United Nations

United Nations common premises: current practices and future prospects

Report of the Joint Inspection Unit

Prepared by Jean Wesley Cazeau and Jeremiah Kramer

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Executive summary

United Nations common premises: current practices and future prospects

Common premises and common services have been envisaged since the inception of the United Nations system, well before the proliferation of development-oriented field presences drew more urgent attention to the opportunity such collaboration represented. The history of the current common premises agenda dates from 1987 and the adoption of General Assembly resolution 42/196, in which the Assembly urged rationalization of the field office structure to enhance "co-operation, coherence and efficiency" through, inter alia, increased "sharing of facilities and services". Since then, the legislative framework for common premises has been provided by the Second Committee through its action on the agenda item on operational activities for development, by which the General Assembly has repeatedly called for progress on common premises.

It is instructive to recall that the common premises workstream emerged as an element of the reform measures initiated by a number of Secretaries-General in response to financial crises afflicting the United Nations. The financial crisis of 1985/86, the related report of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations[1] and the subsequent adoption of resolution 41/213 led the Secretary-General to undertake to restructure United Nations field offices on the basis of principles that included presenting a cohesive image of the United Nations and avoiding the creation of new field offices in favour of using common premises and sharing facilities.[2] To that end, he launched an assessment of the field offices of organizations under his authority and which comprised the Joint Consultative Group on Policy: the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF) and the World Food Programme (WFP). He reported that the Office of the United Nations High Commissioner for Refugees (UNHCR) was also associated with his review.[3] In 1997, under the rubric of "Renewing the United Nations: a programme for reform",[4] the Secretary-General introduced the concept of operating as one at the country level and launched the idea of the United Nations House, which would provide common premises for all United Nations entities operating at the country level. In countries where there was a Resident Coordinator, all funds, programmes and United Nations Information Centres would become part of a single office.[5] The United Nations House initiative has shaped the approach to common premises for more than 15 years.

That background helps to explain why the structured workstream of common premises has for most of its life been the project of a small number of entities that are in a direct line of authority to the Secretary-General, entities that do, however, represent a large share of United Nations premises. While the vocabulary has been system-wide, institutional mechanisms were more narrowly defined until the very recent past.

The ongoing repositioning of the United Nations development system has changed the context of the common premises agenda in important ways, beyond the most obvious feature of the Secretary-General's target of reaching 50 per cent of common premises by 2021. The new generation of country teams, in which not every entity needs to be physically present, should incentivize co-location and reduce demand for separate premises. A multifaceted effort, led by the Business Innovations Strategic Results Group (Business Innovations Group) of the United Nations Sustainable Development Group, to generate efficiencies in business operations is well under way. Co-chaired by the heads of UNHCR and WFP, it has been supported in this work by a time-limited project team established to support the pilot phase of business operations reform and tasked with deliverables in six aspects of business operations, including common premises. The work has been governed on

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[1] See A/41/49.
[2] A/42/234, para. 30 (h) (ii-iii).
[3] A/42/326-E/1987/82, para. 43.
[4] See A/51/950 and Corr. 1.
[5] Ibid., para. 51.

behalf of the Business Innovations Group by a "Four plus one" subgroup, comprised of UNDP, UNHCR, UNICEF and WFP plus a representative of UNFPA, who also represents the United Nations Educational, Scientific and Cultural Organizations (UNESCO) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN–Women). Common premises are a feature of that work, but other workstreams, if strategically developed, would have a direct bearing on premises needs and provide an opportunity for an integrated view of the drivers of efficiency opportunities. The creation of a more empowered Resident Coordinator with responsibility for promoting common business operations and the establishment in the United Nations Secretariat of the Development Coordination Office has implications for lines of authority, accountability and coordination. An examination of the regional assets of the United Nations system cannot but beg the question of how to apply a more integrated approach to premises in regional locations where the United Nations Secretariat controls significant property portfolios.

Against the backdrop of a long history of General Assembly mandates on common premises, limited aggregate accomplishments to date, a changed definition that lowers the threshold for designation and the new context presented by reform of the development system, the Joint Inspection Unit (JIU) thought it timely to support a reflection on the further development of common premises. In view of the extensive work being conducted on common premises as part of the development reform process, the present review focuses on selected issues that governing bodies and executive heads should consider in charting the path ahead. More specifically, it seeks to:

(a)   Review the progress made in carrying out common premises mandates set by governing bodies;

(b)   Assess the impact of the current reform context on efforts to expand common premises;

(c)   Review the criteria for decision-making as to when common premises are the right solution;

(d)   Draw lessons on the institutional arrangements required to support the common premises agenda.

The present report is one of a series in which JIU has over the past 50 years drawn attention to the efficiency and substantive benefits that can be derived from deeper integration of United Nations business operations, common services, common premises and field representation.

Main findings and conclusions

By way of a preface to specific findings and conclusions, the Inspectors observe that barriers to common premises and possible measures to overcome them have been articulated over a period of time but have not attracted sustained attention at the right levels to analyse and address them. That is why, in the present report, they draw attention to actions that have already been proposed. It is important not to underestimate the complexity that derives from organizations trying to stitch together a common approach to the fragment of their real estate and business operations represented by common premises, given the differentiation between organizations in terms of the type and pace of their work and related capacity.

The emergence of the coronavirus disease (COVID-19) pandemic has necessarily drawn attention to issues that are closely interwoven with the requirements for premises, including common premises. They include the question of alternatives to offices for the physical co-location of large numbers of people and how the digitization and remote conduct of work, which have accelerated in response to the pandemic, can be built upon to deliver mandates and support collaboration in more cost-effective ways that are less dependent upon and less vulnerable than large office settings. The pandemic surfaced after the point that the Inspectors could seriously examine its implications for common premises. It is clear, however, that lessons learned from the response to COVID-19 should help to inform the thinking about common premises going forward.

Mandates on common premises have not been managed as a system-wide endeavour

The innumerable calls by the General Assembly since 1987 for action on common premises have generally not been echoed by the counterpart bodies in specialized agencies. Inter-agency mechanisms for action on common premises have evolved over time, but membership and governance have been limited to the funds and programmes. It was only as the current repositioning was being developed that an effort was made – not yet fully successful – to widen the membership of the Task Team on Common Premises and Facility Services, a substructure of the United Nations Sustainable Development Group. Co-location of some agencies with government counterparts, the provision of free premises and the operational needs defined by some organizations make it unlikely that a fully system-wide approach can be applied.

Progress on common premises has been limited

Both the technical definition of "common premises" and the policy approach of the United Nations system have changed over time. For more than 15 years, the United Nations House was loosely interchangeable with common premises and usually required the four organizations of the Joint Consultative Group on Policy to be present. In 2018, the bar for common premises was lowered to any two organizations co-locating. While in the period from 1997 to 2010 significant progress was made in the designation of United Nations Houses, the Secretary-General acknowledges that progress on common premises has been limited. Data provided to JIU by the Business Innovations Group project team indicates a universe of 2,257 relevant premises in United Nations country team countries, of which 18 per cent are common. Over 70 per cent of those premises relate to eight organizations, but the data set is imperfect. Experience shows that the influence of host Governments in encouraging United Nations organizations to unify their presences cannot be overstated. The commitment of host authorities to common premises is an important motivational force and practical enabler.

Broader benefits of common premises should be better expressed

(a)   Expectations of efficiency savings have become blurred

The expectation of efficiency savings through lower consolidated rental costs and shared services has been a main driver for common premises. The Secretary-General's repositioning proposal initially estimated that there would be $120 million in savings from common premises based on his target.[6] The Business Innovations Group project team, looking into matters more closely, considered $25 million to $35 million to be closer to the mark. In any event, there has been little data on which to base concrete forecasts. The common ground is that common facility services offer the principal pathway for savings. Unfortunately, the intention of the Task Team on Common Premises and Facility Services to integrate a more aggressive facility services workstream into efforts has lagged and the surveys conducted by the Department of Economic and Social Affairs among the members of the operations management teams reveal that common facility services remain immature, as confirmed by the interviews conducted by the Inspectors.[7] On a more positive note, however, the recently launched revised guidance for business operations strategies (BOS 2.0) includes facility services in its administration service line. In view of new approaches to common business operations now being formulated, including BOS 2.0, the need is to avoid an overly compartmentalized set of workstreams so as to enable prioritized action that generates the greatest efficiency opportunities. In that regard, the United Nations Sustainable Development Group could usefully explore the deeper integration of common premises work with business operations strategies and common business operations, necessitating closer collaboration of the respective task teams.

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[6] United Nations development system repositioning, explanatory note No. 10, "Preliminary estimates on potential efficiencies emerging from the repositioning of the United Nations development system", (March 2018).

[7] Development Cooperation Policy Branch, Department of Economic and Social Affairs, "QCPR monitoring survey of operations management teams 2017" (February 2018).

(b)   Qualitative factors have fallen off the table

The repositioning proposals appeared to focus solely on the savings that common premises can offer. While it has always been clear that financial efficiency is a main objective of common premises, other considerations have also been prominent in the past. For example, in Viet Nam during the "Delivering as one" pilot phase, programmatic collaboration and "greening" had greater emphasis in the rationale presented for the "Green One United Nations House" than financial savings. The Business Innovations Group itself has recently cited programme coherence and improved public image, along with financial savings, as benefits offered by common premises.[8]

The problem is that, apart from security, non-financial factors are effectively rhetorical references. Analytical tools concentrate on cost-benefit analysis. More attention is required to define how benefits, such as a reduced environmental footprint, public image, and programmatic collaboration, should be taken into account in decision-making. To date, little analysis of past experience has been carried out to support conclusions on efficiencies, let alone programmatic coherence benefits. It would be useful for the Secretary-General, working with the United Nations Sustainable Development Group, to express more comprehensively why common premises are worth the effort, if indeed there are reasons beyond financial ones. The point is not to say that one consideration is more important than another; objectives can coexist. Rather, a clearer and broader vision is required to shape how opportunities are thought about and decisions made within and among organizations.

(c)   Deeper integration of environmental sustainability and accessibility is required

Environmental sustainability and accessibility are among the not purely financial factors to be taken into account in work on common premises. Efforts to integrate environmental considerations into the policies and practices of the United Nations system have been strengthened, including through the strategy for sustainability management in the United Nations system for the period 2020–2030, endorsed by the United Nations System Chief Executives Board for Coordination (CEB). It includes the commitment that "all United Nations facilities, led by United Nations common premises, follow sustainable building standards or harmonized guidance for sustainable building management".[9]

The common premises feature of that commitment has seen progress, with the support of the Sustainable United Nations initiative managed by the United Nations Environment Programme (UNEP). The initiative assisted the Task Team on Common Premises and Facility Services by developing initial environmental guidelines for United Nations common premises, which were endorsed by the Task Team in 2018.[10] Steps have been taken to provide for consideration of environmental factors in the recommended workflow for various phases of the life cycle of the common premises project. Further focused attention is nonetheless required to secure and deepen the integration of sustainability into the planning of and decision-making on common premises.

With respect to accessibility, performance-based guidelines for the design and construction of common premises office buildings for the United Nations Development Group stipulate that local disability legislation should be consulted, with several countries having developed standards and technical guidelines for accessible design.[11] More explicit guidance on how to plan for and factor in accessibility considerations for planning and assessment of and decisions on common premises is required.

Target of 50 per cent has galvanized attention but should be revisited

The target of 50 per cent of common premises by 2021 had the merit of offering a concrete goal around which organizations could rally. In written responses to the Inspectors, no organization has indicated having been consulted on the target or being aware of the basis

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[8] Business Innovations Group, "Project updates presentation" (February 2020).

[9] CEB/2019/1/Add.1, table 2.

[10] United Nations Environment, "Greening the blue. Initial environmental guidelines for United Nations common premises".

[11] See United Nations Development Group, *Performance-based Guidelines for the Design and Construction of UNDG Common Premises Office Buildings* (2012).

on which it was established. However, many organizations want to represent themselves as meeting that target, including by formulae that exclude non-conforming premises from the calculus. If seriously pursued, that would incur significant costs, such as for breaking leases. No resource provision to deliver on the target was made, in line with a pattern observed over time of not enabling the realization of stated common premises objectives or of overcoming known barriers. The 50 per cent target incentivizes measures focused on numbers of premises rather than substantive or efficiency results.

Lack of comprehensive and accurate data impedes informed decision-making

The data set on United Nations system premises in country team locations does not provide a sufficient basis for planning and decision-making. Comparable, accurate and reasonably current data are indispensable tools for the common premises agenda for purposes ranging from establishing the basic facts and clarifying which premises are in or out of scope to supporting future progress by enabling informed business cases.

As a short-term measure for the immediate framing of the current situation, use was made of the database maintained by the United Nations Security Management System, which includes all agencies, funds and programmes. However, it does not contain information on issues such as rental cost, ownership details or lease renewal dates. That data set was found to be incomplete in other respects as well. For a long-term solution, an effort to develop a stand-alone database was recently discontinued in favour of the development of a broader online platform for common premises that would house data, while also supporting planning tools for end-to-end premises consolidation. That is a promising approach because it seeks to connect information on premises with the broader universe of work on business operations reform. Building such a common repository, however, represents a considerable challenge. The authority, responsibility and capacity to manage and draw insights from it, especially for priority setting at the global level, needs to be clearly defined.

Absence of capital financing mechanisms remains a barrier

The establishment of a capital financing mechanism for common premises has repeatedly been urged. In 2009, the Finance and Budget Network examined issues related to capital financing, saw merit in the approach and endorsed a conceptual framework for capital budgeting in the United Nations system, but took no further action. Insofar as common premises in the current repositioning exercise are concerned, the Secretary-General has also asserted the need for a financing scheme for capital assets,[12] but has made no specific proposal to put one in place. Further, when the Task Team and the Business Innovations Group project team made successive recommendations for a capital financing mechanism and the resources needed to deliver the target of 50 per cent of common premises, no action was taken by the United Nations Sustainable Development Group. Several United Nations entities have in place tools that can be used to finance their share of common premises but they typically cannot be used to front-end the capital required by other organizations that lack such tools.

This long-standing and admittedly complicated issue requires resolution because the alternatives to a financing mechanism that have been explored are costly and barely functional. To bypass the need for capital investment, instruments such as public-private partnerships have been encouraged, with supporting guidelines developed. The one experience in Eswatini and pending projects in Malawi, Papua New Guinea and Rwanda illustrate the high costs involved, including exorbitant interest rates leading to costs that are multiples of the construction costs, and the legal and procedural complexities that consume years of exchange, with little result. Long amortization periods built into these schemes show that in practice United Nations organizations do in fact commit to a long-term presence, even though they often say they cannot.

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[12] United Nations development system repositioning, explanatory note No. 4, "Common business services and back-office functions" (February 2018), p. 2.

Two strategies aimed at the sharing of facilities and services and reducing administrative costs that were promoted in the early phases of common premises efforts have fallen into disuse or disfavour: ownership and construction. The former was part of planned lease-to-own arrangements, while the latter was the main focus until mismanagement led to a reversal of the approach. The option of buying or building premises is part of the available toolkit that should be compared to the economics of leasing or other options. A recent report on the WFP real estate portfolio by its external auditor urged WFP to reconsider its current principle that purchasing is the least recommended option, at least in cases of long-term country offices. The external auditor recommended that WFP undertake long-term analyses of the advantages and disadvantages of various rental, purchase and construction options.[13] Objective, long-term analysis of those options should also be considered for common premises.

Apply integrated premises planning at the regional level

The framing of common premises almost exclusively in the context of operational activities for development has the undesirable effect of excluding from the legislative framework on common premises the extensive facilities that the United Nations Secretariat operates in locations where development actors are present, such as the regional economic commissions and the United Nations Office at Nairobi. The General Assembly acts on those facilities on the advice of the Fifth Committee, while the Second Committee addresses operational activities for development.

One result of this is that the discussion on common premises has focused singularly on the country level, thereby overlooking the significant regional presences that have developed, although regional teams of the United Nations Sustainable Development Group have recently been asked to advance common business operations, including common premises. Key features at the regional level are the regional economic commissions and offices away from Headquarters where the United Nations Secretariat operates major facilities, notably the Economic Commission for Africa (ECA), the Economic and Social Commission for Asia and the Pacific (ESCAP), the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic and Social Commission for Western Asia (ESCWA) and the United Nations Office at Nairobi. In those locations, the country and regional presences of United Nations system development actors can be found, many of whom want to co-locate with the United Nations. The scale is significant: Nairobi and Addis Ababa host over 4,000 United Nations system personnel each and Bangkok has about 2,500.

All these locations host United Nations system tenants. But the United Nations Secretariat, in carrying out forward planning for its real estate portfolio, does not consistently integrate the requirements of other United Nations actors. Since launching a strategic capital review process in 2009 to establish an organization-wide perspective on needs and priorities for new facilities and major maintenance, the focus has been limited to the needs of the Secretariat itself. The Secretary-General did advise the General Assembly that he could consider the requirements of the specialized agencies, funds and programmes in the scope of the strategic capital review, if directed to do so,[14] but this has not been done. Action to provide for comprehensive planning of facilities requirements for all United Nations entities in those locations could help obviate situations such as those that arose recently with UNHCR and WFP being interested in building facilities on the ECA compound but being unable to fit into the United Nations decision-making cycle.

Global real estate management should be considered

The micromeasures by which common premises are now pursued would not resolve the main inefficiencies in how the United Nations system acquires and manages premises in the field. Rather than a coherent, global approach to planning, acquiring and managing those facilities, the focus is on each organization meeting its own needs. The common premises

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[13] WFP, Report of the External Auditor on the real estate portfolio, document WFP/EB.A/2020/6-F/1, para. 55 and recommendation 4.

[14] A/70/697, para. 65.

agenda tries to make it a bit less so, usually trying to retrofit after entities have created facts on the ground.

Rather than a piecemeal, location- or organization-specific approach, a global view of the United Nations system property portfolio could be considered. The Board of Auditors, for example, has urged the United Nations to develop a global estates strategy. Its paper on lessons learned from the capital master plan encouraged a portfolio-wide approach to planning and managing the real estate portfolio and sketched out how an envisaged office of portfolio management could be governed and work.[15] The logic of the portfolio approach to real estate management suggested by the Board of Auditors for the United Nations Secretariat may apply more widely. Collectively, the scale of the United Nations field property portfolio is easily large enough to warrant the development of a dedicated professional office or unit of property managers. The barrier is more in the fragmentation of funding and governance, and for some entities in the legal framework, which means that the topic is managed at the individual entity level. Defragmenting and professionalizing real estate management in the United Nations system would be in line with realizing the security, cooperation, efficiency and greening benefits expected of common premises.

