



General Assembly

Distr.: General
27 August 2021

Original: English

Seventy-sixth session

Item 138 of the provisional agenda*

Proposed programme budget for 2022

Progress in the renovation of Africa Hall at the Economic Commission for Africa in Addis Ababa

Report of the Secretary-General

Summary

The Secretary-General hereby submits his sixth progress report on the renovation of Africa Hall and on the visitors' centre at the Economic Commission for Africa premises in Addis Ababa, pursuant to section X of General Assembly resolution [75/253 A](#).

The present report provides an update on the project since the issuance of the previous progress report of the Secretary-General ([A/75/319](#)), including updates on design development, procurement activities, project governance, risk management services, progress in construction works and the status of voluntary contributions. The report also provides an updated project schedule and a revised cost plan.

During the present reporting period, and despite the challenges caused by the coronavirus disease (COVID-19) pandemic, construction on the site has advanced and early decanting works were successfully completed in July 2021. The resolicitation of bids for the main renovation of Africa Hall was launched. Whereas some delays were experienced with the solicitation process, a contract for the main renovation is expected to be awarded during the second half of 2021. The project is currently foreseen to be substantially completed in September 2023. Although the delays will result in higher costs for project supervision, the Secretary-General remains confident that the project will be delivered within the maximum approved overall budget of \$56.9 million. The resource requirements for 2022 of \$17,954,400 will be met from the projected unspent balance at the end of 2021.

The General Assembly is requested to take note of the present report.

* [A/76/150](#).



I. Progress in the Africa Hall renovation project

A. Background

1. In its resolution [70/248 A](#), the General Assembly approved the scope, schedule and maximum overall cost of \$56.9 million for the third to fifth stages of the Africa Hall renovation project, as well as the establishment of a multi-year construction-in-progress account. In its subsequent resolutions ([71/272 A](#), [72/262 A](#), [73/279 A](#), [74/263](#) and [75/253 A](#)), the Assembly took note of the progress made during the relevant reporting periods and appropriated a total amount of \$36,541,700 for project activities from 2016 to 2021. The present report is the sixth progress report since the approval of the project by the Assembly in 2015.

B. Project summary

2. The project continues to be implemented in accordance with the previously established objectives to rejuvenate Africa Hall in a manner that respects the original design and appearance of spaces and addresses deficiencies compared with contemporary international building standards and codes, including: (a) structural and seismic upgrades; (b) the physical, life and fire safety of occupants; (c) accessibility and other provisions for persons with disabilities; (d) energy efficiency and other initiatives relating to the efficient use of natural resources; and (e) the achievement of healthy indoor air and light quality.

3. As indicated in the previous progress report of the Secretary-General ([A/75/319](#)), the forecasted completion date has shifted to September 2023, which the Economic Commission for Africa (ECA) still considers achievable despite delays in assigning the contract for the main renovation works.

4. At the time of drafting the present report, procurement activities were ongoing related to: (a) the main renovation; (b) conference and information technology systems; and (c) artwork restoration. The bankruptcy of the leading joint venture partner had led to termination by ECA of the previous contract for the main renovation. In line with paragraph 9 of section X of General Assembly resolution [75/253 A](#) and the lessons learned from the bankruptcy, the Organization is currently undertaking background checks of the most responsive bidders in the resolicitation process, with the aim of awarding the contract to a contractor that meets financial performance requirements.

5. The renovation of Africa Hall continues to be carried out in line with current international building codes and standards and is intended to achieve the highest standards for conference facilities while preserving and restoring the historical, cultural and architectural integrity of the building. Any potential future variations, modifications or changes will be assessed with a view to maintaining the overall project objectives, including on cost and quality.

6. The coronavirus disease (COVID-19) pandemic continues to pose a significant risk to the project, especially regarding possible impacts on the supply chain and the construction implementation schedule.

7. The Secretary-General nevertheless remains confident of delivering the project within the maximum approved project budget of \$56.9 million, which includes provisions for cost escalation and contingencies.

C. Project governance

Stakeholders committee

8. During the reporting period, the stakeholders committee, which was established in 2016, met four times: in September 2020 and February, May and August 2021.

9. The meetings of the stakeholders committee are intended to keep the project owner and key organizational stakeholders informed about progress and risk exposure, and to support their decision-making. The committee remains a vital governance element, given that it brings together the key beneficiaries of the project to discuss and agree on the development and implementation of the project, including potential changes to any established baselines within the remit of the Secretariat.

10. During its most recent meeting, the stakeholders committee was briefed on the progress of the project-related procurement activities, including the main renovation, conference and information technology systems and artwork restoration.

11. Stakeholders were reminded of the approved project scope and objectives and asked to keep owner-directed changes (as explained in para. 30 (e) below) to an absolute minimum in their decision-making, so as to avoid additional costs and schedule overruns. Stakeholders were also informed about the possible implications of the COVID-19 pandemic on the project and about ongoing risk management activities.

Advisory Board

12. The Advisory Board, headed by a newly appointed chair, met in March and June 2021. The Board was kept informed about the project's progress and risks. Board members continued performing active roles and provided the project owner with valuable recommendations on how to protect the project and its implementation. For example, the Board expressed concerns about the accrued delays and resulting consequences on the project budget.

13. To date, the Advisory Board has provided input and advice regarding the design of the project, strategies on revamping the resource mobilization campaign, strategies for obtaining voluntary contributions and approaches for enhancing and strengthening coordination with the host country authorities.

