward for each of them. While in some instances

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<sup>1</sup> FAO, IFAD and WFP, “Joint evaluation of collaboration among the United Nations Rome-Based Agencies”, 2021

<sup>2</sup> FAO, IFAD and WFP, “Update on collaboration among the Rome-based agencies”, WFP/EB.2/2020/4-C/Rev.1, November 2020

<sup>3</sup> UNSDG Reference Group, “Global Shared Services (GSS) update and planning” 5 July 2022

<sup>4</sup> United Nations Sustainable Development Group, “UNSDG BIG Action Plan 2021-2022 – Annual Report”, 2021

<sup>5</sup> FAO’s SSC includes benefits & entitlements and payroll services, and provides after service medical coverage and related HR-related services to IFAD.



services are still location-bound and hence Rome is relevant as a location of service provision, in most instances business operations have become global services that can be provided from anywhere, both within a UN entity as well as by an external service provider. Indeed, RBAs are already actively using other UN entities as service providers, in particular in field locations. For instance, the payroll – including the administration of benefits and entitlements – for 9000 staff members of WFP is currently administered by UNDP. Hence, RBAs are familiar with using UN service providers and have had both positive and negative experiences.

### Methodological Issues

The purpose of this study is to establish the feasibility of integrating services. Documents describe various ways in which the RBAs are working together. However, no clear definitions of the types of working together appear to exist, and in discussions terms like “coordination”, “collaboration”, and “integration of services” are used interchangeably and without clear delineation. Consequently, this study proposes and applies the following working definitions when referring to the ways RBAs are working together:

- *Coordination*: The purpose of coordination is to share and increase visibility around actions; however, each RBA retains decision-making.
- *Collaboration*: Taking joint action is a more advanced way of working together that typically involves agreement on a common approach to an issue. Because action is undertaken jointly vis-à-vis others, a certain degree of joint decision-making is what sets it apart from simple coordination.
- *Integration*: Integration implies that a single unit provides a service in a financially viable manner through a cost recovery mechanism. This way of working together requires clear agreements between service provider and service recipients, such as service level agreements, on cost, quality, and timeliness. While service recipients relinquish direct control over service provision, certain governance arrangements, such as client boards, can compensate for that.

The study considers the following six areas of business operations and specifically assessed the following services:

Area of Business Operations <sup>6</sup>	Services
<b>Administrative Services (location-dependent)</b>	<i>Location-dependent services for Rome</i> (including commercial services and premises-related services)
<b>Administrative Services (location independent)</b>	- Fleet management - UN Booking Hub
<b>Financial Services</b>	- Payroll processing - Investment services - Digital Wallet
<b>Human Resource Services</b>	- Benefits & entitlements administration - Temporary administrative services recruitment
<b>ICT Services</b>	- Help desk function
<b>Procurement Services</b>	- Procurement of goods & services

<sup>6</sup> The grouping of services into areas of business operations follows UNSDG convention.



Within the limits of the feasibility study, it was not possible to fully canvass all services in the six areas across the RBAs. Instead, with agreement of the RBAs, initial interviews with business owners were used to identify services where the RBAs see potential and there is appetite for closer collaboration or even integration. Once identified, the RBAs provided the data<sup>7</sup> used for the analysis of each of the services.

Arriving at a cost-benefit estimation to underpin the feasibility study proved to be challenging. The basis for such an estimation is a shared understanding of the current cost structures of each individual service being analyzed, as well as its current and potential future demand. A bottom-up costing of individual services based on process maps was not possible within the limits of this feasibility study, so instead the review team opted for a top-down approach. However, from the data we have received, a clear delineation of costs uniquely attributable to a specific service was not consistently possible. Still, in some instances, even with a somewhat crude approach, it was possible to arrive at a view on whether further integration of specific business operations is sensible given the overall situation. However, it should be noted that this study is not a sufficient basis for implementing integrated services, as detailed activity-based costing, which typically would be necessary, was outside the scope of this feasibility study.

The findings and conclusions of this feasibility study are prepared by Global Goals Consulting based on documents and data received by RBAs, as well as interviews with RBA personnel.

