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Programme, Financial and Administrative Section

PFA

Programme, Financial and Administrative Segment

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Update on the headquarters building renovation project

Purpose of the document

This document provides an update on the headquarters building renovation project, including the security perimeter. The Governing Body is invited to approve the final scope and budget of phase 2 of the project and to authorize the Office to proceed with the contract for phase 2, within the limit of available funds (see the draft decision in paragraph 21).

Relevant strategic objective: None.

Main relevant outcome: None.

Policy implications: None.

Legal implications: None.

Financial implications: Yes.

Follow-up action required: Further reports at future sessions of the Governing Body.

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Related documents: [GB.340/PFA/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/PFA/PV](#); [GB.334/PFA/2](#); [GB.332/PFA/3](#); [GB.332/PFA/INF/1](#); [GB.331/PFA/6/1](#); [GB.326/PFA/3](#).

► Introduction

1. The Office provides regular updates to the Governing Body on the status of the ILO headquarters building renovation project. At its 309th Session (November 2010), the Governing Body approved a comprehensive plan for the renovation of the entire headquarters building subject to financing. Following further architectural and engineering analysis, the scope of the works had to be adapted to meet the relevant local standards, which had been significantly amended in the intervening period, particularly in relation to fire safety issues and additional regulatory requirements. The cost increase resulting from these amendments required the works to be divided into two phases, with the first phase tailored to meet the available funds of CHF205.9 million and completion of the second phase being subject to the availability of funds. Following the Governing Body's approval of the sale of ILO land, plot 4057,¹ and the use of those funds for the renovation project, finance for the second phase is now available.
2. Based on the proposed scope as detailed in paragraph 7, the Office launched a call for bids for the phase 2 works, with offers due at the end of February 2021. In light of the current tendering proceedings the Office is not in a position to provide full total cost at this time, but will have a proposed budget for phase 2 and security works referred to in paragraphs 13–18 available to present to the Governing Body in a supplementary paper to be published prior to the session. It is not foreseen that funding for phase 2 works will be required beyond that presently available.

► Current status of phase 1

3. The installation of insulated glass windows and fire escapes in the conference rooms, as part of the phase 1, stage 4 works, was completed on schedule and on budget, despite the interruptions due to the COVID-19 pandemic.
4. The total expenditure for phase 1, including these works, remains within the limits of the financial plan previously endorsed by the Governing Body, namely some CHF205 million.
5. The final close out of accounts, due at the end of February 2021, is expected to confirm the realization of additional savings of some CHF200,000. These savings are foreseen to cover part of phase 2 architectural and engineering costs incurred due to the break in continuity from phase 1 to phase 2.

► Phase 2 – scope

6. The Office has reviewed and updated all phase 2 project documents, which were initially prepared in 2015, to ensure that they respond to current and future needs. In addition, it has worked with the local authorities to address safety concerns by improving

¹ GB.337/PV, para. 964.

emergency exits from the building. This proposal has been submitted for approval to the authorities as a complementary building permit.

7. The proposed final scope for phase 2 includes all works described in the documents submitted to the 326th Session (March 2016) ² and 335th Session (March 2019), ³ together with works included in earlier proposals due to the uncertainty of finance and other needs more recently identified. These works are detailed in paragraph 8 below. The proposed final scope can be summarized as follows:

(a) Conference centre:

- (i) all rooms will be renovated (rooms I, II, III, IV, V, VI, VII, VIII, IX, X, XI, XII and the Governing Body room), including all finishes, lighting, air handling units, building management controls and fire safety code compliance works;
- (ii) furniture for rooms VIII and the cinema. Refurbishing will be required of some furniture in other meeting rooms, but no other purchase of furniture is included;
- (iii) new audiovisual equipment;
- (iv) remaining waterproofing and insulation of roofs;
- (v) renovation of interpreters' booths to meet ISO – standards;
- (vi) renovation of the colonnade (replace single glazed windows with double glazing and update lighting);
- (vii) renovation of offices, in keeping with safety, comfort and quality standards defined for the main building;
- (viii) renovation of the library infrastructure and finishes.

(b) General services:

- (i) full renovation of the general services areas, excluding areas renovated in earlier stages, namely the restaurant, the Medical Service, the Department of Communication and Public Information and project offices on R1 and M3, and the medical services on R3;
- (ii) remaining waterproofing and insulation of roofs;
- (iii) replacement of the glazing for the M3 offices;
- (iv) replacement of the large bay windows in the restaurant area (R2), including fire exits and smoke evacuation;
- (v) works on the remaining elevators and goods lifts;
- (vi) further treatment of exposed concrete;
- (vii) redistribution and fire compartmentalization of the archive room (R2);
- (viii) renovation of offices, in keeping with safety, comfort and quality standards defined for the main building;
- (ix) renovation of the loading bays, storage facilities and associated logistical areas in keeping with necessary safety and quality standards.

² GB.326/PFA/3.

³ GB.335/PFA/3.

(c) Parking:

- (i) implementation of code-compliant fire safety in the car parks;
- (ii) code-compliant storage areas to replace existing storage;
- (iii) increased signage;
- (iv) installation of sprinklers;
- (v) additional fire compartmentalization;
- (vi) additional evacuation stairways;
- (vii) replacement of remaining Gerber supports.

