



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MS. LOURDES PEREIRA SOTOMAYOR, FIRST SECRETARY AT THE PERMANENT MISSION OF ECUADOR TO THE UNITED NATIONS, ON AGENDA ITEM 136: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 2018-2019: CONSTRUCTION AND PROPERTY MANAGEMENT - ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN (ECLAC) AND ON THE STRATEGIC CAPITAL REVIEW, AT THE MAIN PART OF THE 72ND SESSION OF THE FIFTH COMMITTEE OF THE UN GENERAL ASSEMBLY (New York, 9 November 2017)

Mr. Chairman,

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 136: proposed programme budget for the biennium 2018-2019: Construction Property Management at the Economic Commission for Latin America and the Caribbean (ECLAC) and on the Strategic Capital Review.
2. The Group of 77 wishes to thank Mr. Dmitri Dovgopoly, Officer-in-Charge, Office of Central Support Services, for his introduction of the reports of the Secretary-General and Mr. Babou Sene, Vice-Chair of the Advisory Committee on Administrative and Budgetary Questions, for his introduction of the related reports.
3. The Group notes with appreciation the support of the people and Government of Chile in support of the work of the Commission in Santiago, including facilitating the construction and modernization of the facilities.

Mr. Chairman,

4. The Group emphasizes the relevance of the five regional commissions to this Organization, the headquarters of the Economic Commission for Latin America and the Caribbean (ECLAC) established in Santiago in 1965 is one of them and was founded with the purpose of contributing to the economic development of Latin America and the Caribbean.
5. ECLAC is a regional reference not only for being the voice and mirror of United Nations guidelines, but also, for being a repository for information, a center for the creation of ideas and multilateral cooperation for the sake of regional development. ECLAC is not only a physical presence translated into a building, but it also has a historical presence, because it has been an immeasurable source of debate, thought and criticism, that has been present in different political moments of the region and has remained a bastion for the developing countries that give life to it.
6. In this line, the Group of 77 and China would like to reaffirm the importance of the implementation of the capital projects at the Economic Commission for Latin America and the Caribbean (ECLAC), in Santiago, in particular the renovation and modernization of the facilities in line with United Nations standards and industry codes to address health and safety concerns that have been highlighted by the Secretary General in his report.
7. With regard to the renovation of the North Building, the Group of 77 and China welcomes and supports the Secretary-General's proposal to start the implementation of the project, including the

estimated resources in the amount of \$ 14,118,000 million for the modernization of the facilities.

8. The Group stresses that, after the earthquake that occurred in Chile in 2010, ECLAC, concluded that the North Building, which was constructed as a temporary structure in 1989, was in need of mitigation measures. It is a time for the project to begin and the Group will seek clarity, during the informal consultations, on the implementation strategies, including measures to shorten the duration of the project without undermining the scope and quality of work.

9. The Group notes the specific observations, comments and recommendations of the Advisory Committee, including those related with the importance of making effective use of lessons learned from other capital projects, for example, the seismic mitigation project of the Economic and Social Commission for Asia and the Pacific in Bangkok and the Africa Hall renovation at the Economic Commission for Africa in Addis Ababa, including, for example with respect to the use of locally sourced and manufactured materials. In addition the Group stresses that there is a need to adhere to project timelines and cost estimates.

Mr. Chairman,

Regarding the Strategic Capital Review,

10. The Group attaches great importance to the capital reviews which the Secretary-General continues to prepare, since we consider them as one of the main measures to ensure proper management of the organization's property portfolio. This of course focused towards addressing issues of safety and security and general improvements of working conditions of staff, delegates and visitors across all duty stations. The Strategic Capital Review addresses critical aspects of buildings and facilities and ensures compliance with seismic mitigation codes, life-cycle replacements, space utilization, compliance with safety and health standards as well as efficiency optimization.

11. The Group has taken note of the progress made since the issuance of the previous report in line with the requests made previously by the General Assembly, including those related to developing an updated cost-benefit analysis, articulation of non-quantifiable benefits of the proposed maintenance approach as well as an update on proposed capital projects earlier proposed by the Secretary General at UNON, ECA, ESCAP, and ECLAC.

12. The Group further notes that elements concerning other important related considerations have also been incorporated in the report including measures to eliminate physical, communication and technical barriers for persons with disabilities. In addition, the inclusion of implementation of flexible workspace strategies ensures optimal space utilization, thereby avoiding unnecessary idle room capacity. Included also are sustainability initiatives with a focus to increased efficiency, reduction in energy consumption, reduction in greenhouse gas emissions, increased water efficiency, improvement of air quality and removal of hazardous materials. All these issues will form part of our discussions later in the informal consultations.

13. The Group believes that incorporating the possible impacts of the on-going as well as of the proposed business transformational initiatives will give a clear picture of the real accommodation needs in various UN buildings. These initiatives include the implementation of Umoja, flexible workplace strategies and the global service delivery model. It will be the interest of the Group to learn more about the interaction of these initiatives and proposals contained in the review report.

Mr. Chairman,

14. The General Assembly has continuously impressed on the need for mainstreaming enterprise risk management in the organization. In this regard, the Group notes that the Strategic Capital Review incorporates the establishment of a controlled risk-management framework, including measures and procedures to determine and manage risk-contingency funding and to access the risk-contingency budget. This is a welcome move and the Group will seek to understand more about risk identification and mitigation proposals.

15. Further project governance and oversight arrangements are useful in ensuring effective management, accountability and transparency and whether a project is to succeed or fail. The Group would like the Secretary-General to reflect on lessons learned on related projects with regards to project governance, to emphasize the need for the organization to develop its existing in-house capacity and to avoid, to the extent possible, the use of consultancy in the management of the properties across all duty stations.

Mr. Chairman,

16. In conclusion, the Group of 77 and China would like to assure you of its readiness to engage constructively in the upcoming informal consultations with the aim of concluding this agenda item in a timely manner.

I thank you Mr. Chairman.

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