



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY MS. LOURDES PEREIRA SOTOMAYOR, FIRST SECRETARY, OF THE
PERMANENT MISSION OF ECUADOR TO THE UNITED NATIONS ON AGENDA
ITEM: 136 PROGRAMME BUDGET FOR THE BIENNIUM 2018-2019: PROGRESS
REPORT ON THE IMPLEMENTATION OF A FLEXIBLE WORKPLACE AT THE
UNITED NATIONS HEADQUARTERS, AT THE MAIN SESSION OF THE SEVENTY
SECOND PERIOD OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY
(New York, 11 December 2017)**

Mr. Chair,

1. I have the honor to deliver this statement on behalf of the Group of 77 and China on agenda item 136, Programme Budget for the Biennium 2018-2019, in particular the progress on the implementation of a flexible workplace at the United Nations Headquarters.
2. At the outset, the Group of 77 and China expresses its gratitude to Mr. Patrick Carey, Officer-in-Charge, Office of Central Support Services, for his introduction of the Secretary General's report, contained in document A/72/379, and Mr. Carlos Ruiz Massieu, Chairperson of the Advisory Committee on Administrative and Budgetary Questions, for his introduction of the related report, as contained in document A/72/7/Add.29.

Mr. Chair,

3. The Group of 77 and China continues to recognise the significance of transformational initiatives of the Organization that contribute to the United Nations being more effective, adaptable and modern. Nevertheless, the G77 and China is convinced that such initiatives to be implemented in a well-considered and measured manner that is suited to respond to evolving work practices and the needs of staff.
4. The Group takes note of the update provided on the implementation of the flexible workplace project at the United Nations Headquarters, and the steps that have been taken since the Secretary-General's last progress report.
5. The Group is encouraged that the flexible workplace project entails ongoing engagement with users as an integral element. However, the Group stresses that the implementation of the flexible workplace project must itself be flexible and adaptable in responding to staff needs. The Group also notes complaints about the ability of staff to focus and find colleagues or team members, feeling less productive, along with the under-subscription of floors, which hinders the Organization's efforts towards achieving optimal levels of productivity. The Group is particularly concerned that the most recent surveys and studies have shown discrepancies in the observations of team productivity between junior and senior managers.
6. In this regard, the Group emphasizes that the outcome of pilot programme should be examined in a meticulous manner to derive substantial lessons learned that are critical for moving forward with the project with efficacy, particularly as it relates to the impact on productivity and performance of staff. The Group stresses that due regard should be given to the views of actual users of flexible working spaces, who are most affected by new arrangements.

7. On the same note, the Group also observes that an assessment on the impact of a flexible workplace on productivity, with reliable indicators and methodologies, has still not been made. The Group therefore expects to receive further details as to the rates of actual occupancy and capacity on each floor as well as the real impact of the project on productivity, flexible workplace arrangements and performance evaluations.

8. While the current implementation plan includes information on the remaining phases of the project, more details should also be provided as to the implementation of each phase, so that the Committee has a holistic view of the full scope of this project, including its impact on leases in non-United Nations owned property. We look forward to discussing this during informal consultations.

Mr. Chair,

9. As we move forward to the end of the session, the Group notes that there are a number of items before the Committee which carry financial implications for the biennium 2018-2019. On the cost of the flexible workplace project, the Group observes that the “decrease” in project costs reported by the Secretariat is a decrease in projections. The total cost of the project has in fact risen from an initial projection of \$45.6 million to an estimated revised total of \$55 million — an increase of 20%. The Group reiterates that a well-substantiated, reliable, and predictable business case is essential for the Committee’s consideration of costly major transformation initiatives. The Group believes that the Secretary-General should also explore options for the self-financing of this project.

10. For the period ahead, the Secretary-General is requesting an authorisation to enter into commitments up to the amount of \$25.4 million, and appropriation of \$6.6 million. The Group of 77 and China has heard the views expressed in this Committee in recent weeks on prioritisation and the sequencing of large capital projects. The Group will therefore examine the revised estimates before us, and consider the need for this project against the backdrop of a fuller, holistic consideration of all construction projects and the requirements for the Regular Budget in 2018-2019.

11. The Group of 77 and China recognizes that the wide ranging ambitions of this project could be impacted by adjustments arising from possible decisions of the Organization on UMOJA, a study on the global service delivery model, and the long-term accommodation needs of the Organisation. In this regard, the Group will appraise the extent of the impact of these initiatives on the scope and duration of the flexible workplace project. The Group will also seek updates and clarification on the evolution of the Secretariat’s policies on flexible working arrangements, and how these align with the overall objectives of this project.

Mr. Chair,

12. In closing, the G77 and China assures you of its commitment to engage constructively on this important agenda item with a view to concluding in a timely manner.

I thank you Mr. Chair.