



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY MS. SIRITHON WAIRATPANIJ, COUNCELLOR, PERMANENT MISSION OF
THE KINGDOM OF THAILAND TO THE UNITED NATIONS ON AGENDA ITEM
134: PROGRAMME BUDGET FOR THE BIENNIUM 2016-2017: CONSTRUCTION
AND PROPERTY MANAGEMENT AT THE ECONOMIC AND SOCIAL
COMMISSION FOR ASIA AND THE PACIFIC (ESCAP) AND THE ECONOMIC
COMMISSION FOR AFRICA (ECA), AT THE MAIN PART OF THE SEVENTY-FIRST
SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY, FIFTH COMMITTEE
(New York, 1 November 2016)**

Madam Chairperson,

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 134: Programme budget for the biennium 2016-2017, in particular on the Construction and Property Management at the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Economic Commission for Africa (ECA).

2. At the outset, the Group would like to thank Mr. Stephen Cutts, Assistant Secretary-General of the Office of Central Support Services, for introducing the report of the Secretary-General on the proposal for the seismic mitigation retrofit and life-cycle replacements project at the ESCAP premises in Bangkok, and on the progress in the construction of new office facilities at the ECA in Addis Ababa, as well as the update on the renovation of conference facilities, including Africa Hall, as contained in documents A/71/333 and its corrigendum, and A/71/370 respectively. We would also like to thank Mr. Carlos Ruiz Massieu, Chair of the Advisory Committee on Administrative and Budgetary Questions, for introducing the related reports contained in documents A/71/570 and A/71/571.

3. The Group of 77 and China continues to be a strong supporter of construction and improvement projects for the United Nations' Regional Commissions under the Strategic Capital Review. The Group emphasizes the need for the Organization to continue addressing health and safety issues at all premises, as well as ensuring more efficient building performance, energy conservation and space utilization. The cases under discussion today, ESCAP and ECA, remain priorities for the Group.

Economic and Social Commission for Asia and the Pacific

Madam Chairperson,

4. With respect to the *Economic and Social Commission for Asia and the Pacific*, the Group notes that latest seismic risk analysis conducted in 2016 reconfirmed that the peak ground acceleration for ESCAP was classified as having moderate to heavy potential to cause damage to structures. This, coupled with the soil and bedrock characteristics of the location, could lead to severe damage, or even complete collapse of the secretariat building, in the event of an earthquake. The Group finds that the identified risk is extremely alarming, considering the fact that, in the last 10 years, over 80 significant earthquakes impacted Thailand, half of which occurred in the last three years, indicating an increased frequency. The Group notes that several earthquakes above level six magnitude on the Richter scale were located less than 200 kilometers

from Bangkok. Against this backdrop, the Group strongly believes that the safety of staff and visitors on the premises should never be compromised, and the Committee should act decisively in this regard.

5. The Group joins the Advisory Committee in commending the Secretary-General for his revised proposal which contains four options for the proposed project, addressing seismic risk on its own, as well as in combination with renovations and life-cycle replacement, with the aim to ensure the most cost-effective and efficient method of implementation as previously mandated by the General Assembly. The Group is pleased to note that the report also contains a thorough analysis of each of the options, taking into account duration, costing estimates, expected benefits, the nature of the works to be performed, and the method of implementation.

6. In this regard, the Group concurs with the Advisory Committee's recommendation that the proposed Option C, combining seismic and life-cycle aspects, carried out in multiple phases over an expeditious timeline of six years, is the most viable and cost-effective option. Option C also has the added benefits of, inter alia, having the lowest risk and giving rise to long-term efficiencies in energy and space. In this context, the Group of 77 and China is prepared to deliberate and approve multi-year construction in-progress account, the scope, resources, and timeline for this important project so as to ensure its successful implementation. The Group of 77 and China is also prepared to put in place oversight, governance and accountability arrangements to ensure the highest standards in the implementation of this project.

