



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. SAED KATKHUDA, SENIOR ADVISOR, PERMANENT OBSERVER MISSION OF THE STATE OF PALESTINE TO THE UNITED NATIONS, ON AGENDA ITEM 135: PROGRAMME BUDGET FOR 2020, SIXTH ANNUAL PROGRESS REPORT ON THE STRATEGIC HERITAGE PLAN OF THE UNITED NATIONS OFFICE AT GENEVA, AT THE FIFTH COMMITTEE DURING THE MAIN PART OF THE SEVENTY-FOURTH SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY
(New York, 25 November 2019)**

Mr. Chair,

1. I have the honor to speak on behalf of the Group of 77 and China on this topic. At the outset, the group would like to thank Mr. Pedro Guazo, Director, Finance Division, Office of Programme Planning, Finance and Budget, and Mr. Cihan Terzi, Chair of the Advisory Committee on Administrative and Budgetary Questions, for introducing their respective reports.
2. The Group of 77 and China welcomes the sixth progress report of the Secretary-General on the Strategic Heritage Plan of the United Nations Office at Geneva.
3. The Group also welcomes the voluntary financial contributions by the Government of China, as well as other countries, to the project. We encourage the Secretary General to strengthen his efforts in soliciting contributions from other member states towards other packages of work within the scope of the Strategic Heritage Plan.

Mr. Chair,

4. The Group notes the progress made during the past year towards achieving the key project milestones for design, procurement and construction activities. The Group notes that there has been a review of the construction strategy with the incorporation of a pre-construction services phase. We also note that the addition of this phase, though indicated that it has brought on a reduced execution risk, has caused some six months of slippage and its attendant cost implications. In this regard, we reaffirm that close monitoring, rigorous project management, effective internal control and comprehensive risk mitigation measures are key factors to ensure the completion of construction in a timely manner and within the overall resources approved for the project. We also maintain that the best practices of other construction projects should be continually applied to the Strategic Heritage Plan.

5. With regard to the variations instruction for the new permanent building, the Group notes that the finalization of this part of the revised agreement with the contractor has been concluded

including the full incorporation of flexible workplace strategies. The Group also notes that these variations for the cost of works and design refinement have resulted in an updated cost estimate for the construction of the new permanent building H which is 4.9 million Swiss francs higher than in the previous reporting period. The Group expects that the flexible workplace strategies and other variations of the project would be implemented with due regard for cost-effectiveness and timeliness of project completion.

6. The Group takes note that one of the highest risks on the project was the need for temporary facilities for specific United Nations services to ensure business continuity. The Group requests that costs related to any temporary conference facility planned to be built in this regard should be maintained within the approved budget.

7. The Group takes note of the efforts of the United Nations Office at Geneva in promoting sustainability and reducing energy consumption, such as by designing the new permanent building to have a performance level equivalent to the internationally recognized Leadership in Energy and Environmental Design Gold certification standard. The Group also takes note of the Project's objective to lower energy consumption of the Palais des Nations by at least 25% compared with the 2010 baseline and looks forward to receiving any progress updates in this respect.

Mr.Chair,

8. The Group recalls that the General Assembly, in its resolution 73/279 A, decided to revert to the questions of the establishment of an assessment scheme and the currency of appropriation and assessment for the strategic heritage plan at the main part of its seventy-fourth session. The Group reiterates that the project has reached a stage at which there was a need to secure its financing. It is high time the General Assembly took a decision on this long standing issue, especially considering the size and complexity of the project.

9. On the issue of the valorization strategy, though the Group appreciates the merits of this strategy, we recall that the ACABQ advised to separate valorization income from the SHP as valorization was not related to the nature of a construction project. The General Assembly has consequently decided in its resolutions 72/262 A and 73/279 A to have all valorization income reflected under income section 2 of the programme budget. The Group notes that future reporting on valorization of UN land in Geneva will be captured under the aforementioned income section.

10. In conclusion, Mr. Chair, the Group wishes to emphasize that the recommendations of the Board of Auditors on the project should be implemented fully and expeditiously. The Group of 77 and China stands ready to continue to engage constructively during informal deliberations on this agenda item.

I thank you, Mr. Chair.