



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. ABDELHAKIM MIHOUBI, COUNSELLOR, PERMANENT MISSION OF ALGERIA TO THE UNITED NATIONS, ON AGENDA ITEM 130: PROGRAMME BUDGET FOR THE BIENNIUM 2012-2013 - OVERSEAS PROPERTY MANAGEMENT AND CONSTRUCTION: ECA, ADDIS ABABA AND UNON, NAIROBI, AT THE FIFTH COMMITTEE DURING THE MAIN PART OF SIXTY-SEVENTH SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY (New York, 10 October 2012)

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 130 entitled "Programme budget for the biennium 2012-2013: Overseas Property Management and Construction". We would like to thank the Assistant Secretary-General for Central Support Services, Mr. Warren Sach, for introducing the reports of the Secretary-General on overseas property management and construction projects contained in documents A/67/216, and A/67/217. We also wish to thank the Chairperson of the ACABQ, Mr. Collen Kelapile, for introducing the related report of the Advisory Committee (A/67/484).
2. The Group of 77 and China has previously stated the great importance the Group attached to the proper management of the Organization's property portfolio and the effective management of any construction undertaken by the organization. The Group therefore continues to support the establishment of proper mechanisms and management structures to oversee the effective implementation of the Organization's construction projects.
3. The Group of 77 and China welcomes the report on the progress in the construction of additional office facilities at the Economic Commission for Africa (ECA) in Addis Ababa. The Group notes with appreciation the existing cooperation and collaboration between the ECA and the Government of Ethiopia in support of this project and which has resulted in proactive action to ensure that identified bottlenecks to implementation of the project are dealt with expeditiously.
4. The Group notes that the Secretary-General has reported a slippage in the completion of construction, which was initially slated for the end of February 2012. The construction completion schedule has been revised twice, first to 31 August 2012 and most recently to 31 December 2012. We also note that at the completion of the construction phase, there will be by a three-month fit-out period, with building occupancy projected for April 2013, occasioning a one month delay in effecting occupancy as compared to the original schedule.
5. The Group has noted the reasons for the construction slippage and the remedial measures taken by the Secretariat, the Commission and the host authorities to stem further slippage and to expedite the completion of the project. Whereas the slippage is unfortunate, the Group commends the Secretary-General and the host authorities for acting promptly to forestall further slippage and for exploring additional measures to expedite the completion of the project.
6. The Group further commends the Secretariat, the Commission and the project management team for undertaking a value engineering exercise that has resulted in reductions in costs totaling \$522,100, primarily realized through making the electromechanical systems more efficient. We welcome the Secretary-General's assurance that the changes made did not adversely affect the

overall performance and aesthetic quality of the building.

7. The Group notes that pursuant to resolution 65/259, the ECA, in collaboration with UNESCO and the Africa Union, is undertaking renovation of Africa Hall to make it a "Monument to modern African history." The Groups notes the completion of the terms of reference for a consultant to produce a coordinated design: architectural, structural, mechanical, electrical, information and communications technology, interior design and quantity surveying, to achieve the required quality of renovation. While the Group notes that the procurement process for the consultancy is in its final phase, we urge the Secretary-General to move expeditiously on this renovation project.

Mr. Chairman,

8. The Group of 77 and China, notes with appreciation the progress report on the Construction of additional office facilities at the United Nations Office at Nairobi. The completion of this project in advance of its schedule and below the approved budget is commendable and clearly demonstrates the benefits of proper and effective project management. Members will recall that prior to the adoption of resolution 63/263, the same project had faced seemingly insurmountable difficulties since it was approved in 2001. It was only after the General Assembly's intervention in 2008 that UN Headquarters took on an enhanced role in coordinating and supporting overseas property management and construction projects. Furthermore dedicated project management capacity was established to manage the construction. The result of all these efforts is that, the Secretary-General in his current report indicates the project has been completed at a cost that was \$1,289,663 below the approved budget of \$25,252,200. Further, that 69 per cent of the approved contingency amount of \$1,870,000, will remain unutilized once the final payments are made. We commend the host authorities, the contractors and the UN staff who have worked collaboratively to deliver this project well within schedule and budget.

9. The Group also notes that the new office facility is now occupied at capacity and that of the space required and projected for at the inception of the project, 102 per cent was provided and is being used. This impressive rate of occupancy has been realized in spite of the fact that some UN entities, which had previously indicated interest in being accommodated, decided not to take up occupancy at the UN compound. The Secretariat and the UNON management in particular have done quite a commendable job in ensuring that the available office space was taken up by other UN entities. The Group commends the Secretary-General and looks forward to the realization of the full benefits of the additional office space at UNON. Further, the Group hopes that organization will use the lessons learnt from implementing this project in implementing future projects.

10. In conclusion Mr. Chairman, the Group of 77 and China assures you of its readiness to engage constructively on this agenda item.

I thank you.