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# **BUSINESS OPERATION STRATEGY**

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SOUTH SUDAN

REVIEW N° 1



## A. INTRODUCTION

The Business Operations Strategy (BOS) is a results-based framework that focuses on joint business operations with the purpose of eliminating duplication, leveraging the common bargaining power of the UN and maximizing economies of scale.

In line with the Secretary-General's UN reform targets South Sudan has designed a BOS in support of a more effective programme delivery on the 2030 Agenda. This BOS was developed through the BOS online platform on 01/01/2018. It will go through an annual monitoring phase and is set to be reviewed on 01/01/2023.

The BOS focuses on common services that are implemented jointly or delivered by one UN entity on behalf of one or more other UN entities. Common services for future collaboration were identified in the areas of Common Human Resources services, Common Finance services, Common Procurement services, Common Administration services and including common Facilities/Premises, Common ICT services, Common Logistics services. The following UN Agencies are participating in the South Sudan BOS: ILO, IFAD, UNS – DSS, UNS – UNMISS, UNS - UNODC, UN, UNDP, UNESCO, UNS - OHCHR, IOM, UNS - OCHA, UNAIDS, UNFPA, UNS - UN Habitat, UNHCR, UNICEF, UNIDO, UNOPS, UNS - UNEP, UN WOMEN, WHO, WFP, FAO, UNS – RCOs.

Sara NYANTI, the Resident Coordinator/ RCP Co-chair for RBOS, is accountable to the Secretary-General for the development, implementation, monitoring and reporting of the BOS. The UNCT/ RCP for RBOS provides overall oversight of the BOS process, approval and release of necessary agency and joint resources, sign off of the final BOS/ RBOS and annual reporting. The R/Operations Management Team (chaired by Makena WALKER, Blessed CHIRIMUTA) and its subsidiary bodies are responsible to facilitate development and implementation of the BOS at the country level. The Development Coordination Office (DCO) is responsible for coordination, guidance and support to UNCTs/ RCP and RCs/RCP vice chairs on the BOS/ RBOS.

## EXECUTIVE SUMMARY

The South Sudan Business Operations Strategy (BOS) supports the UN system’s effort to deliver programmes and humanitarian assistance through the United Nations Cooperation Framework (UNCF) and Humanitarian Response Plan. Currently, the BOS supports programmatic delivery under the 2019-2022 UNCF and will continue to do the same under the new 2023-2025 United Nations Sustainable Development Cooperation Framework (UNSDCF). The Strategy was developed by the OMT Members and OMT Working Groups and endorsed by the UNCT with agreed Common Services in: Administrative and Logistics; Finance; Human Resources; Information Communication Technology (ICT) and Procurement.

The Strategy is anchored to the Quadrennial Comprehensive Policy Review (QCPR) of the UN operational activities for development in 2016, where the General Assembly renewed its call on the UN system to work towards progressive implementation of standard operating procedures, business operations strategies and promoting more effective integrated support. Reducing transaction costs and duplication of operational support to programme delivery remains the UNCT’s long-term objective under this Strategy.

The South Sudan BOS covers the UN Country Team joint priorities in the areas of common operations for 2019-2024 and builds on ongoing efforts by the UN Country Team to harmonize and simplify its business operations and aims to address the gaps identified by the UN General Assembly in strategic planning, coordination, and monitoring of the UN’s inter-agency operations and activities. Therefore, this BOS aims at advancing the South Sudan UNCT Priority on Operating as One (ONE UN).

Following the transitioning of the paper-based Business Operations Strategy (BOS) to the online BOS 2.0 platform in 2022 with modifications to reflect emerging opportunities, the UNCT through the OMT and Working Groups have made improvements in the efficiency and quality of its operations. For the first time, the UNCT has been able to monitor and report on cost avoidance and quality improvement due to collaboration on agreed common services. Costs avoidance amounting to US\$8.18 million has been recorded for the period 2019-2021 against a projection of US\$ 15.95 million for 2019-2024 period; and the quality of those services have shown modest improvement. The cost avoidance has mainly been realized by reduction in recurrent costs and staff time in the processes of acquiring goods and services either through the joint LTAs and or piggybacking on existing LTAs/ Agreements.

