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Chair: Mr. Mavroyiannis. (Cyprus)
*Chair of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Terzi

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The meeting was called to order at 10.05 a.m.

Agenda item 135: Proposed programme budget for 2020 (continued)

Construction and property management
([A/74/7/Add.8](#) and [A/74/317](#))

1. **Mr. Ramanathan** (Controller), introducing the report of the Secretary-General on the seismic mitigation retrofit and life-cycle replacements project at the Economic and Social Commission for Asia and the Pacific (ESCAP) premises in Bangkok ([A/74/317](#)), said that the report had been prepared pursuant to section VII of General Assembly resolution [73/279](#) A. While subject to risks, the project was on track and was expected to be completed in 2023, within the overall maximum estimated cost of \$40.02 million. During the reporting period, ESCAP had successfully completed the design phase, ensuring that all key mandates, including compliance with seismic, fire and life safety codes, were addressed. The on-site swing space was currently being constructed and the tendering process related to the contract for the main construction works was being finalized.

2. The project team had focused on governance and accountability to ensure that the project objectives were achieved within budget and on time. The Executive Secretary of ESCAP was the project owner and had assigned one of the deputy secretaries the authority to make strategic decisions about project direction and to manage the interests of stakeholders. The aim was to ensure broad consensus and support from project clients.

3. ESCAP continued to cooperate closely with the host country to obtain assistance and support for the project. During the design phase, for example, the project team had pursued its partnership with the Thai Council of Engineers and the Advisory Committee of Local Technical Experts, which had given advice on local best practices and key issues such as local laws, building codes and occupational health and safety standards for construction in Bangkok. ESCAP also continued its close collaboration with the Global Asset Management Policy Service at Headquarters, which provided support and guidance with respect to risk management and leveraging best practices and lessons learned from other United Nations capital projects.

4. Focus had been maintained on key project objectives such as a 16- to 18-per-cent reduction in energy consumption, 20-per-cent efficiency gains in space utilization, removal of hazardous materials, and delivery of a fully accessible and inclusive secretariat building in line with the Convention on the Rights of

Persons with Disabilities. ESCAP was proactively seeking voluntary contributions from Member States, including in-kind contributions through the Junior Professional Officers programme, and provided regular updates at the meetings of the Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission.

5. There had not been a project on the current scale at ESCAP since the initial construction of the premises and the project team was aware of the importance of having a robust change management process. ESCAP had a business readiness plan to manage all the activities involved in moving to the swing space and back to the office space after renovation, along with a strong communication strategy. With the project's successful delivery, ESCAP would be able to meet the future requirements of its occupants and provide effective support to the Organization in achieving goals and mandates. The General Assembly was requested to take note of the report and of the revised cost plan, approve the establishment of three temporary positions, effective from 1 January 2020, and appropriate an amount of \$6,410,700 for project activities in 2020. The approval of the resources would enable the project to proceed with the construction phase in 2020.

6. **Mr. Terzi** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee ([A/74/7/Add.8](#)), said that the Advisory Committee noted that the bid documents for the general construction works had been issued later than planned owing to a number of factors, including the incorporation into the final design of previously unforeseen fire and life safety scope items. As a result, the construction works were expected to begin in the second quarter of 2020, instead of the first quarter as previously announced. The Advisory Committee was concerned about the successive delays in the start of the construction works reported in the current and previous progress reports. It recommended that the General Assembly request the Secretary-General to take the necessary measures to complete the project on time and within the approved budget.

7. With regard to the removal of hazardous materials and the second, detailed survey that was to be conducted of the entire ESCAP premises to assess the full extent of the abatement works required prior to the start of the main construction works, the Advisory Committee stressed in its report the need to incorporate the outcome of the survey into the project scope, along with a health and safety plan, as soon as possible and to develop strategies for managing and mitigating any eventual

risks that could arise from the outcome of the second survey.

8. The Advisory Committee recommended that the General Assembly request the Secretary-General to include, in his next progress report, details on the utilization of on-site swing space and expected future rental income, as well as information on developments regarding space efficiency and utilization, including lessons learned from piloting flexible workplace strategies. It trusted that the Secretary-General would also provide an update on the accessibility features being introduced at ESCAP. Lastly, the Advisory Committee recommended approval of the Secretary-General's proposals for post and non-post resources for the project in 2020, including the establishment of three Local level positions.