Coordination with Headquarters

14. The role of the Global Asset Management Policy Service of the Office of Programme Planning, Finance and Budget remains unchanged from previous years. The administrative and coordination agreement established in 2017 between ECA and the Service continues to define the roles and responsibilities for various project management functions, including on change management and status reporting.

15. To best mitigate the challenges arising from the termination by ECA of the main renovation contract with the previous contractor in February 2020 ([A/75/319](#), paras. 4 and 44), coordination meetings between the Global Asset Management Policy Service, the ECA Africa Hall renovation project team, the ECA Procurement Unit and the Procurement Division at New York Headquarters were held at least once a week. Throughout the reporting period, the Global Asset Management Policy Service has continued to provide technical guidance and advice and share lessons and best practices from other ongoing capital construction projects. In addition, the Service serves as the primary interlocuter between ECA and the key stakeholders in New York, including the Office of Supply Chain Management and the Office of Legal Affairs.

16. Since October 2017, the Global Asset Management Policy Service has been supported by an international professional firm, which has provided construction-related independent risk management services for the project owner. Regular risk management meetings were held with the dedicated ECA project team and key stakeholders of the project, prior to issuing the biannual, independent risk management reports. The purpose of those meetings was to understand the potential impact that different risks, defined in the project's risk register, could have on the overall project schedule and cost plan, and the related cost and schedule contingencies, as further described in section F below.

D. Project management

17. The dedicated project management team is led by a Project Manager (P-5), who reports to the project executive, the Director of Administration of ECA. The project team comprises an Architect/Engineer (P-4), a Procurement Officer (P-3), an Architectural/Civil/Structural Engineer (National Professional Officer), a Mechanical/ Electrical Engineer (National Professional Officer), a Clerk of Works (National Professional Officer), a Finance and Budget Assistant (Local level), a Logistics and Shipping Assistant (Local level) and an Administrative Assistant (Local level). All the temporary positions were approved by the General Assembly in its resolution [70/248 A](#).

18. ECA is in the process of hiring a dedicated temporary P-3 Contracts Manager for the project, as approved in paragraph 16 of section X of resolution [75/253 A](#). Recruitment for that vacancy is well advanced and onboarding of the selected candidate is expected to take place by the end of 2021.

19. A temporary Project Coordinator (P-4) position is embedded in the Global Asset Management Policy Service in New York; the incumbent continues to provide support and oversight services for the project, including risk management coordination services.

20. To ensure continuation of appropriate day-to-day management of the project, the dedicated project positions will continue until the substantial completion of the project, which is forecasted for the end of September 2023. The six dedicated Security Officers, whose temporary positions were approved by the General Assembly in resolution [71/272 A](#), section V, will also continue providing security services until then.

21. As stated in the previous report of the Secretary-General ([A/75/319](#), para. 24), ECA intends to continue engaging individual consultants to provide expert knowledge and professional services that are not available within the dedicated project management team. The status regarding individual consultants remains unchanged, as follows:

(a) **Exhibition curation.** The expert hired in April 2018 has supported the ECA in developing the business case for the visitors' centre and in establishing the permanent exhibition, including selecting the items to be exhibited. As a result of the COVID-19 pandemic, the expert has not provided any on-site services since March 2020. Once the main renovation contract is assigned, the exhibition curation design and documentation activities will resume and the expert is expected to return to ECA and support the solicitation of the curatorial work, as well as oversee and coordinate its implementation;

(b) **Artwork restoration.** The expert hired in February 2018 has strengthened and supported the project management team during the solicitation exercise for artwork restoration and will oversee and coordinate future artwork

restoration efforts. However, since the artworks restoration package will be implemented during the main renovation phase, the expert has not provided any services since the beginning of the COVID-19 outbreak in March 2020. The expert's remaining services are expected to resume by early 2022 in coordination with the main renovation programme of work;

(c) **Resource mobilization.** The expert hired in February 2020 resigned in June 2020 because of the COVID-19 pandemic. Recruitment of a new expert was finalized in July 2021 and the expert is expected to provide three months' support to ECA starting in September 2021.

22. The scope of services in the contract with the lead consultancy firm was amended to reflect the extended project duration based on the resolicitation for the main renovation, together with a revised delivery model allowing remote services from senior experts to address the consequences of the ongoing COVID-19 pandemic without negatively affecting the quality of on-site services.

E. Project accountability

23. In line with General Assembly resolution [75/253](#) A and previous resolutions, the Office of Internal Oversight Services (OIOS) conducted its sixth annual audit of the Africa Hall renovation project virtually between January and March 2020. The most recent internal audit report (2021/021 of June 2021) contains six recommendations, all of which were accepted by ECA and are under implementation, as follows:

(a) ECA should amend the terms of reference of the Advisory Board for the Africa Hall project to allow for the appointment of alternate members from Member States and organizations represented on the board, to prevent disruptions to board meetings;

(b) ECA should include the risk that vacancies on the Africa Hall Advisory Board will impede the convening of meetings for appropriate monitoring and mitigation, when necessary, in the project risk register;

(c) ECA should nominate a risk owner responsible for monitoring the mitigation of risks to the Africa Hall project from the COVID-19 pandemic;

(d) ECA should update the manual for the Africa Hall project to include formal claims management procedures, provide guidance on avoiding claims and litigations and respond to them appropriately, should they occur;

(e) ECA should develop and implement an action plan to ensure that all procurement officials undertake the required professional and mandatory training in procurement and set a target date for completion of the training;

(f) ECA should grant Umoja roles to procurement officials in line with their delegation of authority.

