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**Utilization of the United Nations conference centres at  
Bangkok and Addis Ababa**

**Report of the Secretary-General**

*Summary*

Greater utilization of the United Nations conference centres at Bangkok and Addis Ababa, beyond their use to meet the conference requirements of the Economic Commission for Africa (ECA) and the Economic and Social Commission for Asia and the Pacific (ESCAP), has been constrained by a number of factors. These have included uncertainty about the appropriate use of the facilities, particularly as venues for private sector and commercial events; the very limited opportunities for rerouting meetings included in the United Nations calendar of conferences; inadequate staffing structures for the management of the centres; lack of funds for marketing and promotional activities; and regional instability. Recently, however, both ESCAP and ECA have taken steps to staff and manage the centres more adequately and to provide resources for marketing operations. Promotional campaigns are being launched through the use of web sites, brochures, videos, hosted tours, package deals, mailings and direct marketing to attract more users, mainly among United Nations agencies, national institutions and intergovernmental and non-governmental organizations, but also private sector entities. Utilization statistics for the past 18 months have begun to show steady improvement.

## I. Introduction

1. In section B, paragraph 27, of its resolution 54/248 of 23 December 1999, the General Assembly requested the Secretary-General to ensure an increase in the utilization of the regional centres in future work programmes and to report thereon to the Assembly at its fifty-fifth session. In paragraph 120 of its resolution 54/249, of the same date, the Assembly expressed deep concern about the underutilization of the conference centres at Bangkok and Addis Ababa, and requested the Secretary-General to develop and implement a strategy for increasing their use and to report thereon to the Assembly by the end of its fifty-fourth session.

2. At its substantive session of 2000, held from 7 to 9 August, the Committee on Conferences heard an oral report on the constraints that had affected the utilization of the conference centres in Bangkok and Addis Ababa and the action being taken to improve the situation. In its report to the General Assembly for 2000,<sup>1</sup> the Committee, while regretting that the written report on the subject was not available at the time, took note of the oral report presented by the Secretariat and agreed to keep the item under review (paras. 91-93).

3. The Advisory Committee on Administrative and Budgetary Questions, in its first report on the proposed programme budget for the biennium 2000-2001,<sup>2</sup> noted the need to set up a marketing strategy for the Centre at the Economic Commission for Africa (ECA) and expressed the opinion that the existence of a potential market and opportunities for success should be taken into account before committing resources for such a strategy (para. V.33). In the same report, the Advisory Committee took note of recent data on the utilization of the conference facilities at the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Economic and Social Commission for Western Asia (ESCWA) (paras. V.53 and V.94).

4. Neither in the General Assembly nor in the Committee on Conferences has any concern been expressed about the utilization of regional centres other than those in Bangkok and Addis Ababa. Moreover, in a Secretariat-wide coordination meeting of conference services managers convened at Headquarters on 10 and 11 July 2000 by the Under-Secretary-General for General Assembly Affairs and Conference Services, and henceforth to become an annual event, the officials responsible for conference services at other regional centres reported no difficulties in this connection.

5. Consequently, the present report focuses on the utilization of the conference centres at Bangkok and Addis Ababa.

6. In a report of the Office of Internal Oversight Services on a management audit of the conference centres at ECA and ESCAP conducted in 1998 (A/54/410), the Office noted that both conference facilities were designed to satisfy the needs of the two regional commissions into the twenty-first century and that the physical capacity of the two centres far exceeded the level of substantive operations that they were designed to service. In the case of the Bangkok Centre, the physical capacity requirements were based on statistics of meeting activities of the ESCAP secretariat in the 1980s, with a projected increase over the next two decades.

## II. Utilization of the Conference Centre at Bangkok

### Background

7. The United Nations Conference Centre at Bangkok was officially opened in April 1993 and is an integral part of the ESCAP building complex. Its facilities include the ESCAP Hall, with 9 seats at the head table and seating for 200 representatives at the table with microphones and 563 advisers and other participants, two conference rooms each with 131 seats at the table and 233 seats for other participants, a third room with 87 seats at the table and 182 seats for other participants and a fourth with 57 seats at the table and 118 seats for other participants. All of these are equipped for simultaneous interpretation. There are also nine smaller meeting rooms of varying sizes (12 to 56 seats at the table) with no interpretation facilities.

8. The services and facilities of the Centre are made available, on a reimbursable cost basis, to users other than ESCAP. A reimbursement schedule has been established to cover three different categories of users: (a) United Nations bodies and organs, specialized agencies and related offices; (b) Member States, intergovernmental organizations, non-governmental organizations and other non-profit-making organizations; (c) general users, mostly in the private sector.