Leadership and inter-agency mechanisms should be clarified and improved

A central finding of the present review is that the institutional arrangements to advance common premises in the United Nations system are inadequate and have been known to be so by policymakers. The onus for finding common premises solutions has rested too heavily on the country teams and the capacity for data-based analysis and prioritization at a global level has been lacking.

The basic model for initiating common premises requires country teams to come up with both technical and financial solutions, drawing on tools and templates provided by the Task Team on Common Premises and Facility Services. The records of the Task Team are replete with evidence that this approach places too much of the burden on the country teams, who are often not equipped for such tasks. Project proposals linger for years as exchanges go back and forth between the country team and the Task Team on many aspects of proposals, from space allocation, design features and the strength of the business case to financing arrangements. More proactive central support on technical and financial aspects through the project life cycle is required to achieve results, reduce transaction costs and mitigate reputational harm resulting from inaction.

The phasing out of the Business Innovations Group project team at the end of June 2020 and the ongoing review by the United Nations Sustainable Development Group of its strategic results groups is an opportunity for the Sustainable Development Group to improve the inter-organizational arrangements for common premises and reform of business operations more broadly, with a view to enabling a proactive approach supported by data and analysis; strengthening inter-agency engagement; and defining clear lines of authority and decision-making. Of particular importance is providing for the need to carry out analysis, formulate proposals and extend support to country teams.

In current circumstances, the Development Coordination Office appears to be the entity best equipped to play this analytical and support role. It is already responsible for developing the common premises platform which will include a database. It is in a position to draw together the different threads of business operations reform, such as the business operations strategy (which now includes facility services in one of its service lines) that interact with common premises. That could help to break down the silos separating business operations workstreams.

The Development Coordination Office is not a free-standing actor, since common premises require the commitment of organizations that actually take the decisions. Its work on common premises therefore needs to operate in support of an inter-agency body or bodies. The ongoing review should address and update the mechanisms for policy oversight, such as the Business Innovations Group and its task teams, including the Task Team on Common Premises and Facility Services, and how the Development Coordination Office supports each

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[15] A/71/5 (Vol. V), pp. 68–70.

of them. As a body that includes senior facility managers, the Task Team should be a critical vehicle for securing agency buy-in, reviewing proposed projects, defining needs, agreeing on priorities and escalating important issues to the level of the Business Innovations Group.

At the top level, it is not evident that the current strategic results group of the Business Innovations Group, as distinct from the "Four plus one" subgroup and the project team, has been notably engaged or effective with respect to common premises. In considering future arrangements, the United Nations Sustainable Development Group should bear in mind that the operational nature of this facet of reform requires more frequent engagement than an agency head is likely to be able to provide.

Recommendations

Recommendation 1

The governing bodies of United Nations system organizations that have not yet done so should, by the end of 2021, give direction to the executive heads on the parameters of participation of their organizations in common premises and request periodic reporting on the results achieved.

Recommendation 2

The executive heads of the United Nations system organizations should work together in the framework of the United Nations Sustainable Development Group to amplify, by the end of 2022, the objectives of common premises, addressing programmatic, public image and environmental sustainability considerations, as well as efficiency gains, and also set out the modalities for tracking results and reporting thereon.

Recommendation 3

The Secretary-General and the other executive heads of the United Nations system organizations should, by mid-2021, work together in the framework of the United Nations Sustainable Development Group to re-examine the focus on a target of 50 per cent of common premises with a view to prioritizing efficiency gains.

Recommendation 4

The Secretary-General and the other executive heads of the United Nations system organizations should work together in the framework of the United Nations Sustainable Development Group to expedite the compilation of the database component of the envisaged common premises platform by mid-2021 and ensure that periodic reporting to the General Assembly includes information on the status of the database and how the common premises platform is being used to contribute to the realization of efficiency gains and any other common premises objectives.

Recommendation 5

The Secretary-General and the other executive heads of the United Nations system organizations should work together in the framework of the United Nations Sustainable Development Group to review lessons learned from experience with public-private partnerships for common premises and formulate, by the end of 2022, measures that address the capital financing requirements of initiatives regarding common premises, including the possibility of a centrally administered mechanism, for consideration by the General Assembly if required.

Recommendation 6

The General Assembly should, at its seventy-sixth session, request the Secretary-General to include, in consultation with the other executive heads of United Nations system organizations, as appropriate, the office space requirements of agencies, funds and programmes in the preparation of future strategic capital reviews of offices away from Headquarters and of the regional economic commissions.

Recommendation 7

The Secretary-General and the executive heads of the United Nations system organizations with premises in the field should study the feasibility of a unified mechanism for real estate management in the field and report on the findings of that study to the General Assembly at its seventy-eighth session.

Recommendation 8

The executive heads of the United Nations system organizations should work together in the framework of the United Nations Sustainable Development Group to improve, by the end of 2021, the inter-organizational arrangements for support of common premises by strengthening the oversight of common premises by the United Nations Sustainable Development Group, clarifying the role and authority of its inter-agency Task Team on Common Premises and Facility Services and directing an appropriately capacitated Development Coordination Office to support them in carrying out the common premises workstream. That support work should include analysis of priorities for future action, making arrangements for proactive support of country teams at all stages of project life cycles and drawing linkages to other facets of business operations.

Contents

Abbreviations

CEB	United Nations System Chief Executives Board for Coordination
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
ILO	International Labour Organization
IMO	International Maritime Organization
ITC	International Trade Centre
ITU	International Telecommunication Union
JIU	Joint Inspection Unit
OHCHR	Office of the United Nations High Commissioner for Human Rights
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UN-Habitat	United Nations Human Settlements Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office of Project Services
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UN-Women	United Nations Entity for Gender Equality and the Empowerment of Women
UNWTO	World Tourism Organization
UPU	Universal Postal Union
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

I. Introduction

1.   Common premises and common services have been envisaged since the inception of the United Nations system, well before the proliferation of development-oriented field presences drew more urgent attention to the opportunity that such collaboration represented. They were provided for in the relationship agreements between the United Nations and the specialized agencies, which typically call for avoiding "whenever possible the establishment and operation of competitive or overlapping facilities and services among the United Nations and the specialized agencies".[16] Even though the United Nations system has not developed administrative and facilities arrangements as closely as was envisaged, the relationship agreements remain relevant, to some extent, for common premises and common business operations more broadly.

2.   The Joint Inspection Unit has a record of advocacy for efficiency and coordination related to common premises dating almost from its establishment. This has been a facet of its deep engagement in emphasizing the efficiency and substantive benefits that can be derived from deeper integration among organizations of the United Nations and from a more coordinated approach to field representation. In 1968, it proposed that the United Nations family be located in a single building and discouraged the efforts of organizations to function separately.[17] In its 1986 report on the field representation of the United Nations system,[18] JIU pointed to its uncoordinated development and scattered deployment in cities, and called for the use of common facilities, which helped to trigger the interest of the General Assembly in common premises.[19] In other reports, JIU has drawn attention to the merit of harmonizing host country agreements, which would place organizations on a more common footing in relation to government-provided services.[20] In its report on the management of construction projects, it drew attention to the need for capital financing arrangements and urged more active engagement of the High-level Committee on Management in facilities management issues.[21] In its most recent report focused directly on common premises, JIU strongly advocated their use, recommended looking beyond the operational activities for development and saw value in ownership and construction in lieu of rentals, based on analysis by the Joint Consultative Group on Policy.[22]

3.   The emergence of the COVID-19 pandemic has necessarily drawn attention to issues that are closely interwoven with the requirements for premises, including common premises. They include the question of alternatives to offices for the physical co-location of large numbers of people and how the digitization and remote conduct of work that has accelerated in response to the pandemic can be built upon to deliver mandates and support collaboration in more cost-effective ways that are less dependent upon and less vulnerable than large office settings. The pandemic surfaced after the point that the Inspectors could seriously examine its implications for common premises. **The United Nations Sustainable Development Group should consider how lessons learned from the remote conduct of work in response to the COVID-19 pandemic should be applied to its future work on common premises.**

A. Common premises roots in reform of the United Nations Secretariat

4.   The common premises workstream emerged as an element of reform measures initiated by a number of Secretaries-General in response to financial crises afflicting the United Nations. The first was the financial crisis of 1985/86, which led to the adoption of resolution 41/213 and stimulated the Secretary-General to undertake to restructure United

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[16] JIU/REP/94/8, para. 2. See also JIU/REP/93/3.
[17] JIU/REP/68/4, para. 13.
[18] See JIU/REP/86/1.
[19] See A/46/206/Add.3-E/1991/93/Add.3.
[20] See, for example, JIU/REP/94/8, JIU/REP/97/1 and JIU/REP/2006/4.
[21] See JIU/REP/2014/3.
[22] JIU/REP/94/8, paras. 57–62.

Nations field offices on the basis of principles that included presenting a cohesive image of the United Nations and avoiding the creation of new field offices in favour of using common premises and sharing facilities.[23] The second was in 1997, when against a backdrop of financial stringency the Secretary-General issued a report entitled "Renewing the United Nations: a programme for reform".[24] Among many other things, he set out the concept of "Operating as one" at the country level and launched the idea of the United Nations House, which would provide a common premises for all United Nations entities operating at the country level. In countries where there was a Resident Coordinator, all funds and programmes and United Nations information centres were intended to become part of a single office.[25] The United Nations House initiative shaped the approach to common premises for about 15 years.

B. Recurring mandates emphasize common services in conjunction with premises

5. Since its forty-second session, the General Assembly has taken up these features of a wider set of reforms through consideration of operational activities for development. The history of the current common premises agenda was triggered in 1987 by General Assembly resolution 42/196 on operational activities for development, which urged rationalization of the field office structure to enhance "co-operation, coherence and efficiency" through, inter alia, increased "sharing of facilities and services".

6. In subsequent years, the General Assembly repeatedly returned to the issues of common premises and common services in the context of operational activities for development of the United Nations system.[26] The precise formulations varied and evolved over time, but the messages were emphatic: common premises should be actively developed for efficiency purposes, including consolidation of the administrative infrastructure, without adding to the costs for developing countries. Those elements are illustrated in the extracts presented in figure I below.

Figure I
Excerpts from General Assembly resolutions (1989–2012)

"…make, without delay, the necessary arrangements, in co-operation with host Governments and without additional cost to developing countries, to establish common premises at the country level" (resolution 44/211, para. 15 (d)).

"…include in his report an assessment of progress made in achieving common premises and…propose a plan for the full achievement of this objective, where feasible and appropriate" (resolution 46/219, para. 25).

"…emphasizes that [common premises] should be achieved in a way that increases efficiency through, inter alia, consolidation of administrative infrastructures of organizations concerned" (resolution 47/199, para. 42).

"…raise substantially the target for achieving common premises on the basis of cost-benefit analysis and avoiding an increased burden on host countries" (resolution 50/120, para. 44).

"…develop a strategy, in consultation with Member States, by the end of 2013, with concrete goals and targets, to support the establishment of common premises…and encourages United Nations country teams to explore all potential savings across the organizations, including the harmonization of business practices in all functional areas and the consolidation of support services" (resolution 67/226, para. 161).

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[23] A/42/234, para. 30 (h) ii-iii.
[24] A/51/950 and Corr. 1.
[25] Ibid, para. 51.
[26] See, for example, resolutions 44/211, 46/219, 47/199, 48/209, 50/120, 53/192, 56/201, 59/250, 62/208, 67/226 and 71/243.

7.   General Assembly direction on common premises was a component of a broader interest in limiting the overhead costs of multiple United Nations development presences, as seen in the emphasis on common services, and cannot be understood outside that context. According to the Secretary-General, in resolution 67/226 the General Assembly showed that Member States attach importance to common premises as an indicator of a coherent United Nations system at the country level and an important driver for the effective consolidation of support services: "More than physical co-location, common premises allow for the consolidation of departments with similar functions, leading to high efficiency gains and cost saving potentials."[27] Progress on common services was challenging to realize and the measures taken by organizations were thin gruel compared to the ambition of the General Assembly.[28]

8.   Until 2017, the participants in the organized workstream on common premises consisted of UNDP, UNICEF, UNFPA and WFP, first as members of the Joint Consultative Group on Policy and after 1997 and the creation of the United Nations Development Group, in their capacity as members of its Executive Committee. Other United Nations agencies were welcome and encouraged to join common premises, but those four entities constituted the proactive face of the issue and provided the subsidiary support. The Administrative Committee on Coordination made generally supportive comments but was clearly muted in its enthusiasm. The Task Team on Common Premises and Facility Services and its predecessors represented the four entities mentioned until 2017, when an effort to broaden participation was made.

C.   Focus on premises in capital cities

9.   Offices at the national level were until the recent past the singular focus of common premises activity. There was no clear definition of common premises, but reporting that enumerated instances of "sharing" and "co-location" indicate a threshold of two or more entities. Concepts became more blurred after the introduction of the United Nations House programme because it was interchangeable with common premises. A United Nations House was defined after 1997 as requiring all funds and programmes and the United Nations Information Centres to be part of a single office under the Resident Coordinator.[29] In 2017, the mechanisms of the United Nations Sustainable Development Group defined common premises as requiring co-location of two or more organizations, removing the reference to the Resident Coordinator to expand the notion to subnational locations (figure II).

Figure II
Definitions of United Nations House and common premises

1997	"All United Nations entities with ongoing missions at the country level will operate in common premises - 'UN House' - and operate under a single United Nations flag. In countries where there is a Resident Coordinator, all funds and programmes as well as United Nations information centres will become part of a single United Nations office under the Resident Coordinator" (A/51/950, para. 51).
2012	The name United Nations House refers to common premises housing the office of the Resident Coordinator and the offices of all resident country directors/representatives of the member agencies of the Executive Committee (comprising UNDP, UNFPA, UNICEF and, as appropriate, WFP) and a commitment to develop a framework for cost-effective, high-quality and timely common services. Other United Nations entities and the Bretton Woods institutions are encouraged to join the United Nations House (Task Team on Common Premises memo on designation protocol for One United Nations House, October 2012).

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[27] E/2013/94, para. 177.

[28] See, for example, resolutions 47/199 and 67/226.

[29] The present review did not examine whether the integration of United Nations Information Centres in common premises initiatives occurred.

| 2017 | Common premises entail the co-location of two or more resident United Nations entities present in a country. Common premises can be established at national and subnational level, usually supported by a range of common services enabled by agency co-location (website of the United Nations Sustainable Development Group). |
| | The label United Nations House shall be conferred upon recommendation by the United Nations Sustainable Development Group, where the following minimum conditions exist: meets the minimum criteria for establishing a common premises (two or more entities) and the United Nations House must house the office of the United Nations Resident Coordinator. The United Nations House is not necessarily a standalone building (website of the United Nations Sustainable Development Group). |

D. Calls for a global strategy not acted upon

10. Member States have asked several times for a global, planned approach on sharing premises.[30] As far as the Inspectors could discern, it was not until the General Assembly in resolution 67/226 requested the formulation of a strategy that a corresponding effort was made. There had been neither a benchmark against which to measure progress nor well-defined lines of accountability. The strategy for establishing United Nations common premises for the period 2014–2017 produced by the Task Team on Common Premises drew attention to past accomplishments, difficulties encountered and opportunities that could be seized. The Task Team argued that planning for United Nations country facilities was largely focused on the immediate needs of each organization rather than being based on a strategic approach.[31] While the strategy was reported to the General Assembly,[32] no meaningful action was taken to develop an implementation plan. It has since been overtaken by the repositioning effort, for which an objective has been expressed, with related work under way.

E. New approach as part of repositioning the United Nations development system

11. The ongoing repositioning of the United Nations development system has changed the context of the common premises agenda in important ways, apart from the most obvious feature of the Secretary-General's target of reaching 50 per cent of common premises by 2021. The new generation of country teams, in which not every entity needs to be physically present, should incentivize co-location and reduce the demand for separate premises. A multifaceted effort, led by the Business Innovations Group, to generate efficiencies in business operations is well under way. Common premises are a feature of that work, but other workstreams, if strategically developed, would have a direct bearing on the need for premises and provide an opportunity for an integrated view of the drivers of efficiency opportunities. The implementation of those efficiency measures could also reduce the requirements for office space, as could improved technology for communications within country teams. The creation of more empowered Resident Coordinators with responsibility for promoting common business operations and the establishment in the United Nations Secretariat of the Development Coordination Office has implications for lines of authority, accountability and coordination. An examination of the regional assets of the United Nations system cannot but

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[30] In its resolution 46/219, the General Assembly requested that the Director-General for Development and International Economic Cooperation "propose a plan for the full achievement of this objective, where feasible and appropriate." The Economic and Social Council in 1996 directed the funds and programmes of the United Nations system "to develop a plan of action, administrative arrangements and a time-frame for the implementation" of common premises (resolution 1996/42). In 2012 in resolution 67/226, the General Assembly called for the United Nations system "to develop a strategy, in consultation with Member States, by the end of 2013, with concrete goals and targets, to support the establishment of common premises in programme countries that wish to adopt them".

[31] See Strategy for establishing United Nations common premises (2014–2017), prepared by the United Nations Development Group Task Team on Common Premises (September 2014), para. 10.

[32] See A/73/63-E/2018/8 and A/70/62-E/2015/4.

beg the question of how to apply a more integrated approach to premises in regional centres where the United Nations Secretariat controls significant property portfolios. The Secretary-General, working with the United Nations Sustainable Development Group, should give direction to ensure that planning for common premises takes into account the reconfiguration of country teams, the opportunities of virtual communication and the rigorous implementation of business operations reform that should impact the demand for space and offer concrete efficiency gains.

12.   The Secretary-General's repositioning proposals acknowledged that expectations in relation to common premises, as well as to common business operations in general, had not been realized.[33] In its resolution 72/279, the General Assembly welcomed measures by the Secretary-General to advance common business operations, where appropriate, including common back offices, with the target of 50 per cent of common premises by 2021, to enable joint work and generate greater efficiencies, synergies and coherence. The Assembly requested implementation of those measures in accordance with resolution 71/243.

13.   Consequent to that, a multifaceted effort led by the Business Innovations Group to generate meaningful efficiencies in business operations, while improving their quality, is well under way. Co-chaired by the heads of UNHCR and WFP, it has been supported in this work by a time-limited project team tasked with deliverables in six aspects of business operations, including common premises. That provides a necessary opportunity to situate common premises as an element of a holistic approach to realizing efficient and consolidated business operations.