24. ECA values the regular OIOS audits, which provide an opportunity for the project owner, the project executive and the team members to reflect upon and improve the processes and procedures tailored to the project implementation, in line with applicable regulations, rules and guidelines of the Organization.

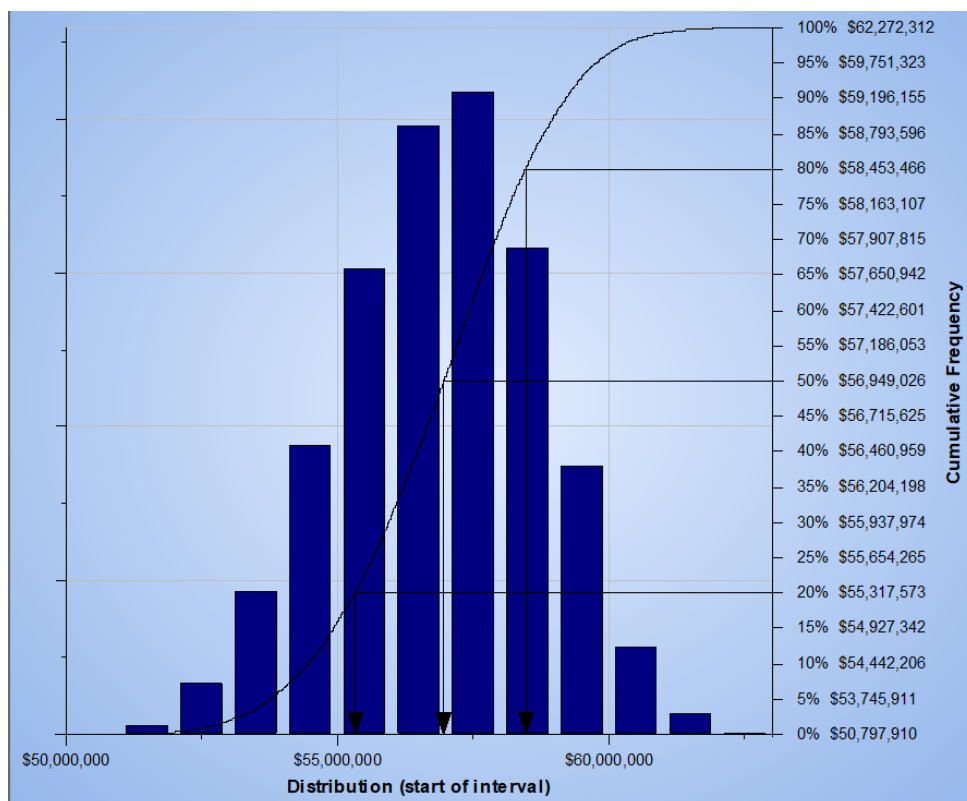
F. Risk management

Independent risk management

25. The independent risk management firm has conducted regular risk meetings to review the project risk register and has provided guidance on the management of project risks. The firm has produced seven biannual independent risk management progress reports since 2017 to continuously support decision-making by the project owner.

26. In June 2021, the independent risk management firm facilitated the fourth Monte Carlo simulation for the renovation project, which was based on an updated assessment of both existing and newly identified risks. The outcome of the simulation is shown in figure I.

Figure I
Cost histogram for analysed risks as of June 2021



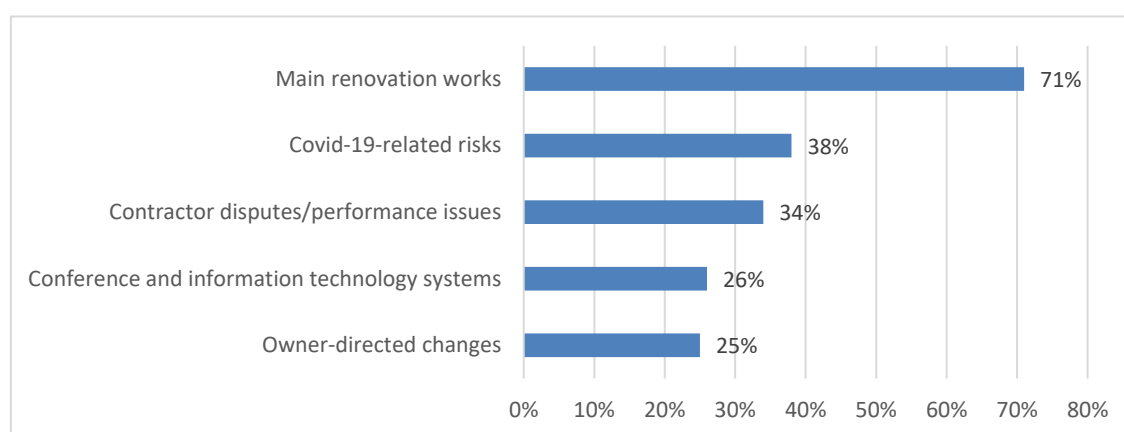
27. As indicated in figure I, the fourth simulation shows a likelihood of delivering the project within the maximum approved overall cost of \$56.90 million at 49 per cent. This represents an increase compared with the simulation in 2020, which showed a likelihood of 43 per cent, but it remains below the two previous models, which were at 75 and 69 per cent in 2018 and 2019, respectively, prior to the termination of the main renovation contract.

