



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MS. SIRITHON WAIRATPANIJ, COUNCELLOR, PERMANENT MISSION OF THE KINGDOM OF THAILAND TO THE UNITED NATIONS ON AGENDA ITEM 134: PROGRAMME BUDGET FOR THE BIENNIUM 2016-2017, THIRD ANNUAL PROGRESS REPORT ON THE STRATEGIC HERITAGE PLAN OF THE UNITED NATIONS OFFICE AT GENEVA, AT THE MAIN PART OF THE SEVENTY-FIRST SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY, FIFTH COMMITTEE (New York, 28 November 2016)**

Madam Chairperson,

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 134: Programme budget for the biennium 2016-2017, in particular on the strategic heritage plan (SHP).
2. At the outset, the Group would like to thank Mr. Michael Müller, Director-General, United Nations Office at Geneva for introducing the Secretary-General's third annual progress report on the strategic heritage plan of the United Nations Office at Geneva (A/71/403 and Corrigendum 1) and Mr. Carlos Ruiz Massieu, Chairperson of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), for introducing the respective report on this agenda item (A/71/622).

Madam Chairperson,

3. The Group underscores the need for improvement of accommodation facilities of the United Nations in addressing a wide range of issues including safety, health, comfort, accessibility, adaptability and modernization. In this regard, we value the efforts made by the Secretary-General in renovating and upgrading facilities at the United Nations owned buildings including facilities in the United Nations Office at Geneva.
4. The Group notes the updated information, as provided in the Secretary-General's progress report on the strategic heritage plan, on activities undertaken since the previous progress report and in response to the requests made by the General Assembly in its resolution 70/248 A. The Group welcomes the continued cooperation between the Secretary-General and the host country, as well as other stakeholders in Geneva to ensure the successful implementation and completion of the project.

Madam Chairperson,

5. The Group recalls that the General Assembly, in its resolution 70/248 A, placed emphasis on the importance of effective governance, oversight, transparency and accountability in the management of the project in order to ensure that the project objectives are achieved within budget. In this regard, we note the updated information, as provided in the Secretary-General's report, as well as comments and observations by the ACABQ, on the project governance, including the roles and responsibilities of the Steering Committee and the Advisory Board in the overall governance framework. We believe that a stronger project governance mechanism will contribute towards a successful implementation of the project within the approved timeline and budget.
6. The Group also notes the progress made during the past year, including the completion of the

detailed design for the first phase of the project (construction of the new permanent building) and other on-going work relating to preliminary measures to eliminate barriers to persons with disabilities, but notes that there is still no optimal plan for outdoor accessibility. The Group is also concerned over the changes of the project schedule, in particular with respect to the overall duration of the new building work which has been increased by 10 months owing to the further development of the technical design and the more extensive site preparation requirements. Since this might have potential impact on the cost and schedule of the project, we will be interested to seek more information regarding this matter during our informal consultations.

7. The Group stresses the importance of continuous assurances from the Board of Auditors regarding soundness of the governance framework, internal controls and management practices of the project provides confidence to Member States that resources are utilized in the interest of stated objectives. Regarding the view of the Board on cost estimates, as there will be adjustments in project cost plan on new permanent building, renovation work, escalation, and project contingencies as indicated in the report of the Secretary-General, the Group will be interested to seek further information and clarification in relation to those adjustments.

Madam Chairperson,

8. With respect to the contingency fund, the Group reiterates its position, as contained in the General Assembly resolution 70/248 A, that unused contingency funds may be carried over to subsequent years and reallocated as new risks emerge and older risks are retired, consistent with industry best practice, and that all remaining unused contingency funds shall be returned to Member States at the conclusion of the project. In this regard, the Group will be interested to seek more information from the Secretariat during the informal consultations on its utilization and future estimates in order to avoid risks.

9. With regard to the financing of the project, the Group recalls that the General Assembly had approved the financing in part through a zero interest rate from the host country and authorized the Secretary-General to officially apply for a 400 million Swiss francs loan. The Group welcomes the approval of such loan by the host government and thanks the host government for such offer and the subsequent approval.

10. The Group notes the details, as requested by the General Assembly, regarding alternative funding opportunities including valorization of UN-owned land, donations, utilization of potential future income and energy-related subsidies and incentives. The Group reiterates its concern about the sale of UN-owned land but remains open to discussing other options in our deliberation. The Group also notes that some earmarked donations have been received. The Group trusts that the Secretary-General will continue with his efforts in encouraging additional voluntary contributions in full compliance with all relevant rules and regulations of the Organization. In addition, the Group expects that the Secretary-General will exert his effort to avoid negative interest rates being applied to the currency holding of the United Nations in order to prevent any losses to the Organization.

11. Lastly, the Group shares the view of the ACABQ that, drawing upon lessons from the implementation of other capital projects in keeping the project on schedule is important in order to avoid any potential cost overruns, and stresses the need to ensure continuous monitoring and assurance of the project's progress within the established timeline and budget.

Madam Chairperson,

12. The Group of 77 and China stands ready to engage constructively during the informal

deliberations on this agenda item.

I thank you, Madam Chairperson.

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