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Held at Headquarters, New York, on Friday, 7 December 2018, at 10 a.m.

Chair: Ms. Bird (Australia)
*Vice-Chair of the Advisory Committee on Administrative
and Budgetary Questions:* Mr. Sene

Contents

Agenda item 136: Programme budget for the biennium 2018–2019 (*continued*)*Construction and property management (continued)**Progress in the renovation of Africa Hall and the construction of new
office facilities at the Economic Commission for Africa in Addis Ababa*

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The meeting was called to order at 10.05 a.m.

Agenda item 136: Programme budget for the biennium 2018–2019 (continued)

*Construction and property management
(continued)*

*Progress in the renovation of Africa Hall
and the construction of new office facilities
at the Economic Commission for Africa in
Addis Ababa (A/73/355 and A/73/616)*

1. **Mr. Saunders** (Assistant Secretary-General for Central Support Services), introducing the report of the Secretary-General on progress in the renovation of Africa Hall and the construction of new office facilities at the Economic Commission for Africa (ECA) in Addis Ababa (A/73/355), said that the final completion milestone in the construction of the new office facilities, known as the Zambezi Building, and the remaining ancillary works had been reached in the third quarter of 2018.

2. With respect to the renovation of Africa Hall, he said that the objective of the project was to improve the functionality of the building and extend its useful life, with a view to achieving the highest standards for conference facilities while preserving and restoring the historical and cultural values embedded in the building's architecture.

3. A governance structure for the project had been established. The project executive acted as a link between the project team and the Organization. The Office of Central Support Services provided substantive guidance and expertise. As a member of the Stakeholders Committee, the Office was actively involved in the project. Representatives from the Office's Global Property Management Service held regular coordination meetings with the project team, during which they received updates on the progress made and any issues encountered. With the assistance of an independent risk management firm, the Service had developed a risk management strategy and carried out a quantitative risk analysis in order to provide the project owner with an unbiased overview of the overall status of the project and the proposed risk mitigation measures.

4. Early decanting works had commenced in January 2018. Owing to a delay on the part of the contractor in executing the mobilization phase of the contract, the scheduled completion date had been moved to March 2019. The tendering process for the main renovation works was under way, with the awarding of the contract scheduled for early 2019. Work on upgrading the conference engineering systems and

designing the permanent exhibition was in the final stages.

5. Considerable progress had been made in negotiations with the host country. An agreement on project implementation had been signed, and negotiations were ongoing regarding the donation of a parcel of land for use by ECA as a visitors' parking area. The main renovation works were scheduled for completion by early 2021, slightly later than anticipated. Nevertheless, the quantitative risk analysis had shown that there was a 75 per cent level of confidence that the project would be completed within the maximum approved budget of \$56.9 million, the highest budget confidence level for all current capital construction projects.

6. The actions to be undertaken during the upcoming reporting period included completing the pre-construction activities and the early decanting works; commencing the main renovation works; finalizing the lease agreement with the host country on the use and development of additional land as a visitors' parking area; and defining the exhibit themes and completing the design of the permanent exhibition. The General Assembly was requested to take note of the progress made and the revised cost plan for the project, and to appropriate an amount of \$8,931,100 for project activities in 2019.

7. **Mr. Sene** (Vice-Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/73/616), said that the Advisory Committee recommended that the General Assembly take note of the progress made and the revised cost plan, and appropriate a net amount of \$8.9 million for project activities in 2019.

8. The Secretary-General remained confident that the project would be delivered within budget, in particular as the main strategies for mitigating the major risks had been identified. The Advisory Committee trusted that measures would be taken to ensure the delivery of the project as approved by the General Assembly, and recommended that the Assembly request the Secretary-General to include an update on the management of the main risks in the next progress report.

9. The contingency figures provided varied from one report of the Secretary-General to another and had deviated from the 20 per cent level that was to be used throughout the project. The Advisory Committee requested the Secretary-General to provide an explanation to the General Assembly on the calculation

of the contingency rates and the reasons for the varying percentages.

10. The Advisory Committee reiterated its view that everyone should be able to visit Africa Hall, which was a historic landmark. It recommended that the General Assembly request the Secretary-General to calculate the projected number of visitors and develop various admission options following the completion of the renovation project.

11. **Mr. Alsayed** (Egypt), speaking on behalf of the Group of 77 and China, said that the Group was grateful to the host country for its continued support of ECA and trusted that the Secretary-General would continue to engage with the Government of Ethiopia to ensure the success of the project. The Group was pleased that the construction of the new office facilities had been completed within the approved maximum cost of \$15,333,200. The ancillary works had included improving access and safety and constructing a generator house. The exemplary execution of the project had set a high standard for other facilities improvement projects within the ECA compound. Additional information on the close-out of the project and lessons learned would be welcome.