8. Certain items listed above in the proposed scope of phase 2 were contained in earlier proposals but deferred due to the uncertainty of funding at that time. Sufficient funding is now available and their inclusion in phase 2 would result in the full renovation of the entire building. This would avoid incurring additional costs if these works are further delayed. These items include:

- (a) the full renovation of room VIII,⁴ planned to be furnished and equipped in a round table format, similar to the present room VII. This room was previously used by the travel agency which has now been relocated to another area of the building;
- (b) the renovation of the cinema into a conference room/lecture theatre, to be furnished with interpretation and audiovisual equipment for a capacity of 300 people. The cinema is rarely used and its facilities are not suitable for the conduct of meetings;
- (c) the replacement of audiovisual systems throughout the conference centre. The current installations are almost obsolete and support for them is no longer available in the market;
- (d) increased Wi-Fi coverage throughout phase 2 areas, to cover the entire conference centre, the offices, the technical rooms, the restaurant and cafeteria, and the general services area;
- (e) the inclusion of a partitioning system to enable the seamless transition, when required, of the large library reading room (R2) into two multipurpose rooms for conferences, presentations or workshops.

► Phase 2 – organization of the works

9. In March 2021⁶, the Governing Body was informed that phase 2 works would be undertaken in three stages: (a) the conference centre (southern end); (b) the general services (northern end); and (c) the parking area. The Office had originally foreseen to then divide each stage into three parts. However, in light of numerous challenges linked to the swing space required for conferences and offices, the Office has opted to erect a temporary building on the east (Appia) lawn, which would enable the works to be carried

⁴ Estimate around 15 per cent based on indicative value of CHF400,000 for renovation, as provided in GB.328/PFA/3, plus CHF100,000 for cost of furniture, plus CHF600,000 for audiovisual installation.

out in two stages and provide the necessary meeting and office space throughout the duration of the project. It is envisaged that the full project will be completed by late 2026.

10. This temporary building is an existing prefabricated structure that will be recycled for the ILO's purpose, to house conference rooms, offices and storage areas. It will ensure the availability of meeting rooms during the renovation works, which will commence as of July 2021, and will limit the works' impact on Governing Body and Conference sessions until the end of March 2024.
11. It is proposed that the temporary building include the equivalent of rooms I and II, the Governing Body room, the library and its associated offices, for the first stage of the works. It will then be reconfigured to accommodate requirements for the second stage.
12. To ensure minimal disturbance of ILO activities, phase 2 works are still provisionally planned over a five-year period, as indicated previously.⁵ A more precise schedule will be determined once agreement has been reached with the selected contractor, which is expected in April 2021.

► Security perimeter

13. At its 340th Session (October–November 2020), the Governing Body endorsed the proposal of the Office to integrate the upgrading of the security environment into the scope of the renovation project.⁶ The Office considers that this approach will make the best use of the project management resources and possible economies of scale linked to the larger phase 2 project.
14. The work on a revised comprehensive security plan has been delayed by the COVID-19 pandemic. The pandemic has highlighted the need for the Office to implement a rigorous access control and tracing capacity as part of the comprehensive plan for securing and managing access to the ILO's headquarters building.
15. The updated version of the Swiss Security Risk Management (SRM) and the new guidelines from the United Nations Department of Safety and Security (UNDSS) on blast protection, also needed to be taken into account. This additional security information confirmed previously identified risks and threats, and substantiated the requirements to address them. These new elements underlined the importance of being able to control access to the ILO's property as a whole, particularly in view of the multiple access points to the building and its immediate vicinity. The introduction of the United Nations Disability Inclusion Strategy (UNDIS) and the urban development in the Quartier des Nations, the construction of the tunnel des Nations and related changes in public transport arrangements all led to a further review of the ongoing study.
16. The security project team has reviewed and analysed several options for securing the ILO's headquarters and also considered the associated operating costs, aesthetic considerations, accessibility, practicality and compliance with local regulations. The full perimeter project, as presented in March 2019,⁷ even if fully compliant with UNDSS requirements as applicable at that moment, was considered expensive and not an

⁵ In November 2020 (GB.340/PFA/3) and in March 2016 (GB.326/PFA/3).

⁶ GB.340/PFA/PV, para. 129.

⁷ GB.335/PFA/3.

optimal solution from the aesthetical point of view. A detailed study of the one-ring approach, complemented with additional measures for closure of the entrances to the parking area with fences and shutters as presented in October 2019,⁸ has identified significant shortfalls in compliance with egress requirements. In addition, the fencing of the parking area cannot be realized in an aesthetically acceptable manner and would require a substantial increase in security guards, resulting in an increase of approximately US\$1.1 million per annum in security operational costs.

17. In response to the above and reinforced by lessons learned, the Office is developing a comprehensive security plan that offers a compliant, appropriate and aesthetical solution to the security challenges of the ILO premises. This proposal would incur an additional annual security cost of approximately US\$700,000 due largely to the introduction of the required visitor security screening function.
18. The Office will present a supplementary paper outlining the security plan to the Governing Body at its 341st Session (March 2021), following which an addendum to the call for bids for phase 2 of the renovation project will be issued. Further discussions will be scheduled with the host state with a view to securing its support for this component of phase 2.

► The way ahead

19. The Office is carrying out the necessary preparatory measures to allow the renovation works to start in mid-2021, subject to the Governing Body's decision.
20. The Office anticipates that the main contract for phase 2 will be awarded in April 2021 should the Governing Body endorse the final scope and estimated budget at its 341st Session.

► Draft decision

21. **The Governing Body, by correspondence:**
 - (a) **approved the proposed final scope and took note that the estimated budget of phase 2 of the project will be in line with the resources available from the sale of the land;**
 - (b) **requested the Office to present the final budget of phase 2 during the next Governing Body session; and**
 - (c) **authorized the Director-General to finalize an agreement with a main contractor for the phase 2 works within the funds available from the sale of the land.**

⁸ GB.337/PFA/2.