



General Assembly

Distr.: General
14 October 2002

Original: English

Fifty-seventh session

Agenda item 112

Programme budget for the biennium 2002-2003

Construction of additional office facilities at the Economic Commission for Latin America and the Caribbean, Santiago

Report of the Secretary-General*

Summary

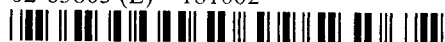
The present report contains proposals for the construction of the required additional office space at the United Nations compound in Santiago. The additional office space is required to relocate staff currently occupying sub-standard offices which are unsafe and do not provide for adequate working conditions.

In accordance with the Joint Inspection Unit recommended procedure on building construction (see A/36/297) endorsed by the General Assembly in its resolution 37/237 of 21 December 1982, the concurrence of the Advisory Committee on Administrative and Budgetary Questions in submitting the related proposal to the Assembly has been sought. Upon review of the construction proposal, in its letter of 10 September 2002 to the Secretary-General, the Advisory Committee has concurred with the Secretary-General's intention to submit a proposal to the Assembly for the construction of three new modules to the existing building, which would result in an additional space capacity of 733 m².

The construction costs (\$736,900) could be financed from within the available balance of the construction-in-progress account which the General Assembly, by its decision 55/467, taken at its 98th plenary meeting, held on 12 April 2001, decided to retain in the account pending its consideration of all related matters, in accordance with the procedure established by resolution 37/237.

The General Assembly is requested to authorize the construction of additional office space at Santiago utilizing existing resources available within the construction-in-progress account.

* The delayed submission of the present report is due to the need to undertake the procedures required by General Assembly resolution 37/237. These were completed only in September 2002.



I. Introduction

1. The present report is submitted in accordance with the procedures outlined in the report of the Advisory Committee on Administrative and Budgetary Questions (A/36/643) on the report of the Joint Inspection Unit on building construction procedures of the United Nations organizations (A/36/297) and endorsed by the General Assembly in its resolution 37/237 of 21 December 1982.

2. The report presents the Secretary-General's proposal for the construction of the required additional office space at the United Nations compound in Santiago. The additional office space is required to relocate staff currently occupying sub-standard temporary offices which are not in compliance with safety standards and do not provide adequate working conditions. The proposal was reviewed by the Advisory Committee. Upon that review, the Advisory Committee has concurred in the submission to the Assembly of the proposal for construction of a new office building at the compound.

II. Review of existing facilities and space requirements at the United Nations premises in Santiago

3. The compound of the Economic Commission for Latin America and the Caribbean (ECLAC) is located on the left bank of the Mapocho River on 5.45 hectares of land donated to the United Nations by the Chilean Government (annex 1). The total gross space of the compound amounts to 19,334 m², distributed among the following buildings:

<i>ECLAC buildings</i>	<i>Total space (m²)</i>
(i) Main Building	13 878
(ii) Documentation and Research Centre (CLADES building)	1 540
(iii) Auditorium and external services	922
(iv) North Building	2 037
(v) Printing facilities	957
Total	19 334

4. The distribution of the total space of 19,334 m² according to the functional requirements is as follows:

<i>Functional use</i>	<i>Amount of space (m²)</i>
(i) Private office space	4 592
(ii) Common space used for open office space, archives, classrooms, conference rooms and office equipment	8 165
(iii) Distribution halls and circulation corridors	5 377
(iv) Space occupied by tenant entities	1 200
Total	19 334

5. The Main Building was inaugurated in 1966. Given its architectural design and features it was declared a historic monument by Chilean law. The building is formed by a main construction integrated by an "anillo" (i.e. a ring) with four units that join through connecting bridges to form an open inside square space. The ring serves as the principal office space of the complex. There are several separate elements below the ring and/or temporary office facilities that have been added to the building throughout the years. Suspended pedestrian bridges divide the interior court of the ring into four quadrants. Three of these quadrants are occupied by internal courtyards and the fourth (the south-east quadrant) hosts the main conference facilities. The gross space of the Main Building amounts to 13,878 m², distributed according to the following functional needs:

<i>Functional use</i>	<i>Amount of space (m²)</i>
(i) Private office space	3 112
(ii) Common space used for open office space, archives, classrooms, conference rooms and office equipment	5 197
(iii) Distribution halls and circulation corridors	4 369
iv) Space occupied by tenant entities*	1 200
Total	13 878

* Includes space occupied by the bookstore, travel agency, bank, gift shop, staff association and association of United Nations retirees. These areas are of a sub-standard quality. They are not suitable for use as office space.

