



**Introductory remarks by
Yukio Takasu, Under-Secretary-General for Management**

**Formal Meeting of the Fifth Committee
on its consideration of the 13th Annual Progress Report
on the Capital Master Plan
Tuesday 27 October 2015**

Good morning Mr. Chairman and distinguished delegates.

I am pleased to introduce the Secretary-General's thirteenth annual progress report on the Capital Master Plan. The report, which was submitted in accordance with the request contained in paragraph 34 of section II of resolution 57/292, provides an update on the implementation of the Capital Master Plan.

The CMP has been the largest renovation work undertaken in the history of the United Nations.

The objective of the project was to renovate the UN's Headquarters by upgrading and modernizing its infrastructure, restoring the historic spaces, respecting and applying the Host City's building, safety and fire codes, and making the Headquarters more secure, energy efficient, and sustainable.

Major progress on the remaining portions of the project was achieved this past year. The project team completed remaining scheduled tasks including the line of protection on First Avenue, the opening of the visitor concourse on the first basement level of the General Assembly Building, and the reopening of the renovated General Assembly Podium. During this period, the team also closed out contracts, and cooperated with internal and external auditors. In addition, artwork has been reinstalled, and many Permanent Missions have sponsored special events to commemorate the reinstallation of gifts.

As a result, the renovated facilities have already hosted many meetings, conferences and special events, and the General Assembly Building has twice hosted the General Debate.

The project has delivered its expected results, despite the challenge of engineering a major upgrade of security standards in 2010 which required an additional year for redesign and construction. And as Member States will recall, the project also had to cope with the effects of Storm Sandy in 2012. Despite these challenges, the overall delay in the seven-year renovation works was limited to about one year from the original target.

Status and Scope of the CMP:

With the renovation and re-occupancy of the Secretariat Building, Conference Building and General Assembly Building, the replacement of major infrastructure in the basements, the enhanced security upgrade initiative which has strengthened the eastern and western perimeters of the United Nations Headquarters and the construction of the South and North Screening buildings, the renovation phase of CMP is completed.

There are still some remaining close-out activities, including the removal of the temporary North Lawn Building, the landscaping of the compound and the security-related work at 42nd and 48th Streets. Those remaining post-renovation portions will be completed by late 2016.

We will proceed with the demolition and removal of the temporary North Lawn Building during the main session of the 70th General Assembly. In line with the General Assembly's resolution on this matter, and as I explained during the previous session, we are committed the timely demolition of the temporary North Lawn Building, commencing soon after the conclusion of the General Debate of the 70th General Assembly. A contract for demolition and landscaping has been awarded. And the demolition contractor has already begun to mobilise preparatory works and site preparation, and will be salvaging and recycling of reusable components of the building shortly, prior to demolition which will commence late December 2015. After landscaping work, the site will be returned to its original status in late 2016.

When the security-related works at 42nd and 48th Streets are in place, as a security measure, vehicle traffic will be limited at 42nd Street entrance from the Service Drive and through-traffic under the Conference Building will be eliminated. The loading dock function will be re-located to the northern entrance of the Service Drive at 48th Street. The procurement process for this work is underway, and work is expected to commence in early 2016, and to be completed before the end of that year.

All remaining activities and close out will be funded from within the existing approved resources of the CMP project, as indicated in table 3 of the report.

Security Considerations and relocation of functions in DHL and SAB:

The Secretary-General informed members many times that the renovation of the Library and South Annex Buildings at reasonable cost was not feasible, due to the security situation along 42nd street. On the basis of the SG report, the General Assembly took a decision in its resolution 69/274. Accordingly, the Secretariat identified the most cost-efficient way to relocate the functions in the Library and South Annex Buildings that is independent of a decision on long-term arrangements.

The main floors of the Library Building were reconfigured to eliminate occupancy from the southern side, which is deemed a higher security risk due to its proximity to the 42nd street ramp, and to consolidate occupancy on the northern side.

The Secretariat prepared three new locations to provide food services: a cafeteria on the 4th floor of the Conference Building, a café on the first basement level of the Secretariat Building, and a coffee bar in the Secretariat Lobby.

Financial Status:

The financial position of the project remains consistent with the projection presented in the update of the twelfth annual progress report.

As at 30 June 2015, the cost to complete the CMP was projected at \$2.150 billion, which is equivalent to the approved resource level. Approved resources comprise the original budget and donations of \$1.991 billion, plus \$159.4 million from interest income and the working capital reserve fund. We have received payment of 99.98% of the original assessment of \$1.8767 billion, which is a remarkable achievement for which the Secretary-General is grateful to member states.

Associated costs and financing:

Based on GA resolution 69/274 at the first resumed session in April 2015, a mechanism was concluded to finance the associated costs and the secondary data centre totalling \$154.8 million, clearing the way for the CMP to be completed within its approved resources. We have transferred \$36.6 million from the special account, and \$73.2 million from the balance of 2012-2013 prior period obligations. In accordance with the GA resolution, \$45 million will be assessed to member states in the context of 2016 assessment.

Mr. Chairman,

The Office of the Capital Master Plan officially closed on 31 July 2015, and the responsibility for implementing the remaining activities and close out have been transferred to the OCSS. I wish to acknowledge the efforts of the staff of the CMP Office and of Assistant Secretary-General Michael Adlerstein, whose leadership contributed to the success of the project.

The Secretary-General is grateful for the strong political and financial support by the Member States throughout the duration of this historic project.

Thank you, Mr. Chairman.