



UN Global Asset Management Solutions By UNHCR

Practice Note for the
Business Operations
Strategy



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UN Global Asset Management Solutions by UNHCR: ASSET DISPOSAL SERVICES

Executive summary

This Practice Note provides information on UNHCR's Common Disposal Solution, a modern **Global Asset Management Solutions (GAMS)**, which can be used by United Nations Operational Management Teams (OMTs) and Country Teams (UNCTs) within the Business Operations Strategy (BOS) framework for management of individual or global fleets and other assets. The Global Disposal Service (GAMS) is a UNHCR service that allows Asset Managers to manage their disposals effectively worldwide, downsize their fleet when/if necessary, dispose of all obsolete assets and provide a transparent and professional disposal process ensuring efficient returns on the residual value of all assets. The GAMS empowers Asset Managers to **enhance** effective asset management that contributes to minimizing the Total Cost of Ownership of all assets through their end of the life with efficient and well managed disposals. Assets included in the scope are vehicles, IT equipment & office equipment.

The GAMS was initially designed to support UNHCR offices, but its proven to be a profitable business solution that allows scalability to offer the service to other UN agencies profiting from the country-specific knowledge our team has and global physical presence offering regional coverage in +70 countries. By joining the Global Asset Management Solutions UN agencies would recoup the residual values through disposals as THE MOST EFFECTIVE single measure to reduce capital costs. This is the proof of the maturity of asset management processes and efficient use of scarce donor funding.

Introduction: The Global Asset Management Solutions as a natural enabler of BOS

The Business Operations Strategy (BOS) is a critical instrument to advance the UN Secretary General's UN Reform agenda, as outlined in the UN GA resolution. The 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. It is facilitated by the principle of mutual recognition, and it constitutes a reliable, evidence-based foundation for the establishment of common back offices. BOS is focused and structured around six common service lines: finance, human resource management, procurement, logistics, information and communications technology and administration, including **facilities management**.

Integration of Global Asset Management Solutions into operation management of fleet, IT equipment and facility management will naturally enable UN agencies to become part of a common disposal solution quickly and easily as envisaged by BOS.

The Global Asset Management Solutions enables Asset Managers to improve their disposal activities through due diligence, standardized methodology, transparency, reliable processes, experienced staff, global coverage, strong partnerships and high returns.

The Global Asset Management Solutions bring the following benefits:

- **Global Presence & Local knowledge (+20 staff in 5 regions)**

- **Standardized and continuously refined processes in place for each disposal event**
- **Help with determining the most suitable disposal event (auction) type**
- **Existing and continuously updated portfolio of more than 45 professional service providers covering +70 Countries**
- **Optimized management of corporate assets** through more effective disposals (Fleet & Assets) contributing to minimizing the Total Cost of Ownership.
- Low-risk on unsuccessful sales event (or high-potential on successful sales event) due to knowledge of local rules, traditions, established network in the market and with the local Authorities.
- Established trustful image of UNHCR auctions as brand mark in the eye of the local Authorities.

Based on **regular scheduled updates of disposal events**, the UN Global Asset Management Solutions is the natural choice to be used by UN Operations globally to achieve best results. Since 2014, UNHCR conducts in average of +100 disposal events per year globally. This makes the Disposal schedule a living document and constant updates are provided upon addition of NEW or the rescheduling of existing disposal events in case of constraint due to a political incident or changes in the local legislation where disposal activities need to be further adapted

UNHCR - Asset Management Unit Global Fleet Management				
Planned	Country	Location	Focal Point	Status
22-Mar	Thailand	Bangkok	M. Kneisz	Completed
23-Mar	Niger	Niamey	A. Galley	Completed
28-Mar	Tanzania	Dar es Salaam	S. Vujic	Cancelled
30-Mar	South Sudan	Juba	A. Hajdini	Completed
01-Apr	Chad	N'Djamena	D. Passelände	Completed
09-Apr	Egypt	Cairo	M. Barry	Completed
11-Apr	Kenya	Mombasa	S. Vujic	Completed
13-Apr	Lebanon	Beirut	M. Barry	Postponed
04-May	Rwanda	Kigali	D. Passelände	Completed
16-May	Kenya	Nairobi	S. Vujic	Completed
17-May	Dem. Rep. Congo	Gbadolite	S. Vujic	Completed
20-May	Mali	Bamako	A. Galley	Confirmed
23-May	Dem. Rep. Congo	Libenge	S. Vujic	Confirmed
15-Jun	Pakistan	Islamabad	A. Hajdini	Confirmed
25-Jun	Kenya	Nairobi	S. Vujic	Confirmed
29-Jun	Cote d'Ivoire	Abidjan	A. Galley	Confirmed
30-Jun	Niger	Niamey	A. Galley	Confirmed
06-Jul	Cameroon	Yaounde	D. Passelände	Confirmed
06-Jul	Djibouti	Djibouti	M. Kneisz	Confirmed
06-Jul	Uganda	Kampala	A. Galley	Confirmed
06-Jul	Ethiopia	Addis Ababa	A. Barroso	To be Confirmed
13-Jul	Iraq	Erbil	M. Barry	Confirmed
23-Jul	Nigeria	Abuja	A. Galley	Confirmed
24-Jul	Kenya	Nairobi	S. Vujic	Confirmed
27-Jul	Burundi	Burundi	D. Passelände	To be Confirmed
24-Aug	Ethiopia	Addis Ababa	A. Barroso	Confirmed