6. The Documentation and Research Centre was an addition to the compound built by the organization in 1975. The Centre currently houses several organizational units of the ECLAC secretariat. The total area of this building is 1,540 m², distributed as follows:

<i>Functional use</i>	<i>Amount of space (m²)</i>
(i) Private office space	530
(ii) Common space used for open office space, archives, classrooms, conference rooms and office equipment	520
(iii) Distribution halls and circulation corridors	490
Total	1 540

7. The Auditorium was built in 1984 as the replacement of a provisional structure used for staff activities, which was destroyed by the flooding of the ECLAC compound in 1982. The construction was financed by the insurance settlement for the destroyed structure supplemented by a contribution from the Staff Association. The Auditorium is currently used for official purposes and for staff activities. The external services facilities were built in 1993. This structure is located at the western side of the compound and mainly consists of a storage space and a dining room.

8. The North Building was originally designed as a modular E-shape building. The present part of it was built in phases in 1989 and 1990. During those phases, eight of the designed 11 modules were built. The printing facilities, connected to the

building, were constructed at that time. These facilities currently accommodate the ECLAC Population Division, the Documents and Publications Division and the printing plant. The distribution of space in these two structures is as follows:

<i>Functional use</i>	<i>Amount of space (m²)</i>		<i>Total</i>
	<i>North Building</i>	<i>Printing facilities</i>	
(i) Private office space	911	40	951
(ii) Common space used for open office space, archives, classrooms, conference rooms and office equipment	730	883	1 613
(iii) Distribution halls and circulation corridors	396	34	430
Total	2 037	957	2 994

9. With regard to the North Building, the first eight modules of that building were built for two reasons: (a) to accommodate the staff of the Latin American Demographic Centre (CELADE), previously located in adjacent premises rented from the European Southern Observatory; and (b) to mitigate the consequences of an earthquake (1985) and flood (1986) which significantly damaged ECLAC premises. It should be recalled that a series of technical studies by outside consultants and by Headquarters undertaken at that time concluded that, as a result of the earthquake and flood, the temporary office space under the ring of the Main Building could no longer provide safe conditions for staff occupying that space. Following the proposal by the secretariat, a decision had been taken to erect a separate office premises to solve those problems (see A/C.5/41/15 and A/CN.1/R.1081). The construction of the first eight modules of the North Building was financed from various sources, including contributions from France and Canada and from the United Nations Population Fund and the regular budget.

10. The eight modules constructed in 1989 and in 1990, totalling 2,037 m² of gross space, were sufficient at that time to resolve the problem of CELADE and the relocation of staff from the unsafe temporary offices. However, owing to a progressive increase in the number of personnel, some substantive staff continued to occupy those offices. The shortage of office space became more acute in the late 1990s. Following the reduction of regular budget posts implemented during the biennium 1996-1997, the Commission changed its working methods and increased the involvement of affiliated personnel in the implementation of substantive programmes. This category of personnel includes consultants, individual contractors and interns working on ECLAC premises on various projects of the substantive programmes. As intended, that measure introduced greater flexibility, but, as a result, the number of affiliated personnel was significantly expanded. At present, this category of personnel represents some 270 to 280 individuals working on the premises at any given time. This personnel requires office space accommodation in the same way as do regular staff.

11. At present, two divisions of the secretariat, the Environment and Human Settlements Division and the Natural Resources and Infrastructure Division, occupy those temporary offices under the ring of the Main Building, representing a total gross space of 608 m². They comprise 20 Professional and 12 General Service staff and 31 affiliated personnel. In terms of working conditions, the temporary offices do

not provide proper ventilation, heating and air-conditioning. From the point of view of safety, these offices do not comply with the local safety codes. Relocation of the aforementioned two organizational units from the temporary offices is a matter of necessity owing to a growing concern about the safety of the personnel working in those offices.

