

**Statement of the Chairman
Advisory Committee on Administrative and Budgetary Questions (ACABQ)**

27 October 2015

Capital master plan

*ACABQ report: A/70/441;
Report of the Secretary-General: A/70/343;
Report of the Board of Auditors: A/70/5 (Vol. V)*

Mr. Chairman,

I am pleased to introduce the Advisory Committee's report (A/70/441) on the implementation of the capital master plan (CMP) project.

The Advisory Committee welcomes the paper issued by the Board of Auditors on lessons from the capital master plan. The Board notes that, unlike most organizations, the United Nations does not have an established approach for managing major projects, thus making the application of the lessons learned problematic. In this connection, the Committee welcomes the efforts being carried out by the Secretary-General to develop the "guidelines for the management of construction projects", expected to be completed in December 2015. The Committee reiterates the importance of identifying, documenting and applying lessons learned in future capital projects of the Organization.

On the realization of benefits from the implementation of the CMP, the Advisory Committee notes some of the immediate and evident benefits, such as a more modernized working environment, improved security and the retaining of important architectural heritage. However, the Committee also notes that how some quantifiable benefits are measured is a concern, specially the following: a minimum 50 per cent reduction in energy consumption, a 45 per cent reduction in greenhouse gas emissions related to energy consumption and a 40 per cent reduction in fresh water consumption. These are, in fact, projections based solely on engineering models and have not been substantiated. The comments and recommendations of the Committee in this regard can be found in paragraphs 16 to 19 of its report.

Mr. Chairman,

On the project schedule, the Advisory Committee concurs with the Board of Auditors that the substantial completion of the General Assembly Building in September 2014 against a compressed timetable was a significant achievement, given the disruption caused by earlier project delays and the impact of Storm Sandy. However, the Committee notes with concern the repeated delays in the timeline for the demolition of the temporary North Lawn Building and the start of the security-related work at the 42nd and 48th street service drive. The Committee is of the view that the Secretary-General should implement, without further delay, the decision of the Assembly in resolution 69/274 for the timely deconstruction and removal of the temporary North Lawn Building. The Committee also recommends that the Assembly request the Secretary-General to ensure the completion of the security-related work at the 42nd and 48th street service drive before the end of 2016.

Regarding the status of the CMP project, noting that a number of activities within the approved scope of the project have not yet been completed, the Advisory Committee concurs with the Board of Auditors that the capital master plan is an ongoing project.

The Advisory Committee also discussed in its report issues related to the resource requirements for the remaining activities until the project completion, the anticipated final project costs and potential savings. The Committee notes the lack of detailed information and explanations in the thirteenth annual progress report, and has therefore requested that the related information be provided to the Assembly at the time of its consideration of the report. The Committee notes from the report of the Board of Auditors that although the overall total anticipated final construction cost may not have changed, there have been considerable changes in the cost of sub-elements of the project since last year (see A/70/441, paras. 8-12, 34-38 and 42-52).

Mr. Chairman,

Finally, section V of the report of the Advisory Committee contains information on interim measures undertaken by the Secretary-General related to the functions housed in the Dag Hammarskjöld Library and the South Annex Buildings. The funding for the interim measures is one of the elements discussed under the resource requirements for the remaining activities of the CMP project.

Thank you, Mr. Chairman.