UNHCR Asset Disposal Service schedule is shared on regular monthly basis

The Global Asset Management Solutions shared disposal schedule connects the UN family with UNHCR Global Asset Management team. Technical features, modern solutions are being developed and integrated to ensure user friendliness to all, such as

online accessible calendar, automated online application to participate, destruction of AV's to be integrated in our service offer etc.

The Global Asset Management Solutions have the ability to handle multiple clients' disposal requirements at the same time. This means to UN agencies that their asset disposals can be managed as a stand-alone event -in case of a bigger volume of disposal- or jointly with other agencies, - yet with one central service provider in the country, who by selecting the right disposal event-type ensures to the agencies the highest returns

Objectives

The Global Asset Management Solutions enhance **inter-agency asset disposal process** and helps to achieve the following objectives:

- Provide a **standardized UN solution to UN agencies** for common fleet and asset disposal.
- **Eliminates duplication of effort and competition** by focused utilization of disposal solutions for the UN Family.
- **Reduces risks** to the UN agencies due to well-mapped territories of local governmental regulations, knowledge of habits, traditions of habitants and particularities of each different local market.
- Provide transparency **of the disposal events** with end-to-end customer service provision, asset preparation, display, marketing, automated invoicing and reporting.
- Ensures the highest level of participation due to established network, historical records of big and trustful customers in each country-location.
- Allows all agencies in the same country to use the service and join the disposal event, thus improving **cost sharing opportunities**.

Key Stakeholders and partnerships

The Global Asset Management Solutions is designed for the following UN stakeholder groups:

1. Asset Managers (Fleet, IT & office facilities)

Asset, Fleet & Facility Managers are provided with the service to manage individual or Global Asset Management Solutions, including post disposal follow up (remaining assets can automatically join the next disposal event).

In the future, Agency's participation confirmation can also be made from a dedicated app for Android or iPhone, anytime, anywhere and through a web portal.

2. Staff members

Local staff members will avoid the exposure and vulnerability towards pressure from local communities and authorities to accept forced donations and/or direct sales to the detriment of economical recoup of assets and the welfare of local staff. By using an independent and external party for disposal solutions, the risk of retaliation or negative relationship development with local communities is removed from the country offices.

3. Senior management

The service provides various reporting services and equips senior managers with insights of reducing the total cost of ownership of their assets.

Benefits of the Disposal Solutions utilization

The Global Asset Management Solutions provides numerous benefits, such as:

i. Reliable Processes

The GAMS entails standardized methodology to organize disposal events by determining the most suitable auction type by considering in country: security, remoteness of the assets, number of assets, local restrictions, market situation and competition. This service allows disposal transparency for senior managers to gain insight into the asset disposal process through regular reporting. All active assets for disposal will be included in the disposal event (auction) database and a catalogue is created for the at-glance overview.

ii. Experienced staff

The service entails that UNHCR GAMS will set-up and manage the one-on-one relationship between the local office or HQ contact of the joining UN organization. Every disposal event is assigned to experienced auction managers to allow for better communication as well as address relevant documentation, marketing and security needs for each particular country. Our staff is flexible and permits to address specific requests when feasible. It is also possible to join as many disposal events as required.

iii. Online Booking (To be implemented)

The booking service allows users to quickly and easily review the disposal calendar from their desktop or mobile device. To address different offices' needs, the user can pre-register its agency to disposal events. Final confirmation will be upon signature of participation confirmation (LoA) and delivery of the final assets list.

iv. Strong partnerships

The GAMS offers existing and continuously updated and maintained portfolio of more than 45 professional service providers covering +70 Countries.