III. Proposals for resolving the office space problem and related cost estimates

12. Construction of the remaining three modules as an extension to the North Building, representing a net addition of office space of 733 m², is proposed to address the aforementioned problem. From the point of view of original architectural design, these three modules would complete the implementation of the "E" shape formation of the North Building (annex II). This extension to the present building would allow for relocation of the staff and affiliated personnel from the sub-standard temporary offices and would improve the working conditions of other staff. The temporary offices would then be dismantled and normal safety conditions would be restored.

13. Of the 733 m² of gross space in those three modules, gross space in the amount of 615 m² would be required for relocation of the occupants of the temporary offices, based on average standard office space requirements of 9.76 m² per individual, determined on the basis of the present composition of the ECLAC secretariat in Santiago and of the office space standards approved by the General Assembly in its decision 31/425 of 22 December 1976 on the recommendation of the Advisory Committee on Administrative and Budgetary Questions in document A/31/8/Add.4. The remaining 118 m² of gross space would serve as swing space.

14. The total duration of the construction is estimated to be 14 months, including 5 months for a detailed design, cost plan preparation, construction bidding exercise and the contract finalization plus nine months for the mobilization and construction stages.

15. The total estimated costs for the construction of the extension to the North Building would amount to \$736,900, broken down as follows:

<i>Breakdown of costs</i>	<i>United States dollars</i>
(i) Construction costs for 733 m ² structure at \$420/m ² on average	308 000
(ii) Design, cost plan and consultancy services (10 per cent of construction costs)	30 800
(iii) Site work, utilities connections, technology backbone, local area network/wide area network (LAN/WAN), enhanced security, fire safety, back-up power, etc., at \$156/m ² on average	114 300
(iv) Workstations and office, conference and file rooms furniture and equipment	84 600
(v) Project coordination, supervision and management by ECLAC	82 800
(vi) Contingencies (10 per cent)	62 000
(vii) Provision for inflationary increases	54 400
Total	736 900

16. It should be noted with regard to the unit costs of \$420/m² and \$156/m² utilized to calculate the total costs of the project that those amounts represent the current average local construction market prices for construction in Santiago.

17. It should also be noted with regard to the provision of \$84,600 for office furnishing that it is foreseen to provide for new office and conference room furniture and new equipment for filing rooms in the new premises. The related costs are based on average costs of \$2,600/staff.

18. The ECLAC local project coordination, supervision and administration costs have been estimated in the amount of \$82,800. These costs are based on estimated needs for 12 work-months of temporary assistance funds equivalent to salaries at the P-3 level. These resources would be supplemented, as required, by the existing expertise of ECLAC.

19. The recosting component (\$54,400) has been estimated on the basis of projected inflation rates of 3.9 per cent annually and the progressive weakening of the Chilean peso from 570 pesos per United States dollar in 2001 to 700 pesos per United States dollar.

IV. Administrative and funding arrangements for the construction project

20. The administrative arrangements for the construction project would be in accordance with the recommendations of the Advisory Committee on Administrative and Budgetary Questions (see A/36/643 and A/38/7/Add.2, para. 25) for such projects to be centrally managed. Such responsibility would thus be assigned to the Office of Central Support Services of the Secretariat at Headquarters. It would be exercised from within the available resources of the Office. Furthermore, corresponding arrangements would be established for local management of the project, as well as for a liaison unit and supervision of quantity surveyors and other essential personnel, as well as liaison and coordination with local authorities. For that purpose, a provision equivalent to 12 work-months of expertise at the P-3 level would be required at the ECLAC secretariat for the duration of the project. The costs of these requirements are detailed in paragraph 18 above.

21. It is envisaged to organize two competitive bids for the implementation of this project: one for the design of the new modules and the other for the actual construction of the building. It is foreseen to retain the services of the company selected to design the project to supervise the construction work as a guarantee to achieve the best project implementation. In that case, the selected company will not be allowed to participate in the bidding process for the construction work. In its supervisory capacity, the selected company will work in close coordination with the ECLAC secretariat.

