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Construction of additional conference facilities at the Vienna International Centre

Note by the Secretary-General

I. Background

1. Since the early 1990s, the conference rooms available at the Vienna International Centre (VIC) have become increasingly inadequate in size for the needs of the VIC-based organizations (VBOs). This is essentially due to the considerable increase in the number of participants in meetings of the policy-making organs and governing bodies of the VBOs. The policy-making organs or bodies concerned now have from 30 to 50 per cent more members than they had in 1979 when VIC was inaugurated. In addition, the sessions of most of these bodies are attended by a significantly larger number of non-governmental organizations than before. The largest conference room at VIC can accommodate some 300 participants, while the sessions of most bodies have from 500 to 900 participants. Seating arrangements currently do not allow sufficient space for the full delegations of all Member States. Moving sessions of policy-making organs with an expected attendance of more than 300 participants to the Austria Centre at Vienna (ACV), or to other conference facilities outside VIC has not always been possible, given that the sessional dates of United Nations bodies are agreed upon with insufficient advance notice to secure the required ACV space.

2. In agreement with the other VBOs, namely the International Atomic Energy Agency (IAEA), the United Nations Industrial Development Organization (UNIDO) and the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO), the Secretariat approached the host country authorities in March 2002 with a request for the host country to review possibilities of making available additional conference facilities to VBOs with the capacity to accommodate large conferences.

3. In parallel with that request, discussions with the host country authorities took place on how best to service the conference requirements of the organizations during the asbestos removal in the existing conference building at VIC, which is

expected to begin in late 2007 or early 2008 and last for about two and a half years. It was in the context of those considerations that the idea emerged to construct an additional conference building which could be available for use during the implementation of the asbestos removal project. It was foreseen that after the completion of the project, the new building would be handed over to the organizations to provide the needed additional conference room space.

4. Following the above-mentioned consultations between VBOs and the host country authorities, the Austrian Government offered, at the beginning of 2003, to provide a new conference facility to the VIC-based organizations. The VBOs welcomed the generous offer and upon review of their conference room requirements, proposed to the host Government that it provide a conference facility which would be built to high efficiency standards so as to maximize seating capacity and minimize operation and maintenance costs. In the course of that review, it was noted that the present utilization rate of the conference capacity at VIC (74 per cent in 2003) was, in fact, the result of a structural inconsistency within the existing conference facilities at VIC, that is, extra conference capacity of small rooms and a lack of large conference rooms to accommodate the regular sessions of the bodies concerned, which had to be held elsewhere.

5. The proposed facility of approximately 17,000 m² would be adjacent to the existing facility of 30,000 m² and situated within the security perimeter of VIC. It would add a total capacity of 1,774 seats and use movable walls to provide the flexibility of combining five of the larger rooms into a single conference area of 1,406 seats (details on the composition of conference rooms in the existing and new conference buildings are contained in the annex to the present document).

6. Based on past experience and projections for future conference requirements, it is estimated that IAEA would use 80 per cent of the new facility, which would accommodate its General Conference and include a new board room. Use of the new facility for small meetings would allow for the conversion of existing meeting space into much needed office space. Conference service staff could also be relocated to the new building, freeing additional office space. It is estimated, however, that the United Nations and other organizations would have limited use of the new facility after the completion of the asbestos removal project, as their smaller meeting needs are well accommodated in the existing conference facility. The level of utilization of the new conference facility by the United Nations Office at Vienna is estimated at around 4 per cent.

II. Cost implications

7. Following the offer of the host Government, the Austrian Parliament passed a law in April 2004 approving €50 million for the planning and construction of the project. On their part, the VBOs offered a contribution to the project in the amount of €2.5 million to be made in 2008. The agreement on the new conference facility was finalized in the form of a memorandum of understanding signed on 18 October 2004 by the Minister for Foreign Affairs of Austria and the executive heads of the VBOs. The memorandum of understanding includes the provision that it would become effective upon formal notification by the VBOs that their internal requirements have been fulfilled. The agreement has already been endorsed by the governing bodies of IAEA, UNIDO and CTBTO. It is now subject to approval by

the General Assembly on the part of the United Nations. The memorandum of understanding sets a ceiling of €52.5 million for this project, of which the host country would pay up to €50 million (95.24 per cent) and the VBOs, collectively, would contribute €2.5 million (4.76 per cent).

8. The exact share of each VBO in the cost of constructing the building has yet to be determined. However, it has preliminarily been agreed that the eventual contribution of the United Nations in a future biennium would not exceed €100,000 (around \$130,000), or 4 per cent of the total contribution of the VBOs towards the construction costs, owing to the limited potential use of the new facility by the United Nations.

9. As mentioned previously, the new facility is expected to be available in 2008, when the asbestos removal project is to start. From 2008 to the completion of the project in 2010, the swing space period, the VBOs will incur no additional operational and maintenance costs. After 2010 and for the first 10 years of the utilization of the new conference building, the related annual maintenance costs for the building are estimated at \$930,000 (at current prices), of which the United Nations share would not exceed \$37,200 per year, based on present assumptions of the utilization of the conference facility by the United Nations. The organizations are in the process of negotiating the cost-sharing arrangements for these costs along the lines indicated above.

III. Conclusions and recommendations

10. **The General Assembly is requested:**

(a) **To take note that the governing organs of the International Atomic Energy Agency, the United Nations Industrial Development Organization and the Comprehensive Nuclear-Test-Ban Treaty Organization have already approved the proposal of the Government of Austria for the new conference facility as outlined above;**

(b) **To approve the participation of the United Nations, together with the other Vienna International Centre-based organizations, in the arrangements for the proposed new conference facility on the terms outlined above;**

(c) **To welcome the progress that has been made so far as to the new conference facility and to invite the Secretary-General to keep the General Assembly informed of further developments in this regard;**

(d) **To entrust the Secretary-General with determining, in cooperation with the other three organizations, the cost-sharing arrangements for potential future costs arising from the project within the amounts referred to in paragraphs 8 and 9 above, on the understanding that the financial requirements will be dealt with in the context of the proposed programme budget for the respective bienniums, and to report thereon to the General Assembly for its review and decision.**

Annex

Composition of conference rooms in the existing and new conference centres

	<i>Size (m²)</i>	<i>Capacity (seats)</i>
Existing Conference Centre (C1)		
Conference room I	439	180
Conference room II	238	122
Conference room III	238	201
Conference room IV	136	70
Conference room V	136	65
Conference room VI	136	54
Conference room VII	136	68
Board room (UN/UNIDO)	533	343
Board room (IAEA)	533	273
Other space in C1	27 539	-
Total space C1	30 064	1 376
Proposed Conference Centre (C2)*		
Board room 1	550	360
Board room 2	550	360
Conference room 1	550	360
Conference room 2	250	163
Conference room 3	250	163
Conference room 4	140	92
Conference room 5	140	92
Conference room 6	140	92
Conference room 7	140	92
Other space in C2	14 290	-
Total space C2	17 000	1 774

* Board rooms 1 and 2 and conference rooms 1, 2 and 3 can be combined into a single conference room for a total capacity of up to 1,406 seats.