International Labour Organization

▶ GB.352/PFA/4

Governing Body

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Programme, Financial and Administrative Section **PFA**

Programme, Financial and Administrative Segment

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Update on the premises for the ILO Regional Office for Africa and Country Office for Côte d'Ivoire, Benin, Burkina Faso, Mali, Niger and Togo in Abidjan

▶ Introduction

1. At its 350th Session (March 2024), the Governing Body considered an update submitted by the Office on the progress made in the project to redevelop the ILO premises in Abidjan.[1] The Office informed the Governing Body that once the technical and commercial bids for the construction services have been received and analysed, the costing of the project and its schedule of works will be reviewed and updated accordingly.

▶ Construction services

2. In July 2024, the ILO received the required building permit from the Government of Côte d'Ivoire. An international competitive bidding process launched in November 2023 to select the construction services contractor has been finalized.

[1] GB.350/PFA/INF/3.

Project costs

3. At its 340th Session (November 2020), the Governing Body approved the use of the Building and Accommodation Fund to finance the redevelopment of the ILO premises in Abidjan, at an estimated cost of **US$7.2 million**. [2] The result of the international competitive bidding process for the construction services contractor revealed that the total costs for the renovation of the Abidjan building will be higher than the initial estimate, owing to unprecedented inflation and a modification to the initial design to improve the premises' security and safety, as well as the property's accessibility through the further development of the rear entrance to the site.

4. The updated total cost of the renovation project is **US$13.7 million** and includes:

- construction costs at US$8.4 million;
- project management services at US$340,000;
- architectural and engineering support and control and quality assessment of the works at US$256,000;
- direct and indirect taxes for goods and services, including import duties for construction materials, at US$2.5 million;
- a contingency fund of US$2.2 million.

5. In accordance with Article VII of the 2017 Headquarters Agreement between the Government of Côte d'Ivoire and the ILO, the ILO shall benefit from exemption from customs duties and indirect taxes of all kinds levied on the importation of goods and services and shall be entitled to exemption and/or reimbursement of the amount of any duties or taxes included in the price of goods or services purchased for its official use.

6. These taxes, as listed in paragraph 4 above, are estimated to total **US$2.5 million**, including **US$1.875 million** for the construction materials and services to be purchased by the construction services contractor and **US$625,000** for the importation of those materials into Côte d'Ivoire.

7. On 5 September 2024 the Government of Cote d'Ivoire sent a letter to the Director-General confirming the exemption for the renovation and construction project at the ILO premises in Abidjan. As a result of this exemption, the total cost of the renovation of the ILO Regional Office for Africa of **US$13.7 million** will be reduced via rebate to **US$11.2 million**.

Project timeline

8. Administrative and contractual discussions with the selected construction company have been finalized, allowing for a contract to be signed by mid-November 2024, subject to the Governing Body’s approval of the increased budget. Should the contract be signed, as anticipated, in mid-November 2024, it will be possible to commence the work at the beginning of 2025 for a duration of 18 months.

[2] GB/340/PV, para. 760(b).

▶ Draft decision

9. The Governing Body:

(a) approved the updated estimated budget of US$11.2 million for the redevelopment of the premises of the ILO Regional Office for Africa and ILO Country Office for Côte d'Ivoire, Benin, Burkina Faso, Mali, Niger and Togo in Abidjan; and

(b) authorized the use of the Building and Accommodation Fund to finance the estimated additional cost of US$4 million, on the understanding that this amount will be re-credited to the Fund using future savings on the cost of renting ILO accommodation in Abidjan and income from the rental of any surplus space.