F.   Objectives, scope and methodology of the review

14.   The present review is part of the JIU programme of work for 2019. Against the backdrop of a long history of General Assembly mandates on common premises, with limited aggregate accomplishments to date, the low threshold for designation as common premises and the new context presented by the reform of the development system, JIU thought it timely to support reflection on the further development of common premises. In view of the extensive work being conducted on common premises as part of the development reform process, the review focuses on selected issues that governing bodies and executive heads should consider in charting the path ahead. More specifically, it seeks to:

(a)   Review the progress made in carrying out common premises mandates set by governing bodies;

(b)   Assess the impact of the current reform context on efforts to expand common premises;

(c)   Review the criteria for decision-making as to when common premises are the right solution;

(d)   Draw up lessons on the institutional arrangements required to support the common premises agenda.

Scope

15.   The scope of the review is system-wide, but its focus is on premises in locations where United Nations country teams are present. The corporate questionnaire was designed to screen out entities that do not maintain a field presence for the purpose of participating in country teams. The International Atomic Energy Agency (IAEA), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the Universal Postal Union (UPU), the World Tourism Organization (UNWTO) and the World Intellectual Property Organization (WIPO) thus screened themselves out.

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[33] See A/72/684-E/2018/7.

Methodology

16. The JIU team included two Inspectors, one evaluation and inspection officer, one research assistant and one intern. The review was conducted between July 2019 and April 2020. In accordance with JIU internal standards and working procedures, the Inspectors used a range of qualitative and quantitative data collection methods from different sources for consistency, validity and reliability.

17. Information on progress on common premises was drawn in particular from reports of the Secretary-General on the implementation of the resolutions of the policy reviews on operational activities for development (triennial and quadrennial comprehensive policy reviews) and on the repositioning of the United Nations development system. Documents from the legislative and governing bodies of the JIU participating organizations and the corporate policies and internal documentation of individual entities were considered, as appropriate. JIU examined the records maintained by the Task Team on Common Premises and Facility Services, its guidance and analytical papers, and specific business cases for the establishment of a United Nations House in 13 countries. Documentation produced by the Business Innovations Group project team, including reports emerging from pilot projects, were a valuable source of information. References to other relevant documents are indicated in the narrative of the present report. Secondary sources, such as the independent evaluation of "Delivering as one" and the evaluation reports of the pilot countries (United Nations House) were also studied.

18. More specifically:

(a) JIU gathered qualitative and quantitative information and supporting documentation through corporate questionnaires addressed to its participating organizations. A separate questionnaire directed at the inter-agency machinery concerned with common premises elicited a consolidated response from the Task Team on Common Premises and Facility Services, the Development Coordination Office and the Business Innovations Group project team;

(b) Drawing on responses to the questionnaires, the Inspectors conducted 122 interviews with officials of the participating organizations, among which 20 within the United Nations Secretariat, 31 with officials of funds and programmes and 20 with officials of the specialized agencies. Interviewees were selected to ensure a multidisciplinary perspective: (i) high-level officials provided a corporate/organizational perspective on the engagement of their organization in the United Nations development system reform, including the common premises stream; (ii) officials knowledgeable about premises arrangements in country and regional settings gave an overall picture of premises in the field; and (iii) agency representatives or staff in country teams elaborated on coordination and collaboration on the programmatic side with other United Nations system organizations in shared premises, as well as on common business operations linked to common premises. The Inspectors sought the views of the Chair and members of the Task Team and of the Business Innovations Group project team. Officials of the Country Business Strategy Branch of the Development Coordination Office also provided relevant input;

(c) The Inspectors visited a prominent example of a United Nations House, namely the Green One United Nations House in Hanoi, and interviewed Resident Coordinators and representatives of agencies in 15 country teams to draw insights from current and past common premises initiatives. Insight into the opportunities and challenges in regional locations where the United Nations Secretariat also operates major facilities were gathered through a field visit to Bangkok and remote interactions with ECA and the United Nations Office at Nairobi. The Inspectors also spoke with World Bank officials who oversee the establishment and management of its premises.

19. The report contains eight recommendations, of which one is addressed to the General Assembly, one to the governing bodies of United Nations system organizations, and six to the executive heads of United Nations system organizations working together in the framework of the United Nations Sustainable Development Group. To facilitate the handling of the present report and the implementation of its recommendations and the monitoring thereof, annex VII contains a table that identifies the recommendations relevant to each organization and specifies whether they are directed to the governing body or to the executive

head of the organization. The formal recommendations are supplemented by 14 informal recommendations.

20.   Comments on the draft report were sought from participating organizations and taken into account in its finalization. In accordance with article 11 (2) of the JIU statute, the present report was finalized after consultation among the Inspectors so as to test its conclusions and recommendations against the collective wisdom of the Unit. The Inspectors express their appreciation to all those who assisted in the preparation of the report and particularly to those who participated in the interviews, responded to questionnaires and so willingly shared their knowledge and expertise. The constructive responsiveness and professionalism of the members of the Business Innovations Group project team, the Task Team on Common Premises and Facility Services and the Development Coordination Office throughout the life of this project must be underscored.

Limitations

21.   The statistical data on premises set out in the present report were provided by the Business Innovations Group project team in March 2020. They are in turn based primarily on data extracted in 2017 from the database maintained by the United Nations Security Management System and subsequently adjusted by some organizations. Those data are not definitive; indeed, data improvement is ongoing and work has been undertaken to produce updated and more accurate figures. That updated data set is still a work in progress and was not complete enough to be the basis for the data shown in the present report.[34] The Inspectors drew upon existing information, rather than attempting to generate their own data, because the purpose is to show patterns and trends and to represent the data set that informs the current reform process. The Inspectors received information from several United Nations entities on their specific premises profile as an annex to their response to the JIU questionnaire. In some cases, that information varies significantly from what was provided through the Business Innovations Group project team. The latter is represented in the present report for consistency and to refer to the information upon which the Secretary-General is drawing. Such discrepancies underline the importance of having precise figures on all aspects related to premises to inform effective planning and decision-making, a point that is further developed in the present report.

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[34] In March 2020, the Business Innovations Group project team requested a new extraction of the data on premises contained in the United Nations Security Management System database in order to provide the country teams with updated figures to support the roll-out of a premises consolidation plan (see annex V).

II. Mandates have not been managed as a system-wide endeavour

A. Inter-agency mechanisms for common premises have not been broadly based

22.   From its inception in 1987/88 until 2017 the common premises workstream was the project of UNDP, UNICEF, UNFPA and WFP, first through the vehicle of the Joint Consultative Group on Policy and then as members of both the Executive Committee of the United Nations Development Group and of the Task Team on Common Premises and Facility Services. The initial action by the Secretary-General tasked the Consultative Group with examining opportunities for shared facilities in the field, and stated that UNHCR would also be associated,[35] but it is not clear if this was sustained. Others were welcome to join in such premises but were not engaged in the policy process. The approach had its logic, not least as those organizations represented a large proportion of the United Nations system offices at the country level. It was only in 2017 that an effort to apply a system-wide approach, through expansion of the membership of the task team, was undertaken through an informal process of invitation to other organizations.

23.   The mandates, business models and operational activities of the entities of the United Nations system impact directly on their field presence and on how they view the need for premises. Specialized agencies with a normative function may be hosted in counterpart ministries or in government-provided premises rooted in historical arrangements, making changes appear uneconomical. The following observation made almost 15 years ago by the Secretary-General is still a consideration today: "not all United Nations entities find it practical to move into common premises: certain entities have a strong humanitarian programme characterized by fluctuations in office space requirements or seek close proximity to their respective line ministries in Government".[36] Some organizations, such as the International Labour Organization (ILO), UNHCR and WFP stated that they had to deal with specific requirements in terms of access by other actors to their premises. The Inspectors were informed that the International Organization for Migration (IOM) also had specific access requirements. Under those circumstances, it is unlikely that a system-wide approach will ever be fully realized.

B. General Assembly mandates have not been echoed by other governing bodies

24.   Responses to the JIU questionnaire indicate that legislative and governing bodies within the United Nations system have typically not given direction on common premises beyond the innumerable resolutions of the General Assembly and the Economic and Social Council. While generally interested in the engagement of organizations in United Nations system reform, legislative and governing bodies have not given specific guidance to their secretariats to steer their engagement in common business operations in general or on common premises specifically.

25.   Irrespective of legal dimensions, policy direction from governing bodies is required. The Consultative Committee on Administrative Questions (Financial and Budgetary Questions) stated that it considered that the system "has sufficient legislative authority within the provisions of the relationship agreement with the United Nations to participate, insofar as practicable, in any programme for common premises or services in the United Nations system".[37] Mirroring this view, the Director-General of ILO confirmed to the ILO governing body, that he had sufficient legislative authority to participate in programmes of common premises and services.[38]

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[35] A/42/234, para. 30 (h) iii.
[36] A/62/73-E/2007/52, para. 128.
[37] E/1996/64, para. 39.
[38] GB.270/PFA/11 (270th session, November 1997).

26.   Even if the legal framework enables such participation, it does not drive it. For that, policy direction by governing bodies on how to approach common premises in the new context of repositioning the development system would be helpful. The Inspectors do not anticipate achieving a uniform result, as different bodies may hold divergent views, but the key feature is that a clear direction be expressed. Legislative direction to consider common premises as a default approach would reinforce cultural change while not precluding the functional judgments required in individual cases.

27.   The implementation of the following recommendation is expected to enhance transparency and accountability in system-wide work on common premises.

Recommendation 1

The governing bodies of United Nations system organizations that have not yet done so should, by the end of 2021, give direction to the executive heads on the parameters of participation of their organizations in common premises and request periodic reporting on the results achieved.

III. Progress on common premises has been limited

28. It is difficult to assess the "results" of common premises efforts over time because there is no benchmark to apply. In terms of sheer numbers, specific objectives were not set, whether in terms of degree of co-location, financial savings derived, enablement of common services, timetable or other measurable indicators.

A. Importance of host country support should be underscored

29. The primary responsibility for providing office premises for United Nations agencies rests with the host Government based on the host country agreements signed between the Government and the organization concerned. The provisions regarding premises in such agreements may vary by country and by agency in a given country. Where Governments have been unable to provide a building for the United Nations, they have sometimes provided land or subsidized rent and operating costs, in full or in part. The importance of host Governments encouraging United Nations organizations to unify their presence cannot be overstated. The commitment of host authorities to common premises has been shown to be an important enabler through a combination of political motivation and material support, as can be seen in the examples of the Green One United Nations House in Hanoi, the United Nations House in Almaty, Kazakhstan, and the project under development in Dakar. There are challenges to be sure, but of a different order.

30. The flowchart prepared by the Task Team on Common Premises and Facility Services containing the sequence of options that United Nations country teams should pursue prioritizes requesting Governments to provide premises. However, in their responses to the JIU questionnaire, most participating organizations reported medium to low levels of performance by national authorities in providing such premises. It is observable that effective implementation of this varies from country to country and between agencies. The United Nations system is not sufficiently disciplined in working to encourage host countries to provide premises. In reporting on lessons learned with respect to common premises, the Secretary-General has consistently drawn attention to the need to pay more attention to urging Governments to provide free premises.[39] In the current repositioning, action on recommended measures to reactivate this emphasis is still pending.

B. United Nations House programme was the focus of collective attention for many years

31. Offices at the national level were until the recent past the singular focus of common premises activity. The initial emphasis of the Joint Consultative Group on Policy was on construction of new premises. The Director-General for Development and International Economic Cooperation reported to the forty-sixth session of the General Assembly that construction of 8 premises was under way and negotiations on 10 others were advanced.[40] At that time, UNDP, UNICEF and UNFPA took measures to create or adapt funding mechanisms for premises.[41] In 1994, the agencies of the Consultative Group envisaged an ambitious scheme based on receiving free land from Governments and then entering into long-term leases with the private sector, which would build the buildings and turn over ownership after the expiry of the leases.[42] Eighteen Governments donated land, however the programme was never implemented.[43] That approach is no longer being pursued as a result of construction missteps, but it illustrates recognition from the outset of the challenge presented by the lack of capital financing tools.

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[39] See, for example, E/2000/46/Add.1, para. 91 (c).
[40] A/46/206/Add.3- E/1991/93/Add.3, para. 31.
[41] Ibid., para. 39.
[42] E/1996/64, para. 36.
[43] See WFP, Report on common premises: progress report on the United Nations House programme, document WFP/EB.A/99/8-C, May 1999.

32.   In 1997, a new phase was introduced, with the United Nations House initiative as part of a broader set of reforms.[44] For most of the period since then, common premises initiatives have mostly been designed around the concept of the United Nations House in capital cities. According to the information provided by the Task Team on Common Premises and Facility Services, 62 United Nations Houses have been established since 1997 in countries where a country team is in place (see figure III). Initial efforts in this direction were significant. In 2001, the Secretary-General reported that between 1998 and 2000, the United Nations Development Group Management Group on Services and Premises had reviewed 145 proposals, reached out to 43 country teams and conducted 30 missions to 38 countries to offer technical support in locating and establishing United Nations Houses.[45] As of that date, 46 United Nations Houses had been inaugurated or designated. In recent years, little progress has been achieved; in 2002 the Secretary-General acknowledged that the most straightforward opportunities had already been largely exhausted.[46]

Figure III
Designation of United Nations Houses in United Nations country team countries (1997–2020)
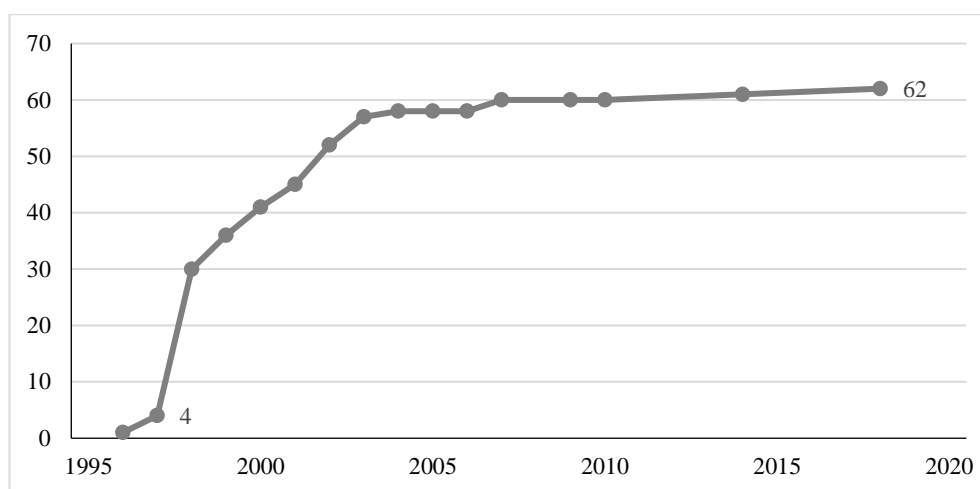
Source: Prepared by JIU based on information provided by the Task Team on Common Premises and Facility Services (2020). See annex I for information on the establishment of United Nations Houses by country and area.

33.   Two thirds of countries where United Nations system expenditures are relatively small have United Nations Houses, while fewer than 25 per cent of countries with large expenditures do: "likely due to the size of each entity's portfolio and correlated larger number of personnel, which also may likely lead to difficulties finding large premises that meet security policy requirements".[47] The number of United Nations Houses, however, is not by itself informative of the degree of co-location by the United Nations system organizations. As shown in annex I, United Nations Houses, other common premises and single premises co-exist in the same locations. In the cities where United Nations Houses are present, there are at least a total of 240 other premises, mostly single-entity premises. The designation as a United Nations House is also not of itself informative about efficiency gains through the combination of common premises and services.

34.   After the initial burst in the first years of the United Nations House programme, fewer were added. United Nations Houses continued to be developed, but at a slower pace and despite several cases presented to the Task Team on Common Premises and Facility Services by country teams, no noticeable progress has been observed since 2010. With the passage of time, the Secretary-General reported that the use of common premises had not gained

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[44] See A/51/950 and Corr. 1.
[45] E/2001/66, para. 99.
[46] E/2002/59, para. 34.
[47] A/73/63-E/2018/8, para. 219.

significant momentum,[48] contributing to the call by the General Assembly in resolution 67/226 for a specific strategy and the inclusion of an ambitious goal for common premises in the repositioning of the United Nations development system.[49]

C.   Whole-country approach as part of the current reform

35.   The current reform process has brought a change in approach. The Business Innovations Group project team has drawn attention to the large universe of subnational premises and to the priority it considers should be attached to exploiting consolidation within existing premises rather than acquiring or building new spaces. Working with the Task Team, it has suggested that rather than continuing to focus on establishing United Nations Houses in capital cities, in order to significantly progress towards the target, country teams should take a whole-country approach to consolidation planning and review opportunities in both capital cities and subnational locations.[50] Thus, construction of new premises would be reserved only for a limited number of projects in capital cities. A consolidation planning tool developed by the Business Innovations Group project team and endorsed by the Task Team is expected to be disseminated to all country teams as part of a global effort to develop premises consolidation options and plans. Given the Secretary-General's target of 50 per cent of common premises by 2021, the Inspectors recognize that a focus on subnational consolidation to achieve a numerical goal has its internal logic because, as explained below, that is where most premises are.

36.   In the planning of future measures, it should be recalled that two strategies aimed at the sharing of facilities and services and reducing administrative costs that had been promoted in the early phases of common premises efforts have fallen into disuse or disfavour: ownership and construction. The former had been part of planned lease-to-own arrangements, while the latter was the main focus until mismanagement led to a reversal of the approach. The option of buying or building premises is part of the available toolkit that should be compared to the economics of leasing or other options. In a recent report on the WFP real estate portfolio, the external auditor urged WFP to reconsider its current principle that purchasing is the least recommended option, at least in cases of long-term country offices. The external auditor recommended that WFP undertake a long-term analysis of the advantages and disadvantages of various rental, purchase and construction options.[51] **Objective, long-term analysis of those options should also be considered for common premises, while recognizing that organizations may have different expectations of tenure in a given country.**

D.   Many premises, few of them common

37.   To support this comprehensive approach, the Business Innovations Group project team worked to define a reference point that would start with all premises, including those at the subnational level. Using the information available in the United Nations Security Management System database,[52] the point of departure was a universe of 4,340 premises (see figure IV). Three main categories of premises considered to have no or low potential for consolidation were then excluded. After screening out government co-located offices where ministries host United Nations system organizations personnel (652), project offices (954) and other types of premises such as warehouses, guesthouses and hotels (219), the analysis considered the remaining 2,515 premises as the universe on which to measure the current status of common premises and plan new action. Of them, 2,257 are in United Nations country team locations. In the present report, using data generously shared by the Business Innovations Group project team, the Inspectors set out the universe of premises underlying

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[48] E/2011/88, para. 36.

