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PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981

United Nations accommodation at Nairobi

Twelfth 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 Environment Programme (UNEP) on United Nations accommodation at Nairobi (A/C.5/35/35/Add.1). The Committee notes that in paragraph 3 of his report (A/C.5/35/35) the Secretary-General states that he supports the submission of the Executive Director and that he is confident that the General Assembly will give its most careful consideration to the proposals contained therein.

2. The construction of United Nations accommodation at Nairobi was authorized by the General Assembly in its resolution 32/208 of 21 December 1977 to provide permanent headquarters for UNEP, including space for the specialized agencies and other United Nations offices. In section XI of its resolution 34/233 of 20 December 1979, the Assembly authorized additional construction to accommodate the United Nations Centre for Human Settlements (UNCHS) (Habitat). In document A/C.5/35/35/Add.1, the Executive Director of UNEP proposes that the project should be considerably scaled down. A comparison between the original 1977 project, the revised 1979 project and the proposed 1980 project is given in the following table:

| | | <u>1979 project</u> | | <u>1980 proposal</u> | |
|--|---------------------|---------------------|----------------|----------------------|--------------------------|
| | <u>1977 project</u> | <u>Increase</u> | <u>Total</u> | <u>Decrease</u> | <u>Remaining project</u> |
| | | (in square metres) | | | |
| Office accommodation | 12,508 | 3,792 | 16,300 | (2,110) | 14,190 |
| Common services (excluding information) | 10,435 | 1,851 | 12,286 | (4,037) | 8,249 |
| Conference and information facilities | 3,780 | 150 | 3,930 | (2,962) | 968 |
| Total | 26,723 | 5,793 | 32,516 | (9,109) | 23,407 |
| <u>Less: Existing temporary premises</u> | <u>(8,375)</u> | <u>-</u> | <u>(8,375)</u> | <u>-</u> | <u>(8,375)</u> |
| New construction | 18,348 | 5,793 | 24,141 | (9,109) | 15,032 |

Office accommodation

3. The total of 12,508 square metres of office space in the 1977 project represented the Secretary-General's estimate of office space requirements of UNEP, the specialized agencies and other United Nations offices up to 1985 (A/C.5/32/19, para. 22). The addition of 3,792 square metres in the 1979 project consisted of 3,256 square metres for the office space requirements of the United Nations Habitat and Human Settlements Foundation, likewise up to 1985, and of 536 square metres by way of a reserve to accommodate an additional 18 to 21 months growth beyond 1985 for the entire project (A/C.5/34/43, paras. 25-27). The Secretary-General justified his request for the reserve, *inter alia*, by reference to the fact that the project would consist of "standard three-storey office building units", each of which would provide 1,264 square metres of net usable area. ^{1/}

4. The total of 2,110 square metres by which the Executive Director of UNEP now proposes to reduce office accommodation is a net figure (A/C.5/35/35/Add.1, table 5). The space for other United Nations offices is to be increased by 169 square metres for the reasons given in paragraph 20 and table 1 of the Executive Director's report. On the other hand, the Executive Director proposes to reduce the space requirements of the specialized agencies by 1,035 square metres on the grounds that the World Bank had informed him that it would not require office accommodation at Giviri (A/C.5/35/35/Add.1, para. 20). The Executive Director also proposes to eliminate the 536 square metres of reserve space for expansion beyond 1985 (see preceding paragraph) and to reduce the requirements of UNEP by 708 square metres (A/C.5/35/35/Add.1, table 5).

^{1/} The Advisory Committee understands that in the 1980 proposal the office blocks have been redesigned. The net usable area of each redesigned block is 1,440 square metres.

5. As regards the reduced requirements of UNEP, the Executive Director states in paragraph 18 of his report that he now estimates that the staff of UNEP in 1985 will be 200 Professionals, instead of 215, and 281 General Service, instead of 297, for a total of 481, which is 31 less than the total of 512 reported to the Advisory Committee in 1979. 2/ In paragraph 21, the Executive Director states that for planning purposes he has used the same average per capita allocation of 12 square metres of office space as had initially been used in the Secretary-General's report to the Fifth Committee during the thirty-second session of the General Assembly (A/C.5/32/19, para. 21).