### General Findings and Conclusions

The feasibility of further integration of business operations provided from headquarters locations is challenged by several considerations: (a) differences in policies that require some alignment between service provider and service recipient; (b) system interfaces and a clear mapping of end-to-end business processes to ensure data integrity and to avoid double data entry; (c) clarity on demand for and cost of services among RBAs, particularly in areas that have not been vertically integrated within agencies; and (d) the need for cost recovery mechanisms to ensure the sustainable provision of services through dedicated structures.

A number of cross-cutting considerations influence the potential for further efficiencies in an RBA context. The **differences in mandates and business models** have significant implications for the kinds of programmatic and operational coordination, cooperation and integration that is beneficial. There was no evidence of a well-established **culture of cost recovery** among the RBAs. Currently most jointly undertaken efforts by RBAs appear to either recover no cost (because additional service volume is negligible) or only the direct costs (e.g., paper for printing), but not the cost of the personnel involved in providing the service and indirect cost. For integrated services to be sustainable, shared principles and approaches for cost recovery need to be agreed and implemented.

A crucial element of coordination and an important prerequisite for the RBAs to prepare for any service integration and a potential future move towards global shared services (GSS) is for **policies, processes, and systems to be aligned**. The alignment of policies is a first step,

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<sup>7</sup> Data provided was taken at face value as it was not feasible to validate data provided. RBAs were given the opportunity to correct data used in the study.



most of which is underway or completed as per the guidance of the UN High-level Committee on Management (HLCM), followed by the streamlining of processes and eventual alignment of systems. This will be important both for the integration of specific services and for positioning the agencies for sourcing services through GSS from the UN or external service providers in the medium- and long-term.

All the RBAs have signed on to the **Mutual Recognition** Statement,<sup>8</sup> thereby committing to apply, to the greatest extent practicable, the principle of mutual recognition in respect of the administration and implementation of its activities. However, the degree to which the three agencies have systematically implemented this principle in their policies and processes is not the same, and personnel have not always received clear guidance and training on the practical implications in all RBAs.

In the course of the study, it became evident that there is room for a more structured and strategic direction on RBA efficiency matters. There would be great benefit in institutionalized meetings focused on efficiency matters among relevant RBA senior management. Currently, the Senior Consultative Group (SCG) meets periodically to discuss issues requiring coordination with participation from all RBAs; however, this group has a much broader mandate, which is reflected in its membership. In addition, the RBAs are encouraged to use this mechanism to drive, formalize and systematize existing collaboration and coordination efforts, similar to an Operations Management Teams (OMT) that is tasked with such matters at field level.

### **Specific Findings and Conclusions**

The following section summarizes key findings and suggests a way forward for each of the six areas of business operations<sup>9</sup>. In addition, the RBA's readiness to implement further changes is indicated for each area:

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<sup>8</sup> BIG Mutual Recognition statement, September 2022, <https://unsceb.org/mutual-recognition>

<sup>9</sup> The definition of the six areas and the services contained in each differ among the three RBAs. The area of administrative services is where most differences among the RBAs exist in terms of where the services are provided from and how the entities are set up to provide them.