[49] A/72/684-E/2018/7, para. 45.

[50] Task Team on Common Premises and Facility Services, official submission of resource requirements document to progress towards the SG target of 50 per cent of common premises by 2021 (February 2020).

[51] WFP, document WFP/EB.A/2020/6-F/1, para. 55 and recommendation 4.

[52] See para. 21 above.

the Secretary-General's approach, as this has not before been presented in official documents. These data are not considered definitive, as explained in paragraph 21 above.

Figure IV
United Nations premises identified by the Business Innovations Group project team (2017–2018)
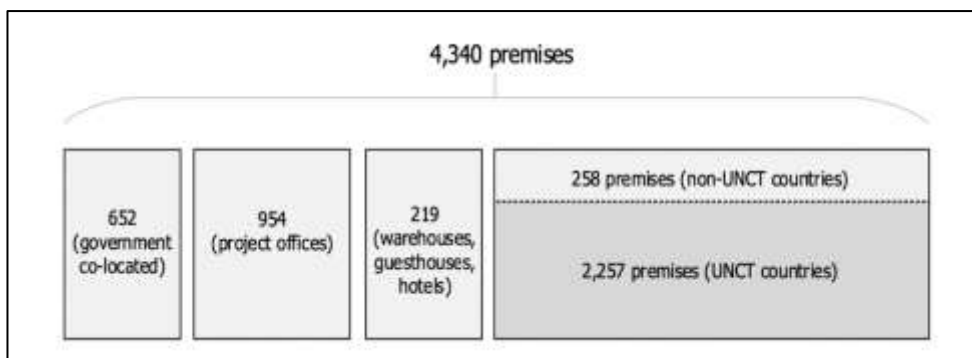
Source: Prepared by JIU based on information provided by the Business Innovations Group project team. See also annexes I and V.

38.   More than a third of the premises where United Nations personnel are located in government departments relate to the World Health Organization (WHO), reflecting its frequent integration with ministries of health. Annex II presents the full picture of offices co-located within government premises: three agencies (WHO, UNDP and the Food and Agriculture Organization of the United Nations (FAO)) represent more than 70 per cent of such offices.

39.   The Inspectors do not query the exclusion of the locations of ministries hosting United Nations personnel but suggest that project offices that are not co-located with Governments could merit closer analysis. Some may indeed be truly time-limited, but as pointed out in a recent JIU report, they may also be a function of funding arrangements rather than their temporary character.[53] A project office funded from an earmarked contribution can be fully charged to that project budget and reported as a development expenditure, reducing both the incentive for administrative savings and the transparency of such outlays for facilities. Information on the project offices excluded from the analysis is shown below. **As these project offices are highly concentrated in UNDP and WHO (see figure V), the Administrator of UNDP and the Director-General of WHO are urged to examine the use of project offices to ensure their business needs are integrated to the extent possible with corporate business operations.** That would not impair the ability of organizations to apportion costs to project rather than institutional budgets, as appropriate. UNDP has provided additional information to indicate that, where possible, it endeavours to share project offices with others.

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[53]   JIU/REP/2018/5 paras. 102–104.

Figure V
Project offices of two United Nations organizations represent more than half of all project offices (2017–2018)
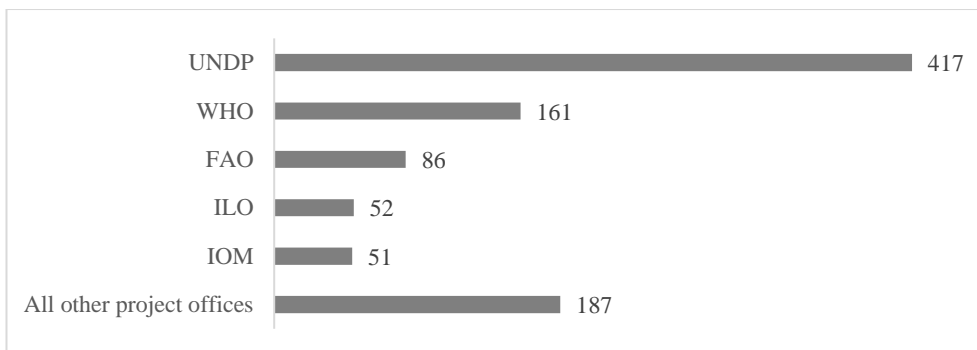
UNDP — 417
WHO — 161
FAO — 86
ILO — 52
IOM — 51
All other project offices — 187

Source: Prepared by JIU based on information provided by the Business Innovations Group project team. (Note: project offices co-located within government premises are excluded in accordance with figure IV)

E.   Most premises are subnational and not common

40.   Only 18 per cent of premises in United Nations country team countries are common, based on the current definition. Further disaggregation shows that in country teams, almost two thirds of premises are at the subnational level. As shown in figure VI, a larger share of premises is common at the national than the subnational level.

Figure VI
United Nations premises profile in United Nations country team countries at national and subnational locations (2017–2018)
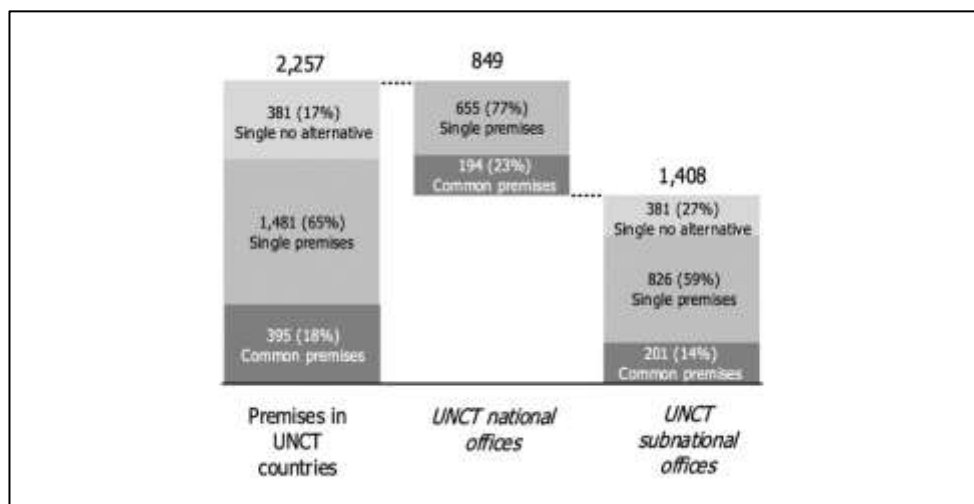
2,257
381 (17%) Single no alternative
1,481 (65%) Single premises
395 (18%) Common premises

849
655 (77%) Single premises
194 (23%) Common premises

1,408
381 (27%) Single no alternative
826 (59%) Single premises
201 (14%) Common premises

Premises in UNCT countries
UNCT national offices
UNCT subnational offices

Source: Prepared by JIU based on information provided by the Business Innovations Group project team.

41.   The premises profile informing the Secretary-General's analysis, as of the date of the present report, is set out in two annexes. Annex I provides information on premises in all United Nations country team countries and areas and annex III provides the premises profile by organization. Figure VII shows that a significant proportion of premises are concentrated on a limited number of entities. Considerably more than half of all premises belong to entities that operate under the authority of the Secretary-General (annex III). That would offer him considerable room for manoeuvre if he wished to manage those premises in a more integrated way.

Figure VII
Premises of eight United Nations organizations represent 70 per cent of the national and subnational field presences (2017–2018)
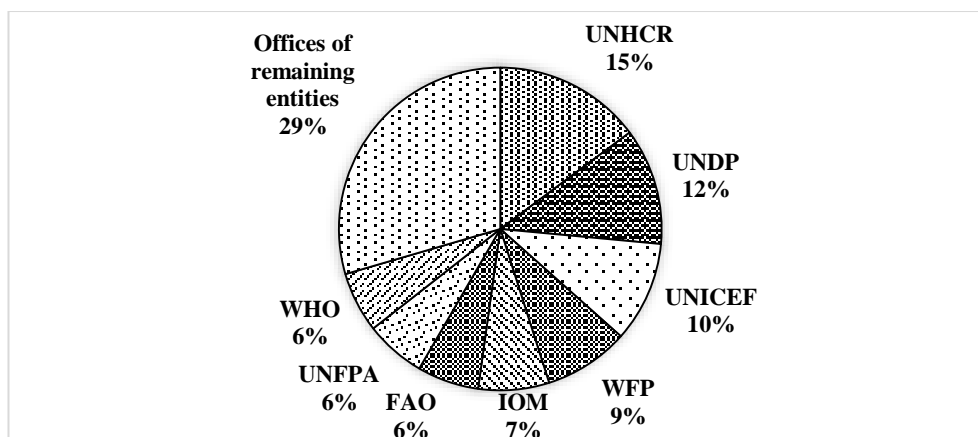
Source: Prepared by JIU based on information provided by the Business Innovations Group project team.

42.   The operational requirements of certain organizations have led to a significant growth in United Nations presences, many of them single. Humanitarian programmes are often characterized by fluctuations in office space requirements. [54] Four humanitarian actors (UNHCR, UNICEF, WFP and IOM), each with substantial supply chain and logistical requirements, account for half of single premises overall and about two thirds at the subnational level (figure VIII). Interviews with representatives of UNHCR and WFP indicate that they consider many of these locations temporary and they are set up in emergency circumstances when other actors are not present. It is beyond the scope of this review to assess the case-by-case dynamics, how temporary they have proven to be, or to judge the real scope for common premises in these circumstances. **However, there is a distinct subset of humanitarian organizations that are key drivers of single premises at the subnational level. The executive heads of these organizations, facilitated by the Emergency Relief Coordinator in his capacity as Chair of the Inter-Agency Standing Committee as necessary, should formulate measures for more systematic leveraging of each other's infrastructure, including premises**.

Figure VIII
Premises of four humanitarian actors represent over 50 per cent of single-entity premises, subnational level (2017–2018)
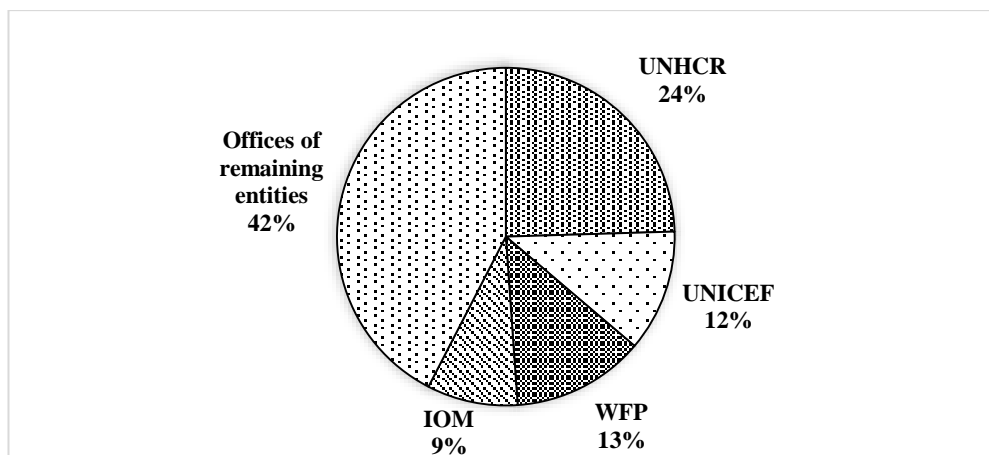
Source: Prepared by JIU based on information provided by the Business Innovations Group project team.

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[54]   A/62/73-E/2007/52, para. 128.

F.   Opportunities: follow the money

43.   A great proportion of United Nations system expenditures is concentrated on a relatively small set of countries, as detailed in annex IV, which presents information based on small, medium and large operations. Forty-nine countries characterized by large operations host 1,305 single premises (286 with no alternative for co-location) and represent 84 per cent of expenditure, while within that 15 large, post-conflict countries, represent 44 per cent. As had already been reported by the Secretary-General before these data were compiled, countries with larger expenditures have more members in their United Nations country teams and larger numbers of single premises.[55]

44.   The available data does not include the costs of the current arrangements in those locations, or of alternatives. However, opportunities for common premises in those locations should receive priority attention because of the large number of single premises, the higher level of expenditure which is typically associated with larger numbers of personnel, the often high cost of property in fragile environments and the role of decent working conditions as a facet of duty of care.

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[55] A/73/63-E/2018/8, table 25.

IV. Broader rationale for common premises should be expressed

45.   The Inspectors set out to examine the criteria or basis for decision-making on common premises. For example, do benefits need to accrue to each member of the United Nations country team or are gains for the group as a whole sufficient reason to galvanize collective action? And what weight is attached to non-economic factors, such as programmatic collaboration and public image, in decision-making? Responses to the JIU questionnaire and interviews revealed that one non-economic factor, security, is a dominant consideration.

46.   Not surprisingly, very few organizations are able to say, formally at least, that they can accept higher costs for the collective good, although in practice there are examples of a few organizations applying judgments on a case-by-case basis, within a range. The Secretary-General raised this dilemma 20 years ago, noting that moving to a United Nations House may result in an uneven financial burden, with some organizations experiencing benefits while others incur higher costs. He suggested that there was a need for support for such initiatives, especially during the initial stages, when set-up costs can overshadow long-term cost benefits. [56] **The Secretary-General, working with the United Nations Sustainable Development Group, should seek to address this issue, which continues to surface, as in the case of Uruguay, referred to in paragraph 137 below.**

A. Expectations of efficiency gains have become blurred but common services are a main driver

47.   With respect to financial efficiencies or savings, two points stand out. The first is that the facts of the efficiency picture, both in terms of past results and expectations, are blurred. Organizations typically have not tracked the realization of anticipated efficiency gains and neither do the United Nations country teams interviewed by JIU for the present review. There is no system-level perspective on actual gains. That lacuna was pointed out by the Secretary-General as long as 12 years ago when he stated: "At present there is no comprehensive assessment as to the benefits of common premises in terms of cost-saving or other advantages." [57] The common premises platform now under development is intended to capture such information. That functionality would support both transparency and accountability.

48.   In the current context of the repositioning of the development system, the Secretary-General forecast $120 million in savings through a combination of rental savings and certain common facility services. [58] For its part, the Business Innovations Group project team, looking into matters more closely, considered $25 million to $35 million to be closer to the mark, heavily weighted to facility services. In any event, there were few data on which to frame concrete forecasts. The common ground is that common facility services offer the principal pathway for savings. Unfortunately, the intention to integrate a more aggressive facility services workstream into the Task Team on Common Premises and Facility Services has not yet been realized and the surveys conducted by the Department of Economic and Social Affairs among the members of operations management teams reveal that common facility services remain immature. [59] The Task Team is continuing to work on facility service guidelines spearheaded by WFP, while facility services are also part of the business operations strategy. The connection between the two streams should be clarified to ensure an integrated approach.

49.   With respect to efficiency and savings, analysis should focus on identifying the drivers of efficiency gains and the order in which they should be pursued. The need is to avoid an overly compartmentalized set of workstreams in order to permit prioritization of the greatest efficiency opportunities. The new, more intensive and hopefully more integrated approaches to common business operations now being formulated should help to clarify when common

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[56] E/2001/66, para. 105.
[57] A/62/73-E/2007/52, para. 128.
[58] United Nations development system repositioning, explanatory note No. 10 (March 2018).
[59] Development Cooperation Policy Branch, Department of Economic and Social Affairs, "QCPR monitoring survey of operations management teams 2017" (February 2018).

premises are the next logical efficiency step, which common services are truly dependent on co-location and which measures are required to optimize the efficiency gains common premises help to enable. For example, removing from country offices functions that are not location-dependent may be a high priority efficiency opportunity that would impact on space needs in given locations. A study conducted by UNICEF and shared with the Business Innovations Group project team for its work on the common back office workstream estimated that savings from vertical integration away from the country level are far greater than those offered by consolidation within country teams.[60] For its part, the United Nations Sustainable Development Group has recently reported that the highest level of efficiency gains is achieved by centralizing at global service centres location independent functions that are currently often carried out at the country level.[61] That is a critical insight because if reform does not reduce the footprint of administrative and support functions, it is not responding to the opportunity.

50.   Although the central delivery of administrative functions that are not location-dependent is recognized as the most significant efficiency opportunity, work to define those functions and shift them from the country level is not included in the inter-agency work overseen by the Business Innovations Group, but is left to individual organizations. In a previous report, JIU emphasized the importance of that shift and urged the United Nations Sustainable Development Group and its Business Innovations Group to develop a shared understanding of what functions needed to be carried out locally and which should be moved, as this would provide a clearer basis for defining common services for what remains at the country level.[62]

51.   **Given the interconnection of different facets of business operations, the United Nations Sustainable Development Group should explore the deeper integration of common premises work with business operations strategies and common business operations, and the related closer collaboration of the respective task teams.**

B.   Non-financial, qualitative factors have fallen off the table

52.   Even more striking is that non-financial considerations appear to have fallen by the wayside, apart from an occasional rhetorical reference. Other factors were formerly considered relevant. For example, under the "Delivering as one" initiative, common premises were a feature of the "One office" report, which stated: "By physically and functionally bringing everyone together, One Office can help a Country Team achieve greater economies of scale, improve collaboration among UN agencies and present a unified UN image at the country level."[63] The initiative to establish the Green One United Nations House in Hanoi was seen as a vehicle to "overcome the 'silo mentality' that comes with physical separation", to enhance development effectiveness and to implement the Secretary-General's call to "Deliver green".[64] Interest in business operations broadened from a focus on cost savings and reducing transaction costs to their contribution toward system-wide coherence.[65] As amplified in the following sections, sustainability and accessibility considerations are among the factors requiring deeper integration into planning and decision-making on common premises. The website of the United Nations Sustainable Development Group states that there are four purposes: cost efficiency through reduction of operational costs; effective utilization of shared resources; enhanced security; and a unified presence at the national and subnational level. However, a broader view is projected in the most recent report on implementation of the quadrennial comprehensive policy review, in which the Secretary-General refers to the

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[60] UNICEF back office initiative, E and Y study (September 2019).

[61] United Nations Sustainable Development Group, "Advancing more efficient operations in the context of the repositioning of the United Nations development system" (26 March 2020).

[62] JIU/REP/2018/5, para. 174.

[63] *Independent Evaluation of Delivering as One*, main report (2012), para. 49.

[64] United Nations Viet Nam, "The case for a Green One UN House in Ha Noi, Viet Nam" (October 2008), p. 4 and UNDP, "Renovation of existing United Nations apartment building to create a Green One UN House in Ha Noi, Viet Nam" (4 January 2010).