6. The Advisory Committee recalls that in its twenty-second report to the General Assembly at its thirty-fourth session it had questioned the need for all the office accommodation then proposed for Nairobi and had considered whether the construction of one office building (equivalent to 1,264 square metres) could be deferred. It was only after it had been informed by the representatives of the Secretary-General that delaying construction would have considerable financial implications that the Committee recommended approval of all the office buildings proposed by the Secretary-General. 3/

Conference and information facilities

7. The conference facilities approved by the General Assembly at its thirty-second session consisted of six rooms, as follows: 4/

| <u>Number of rooms</u> | <u>Type of room</u> | <u>Size</u> | <u>Seating capacity of room</u> | | | <u>Total</u> | <u>Simultaneous interpretation</u> |
|----------------------------|---------------------|-------------|---------------------------------|-------------------------|----------------------------|--------------|--|
| | | | <u>At table</u> | <u>Behind table</u> | <u>At side of room</u> | | |
| 2 | Conference room | 900 sq m | 200 | 200 | 100 | 500 | Yes |
| 2 | " | 150 " | 50 | 50 | - | 100 | Yes |
| 2 | Caucus room | 11/A | 30 | 30 | - | 60 | No |

8. In paragraph 27 of his report (A/C.5/35/Add.1), the Executive Director of UNEP recommends instead the construction of one conference room for 200 participants, with simultaneous interpretation, which could be divided by mobile partitions into two rooms for 100 persons each or four rooms for 50 persons each.

2/ Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 7A (A/34/7/Add.1-28), document A/34/7/Add.21, table 4.

3/ Ibid., paras. 9-11. The Committee was informed that the deletion of one office building would result in a saving of 7.2 million Kenyan shillings; to construct a building in 1982 would cost 10.9 million Kenyan shillings, and in 1984 the cost would be 19 million Kenyan shillings.

4/ Ibid., Thirty-second Session, Supplement No. 8A (A/32/8/Add.1-30), document A/32/8/Add.10, paras. 17-20.

9. The Executive Director states in the same paragraph that such a room will be quite ample to meet at least 95 per cent of the expected conference requirements of the United Nations at Nairobi. He expresses the opinion that, subject to the provision of ample advance notice to the Kenyatta Conference Centre administration, there should be no great difficulty in accommodating at the Centre for the next several years meetings of the Governing Council and similar meetings which gather more than 200 delegates, as well as any other major United Nations conferences which attract more than 1,000 participants.

10. The Advisory Committee recalls that, in its eleventh report to the General Assembly at its thirty-second session, it stated that it was on the basis of information provided by the Secretary-General that it had no objection to the construction of the proposed conference facilities. In particular, the Committee had inquired into the need for UNEP of the two 500-seat conference rooms. The information provided to it was that the Governing Council of UNEP had two sessional committees and that their schedules were arranged to ensure that the number of concurrent meetings did not exceed two. The Committee was also informed that the seating capacity of 200 at table had been calculated on the basis of two seats for each of the 58 States members of the Governing Council and one seat each for about 39 observer delegations and 20 agencies and regional commissions leaving a 25-seat margin for expansion. UNEP expected to use the two main conference rooms for approximately 20 weeks a year by 1985, and the specialized agencies and other United Nations offices at Nairobi would use them for a total of three to five weeks annually. The requirements of UNCHS were not included in those calculations. The representatives of the Secretary-General also informed the Advisory Committee in 1977 that the management of the Kenyatta Conference Centre had informed UNEP that after 1982 the host Government could not assure UNEP that the facilities of the Kenyatta Conference Centre would be available for its use at the times and for the periods desired and that it would not be possible to aware UNEP priority beyond that date. 5/

11. The basic project approved in 1977 included 345 square metres for information facilities. In 1979 the General Assembly approved an additional area of 150 square metres for information and audio-visual activities of Vision Habitat (A/C.5/34/43, para. 20). According to table 6 in document A/C.5/35/35/Add.1, it is now proposed to reduce the area for information services to 326 square metres.

Common services

12. The following table provides a comparison between the basic project approved in 1977, the additional construction authorized in 1979 and the Executive Director's present proposals.