9. **Mr. Katkhuda** (Observer for the State of Palestine), speaking on behalf of the Group of 77 and China, said that the Group wished to express appreciation to the Government of Thailand for its continued support for the work of ESCAP and the project. The Commission should continue to engage closely with the host country and local authorities throughout the project's implementation. Over the past seven decades, the Commission had played a crucial role in advancing a sustainable and inclusive development agenda, as well as serving as a platform for knowledge-sharing and dialogue on issues critical to the Asia-Pacific region. In recent years, it had faced growing demands for its services from Member States in the region. It was therefore imperative for the seismic mitigation retrofit and life-cycle replacements project to be completed successfully and on time so that the continuity of the Commission's activities was ensured.

10. The Group welcomed the progress made in implementing the project. Important elements such as efficient building performance, energy conservation and sustainability, accessibility and space efficiency had been taken into account in the planning and design phase to increase overall efficiency gains, while due regard had been given to utilizing local knowledge and practices in construction projects as well as lessons learned from other United Nations capital projects, including the renovation works at the building of the United Nations Children's Fund (UNICEF) in Bangkok. The use of local materials and construction techniques was also welcome, as it should enhance cost efficiency.

11. The Group noted that there remained a relatively low level of confidence that the project would be completed within the approved budget. The Secretary-General should monitor the situation closely, take the necessary risk mitigation measures in a timely manner

and continue to seek voluntary contributions and other forms of support for the project from Member States. Governance, oversight, cost-effectiveness and accountability were key to achieving the overall goals of the project. The Group appreciated the work of the Office of Internal Oversight Services (OIOS) in that regard and its guidance. It was pleased that ESCAP had implemented all the recommendations resulting from the Office's 2018 audit and trusted that it would do likewise in 2019.

12. Consideration of capital projects at United Nations duty stations remained a priority for the Group. Health and safety issues must continue to be addressed across all United Nations premises to enhance the effectiveness and efficiency of the Organization as well as the participation of all Member States. It was therefore crucial for Member States to support the successful implementation of other construction and property management projects, including those at the United Nations Office at Nairobi (UNON), the United Nations Economic Commission for Africa (ECA) in Addis Ababa and the Economic Commission for Latin America and the Caribbean (ECLAC) in Santiago.

13. **Mr. Teo** (Singapore), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), said that the regional commissions, of which ESCAP, with 53 member States and nine associate members, was the largest, must be provided with safe, suitable and accessible workplaces. ASEAN remained grateful to the Government of Thailand, the host country, for facilitating the work of the Commission, whose technical assistance and capacity-building had proved essential to the implementation of the 2030 Agenda for Sustainable Development. Much remained to be done, however. In that regard, ASEAN reaffirmed its support for ESCAP and the stewardship of its Executive Secretary.

14. Good governance, effective oversight, transparency and accountability were essential to the timely completion of the project within budget. ASEAN therefore welcomed the fact that OIOS had conducted its third audit of the project and noted with satisfaction that ESCAP had addressed all recommendations from the previous OIOS audit and was implementing the recommendations from the 2019 audit. ASEAN supported the Secretary-General's proposal to establish three temporary positions in 2020. The project team should continue to explore innovative ways of optimizing the use of space, conserving energy, making cost savings and reducing business disruption, while giving due consideration to the most cost-effective approach.

15. ASEAN commended ESCAP on implementing environmental management strategies and seeking to reduce its carbon footprint by promoting conservation in such areas as water and energy use, meetings and travel. It also welcomed the Commission's continuing efforts to attract qualified female candidates to the project team; the United Nations must remain committed to improving gender parity and equitable geographical representation in its workforce at all levels.

16. Local knowledge, materials and technology should be used in the project, along with in-house capacity. ASEAN therefore welcomed the Commission's collaboration with the host country and with other Secretariat entities throughout the project's planning and implementation. It noted in that regard the meeting held with the Office of the Insurance Commission of Thailand in preparation for the issuance of the bid documents for the general construction works.

17. The General Assembly should support the timely and full implementation of the project. ASEAN was concerned about the outcome of the second Monte Carlo risk analysis, according to which the project remained at significant risk of going over budget, notwithstanding the assurances given in the Secretary-General's report. That risk must be mitigated in a timely manner. The implementation of capital projects at the regional commissions was important to the effectiveness and efficiency of the Organization. ASEAN therefore strongly supported the replacement of office blocks at UNON and renovation work at ECA and ECLAC.

