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## **Fifth Committee**

### Summary record of the 11th meeting

Held at Headquarters, New York, on Tuesday, 3 November 2015, at 10 a.m.

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The meeting was called to order at 10.10 a.m.

#### Agenda item 134: Proposed programme budget for the biennium 2016-2017 (*continued*)

Construction and property management (A/70/356 and A/70/7/Add.3)

Mr. Cutts (Assistant Secretary-General for 1 Central Support Services), introducing the report of the Secretary-General on the proposal for 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/70/356), said that the report provided an outline of the proposed project; the proposed implementation schedule over six bienniums, from 2016 to 2027; the total project costs, estimated at \$35.2 million at current rates; and the proposed resource requirements for the biennium 2016-2017. Although the project had been identified for implementation under the strategic capital review recognized by the General Assembly in its resolution 68/247B, the need to conduct structural seismic assessments of the Commission's secretariat building as a preliminary requirement for the project had been previously indicated to the General Assembly in the context of the Secretary-General's reports on the proposed programme budget for the bienniums 2012-2013 and 2014-2015 (A/66/6 (Sect. 34) and A/68/6 (Sect. 33)). Those assessments had been carried out during the respective bienniums, following approval by the Assembly of the related resource requirements.

2 As the premises of ESCAP had been designed before the introduction of formal seismic design standards in Thailand, seismic risk had not been taken into consideration during the design and construction phase. The main purpose of the project was therefore to retrofit the premises with a view to mitigating seismic risks, in order to ensure the health and safety of occupants and visitors. In line with the objectives set forth under the strategic capital review, the key aims of the project were to ensure business continuity and the maintenance of day-to-day operations at the ESCAP premises; to ensure compliance with relevant regulations relating to health and life safety, and with building codes; to guarantee accessibility for persons with disabilities; to align existing information technology networks with the United Nations information technology strategy; and to optimize the use of existing meeting and other facilities by providing flexible and functional spaces. The project also provided an opportunity to address in the most costeffective way other issues relating to building performance, energy conservation, space usage efficiencies and the life-cycle replacement of building systems that had reached the end of their useful lives.

3. During the project's development, particular attention had been given to the emerging needs of ESCAP and to applying lessons learned from similar projects. The success of the project would depend on the definition of clear objectives in line with identified requirements and stakeholders' expectations; the establishment of a strong governance structure with an accountable project management team; and the development of an effective risk management framework to support informed and proactive decision-making.

Several preliminary studies and inspections had 4. been carried out since 2011. Under the proposed project governance structure, the Executive Secretary of the Commission would serve as project owner, while the Commission's Central Support Services Section would oversee the proposed dedicated project management team responsible for the implementation and day-to-day management of the project. In addition, the Office of Central Support Services in New York would provide technical guidance for the project. As to risk management, an independent consultancy firm would be engaged to provide an assessment on the course of various project actions, assist in identifying and mitigating risks that could compromise delivery of the project and support informed decision-making. A stakeholders committee would also be established to provide additional advice to the Executive Secretary and project team on the management and mitigation of risks.

proposed implementation methodology 5. The entailed emptying four floors of the Commission's secretariat building at a time and moving staff into swing spaces. Approximately six months would be required to renovate each floor, and the construction zone would be limited to two floors at a time, with one buffer floor above and below the zone. About 4,000 of the 5,000 square meters of swing space needed for the duration of the renovation would need to be found off-site. The Commission had therefore proposed that the host country and a real estate company should be approached for the purpose of identifying the necessary off-site space. Although other implementation options, including a single-phase approach, had been considered, the four-floor phased approach had been deemed optimal on the basis of a detailed cost-benefit analysis,

in view of, inter alia, the potential difficulty and cost of locating swing space to accommodate all staff and the loss of rental income from tenants, including the International Labour Organization and the United Nations Development Programme. The project design phase had been proposed to take place during the biennium 2016-2017, to be followed by the renovation works to be phased over the subsequent five bienniums. Lastly, the General Assembly was requested to approve the proposed project as well as the related resource requirements for the biennium 2016-2017, and to establish a multi-year construction-in-progress account for project expenditure. Annual progress reports would then be submitted to the Assembly, in accordance with its resolution 63/263.