28. The current 49 per cent confidence level to deliver the project within budget reflects the timeline for substantial completion by September 2023, which is a forecasted 22-month delay from the previous timeline, in addition to the previously accrued 11-month delay, as reported in the previous progress report. Additional costs related to the prolonged project implementation period, including additional costs

for the project management team and for potential COVID-19 mitigation measures, are reflected in the 49 per cent confidence level. It can be expected that the confidence level will increase again once the contract for the main renovation is reassigned.

29. The 2021 Monte Carlo simulation also resulted in the updated cost sensitivity analysis depicted in figure II, which shows the five risks that would affect the overall project costs the most, in descending order from the risk with the most significant potential impact and based on statistical correlation. For the Africa Hall renovation project, the primary cost risks stem from variables related to the main renovation works.

Figure II
Cost sensitivity analysis as of June 2021



Description of the top five project risks

30. The top five risks identified in the cost sensitivity analysis shown in figure II are explained below in more detail, with a description of the risk response:

(a) **Main renovation works.** In the current COVID-19 pandemic environment, there is a risk that the main renovation works will be resolicited at costs that differ from the current cost estimates. As a risk mitigation measure, ECA decided to resolicit the initial main renovation package by using an innovative procurement process known as “multistage” tendering, which is aimed at creating the best possible understanding of the project for vendors so as to obtain the highest quality and most cost-efficient proposals. Furthermore, delays during the ongoing procurement exercises could potentially affect a timely implementation of the main renovation works and, consequently, cause additional costs if the services for the dedicated project management team and the lead consultancy firm would have to be extended. To mitigate this risk, ECA and the project team closely monitor the procurement progress to ensure it stays on track;

(b) **COVID-19-related risks.** This risk reflects uncertainties related to the ongoing pandemic. For example, there is a risk that the main renovation will take longer than planned because of local regulations related to quarantine or social distancing measures (e.g. limiting or reducing the number of contractor staff on site) and/or to possible requirements for additional hygiene measures in common facilities, such as toilet rooms, locker/dressing rooms, catering facilities, etc. Furthermore, there is a risk that the global supply chain for construction goods and services may be affected by the pandemic, which could lead to a shortage of goods and services needed and affecting prices or delivery time frames. As at the time of

preparing the present report, it is still too early to fully understand all the potential risks and consequences of the COVID-19 pandemic in Ethiopia, in East Africa, in Africa generally or globally and it is therefore difficult to assign specific mitigation measures to risk owners. However, both the dedicated project management team and the Global Asset Management Policy Service, supported by the independent risk management firm, are carefully monitoring the situation. It should be noted that because the project comprises a heritage preservation of a monumental building, it is not expected that the scope of the project would change because of the pandemic;

(c) **Contractor disputes/performance issues.** As reported in the two previous reports ([A/74/328](#) and [A/75/319](#)), this risk relates to costs that might arise from unresolved disputes with consultants or contractors during the project delivery, which could lead to low motivation, stalling progress and/or an unacceptable quality of deliverables. To mitigate against the risk, the renovation project team addresses any contractor claims and change requests in a timely manner. The project team will also keep the renovation project manual updated and ensure that project-specific procedures are understood clearly and adhered to by all stakeholders during the entire project execution. Procedures may be updated to reflect the needs of the consultants and contractors, if such updates do not undermine the needs of ECA;

(d) **Conference and information technology systems.** As noted in the two previous reports ([A/74/328](#) and [A/75/319](#)), this item relates to costs that may arise from expanding the scope of services related to conference and information technology systems and networks. In order to mitigate the risk of cost overruns, the ECA renovation project team is working closely with the ECA Information and Communications Technology Service and other organizational stakeholders to ensure that final installation of the systems will meet the requirements of the Organization, while remaining within budget;

(e) **Owner-directed changes.** Further to the three previous reports ([A/73/355](#), [A/74/328](#) and [A/75/319](#)), this item relates to requirements that may emerge if scope adjustments become necessary during the project implementation. To mitigate against related costs and delays, the renovation project team has involved key organizational stakeholders closely from the outset of the project and will maintain this engagement until project completion to ensure that the expected benefits are delivered as planned and that stakeholders take rapid decisions to prevent any further delays.

Integrated risk management

31. The project team, supported by the independent risk management firm, continued performing integrated risk management activities locally. This included updating and maintaining the risk register, which remains a live repository of all current and past risks, with each risk assigned to a staff member to be responsible for monitoring and controlling the risk and taking corrective action when needed, in line with the defined mitigation plan. The ECA renovation project team also regularly engages with specialized consultants and contractors in their regular risk management activities. As part of the regular monitoring activities, such as regular meetings, the risk situation is carefully analysed and addressed.

G. Progress made during the reporting period

Cooperation with Member States and the host country Government

32. An agreement between the United Nations and the Government of Ethiopia was put in place that has enabled a seamless import of goods and services needed for the

project. The cooperation with local authorities in support of the project has been very positive and effective.