18. **Mr. Srivihok** (Thailand) said that Thailand was proud to have hosted ESCAP, an important regional arm of the United Nations, for seven decades. During that time, the Commission had worked tirelessly to fulfil its mandate by promoting sustainable, inclusive development. His Government would continue to give its full support to the Commission's work. It also supported efforts to address the health and safety issues at the ESCAP premises in Bangkok through the implementation of the seismic mitigation retrofit and life-cycle replacements project, the successful completion of which would depend on close cooperation between the Organization and the host country. Thailand had made in-kind contributions to the project, notably the facilitation of meetings between ESCAP and local authorities and stakeholders, whose broad range of local expertise, best practices and knowledge of procedures had greatly benefited the project team.

19. His Government welcomed the progress made in implementing the project. It was pleased to note that the on-site swing space would be completed in time for the

first phase of the main construction works in 2020. The work carried out by ESCAP in order to comply with all seismic building codes and industry norms ensured that the project would fulfil its purpose of addressing safety issues. The Commission was also to be commended for taking account of energy efficiency and sustainability, accessibility and space efficiency. The efficient use of space through open-plan workspace solutions would allow the complex to accommodate more United Nations entities, which was in keeping with his Government's policy of promoting Bangkok as a hub for international organizations. Governance, effective oversight, accountability and transparency were essential to the project. His delegation therefore appreciated the OIOS recommendations in that regard.

Estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (continued) (A/74/6 (Sect.3)/Add.1 and A/74/7/Add.1)

20. **Mr. Ramanathan** (Controller), introducing the first addendum to the report of the Secretary-General on section 3, Political affairs, of the proposed programme budget for 2020 (A/74/6 (Sect.3)/Add.1), said that it contained the overall resource requirements for 2020 for 37 special political missions. While the resource requirements for special political missions continued to be included under section 3, following the adoption of General Assembly resolution 72/266 A and the endorsement of the recommendations of the Advisory Committee on the earlier submission of proposals and the alignment of budget proposals for the special political missions with the rest of the regular budget, those requirements were now derived on an annual basis from the estimated resource needs of the individual missions, which were set out in addenda 1 to 6 to section 3.

21. The total proposed resources for 2020 for the 37 missions amounted to \$643.9 million, which represented a decrease of \$11.7 million compared with the approved budget for 2019. The overall requirements included the amount of \$1.4 million to provide for the share of special political missions in the budget of the Regional Service Centre in Entebbe, in accordance with General Assembly resolution 73/309. The decrease in resource requirements for 2020 related primarily to reductions at four missions: the United Nations Assistance Mission for Iraq (UNAMI), in the amount of \$5.3 million or 5.0 per cent, reflecting reduced operational costs; the United Nations Assistance Mission in Afghanistan (UNAMA), in the amount of \$4.5 million or 3.2 per cent, mainly due to the proposed net reduction of seven

positions and reduced operational costs; the United Nations Support Mission in Libya (UNSMIL), in the amount of \$3.9 million or 5.1 per cent, due to the planned consolidation of the Mission's presence in Libya, taking into account security conditions; and the United Nations Verification Mission in Colombia (UNVMC), in the amount of \$3.9 million or 5.9 per cent, owing to the projected closure of four remote field locations. That overall decrease was offset by a proposed increase of \$7.1 million for the United Nations Assistance Mission in Somalia (UNSOM), the United Nations Investigative Team to Promote Accountability for Crimes Committed by Da'esh/Islamic State in Iraq and the Levant (UNITAD) and the Office of the Special Envoy of the Secretary-General for Yemen, resulting mainly from resolutions of intergovernmental bodies. Resource requirements for 2020 in respect of the United Nations Mission to Support the Hudaydah Agreement (UNMHA) and the United Nations Integrated Office in Haiti (BINUH) would be presented separately. Given the liquidity crisis affecting the Organization's regular budget operations, special political missions had been requested, like all other regular budget operations, to align expenditures with liquidity forecasts by adjusting their hiring and non-post expenditures.