6. Mr. Ruiz Massieu (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/70/7/Add.3), said that, on the basis of on its review of the seismic evaluation report issued following the conduct of the preliminary structural assessments, the Advisory Committee believed that the seismic threat merited serious consideration. The proposal of the Secretary-General should therefore have included an option to address the issue of seismic risk separately, rather than in combination with other construction works that would be considered in the context of the strategic capital review. In addition, a range of implementation options should have been presented for consideration by the General Assembly, including a single-phase option that would involve vacating all buildings on the campus at one time. In line with General Assembly resolutions on other capital projects, the Advisory Committee had also recommended that an independent and impartial advisory board should be established to strengthen project governance.

7. The Advisory Committee's report contained additional observations on, inter alia, the use of the contingency fund, independent project assurance and the project management team. In light of its overall recommendation on the proposal, the Advisory Committee made no detailed observations on the specific resources requested and trusted that any further proposals would address the observations contained in its report.

8. **Mr. Davidson** (South Africa), speaking on behalf of the Group of 77 and China, expressed the Group's concern at the late issuance of documents under the current agenda item, a situation that prevented the Fifth Committee from giving due consideration to the related issues, and urged stakeholders to ensure the timely submission of all documentation. The Group attached high priority to the consideration of proposed capital projects for United Nations offices, particularly the Economic and Social Commission for Asia and the Pacific, and emphasized the need for the Organization to continue to address health and safety issues at all of its properties in order to enhance its efficiency and effectiveness. Extending the Group's appreciation to the Government and people of Thailand for their support for the work of the Commission and other multilateral entities in the region, he emphasized the importance of cooperation between the Organization and the host country throughout the implementation of the proposed project.

9. Welcoming the proposal contained in the report of the Secretary-General (A/70/356), he underscored that funding for capital projects should be provided for outside the regular budget envelope to ensure their effective implementation within a framework of transparency and accountability. The Group supported the establishment of multi-year accounts for the implementation of the proposed project, and looked further information forward to on funding arrangements during informal consultations. Contingency requirements should be included as part of the overall budget for the project in order to account for unforeseen changes during its implementation; however, every effort should be made to avoid drawing on the contingency fund, and any required withdrawals should be in line with established principles.

10. The Group emphasized the importance of clear coordination between the United Nations Secretariat in New York, including the Office of Central Support Services, and the Commission, and of establishing clear reporting lines for the implementation of the project. The leadership and guidance of the Secretary-General and senior management, as well as the clear commitment of all relevant stakeholders, would also be crucial during that process, and adequate accountability and oversight must be ensured with a view to mitigating risks and challenges encountered. Similarly, best practices and lessons learned from other capital projects, particularly those implemented at United Nations offices in Nairobi. Addis Ababa and Arusha, should be taken into consideration, and local knowledge and capacity should be mobilized

throughout the implementation process. In particular, efforts should be undertaken to avoid repetition of the weaknesses identified in the capital master plan. In that connection, the Group looked forward to learning more about efforts undertaken to apply the findings of the Board of Auditors relating to the lessons learned from the capital master plan.

11. While the Group shared a number of the Advisory Committee's views, it was concerned at the Committee's recommendation against approval of the proposal. The Group believed that the project should be allowed to advance to implementation, bearing in mind the recommendations of the Advisory Committee, the Board of Auditors and Member States, and it would present specific proposals in that regard. Lastly, the Group had taken note of elements of the proposal relating to the project's scope, implementation schedule and estimated cost, and looked forward to receiving further information in that regard during informal consultations, including with respect to the possibility of shortening the project's estimated duration without affecting the quality and scope of the work involved.

12. **Mr. Chandrtri** (Thailand) said that, as the host country to ESCAP, Thailand had promoted and facilitated the Commission's work for more than six decades. As the most comprehensive of the United Nations regional commissions, comprising 53 member States and 9 associate members, in addition to over 600 staff, the Commission had helped Member States to overcome some of the region's greatest challenges by providing results-oriented projects, technical assistance and capacity building in the areas of economic and social development.

