



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA
BY MS. SONDR CHEONG, FIRST SECRETARY OF THE PERMANENT MISSION
OF THE CO-OPERATIVE REPUBLIC OF GUYANA TO THE UNITED NATIONS, ON
AGENDA ITEM 141: PROGRAMME BUDGET FOR 2021: SEVENTH 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- FIFTH SESSION OF THE UNITED NATIONS GENERAL
ASSEMBLY**

(New York, 13th November 2020)

Mr. Chair,

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 141: Programme Budget for 2021: Seventh Annual Progress Report on the Strategic Heritage Plan of the United Nations at Geneva.
2. At the outset, the Group would like to thank Mr. Pedro Guazo, Director, Finance Division, Office of Programme Planning, Finance and Budget, and Mr. Abdallah Bachar Bong, Chair of the Advisory Committee on Administrative and Budgetary Questions, for their respective reports.
3. The Group welcomes the seventh annual progress report of the Secretary-General on the Strategic Heritage Plan of the United Nations Office at Geneva contained in document referenced A/75/355.
4. 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, including those that will effectively be applied to reduce Member States' assessed contributions to the strategic heritage plan project.

Mr. Chair,

5. The Group notes that progress has been made on the new permanent building H, including the completion of structural work and installation of the façade, as well as the advances made in masonry, waterproofing, partitions, mechanical, electrical,

plumbing and finishing works on the majority of the floors. We note the finalization of the tender and signing of the contract for the renovation of the 1930 historic buildings and the pre-construction services phase of the renovation phase of these buildings.

6. The Group takes note of the commissioning of the temporary Conference building in August 2020, which assures business continuity in UNOG. We also note the implementation of early action works section to enable the renovation works to commence swiftly.
7. The Group is concerned that three of the recommendations of the Board of Auditors contained in its First Progress Report are yet to be implemented. The Group reiterates that all pertinent and approved recommendations of the Board of Auditors must be implemented expeditiously to help business transformation.

Mr. Chair,

8. The Group notes with deep concern that there is further and continuous delay in the overall implementation of the project, which is more likely to extend the final completion date into 2025. We also express our great concern that the confidence level of completing the strategic heritage plan within the approved budget as projected in the most recent risk model has fallen to 2 per cent. We are again significantly concerned that the probability of achieving the full baseline scope within the approved budget is now significantly reduced and it is difficult to precisely forecast the total shortfall.
9. While understanding the challenges related to the impact of COVID-19, the Group recalls that the project started suffering delays and cost escalation before the onset of the pandemic. We reemphasize that close monitoring, rigorous project management, effective internal control and comprehensive risk mitigation measures are key to ensuring the progress and completion of the project within the approved timeline and budget. In this regard, we request the Secretary-General, the project owner and the Steering Committee to shoulder special responsibilities in guiding and overseeing the management of the implementation of the project, facilitating decision-making and the prompt resolution of issues and ensuring the project's progress with the aim of not exceeding the approved scope, budget and timetable.
10. The Group is looking forward to learn about the measures of value engineering to meet the approved project scope objectives at a lower cost. However, such measures should not be at the expense of the quality, both technical and esthetic.
11. With regards to the procurement of renovation works in the future, the Group is confident that the Office at Geneva will incorporate lessons learned and implement

from the outset, contracting strategies that are balanced in an appropriate way, so as to enable potentially qualified contractors to participate in the tendering process and submit competitive bids, while not taking on excessive risk to the United Nations, as recommended by the Board of Auditors. Moreover, the Group trusts that all possible means will be used to ensure that contractors from the developing world participate fully and equitably in all procurement activities related to this important project.

Mr. Chair,

12. The Group recalls that the General Assembly, in its resolution 74/263, decided to revert to the questions on 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 General Assembly also reserved its review on the annual repayments of the loans. The Group reiterates the strong need to secure its financing more than ever. It is high time that the General Assembly took a decision on this long-standing issue, especially considering the size and complexity of the project.

13. 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 several times in its resolutions 72/262 A, 73/279 A and 74/263 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.

14. Last but not least, the Group of 77 and China reiterate the need to preserve the historical and cultural value of the building during renovation. The Group also notes the project's objective to lower energy consumption of the Palais de Nations by at least 25% as compared to the 2010 baseline. We look forward to have an update on the environmental impact and cost saving in this regard.

Mr. Chair,

15. The Group stands ready to engage constructively during the informal deliberations on this agenda item.

I thank you.