



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY H.E  
AMBASSADOR PETER THOMSON, PERMANENT REPRESENTATIVE OF FIJI  
TO THE UNITED NATIONS AND CHAIR OF THE GROUP OF 77, ON AGENDA  
ITEM 134: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2014-  
2015, CAPITAL MASTER PLAN, AT THE FIFTH COMMITTEE DURING THE  
MAIN PART OF SIXTY-EIGHTH SESSION OF THE UNITED NATIONS  
GENERAL ASSEMBLY (New York, 31 October 2013)**

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 134: Programme Budget for the biennium 2014 - 2015: Capital Master Plan (CMP).

2. The Group of 77 and China would like to thank Mr. Michael Alderstein, Assistant Secretary-General and Executive Director of the Capital Master Plan, for introducing the Eleventh annual progress report of the Secretary-General on the implementation of the Capital Master Plan contained in document A/68/352 and the report of the Secretary-General on final expenditures for associated costs for 2008 to 2013 contained in document A/68/352/Add.1. We also express our appreciation to Mr. Hugh O'Farrell, Director of External Audit (United Kingdom and Northern Ireland) and Chairman of the Audit Operations Committee of the Board of Auditors, for his introduction of the report of the Board contained in document A/68/5 (Vol. V), as well the Chief of the Policy and Oversight Coordination Service, of the Department of Management, Mr. Mario Baez, for introducing the report of the Secretary-General on the implementation of the recommendations of the Board as contained in document A/68/336. The Group also thanks the Chairman of Advisory Committee on Administrative and Budgetary Questions (ACABQ), Mr. Carlos Ruiz Massieu, for introducing the report of the Advisory Committee contained in document A/68/551.

Mr. Chairman,

3. The Group of 77 and China welcomes the progress made in the implementation of the Capital Master Plan, in particular the reoccupancy of the Secretariat and the Conference Building.

4. Over the past few years of implementation of the Project, the Group has consistently maintained that the CMP must be completed in time and within the approved budget, without affecting the original scope nor compromising on the quality of the final product. The management's handling of the CMP budget and the unresolved issue of the associated costs are but some of these major areas of concern. The failure to accurately predict and timely inform the General Assembly on both the associated costs and any projected budget increase resulting from issues such as change orders, security enhancements and the swing space requirements were also among the problems encountered along the process.

5. As we approach the last phases of the project, the risks naturally become less prominent. However, we regret that the Secretariat did not change its approach to the process of forecasting final project costs in a way it would enable acceptance of projections by the Board of Auditors. Moreover, the continuing lack of transparency in reporting to the General Assembly, as pointed out by the BoA and ACABQ with regards to management of contingency provisions, continue to be a source of concern.

6. The Group is of the firm belief that, in a complex project like the Capital Master Plan, transparency and accountability should be of essence. The Group strongly urges for transparent and timely reporting on all aspects of the implementation of the CMP to enable the General Assembly to take appropriate action promptly to facilitate the process accordingly. Failure to do so could be equated to a management fault.

Mr. Chairman,

7. As mentioned by the Secretary-General, we embark now on a major phase of the Project, the renovation of the General Assembly Building. The compressed remaining schedule for its completion raises questions on the capacity of the Secretariat to complete construction in time for the General Debate of 2014. The Group considers that the report under consideration does not present a clear assessment of the risks involved nor does it offer information on contingency measures in case the schedule becomes unrealistic.

8. The Group agrees with the Board of Auditors that achieving the target date for completion of the General Assembly Building while managing related cost pressures is the critical risk faced by the project and we will ask further questions to better assess the situation.

Mr. Chairman,

9. The Group has taken note of the suggestions by the Secretary-General in his eleventh annual report. Once again, the Group is very concerned that the Secretary-General did not present viable alternatives to complete the project in its entirety. We cannot accept that solutions for integral aspects of the completion of the Capital Master Plan become conditioned to a solution on a different item under consideration of this Committee.

10. The Group urges the Secretariat to find an agreeable solution on the renovation of the South Annex and the Library buildings with the authorities of the host government as soon as possible. It is unacceptable that a proposal sent by the United Nations to the host Government in December 2011 is left unanswered for almost 2 years. The Group will not consider the work of the CMP completed until an agreeable solution to this situation is reached.

11. The Group of 77 and China reaffirms its long-standing position that the architectural integrity of the United Nations complex must be preserved. We therefore firmly reject any proposal to defer the demolishing of the Temporary North Lawn Building. The Group further recalls that in its resolution 65/269, the General Assembly approved the mandate for the timely demolishing and removal of the Temporary North Lawn Building upon the completion of the Headquarters renovation work. We request the Secretary-General to fully abide by the General Assembly decision.

Mr. Chairman,

12. The Capital Master Plan was conceived as a project to refurbish, modernize and preserve the architecture of the landmark Headquarters of the United Nations. The Group finds it extremely important that every effort is made to achieve these objectives in their entirety, as approved by the General Assembly.

13. The Group looks forward to discussing these and other issues of concern during the informal sessions and pledges its full commitment to finding solutions to the current problems the Project is facing.

I thank you Mr. Chairman.