[65] E/2011/88, para. 6.

benefits for programmatic coordination, a unified United Nations image and reduced carbon emissions.[66]

53.   The Inspectors heard a range of views from officials of organizations and field offices whom they interviewed on the importance of common premises for cohesion and programmatic collaboration. Do common premises promote such cohesion or do organizations continue to work as silos under a single roof? No one had attempted to study the matter. Some stressed the relative importance of leadership and the related role of the Resident Coordinator regarding co-location and some also highlighted the need not to overemphasize the physical office as a precondition for collaboration, given the way in which technology was enabling remote interaction. That aspect is likely only to be reinforced as the United Nations system and the broader international community adapt business practices in the light of lessons learned from the COVID-19 pandemic. Others thought the opportunity for informal interaction across organizational lines at the workplace highly valuable. The perceived "brand" value of the Green One United Nations House in Hanoi, which imbues it with greater convening power, is keenly felt by the UNCT country team, the Government and the international community based there.

C.   Environmental sustainability should be more deeply embedded

54.   In 2019, the United Nations System Chief Executives Board for Coordination (CEB) endorsed the strategy for sustainability management in the United Nations system for the period 2020–2030, which aims to align the internal operations of the organizations with the environmental elements of the 2030 Agenda for Sustainable Development. It includes the commitment that "all United Nations facilities, led by United Nations common premises, follow sustainable building standards or harmonized guidance for sustainable building management".[67] These are being developed, as outlined in paragraph 58 below. For its part, the climate action plan for the United Nations Secretariat for the period 2020–2030 states that climate change is the defining crisis of our time and sets out ambitious targets for climate action by the Secretariat.[68]

55.   Work on common premises should be more closely integrated with the objectives of the strategy adopted by CEB. Progress has been made. For example, the 2017 terms of reference of the Task Team on Common Premises and Facility Services indicated that facility services would include paying attention to environmental impact reduction.[69] Around the same time, the Task Team emphasized that the consolidation of the operational footprint of the United Nations system provided an ideal opportunity to improve environmental performance and carbon footprint. It would work with the United Nations Environment Programme (UNEP) to improve the energy and environmental performance of United Nations field operations.[70]

56.   The Sustainable United Nations initiative managed by UNEP has indeed made an important contribution to strengthening the basis for the integration of environmental sustainability into the thinking on common premises. An environmental inventory prepared in 2016 reinforced understanding of the environmental benefits of co-location. More than 100 selected buildings operated, owned and/or tenanted by the United Nations were examined, 23 of which were common premises. Common premises were found to lead to a meaningful improvement in environmental performance, such as in reduced waste per capita and reduced intensity of energy use. More recently, the possible financial benefits of factoring environmental considerations into the design of premises were highlighted under the initiative.[71] The document flags the Green One United Nations House in Hanoi as manifesting good practice. The facility manager informed the review team that the House

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[66] A/75/79-E/2020/55, para. 94.
[67] CEB/2019/1/Add.1, table 2.
[68] "United Nations Secretariat Climate Action Plan 2020–2030" (September 2019).
[69] Terms of reference for Task Team 2 on Common Premises and Facility Services (September 2017).
[70] "Key recommendations summary - Task Team 2. Common premises and facility services".
[71] See UN Environment, "Greening the Blue. Environmental sustainability benefits of UN common premises".

consumes 28 per cent less energy than similar buildings in the city and that it has introduced a high-performing system of waste and water management.

57.   The Sustainable United Nations initiative was also helpful to the Task Team through the development of initial environmental guidelines for United Nations common premises, which were endorsed by the Task Team in 2018.[72] The Task Team has taken steps to provide for consideration of environmental factors in the recommended workflow for various phases of the life cycle of the common premises project, with the expectation that country teams submit their sustainability initiatives as part of a project package**.**

58.   The Inspectors have been advised by personnel of the Sustainable United Nations initiative that further guidance on minimum and desirable standards is under development. The initiative team is working on a three-level guidance document on minimum and desirable standards for United Nations (common) facilities. The document focuses on the pre-occupancy and procurement stage of office buildings (leased, renovated and newly built). Once approved by the sustainability focal points, the document will be brought to the Task Team for adoption in late 2020. Ideally, the guidelines will specify the minimum package of environmental sustainability measures that should be built into project requirements when leasing and/or renovating existing office premises or constructing new ones. They will also provide actionable advice on the importance to be attached to environment-related certification for buildings in leasing and construction decisions.

59.   **At the level of the Task Team on Common Premises and Facility Services, environmental perspectives should be embedded in each stage of the project cycle.** As its capacity and tools to do that develop, the participation of the Sustainable United Nations initiative team in the Task Team should continue. To the extent that it is a principal technical resource, it should be capacitated to make a number of different contributions, while efforts to mainstream sustainability considerations take root. Close collaboration between the Task Team and the initiative team can be built upon to provide dedicated resources for centralized advice to country teams. That could help them to submit sustainability initiatives as part of their project proposals, as they are supposed to do.

60.   Accountability and transparency through reporting can support sustainability results. **Executive heads of organizations should therefore ensure that environmental sustainability and an efficient use of natural resources in United Nations buildings are integrated into the existing accountability frameworks for United Nations senior management (principals) and country team leaders. With the incorporation of the resident coordinator function into the United Nations Secretariat, the Secretary-General should proceed to expand his plan for integrating sustainable development practices into Secretariat-wide operations and facilities, to include Resident Coordinators.** His action plan envisaged the development and implementation of a Secretariat-wide environmental policy, along with environmental management systems at each geographic location.[73]

61.   **As a step that would help the mainstreaming of sustainability considerations, executive heads should also hold their participants in the Task Team on Common Premises and Facility Services accountable for consulting the organizational sustainability focal points as early as the pre-feasibility stage of common premises initiatives.** They can also be drawn upon to carry out environmental assessments as part of the business case analysis and associated cost-benefit analysis during the feasibility stage of the process.

62.   The CEB strategy includes performance indicators, such as the percentage of facilities that implement sustainable building standards and the percentage reductions in environmental impact from facilities, as measured by the environmental inventory (energy and waste and water management). The Inspectors also recall that in 2013, the High-level Committee on Management endorsed the International Organization for Standardization (ISO) standard 14001 on environmental management systems, for implementation in the

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[72] See UN Environment, "Greening the blue. Initial environmental guidelines for United Nations common premises".

[73] A/72/82, para. 21, and A/74/72-E/2019/13, para. 54.

United Nations system. ISO 14031 on environmental performance evaluation requires that progress be monitored and evaluated. Periodic reporting by the Secretary-General on common premises should include reporting on the environmental profile of those premises. Similarly, reporting by country teams on improvements in their business operations should include information on environmental performance and how it responds to host country policies for environmental sustainability.

63.   The current efforts to increase the proportion of common premises among United Nations entities will result in renovation and construction projects in the coming years. There is thus an opportunity to harness sustainable building management and minimize the environmental footprint of United Nations buildings across the world, provided that a structured consideration of sustainability is ensured. The common premises initiative could support broader system-wide sustainability objectives if integrated into a broader consideration of how to mandate, organize and sustain system-wide measures to harmonize, benchmark and report on environmental performance.

D.   Accessibility considerations should attract more attention

64.   In the Convention on the Rights of Persons with Disabilities, the accessibility of the physical environment is identified as a key area for equalization of opportunity, offering degrees of independence to persons with disabilities. To that end, States parties to the Convention are obliged to take appropriate measures to ensure that persons with disabilities have access to the physical environment, transportation, information and communications technology, and other facilities and services open or provided to the public.

65.   In resolution 74/144, the General Assembly called upon the United Nations system, including its agencies, funds and programmes, to continue to work collaboratively to accelerate the full and effective mainstreaming of disability inclusion into the United Nations system. One of the facets of this work includes the implementation of and reporting on the United Nations Disability Inclusion Strategy.[74] At the same session, the General Assembly further signalled its commitment to inclusion by urging the Secretary-General to implement all the recommendations of a JIU report on issues related to accessibility, as appropriate, and inviting the executive heads and the legislative bodies of the United Nations system organizations to address the relevant recommendations in their organizations, without prejudice to the measures taken in the framework of the Strategy.[75] United Nations country team accountability scorecards on disability inclusion are currently under development.

66.   In 2012, The Task Team on Common Premises and Facility Services published a set of performance-based guidelines for the design and construction of common premises office buildings, which it had commissioned the International Code Council[76] to compile.[77] The aim was to provide a set of documents to aid the design, construction and renovation of safe and high-performance buildings globally within the United Nations system. The guidelines stipulate that local disability legislation should be consulted, with several countries having developed standards and technical guidelines for accessible design. In addition, the document provides a comprehensive list of considerations for design that are appropriate to persons with all abilities, including access, exits, signage, audible and visual alarm and communication systems, and vehicle parking.

67.   The performance-based guidelines are not considered prescriptive. To the Inspectors' knowledge, accessibility considerations are not factored into consideration by the Task Team of proposals for premises. In such cases, therefore, the minimum requirement for United Nations buildings, whether new, leased or undergoing renovation, is that they adhere to domestic legislation on accessibility standards. Some organizations apply higher benchmarks, which is important because the standards of the lead agency are typically applied in a

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[74] See CEB/2019/1/Add.6.

[75] See General Assembly resolution 74/253 and JIU/REP/2018/6.

[76] The International Code Council is a non-profit association that provides a wide range of building safety solutions, including product evaluation, accreditation, certification, codification and training.

[77] United Nations Development Group, *Performance-Based Guidelines for the Design and Construction of UNDG Common Premises Office Building.* (2012).

common premises project. **The Task Team should provide more explicit guidance on how to integrate accessibility considerations into planning for, assessment of and decision-making on common premises.** The United Nations Disability Inclusion Strategy can be consulted as a guideline.

68.   The wider range of considerations outlined above are not factored into decision-making, which is based very heavily on a cost-benefit analysis tool, helpfully developed by the Task Team, and which in turn is based on quantifiable cost factors. The tool has been adapted and refined through the work of the Business Innovations Group project team to support the analysis of consolidation options, but these too focus on identifiable cost considerations. Further, the Secretary-General's most recent proposals are exclusively based on a savings target, even if an overly simplified one. Other factors do not now appear to have a place in decision-making, so the question is whether there are other objectives and values as well.

69.   It would be helpful for the Secretary-General, working with the United Nations Development Group, to express more comprehensively than has hitherto been the case, what common premises are intended to achieve for the United Nations system: why the effort is worthwhile. That is not to make the facile point of saying that one is more important than the other: objectives can co-exist. Rather, a clearer and broader vision is needed to shape how opportunities are thought about and how organizations make decisions. In no way would this diminish the weight organizations may necessarily attach to financial considerations.

70.   A broader vision would stimulate the development of improved quantitative tools to integrate current intangibles into business cases. In addition, it could provide a broader lens for organizations to consider whether they should join common premises if their individual costs were to be only modestly higher.

71.   The implementation of the following recommendation is expected to strengthen the coherence of system-wide work on common premises.

Recommendation 2

The executive heads of the United Nations system organizations should work together in the framework of the United Nations Sustainable Development Group to amplify, by the end of 2022, the objectives of common premises, addressing programmatic, public image and environmental sustainability considerations, as well as efficiency gains, and also set out the modalities for tracking results and reporting thereon.

V. Target of 50 per cent has galvanized attention but should be revisited

72.   The approach of the Secretary-General embedded in the call for 50 per cent of common premises by 2021 marked two important departures. In terms of the overall policy and strategy, it broadened the universe of premises to include the subnational level, which data showed contained by far the largest number of presences. That was a change from the historic preoccupation with offices based in capital cities, which stemmed from the fact that until the current reform, the introduction of the United Nations House programme in 1997 presented the United Nations House as a "common premises of the United Nations at the country level".[78] Housing the Resident Coordinator was a feature of that definition.

73.   The groundwork for this more inclusive approach was laid in the forward-looking strategy for common premises for the period 2014–2017, prepared by the Task Team on Common Premises and Facility Services, which drew attention to the opportunity presented by premises at the subnational level and therefore recommended that the definition of common premises be changed to exclude the requirement that it house the office of the Resident Coordinator, as that would always be located in the capital city. The Task Team contended that this would give impetus to the creation of common premises at the subnational level.[79] That was not immediately acted upon, although in 2017 the definition of the United Nations House was revised to a less ambitious threshold of two United Nations entities sharing the premises with the Resident Coordinator (see figure II).

74.   The second departure was the definition of common premises as the co-location of two entities or more.[80] In response to the JIU questionnaire, no organization thought this to be an insufficient threshold for "common". In interviews, some very senior officials of specialized agencies welcomed the low bar but some Resident Coordinators considered it did not represent enough ambition. Although the Inspectors share the view that a low bar has been set, it should be noted that the Secretary-General's definition is not presented as an end point. Increasing the average number of organizations within common premises is envisaged, as seen in the monitoring framework for the implementation of General Assembly resolution 71/243, which looks to 3.6 organizations per premises or higher.[81]

75.   That target has galvanized the attention paid to common premises. Responses to the JIU questionnaire and subsequent interviews show that many organizations, including some specialized agencies that do not consider themselves bound by the Secretary-General's target as endorsed by the General Assembly, are interested in appearing to respond to it. Some organizations are at or beyond that threshold and others have costed out strategies to accomplish it. Some are preoccupied with defining the universe of applicable premises to exclude from the calculus certain categories of premises, such as those funded by host Governments. Some organizations stated that specific operational or legislative requirements and financial constraints limited their ability to join common premises.

76.   In written responses, no organization has indicated having been consulted on the 50 per cent target, or of being aware of the basis on which it was established. That is not presented by them as a criticism. Responses were either a factual statement about consultation or a view expressed by a few as to what they understood to be the objective underlying the target. For example, UNDP understood the target of 50 per cent of common premises as being intended to lay an objective baseline that would facilitate co-location and realize the benefits of efficiency. UNHCR understood the target as part of a wider set of reforms of business operations intended to promote consolidation and harmonization. WFP noted that while it was not aware of how the target was set, co-location was considered an enabler of collaboration on a wide range of shared services. It considered the target of 50 per cent might, at least in the short run, yield more qualitative gains than financial savings, because up-front investment costs could exceed savings.

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[78] E/1998/48, para. 130.
[79] "Strategy for establishing UN common premises (2014–2017)", para. 30.
[80] A/72/124-E/2018/3, para. 50.
[81] A/74/73/Add.3-E/2019/14/Add.3, indicator 120 (d).

77.   While the approach reflected in the target has positive attributes, it also has important limitations. Critically, the establishment of the target was not connected to an analysis of its feasibility or a strategy for its realization. After the fact, the Task Team on Common Premises and Facility Services and the Business Innovations Group project team presented an assessment of what would be required to realize the target. In March 2019, they put forward an estimated investment requirement of $147 million to $226 million, which included high costs for early termination of existing leases and moving ($79 million to $158 million).[82] They also outlined a range of intangible, high-value support measures required from the leadership, including a recommendation to the General Assembly to change the provision embedded in resolution 41/213, on the basis of which the United Nations Secretariat charges rent to tenants from the United Nations system, and approving a joint inter-agency revolving capital fund of $100 million. No meaningful action was taken to generate those resources or most of the other measures. Even the suggested renewal of efforts to urge host countries to provide premises free of charge has been slow to take shape.

78.   The point is not to take a view on the merits of the specific resourcing measures or of their affordability. Clearly, they were challenging. But there is little advantage to a target delinked from its feasibility or that would stimulate unforeseen costs, such as for lease termination. Inaction on those proposals fits into a broader pattern of disinclination on the part of the leadership to invest in the measures required to accomplish stated common premises and common business operations objectives.

79.   A by-product of the target is the preoccupation with achieving a numerical goal, taking the form of creative bookkeeping or pursuit of the lowest-hanging fruit. It is not the first time that a target has been emphasized, but such targets have been connected to broader objectives. For example, in 1992 the General Assembly, in welcoming a decision to set a target for increasing the number of common premises, noted the need to do it "in a way that increases efficiency through consolidation of administrative infrastructures of organizations concerned".[83] The current focus on sheer numbers is also not consistent with the approach the Secretary-General outlined in his reform proposals, in which he referred to the need for decisions to be taken on the basis of information as to where efforts to move to common premises could yield the highest efficiency returns.[84]

80.   The implementation of the following recommendation is expected to enhance the efficiency gains arising from system-wide work on common premises.

Recommendation 3

The Secretary-General and the other executive heads of the United Nations system organizations should, by mid-2021, work together in the framework of the United Nations Sustainable Development Group to re-examine the focus on a target of 50 per cent of common premises with a view to prioritizing efficiency gains.

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[82] Task Team on Common Premises and Facility Services and Business Innovations Group project team, "Investment and resource request to achieve the 50 per cent common premise target by 2021" (March 2019), p. 3.

[83] General Assembly resolution 47/199, para. 42.

[84] United Nations development system repositioning, explanatory note No. 4, "Common business services and back-office functions" (February 2018), p. 2.

VI. Lack of accurate data impedes informed decision-making

81.   The initiative of the Secretary-General to try to realize an aggressive objective for common premises has thrown into relief the absence of accurate data on a system-wide basis to support the planning and prioritization of future opportunities. United Nations organizations typically maintain information on their various premises, sometimes centrally, which is necessary for International Public Sector Accounting Standards (IPSAS) reporting requirements. However, there is no system-wide repository of information on premises. Comparable, accurate and reasonably current data are indispensable tools for the common premises agenda, for purposes ranging from establishing the basic facts and clarifying what premises are in or out of scope to supporting future progress by enabling informed business cases, prioritization at the country team and global levels, and the tracking of results, including efficiency gains. The need for such data has long been understood; the Board of Auditors noted in 2006 that "there were no data reflecting where United Nations Houses were a feasible option coupled with target dates for establishing such United Nations Houses".[85]

82.   To address that gap, two processes were initiated in the context of the current reform process. As a short-term measure for the immediate framing of the current situation, the Business Innovations Group drew on the database maintained by the United Nations Security Management System, which includes all agencies, funds and programmes. However, as it is centred on security management issues, it does not include information on rental and operating costs, lease-related information (expiry dates, termination fees), the contractual character, the space available and the allocation of space. Security Management System data, refined by the Business Innovations Group project team, in consultation with the agencies, were the basis for the estimate for the number of premises presented by the Secretary-General in his second report on repositioning the United Nations development system.[86] They were also the basis for further refinement and analysis as the project team, working with the Task Team on Common Premises and Facility Services, disaggregated the totals to clarify the type, purpose, location and composition by organization of all premises.

