



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA  
BY MR LYLE DAVIDSON, COUNSELLOR AT THE PERMANENT MISSION OF THE REPUBLIC  
OF SOUTH AFRICA TO THE UNITED NATIONS ON AGENDA ITEM 134: PROPOSED  
PROGRAMME BUDGET FOR THE BIENIUM 2016-2017: CONSTRUCTION AND PROPERTY  
MANAGEMENT: ESCAP DURING THE MAIN PART OF THE SEVENTIETH SESSION OF THE  
FIFTH COMMITTEE OF THE GENERAL ASSEMBLY**

**(New York, 3 November 2015)**

Mr. Chairman,

I have the honor to speak on behalf of the Group of 77 and China on agenda item 134: Proposed Program Budget for the Biennium 2016-2017: Construction and Property Management at the Economic and Social Commission for Asia and the Pacific (ESCAP).

At the outset, the Group of 77 and China would like to thank Mr. Stephen Cutts, Assistant Secretary-General for the Office of Central Support Services, for introducing the report of the Secretary-General on the Proposal for the seismic mitigation retrofit and life-cycle replacements project at the ESCAP premises in Bangkok, contained in document A/70/356. The Group would also like to thank Mr. Carlos Ruiz Massieu, Chair of the Advisory Committee on Administrative and Budgetary Questions, for introducing its related report as contained in document A/70/7/Add.3.

The Group would like to register its concern at the late issuance of the documents related to this agenda item, which impacts on the ability of the Fifth Committee to give this agenda item the effective consideration it deserves. The Group urges all relevant stakeholders to ensure that reports to this Committee are submitted in a timely manner.

Mr. Chairman,

Consideration of the capital projects in United Nations duty stations, in particular ESCAP, are an important priority for the Group. The Group emphasizes the need for the Organization to continue to address health and safety issues at all premises in order to enhance the effectiveness and efficiency of the Organization and Member States.

The Group would like to extend our appreciation to the Government and people of the Kingdom of Thailand for their continued support to the work of the Commission and other multilateral entities in the region.

In this regard, the Group would like to emphasize the importance of interaction between the Organization and the host country throughout implementation of the project.

Mr. Chairman,

The Group of 77 and China welcomes the Secretary-General's proposal for seismic mitigation retrofit and life-cycle replacements project at ESCAP which is submitted as part of the implementation of the strategic capital review initiative in order to ensure the long-term health and safety of staff, delegates and visitors at the Commission's premises in Bangkok.

The Group notes that the project is estimated at a cost of \$35 million across different budget biennia. We are of the view that the capital projects should be budgeted outside the regular budget envelope to ensure transparent, accountability and effective implementation. The Group is also supportive of implementing this project under special multi-year account arrangements. The Group will be interested to learn more details of the inclusion of these elements of the proposal during the informal consultations.

The Group believes that contingency should be included as a part of the overall budget level to mitigate any unexpected changes throughout the implementation of the project. All efforts should, however, be made to avoid drawing from the contingency fund and any withdrawals made should be necessary and in line with the established principles.

Mr. Chairman,

Turning to project governance and management, the Group of 77 and China emphasizes the importance of guidance, interaction and coordination between the Secretariat in New York, including the Office of Central Support Services, and the Commission in Bangkok, with clear reporting lines during the implementation of the project. The Group also stresses the importance of the leadership and guidance of the Secretary-General and senior management, as well as a clear commitment to the construction project by all parties concerned, during the implementation and completion of the project.

The Group notes the importance of accountability and oversight for all major capital projects and urges the Secretary-General to ensure that oversight mechanisms are in place to mitigate risks and challenges arising from project implementation.

Mr. Chairman,

The Group of 77 and China notes that the Organization has accumulated a lot of experiences, knowledge and best practices through its implementation of capital projects. The Group, therefore, encourages the project team to take into account the

lessons learned and best practices from other projects, in particular those implemented at United Nations offices in Nairobi, Addis Ababa and Arusha. The Group welcomes the inclusion of local knowledge and capacity and encourages continued efforts in this regard throughout the implementation of the project.

The Group emphasizes the need to ensure all the errors, omissions and deficiencies identified in the Capital Master Plan are not repeated under ESCAP. In this regard, the Group looks forward to learn in detail of the application of the paper by the Board of Auditors related to the implementation of capital projects.

Mr. Chairman,

While the Group of 77 and China shares the view on a number of the observations, comments and recommendations of the Advisory Committee, the Group is concerned about the conclusion of the Advisory Committee not to approve the proposal. The Group believes the Secretary-General should be allowed to move towards implementation taking into account the observations of the Advisory Committee, the Board of Auditors, as well as guidance from the Member States. We will present specific proposals in this regard.

The Group has taken note of a number of other elements including those related to proposed scope, plan for undertaking the project, implementation schedule as well as the total project cost estimation, and we look forward to receiving more detailed discussion during informal consultations including to explore the possibility to shorten the estimated project duration without undermining the quality and scope.

In conclusion, the Group of 77 and China would like to assure you of our readiness to engage in constructive deliberation on this item with the aim of reaching a positive and timely outcome.

I thank you, Mr. Chairman.