Our professional GAMS includes site logistics, access management, registration and screening of participants, collection and reimbursement of participation fees, crowd control, recording of awarded bids, issuance of bills of sale, release of assets and proceeds' remittance to each agency.

v. High returns

The disposal event will be directly supervised by GAMS staff for accountability, effective disposal management and an innovative and client-focused service delivery.

Our clients can follow and have the visibility of asset disposals results through the careful documentation of every step in the process and the segregation of tasks to ensure transparency and accuracy.

vi. Common disposal solutions – cost sharing

The GAMS allows UNHCR to extend the provision of disposal solutions to other UN entities on cost sharing basis, improve the efficiency of their disposal cycles and establish efficient asset management. Agencies can either join with their local operations for the specific country/event or enroll as part of Global SLAs at HQ level for the whole organization.

Efficiency gains

The GAMS can elevate Fleet & Asset management and to a whole new level through proven structures and processes for disposal:

- **Operational effectiveness and efficiencies**

The service has standardized and automated processes. By displaying interest in joining a disposal events, GAMS will provide single participation agreements for punctual events or Global SLAs for organization-wide coverage. When used as a single service for joint disposal solutions in the UN Family, it will generate efficiencies and cost savings for all participating agencies by reducing operational costs and increase disposal results optimization.

- **Quality improvements**

The expertise of asset disposals and familiarity with local buyers' behavioral patterns directly influences and improves disposal revenue results.

Enhanced customer experience through the "ALL IN ONE" web platform and on the mobile app when on the move. (Pending release late 2022)

Finally, it empowers the local Asset and Fleet Managers by accessing our data reporting services to manage their assets and vehicle disposals in a more efficient way.

- **Greening of fleet operations**

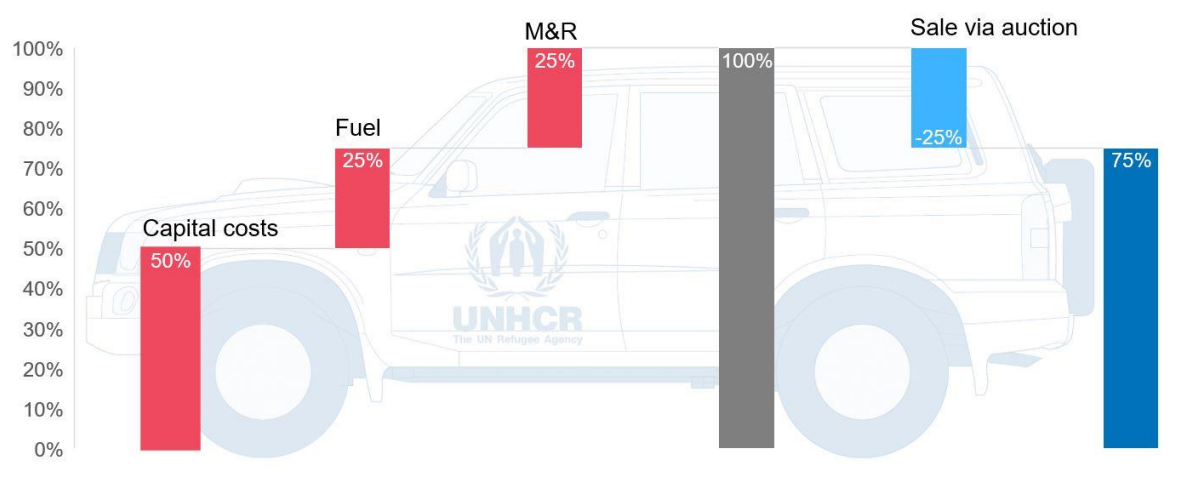
Another positive impact of using GAMS is a reduced average age of the fleet (Vehicles, trucks & generators) with a timely disposal of aged, less efficient machinery. As a result, using newer, more efficient and well-maintained engines; helps reducing the CO2 emission levels as well as to improve fuel consumption.

Cost implications

The GAMS has easy scalability across UN agencies on the cost sharing principle. Agencies would need to cover:

- the average service cost for each LOT (asset, vehicle or group of small items) submitted for disposal
- professional service provider (auctioneers) fees as per signed local contract
- optional - transportation of items to the chosen disposal location.

Total Cost of Ownership



No additional contribution to UNHCR for already developed/planned disposal solutions is required.

The most popular solution is that all costs will be covered from the participation fee and the disposal (auction) NET proceeds will be transferred to each of the joining UN organizations. More detailed costings can be provided for each agency country context.

Potential challenges

Sharing disposal solutions between agencies requires responsibility and liability sharing between participating agencies. This needs to be clearly defined and governed. Inclusion of Legal office advice earlier in the Global SLA negotiation stage will allow to address sharing responsibilities and accountabilities.