Voluntary contributions

33. Further to the information provided in the third progress report of the Secretary-General ([A/73/355](#)), ECA intends to continue seeking voluntary contributions for the project by showcasing and promoting it at large events and conferences, including at future summits of the Africa Union. However, because of the COVID-19 pandemic, such events were cancelled during the reporting period. ECA will select any future events to potentially promote and showcase the project taking into consideration the COVID-19 situation.

34. As previously reported, ECA intends to develop a visitors' parking space on an area of approximately 3,000 m² of land that was provided by the Government of Ethiopia and the City of Addis Ababa free of charge for a period of 60 years ([A/75/319](#), paras. 35 and 39).

35. Further to the previous report of the Secretary-General ([A/75/319](#), para. 40), the Advisory Board, in particular members from the African Union and the United Nations Educational, Scientific and Cultural Organization, continue to support the request from ECA to African Member States and institutions to provide any pieces of art or historical objects that may constitute witness to the relevance of the building's legacy. The project team, together with the dedicated exhibition curation and artwork restoration experts, continue to assess options for academia and scholars to provide knowledge and other contributions.

36. Pursuant to the request of the General Assembly to develop a sustainable resource mobilization strategy (resolution [73/279 A](#), sect. VIII, paras. 4 and 5), and as noted in paragraph 21 (c) above, the Partnerships and Resource Mobilization Section at ECA has recruited a resource mobilization expert to fill the vacancy created by the previous resignation. The expert is expected to finalize a specific draft action plan to mobilize resources from Member States and the private sector, in accordance with applicable United Nations regulations and rules and in line with ECA strategies.

Procurement activities

37. As noted in the previous report of the Secretary-General ([A/75/319](#)) and reflected in the project cost plan, the project implementation strategy entails breaking down the overall construction programme into the following parts: (a) early decanting works (moving out); (b) main renovation; (c) conference and information technology systems; (d) artwork restoration; and (e) the permanent exhibition.

38. After the initial interruption due to the COVID-19 pandemic, the contractor hired for the early decanting works recommenced the work and substantially completed the work package in July 2021. ECA is currently decanting works the commercial tenants from the Africa Hall Building.

39. As described in the previous report of the Secretary-General, following the termination of the main renovation contract in February 2020, ECA started resoliciting the main renovation works in March 2020. The process was carried out through an innovative procurement method, comprising a multistage request for proposals and competitive dialogues, which led to a satisfactory outcome of qualified bids. The Organization is currently undertaking a background check of the best bidder with the aim of potentially awarding the contract to a contractor whose record indicates that a smooth project delivery should be possible. A contract is expected to be awarded during the fourth quarter of 2021. While this is later than the previously

projected timeline of April 2021, it will not affect the scheduled completion date of the project.

40. The solicitation documents for the conference and information technology systems were completed during the last quarter of 2020. Subsequently, the request for proposals was published in July 2021. The contract award is forecasted to take place early in 2022 and the work is supposed to be implemented in coordination with the main renovation package.

41. The solicitations related to artwork restoration (comprising lot A, stained glass, lot B, canvas and linen, and lots C and D, other minor artwork and art pieces) are well advanced and contracts are expected to be awarded during the second half of 2021. Artwork restoration will be implemented in coordination with the main renovation package.

42. Because of the delays encountered with the main renovation works, the implementation of the permanent exhibition package has been postponed. The solicitation documents will be issued once the main renovation has started. The permanent exhibition component will be delivered at the end of the main renovation.

43. ECA has also renegotiated the contract for the provision of architectural and engineering services for the third, fourth and fifth stages of the renovation of Africa Hall in order to include additional services needed from the lead consultancy firm, as explained in paragraph 22 above. At the time of drafting the present report, the contract amendment was expected to be signed during the second half of 2021.

Local knowledge and lessons learned

44. The Africa Hall renovation continues to draw on the lessons learned from other United Nations capital construction projects and the best practices reflected in the guidelines for the management of construction projects. For the benefit of other United Nations capital construction projects, the lessons learned and best practices identified during the Africa Hall renovation will also be included in updated versions of the guidelines. In accordance with General Assembly resolution [75/253 A](#), an update on how the project team ensures the use of locally sourced and manufactured materials and local labour and expertise will be included in the next progress report of the Secretary-General, once the construction contract is awarded.

45. During the handover of any substantially completed products or work (such as the early decanting works) to the relevant ECA stakeholders (end user representatives), the project team will identify best practices for future handover procedures such as for the main renovation and other work.

46. The lessons learned during the design development of the Africa Hall renovation also provided the blueprint for the ECA campus-wide accessibility and inclusion design approach.

Planning and design activities

47. The design for the conference and information technology systems component was completed during the fourth quarter of 2020 and the related services are currently being solicited.

48. The design development for the permanent exhibition in Africa Hall is in its final stages and expected to be completed early in 2022.

49. The COVID-19 pandemic has affected efforts by ECA to solicit input from academic institutions and individual experts in Addis Ababa on the background and historical documents relating to pan-Africanism, which is one of the three main themes of the future permanent exhibition (the other two themes are the United

Nations in Africa and the Africa Hall Building). Once the main renovation contract is awarded, ECA will again reach out to academic institutions and individual experts in Addis Ababa and solicit their input.