The table below summarizes the key high impact common services as well as services that have SDG impact that the UNCT in South Sudan is pursuing currently.

Highly recommended services (high impact common services)	Common services with SDG impact
<ul style="list-style-type: none"> <li>● Benefits management</li> <li>● HACT management</li> <li>● Macro assessment</li> <li>● Micro assessment</li> <li>● Internet connectivity and VSAT services</li> <li>● Vehicle maintenance</li> <li>● Mobile phone services</li> </ul>	<ul style="list-style-type: none"> <li>● Gender parity</li> <li>● Staff counselling services</li> <li>● UN Day</li> <li>● Accessibility for UN common premises</li> <li>● Vehicle tracking</li> <li>● Management of common premises</li> </ul>

Going forward, the UNCT through the OMT will continue to strengthen and streamline its operations to further reduce costs and improve quality on agreed common services, while exploring new opportunities for collaboration. It will also explore opportunities for additional common services with high impact and SDG impact to be considered in 2023. So far, the UNCT through the OMT is exploring possibilities of scaling-up existing UN Common premises to include more participating agencies and opportunities for new co-locations to make progress towards the Secretary General’s goal to increase the proportion of UN common premises. In this regard, mapping of existing common premises has been completed to inform UNCT decision on the roll-out of common premises agenda in the country.

## B. EXISTING COMMON SERVICES

Common Service Lines	Common Services	Recommended Action: Continue as is, Scale up, Scale down, Discontinue Modify
Common Administration services and including common Facilities/Premises	Office space and accomodation	Continue as is
Common Administration services and including common Facilities/Premises	Assets/equipment management including disposal	Modify
Common Administration services and including common Facilities/Premises	Vehicle tracking	Scale up
Common Administration services and including common Facilities/Premises	Utilities management	Modify
Common Administration services and including common Facilities/Premises	Generator maintenance services	Scale up
Common Administration services and including common Facilities/Premises	Accessibility for UN Common Premises	Scale up
Common Finance services	Micro-Assessment	Continue as is
Common Finance services	Macro assessment	Continue as is
Common Finance services	HACT management	Scale up
Common Finance services	Contract management for banking services	Continue as is
Common Human Resources services	Integrated web-based roster for staff	Scale up
Common Human Resources services	Human Resources surveys	Continue as is
Common Human Resources services	HR Support to COVID-19 response	Continue as is
Common Human Resources services	Benefits management	Continue as is
Common Human Resources services	UN activities (UN Cares & UN Day)	Continue as is
Common Human Resources services	Staff counselling services	Continue as is
Common Human Resources services	Staff training services	Scale up
Common Human Resources services	Health awareness programmes	Continue as is
Common Human Resources services	Job Posting	Scale up
Common Human Resources services	Gender Parity	Continue as is
Common Human Resources services	Knowledge Sharing	Continue as is
Common Human Resources services	Local payroll processing	Scale up
Common Human Resources services	Recruitment process (staff)	Scale up
Common ICT services	Internet connectivity and VSAT services	Continue as is

Common Service Lines	Common Services	Recommended Action: Continue as is, Scale up, Scale down, Discontinue Modify
Common ICT services	Operational and Security Telecommunication services	Continue as is
Common ICT services	Mobile phone services including scratch cards	Continue as is
Common Logistics services	Harmonised customs clearance (outsourced)	Scale up
Common Procurement services	LTA for Fuel	Continue as is
Common Procurement services	Joint Procurement services	Continue as is

## C. FUTURE COOPERATION

The opportunity analysis identifies new services that could be done collaboratively through the BOS, considering quality enhancements and cost effectiveness. The selection of these common services involves brainstorming sessions with the OMT to explore and calculate new ways of working, researching new technologies and working together to imagine new and improved levels of collaboration.

