

Seventieth Session: Agenda item 134
Fifth Committee of the General Assembly
3 November 2015

**Report on the Proposal for the seismic mitigation retrofit and life-cycle
replacements project at the Economic and Social Commission for Asia and the
Pacific premises in Bangkok**

**Remarks by Stephen Cutts, Assistant Secretary-General,
Office of Central Support Services, Department of Management**

Mr Chair, Distinguished Delegates,

I have the pleasure to introduce the report of the Secretary-General (A/70/356). This provides an outline of a plan for undertaking the project, the proposed implementation schedule over six biennia ending in 2027, the total project costs (estimated at \$35.2 million at current rates for the period from 2016 to 2027), as well as the proposed resource requirements for the biennium 2016-2017.

To place the project in a broader context, you will recall that the development of a long-term capital programme, for planning purposes, referred to as the Strategic Capital Review, was recognized by the General Assembly in its resolution 68/247B. The report on the Strategic Capital Review did not include any proposals in respect of the identified projects; rather it was stipulated that projects would be presented in due course in accordance with the established procedures for budgetary proposal and the UN Financial Regulations and Rules.

Accordingly, we are now presenting one of the projects referred to in the report on the Strategic Capital Review. However, it should be noted that this project initially began as a preliminary study on the seismic stability of the ESCAP secretariat tower, as approved by the General Assembly in the context of the 2012-13 regular budget. A more detailed study was then undertaken in the 2014-15 biennium. Hence, even though the project was included in the reporting of the Strategic Capital Review, the specific requirement had already been identified and reported to the member states in the Secretary-General's reports on the regular budget, A/66/6 Section 34 and A/68/6 Section 33.

During the course of development of the project we have paid particular attention to emerging needs of the regional commission and have been guided by the lessons learned from other projects of a similar nature. We are cognizant that the success of this project will be achieved if: (1) there are clear objectives to meet requirements and stakeholders expectations; (2) there is a strong governance structure with an accountable project management; and (3) there is an effective risk management to support informed and proactive decision-making.

The current ESCAP Secretariat and Service buildings were designed in the early 1970s and the Conference Centre in the early 1990s. During both periods, no formal provisions were in place in Thailand regarding design against earthquakes, as seismic standards were introduced only in 1997. As a consequence, no seismic risks control and management measures were in place at the time of the design and construction.

The primary objective of the project is to address this risk via a seismic mitigation retrofit to ensure the health and safety of staff, delegates and visitors at the ESCAP premises in Bangkok over the long-term.

This main driver also provides the opportunity to address in the most cost-effective way other issues relating to building performance, energy conservation, space usage efficiencies, and the life-cycle replacement of building systems that have reached the end of their useful lives.

In line with requirements set by the Strategic Capital Review, the key project objectives include ensuring business continuity, complying with relevant regulations related to health and life safety and building codes, ensuring accessibility for persons with disabilities, aligning existing information technology networks to United Nation's latest ICT strategies, and optimizing of the use of available interior spaces and meeting facilities, by providing flexible and functional spaces.

(Steps taken)

This project takes into account studies for improving the building exterior carried out in 2011 and 2012, the visual structural inspection completed in 2012, and the structural seismic assessment undertaken in 2013 and 2014 by a specialized structural engineering consultant.

With respect to governance of this project, I would note that the Executive Secretary of the Economic and Social Commission for Asia and the Pacific is the project owner and is fully committed to the success of the project. The Central Support Services Section within the Division of Administration of ESCAP would maintain oversight

over the proposed dedicated project management team responsible for the execution and day-to-day management of the project. As with other new construction and major maintenance projects undertaken by the Secretariat, the Office of Central Support Services in New York would provide technical guidance and advice on the project.

(Risk Management)

Based upon lessons learned from other construction and renovation projects, a risk-management consultancy firm is proposed to support ESCAP on the course of various project actions, to provide expertise to the project, to assist in identifying and mitigating any risks which may impact the successful delivery of the project, and to support informed decision-making. Also as part of the overall risk management framework, an ESCAP stakeholders committee is proposed, which would provide additional advice to the Executive Secretary and project team on the management and mitigation of risks.

(Plan/Schedule and methodologies)

The significant works required to retrofit the Secretariat building are envisioned to take approximately 6 months to renovate each floor. The proposed methodology of execution of the renovation works entails emptying four floors of the Secretariat Building at a time and moving the staff into swing space. The construction zone would be limited to two floors at a time with one buffer floor above and one buffer floor below the construction zone.

During the project planning other methodologies have been considered including the seismic retrofit performed in one single phase requiring ESCAP premises to be totally emptied. After a detailed cost benefit analysis, the proposed four-floor phased approach is deemed the best option due to a combination of factors including: the lack of sufficient swing space outside in the market to relocate all staff

concurrently, the cost of such swing space, even if it could be found, and the loss of rental income from tenants such as the ILO and UNDP.

In the four-floor phased approach, approximately 5,000 square meters of swing space would be needed for the duration of the renovation, of which 4,000 square meters (or 80%) would need to be found off-site. In this respect ESCAP proposes to approach the Host Country, and simultaneously engage a real estate company to identify 4,000 square meters of suitable office space in Bangkok.

The project design phase is proposed for biennium 2016-2017, followed by the renovation which would start in 2018 and be phased over the subsequent five biennia, until 2027.

To conclude, Mr. Chairman and distinguished delegates, the General Assembly is 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. In accordance with section I of Assembly resolution 63/263, annual progress reports would then be submitted to the Assembly.

Finally, I understand that this committee will immediately commence consideration of this topic in an informal session. I wish to inform delegates that colleagues from ESCAP will be available via videoconference, along with representatives from OCSS and OPPBA, to answer questions and provide any clarifications required.

Thank you.