Status of construction efforts

50. As noted in paragraph 38 above, early decanting works were substantially completed in July 2021. During the handover, end users were trained to operate and maintain new systems and the agreed upon documents, user manuals, warranties, commissioning documentation and hand-over protocols were submitted to the relevant ECA stakeholders (end user representatives). Currently, the dedicated project team is preparing a report on the lessons learned during early decanting works.

51. Defective items from the early decanting works phase that did not affect safe operations were identified and included in a list that will be reviewed and rectified during the defects liability period, a period of 12 months that started with substantial completion and will end in July 2022. A mechanism was agreed with the contractor to rectify any defects (including any potential future defects) during the liability period.

52. ECA is moving the current tenants from the Africa Hall Rotunda to the new retail spaces created through the early decanting works to ensure that the Africa Hall Building is empty and the main renovation works, once the contract is assigned, can be implemented without any delays. It is anticipated that the current tenants from the Africa Hall Building will occupy the new retail spaces by September 2021.

53. As stated in the previous report of the Secretary-General ([A/75/319](#), para. 56), the lead consultancy firm's construction administration services were suspended in March 2020. ECA has since renegotiated those services in view of the resolicitation of the main renovation works contract. The proposed contract amendment is expected to be signed during the second half of 2021.

H. Other matters

Accessibility

54. In previous progress reports, the Secretary-General emphasized that the design for the renovation of Africa Hall meets all relevant equitable access principles. The project manager is a member of ECA working groups on accessibility and inclusion and the design of the Africa Hall renovation project also provided the blueprint for the ECA campus-wide accessibility and inclusion design approach.

Sustainability

55. Having substantially completed the early decanting works package in July 2021, ECA will measure and record energy consumption in the newly created permanent spaces during the coming six months and will create a consumption baseline during the first quarter of 2022 to address the requests of the General Assembly contained in resolutions [73/279 A](#), [74/263](#) and [75/253 A](#).

Visitors' centre

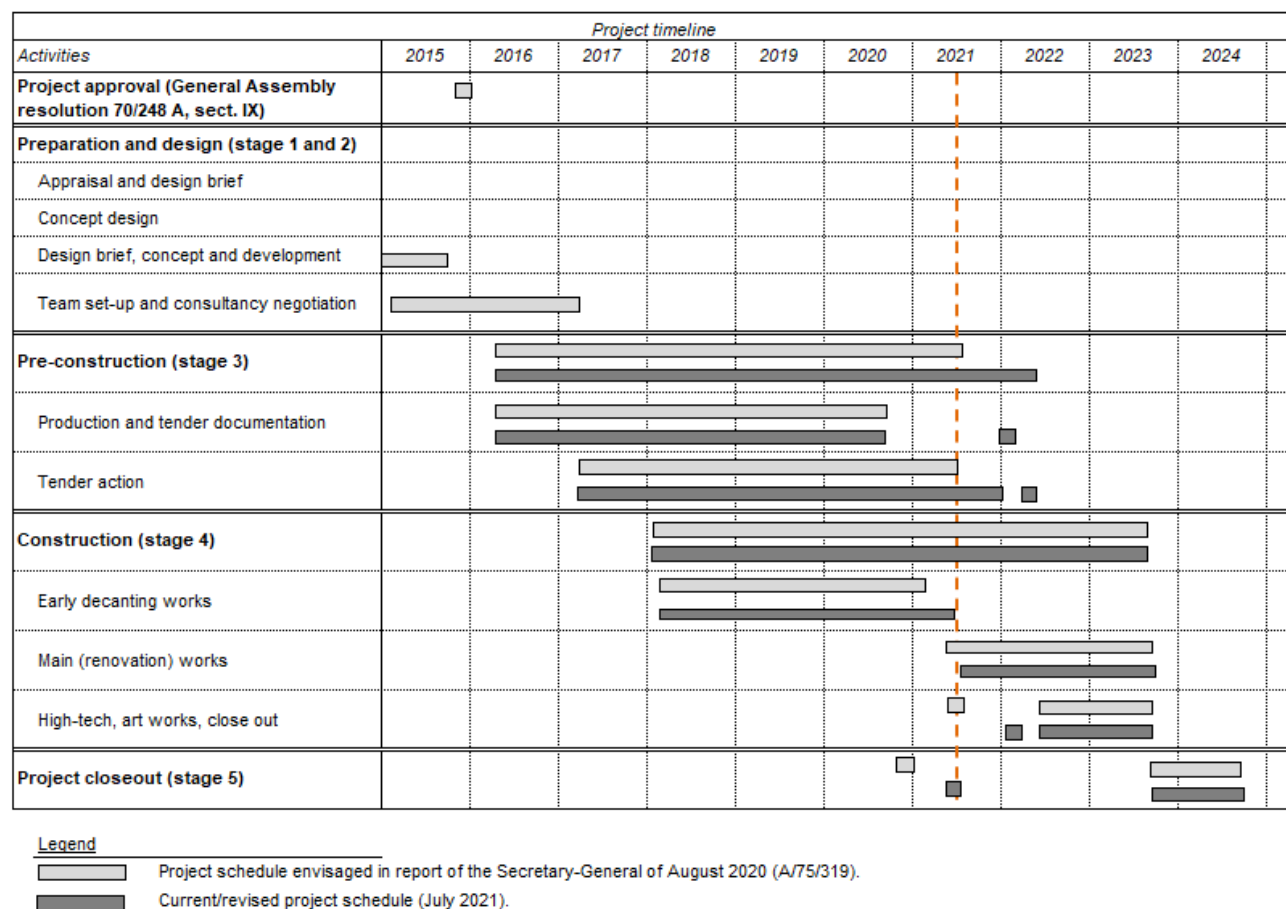
56. Pursuant to General Assembly resolution [75/253 A](#), information on admission options, including fee exemptions, and an outreach strategy will be provided in the next progress report.