The OMT in South Sudan reviewed common services that could potentially benefit country operations and selected the ones listed below:

Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common Administration services and including common Facilities/Premises	Office space and accommodation	Office and accommodation sharing across UN premises for agencies, funds and programmes. This provides an opportunity for small agencies to carry out their operations and programme delivery effectively and at minimum costs.	UNDP	12	2018	Reduce financial costs and greater efficiency	3,942,607.00
Common Administration services and including common Facilities/Premises	Generator maintenance services	A harmonized delivery of services by the two agencies Improved operational efficiencies by the two agencies in the area of generator maintenance Generator maintenance cost optimization Reduced UN negative environmental impact	WFP	7	2018	Reduced Maintenance and repair costs. Improved quality of service.	353,205.00

Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common Administration services and including common Facilities/Premises	Accessibility for UN Common Premises	Information relating to UN presence in the ten state capitals and other administrative areas is made available to all UN agencies, Funds and Programmes. This will help agencies in planning their field visits and required resources effectively.	UNDP	17	2018	Eased access to UN Accommodation and Office facilities, reduced programme & operational costs across the UN agencies, funds and programmes.	
Common Administration services and including common Facilities/Premises	Utilities management	By harmonizing the management of all UN common premises greater efficiency can be realized across all locations in terms of the quality of services provided, quality facilities and fair costs of accommodation and office spaces.	UNDP	14	2018	Reduced financial costs, improved efficiency and standardized quality of services across the offices and accommodation facilities.	
Common Administration services and including common Facilities/Premises	Vehicle tracking	Harmonizing the services will reduce the contracting costs and monthly subscription costs.	UNFPA	12	2018	Optimized fleet management, reduced Financial and greater efficiency.	591,360.00
Common Administration services and including common Facilities/Premises	Vehicle maintenance	Harmonizing the services will reduce the vehicle maintenance costs (cost of Spares parts and Labour).	WFP	11	2020	Optimized vehicle fleet utility, reduced financial costs and attain greater efficiency.	1,492,655.00



Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common Administration services and including common Facilities/Premises	Assets/equipment management including disposal	Using the in country authorized disposal company, carryout joint light vehicle disposals. Utilising a Long term Agreement (LTA) available to be used by any Agency Fund or Programme. This gives AFPs the leverage over disposal of vehicles appropriately. Note: note that not all Agency are able to use this common services at the moment due to their internal regulations.	UNDP	11	2021	Reduced overall costs of asset disposal for all agencies using the LTA.	
Common Finance services	Contract management for banking services	harmonizing banking services will benefit UN Agencies in South Sudan. Agencies can benefit from the collective economies of scale such as low offsite payment rates, lower banking rates etc. However, this is only possible if Agencies in South Sudan can all work together and have a share in common banking.	UNDP	12	2020	1. Services provided by the selected financial institution after the RFP will be improved, reflect and respond to the current needs of the agencies. 2. Contribution to SSDG 5 as this will be emphasized in the RFP. 3. With scale of Cash Based Transfers by most Agencies, under new tender process the changing landscape of financial markets will be considered with the aim being for UN Agencies to benefit on competitive Cash Transfer Delivery Costs as a result of economies of scale	304,915.00

Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common Finance services	Macro assessment	Macro assessment will be conducted in order to outline the risks related to the use of PFM for cash transfers within South Sudan by both national and International IPs and also to determine if the Auditor General's Office has the capacity to undertake scheduled and special audits of government IPs.	UNDP	4	2020	Improvements in PFM are expected especially enforcement and Implementation of the PFM A Act 2011	64,850.00
Common Finance services	HACT management	Agencies can benefit from the collective economies of scale such as low offsite payment rates, etc. However, this is only possible if Agencies in South Sudan can all work together and proactively engage especially where we share same CPs / dealing with same Line Ministries.	UNDP	5	2020		
Common Finance services	Micro-Assessment	Macro assessment will be conducted in order to outline the risks related to the use of PFM for cash transfers within South Sudan by both national and International IPs and also to determine if the Auditor General's Office has the capacity to undertake scheduled and special audits of government IPs.	UNDP	6	2020	Improvements in PFM are expected especially enforcement and Implementation of the PFM A Act 2011	159,140.00

Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common Finance services	Payments processing	Work with Central Bank of South Sudan to hold a policy dialogue (conference) and discuss modernization of the National Payment System, legal and regulatory framework, infrastructure, policies and procedures. The dialogue is to enlighten all stakeholders including (UNCT /OMT represented by the FWG) about the opportunities and challenges that are associated with National Payment System Development and also hear from the BSS on the planned NPS strengthened institutional frameworks which will benefit the UN Country Team in terms of Bank charges related to EFT payment processing.	UNDP	9	2020	Strong working relationship between the OMT and BSS that will lead to an engaging and inclusive process of rolling out a robust National Payment System in South Sudan. In future, once the BSS rolls out the NPS and installs the Automated transfer systems, it will be easy to process EFT payments and the bank charges will be much lower. There will be no need to process EFT payments through BOA.	180,074.00
Common Human Resources services	Recruitment process (staff)	UNCT needs to avoid common recruitment process to avoid competition among themselves for staff and standardization of recruitment	UNDP	15	2018	This is well lead to reduction in lead time as well as improvement in quality of recruitment.	

Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common Human Resources services	Staff training services	Expand to develop joint accredited training for staff in country Agency to Agency knowledge sharing session would contribute to have hand-on experiences in the country. Efficiencies will increase and its very cost-effective as the knowledge sharing session will be facilitate by the HR personnel's of different agencies who have best practice to share.	UNOPS	13	2018	This will lead to standardization of trainings and enhancement of staff skills. This will help us to build synergies, rapport among the HR team and help to be innovative and strong contributor to the organizations.	367,340.00
Common Human Resources services	Local payroll processing	Central local payroll processing could be extended to the other AFPs who are not participating in this service yet for effective and efficient payroll processing	UNDP	7	2020	This will lead to standardization of payroll processing among AFPs and also reduction in overhead costs as few people will be employed to manage the processing by UNDP or managing agencies.	
Common Human Resources services	Rate harmonization	Ensure consistency among AFPs for hiring consultants	UNICEF	18	2020	To ensure value for money that we are not overpaying for services to be delivered.	
Common Human Resources services	Human Resources surveys	There is opportunity to scale this surveys to cover other emerging issues including conditions of work during the COVID-19 situation.	UNDP	18	2018	This will lead to improvement in services provided to staff informed by teh findings if the survey	
Common Human Resources services	Knowledge Sharing	This is an opportunity to make sure that all agencies actively participate in this services	UNOPS	18	2019	This will lead to timely sharing of information and improvement in quality and standards of information	

Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common Human Resources services	Health awareness programmes	Expand to develop joint accredited training for staff in country Agency to Agency knowledge sharing session would contribute to have hand-on experiences in the country. Efficiencies will increase and its very cost-effective as the knowledge sharing session will be facilitate by the HR personnel's of different agencies who have best practice to share.	FAO	18	2018	This will lead to standardization of trainings and enhancement of staff skills. This will help us to build synergies, rapport among the HR team and help to be innovative and strong contributor to the organizations.	
Common Human Resources services	UN activities (UN Cares & UN Day)	Expand this to cover other activities	UNDP	18	2018	This will lead to more cohesion of the UN family as one UN	
Common Human Resources services	Gender Parity	There is an opportunity for UNCT to develop a gender responsive procurement strategy that can be used by all AFPs as a standard during procurement process.	UNDP	18	2020	This will contribute to reduction of gender inequality and ultimately to leave no one behind agenda. It will empower women and improve service provision	
Common Human Resources services	Benefits management	There is opportunity to adopt common benefits management that is centrally provided by one of the AFPs on behalf of all other AFPs	UNDP	9	2018	This will lead to reduction in costs of operation as well as quality of benefits management Today baseline of this service 2/5 and it is planning to upgrade the service delivery up to 4/5 scale.	
Common Human Resources services	Staff counselling services	UNCT as part of the one UN has the opportunity to have joint common staff counselling through the HR working group.	UNDP	18	2018	It will lead to improvement and standardization of counselling services.	

Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common Human Resources services	HR Support to COVID-19 response	This support services could be expanded to include specific training to staff on COVID-19 in collaboration with WHO	UNDP	18	2020	This is enable staff accessing more information on COVID-19 and enhancing their ability to handle the situation during this period.	
Common Human Resources services	Job Posting	This is opportunity for modification and inclusion of more AFPs on the common platform.	WFP	18	2018	This will lead to standardization and improvement of servcies. It will also reduce costs by not subscribing to different platforms	
Common Human Resources services	Integrated web-based roster for staff	This is an opportunity to have a common web-based roster for UN in South Sudan and bring on board more AFPs on the already existing integrated web-based roster managed by a few of the AFPs	UNOPS	12	2018	This will lead reduction in lead time in recruitment and adopt a standardized recruitment process.	99,738.00
Common ICT services	Mobile phone services including scratch cards	There is need to expand the current LTAs to cover all AFPs	WFP	11	2019	This will lead to reduction in costs and pricing due to collective bargaining	241,010.00
Common ICT services	Internet connectivity and VSAT services	The UN Agencies are using common LTAs for the provision of data services, including local internet connectivity, VSAT, etc. This LTA saves the Agencies plenty of time and administrative expenses involved in the LTA sourcing process. Secondly, the common LTA ensures that the prices provided are uniform for all the Agencies.	WFP	11	2019	Reducing cost with 10% per annum or \$420,726 at the end of the BOS cycle. The LTA is for provision of optic fiber internet connectivity with terrestrial internet as backup. This therefore ensures faster and higher bandwidth for lower costs. It is estimated that the cost of internet has been reduced by about 50% and more value for money.	1,901,573.00

Common service lines	Common services	Opportunity statement	Lead Agency	Number of Participating Agencies	Impl Date	Quality Enhancements expected	Cost Avoidance
Common ICT services	Operational and Security Telecommunication services	Operational and security Telecoms ensures all agencies are catered for in Minimum Operating Security Standards compliance.	WFP	14	2018	All Agencies save costs due to sharing resources and services.	1,477,769.00
Common Logistics services	Harmonised customs clearance (outsourced)	Optimize the custom clearance process using the the principle of one UN and maximizing on the collective bargaining power.	UNFPA	8	2018	Increased efficiency with reduced lead time and cost on custom clearnanc e.	248,855.00
Common Procurement services	LTA for Fuel	There is an opportunity to identify and have a LTA with only selected vendors to ensure price uniformity and quality of fuel	UNFPA	11	2021	This will lead reduction in cost of fuel operation due to economies of scale	1,002,975.00
Common Procurement services	Joint Procurement services	There is an opportunity to identify and have a LTA with only selected vendors to ensure price uniformity and quality services and goods	IOM	13	2020	Better services Overhead cost reduction	1,487,932.00
Common Procurement services	Fiber Internet Services- LTA	To improve the network accessibility for UN agencies - update the statement to reflect he current situation for the 3 boxes	UNDP	14	2020	Better internet services Overhead cost reduction	2,129,560.00

## RISKS AND ASSUMPTIONS

The successful implementation of the BOS is conditioned by risks and assumptions. Risks are potential future events that are fully or partially beyond control and may (negatively) affect the achievement of the results. Assumptions are the variables or factors that need to be in place for results to be achieved.

The risks entered for this BOS are:

- Worsened country security risk (Transfer)
- Synergies in common training approach can not be agreed upon
- Duplication of training programmes (Control)
- Lack of engagement from the ministry of Labor and structural constraints of the labor market (lack of (Transfer)
- Lack of CVs updated to the common rosters by agencies and, non availability of candidates when select (Control)
- Common LTA to be supported, and partnerships with mobile providers expanded across all agencies. Cos (Control)
- Local and International Infrastructure are used and shared accordingly, agencies to welcome the cost (Control)
- Possibility of deterioration in the USD liquidity in the Country which will affect the time and cost (Accept)
- Agency may not participate in the common service (Accept)
- COVID19 disrupts the new RFP for Banking services process due to uncertainties revolving around the (Transfer)

The assumptions entered for this BOS are:

- Based on the conducive environment created by the R-ARCSS, the local market will stabilize and become
- That common training programmes can be agreed among the UN agencies, and there are available services
- Ministry of Labor is an effective and engaged partner, and that local labor markets can be reached
- That cost efficiency is calculated assuming 30% of the recruitment is done via common rosters
- That by ensuring a common approach, the AFPs may in the long run maximize economies of scale and reduce
- That AFPs in South Sudan want to co-locate in common premises and the local real estate market has the
- That Common LTA to be supported, and partnerships with mobile providers expanded across all agencies
- That local and International Infrastructures are used and shared accordingly, agencies to welcome the
- That the South Sudan market is mature, a competitive process will identify reliable service providers
- That South Sudan has a wide pool of both local and International IPs to work with.



## D. BOS BUDGET

The BOS budget is managed by the OMT and includes any costs required to coordinate, implement, monitor and review common services as outlined in the Results Framework. For this BOS, the budget will be administered by the managing entity on behalf of all participating and contributing UN.

Common service lines	Common services	Budget amount (estimate)	Budget funded	Budget gap
Common Human Resources services	Human Resources surveys	0.00	0.00	0.00
Common Human Resources services	UN activities (UN Cares & UN Day)	10,000.00	10,000.00	0.00
Common Human Resources services	Job Posting	0.00	0.00	0.00
Common Human Resources services	Integrated web-based roster for staff	0.00	0.00	0.00
Common Human Resources services	Recruitment process (staff)	5,000.00	5,000.00	0.00
Common Finance services	HACT management	22,000.00	17,820.00	4,180.00
Common Finance services	Micro-Assessment	0.00	0.00	0.00
Common Human Resources services	Staff training services	0.00	0.00	0.00
Common ICT services	Internet connectivity and VSAT services	0.00	0.00	0.00
Common ICT services	Mobile phone services including scratch cards	0.00	0.00	0.00



Common service lines	Common services	Budget amount (estimate)	Budget funded	Budget gap
Common Administration services and including common Facilities/Premises	Generator maintenance services	0.00	0.00	0.00
Common Human Resources services	Local payroll processing	0.00	0.00	0.00
Common Human Resources services	Rate harmonization	0.00	0.00	0.00
Common Procurement services	LTA for Fuel	0.00	0.00	0.00
Common Administration services and including common Facilities/Premises	Accessibility for UN Common Premises	8,000.00	8,000.00	0.00
Common Finance services	Macro assessment	18,000.00	18,000.00	0.00
Common Finance services	Contract management for banking services	10,000.00	8,000.00	2,000.00
Common Finance services	Payments processing	3,000.00	3,000.00	0.00
Common Administration services and including common Facilities/Premises	Office space and accomodation	0.00	0.00	0.00
Common Administration services and including common Facilities/Premises	Utilities management	0.00	0.00	0.00
Common Logistics services	Harmonised customs clearance (outsourced)	0.00	0.00	0.00
Common Human Resources services	Knowledge Sharing	0.00	0.00	0.00
Common Human Resources services	Health awareness programmes	5,000.00	4,100.00	900.00



Common service lines	Common services	Budget amount (estimate)	Budget funded	Budget gap
Common Administration services and including common Facilities/Premises	Vehicle tracking	0.00	0.00	0.00
Common Procurement services	Joint Procurement services	20,000.00	20,000.00	0.00
Common Human Resources services	Gender Parity	0.00	0.00	0.00
Common Human Resources services	Benefits management	5,000.00	4,100.00	900.00
Common Human Resources services	Staff counselling services	0.00	0.00	0.00
Common Human Resources services	HR Support to COVID-19 response	0.00	0.00	0.00
Common Administration services and including common Facilities/Premises	Vehicle maintenance	0.00	0.00	0.00
Common ICT services	Operational and Security Telecommunication services	0.00	0.00	0.00
Common Administration services and including common Facilities/Premises	Assets/equipment management including disposal	0.00	0.00	0.00
Common Procurement services	Fiber Internet Services- LTA	0.00	0.00	0.00
<b>Total</b>		<b>106,000</b>	<b>98,020</b>	<b>7,980</b>