22. It will be recalled that, in his report to the General Assembly on the construction of additional conference facilities at the Economic Commission for Africa, Addis Ababa (A/56/672), the Secretary-General advised the Assembly of the balance under the construction-in-progress account that remained upon completion of the previous projects. On 30 June 2002, the balance of the construction-in-progress account increased to the amount of \$8,753,000, owing to credited

additional investment income. It should also be recalled that, by its resolution 56/270 of 27 March 2002, the Assembly has already approved utilization of an amount of \$7,711,800 for the construction of additional office facilities at the Economic Commission for Africa in Addis Adaba, to be financed within the available balance of the construction-in-progress account.

23. The unutilized balance of the construction-in-progress account would thus amount to \$1,041,200. It appears that the new construction project at Santiago could be financed in its entirety from within the available unutilized balance of the construction-in-progress account.

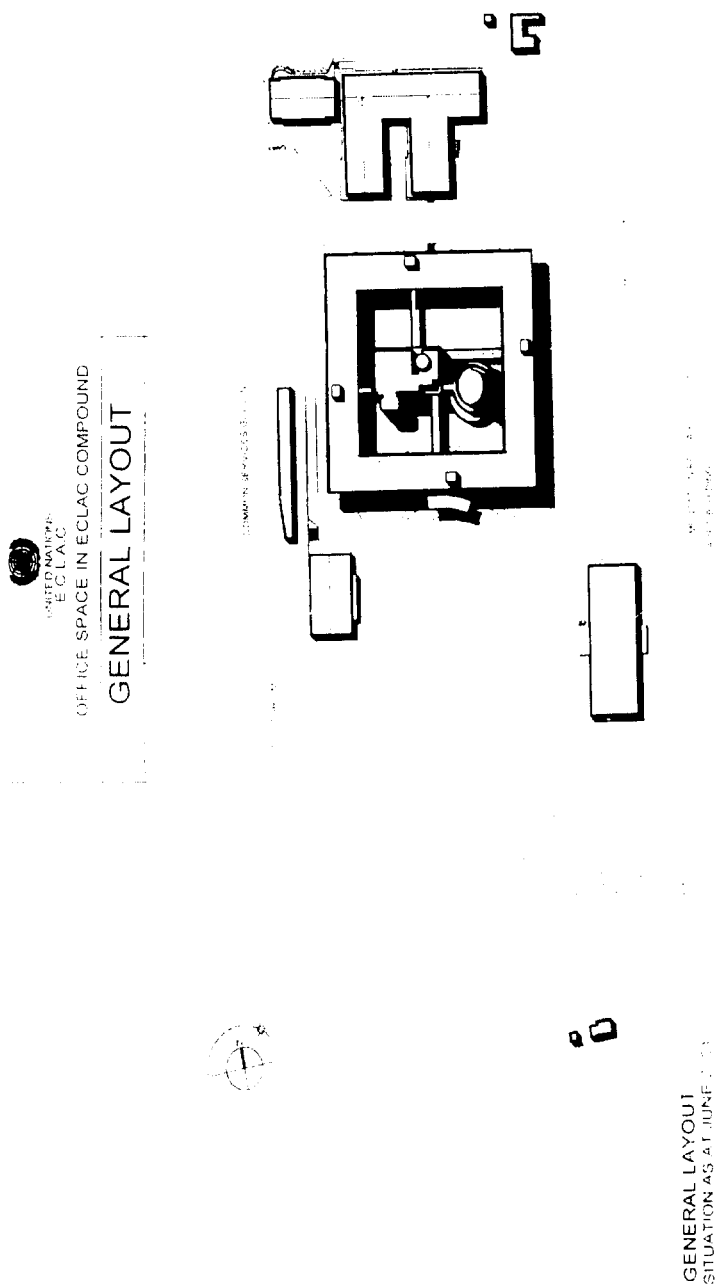
V. Recommendations

24. **The General Assembly is requested to authorize:**

(a) **The construction of three new modules as an extension to the North Building at the United Nations compound in Santiago for a total gross space capacity of 733 m²;**

(b) **Funds to finance the total estimated costs of the construction of \$736,900, to be met from within the available balance of the construction-in-progress account.**

Annex I



Annex II