The shared disposal process invariably leads to a change management process with its associated challenges. This may include:

- Resistance to change of switching from a donation to local partners model to a professional and efficient disposal of assets with returns of the investment value of all assets back to the owner organization.
- Fear of loss of influential position with implementing partners by fewer donations.
- Fear of increased accountability through new disposal practices.

Implementation

If your UN agency is considering joining the Global Asset Management Solutions (GAMS), the following steps apply:

1. The Agency contacts the UNHCR GAMS team by writing to: Israel Carrizales (carrizal@unhcr.org) and Sanja Vujic (vujic@unhcr.org) or to GAMS functional mailbox: globassets@unhcr.org
2. The UNHCR team will set up an initial meeting with the interested Agency to explain the process and some examples of disposals.

3. The Agency completes an enrollment form detailing its fleet and vehicles composition.
4. The Agency would then go through a trial use of the GAMS, after which a Global SLA can signed between UNHCR and the Agency.
5. The GAMS Team will then commence the Agency's enrollment into Disposal Solutions and on-boarding of its vehicles & assets to our disposal database based on geographical location and tentative timing for disposal.
6. The GAMS Team will provide accesses to the web platform and mobile app (Pending release in late 2022) training to the Asset and Fleet Managers of the agency on their area of responsibilities and appointed personnel on the use the GAMS Team services.

The on-boarding phase depends on the readiness of the UN Agency to participate in the next disposal organized by GAMS.

BOS implementation

The following recommendations should be considered in the implementation of The Global Asset Management Solutions (GAMS) within the BOS 2.0 stages:

	Phase	Description
1	Kick-Off	Identify assets and vehicles to be enrolled into the disposal service on a local and/or global level.
2	Stock Take	Collect details of the assets: status, condition, location, age and when they can be released for disposal where possible.
3	Opportunity Analysis	The GAMS appointed Country Focal point / Auction Manager will improve asset and fleet disposal opportunity by analyzing interested parties for UNCT/OMT inter-agency collaboration. The use of the service for internal disposal service will improve the effectiveness of agencies disposal events.
4	Cost-Benefit Analysis	<ul style="list-style-type: none"> • NO Set-up costs • Recurring costs refer to professional service provider (auctioneer) fees per individual country and Asset Disposal Service fees on cost sharing principle and optional transport costs to auction site of assets/vehicles to be paid by the UN Agency and arranged by GAMS. • Using the service for joint asset and fleet disposal, country teams can generate reduction in Total Cost of Ownership.
5	Planning Framework	After reception of the confirmed disposal needs by each agency, the GAMS will prepare and distribute a yearly disposal plan by Q4 the year before. This plan is updated bi-weekly and distributed to all agencies' focal points.
6	Implementation Plan	Upon identifying potential disposals applicable for each Agency CO an expression of interest is submitted together with the list of confirmed assets latest 45 days before each disposal event.

Sustainability and scalability

UNHCR is committed to the long-term development of The Global Asset Management Solutions (GAMS) and will continue to optimize the service to better meet existing and future UN fleet & asset disposal needs.

Enrolment into the GAMS service will enable UN agencies to professionalize and standardize their fleet (asset) disposal solutions and processes, delivering a uniform disposal service provision across agencies.

Enrolment does not mean any obligation to dispose of a minimum number of assets; it will be the decision of the Agency each time based on their country operations' needs.

Contact persons:

UN agencies interested in finding out more about UNHCR's Global Asset Management Solutions, the global disposal plan and the regional coverage, should contact the UNHCR Global Mobility & Infrastructure Service team – Global Asset Management team by writing to [Israel Carrizales](mailto:carrizal@unhcr.org) (carrizal@unhcr.org) , [Sanja Vujic](mailto:vujic@unhcr.org) (vujic@unhcr.org) or send an email to our [Global Asset Management Solutions](mailto:globassets@unhcr.org) (globassets@unhcr.org)

JOIN TODAY!!!

Whether enrolled as an individual local office or as part of the Global Service Level agreement, every agency can gain benefits and increase its fleet/asset disposal service efficiencies.

The service is the predictable foundation of the inter-agency collaboration since 2013 and harmonization of disposals services within the BOS Framework and is fully aligned with the objectives of the Business Innovation Group (BIG) and the principles of mutual recognition, cost-savings by minimizing the Total Cost of Ownership and customer satisfaction.

... and the best value for your assets - the most advantageous combination of the Total Cost of Ownership, quality and sustainability to meet customer requirements.