12. Reiterating the historic significance of Africa Hall, he said that the landmark building should be renovated in a manner that respected the original design and appearance, while ensuring compliance with best practices with respect to current international building standards and codes. The Group attached great importance to project accountability and had taken note of the recommendations made by the Office of Internal Oversight Services following its third annual audit of the project. The Group would appreciate additional information on the steps taken to implement those recommendations.

13. The Group was pleased that collaboration between ECA and the Government of Ethiopia had resulted in the signature of a project-specific agreement that set out the operational arrangements for ensuring smooth and rapid processing through customs and importation of materials, while also conferring other privileges related to project implementation.

14. Africa Hall and the visitors' centre should be open to all, including students, academics, local residents and tourists, regardless of ability to pay. The Group would examine the various admission options during informal consultations. It was pleased that the Ethiopian Government had worked with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the African Union to define specific

themes for the proposed permanent exhibition spaces, in particular regarding the historic aspects of Africa Hall.

15. The Group commended those Member States that had made voluntary contributions, and welcomed the establishment of a dedicated trust fund. The Group also welcomed the efforts of ECA to develop a comprehensive strategy and related action plan to mobilize resources from the private sector, and urged the Secretary-General to continue engaging with Member States with a view to encouraging them to make voluntary and in-kind contributions.

16. The Group had taken note of the outcome of the quantitative risk analysis and trusted that the Secretary-General would take the necessary mitigation measures to ensure that the project was completed within the approved budget. The Group supported the appropriation of the funds proposed by the Secretary-General for project activities in 2019.

17. **Ms. Nalwanga** (Uganda), speaking on behalf of the Group of African States, said that the Group attached great importance to the Africa Hall renovation project owing to the symbolic and historic significance of the building. The Group expressed its gratitude to the Government of Ethiopia for its continued support of ECA, and trusted that the Secretary-General would continue to engage with the host country to ensure the success of the project.

18. The Group welcomed the completion of the new office facilities, which had set the bar high in terms of accessibility and safety. The lessons learned from the construction of the Zambezi Building should be taken into account by the Organization when implementing other projects on the continent. The Group requested an update on the issuance of a certificate of final completion. It would also be interested to receive additional information on the Organization's experience of setting benchmarks for such projects.

19. The Group welcomed the efforts made to renovate Africa Hall in a manner that respected the original design while ensuring compliance with best practices and international building standards, including improved energy efficiency. The building's audiovisual facilities and life and fire safety provisions would need to be updated. It was important to maintain the overall project objectives, including cost, schedule and quality objectives. Noting that stage 4 of the renovation had been delayed owing to the fact that the early decanting works had commenced later than anticipated, she urged the Secretary-General to take appropriate measures to avoid further slippage in the schedule. The Group welcomed the hiring of an artworks restoration expert, and called for the recruitment of an information

technology, audiovisual and conference engineering services expert.

20. The signature of a project-specific agreement between the United Nations and the Government of Ethiopia was a positive step. The Group also welcomed the collaboration of UNESCO, the African Union and the Government in defining themes for the permanent exhibition spaces. The Group noted with appreciation the voluntary contribution received from Mali and the interest expressed by the Government of Switzerland in making a contribution. The Secretary-General should continue engaging with Member States with a view to mobilizing additional voluntary contributions, including in collaboration with the African Union.

21. It was also important to raise global awareness of the historic significance of Africa Hall, in particular among the African diaspora and academics, and to establish additional partnerships. The Organization must build on the progress made to date. The Group supported the Secretary-General's request for an appropriation of \$8,931,100 for 2019.

22. **Mr. Amde** (Ethiopia) said that his delegation welcomed the completion of the new office facilities and trusted that the experience drawn from the project would be used as a benchmark to standardize the services of all facilities at ECA. The project should be closed out and the final 5 per cent retention payment of \$85,000 should be disbursed to the contractor. His delegation would seek an update on that matter in informal consultations.

23. His delegation attached great importance to the renovation of Africa Hall, and would work closely with the project team and ECA, through the Stakeholders Committee and the Advisory Board, to ensure that the project was completed on time. His delegation was pleased that the building was being renovated in a manner that respected the original design while ensuring compliance with best practices and current international building standards and codes.

24. His delegation supported the appropriation of a net amount of \$8,931,100 for project activities in 2019, and welcomed the contribution made by Mali and the interest expressed by the Government of Switzerland in making a contribution. As confirmed by the Addis Ababa mayor's office in June 2018, his Government would work with ECA to finalize the handover of a parcel of land for visitors' parking. His delegation was pleased that ECA was developing a comprehensive strategy and related action plan to mobilize resources from the private sector.

25. In response to the General Assembly's request to include local knowledge throughout the implementation

of construction and renovation projects at ECA, the Commission was working with the Faculty of Architecture of the University of Addis Ababa, which had recently established a master's programme in heritage conservation. Efforts must be made to attract domestic and foreign visitors to Africa Hall. Promotional activities targeting tour companies, academic institutions and conference centres should be planned and undertaken.

The meeting rose at 10.35 a.m.