



EGYPT

**G77 Chairmanship
2018**

**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY COUNSELLOR MOHAMED FOUAD
OF THE PERMANENT MISSION OF EGYPT TO THE UNITED NATIONS, ON AGENDA ITEM 136:
PROGRAMME BUDGET FOR THE BIENNIUM 2018-2019: SEISMIC MITIGATION RETROFIT AND LIFE-
CYCLE REPLACEMENTS PROJECT AT THE ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE
PACIFIC PREMISES IN BANGKOK AND PROGRESS ON THE REPLACEMENT OF OFFICE BLOCKS A-J AT
THE UNITED NATIONS OFFICE IN NAIROBI
(New York, 18 October 2018)**

Madam Chair,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 136: Programme budget for the biennium 2018-2019 in relation to the seismic mitigation retrofit and life-cycle replacements project at the Economic and Social Commission for Asia and the Pacific (ESCAP) premises in Bangkok as well as the progress report on the replacement of office block A-J at the United Nations office in Nairobi.

2. The Group thanks Mr Christian Saunders, Assistant Secretary-General for the Office of Central Support Services (OCSS) and Mr Carlos Ruiz Massieu, Chair of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for introducing their respective reports.

Madam Chair,

3. At the outset, the Group of 77 and China expresses its appreciation for the continued efforts of the Government of Kingdom of Thailand, as the host country, in facilitating the work of ESCAP for the past seven decades. We encourage ESCAP to continue engaging the host country, as well as relevant local authorities, throughout the implementation of the project.

4. Regional Commissions such as ESCAP play an indispensable role in advancing the ideals of multilateralism, and in promoting knowledge-sharing and dialogue at the regional level. Over the years, Asia and the Pacific region has grown by leaps and bounds. Correspondingly, the demands of regional Member States on ESCAP have also intensified, as they redouble their efforts in tackling domestic economic, social and environmental challenges in pursuit of the various internationally agreed development goals. For this reason, it is imperative that the Organization ensure that the ESCAP project is completed on time and within budget. This will allow ESCAP to perform its functions effectively and serve its regional Member States in the most optimal manner.

5. In order for this goal to be achieved, the project management must be held to the highest standards of good governance, oversight, transparency, and accountability. We are pleased that the audit report of the Office of Internal Oversight Services (OIOS) had highlighted that ESCAP had made significant progress in project implementation, and we trust that ESCAP will implement the eight recommendations by OIOS.

6. The Group commends the organization's extensive outreach and the successful effort in attracting qualified female candidates to the project team. We continue to encourage the adoption of such measures in future endeavors, in line with our collective commitment to improve gender parity and equitable geographical representation in the Organization's workforce at all levels. This should also be applied to the Secretary-General's recommendation to hire, on a temporary basis, one Information Technology Assistant (Local level) and one Logistics and Coordination Officer (National Officer) for the on-site swing space, which the Group supports unreservedly.

7. In striving to achieve more efficient building performance, energy conservation and maximum space utilization, we reiterate the importance in ensuring that local knowledge, technology, and capacity be utilised throughout the project implementation. To this end, the Group welcomes the plan to implement an on-site swing space and to refine the construction methodology. While this will delay the start of construction work, we note that the overall construction duration and completion date is expected to remain unchanged.

8. Notwithstanding the Secretary-General's assurances that the project budget of \$40.02 million remains unaffected by the construction delay, we note with concern his report that there is a relatively low level of confidence that the project will be

completed within the approved budget. We urge the Secretary-General to ensure the prompt finalization of the project design, and more importantly, the timely and effective adoption of relevant risk mitigating measures. The Group joins the ACABQ in encouraging the Secretary-General to continue engaging Member States to seek voluntary contributions and other forms of support for the project.

Madam Chair,

9 Moving on to the progress report on the replacement of office blocks at the United Nations office in Nairobi, The Group expresses its appreciation to the Government of the Republic of Kenya as the host country of UNON for facilitating the work of the office and encourages UNON to continue to engage with the government of the host country through different phases of this project.

10 We are particularly pleased to note that the Secretary-General has developed and presented for the General Assembly's consideration progress report at a revised maximum overall project cost of US\$66.26 million, a 5.2 percent reduction compared to the previous total project cost US\$68.88 million. It is noted that the reduction is due to the refinement of the project implementation plan, which now considers the re-use of existing publishing building instead of the construction of a separate service block. We further note that the new office space established within the repurposed publishing services building and the new office building would be constructed taking into account that flexible working strategies that would consolidate the current foot print of the Secretariat tenants, allowing for extra office space to be made available to other United Nations tenants.

11 We welcome the progress made in the implementation of the preliminary project activities. Further implementation of the project will address issues of compliance with seismic mitigation codes, life-cycle replacements, industrial health and safety, accessibility; space utilization as well as efficiency optimization.

11 The Group emphasizes that the recruitment process for the various project positions should take into account the scheduled activities in the project life cycle and that due consideration should be given to recruiting for the positions on a need basis. The group therefore, recommends that the overall duration of the positions should correspond to the actual needs identified in the various phases of implementation of the project.

Madame Chair

12 The Group welcomes the recruitment of an independent risk management expert to support Office of the Central Support Services in fulfilling its project role. Additionally, the group notes that a risk management strategy for the project has been established to facilitate timely assessment and management of a risk-based contingency provision.

13 we underscore the need for the Secretary-General to continue to reflect on lessons learnt and best practices on matters of project governance in the implementation of this proposed project. Equally important is establishing a collaborative environment to bring on board pertinent authorities of the host country whose roles facilitate success of the project. It is the responsibility of the Secretary-General to ensure that these mechanisms are effectively facilitated and operationalized.

14 The Group recalls that in previous resolutions related to construction projects, the General Assembly has impressed upon the Secretary-General on the need to use local capacity including local material content in these projects. Hence, we hope that during the implementation stages of the project all efforts will be made to use locally manufactured or available materials as well as knowledge and technology.

15 The Group of 77 and China continues to emphasise the collective need of the Organization to address health and safety issues across all UN premises. For this reason, we urge all Member States to support the timely and complete implementation of other projects under strategic capital reviews undertaken by the UN. This includes the UN Office at Nairobi (UNON), the Economic Commission for Africa (ECA) in Addis Ababa, and the Economic Commission for Latin America and the Caribbean (ECLAC) in Santiago.

16 In conclusion, let me assure you of the commitment of the Group of 77 and China to work constructively with all delegations towards the timely conclusion of this important agenda item.

I thank you.