



UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/C.5/35/6
9 July 1980

ORIGINAL: ENGLISH

Thirty-fifth session
FIFTH COMMITTEE
Item 92 of the preliminary list*

PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981

Joint Inspection Unit interim report on procedures
for obtaining estimates and soliciting bids on
United Nations construction projects

Note by the Secretary-General

The Secretary-General transmits herewith the interim report of the Joint Inspection Unit (JIU) on procedures for obtaining estimates and soliciting bids on United Nations construction projects which has been prepared in response to the request contained in General Assembly resolution 34/233, section X.

* A/35/50.

JOINT INSPECTION UNIT INTERIM REPORT ON PROCEDURES
FOR OBTAINING ESTIMATES AND SOLICITING BIDS ON
UNITED NATIONS CONSTRUCTION PROJECTS

1. In December 1979, the General Assembly adopted resolution 34/233, by which it requested the Joint Inspection Unit to "conduct a full-scale study of procedures for obtaining estimates and soliciting bids on United Nations construction projects at Headquarters and in other United Nations offices, with the assistance of outside expertise as necessary, it being understood that ... the study should include comparative information with respect to other organizations in the United Nations system ...".
2. The present interim report describes action taken thus far by the Joint Inspection Unit in response to the request of the General Assembly. The final report will be submitted to the General Assembly at its thirty-sixth session.
3. With the assistance of consultants, the Inspectors prepared a questionnaire in two parts, which were sent out separately. The first part sought information on all construction projects of the organizations of the United Nations system completed since 1970 and costing more than \$1 million or now under way and expected to cost more than \$2 million. For each construction project, the organizations were asked to provide a separate file, including a description of the major phases (specifications, design, estimates, approval, design changes, construction, occupation of building, acceptance, closing of accounts etc.), and to complete a table showing a breakdown of design, estimating and construction costs, and providing an explanation for any discrepancy between initial estimates and final costs. Other questions dealt with the role of intergovernmental bodies, the existing construction rules of the organizations and the responsibilities of the various parties involved in construction projects. Buildings whose construction was managed and financed by host Governments and rented or otherwise provided to United Nations organizations are not included in the study.
4. The first part of the questionnaire was dispatched on 22 February 1980 and replies were received from 11 organizations. Of these, only the United Nations, the International Labour Organisation (ILO), International Telecommunication Union (ITU), United Nations Educational, Scientific and Cultural Organization (UNESCO) and World Health Organization (WHO) had construction projects which fell within the scope of the study. The United Nations was the only organization with construction projects in more than one duty station (New York, Geneva, Addis Ababa, Bangkok, Santiago and Nairobi).
5. The World Intellectual Property Organization (WIPO), which is not at present a participating organization of JIU, explained that it was unable to reply to the JIU questionnaire because in order to provide the facts it would have had to conduct extensive research, for which, unfortunately, the necessary manpower was not available. Since WIPO was the last organization to complete construction of a building in Geneva, the absence of information on that construction project will no doubt reduce the comprehensiveness of the study.

6. The second part of the questionnaire was sent on 1 May 1980 and posed more detailed questions on specific construction projects chosen by the Inspectors on the basis of replies to the first questionnaire. It covered three projects for the United Nations (New York: expansion of meeting rooms and delegate servicing facilities, phase I; Geneva: extension of the Palais des Nations; and Bangkok: new buildings for the Economic and Social Commission for Asia and the Pacific), and one construction project for each of the following: ILO; ITU; UNESCO and WHO. Replies to the second part of the questionnaire were requested for 1 July 1980. Upon examination of the replies, the Inspectors will contact the organizations to seek any clarifications or supplementary information that may be required. The information obtained will be analysed carefully with the assistance of consultants. A draft report will be circulated to the organizations for comment prior to the submission of the final report to the General Assembly in 1981.

7. In carrying out this study, JIU will examine the procedures for obtaining estimates and soliciting bids and the results of these procedures as they affect the entire construction process. Particular attention will be given to the evolution of costs. The role of legislative and intergovernmental bodies in approving and supervising construction projects will also be examined. The Inspectors will comment on the adequacy of existing procedures in the United Nations and will suggest such specific revisions and improvements as they consider desirable.