Madam Chairperson,

7. The Group of 77 and China would like to reaffirm that a key factor for successful implementation of such projects is close collaboration between the United Nations and the Host Country. In this regard, the Group is encouraged by the Secretariat's efforts towards sustained engagement, coordination, and communication with the Royal Thai Government during its preparation of the current report. The Group also appreciates the support by the host country to this project, including providing technical experts and concrete recommendations aimed at ensuring compliance with national standards in relation to seismic threats and other construction-related technical matters as well as the host country's valuable guidance and advice related to possible locations which can be used as offsite swing space for ESCAP. The Group would like to reiterate the importance of continued interaction between the Organization and the host country throughout the planning and implementation of the project.

8. The Group notes that several Member States have responded to ESCAP's request and shown interest in providing support for this project, including through various potential forms of voluntary contributions. We encourage the Secretary-General to continue his efforts in engaging with Member States on this matter in line with given mandates and in compliance with applicable procedures, rules and regulations of the Organization.

9. As in other construction projects, the Group wishes to emphasize that, in implementing this project, due regard should be paid to the incorporation and use of local knowledge, material, and in-house capacity. We trust that attention will be given as well to lessons learned and best practices from other capital projects, including the successful recent renovation and seismic retrofit project at the UNESCO building in Bangkok.

10. The Group attaches great importance to project governance and oversight as a key driver of the successful implementation of this project. In this regard, guidance, interaction and close coordination between the Secretariat in New York, including the Office of Central Support Services (OCSS), and the Commission in Bangkok, with clear reporting lines, remain essential for the smooth implementation of the project.

Economic Commission for Africa

Madam Chairperson,

11. Turning to *the Economic Commission for Africa*, the Group of 77 and China has taken note of the progress in the construction of new facilities at the Economic Commission for Africa and the renovation of conference facilities, including Africa Hall.

12. With regard to the updates on the construction of Office facilities, the Group notes that an independent assessment has confirmed that there has not been any breach of contract on the part of either the contractor or consultant design firm, and recommended that ECA proceed to complete the contract. The Group has also noted the information on the work carried out, and those remaining related to corrective measures. The Group of 77 and China stresses the need for additional effort to ensure that remaining work is fully completed within newly defined timelines so as to avoid any further delay and cost overrun.

Madam Chairperson,

13. Turning to the renovation of Africa Hall, which has been a subject for discussion for almost a decade now, the Group of 77 and China has taken note of the information provided including the project schedule, cost elements for year 2016-2017, the use of contingencies and expected escalation, governance and oversight, staffing and updates on the visitor center.

14. With regard to the project schedule, the Group of 77 and China is once again disappointed at the delays arising from, among others, contract negotiations. The Group would like to emphasize the need for timely completion of the Africa Hall project, which has been a subject of discussion for almost a decade now. The Group will be interested to learn details of the revised time frame and measures taken to recover the time lost and expedite the project's implementation.

15. The Group notes that planned expenditure for the biennium is lower than originally planned due to delays in contract negotiations. It is our understanding that the remainder of financial planning elements will be implemented within approved maximum resources in the amount of US\$56.9 million, and that any unspent balance will be retained in the multi-year construction-in-progress account which was established under section IX of General Assembly resolution 70/248.

16. The Group of 77 and China has also taken note of the new methodology for estimating contingency provisions and we will be interested to receive updates on this matter during informal deliberations.

Madam Chairperson,

17. With regard to oversight and governance, the Group of 77 and China once again stresses the need for full and timely implementation of all the issued recommendations of the Office of Internal Oversight Services.

18. The Group also stresses the need to ensure that Financial Rules and Regulation as well as procurement policies and procedures are strictly adhered to. We look forward to enhanced accountability arrangements in this regard.

19. The Group has taken note of information provided on the proposed visitor center, including on expected numbers. The Group has also taken note of the comments and observations of the Advisory Committee. We will study them carefully and will seek clarification on specific issues as appropriate.

20. With regard to the renovation of the Conference Center, the Group of 77 and China would also like to emphasize the need for expeditious completion of the renovation as mandated and that all efforts should be made to avoid additional delay. We will seek specific information on the scope and timelines for the project during informal consultations.

21. The Group of 77 and China reiterates the need for local materials, technology and capacity throughout implementation of these projects, and will examine how these elements have been incorporated in the project's implementation.

Madam Chairperson,

22. In conclusion, the Group of 77 and China would like to assure you of our continued commitment to work constructively with other delegations and to engage in constructive deliberations on this item in order to reach a positive outcome in a timely manner.