83.   That data set has been found to be both incomplete and inaccurate. In carrying out pilot exercises focused on consolidation planning in country team countries and areas, the Business Innovations Group project team found fewer premises and more co-location than had been believed. That was the case, for example, in the Plurinational State of Bolivia, Burundi and Sri Lanka, as well as Kosovo.[87] [88] If that is representative of country teams more widely, there may be fewer premises in total and a larger percentage of them in common than was previously thought. In carrying out the present review, the Inspectors observed significant variations between data on premises provided to them by some organizations and what had so far been represented in the initial central data set.

84.   The second process aims at a long-term solution through a more dynamic database that would reflect change over time, serve as a management and monitoring tool and contain more relevant details, about costs, space and lease dates. Discussions have been under way with the Office of Information and Communications Technology for over a year concerning the development of such a database. However, in April 2020 the conclusion was reached that this option was not well suited to the requirements identified by the Task Team. The solution provided by the Office was set aside in favour of a more ambitious approach that would integrate the database into a broader common premises electronic platform, which would also support the end-to-end premises consolidation tools that had been prepared.

85.   The objective outlined by the Business Innovations Group in the draft proposal on common premises technology requirements and systems seen by the Inspectors is to enable the United Nations Sustainable Development Group to have a holistic view of its current global footprint and identify future opportunities for consolidation. The aim is to maximize efficiency gains, enhance the quality of service and allow progress to be tracked against the

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[85] A/61/5/Add.1 para. 285.
[86] A/72/684-E/2018/7, para. 45.
[87] References to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999).
[88] Business Innovations Group, "Common premises pilots. Data validation results" (October 2019).

target of increasing the percentage of common premises set by the Secretary-General. It is expected that the global premises database will capture details on premises (location, entity), occupancy (staff, size) and legal information (lease status, terms) for all entities and locations.

86. The intention is to connect information on premises with the broader universe of work on common business operations and business operation strategies through the information portal being developed by the Development Coordination Office. While the details are still taking shape, the approach envisaged is promising because it seeks to fill the data gap in a manner that also strengthens the linkage between common premises and other aspects of common business operations. The Inspectors look forward to its effective implementation and emphasize that building such a common repository represents a considerable challenge, which will require significant investment of resources at both the corporate and local levels. It will require the active participation of all United Nations organizations to ensure current and accurate information is recorded in a timely manner. The authority, responsibility and capacity to manage and draw insights from it, especially for priority-setting at the global level, need to be clearly defined.

87. The implementation of the following recommendation is expected to enhance coordination and cooperation among the United Nations system organizations.

Recommendation 4

The Secretary-General and the other executive heads of the United Nations system organizations should work together in the framework of the United Nations Sustainable Development Group to expedite the compilation of the database component of the envisaged common premises platform by mid-2021 and ensure that periodic reporting to the General Assembly includes information on the status of the database and how the common premises platform is being used to contribute to the realization of efficiency gains and any other common premises objectives.

VII. Inadequate financing tools remain an obstacle

A. Up-front investment costs have been a consistent challenge

88.   Financing is an important element of the common premises toolkit that has never been satisfactorily addressed. The need for financing mechanisms to supplement existing budgetary arrangements has been understood since the initiation of the common premises workstream in 1988. The perceived need was to find ways to avoid utilizing the funds of agencies to meet capital costs up front.[89] To that end, the initial approach was a leasehold-ownership scheme, under which Governments would provide land and the United Nations would make arrangements with a private developer to construct a building, which it would lease for, say, 20 years and then assume ownership, thereby occupying the building on a rent-free basis.[90] That approach was quickly abandoned but the challenges of financing were recurrently articulated, however without consequent action to address them.

89.   The extent of financial support needed for common premises is a function of the support provided by Governments. The ideal situation is when the premises are provided by the host Government with no capital investment required by the United Nations. However, Governments sometimes offer land on which to build (Rwanda, among many examples), or buildings that need extensive renovation (Hanoi, for example). Often, they offer nothing at all and the United Nations may lease a commercial property that may need renovation to bring it up to the standard required. How to provide for the necessary investment when Governments do not provide ready-to-occupy premises is at the heart of the financing question.

90.   Responses to the JIU corporate questionnaire highlight the limitations on the capacity of organizations for capital investment in common premises not owned by them. UNDP, UNICEF, UNFPA and WFP have put in place or adapted tools that can be used to finance their share of common premises, although UNDP has indicated that its mechanism is no longer functional. No other organization has established analogous tools. Most organizations draw resources for rental shares or initial investment through the annual budgetary process that establishes the resources available for country offices.

91.   At the height of the effort to promote common premises in support of the "One office" pillar of "Delivering as one", a United Nations Development Group task team on common premises summarized the funding problem as follows: capital funding for common premises initiatives had increasingly become the single most challenging issue for the successful implementation of such projects. The four Executive Committee agencies (UNDP, UNFPA, UNICEF and WFP) had limited capital asset funds available, while the agencies that were not part of the Committee were normally faced with even greater constraints in funding capital investments. Those constraints resulted in prolonged efforts to identify funding, lack of or postponed agency participation and ill-conceived formulas of inter-agency subsidies.[91]

B. Sources of funding envisaged by the Task Team on Common Premises and Facility Services have not really been explored

92.   To overcome the constraints mentioned above, the main strategies, in addition to deeper engagement with host Governments, have been identified as solicitation of donor support; new and/or improved capital financing tools in the United Nations system; and engagement with the private sector. These are not mutually exclusive.

93.   In 2014, the Task Team on Common Premises and Facility Services suggested seeking donor support, either for specific projects or to create a revolving fund.[92] It later went further

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[89] E/1996/64, para. 36.
[90] A/46/206/Add.3-E/1991/93/Add.3, para. 37.
[91] Task Force on Common Premises/Working Group on joint funding mechanisms, "Financial and audit issues common premises (One office), funding position paper" (15 January 2009), p 3.
[92] "Strategy for establishing UN common premises (2014–2017)", para. 66.

and suggested that it could formulate a donor and private sector engagement strategy, under which it would develop business cases that would be packaged and marketed to individual donors with a particular interest in supporting management reform and who would be interested in the value added of a revolving fund.[93] **The Inspectors encourage the Secretary-General, in consultation with the United Nations Sustainable Development Group, to explore opportunities for cooperation with donors to finance common premises.** They recognize the difficulties inherent in such an approach but they recall that in the context of the "Delivering as one" pilots, contributions from bilateral donors enabled the Green One United Nations House in Hanoi to go forward. Based on discussions the review team held with the members of the country team in Viet Nam, the principal bilateral donors, and representatives of the Government, those circumstances appear to have been unique and of uncertain replicability. Outreach to donors would need to provide evidence to demonstrate how such an investment would result in efficiency gains, as well as contributing to other objectives, such as programmatic collaboration, environmentally sustainable buildings and improvements in accessibility.

94. In terms of capital financing tools, two main ideas have been brought forward. According to the Task Team on Common Premises and Facility Services, the easiest and most straightforward funding model is the creation of capital budgets in each United Nations agency, fund and programme, appropriate to its size and mandate, to enable each organization to commit to projects requiring one-time investments.[94] Work initiated in the Finance and Budget Network of the High-level Committee on Management led to its endorsement of a conceptual framework for capital budgeting in the United Nations system that would include agreed principles, definitions and statements on a series of critical elements, such as policy and governance, scope and restrictions, structure, financing and compliance with IPSAS. While it is unfortunate that the Working Group that was established did not reconvene to review progress, as had been intended, the greater problem is that organizations do not appear to have acted to apply capital budgeting in ways that could facilitate investment in common premises. Capital budgeting is particularly relevant to common premises, which typically require funding horizons beyond annual budgetary cycles and "the ultimate ability of organizations to actually allocate and retain sufficient amounts of resources to finance capital purchases".[95]

95. One practical measure that can be undertaken in the short term is to align the functioning of the existing capital facilities to make them more useful for common premises projects. For example, the WFP facility requires reimbursement within 5 years, too short an amortization period in the view of the WFP officials most engaged in work on common premises. They suggested a 10-year horizon instead. The mechanisms available to UNICEF and UNFPA do not have the same requirement. **The Executive Director of WFP should consider extending the reimbursement period of the WFP facility and the executive heads of UNFPA, UNICEF and WFP are urged to review their schemes with a view to ensuring that they can work in conjunction with each other on initiatives concerning common premises.**

96. The creation of a central capital fund has also been urged. In December 2017, the task team established to make recommendations on common premises in the context of reform emphasized the obstacle presented by the absence of capital funding for the system as a whole. It suggested a fund of $400 million to pilot 15–20 projects.[96] In March 2019, the Business Innovations Group project team and the Task Team on Common Premises and Facility Services recommended the establishment of a joint inter-agency revolving capital fund of $80 million to $100 million, considered to be more realistic than the earlier proposal for a fund of $400 million, which would finance the construction of premises in a limited number of capital cities where Governments have provided land but lack the capital for infrastructure

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[93] "Proposals for UN Task Team on Common Premises and Facility Services to support repositioning of the UN development system" (December 2017), p. 3.

[94] "Strategy for establishing UN Common Premises (2014–2017)", para. 67.

[95] CEB/2009/HLCM/FB/2, para. 13; and CEB/2009/HLCM/FB/4, paras. 4–8.

[96] "Proposals for UN Task Team on Common Premises and Facility Services to support repositioning of the UN development system", p. 3.

investment.[97] They argued that this would save the United Nations millions of dollars in financing costs and could be revolved over time, allowing additional country team funds for common premises. It considered the business case for this to be strong, as office rental costs have continued to increase in many national capitals, leading to higher costs across the system.

C. Public-private partnerships have not proven to be a practicable or cost-effective financing solution

97. Absent mechanisms such as set out above, the alternatives have been various forms of accessing private investment to finance construction costs. The current incarnation is a public-private partnership scheme first introduced by the Task Team on Common Premises and Facility Services in 2011. The concept was further defined in 2015. Public-private partnerships are a complex modality whereby the host Government contracts a property developer to build office premises on land provided by the Government, in accordance with the requirements of United Nations entities. The Government enters into a separate agreement with the United Nations agencies that are to be tenants to determine the rent to be paid over an agreed period and bears the ultimate responsibility for repayment of the loan. If the United Nations presence falls below a specified level, the Government assumes responsibility and the rent is proportionately reduced.

98. That approach has the theoretical merit of reducing the administrative burden for organizations and reducing the risk for United Nations agencies. Whether host Governments are in fact in a position to assume that risk is another matter. The problem is that it has not been possible to make it work as conceived. Projects in Eswatini, Malawi, Papua New Guinea, Rwanda and Uganda have all faced challenges in trying to apply public-private partnerships as a financing tool. The one case where such a partnership has been applied, in Eswatini, is a deeply challenged United Nations House experience, where the arrangement is bound up in poor decisions made on the building itself. The United Nations commitment is for 25 years, which may be renewable and would cost multiples of the $9 million construction cost.

99. One problem with the United Nations public-private partnership model is that private sector actors are sometimes not willing to accept credit assurances from the Government that is supposed to be the partner, but would rather deal directly with the United Nations. In Malawi, a thorough feasibility study was required to firm up the viability of the project, but since it was supposed to be a government project, the process was paralysed for a period over how to finance the feasibility study. An internal WFP review of public-private partnership projects found that the basic principles of the modality were not met, more of the risk was shouldered by the United Nations, the repayment periods were much longer than the 10 years envisaged in the policy and the financing costs were high. Information gathered for the present review indicated underlying interest rates ranging from 12 to 19 per cent.

100. United Nations country teams do not have the expertise necessary to negotiate with the private sector and analyse long-term financing scenarios. These are complex financial transactions and it is not evident why a country team should be assumed to have the skill set to develop optimal arrangements. The nature of the deals envisaged is typically shaped by the amount of rent organizations currently pay. That results in longer amortization periods for investors to recoup their costs and significantly higher total payments by the United Nations.

101. Public-private partnerships have not worked as a way of overcoming the hurdle of up-front investment and cannot be considered a cost-effective solution for the United Nations system as currently practised. Only one project has materialized, despite the time and energy invested by five country teams and the Task Team on Common Premises and Facility Services, representing significant transaction costs. The experience with public-private partnerships should be reviewed to consider adjustments to overcome legal barriers and address high financing costs, such as by examining options on the distribution of risk. Such

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[97] Task Team on Common Premises and Facility Services and Business Innovations Group project team, "Investment and resource request to achieve the 50 per cent common premise target by 2021" (March 2019), p. 3.

a review could form part of a broader examination of options for the use of private financing for common premises and should draw on such qualified external expertise as may be required.

102.   Considering the experience with the public-private partnership framework, the Inspectors think that the Business Innovations Group project team and the Task Team were on solid ground in asserting that a capital financing mechanism would save millions of dollars in financing costs. To support this approach is not to suggest that construction is the best solution. An important aspect of the work of the Business Innovations Group project team in the past 18 months has been to sharpen their understanding of the opportunities that exist to consolidate within existing premises. While that strategy may have merit, so does having the tools to enable new construction or renovation when those surface as the best solutions to bring country teams together. Why, for example, incur costs of $35 million for a building in Malawi that costs $12 million to construct?

103.   The implementation of the following recommendation is expected to enhance the effectiveness and efficiency of system-wide work on common premises.

Recommendation 5

The Secretary-General and the other executive heads of United Nations system organizations should work together in the framework of the United Nations Sustainable Development Group to review lessons learned from experience with public-private partnerships for common premises and formulate, by the end of 2022, measures that address the capital financing requirements of initiatives regarding common premises, including the possibility of a centrally administered mechanism, for consideration by the General Assembly if required.

VIII.   Apply integrated planning at the regional level

104.   The framing of common premises almost exclusively in the context of operational activities for development has had, and continues to have, the undesirable effect of excluding important facilities from the legislative framework. Those facilities are United Nations offices away from Headquarters and the regional economic commissions, where the United Nations Secretariat maintains extensive facilities, but where development and humanitarian actors have congregated as well. How those facilities should be taken into account in the common premises framework has not been addressed. The General Assembly action on operational activities for development typically does not embrace such regional Secretariat facilities, as it considers them in the context of the recommendations of the Fifth Committee.

105.   Locations that house the regional presences of the United Nations system draw together large numbers of entities and personnel who are present for a variety of purposes. In a recent report, JIU pointed out the need not to overlook the opportunities for efficiency gains at the regional level, which had attracted limited attention perhaps due to the different types of presence that placed no one in charge.[98] The Secretary-General subsequently undertook to address this matter in the context of the restructuring of regional assets envisaged. He reported that he had requested the Deputy Secretary-General "to work with entities of the United Nations development system to identify administrative services that could be provided more efficiently to regional offices through common back offices (such as human resources and procurement), like our efforts at the country level. Where feasible, co-location in common premises will also be sought".[99]

106.   An important subset at the regional level are the regional economic commissions and offices away from Headquarters, where the United Nations Secretariat operates major facilities, notably ECA, ECLAC, ESCAP, ESCWA and the United Nations Office at Nairobi. In those locations, the country and regional presences of the development and humanitarian actors of the United Nations system can also be found. The scale is significant: Nairobi and Addis Ababa host over 4,000 United Nations system personnel each and Bangkok hosts about 2,500. Many are tenants of the regional economic commissions and the United Nations Office at Nairobi, while some who are not would prefer to be co-located in the same premises.[100]

107.   The facilities at the regional economic commissions and the United Nations Office at Nairobi are critical platforms for the premises and service needs of the broader United Nations presence in those countries. However, the framework for playing that role is constrained by the fact that the United Nations Secretariat does not consistently integrate the requirements of other United Nations entities into the planning and renovation of those facilities.

108.   Pursuant to the adoption by the General Assembly of resolution 65/259, the Secretary-General formulated a long-term capital programme and prioritization strategy for the global premises of the United Nations Secretariat, known as the strategic capital review. In the review needs were identified and these form the basis for specific project and resourcing proposals. Among others, the ongoing seismic retrofit at ESCAP, the replacement of the A to J blocks at the United Nations Office at Nairobi and the refurbishment of the Africa Hall at ECA are products of the strategic capital review process.

109.   The lens applied to the forward planning for such facilities is the requirements of the United Nations Secretariat. They all host other United Nations system tenants, so of course refurbishment needs to include the spaces occupied by them. However, the strategic capital review process, which has been focused on maintaining and making more efficient use of the existing space portfolio, does not fully include an assessment of whether and how the United Nations Secretariat facilities could be developed to meet the needs of other United Nations system entities.

110.   For example, the Secretary-General reported that: "The United Nations Office at Nairobi faces constant requests to provide additional office space to current tenants wanting

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[98]   JIU/REP/2018/5, para. 98.
[99]   A/74/73-E/2019/14, para. 116.
[100]   A/73/344, para. 8.

to expand their operations, as well as agencies, funds and programmes wishing to move their operations to the Gigiri complex."[101] To be clear, managers at the Office at Nairobi are attuned to the circumstances of the broader United Nations community, but the policy governing planning for the strategic capital review is constrained.

111.   A variant of the same issue is seen at ESCAP. Information provided to the General Assembly indicates that the management of ESCAP continues to promote the premises as a safe, sustainable and accessible future "One United Nations" location in the region. But in practice, the planning focus is on Secretariat needs, with space for others a derivative of that. For example, as part of the current seismic retrofit project, ESCAP will apply more efficient space standards, freeing up 1,800 square meters that could be leased to others. The current approach of leasing space that happens to become available is different from forward planning the development of facilities to take into account opportunities for the system as a whole. In Addis Ababa, planning to include others might have enabled UNHCR and WFP to pursue their interest in moving onto the ECA compound in buildings they could finance.

112.   The logic of the business operations reform strand of the reform of the development system is to apply an inclusive approach to all the relevant assets and business lines. There is no obvious reason to exclude United Nations Secretariat assets, especially in locations where it and the United Nations development system deploy significant infrastructure and personnel. The Secretary-General should indeed apply a whole-system view when planning the requirements for facilities at the regional economic commissions and offices away from Headquarters that are based in country team countries. He did advise the General Assembly that he could consider the requirements of specialized agencies, funds and programmes in the scope of the strategic capital review, if directed to do so.[102] The Assembly did not provide further direction in that respect.

113.   Applying an inclusive approach to meeting office accommodation needs in regional locations would be facilitated by more unified, system-wide policies on space allocation principles and criteria, such as flexible workspace. However, that is not a precondition, as can be seen from the experience of ESCAP and the United Nations Office at Nairobi in working with the specific requirements of clients. It should also be emphasized that an inclusive approach to considering if and how United Nations premises could cost-effectively accommodate more United Nations actors is without prejudice to how any subsequent project would be financed.