9. In all circumstances, the use of the Centre's facilities and services is subject to prior approval by

the Chief, Division of Administration, and is limited to events that are consistent with the purposes and principles of the United Nations and that have some relation to or connection with the work of the Organization, for example, events in the fields of social and economic development, technology transfer, health, education, communications, transportation, tourism or urban and rural development. The facilities are not made available for events that have political, ethnic or religious involvement or those directly promoting the sale or marketing of particular products or services.

10. The Centre was the venue for a total of 353 events in 1997 (268 ESCAP, 45 non-ESCAP and 40 catering functions), 374 events in 1998 (301 ESCAP, 42 non-ESCAP and 31 catering functions) and 423 events in 1999 (314 ESCAP, 43 non-ESCAP and 66 catering functions). From January to September 2000, some 335 events have taken place at the Centre (232 ESCAP, 42 non-ESCAP and 61 catering functions).

### **Constraints**

11. In considering the question of the utilization of the ESCAP Centre since it became operational, it is worth noting that it was originally established as a conference facility for the Commission and was not intended for revenue-producing uses. For this reason, all the meeting rooms were permanently configured in the typical conference room style of the United Nations, that is, one front seat at the table and one seat (chair only) behind. This type of set-up is usually not appropriate for non-United Nations meetings or events, for which the typical requirement is for all seats to be at the table. The Centre has been managed in isolation by ESCAP management, without any guidance on developing approaches for increasing utilization.

12. It is also necessary to take into account the legal constraints imposed on the possibilities for expanding utilization of the Conference Centre. As early as 1992, the Legal Counsel confirmed in a memorandum addressed to the Executive Secretary of ESCAP that the Centre could be used for meetings of non-United Nations entities, but only when such meetings were consistent with the purposes and principles of the United Nations and were of a non-commercial nature. This same guideline is established in paragraph 11 of administrative instruction ST/AI/416, which stipulates that outside entities, including non-governmental

organizations, may not hold meetings or events on United Nations premises to conduct their own organizational business or to advance their own purposes or aims.

13. The possibility of the Centre's being made available to fee-paying exhibitors has raised the concern that this activity may appear to be primarily commercial in nature and therefore inappropriate. Similarly, cultural or social fund-raising events, although less well-defined from a legal perspective, would not seem to be related to the basic mandates of the Organization.

14. No resources have been earmarked for the marketing and promotion of the Centre, and work related to the provision of facilities and services for additional non-United Nations activities has been assigned to ESCAP staff who have other primary duties.

15. In addition, security concerns regarding the entire ESCAP building complex and its 900 staff have precluded consideration of large-scale commercialization of the Centre.

### **Action taken**

16. ESCAP has recently redeployed a P-2 post to its Conference Services Unit with the specific function of assisting in the management of the Centre and, in particular, in the efforts to increase its utilization.

17. As a way to promote increased use of the Centre, full information on the services and facilities offered there has been included on the ESCAP web site (unescap.org).

18. To facilitate use, costing and reimbursement, a package-deal pricing structure has been introduced, including meeting room facilities, lunch, coffee service and other amenities.

19. In addition, to promote and increase awareness of the work of the United Nations, the United Nations Information Service and other ESCAP entities have been organizing briefings in the Centre for students, local organizations and other bodies.

## Plans for the future

20. Taking into account the legal framework mentioned above, ESCAP has been developing initiatives to increase the utilization of the Centre by focusing on expanded usage by United Nations organizations, Member States, intergovernmental organizations, national institutes and other bodies, accredited non-governmental organizations and private sector entities, where appropriate.

21. Steps to this end will include the following:

(a) Reviewing gaps in utilization to identify periods when the Centre could be made available to eligible organizations without affecting significantly the conference requirements and resource availability of ESCAP;

(b) Designing, with the assistance of an external consultant, a comprehensive marketing plan for the Centre and producing promotional materials to encourage its use by organizations that require conference facilities and whose goals are in accordance with those of the United Nations;

(c) Actively soliciting regional organizations to hold seminars or conferences at the Centre;

(d) Promoting the availability of the Conference Centre to Member States and organizations working with ESCAP towards common regional goals;

(e) Promoting the availability of the Centre to specialized agencies of the United Nations in the region;

(f) Developing an electronic database of suitable organizations in the region to receive marketing materials on the Conference Centre and monthly updates on availability;

(g) Expanding the current Internet presence of the Centre to further disseminate marketing materials and allow for an automated query function;

(h) Monitoring the leads generated to define the success rate of the marketing exercise.

22. With reference to the above and to increase the flexibility of the meeting room set-up, it is planned, subject to the availability of funds, to refurbish one of the large conference rooms with interpretation facilities and one of the small meeting rooms without interpretation equipment and to introduce a flexible

seating arrangement that could accommodate a variety of non-traditional meeting formats, including, for example, United Nations-organized staff training courses.