Readiness	Area of Business Operations
	<p>For <b>location-dependent Administrative Services</b>, discussions with business owners did not result in the identification of services ready for integration. However, in seeking further efficiencies, there is a lot of room for a more structured approach as demonstrated in UN field locations. A systematic review and exploration of efficiencies in <i>location-dependent services</i> for Rome, which was started as part of this study, should lead to development of a Rome/Italy-specific BOS. In doing so, the RBAs could in fact set a precedent and pioneer such an approach for HQ locations.<sup>10</sup> Such a BOS would focus solely on <i>location-dependent services</i> for Rome based on full cost recovery, and facilitate strategic planning, management, monitoring, and reporting on the RBA's joint corporate services. In implementing the BOS, the RBAs would choose common services that meet their needs for speed, quality, flexibility, and cost effectiveness. Common services within BOS would not need to be common to all three RBAs and could be a common service shared by just two or all. The capturing of the coordination and collaboration that already takes place within this area in the format of the BOS is an opportunity for the RBAs to pioneer this practice for location-dependent services in headquarters locations.</p>
	<p>The area of <b>location-independent Administrative Services</b> is a clear success story of inter-agency collaboration. The joint UNHCR/WFP service on fleet management, UN Fleet, and the UN Booking Hub supported by WFP rank among the most-subscribed services among 43 services analyzed by the DCO. Hence, the feasibility of the integration of business operations in this area is well established. The benefits of UN Fleet and the UN Booking Hub go beyond savings for individual agencies and have a clear potential to deliver UN system-wide efficiencies; hence, all agencies, not just RBAs, are encouraged to take advantage of these offers, particularly passenger mobility.</p>
	<p>In the area of <b>Financial Services</b>, a clear case for integration exists for payroll services. Several UN entities currently offer payroll services, as it is a well-defined service with a long history of outsourcing in the UN system. While payroll services in FAO measure up well against industry benchmarks, the lack of a clear cost recovery method for this service limits its ability to be a service provider to other agencies. Both IFAD and WFP have an apparent business need for payroll services; however, the most appropriate service provider for this service is likely in the UN System outside Rome. With regards to other financial services, such as cash payments to beneficiaries (i.e., digital wallet) or investment services, the case for integration is not strong because the potential savings appear limited.</p>

<sup>10</sup> Currently the Nairobi duty station is discussing a BOS; however, most resident agencies share a common compound with the two agencies headquartered there. Therefore, the starting position is quite different from Rome. Neither Geneva nor Vienna have implemented a BOS. The closest approximation appears to be Bangkok, which is a regional hub with some joint premises.



	<p>The Human Resources area has a longstanding tradition of periodical coordination amongst the RBAs, particularly at the policy level. Examples include concerted efforts to align communications on UN Common System issues (e.g., salary survey in Rome). Yet over time, human resources management has become increasingly agency specific. The administration of benefits and entitlements appears to have integration potential. There are significant differences in the average personnel cost per person administered, indicating a significant potential for efficiency gains. However, given the total scope of the service across all RBAs, other potential service providers across the UN system, such as UNDP, need to be considered.</p>
	<p>The <b>Information and Communication Technology</b> strategies of the RBAs are quite different, and RBAs currently have different Enterprise Resource Planning (ERP) systems. The findings and recommendations of this study are consistent with an earlier ERP Interoperability Study, which concluded that interoperability is feasible but is an enabler, and not a goal in itself. In the short term, to enable shared services, RBAs are encouraged to explore opportunities for teaming up with other UN agencies using the same ERP. In the medium to long term, when ERPs must be upgraded or replaced, it is recommended to consider replacing them together with relevant UN peers to reduce cost of the new ERP.</p>
	<p>Some of the benefits from integration of <b>Procurement</b> have already been realized through the Joint Procurement Team for the RBAs in Rome. In interviews, some of the service owners indicated that there may be significant potential in further integration. The RBAs have already been independently using different configurations of the same e-procurement solution, so some of the key enablers of integration of the procurement function are already in place. The main obstacle is perhaps the willingness to give up control of the specifications of products and services, prioritization and timing of procurements, and the engagement with suppliers, which indeed can be critical for effective procurement in certain categories. It is recommended that this potential is explored further through a study that analyses the following three options in more detail: 1) significantly increased collaboration through the Joint Procurement Team; 2) full integration of the HQ based procurement functions for all three agencies, excluding procurement of agriculture inputs, agriculture machinery, food and logistics; and 3) each agency taking responsibility for procurement of specific categories of products and services on behalf of all three agencies. Such a study should assess each of the three options with regards to benefits, in terms of speed, quality and cost savings, and the costs of implementing the change. The methodology developed by the UN Development Coordination Office to analyze the potential for Local Shared Services would be a good starting point. The agencies are also encouraged to take full advantage of UN system-wide offers in procurement, such as <i>UN Web Buy Plus</i>.</p>