13. In line with its commitment to people-centred development, Thailand attached high priority to the promotion of safe work environments, including at the regional commissions, given their role as the main economic and social development centres within the United Nations. The preliminary studies and inspections of the Commission's premises conducted in 2011 and 2012 had revealed vulnerable points in the structure of its buildings, which did not comply with current standards for seismic resistance. Given the limited capacity of the ESCAP buildings to withstand seismic loads, alterations, improvements and major maintenance works to strengthen seismic resistance were required. In that context, Thailand believed that implementation of the seismic mitigation retrofit and life-cycle replacements project on the basis of the most

cost-effective approach would ensure the long-term health and safety of occupants and visitors, in addition to providing an opportunity for improvements in building performance, energy conservation and space usage efficiencies. His delegation therefore urged the General Assembly to support the implementation of the project and expressed its support for other projects undertaken in the context of the strategic capital review, including the construction of new office facilities at the Economic Commission for Africa.

## Agenda item 137: Pattern of conferences

(continued) (A/C.5.70/L.4)

Draft resolution A/C.5.70/L.4: Pattern of conferences

14. Draft resolution A/C.5/70/L.4 was adopted.

Agenda item 134: Proposed programme budget for the biennium 2016-2017 (continued)

Revised estimates:

2030 Agenda for Sustainable Development

Financing for development

15. Mr. Davidson (South Africa), speaking on behalf of the Group of 77 and China, said that the implementation of the 2030 Agenda for Sustainable Development would be a test of the international community's commitment to promoting development. The need for a strengthened global partnership for implementing the 2030 Agenda applied both to Member States and the Organization itself. As emphasized by the Secretary-General in his remarks at the United Nations summit for the adoption of the post-2015 development agenda, effective delivery of the 2030 Agenda would require transcendence of national boundaries and shortterm interests in favour of long-term solidarity, as well as abandonment of organizational silos and a commitment to ensuring that institutions were fit for purpose. Moreover, in its resolution 70/1, the General Assembly had underlined the important role and comparative advantage of an adequately resourced, relevant, coherent, efficient and effective United Nations system in supporting the achievement of sustainable development, as well as the role of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development as a complementary framework to the 2030 Agenda.

16. As the 2030 Agenda and the Addis Ababa Action Agenda were long-anticipated successor frameworks

building on previous outcome documents, the Group trusted that the Secretariat had, over the course of 2015, developed a plan and budgetary provisions for mainstreaming the 2030 Agenda across all pillars of the Organization. In view of the approaching target date for the implementation of the 2030 Agenda, the Group was concerned at the delay in preparing the revised estimates for the 2030 Agenda and for financing for development. It therefore urged the Secretary-General to present those estimates to the Assembly as a matter of priority.

17. **Mr. Charles** (Trinidad and Tobago), speaking on behalf of the Caribbean Community (CARICOM), said that the third International Conference on Financing for Development had provided an occasion for Heads of State and Government to affirm their political commitment to the revitalization of the global partnership for financing for development and to recognize the unique development challenges faced by small island developing States. The Addis Ababa Action Plan was a critical element of that partnership and of the sustainable development agenda.

18. The 2030 Agenda for Sustainable Development reflected a comprehensive and integrated approach to development based on the lessons of the Millennium Development Goals (MDGs). Underpinned by a global commitment to ensuring that no one was left behind, it also marked a transition toward an Organization that was more responsive to diverse development realities, including those faced by small island developing States, as emphasized by CARICOM at the United Nations summit for the adoption of the post-2015 development agenda.

19. CARICOM had great confidence in the ability of the United Nations system to facilitate the implementation of those frameworks. In that context, the Secretariat had a vital role to play in providing information relating to the means of implementation of the mandates set forth in General Assembly resolutions. CARICOM was therefore deeply concerned at the delay in the preparation of the revised estimates for the 2030 Agenda and for financing for development and urged the Secretary-General to present the estimates to the Assembly as a matter of priority, as failure to do so could prevent Member States from giving them due and timely consideration.

The meeting rose at 10.45 a.m.