I. Project schedule

57. Figure III shows the actual project progress as at 30 June 2021 and the updated schedule through to substantial project completion.

Figure III

Project schedule for the renovation of Africa Hall as at 30 June 2021



J. Project expenditure and anticipated costs

Status of expenditure and projected expenditure to the end of 2021

58. By its resolutions [71/272 A](#), [72/262 A](#), [73/279 A](#) and [74/263](#), the General Assembly appropriated a total amount of \$36,541,700 for the project for the period 2016–2021, comprising: (a) \$3,875,200 under section 18, Economic and social development in Africa; (b) \$32,344,700 under section 33, Construction, alteration, improvement and major maintenance; and (c) \$321,800 under section 34, Safety and security, of the programme budget.

59. The cumulative expenditure as at 30 June 2021 was \$12,341,500 and the projected expenditure for the remainder of 2021 amounts to \$4,838,900, as detailed in table 1. The relatively low level of expenditure is attributable to the fact that the main renovation package, which is the largest work package of the Africa Hall renovation project, was not delivered as planned as described earlier in the present report.

Table 1

Status of expenditure as at 30 June 2021 and projected expenditure for the remainder of 2021

(Thousands of United States dollars)

	<i>Project funding for the period 2016–2021</i>	<i>Cumulative expenditure from project start to 30 June 2021</i>	<i>Projected expenditure from 1 July to 31 December 2021</i>	<i>Total projected expenditure, 2016–2021</i>	<i>Projected unused balance at the end of 2021</i>
	(a)	(b)	(c)	(d)=(b)+(c)	(e)=(a)-(d)
Section 33, Construction, alteration, improvement and major maintenance					
1. Construction costs	21 649.2	2 439.2	2 047.5	4 486.7	17 162.5
2. Professional services	5 731.6	4 923.0	401.7	5 324.7	406.9
3. Escalation	945.9	–	1 373.8	1 373.8	(427.9)
4. Contingency	4 027.0	–	229.8	229.8	3 797.2
Subtotal, section 33	32 353.7	7 362.2	4 052.8	11 415.0	20 938.7
Section 18, Economic and social development in Africa					
5. Project management	3 875.2	4 556.9	657.7	5 214.6	(1 339.4)
Subtotal, section 18	3 875.2	4 556.9	657.7	5 214.6	(1 339.4)
Section 34, Safety and security					
6. Security requirements (Security Officers)	321.8	422.4	128.4	550.8	(229.0)
Subtotal, section 34	321.8	422.4	128.4	550.8	(229.0)
Total	36 550.7	12 341.5	4 838.9	17 180.4	19 370.3
Funded by voluntary contributions	9.0	–	–	–	9.0
Funded by appropriation	36 541.7	12 341.5	4 838.9	17 180.4	19 361.3

60. As shown in table 1, a balance of \$19,370,300 is projected to remain unused at the end of 2021.

Resource requirements for 2022

61. The resource requirements for 2022 are shown in table 2. The total projected expenditure for 2022 amounts to \$ 17,954,400, comprising:

(a) \$992,100 under section 18, Economic and social development in Africa, which would provide for:

(i) The continuation of the current dedicated management team and 50 per cent of the cost of the Project Coordinator (P-4) position based at Headquarters (cost-shared with the project to replace office blocks A to J at the United Nations Office at Nairobi) (\$955,100);

(ii) Individual consultants providing expert knowledge to support the dedicated project team, on demand (\$30,000);

(iii) Travel of the project management team, which will be restricted to the minimum required and also takes into account the impact of travel restrictions due to COVID-19 (\$7,000);

(b) \$16,777,700 under section 33, Construction, alteration, improvement and major maintenance, which would provide for:

- (i) Construction costs (\$14,324,200) to finalize the early decanting works and for the implementation of the main renovation works, for installation of the conference and information technology systems and network and for the artwork restoration;
- (ii) Professional service fees (\$1,157,100), including the services of the lead consultant for finalizing the design and for supporting the dedicated project team in construction management and construction supervision activities, and the professional risk management firm and other services, such as third-party consultants to provide independent opinions on the design development or other subjects for which an outside assessment provides value;
- (iii) A contingency provision (\$1,296,400) to cover inherent risks in case they materialize;
- (c) \$184,600 under section 34, Safety and security, for the security services to be provided by the dedicated six Security Officers.

