



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MS. SIRITHON WAIRATPANIJ, COUNSELLOR, PERMANENT MISSION OF THE KINGDOM OF THAILAND TO THE UNITED NATIONS, ON AGENDA ITEM 134: PROGRAMME BUDGET FOR THE BIENNIUM 2016 - 2017: PROGRESS ON THE IMPLEMENTATION OF A FLEXIBLE WORKPLACE AT UNITED NATIONS HEADQUARTERS, AT THE FIRST PART OF THE RESUMED SEVENTIETH SESSION OF THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY (New York, 14 March 2016)**

Mr. Chairman,

1. I have the honour to speak on behalf of the Group of 77 and China on agenda item 134: Programme budget for the biennium 2016 - 2017, in particular the progress on the implementation of a flexible workplace at United Nations Headquarters.

2. The Group wishes to thank Mr. Stephen Cutts, Assistant Secretary-General for Central Support Services, for his introduction of the report of the Secretary-General, as contained in document A/70/708, and Mr. Carlos Ruiz Massieu, Chairperson of the Advisory Committee on Administrative and Budget Questions, for his introduction of its related report, as contained in document A/70/7/Add.45.

Mr. Chairman,

3. The Group of 77 and China continues to recognise the importance of organisational transformation initiatives that contribute to a modern, adaptable and effective United Nations. However, as the experience of other major transformation initiatives show, there is a need for a well-considered, phased approach to implementation of such initiatives and a gradual adaption to evolving work practices and staff needs.

4. The Group, therefore, takes note of the progress made in the implementation of a flexible workplace at United Nations Headquarters, including the lessons learned from the initial stage of project implementation, as well as the revised business case and project cost estimates.

5. In this regard, the Group notes that the Secretariat has stated that flexible workplace is not simply a matter of space management, but a holistic arrangement of physical space, information and communication technology, human resources and other support programmes. The successful implementation of flexible working requires not only reconfiguration of workspace, but enhanced information technology support and revised human resources policies.

6. The Group of 77 and China continues to believe that a flexible workplace will have a significant impact on the working environment of the Organisation. The Group notes that one of the reasons given for the implementation of flexible workplace was to achieve increases in productivity and efficiency. The Group is, therefore, concerned that the assessment of the impact of a flexible workplace on overall productivity and staff well-being is not yet finalised, while the project is running ahead. Inadequate change management may indeed result in lower staff morale and lower productivity which carries reputational risk for the UN. The Group will seek further clarity on the status of the assessment and how its findings will influence future stages of implementation.

7. The Group of 77 and China takes note of the revised project schedule and cost-benefit analysis contained in the report of the Secretary-General. Substantial revisions have been made to the underlying assumptions which impact the overall resource projections and the related timeframes. For example, since the last report, some projected fit-out costs have doubled based on historical spending, while other estimates have more than halved due to the use of generic rates. The Group would like to emphasise that a well-substantiated, reliable and predictable business case is essential for the Committee's consideration of costly major transformation initiatives.

8. The Group of 77 and China notes with serious concern the revised estimates for the project which are now estimated at US\$ 65.7 million to undertake activities which should have been part of the Capital Master Plan. The Group is conscious that this amount of resources could finance at least three projects similar to those being undertaken in the ECA or Nairobi. The Group will carefully examine the revised estimates and seek further clarifications, including on why the project is not reflected as a major capital project and subject to sequencing.

9. The Group of 77 and China also recognises that other initiatives, including Umoja, the ICT strategy, long-term accommodation needs for Headquarters and the study on a global service delivery model, could have a direct impact on the number, skills and location of staff. The Group will seek further clarity on how these will impact on the scope and duration of the flexible workplace project. The Group will also seek clarification on the status of the revision of the SG bulletin on flexible working arrangements as it relates to the implementation of Section VII paragraph 9 of the General Assembly resolution 69/274A.

Mr. Chairman,

10. In conclusion, the Group of 77 and China would like to assure you of its readiness to engage constructively in the upcoming discussions on this important agenda item with the aim of concluding in a timely fashion.

I thank you, Mr Chairman.