5/ Ibid., paras. 21-24.

| | <u>1977</u> | <u>1979 approved changes</u> | | <u>1980 proposals</u> | |
|----------------------------|--------------------|------------------------------|--------------|-----------------------|----------------|
| | <u>Project</u> | <u>Additions</u> | <u>Total</u> | <u>Reductions</u> | <u>Balance</u> |
| | (in square metres) | | | | |
| Telecommunications | 543 | - | 543 | (124) | 419 |
| Medical services | 216 | - | 216 | (72) | 144 |
| Computer services | 390 | 45 | 435 | (123) | 312 |
| Language training | 279 | - | 279 | (81) | 198 |
| External facilities | 360 | - | 360 | (88) | 272 |
| Bank and travel agency | 150 | - | 150 | - | 150 |
| Staff welfare | 474 | - | 474 | (246) | 228 |
| Building management | 878 | - | 878 | (200) | 588 |
| Security and transport | 196 | - | 196 | (88) | 108 |
| Documents and publications | 2,426 | 316 | 2,742 | (1,282) | 1,460 |
| Visitors and tours | 180 | - | 180 | 20 | 200 |
| Catering | 1,607 | 450 | 2,057 | (927) | 1,130 |
| Library | 1,256 | 740 | 1,996 | (646) | 1,350 |
| Receiving and storage | 1,480 | 300 | 1,780 | (90) | 1,690 |
| Total | 10,435 | 1,851 | 12,286 | (4,037) | 8,249 |

13. The reasons for some of the proposed reductions are given in paragraphs 25 to 33 of the Executive Director's report (A/C.5/35/35/Add.1). In this connexion, the Advisory Committee notes that the Secretary-General's report on the initial project provided no details of or justifications for the space to be constructed for common services (A/C.5/32/10, para. 18) to which the information now submitted by the Executive Director could be compared. Some comparative information exists only for the areas for which additional construction was requested in 1979 (A/C.5/34/43, paras. 31-37).

Catering

14. In paragraph 35 of his report (A/C.5/34/43), the Secretary General said that the proposed increase in catering facilities had been based on a "careful analysis" by the catering consultants and the architect who had recommended an increase in seating areas (to accommodate UNCHS staff and conference participants) and in storage areas. The latter increase was proposed on the basis of the catering consultants' recommendation for increased inventory levels, which would permit, *inter alia*, more efficient and economical operations through bulk purchasing. By contrast, the Executive Director proposes that the catering facilities be reduced by almost one half. In paragraph 29 of his report (A/C.5/35/35/Add.1) he

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ascribes the proposal to reduced use of catering facilities by delegates and experts and to the findings of a special survey which indicated that less than half the staff ate lunch in the present cafeteria. While the expected reductions in the use of the facilities by delegates and experts is a corollary of the proposed elimination of the large conference rooms, the Advisory Committee points out that the pattern of lunch habits of the staff does not appear to have been taken into account in the "careful analysis" carried out last year by the catering consultants and architects.

Documents and publications

15. The increase requested in 1979 was primarily for storage and distribution (A/C.5/34/43, para. 35). The substantial reduction now proposed by the Executive Director is based on the replacement of existing equipment by new machines of greater productivity (A/C.5/35/Add.1, para. 30).

Library

16. The 1979 proposal to increase the area of the library and archives followed a "re-examination" of the requirements of UNEP and UNCHS so as "to ensure that the collections and services are adequate to support the work programmes of the units concerned" (A/C.5/34/43, para. 36). Of the 740 square metres of additional space approved by the General Assembly in 1979, the Executive Director proposes to eliminate 646 square metres on the grounds that a revision of the needs, especially of UNEP and UNCHS, indicates that an area of 1,350 square metres would be more than ample (A/C.5/35/35/Add.1, para. 32).

Financial implications

17. In its twenty-second report to the General Assembly at its thirty-fourth session, the Advisory Committee indicated that the cost of the basic 1977 project plus the 1979 additions amounted to 254,944,000 Kenyan shillings. 6/ The revised estimates submitted by the Executive Director amount to 216.6 million Kenyan shillings and are thus 38,344,000 Kenyan shillings (15 per cent) lower than the authorized cost (A/C.5/35/35/Add.1, paras. 49-51 and table 9). The area of new construction is to be reduced from 32,516 to 23,407 square metres, i.e. by 9,109 square metres (28 per cent).

