

**Proposal for the Replacement of Office Blocks A-J at the United Nations  
Office at Nairobi**

**Fifth Committee**

**Introductory statement**

**By**

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**Madame Chair,  
Distinguished Delegates,**

The progress report before you today highlights the steps taken following the issuance of the report of the Secretary-General on the implementation of the project for the replacement of office blocks A-J at the United Nations Office at Nairobi (A/72/375), and the subsequent approval from the General Assembly in resolution 72/262A to initiate the project. You will recall that this was one of the near-term major construction projects identified in the report of the Secretary-General on the Strategic Capital Review (A/72/393) and its preceding reports A/70/697 and A/69/760.

The current report provides an update on the progress made during 2018, and a refinement of the project proposal, which reduces the project cost and provides some additional advantages. The estimated total project cost of \$69.88 million as indicated in the previous report of the Secretary-General has been reduced in the present report by 5.2 per cent, to a revised maximum overall project cost of \$66.26 million. This is due to a refinement of the project implementation plan, which now considers the re-purposing of the existing publishing services building instead of constructing a separate service block as proposed in the previous report. This refined approach presents several additional advantages, including the avoidance of temporary swing space, and an accelerated construction schedule that results in reduced overall escalation costs.

Madame Chair,

As further background, let me step back and provide some context to the members. Following the generous donation by the Kenyan Government of the Gigiri compound to the United Nations, the original blocks were built as temporary office accommodation. These blocks, albeit later reinforced, are still being used as offices for UN Agencies, Funds and Programmes.

In 2014-15, UNON completed an assessment of the conditions of these and all other buildings and infrastructure on the UN Gigiri Complex, the findings of which were included in the Report of the Secretary-General on the Strategic Capital Review (A/70/697). This report identified various upgrades that were required to the site-wide infrastructure and buildings, including needed improvements to the conference facilities and the replacement of the old office blocks A–J.

These office blocks now comprise office space, medical and security facilities, warehousing, contractors' workshops, a canteen and other operational facilities. They are approaching the end of their service life and, despite certain interior upgrades over the years, the buildings do not comply with prevailing codes. In fact, they are no longer safe and do not meet current UN security requirements. The Strategic Capital Review determined that further investment in major maintenance of these buildings will in time cost more than their full replacement.

Given that the UN is currently in the process of developing and implementing business transformation initiatives, it is possible that the reforms may have an impact on future space requirements at the UNON Gigiri complex.

This project has therefore been designed to provide the maximum level of future functional flexibility, as the Secretary-General considers that “right-sizing” of any new construction -- meaning the ability to modify the total built area of the new construction and the ability to make more efficient and flexible use of the existing buildings in the future -- is paramount to the success of the project in addressing future requirements. Foremost, however, are the current life safety deficiencies in blocks A-J, which must be addressed, irrespective of future developments at the complex.

The Secretary-General's reform efforts, one of whose central objectives is decentralization, are likely to make the UN complex at Gigiri an ideal location for increased operational activity. It is also important to note, however, that the UNON A-J Replacement report does not take into account or attempt to predetermine the outcome of the Global Service Delivery Model proposal. However, as indicated above, this refined proposal is flexible enough to accommodate future changes that could lead to an increase or decrease in the demand for office space at UNON.

In this regard, the design for the new building is modular. The design process would allow for the building of one, two, three or four office blocks. The current proposal is to build two new office blocks. If there is a need to reduce space, the project could simply be adjusted to build only one block; similarly, if there was a need to increase space, the project could simply be adjusted to build three or four blocks.

As part of the project proposal, flexible workplace strategies and upgrades will also be applied across all existing office space within the UN Gigiri Complex. This is in line with the experience and best practice applied to other flexible workspace projects, such as in the UN Headquarters Secretariat Building in New York. This will ensure maximum utilization of all existing office space.

The refined project proposal includes repurposing of the existing publishing services building, including re-use of printing space as office space, and construction of an additional mezzanine floor within it, to be used as additional office space. The refined proposal would eliminate the need for a new service building and eliminate the temporary swing space requirement as the renovated publishing services building would provide new office space earlier than previously expected. It could therefore be used as swing space to support the conversion to flexible space of all existing office blocks (M-X and the New Office Facility) as well as swing space once existing office blocks A-J are vacated in preparation for the building of the new office blocks. Two new office blocks are proposed as part of this proposal, and these new buildings would be constructed considering flexible workspace strategies which would consolidate the current Secretariat footprint.

It is also worth considering the wider role of Nairobi, which is the only duty station in the global south that hosts the global headquarters of UN

organizations. Nairobi also hosts the regional offices of a number of agencies, funds and programmes, as well as country and project offices of many more. The United Nations and the organizations of the wider UN System carry out more work in Africa than anywhere else, including in peace and security and humanitarian assistance.

Africa is a vast, dynamic and rapidly changing continent with a great deal of talent and potential. The seat of its United Nations Headquarters is a place of business, a place that contributes more to global solutions than global problems. Nairobi is part of that changing narrative, and the Secretary-General has emphasized that one of his own priorities is to strengthen Africa's place in the UN and the UN's place in Africa.

Nairobi is the home of UNON, the UN's only global service provider in Africa. UNON manages annual extra-budgetary revenue in excess of \$1 billion, expenses in excess of \$800 million and over 8,000 individual grants. We provide related support in over 100 locations globally, to field, country and regional offices of UNEP and UN-Habitat. We prepare their annual financial statements and numerous reports to donors, Member States and auditors. In addition, we provide common services to offices and staff of more than 70 agencies, funds and programmes. Over half of our budget is financed through service charges and our rates and budgets in this regard are approved by our client service boards.

It must be further noted that in support of UN operations in Africa and beyond, the Government of Kenya has made a very significant donation of 140 acres of prime real estate - on which the General Assembly has made substantial investments in buildings, security and other infrastructure. The Government of Kenya has also made significant investments in the Gigiri area, including major road upgrades, introducing traffic light technology and slip lanes to reduce congestion as well as cycling and pedestrian lanes to improve safety, all in support of United Nations entities.

Madame Chair, Distinguished Delegates,

The proposed UNON project is extremely good value for money. The total revised project cost of US\$ 66.26 million would ensure that suitable and fully upgraded office accommodation and service building facilities could be provided to all UN entities requiring secure office space in Nairobi, without any further need for major office upgrades or refurbishments at the UN Gigiri

complex for twenty years. The project is flexible, allowing UNON to take into account any possible impact of ongoing business transformational initiatives.

UNON has a track record for delivering on large projects. The last major office construction at UNON was the New Office Facility, which was completed in 2010 below the approved budget and on schedule, and was considered one of the most environmentally advanced office blocks in the region at that time.

In considering the report of the Secretary-General, the General Assembly is requested to approve the proposed scope, the revised lower maximum overall cost and the related implementation strategy for the project, approve the establishment of seven positions (1 P-5, 2 P-3, 2 NO and 2LL) for dedicated project management, support and coordination, and appropriate an amount of \$6,595,000 for the project for 2019 and approve establishment of a multi-year construction-in-progress account for the project.

It is my hope that the General Assembly will consider these requests favourably.

Thank you.