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| **Council 2021Virtual consultation of councillors, 8-18 June 2021** |  |
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| **Agenda item: ADM 20** | **Document C21/48-E** |
| **26 March 2021** |
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| Note by the Secretary-General |
| SUMMARY REPORT ON THE WORK OF THE MEMBER STATES ADVISORY GROUP ON THE UNION’S HEADQUARTERS PREMISES PROJECT |

I have the honour to transmit to the Member States of the Council the summary report on the work of the **Member States Advisory Group (MSAG)**.

 Houlin ZHAO
 Secretary-General

SUMMARY REPORT ON THE WORK OF THE MEMBER STATES ADVISORY GROUP
ON THE UNION’S HEADQUARTERS PREMISES PROJECT

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| SummaryThis document presents a summary report on the work of the Member States Advisory Group on the Union’s headquarters premises project (MSAG) since last reported to the Council. Action requiredThe Council is invited to **take note** of the report and **provide any further guidance** as appropriate.\_\_\_\_\_\_\_\_\_\_\_\_References[*Council Decision 588*](https://www.itu.int/md/S16-CL-C-0124/en)*,* [*Council Decision 619*](https://www.itu.int/md/S19-CLADD-C-0005/en)*,* [*Resolution 212 (Dubai, 2018)*](https://www.itu.int/en/council/Documents/basic-texts/RES-212-E.pdf)*,* [*C19/48*](https://www.itu.int/md/S19-CL-C-0048/en)*,* [*C20/48*](https://www.itu.int/md/S20-CL-C-0048/en) |

**1. Summary of recent MSAG meetings**

Since the report to the November 2020 session of the Virtual consultation of councillors in [C20/48](https://www.itu.int/md/S20-CL-C-0048/en), there have been two meetings of the Member States Advisory Group on the Union’s headquarters premises project (MSAG). These were virtual meetings on 12 November 2020 and 25 February 2021, with Mr Greg Ratta (USA) as chairperson. The full reports of these meetings can be accessed at the following link: <https://www.itu.int/en/hq-building/Pages/default.aspx> (TIES-protected). These meetings are summarized below.

* 1. The **12th meeting** (12 November 2020) of MSAG discussed the progress report on the project in C20/7R1, examined the 9 risk register items that had been revised through August and September, sought clarifications in the SPG Intercity report in [C20/77](https://www.itu.int/md/S20-CL-C-0077/en) and [C20/INF/20](https://www.itu.int/md/S20-CL-INF-0020/en) on the strategy to put the Tower on the market optimally, and touched upon the post-COVID design implications described in [C20/INF/21](https://www.itu.int/md/S20-CL-INF-0021/en).

As a reminder, a risk register is a tool that is a best practice within project management to identify and manage risks. Risk registers record answers the question “what would happen if <x> occurs, and how much would it cost?”. The items considered during this meeting focused upon the possible impacts of the Covid-19 pandemic on the design of the new headquarters building or its schedule for construction, the status security arrangements outside the perimeter of the ITU parcel and maximizing the value of the Tower in its sale.

MSAG examined the SPC Intercity proposal that was further discussed in the 2nd Virtual consultation of councillors later in November. The MSAG discussion concentrated on gaining a better understanding of why the lease-back option is desirable to ITU.

While it is too early to fully assess the impacts of the Covid-19 pandemic, Ms Dobbelstein repeated that the current capacity of the new building could not support the current staff should there be a need to separate workers by at least two meters, unless the daily average number of on-site workers can be reduced by at least 33% through modification of the assigned desk policy and the telework policy.

* 1. The **13th meeting** (25 February 2021) of MSAG again executed a detailed analysis of the risk register (current as of 14 July 2020) and 16 of the 102 items in the register were discussed in depth related to the following categories: business continuity risks, change management, communication, external risk, finance, legal, procurement and contract management, and programme – scope of work. In most cases, the result of the discussion was agreement by the secretariat to clarify the register.

MSAG also received an update of the status of the project from Ms Dobbelstein. The project status included indications that:

* The loan contract is currently being finalized and its signature is anticipated in March.
* The scope of work that was submitted to the Swiss Mission in November 2019 was approved in January 2021. It has been enlarged to include the application of the UN-MOSS recommendations on a larger perimeter (rue Montbrillant, Avenue de France and Avenue G. Motta), as well as for additional security measures in the Parking des Nations. The scope of the study also includes requirements from all neighbours. A detailed timetable for this activity is to be included in the new building report to be presented to the June 2021 VCC. The cost for the implementation of security measures on the public domain is not included within the approved new building cost, but an amount has been allocated for this purpose in the risk register. The negotiation regarding an eventual allocation of the costs among all the parties will take place once the feasibility study has been finalized.
* The draft, detailed design submission was received from the architect at the end of January and ITU is in the process of finalizing their comments to be addressed within the final submission that is due in March.
* The Staff working conditions implementation plan will include policies applicable during relocation and once the new building is occupied. The tender process has been finalized and the contract is to be signed with the selected company that specializes in staff working conditions. The initial deliverables will be established in time to provide initial feedback to councillors in June.

MSAG advised the secretariat to include in the comparison of running and maintenance costs for the tower building the explicit indication that the calculation had been made based on the surface area of the office space (as opposed to a market analysis).

The chairperson reported to MSAG that the issues raised by MSAG during the VCC sessions have been considered by CWG-FHR. The secretariat has suggested to add CHF 3.6 million to the Risk Register Fund from the 2020 savings, if available. No decision has been made yet on additional financing. The final decision is to be taken by the Council. The participants indicated appreciation for the efforts of the secretariat to finance the fund.

**2. Items for the attention of the Council**

MSAG has not identified any new issues to draw to the attention of the Council.

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