114.   The implementation of the following recommendation is expected to enhance efficiency, coordination and cooperation among the United Nations system organizations regarding the planning of premises requirements.

Recommendation 6

The General Assembly should, at its seventy-sixth session, request the Secretary-General to include, in consultation with the other executive heads of United Nations system organizations, as appropriate, the office space requirements of agencies, funds and programmes in the preparation of future strategic capital reviews of offices away from Headquarters and of the regional economic commissions.

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[101] A/73/344, para. 8.
[102] A/70/697, para. 65.

IX.   Consider global real estate management

115.   Consideration of common premises on a case-by-case basis is not likely to resolve the main inefficiencies in how the United Nations system acquires and manages premises in the field. In the strategy it prepared in 2014, the Task Team on Common Premises said as much in the following astute observation:

> *"The lack of a UN strategic plan and coordinated approach has left the system as a whole vulnerable to increased facility costs, and duplication of effort and redundancy in internal management. In many cases, the system ends up burdened with inadequate facilities that may pose health and safety threats to staff. A longer-term vision of system-wide needs, the use of approaches with appropriate periods of return and coordinated planning and budgeting by different organizations would help to address these vulnerabilities and secure value for money."[103]*

116.   There is no coherent, global approach to planning, acquiring and managing such facilities. The problem is that the approach to premises is focused on each organization meeting its own needs. The common premises agenda tries to make it a bit less so, usually trying to retrofit after entities have created facts on the ground. Further, common premises have been the exception rather than the rule for United Nations premises in the field.

117.   Rather than a piecemeal location or organization-specific approach, a global view of the United Nations system property portfolio could be considered. The Board of Auditors, for example, has urged the United Nations to develop a global estates strategy. It considers strategic management of the global estate to be critical to the ability of the Organization to achieve its objectives.[104] Its paper on lessons learned from the capital master plan encouraged a portfolio-wide approach to planning and managing the real estate portfolio, and sketched out how an office of portfolio management could be governed and work.[105] The United Nations Secretariat has taken measures to apply such an approach for its own needs.

118.   More than 50 years of history indicate that the United Nations system has an effectively permanent need for a wide range of premises, including in country team countries, where both the property market and facility services are sometimes immature and often very costly.

119.   The demand-driven nature of United Nations programming and the transient and partly unpredictable nature of certain types of work means that the individual footprint needs of specific entities change at variable rates. There is no other way to understand the evolution of subnational presences by the humanitarian entities. Other offices remain in place for a generation or more. Annual mandates and budgets are common, even for large operations such as peacekeeping bases or refugee camps that may remain in place for a long time.

120.   Real estate management on behalf of all other United Nations entities is not in the core mandate of any United Nations entity. Each entity has a mandate to take care of its own operations and real estate management is regarded as an operational expense. Incentives for collective action and support are limited. However, the logic of the portfolio approach to real estate management suggested by the Board of Auditors for the United Nations Secretariat may apply more widely. Collectively, the scale of the United Nations field property portfolio is easily large enough to warrant the development of a dedicated professional office or unit of property managers. The barrier is more in the fragmentation of funding and governance, and for some entities in the legal framework, which means that the topic is instead managed at the individual entity level by staff trained and experienced in other subjects. With limited exceptions, real estate management is not a well-established skill set or career path in the United Nations.

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[103]   "Strategy for establishing UN common premises (2014–2017)", para. 10.
[104]   A/71/5 (Vol. I), para. 114.
[105]   A/71/5 (Vol. V), pp. 68–70.

121.   Recognizing this, UNFPA is in the process of soliciting services from commercial real estate firms with a global reach to provide a range of advisory services. These would include global leasing services, through which country offices would be supported with market research and lease negotiations. The functions envisaged would also include strategic real estate advisory services, including but not limited to appraisal of strategic options, feasibility studies, market trend analyses, negotiations with prospective developers, advice on lease management systems and acting as client representative on projects. Such services will be primarily for UNFPA properties, but UNFPA considers they may on occasion be relevant for United Nations system-wide initiatives, such as the development of common premises. **Executive heads should consider collaborating with UNFPA in testing ways of accessing professional expertise to support the planning, development and management of their real estate needs, including common premises.**

122.   The United Nations system is immature in its thinking about capital investment and debt instruments, which are generally not permitted, in relation to its property portfolio. It does not have a culture of or any firm instruments for gauging and applying basic property investment concepts, such as payback periods, rates of return, net present value, effective occupancy and risk management by portfolio diversification. Aspects of this can be seen in the largely unsuccessful attempts to secure private investment through public-private partnerships. Without anyone being mandated or equipped to think horizontally about property needs on an inter-agency basis, the United Nations system may not recognize and hence does not act upon property investment opportunities that would be clear to the professional property sector. The clearest case of this is the United Nations as a collective entity in a country paying very high annual rents on multiple (often quite unsuitable) individual older properties for a generation.

123.   Taken together, the organizations of the United Nations system are reliable tenants of a large collection of both long- and short-term premises. Bundled together, they could offer rewarding investment opportunities for the United Nations system and investors, if that pathway were to be opened. The idea is to think in terms of United Nations real estate management in general rather than only the common premises subset. Defragmenting and professionalizing real estate management in the United Nations system would provide an opportunity to address challenges, such as security, greening, cooperation and efficiency, in a more harmonized and consistent way. Against that backdrop, the Inspectors think it useful to complement current work on common premises with an exploration of the feasibility of a more unified approach to real estate management in the field. The central concept is to explore a United Nations inter-agency operational partnership, such as a field real estate management unit, that could:

(a)   Provide expert real estate management support to all participating United Nations entities;

(b)   Manage all or part of the existing field property portfolio of individual United Nations entities;

(c)   Work with national and international property developers and Governments to develop United Nations premises as required;

(d)   Develop financing approaches to mitigate risk.

124.   Such an entity, operating on a full cost-recovery basis within a highly transparent governance structure, could use a portfolio approach to financial risk mitigation, spreading tenancy risks across many countries, facilities and entities to enable stable and overall lower average facility rental rates.

125.   The foregoing is an adaptation of a paper prepared for the Task Team on Common Premises and Facility Services more than two years ago. That kind of portfolio approach affords an opportunity to apply a system-wide view, while recognizing that the current fragmentation in the United Nations system renders such an approach challenging. However, the idea of a common service provider across organizational lines is not new. It is also relevant that more than half of all field premises are already managed under authority delegated by the Secretary-General.

126.   The implementation of the following recommendation is expected to strengthen the coherence of system-wide work on common premises.

Recommendation 7

The Secretary-General and the executive heads of the United Nations system organizations with premises in the field should study the feasibility of a unified mechanism for real estate management in the field and report on the findings of that study to the General Assembly at its seventy-eighth session.

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127.   This issue is at least partly connected to the treatment by the United Nations of other United Nations system entities as tenants rather than partners. Pursuant to General Assembly resolution 41/213, tenants are charged commercial rates. Documentation on projects emerging from the strategic capital review emphasizes the role of other United Nations actors as tenants from whom revenue can be gained, but there is no partnership perspective. The Board of Auditors reported, for example, that in New York the Secretariat charged tenants considerably more than it paid its own commercial landlords. It also recommended that the Administration ensure that the rental charge is an accurate representation of current market rates in each location.[106] While recovering rents makes sense of course, one wonders why the United Nations Secretariat should charge its tenants more than the costs it incurs, in particular from entities that are themselves legally part of the United Nations. The Task Team on Common Premises and Facility Services has identified this issue as a constraint on achieving common premises.[107] Within the framework of common premises, the standard memorandum of understanding signed by United Nations system entities stipulates that rents are typically based on cost recovery. **The Secretary-General should review the issue of the basis for charging rent to United Nations system agencies, funds and programmes and consider making proposals to the General Assembly to align Secretariat practices with those applied to common premises more broadly.**

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[106] A/71/5 (Vol. I), paras. 121–122.
[107] "Strategy for establishing UN common premises (2014–2017)", para. 51.

X. Leadership and inter-agency mechanisms should be clarified and improved

128.   A principal finding of the present review is that the inter-organizational arrangements to advance common premises, an inherently inter-agency endeavour, are not adequate for the intended purpose. This insight is not a new revelation: it has been acknowledged by policymakers and keenly felt and advocated by the groups most directly engaged in trying to steer the work on common premises. Key issues include the need for a centrally driven strategy and support to supplement the historic reliance on a bottom-up approach to common premises; the need to strengthen and capacitate the inter-organizational mechanisms responsible for overseeing the common premises and facility services agenda; and the need to ensure clear lines of authority and accountability. The responsibilities, working methods and capacities of the key entities with inter-organizational responsibilities for common premises, namely the United Nations Sustainable Development Group at the pinnacle, acting through its Business Innovations Group, its Task Team on Common Premises and Facility Services and the Development Coordination Office, and the articulation among them in support of United Nations country teams need to be re-examined.

A   Bottom-up is not enough: the onus for results on common premises is placed too heavily on United Nations country teams

129.   As shown in myriad reports of the Secretary-General and in the records of meetings of the Task Team on Common Premises and Facility Services, many factors influence the likelihood of initiatives on common premises being launched and succeeding, as stressed by the participating organizations in their responses to the JIU questionnaire. Prominent among enabling features are the presence of an engaged and motivated host Government and leadership by the Resident Coordinators. There are many examples that demonstrate that this is the case.

130.   Even recognizing that such local factors are important, the responsibility for solutions regarding common premises is placed too heavily on the local level, namely the country team. The basic model requires them to come up with a definition of requirements, the business case and the technical and financial solutions, drawing on tools and templates provided by the Task Team. The records of the Task Team demonstrate that country teams are often not equipped for such tasks. The survey of operations management teams carried out by the Department of Economic and Social Affairs, as part of its work on the implementation of the quadrennial comprehensive policy reviews, states that "a small number of responding OMTs reported that they are currently in the process of establishing common premises, but mentioned that the process itself is often long, arduous and bureaucratic".[108]

131.   Excessive devolution to country teams without parallel enabling support from the corporate level has been a characteristic of the approach to common business operations in general.[109] The need to recalibrate appears to have been understood by the Secretary-General and his counterparts, as can be seen, for example, in efforts to apply mutual recognition, to share the capabilities of global service centres and to apply common pricing principles. Whether the measures now being taken prove to be sufficient or effective is another matter, but they go in the direction of enabling deeper integration of service delivery at all levels. Greater central support should also apply to common premises.

132.   The tools provided by the Task Team for analysis and planning by country teams may be good, but experience on the ground shows that they are often not enough. As a result, project proposals can linger for years as exchanges go back and forth between a country team and the Task Team on many aspects of proposals, such as space allocation, design features, business case strength and financing arrangements. Issues raised may be relevant, but the fact that they so often arise shows that the fully bottom-up approach does not work. It is also

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[108]   Development Cooperation Policy Branch, Department of Economic and Social Affairs, "QCPR monitoring survey of operations management teams 2017" (February 2018), p. 27.
[109]   JIU/REP/2018/5, p. v.

important to note that the construction managed in-house requires not only up-front capital funding but also human resources capacity such as a project management team who can source the professional services (architects and engineers) and contractors required, oversee the project and report on progress and financial aspects.

133. The cases of Malawi, Papua New Guinea and Rwanda illustrate different aspects of the same dynamic. A "One United Nations House" initiative in Rwanda has been under consideration for 15 years, based on the notion of building on land provided by the Government and financed through a public-private partnership. The initial proposal from the Rwanda country team put forward designs before the requirements of the entities concerned were appropriately defined, drawing on space requirements and design standards for United Nations Houses specified by the Task Team. Additional requirements have also been added in the course of discussion of the project. The situation was compounded by changes in leadership at a number of agencies. Many issues arose: project costs and underlying space allocations were considered excessive, the donated land was considered challenging from a construction standpoint and the public-private partnership financing envisaged was complex and expensive. The country team progressively resolved key issues with the Government, worked with it, with the help of a Task Team mission, to reduce costs by half and thought it important to integrate the value of "One United Nations" thinking into decision-making. With the passage of time, one of the major United Nations entities withdrew from its commitment to the project, leading the Task Team to require a new design and business case. Exchanges of correspondence between the Resident Coordinator and the Task Team indicate a view that the latter tended to offer bromides on the right process to follow rather than real help. In more recent exchanges, the Resident Coordinator identified the option of renting commercial space as well as pursuing the construction project. The Task Team favoured the commercial lease option but did not rule out the possibility of finding solutions for construction. As of the writing of the present report, the likelihood is that the project will not proceed as initially planned. While discussions are still ongoing, the option of leasing commercial space that could accommodate fewer members of the country team, starting with the ones that need to vacate their current offices, is the most prominent.

134. In the present review, the Inspectors do not take a position on the substance of the project. A commercial lease rather than a new building may be the practical way to go. The point is that 15 years of effort not to get anywhere involves high, if not immediately visible, transaction costs and causes reputational damage for the United Nations, especially in view of the extensive and successful efforts of the current Resident Coordinator to reach an agreement with the Government that would lower costs and reduce the risk for the United Nations in a country where a cautious United Nations approach to mitigate further reputational harm is merited. The process initially followed by the country team may not have been correct, but this illustrates the need for effective support from the beginning. Recurrent reminders to the country team on the right process and on which financing mechanisms are preferred, but in fact are not available, can seem to them to offer the form rather than the reality of help.

135. In Papua New Guinea, high rental costs of $1.8 million a year were leading some organizations to reconsider their presence in the country. Further, security costs were exceeding $1 million a year. The country team thought it would be possible to reduce those costs while enhancing programmatic collaboration through a United Nations House. The Government offered land to the United Nations and the concept of construction financed by a pension fund took shape, with ownership being ceded to the United Nations after recovery of the investment. Back and forth exchanges then ensued between the country team and the Task Team on the size of the property envisaged, space standards, the role of Government in a public-private partnership and the high underlying interest rates. The country team needed technical expertise, which the Task Team could not identify. In addition, for a feasibility study the country team needed to find the necessary expertise and fund it, drawing in this case on resources available to the Resident Coordinator from interest accrued in a "One United Nations" fund. In an interview, the Resident Coordinator said he considered his main responsibility was to help deliver development results and that the country team had no particular comparative advantage in developing premises. Here too, the issue is not whether the concerns raised in the Task Team had merit. Rather, it is that the model of responding to

a proposal by the country team, something which is often not fully baked, in lieu of shared ownership for problem-solving is a formula for frustration and paralysis.

136.   In Malawi a United Nations House has been pursued for over 10 years. Here too, the concept was to build on land provided by the Government with public-private partnership financing, but the United Nations would not have ownership after the investment cost was recaptured. The initial concept put forward by the country team was considered too expensive and based on excessive space allocation. In the recent past, the current Resident Coordinator has driven the project forward. A much-needed feasibility study was held up because of the view held by the Task Team that the Government should pay, as it would be the client. That however could not happen. When completed, that study, highly regarded by the Task Team, contained a viable business case in terms of affordability and efficiency gains. However, the public-private partnership model envisaged is not applicable because the Government is not able to incur liabilities for this purpose. The question begged is this: what is the point of the Task Team reviewing processes and the feasibility study if the upshot is paralysis resulting from a flawed premise? The country team needs help in delivering a viable result, not circular exchanges on the principles of public-private partnerships. Financing solutions, including direct investment (in this case approximately $12 million) need central support.

137.   The situation in Uruguay throws into relief several features of the challenges confronting a system-wide response to common premises. Uruguay having become a high-income country, the Resident Coordinator thought it timely to strengthen the sustainability of the United Nations presence by improving the affordability of its premises. Such an effort did not take root during the "Delivering as one" pilot. In her view, the concepts embedded in the repositioning of the development system were the main driver for co-location, rather than being forced by lease expiry or other circumstances. Two options for consolidation were identified: one required rental payment but was ready to occupy, the other would be rent-free but required renovation. Both showed savings for the country team, but not necessarily for each member. A presentation to the Task Team yielded advice on the process to follow, but not shared responsibility for reaching an outcome. One specialized agency has indicated unwillingness to participate if the outcome would increase costs in the slightest. The common premises option that could lead to a rent-free solution is challenging because the country team lacks the funds for renovation. In that small country team, the Inspectors thus observe the mix of key issues: the benefits for the system versus those for individual organizations, the lack of capital investment tools and what support should be expected from the Task Team or another central mechanism.

138.   The United Nations House project in India is, on the other hand, a success, which illustrates that a country team can indeed accomplish a lot. At a cost of about $2 million, a project conceived in 2015 and executed during the period 2017–2019, brought about the renovation of an old heritage building in Delhi. It significantly reduced the number of locations in Delhi, was a flagship "Greening the United Nations" endeavour and significantly improved on accessibility features. The Government's interest in both sustainability and accessibility helped to reinforce the approach of the country team. The Resident Coordinator formulated a business case that assured existing occupants savings of at least 25 per cent and entities on commercial leases of savings of approximately 65 per cent, and energy costs are reported to be half what they were. Significant features of this project were the relatively modest investment costs, a rapid return on investment because the premises were rent-free, an office of the Resident Coordinator with the relevant experience and help from UNDP with up-front financing. It will be interesting to see if any unanticipated consequences of the delinking of the resident coordinator system from UNDP will reduce the willingness of UNDP to provide the impetus that has enabled many projects to move forward.

139.   Accra is a location with 800 United Nations personnel scattered over 20 locations. UNDP, UNICEF, the Department for Safety and Security, UN-Habitat, the United Nations Office on Drugs and Crime (UNODC) and the United Nations Industrial Development Organization (UNIDO) are in common premises. WFP and UNFPA share a compound and are in close proximity to the UNDP/UNICEF compound. The United Nations Office for Project Services (UNOPS) and the United Nations Capital Development Fund are now housed together, so on that basis, there are already several common premises. The Resident Coordinator and the country team have urged that new measures be taken to create a United

Nations House that would "showcase UN presence in Ghana, comply with increasing UN security standards, meet UN values on accessibility, improve equity when it comes to standards for all UN staff, increase back office integration efforts, energy efficiency and inter-Agency collaboration, and lower operating costs. The most obvious source of cost savings is the joint security contract, which is just over USD 1 million per year, and which [could] be halved in joint premises".[110] The concept revolved around construction on land provided by the Government and financed through a public-private partnership.

140.   The Task Team on Common Premises and Facility Services was clearly interested in advancing a project in Accra in the context of United Nations reform. What ensued were exchanges about the dangers of public-private partnerships, drawing on the Eswatini experience, evolving thoughts on the merit of construction, exchanges on the relative merit of consolidation around the existing UNDP/UNICEF compound and encouragement to follow the Task Team flowchart. The country team gave active thought to hiring UNOPS to help come up with a project plan. The Task Team urged the country team to be in touch with the Resident Coordinator in Senegal to learn how the role of Government in that context was being exercised. With an acting Resident Coordinator in place in 2020 and the belief that more modest co-location has gained favour over new facilities for deeper consolidation, the country team initiative is on pause. The country team in Ghana, as in many other locations, requires more active support to find solutions and draw on other experiences, rather than be pointed in the direction of where it might be able to find insight.