22. **Mr. Terzi** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee ([A/74/7/Add.1](#)), said that the report addressed the Secretary-General's overall resource estimates for 2020 in respect of 37 special political missions and related cross-cutting issues. As the resource requirements for individual missions were submitted by the Secretary-General in addenda 2 to 6 to his main report ([A/74/6 \(Sect. 3\)/Add.1](#)), the Advisory Committee's specific recommendations on the requirements for those missions were contained in its related reports ([A/74/7/Add.2](#), [A/74/7/Add.3](#), [A/74/7/Add.4](#), [A/74/7/Add.5](#) and [A/74/7/Add.6](#)).

23. With the introduction of an annual programme budget on a trial basis pursuant to General Assembly resolution [72/266 A](#), the actual resource estimates in respect of special political missions were now included within the overall resource level of the proposed programme budget for 2020. The Advisory Committee welcomed that change, which had improved budgetary accuracy compared with recent bienniums, when biennial provisions had been proposed for the missions. As a result of the new arrangements, the Advisory Committee's recommendations on the budget proposals for 2020 for individual missions would require adjustments to be made to the overall resource level of the proposed programme budget for 2020 submitted by

the Secretary-General. Since the Secretary-General's proposals no longer contained information on budget performance for the current period, the Advisory Committee trusted that the most up-to-date information in that regard would be provided to the General Assembly in due course. The Advisory Committee's comments and recommendations on budget methodology, format and presentation, which were contained in its first report on the proposed programme budget for 2020 ([A/74/7](#), chap. I, sect. A), also applied to the reports of the Secretary-General on the estimates in respect of special political missions under thematic clusters I to III, UNAMA and UNAMI.

24. The overall resource level proposed for 2020 represented a decrease of \$11.6 million or 1.8 per cent compared with the approved resources for 2019, excluding UNMHA. Regarding staffing requirements, a net increase of 34 positions, or 0.8 per cent, was proposed for the 37 missions for 2020, excluding the 11 general temporary assistance positions for electoral support for 2020 requested for UNSOM. Information on the proposed staffing changes was contained in annex I to the Advisory Committee's report ([A/74/7/Add.1](#)). The Advisory Committee's specific comments and recommendations on the proposed staffing requirements for the individual missions were contained in its related reports ([A/74/7/Add.2](#), [A/74/7/Add.3](#), [A/74/7/Add.4](#), [A/74/7/Add.5](#) and [A/74/7/Add.6](#)).

25. With regard to vacancy rates for new and reassigned posts and positions, different vacancy rates were proposed and applied without sufficient justification in the proposed programme budget for 2020, including the estimates in respect of special political missions, the peacekeeping operations budgets and the support account budget for the 2019/20 period. The Advisory Committee was of the view that, as a policy matter, vacancy rates budgeted for new and reassigned posts and positions under different budgets should be presented with clarity. It trusted that further information and explanation would be provided to the General Assembly in due course. In its first report on the proposed programme budget for 2020 ([A/74/7](#)), the Advisory Committee had made comments and recommendations on vacancy rates, long-vacant posts and special post allowance, which, since they dealt with policy matters, also applied to the special political missions under consideration.

26. The Advisory Committee had discussed the budgeting for the positions of resident coordinators who were also Deputy Special Representatives of the Secretary-General and the related support capacity in six structurally integrated special political missions. It noted that the Secretary-General's proposals for 2020

contained no information on any review conducted of the support capacity in the six missions, despite a request to that effect by the General Assembly. Moreover, of the six missions, only UNAMA was proposing the abolishment of positions. The Advisory Committee was not convinced of the need to maintain in 2020 the existing support capacity levels in the other five missions, in particular in the case of UNAMI. It reiterated its recommendations that the Secretary-General ensure that the arrangements proposed for the double- or triple-hatted Deputy Special Representatives of the Secretary-General and the related support capacity in all six missions were consistent with the provisions of General Assembly resolution [72/279](#) and that the General Assembly request the Secretary-General to further review and adjust the relevant organizational structures and support capacity in the missions concerned.

27. The proposed resources for operational costs amounted to \$229.1 million for 2020, which represented a decrease of \$15.6 million compared with the provision for 2019. The Advisory Committee had made specific comments and recommendations on operational costs for 2020 for the individual missions in its related reports. Lastly, the Advisory Committee recommended that the General Assembly request the Secretary-General to ensure that actual allocations of vehicles and information technology equipment were regularly reviewed and aligned with the standard ratios, and that specific justification for higher allocations by missions was provided in future budget submissions.

The meeting rose at 10.45 a.m.