23. It is expected that these actions will lead to increased utilization of the Bangkok Conference Centre during periods when it is not fully utilized by ESCAP for its mandated requirements.

## III. Utilization of the Conference Centre at Addis Ababa

### Background

24. The United Nations Conference Centre at Addis Ababa became operational in 1997. Its facilities comprise a plenary hall with seats for 84 representatives and 168 advisers and a total capacity (including sections for observers and galleries) of 667, six large committee rooms with approximately 40 seats each, all equipped for simultaneous interpretation, and two smaller committee rooms with no interpretation equipment.

25. No statistics on utilization are available for 1997, but usage at the beginning was slow, which should be considered normal for a new facility. Since 1998, however, utilization increased steadily. The number of events held at the Centre increased from 343 in 1998 to 356 in 1999, and from 176 in the period from January to June 1999 to 228 in the same period this year. In terms of days of occupancy, the utilization rate of all conference rooms was 54.5 per cent higher from January to June 2000 than in the same period in 1999.

### Constraints

26. The lack of financial resources allocated specifically for the marketing of the Centre within or outside the United Nations system has been a major obstacle to increasing the usage of the facility. In effect, no marketing efforts could be initiated from 1997 to 2000, and since marketing activities usually bring results two to five years down the line, the lack of funding has had long-term consequences. This situation has been compounded by an inadequate staff structure.

27. There has been considerable uncertainty concerning the Organization's vision for the Conference Centre. It has not been established, for example, whether the aim was merely to provide a venue for United Nations meetings essentially relating to African development or whether it was intended to service other United Nations and non-United Nations events, in competition with other venues on the continent or elsewhere, and become a legitimate revenue-producing operation. In this connection, there is still doubt as to whether the rates charged for use of the Centre should be geared towards partial cost recovery only or should be profit-oriented. Various departmental meetings originating in New York and Geneva have been held in the Centre during the past year, but there has been reluctance to reimburse ECA for the facilities, even on a cost-recovery basis, as there are no guidelines in this regard.

28. As a result of the operation of the headquarters rule and other legislated provisions regarding venue, very few events included in the calendar of conferences and meetings of the United Nations are scheduled in Addis Ababa.

29. Competition in Addis Ababa itself has increased, with the Hilton and Sheraton Hotels vying for conference business and smaller hotels also trying to obtain a share of the local market.

30. The ongoing hostilities in the region since May 1998 have led to the cancellation of a number of events scheduled to take place in Addis Ababa, the most recent being the annual meeting of the African Development Bank, which was cancelled with one week's notice last May. The entire Centre had been booked for this event for more than a year, and other potential users had been turned away to make room for it. Various meetings of the Organization of African Unity have been cancelled for the same reason.

### **Action taken**

31. A new Chief of the Conference Centre was appointed in February 1999, and although the Centre remained understaffed and funds were not available to implement a market strategy, efforts were made nonetheless to encourage foreign missions and locally based organizations to make greater use of the facilities. A notable example of success in this field was a major meeting held at the Centre by the German

Agency for Technical Cooperation (GTZ) as an immediate consequence of direct marketing, which resulted subsequently in repeat business. The Government of Ethiopia and various local entities have also made more use of the Centre than previously.

32. At the same time, the programme managers of the various divisions of ECA have also been encouraged to make greater use of the Centre rather than organizing meetings away from Addis Ababa.

33. A proper business centre was established and started functioning in mid-1999, and it has been a strong factor in attracting major meetings to the Centre. It has also proved to be quite successful in terms of cost recovery.

34. In March 2000 a group of journalists visited Ethiopia in advance of the Africa Travel Association (ATA), which held its twenty-fifth anniversary meeting in Addis Ababa in April/May. The group was given a tour of the Conference Centre and provided with lunch and promotional material; free editorial copy was expected as a result. Similar actions have been taken with other visiting journalists. The ATA meeting itself also gave the Centre exposure to a selected travel industry group with Africa as its prime focus.

35. In a further effort to increase usage, a new policy in respect of the charges applicable to various categories of clients has been established. Discounted rates now apply to certain categories, such as United Nations agencies and non-governmental organizations. The fact that this will probably result in lower revenue will undoubtedly be offset by greater use of the Centre and a higher occupancy rate.

36. Following the appointment of a new Chief of the Conference and General Services Division of ECA in January 2000, limited funds were made available for the first time for marketing purposes. These were provided specifically to fund participation in the two leading meeting industry exhibitions, namely, the European Incentive and Business Travel and Meetings Exhibition (EIBTM) in Geneva in May and the Incentive Travel and Meetings Exhibition in Chicago, United States of America, in October. Both events are highly specialized and are targeted specifically at conference buyers from all sectors.

