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Programme, Financial and Administrative Segment

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Update on the headquarters building renovation project

Summary: This report provides the Governing Body with an update on phase 2 of the renovation works and on the status of the building works for the headquarters security perimeter Project.

Author unit: Office of the Assistant Director-General, Corporate Services; Office of the Treasurer and Financial Comptroller (TR/CF).

Related documents: [GB.347/PFA/INF/2](#); [GB.344/PFA/4/1](#); [GB.343/PFA/1](#); [GB.341/PFA/3\(Rev.1\)](#); [GB.341/PFA/3\(Add.1\)](#); [GB.340/PV](#); [GB.340/PFA/3](#); [GB.337/PV](#); [GB.337/PFA/2](#); [GB.337/PFA/2\(Add.1\)](#); [GB.335/PFA/3](#); [GB.335/PFA/3\(Add.\)](#); [GB.334/PV](#); [GB.334/PFA/2](#); [GB.332/PFA/3](#); [GB.326/PFA/3](#).

► Introduction

1. At its 341st Session (March 2021), the Governing Body approved the final scope of phase 2 of the headquarters building renovation project.¹
2. At its 343rd Session (November 2021), the Governing Body approved the proposed budget for phase 2 of the headquarters building renovation project set out in document GB.343/PFA/1, in line with the resources available from the sale of the land.²
3. At its 344th Session (March 2022), the Governing Body approved the proposed budget for the headquarters security perimeter project set out in document GB.344/PFA/4/1, in line with the resources available from the sale of ILO land.³
4. At its 346th Session (October–November 2022), the Office informed the Governing Body that the host country had confirmed a financial contribution of CHF4 million towards the security perimeter project.⁴
5. This document provides the Governing Body with an update on the progress in the phase 2 renovation works and on the building works for the headquarters security perimeter project.

► Phase 2 of the headquarters building renovation project

6. The initial stage of the phase 2 works was completed after the 111th Session of the International Labour Conference, due to supply chain issues and in order to ensure that sufficient conference rooms were available during the session of the Conference.
7. The second stage of works, stage 1B, is under way with the renovation of Rooms III, IV, V, VI, VII, VIII, IX, X, XI and XII, including the surrounding areas and offices. Additional conference rooms have been fitted out in the temporary building to supplement the renovated conference rooms from stage 1A, namely: the Governing Body room, Room I, Room II and the Cinema/Auditorium.
8. The main contractor of the renovation project has found that the levels of PCB (an additive used in paints) in the lower technical areas of the building are higher than current Swiss legislation allows. These areas are not normally accessed by staff and there is no harm to staff as long as the paint is not disturbed. To continue with the programmed work and meet our deadline, additional work will be required to safely remove this paint where necessary. This will entail a cost that was not foreseen in the budget of the renovation project. In 2008, the Governing Body authorized the Director-General to use up to CHF500,000 from the funds held in the Building Accommodation Fund for urgent works to ILO buildings.⁵ These funds have

¹ GB.341/PV, para. 881.

² GB.343/PV, para. 572.

³ GB.344/PV, para. 776.

⁴ GB.346/PFA/2/1, para. 9.

⁵ GB.303/PV, para. 241.

been made available to cover these immediate works. Should savings arise during the finalization of the project works, they will be used to absorb the costs.

9. Despite the delay in completing stage 1A, the Office is confident that, through consistent value engineering and reprioritization of works, it will meet the overall schedule of completion by late 2025 and meet the agreed budget of CHF130.4 million, with priority being given to meeting the budget.

► Headquarters security perimeter project

10. The Office received formal building authorization on 12 January 2023 for its headquarters security perimeter project. Works are under way, following the removal of the temporary pavilion and the temporary relocation of the vehicle access to the site to provide a safe worksite and safe and controlled access to the site.
11. The Office has worked closely with the local authorities in the development of the site's perimeter fencing and is expecting to have completed some 75 per cent of the fencing by the end of 2023. The spending associated with the CHF4 million financial contribution by the host country is in keeping with the agreement.
12. The project is expected to be completed by late 2024 as planned, and within the budget of CHF22.9 million, plus or minus 10 per cent, approved by the Governing Body at its 344th Session (March 2022). The team continues to work actively on value engineering solutions with engineers and contractors.
13. In accordance with the Governing Body's guidance, the Office is working on a new proposal for a cover over the accessible pathways and will work closely with the Swiss Mission with the aim of filing for a building permit with the local authorities later this year.

► Conclusion

14. The Office informed the Governing Body of the use of the funds from the Building Accommodation Fund to address costs for urgent repairs. The Office will provide the Governing Body with an update progress report on the headquarters building renovation project and the headquarters security perimeter project at its next session (March 2024).