18. The following amounts have already been appropriated for the construction project at Nairobi:

| | |
|--------------------|------------|
| Biennium 1978-1979 | 44,024,400 |
| Biennium 1980-1981 | 16,190,000 |
| | <hr/> |
| | 20,214,400 |

6/ Ibid., Thirty-fourth Session, Supplement No. 7A (A/34/7/Add.1-28), document A/34/7/Add.21, table 2. Of the total cost, 191,908,000 Kenyan shillings relates to the basic project authorized in General Assembly resolution 32/208, and 63,036,000 Kenyan shillings to the additions approved in 1979.

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At 7.33 Kenyan shillings to the United States dollar this corresponds to 148,172,000 Kenyan shillings. The Executive Director states that costs already incurred or allowed for in connexion with the approved project amounts to 32,740,000 Kenyan shillings (A/C.5/35/35/Add.1, para. 48). The cost of the revised design amounts to 2,418,000 Kenyan shillings (para. 40). Thus, 35,158,000 Kenyan shillings has been spent, and a balance of approximately 113 million Kenyan shillings remains in the Nairobi construction account.

19. The representatives of the Secretary-General informed the Advisory Committee that several of the tenders received in January 1980 were within the approved total cost of the project (254,944,000 Kenyan shillings). Based on the average of the three lowest tenders received, updated by one year, the cost of the approved project is now estimated by the representatives of the Secretary-General at 249,400,000 Kenyan shillings. On the same basis, the deletion of office blocks from the approved project would lower costs by approximately 6.4 million Kenyan shillings for each office block deleted. 7/

20. The representatives of the Secretary-General also informed the Advisory Committee that, if it was decided to undertake a new prequalification exercise before bids were invited, the project would be delayed by between three and five months and the inflationary impact would be greater. On that basis, they estimated that the cost of the original project would rise to between 272 and 276 million Kenyan shillings.

Conclusions and recommendations

21. In its examination of the proposals by the Executive Director of UNEP, the Advisory Committee recalled that, when the Secretary-General submitted his original proposal to the General Assembly at its thirty-second session, in 1977 (A/C.5/32/19), he said in paragraph 23 that:

"In view of the relative ease with which the project can be extended should the need arise, estimated space requirements have been kept to a minimum and many functions have been accommodated through multiple use of the facilities provided. The Secretary-General believes that the project as proposed represents the minimum facilities that should be built at this time."

22. In paragraph 33 of his report to the General Assembly at its thirty-fourth session in 1979 (A/C.5/34/43), the Secretary-General explained that the phrase "relative ease with which the project can be extended should the need arise"

"relates only to office space and special use areas housed in the modular office buildings. Conference and common services facilities are much more difficult to expand and, consequently, it would not be prudent to plan merely for the anticipated requirements of three or four years beyond initial occupancy."

7/ Including a pro-rated share of the preliminaries, general conditions, contingencies and administrative costs, the estimated saving from deletion of an office block would be of the order of 7 million Kenyan shillings.

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23. As regards conference facilities, the Secretary-General informed the General Assembly in paragraph 3³ of the same report that.

Prior to the approval of final architectural designs, it was confirmed that the UNFP projected conference requirements remain as reported to ACABQ at the thirty-second session of the General Assembly ... The conference facilities provided in the basic project have now been re-examined in view of projected additional usage by UNCTAD and are considered adequate to accommodate the requirements of UNCTAD."

24. The report by the Secretary-General (A/C.5/34/43) is dated 16 November 1979. Seven months later, the UNFP Committee on Contracts recommended that, in the interest of economy, the proposed office space requirements and the proposed conference facilities should be reviewed (A/C.5/35/35/Add.1, para. 6).

25. As regards office accommodation (see paras. 3-6 above) the Advisory Committee agrees that, in the light of recent developments and bearing in mind that the approved project contained provision for expansion beyond 1985, a reduction would appear to be warranted.

26. As regards conference facilities (see paras. 7-11 above), although the Advisory Committee finds it difficult to reconcile the revised proposals with the recommendations submitted by the Secretary-General to the General Assembly in 1977 and 1979, it has concluded that the Executive Director's proposals are based on a more accurate assessment of present and future requirements than the earlier ones by the Secretary-General. Accordingly, the Advisory Committee recommends that the proposals in document A/C.5/35/35/Add.1 should be approved.