37. In order to maximize the available funds, participation in EIBTM was done as a joint venture in partnership with Ethiopian Airlines and the Sheraton

and Hilton Hotels. In addition, two conference organizers based in Addis Ababa were invited to be present at the stand. Numerous visitors approached the stand, and there was undoubted interest in Ethiopia as a conference destination, but no knowledge of the infrastructure. There were many requests for additional information, and it was agreed among the partners to carry out both specific and general follow-up actions. The fact that the partners attracted as much interest as they did was a very positive development and gave a clear indication of the potential for future business. Certainly, it would be premature to expect immediate results, but the participation of the Centre can be considered an investment in the future. Assuming a return to peace and stability, it would be reasonable to expect concrete results within three to four years, provided the Centre maintains a presence at the exhibition every year. A one-time appearance would be a waste of time, effort and money.

### Plans for the future

38. The Addis Ababa Conference Centre is at a stage where, in order to increase usage, it needs to position itself on the international arena as well as within the United Nations system worldwide. Prior to 1998, the majority of the events held at the Centre were local, United Nations-related and non-paying. Even now, most non-United Nations meetings held at the Centre could be considered relevant to the overall mission and vision of the Organization. Although usage has improved considerably and business from outside sources is on the increase, the Centre remains underutilized at certain times of the year, notably July/August and December/January.

39. Various strategies have been identified for the marketing of the Centre in the future, including:

- (a) Identification of important roving international events;
- (b) Participation in selected specialized trade shows;
- (c) Active participation in the International Congress and Convention Association, of which the Centre is a member;
- (d) Familiarization tours for journalists;
- (e) Familiarization tours for conference organizers;

- (f) Preparation of a general sales brochure and video;
- (g) Updating of brochures and videos on the Centre;
- (h) Advertising campaigns (media and web site);
- (i) Mailings.

40. To be effective, a marketing campaign must be sustained and ongoing. To this effect, more guidance will be required as to vision and purpose, and more support will be required in terms of human and financial resources. In connection with the latter, any budget provision allocated to the Centre for marketing purposes could be supplemented with revenue generated by the Centre. Finally, there is an absolute necessity for the world to perceive that there is stability in the host country of the Centre.

### IV. Conclusions

41. While in discussions with the Office of Internal Oversight Services or conference services managers, representatives of the two conference centres have emphasized different issues, the possibilities for increased utilization of the centres have been affected mostly by the same set of constraints.

42. Chronologically, the first among these has been the lack of a well-defined and clearly articulated vision of what should be the purpose of their use, beyond meeting the conference requirements of the respective regional commission. A related factor has been the restrictions imposed on the use of United Nations premises by the relevant legal and administrative framework and their applicability vis-à-vis pronouncements by Member States, such as the invitation to the Secretary-General, in section II, paragraph 17 of General Assembly resolution 52/220 of 22 December 1997 to develop new income-generating measures, and the request of the Committee on Conferences<sup>3</sup> that the Secretariat prepare proposals on the utilization of the conference facilities at the United Nations Office at Nairobi, including by non-United Nations entities (para. 57). Presumably, similar guidelines should apply to all United Nations conference facilities.

43. Although at times there has been a presumption that the utilization of both centres could be increased

by rerouting meetings included in the United Nations calendar of conferences from other venues, it is understood that this would not be feasible without explicit decisions by Member States relating to the observance of the headquarters rule and other provisions of the relevant legislation.

44. In both locations, however, the uncertainty referred to above is being overtaken by a pragmatic approach, which seeks to market the centres as a venue for meetings and events of selected categories of entities. To this end, in both ESCAP and ECE, staffing structures are being adjusted so that posts can be devoted exclusively to the management of the centres, and funds are being committed for marketing and promotional efforts.

45. The facilities at Bangkok and Addis Ababa are relatively new, and no new conference centre can expect its usage to take off to high levels in the first few years of operation. Even with good marketing from the beginning, it would be reasonable to allow some five years for awareness of the centre to be built up and its reputation for good facilities and services to be established. In both cases, promotional activities have begun in earnest only recently.

46. Despite the constraints described in the present report, the utilization of both centres is increasing, with the trend accelerating in the first half of the current year. With support from the United Nations system, and provided the necessary staff and financial resources are made available — not only for management and marketing but also to address the growing demand for services that will come with increased usage — utilization should improve considerably in the foreseeable future.

#### *Notes*

<sup>1</sup> To be issued as *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 32* (A/55/32).

<sup>2</sup> *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7).

<sup>3</sup> *Ibid.*, Supplement No. 32 (A/54/32).