



FIRST ITEM ON THE AGENDA

**Premises for the Regional Office
for the Americas, Lima**

1. Following its consideration of document GB.283/PFA/4 describing the inadequacy of the present premises for current and future needs and containing a project plan for the purchase of land and the construction of new premises, the Governing Body at its 283rd Session (March 2002) agreed to the purchase of land for the construction of the new building, approved, in principle, the preparation of architectural plans and cost estimates, and agreed that the cost of the construction, estimated at approximately a maximum of US\$1.75-US\$2 million, was to be charged to the Building and Accommodation Fund.
2. In May 2002, representatives of the Office began negotiations for the purchase of one of the selected sites which had already been discussed with the San Isidro municipality. When the Office representatives met once again with the municipality with a view to accelerating the purchase of a site, it was informed of a new development which could have seriously jeopardized the original project plan.
3. Having been informed of the ILO project, residents neighbouring the selected San Isidro sites had already filed complaints with the municipality objecting to any construction of an ILO building, and warning that they would take legal action against the municipality if authorization were to be given for the construction of the ILO premises. The residents contended that, in accordance with the original plan of the district, the San Isidro area was to remain a strictly residential zone and should not be turned into a business area. While regretting this new development the Mayor of the San Isidro municipality cautioned that such complaints could involve long legal proceedings and could ultimately thwart the ILO project. The Mayor therefore recommended that the ILO should proceed to build its proposed new premises on its present site.
4. The Office representatives drew the Mayor's attention to two previously identified obstacles which had discouraged the ILO to envisage constructing new premises on the present site and led the Office to seek alternative solutions as described in document GB.283/PFA/4, namely:
 - proposed city plans for constructing an elevated expressway close to the present Office location; and
 - the municipality's recent zoning regulations limiting construction to a maximum of four floors which would be insufficient to meet the Office needs for future space requirements.

5. As regards the elevated expressway, the Mayor advised that plans had to be substantially revised because of legal complaints by the residents of San Isidro which had led the municipality to preserve the present zoning and to abandon the construction plan of an elevated expressway in that area. The Office has received written confirmation of this decision both from the municipality of San Isidro and the Department of Metropolitan Lima which is in charge of the project.
6. The second problem of the municipality's zoning regulations, limiting construction to four floors on the present site, has also been overcome following a review by the Mayor. Written authorization has now been received from the Mayor for the construction of the six floors required by the ILO.
7. Another previous disadvantage to constructing a new building on the present site was the high cost of moving to temporary rented offices with disruption of activities during the construction period. This obstacle has also been overcome, thanks to the offer of the Ministry of Labour to provide large temporary office accommodation free of charge during the construction period. This accommodation is convenient to the present premises and very well equipped with technical and administrative facilities which should minimize inconvenience and disruption.
8. Rebuilding on the present site would make it necessary to provide underground parking. Although it was recognized that this would be more expensive than constructing a building without such a facility, estimates show that construction costs could remain within the budget ceiling of US\$2 million. On the other hand, a recent weakening of the Lima real estates market casts doubt on whether the proceeds from the sale of the present premises could fully offset the cost of purchasing a new site as previously envisaged.
9. Under these changed but favourable circumstances, the Office preferred to pre-qualify the selection of an architect and secured architectural plans in August 2002 for an advance project for the new premises from five reputable firms of architects and recruited a reputable architect (Mr. Hoffman) to carry out a thorough evaluation of the submissions. Mr. Hoffman, assisted by an ILO internal advisory team, carried out this work and selected the submission of Mr. Borasino, a renowned award-winning Peruvian architect. Mr. Borasino presented the most suitable technical submission for the ILO, the features of which were the architectural linear design of the building, the functionality of the reception and office area, security, and the type and quality of material to be used.
10. The following timetable has been provisionally agreed with the architect, Mr. Borasino, in order to complete the new building by April 2004, should the Governing Body approve the project:
 - (a) the tender documents, together with the detailed technical design, to be submitted to pre-qualified contractors by December 2002, with the stipulation that the submissions should be returned no later than the first week of February 2003;
 - (b) the evaluation of the project, as approved by the Treasurer, to be completed by mid-February 2003; and
 - (c) work on the site to commence by end of February 2003 for completion by April 2004.
11. The Office, together with the architect, is now proceeding with the pre-selection of five reputable local construction companies inviting them to present the required documentation for qualification in the upcoming call for tenders in February 2003.

- 12.** A set of the architect's plans and detailed cost estimates are provided as Appendices 1 and 2. The estimated total cost of about US\$1,850,000 falls within the estimated budget of this construction. Accordingly, the project is submitted to the Subcommittee for consideration and recommendation to the Programme, Financial and Administrative Committee for endorsement and recommendation to the Governing Body for approval. The architect will be available to provide the Subcommittee with any additional information it may require.
- 13.** The Building Subcommittee will be informed at its next session of the results of the evaluation and progress made on the construction of the premises.

Geneva, 17 October 2002.

Appendix 1

General summary

Item	Description	Cost (US\$)
1	Preliminary work	13 233.50
2	Services	37 359.36
3	Surfacing (left-hand side of building)	33 135.35
4	Parking spaces	468 802.20
5	Offices	737 782.17
6	Outer surfaces and other external work	155 970.67
7	Equipment	72 925.39
8	Implementation of offices	149 239.82
Direct cost		1 668 448.46
Ten per cent general and contractors' costs		166 844.85
Total cost (not including taxes)		1 835 293.31

Anexo II