Table 2
Resource requirements for 2022

(Thousands of United States dollars)

	<i>Projected expenditure in 2022</i>	<i>Projected unused balance at the end of 2021</i>	<i>Net funding requirement for 2022</i>
	<i>(a)</i>	<i>(b)</i>	<i>(c)=(a)-(b)</i>
Section 33, Construction, alteration, improvement and major maintenance			
1. Construction costs	14 324.2	17 162.5	(2 838.3)
2. Professional services	1 157.1	406.9	750.2
3. Escalation	—	(427.9)	427.9
4. Contingency	1 296.4	3 797.2	(2 500.8)
Subtotal, section 33	16 777.7	20 938.7	(4 161.0)
Section 18, Economic and social development in Africa			
5. Project management	992.1	(1 339.4)	2 331.5
Subtotal, section 18	992.1	(1 339.4)	2 331.5
Section 34, Safety and security			
6. Security requirements (Security Officers)	184.6	(229.0)	413.6
Subtotal, section 34	184.6	(229.0)	413.6
Total	17 954.4	19 370.3	(1 415.9)
Funded by voluntary contributions	9.0	9.0	—
Funded by appropriations	17 945.4	19 361.3	(1 415.9)

62. The projected requirements of \$17,954,400 for 2022 would be funded from appropriations and assessed funding already made in previous years by Member States, as well as from unused received voluntary contributions. Given that the project funding is recorded under a multi-year construction-in-progress account approved by the General Assembly in its resolution [70/248 A](#) (sect. IX, para. 27), the anticipated unused balance of \$19,361,300 from Member State appropriations and

assessed funding at the end of 2021 will be carried forward and cover the funding requirements in 2022.

K. Next steps

63. Actions to be undertaken during the next reporting period are as follows:

- (a) Awarding the contract for delivering the main renovation to a construction firm;
- (b) Commencing and mobilizing the construction services under the main renovation contract;
- (c) Selecting the professional firm(s) for lots A, B and D of the artwork restoration packages and commencing the delivery of the related artwork restoration services;
- (d) Solicitating and awarding a contract to a professional firm for delivering the conference and information technology systems and networks package;
- (e) Commencing the delivery of the services under the conference and information technology systems and networks package;
- (f) Completing the design development for the permanent exhibitions and soliciting the related services;
- (g) Preparing the report on the lessons that were learned during the delivery of the early decanting works;
- (h) Supporting the relevant ECA services during the defects liability period in rectifying the defects contained in the early decanting works punch list.

II. Recommended actions to be taken by the General Assembly

64. **The General Assembly is requested to take note of the report of the Secretary-General.**

Annex

Revised cost plan

	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total	Reported in A/75/319	Change
Section 33, Construction, alteration, improvement and major maintenance												
1. Construction costs												
1.1 Building costs	–	–	54.6	354.3	14.7	1 917.9	12 282.1	12 275.0	1 784.5	28 683.2	28 683.1	0.1
1.2 Decanting works	–	–	459.6	1 384.1	129.3	132.2	32.1	–	–	2 137.2	2 137.3	(0.1)
1.3 Conference and information technology systems	–	–	–	–	–	–	1 500.0	2 300.0	100.0	3 900.0	3 900.0	–
1.4 Artwork restoration	–	–	–	–	–	40.0	110.0	730.0	110.0	990.0	990.0	–
1.5 Permanent exhibition	–	–	–	–	–	–	400.0	250.0	51.0	701.0	701.0	–
2. Professional services												
2.1 Lead consultancy firm	983.2	1 733.3	911.6	586.4	308.8	623.9	1 126.9	1 126.9	366.1	7 767.1	6 699.9	1 067.2
2.2 Risk management firm	–	–	52.8	–	30.3	20.2	20.2	16.8	–	140.4	140.4	(10.1)
2.3 Other services	1.6	10.4	49.6	2.5	–	10.0	10.0	10.0	5.0	99.1	114.1	(15.0)
3. Escalation	–	–	–	–	–	1 373.8	–	–	–	1 373.8	1 373.8	–
4. Contingency	–	–	–	–	–	230.6	1 296.4	1 399.2	202.4	3 127.7	4 015.0	(887.3)
Subtotal, section 33	984.8	1 743.6	1 528.3	2 327.3	483.2	4 347.8	16 777.7	18 107.9	2 619.0	48 919.5	48 754.6	164.9
Section 18, Economic and social development in Africa												
5. Project management												
5.1 Dedicated project management and support	320.7	869.1	766.0	883.5	839.2	885.0	858.7	741.8	–	6 163.9	6 203.7	(39.7)
5.2 Dedicated coordinator at Headquarters	–	14.2	93.5	96.1	99.0	96.4	96.4	81.2	–	576.6	576.4	0.2
5.3 Consultancies and expertise	–	5.6	19.5	9.6	–	120.0	30.0	30.0	30.0	244.7	364.7	(120.0)
5.4 Travel of project management team	16.5	20.5	37.7	15.6	–	7.0	7.0	5.6	0.0	110.0	117.0	(7.0)
Subtotal, section 18	337.2	909.3	916.7	1 004.9	938.1	1 108.3	992.1	858.6	30.0	7 095.2	7 261.7	(166.4)
Section 34, Safety and security												
6. Security requirements	–	26.7	104.1	113.7	123.6	182.6	184.6	146.2	–	881.6	880.0	1.5
Subtotal, section 34	–	26.7	104.1	113.7	123.6	182.6	184.6	146.2	–	881.6	880.0	1.5
Total	1 322.0	2 679.7	2 549.2	3 445.9	1 544.9	5 638.8	17 954.4	19 112.6	2 649.7	56 896.3	56 896.3	0.0
Funded by voluntary contributions	–	–	–	–	–	–	9.0	43.2	–	52.2	–	–
Funded by appropriations	1 322.0	2 679.7	2 549.2	3 445.9	1 544.9	5 638.8	17 954.4	19 069.4	2 649.7	56 844.1	–	–