B.   Inter-agency mechanisms have evolved but still require attention

141.   Inter-agency mechanisms to enable common premises have been in place for 32 years, starting with the creation in 1988, pursuant to the adoption of General Assembly resolution 42/196, of the Joint Consultative Group on Policy subgroup on services and premises. Comprised of representatives of UNDP, UNICEF, UNFPA and WFP, "Its primary responsibilities were to oversee each common premises project, including planning, design, financing, construction and management."[111] Since then, there have been five iterations of that structure (see figure IX, see also annex VI).

Figure IX
Inter-agency mechanisms for the promotion of common premises in the United Nations system (1988–present)

1988–1998	Subgroup on common premises and services project reporting to the Joint Consultative Group on Policy.
1998–2000	United Nations Development Group subgroup on common premises and services reporting to the Management Group on Services and Premises, comprised of the facilities directors of the four member organizations.
2000–2008	United Nations Development Group Working Group on common premises and services reporting to the Executive Committee.
2008–2014	United Nations Development Group Task Team on Common Premises reporting through the Business Operations Working Group.
2014–2017	United Nations Development Group Task Team on Common Premises reporting through its Joint Funding and Business Operations Network.
2017–present	United Nations Sustainable Development Group Task Team on Common Premises and Facility Services reporting to the Business Innovations Group.

 Source: Prepared by JIU based on information provided by the Task Team on Common Premises and Facility Services.

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[110] United Nations House update (Ghana), note in reply to JIU questions.
[111] WFP, document WFP/EB.A/99/8-C, para. 3.

142.   For the first 30 years, common premises were pursued by four entities: UNDP, UNICEF, UNFPA and WFP, until an effort was made in 2017 to broaden membership in the inter-agency mechanism. Precise terms of reference changed on occasion, but the key roles were (a) to study and recommend solutions to enhance efficiencies and increase the number of United Nations common premises/United Nations Houses worldwide and (b) to provide guidance and tools to assist United Nations country teams to establish new and manage existing United Nations common premises/United Nations Houses. With the repositioning of the development system, the Task Team on Common Premises was renamed to include facility services, to signal that it had been assigned a key role in supporting integrated facility services as part of the transformation of business operations. It was tasked, inter alia, with reporting on data on common premises, possible efficiency gains, improved service delivery and the cost avoidance realized. The significance of these broader tasks was that they heralded a greater understanding in the reform process of the need to approach common premises, not only as a physical space but also as an integral feature of business transformation, and track results in terms of the real efficiency gains realized. Even if not yet accomplished, those are the right messages.

143.   There have been and continue to be important barriers to the Task Team on Common Premises and Facility Services being able to deliver on the expectations of it. To be sure, it has made an invaluable contribution in developing a range of guidance materials, templates, tools and process flows to support country teams in their initiatives, as acknowledged by the majority of officials interviewed by the Inspectors, both at Headquarters and in the field. That contribution includes a methodology for the establishment of common premises, a format for cost-benefit analysis, model lease agreements between host Governments and United Nations organizations, the establishment of building performance guidelines, in collaboration with the International Code Council, and the development of operations and maintenance support information to assist offices with establishing appropriate operation and maintenance manuals for premises. A recent flowchart showing country teams the steps to follow in exploring options in a sequence of preference, such as first seeking premises provided by Governments, aims to reduce guesswork and preclude premature investment by country teams in technical design.

144.   One critical challenge is that the Task Team lacks capacity. It is comprised of the facility managers of the agencies that were members of the Executive Committee of the United Nations Development Group and officials and staff of the United Nations Secretariat and several other United Nations entities, all of whom have other full-time jobs. The secretariat of the Task Team consists of one full-time consultancy position at the P-4 level, which is intended to be cost-shared by all member organizations. Fortunately, UNICEF generously advances the funding for that person, so non- or late payment that occurs does not paralyse the work. The Task Team has no financial resources for technical analysis or to mobilize a consultant to help a country team. Technical missions to support a country team are resourced by the voluntary initiative of one of its members. Review of its minutes shows that the Task Team relies heavily on the internal resources and available skills within its most active member organizations (UNDP, UNFPA, UNICEF and WFP) to carry out the technical aspects of its mandate (examination of cost-benefit analysis, review of architectural design and space requirements, review of legal documentation).

145.   The need for a different approach has been recognized, not least by the Task Team itself and the Secretary-General.[112] The strategy the Task Team prepared in response to the request made by the General Assembly in resolution 67/226 called for proactive planning to identify strategic opportunities and emphasized the need for technical capacity to support the common premises process, for improved tools for benchmarking, for better market surveys and for a thorough evaluation of the options available.[113] While it urged the development of an implementation plan with resources and mechanisms to assess key locations, develop business cases and financing mechanisms, neither the implementation plan nor the supporting resources have materialized.

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[112] See United Nations development system repositioning, explanatory note No. 4, "Common business services and back-office functions" (February 2018).

[113] "Strategy for establishing United Nations common premises (2014–2017)".

146.   In 2017, with the repositioning of the United Nations development system, it was recognized that, given its responsibility for common premises and location-dependent facility services, the Task Team would require more dedicated resources, centralized funding mechanisms and improvements in system-wide cost-sharing.[114] That did not materialize.

147.   The Task Team subsequently put forward proposals for the changes it considered to be necessary for it to support the common premises aspect of the Secretary-General's reform.[115] Among other things, it proposed:

(a)   A paradigm shift from being a part-time group to a United Nations system-wide team with the mandate and resources to support country teams in the creation and expansion of common premises;

(b)   A top-down approach equipped with a team of staff to identify opportunities;

(c)   A wider strategic response, mapping global opportunities and providing end-to-end engagement;

(d)   Piloting a capital facility;

(e)   Donor and private sector engagement.

148.   For his part, the Secretary-General echoed those views, calling for a whole-system approach that would move beyond the country-led approach to the adoption of common premises and be supported by internal dedicated capacities and a capital asset financing scheme, among other features.[116]

149.   Recent findings by the Business Innovations Group project team, drawn from pilot projects on common premises, also point to the need for stronger central support. Those experiences show a need for a high degree of engagement with country teams, for in-country facilitation to help them complete analyses step by step and a requirement for a neutral facilitator to generate a range of options and maintain an unbiased view.[117] With that in mind, the Business Innovations Group project team identified a need for resources of approximately $4 million for external expertise to help country teams carry out consolidation assessments.[118]

C.   Role and authority of the Task Team on Common Premises and Facility Services are not clear

150.   Ambiguity exists as to whether the Task Team on Common Premises and Facility Services is an advisory body or a decision-making one. Are country teams bound by its advice? According to its terms of reference, the Task Team reviews and endorses proposals received from country teams for the expansion or renovation of existing United Nations common premises or for the relocation and construction of new United Nations common premises. The exact nature of interventions by the Task Team, whether advisory or decision-making, seems uncertain, including among its members. It can be argued that the intention was to give it an active role, along with decision-making authority. For example, between 1998 and 2000, the now defunct Management Group on Services and Projects had the decision-making prerogative on the options for common premises and a competence for funding approval.[119]

151.   It is also not clear what projects are to come to the Task Team. Some Resident Coordinators interviewed for the present review thought that its role related to United Nations Houses. The review team was advised that new construction involving two organizations, which would meet the definition of common premises, would not go to the Task Team

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[114]   Terms of reference for Task Team 2 on Common Premises and Facility Services (September 2017).

[115]   "Proposals for UN Task Team on Common Premises and Facility Services to support repositioning the UN development system" (December 2017).

[116]   United Nations development system repositioning, explanatory note No. 4, "Common business services and back-office functions" (February 2018).

[117]   Team on Common Premises and Facility Services, official submission of resource requirements document to progress towards the SG target of 50 per cent of common premises by 2021.

[118]   Ibid., p. 4.

[119]   WFP, document WFP/EB.A/99/8-C, para. 16.

because the two parties could sort it out themselves. However, for a project that starts with two organizations, a third actor is likely to join. One of the original partners might see a review by the Task Team as needed, while the other does not. During the present review, the Inspectors also encountered occasions when the remarks provided by the Task Team were not seen as relevant by the country team concerned and, in some cases, were not therefore taken into consideration. Such issues may be corrected through new end-to-end consolidation planning tools.

D. Workstream on facility services of the Task Team on Common Premises and Facility Services has not taken off as expected[120]

152.   The 2017 terms of reference of the Task Team on Common Premises and Facility Services elaborate on its role to contribute to developing transformational change for common back-office functions by providing analysis, recommendations and support to country offices in establishing and operating common premises. The change made to its official name by adding facility services emphasizes its expected role in terms of facility services and the efficiency savings attached to them. That is not totally new. Under the arrangement set up in the 1990s, the relevant mechanism was already the subgroup on common services and premises, reporting to the Joint Consultative Group on Policy. In 2014, the Task Team's purview included those common administrative services which were directly related to the premises and were shared among the participating agencies. In any case, during the present review the Inspectors found that this had not resulted in any significant evolution in its activities. The Task Team has prepared guidelines setting out a minimum package of facility services. Looking to the future, the integration of facility services into business operations strategies offers a better pathway for implementation at the country level (see paragraph 48 above). A positive step in that direction is seen in the newly released guidance for business operations strategies, which incorporates aspects of facility services.

E. Efforts to broaden the membership of the Task Team on Common Premises and Facility Services have met with limited success

153.   The membership of the inter-agency mechanisms tasked to promote and support common premises was for many years centred on the four agencies that were members of the Executive Committee of the United Nations Development Group (UNDP, UNICEF, UNFPA and WFP). It was only in 2017 that the membership was expanded, following an informal process of invitation to other organizations. Although that resulted in an increased number of members, the enlargement did not really create a truly system-wide dynamic or approach: some United Nations organizations with large field presences are still not represented (such as WHO) and some agencies indicate that they only follow the work of the Task Team on an ad hoc basis. A review of the minutes of the Task Team confirmed that the bulk of the work was carried out by the representatives of the agencies having the most significant presence and activities in the field.

F. Leadership and support for common premises should be better defined

154.   The question of who is responsible for driving a common premises agenda needs attention. The 2017 terms of reference assert that the Task Team is responsible for common premises and location-dependent facility services. That is a role that the Task Team has

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[120] The terms of reference of the Task Team define facility services as location-dependent services that include the provision of utilities (electricity, water, etc. whether via connection to local services, on-site provision, or a combination of both, as local circumstances require); or the establishment and administration of contracts for services such as maintenance, catering, cleaning and waste management, service desks to assist building users, asset management, transportation, reception services, printing, communication/IT services, local security forces, protocol, pouch, space allocation, environmental impact reduction and/or other areas as recommended by the Task Team.

embraced, as shown in the strategy it prepared for the period 2014–2017, in which it proposed shifting from a model of responding to country team initiatives to a vastly more proactive and strategic approach. However, that change did not transpire.

155.   A multilevel architecture to oversee and enable reform of business operations, including common premises, has in fact been established and has experienced considerable evolution over a relatively short period of time. At the apex, the United Nations Development Group was transformed into the United Nations Sustainable Development Group at the end of 2017 with its own complex operating methods.[121] A strategic results group, the Business Innovations Group, was established at the level of Under-Secretary-General under the co-chairship of the executive heads of UNHCR and WFP to lead the business operations aspects of the reform package (a Business Innovations Group had also been formed earlier under the United Nations Development Group but at the Assistant Secretary-General level). On the issue of common premises, one of the deliverables of the Business Innovations Group was to meet the 50 per cent share of premises being common by 2021, which was quite unlikely to be realized.[122] The Business Innovations Group established a "Four plus one" group to govern the business operations workstreams on an ongoing basis. The "Four plus one" group is comprised of representatives at the Assistant Secretary-General level of the four largest development agencies, UNDP, UNHCR, UNICEF and WFP plus a representative of UNFPA, who represents UNESCO and UN-Women.

156.   To support this work, a full-time inter-agency project team (from the "Four plus one" group) was constituted to lead the design and pilot phases of the range of business operations initiatives, including but not limited to common premises.[123] After it became clear that no action would be taken to provide the resources that the project team considered were necessary to deliver the 50 per cent target, it refocused on a more limited agenda of developing a database and developing and testing improved tools to support consolidation planning. The project team was defined to be time-limited, with specific outputs. As of the writing of the present report, it was completing its work and handing over products to other groups for roll-out or further action.

157.   A second inter-organizational mechanism is the Task Team on Common Premises and Facility Services (see paras. 141–152 above). When the United Nations Sustainable Development Group succeeded the United Nations Development Group, it contemplated continuing to work with task teams. As a practical matter, however, as the "Four plus one" and the Business Innovations Group project team were put into operation, no explicit reference was made to the Task Team. It continued to function, but since access to the Business Innovations Group was through the "Four plus one" group and the Business Innovations Group project team, some members of the Task Team thought it was unclear what it was responsible for and to whom. Now that the project team is being discontinued, the opportunity to define what is expected of the Task Team arises.

158.   A third piece of the jigsaw is the establishment of the Development Coordination Office, as approved by the General Assembly in resolution 72/279 (para. 17). As stated by the Secretary-General, the Development Coordination Office provides managerial and oversight functions for the Resident Coordinators. Its activities are advanced through collective ownership by the United Nations Sustainable Development Group. It serves as the secretariat for the Group at the global and regional levels and provides substantive guidance and support to Resident Coordinators and United Nations country teams.[124] It is also depicted as being responsible for certain business operations results, including the percentage of premises defined as common.[125] Further, the monitoring and reporting framework for the implementation of the quadrennial comprehensive policy review seems to indicate that the Development Coordination Office is responsible for all meaningful outcomes on common

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[121] See United Nations Sustainable Development Group, "Working arrangements" (2 May 2018).

[122] Ibid., p. 11.

[123] See terms of reference for the project design team of the United Nations Sustainable Development Group Business Innovations Strategic Results Group (23 October 2018).

[124] E/2019/62, para. 4.

[125] Ibid., annex II, indicator 6.

premises, although it is not clear if the responsibility is as the source of information on results or for their actual delivery.[126]

159.   The United Nations Sustainable Development Group will in a sense be compelled to rethink how the work on common premises and the reform of business operations more broadly are carried forward by the phasing out of the Business Innovations Group project team at the end of June 2020, marking the end of the pilot phase of the reform of business operations. To its credit, the United Nations Sustainable Development Group is also examining the lessons learned from the functioning of its strategic results groups, including the Business Innovations Group. That is an opportunity to improve the inter-organizational arrangements for common premises by enabling proactive leadership supported by data and analysis; strengthening inter-agency engagement; and defining clear lines of authority and decision-making. Different mechanisms have their roles to play.

160.   Of particular importance is the need to carry out analysis, formulate proposals and support country teams. Data gathering, analysis, assessment of opportunities, prioritization and active dialogue and support for country teams are required for a proactive approach to common premises. In March 2020, the United Nations Sustainable Development Group in effect acknowledged the need for this when, on the subject of efficiency gains from common premises, it stated that "it is necessary to reprioritize and focus efforts to locations from which the greatest return on investment can be achieved with limited up-front investment".[127] Such work requires both data and analysis. The establishment of the Business Innovations Group project team, although time-limited, also reflected the need for a dedicated "brain" beyond the sum of the individual country teams.

161.   In current circumstances, the Development Coordination Office appears to be the entity best-equipped to play this analytic and support role. It is already responsible for developing the common premises platform, which will include a database. It is in a position to draw together the different threads of the reform of business operations that interact with common premises, such as the business operations strategy, which now includes facility services, and the common back office. It can thus apply a horizontal view to prioritizing efficiencies rather than workstreams and provide system-wide policy support, coordination and information-sharing to support common premises globally. As noted in paragraph 147 above, the Task Team on Common Premises and Facility Services had also envisaged playing this role of mapping global opportunities and providing end-to-end engagement. While that might be possible in theory, the structural barriers to providing the resources required and to acquiring visibility across other facets of business operations, which should be more integrated with initiatives on common premises, are formidable.

162.   At the same time, the Development Coordination Office cannot be a free-standing actor, since common premises require the support of the organizations that actually take the decisions. Its common premises work needs therefore to operate in support of an inter-agency body or bodies. The ongoing review by the United Nations Sustainable Development Group of its strategic results groups is the opportune moment to learn from experience and update the mechanisms for policy oversight, such as the Business Innovations Group and its task teams, including the Task Team on Common Premises and Facility Services, and how the Development Coordination Office can support each of them.

163.   In that context, it is important to emphasize the need to clarify the role, structure, working methods and authority of the Task Team and its articulation with the Development Coordination Office and the Business Innovations Group (or its successor). As a body that includes senior facility managers, it should be a critical vehicle for securing agency buy-in, reviewing proposed projects, defining needs, agreeing on priorities and escalating important issues to the level of the Business Innovations Group. While it should not be the intention to exclude any interested organization, the merit of populating task teams with a more limited number of organizations that have a real interest should be considered.

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[126] A/74/73/Add.3-E/2019/14/Add.3, indicators 119 and 120.

[127] United Nations Sustainable Development Group, "Advancing more efficient operations in the context of the repositioning of the United Nations development system".

164.   At the top level, it is not evident that the current strategic results group of the Business Innovations Group, as distinct from the "Four plus one" subgroup and the project team, has been notably engaged or effective with respect to common premises. In considering future arrangements, the United Nations Sustainable Development Group should recall that its predecessor, the United Nations Development Group, entrusted business innovation leadership to the Assistant Secretary-General level rather than to entity heads. In effect the United Nations Sustainable Development Group has done the same by delegating the business operations agenda to the Assistant Secretaries-General of the "Four plus one" group. That suggests an understanding that the operational nature of this facet of reform requires more frequent engagement than an agency head is likely to be able to provide. It also illustrates an appreciation of the utility of focusing on the participation of a smaller number of entities that have a real stake in and commitment to the issue. During the course of the present review, the JIU interlocutors expressed doubt that the Business Innovations Group at the Under-Secretary-General level, and meeting only twice a year, was the right arrangement.

165.   The implementation of the following recommendation is expected to enhance transparency and accountability in system-wide work on common premises.

Recommendation 8

The executive heads of the United Nations system organizations should work together in the framework of the United Nations Sustainable Development Group to improve, by the end of 2021, the inter-organizational arrangements for support of common premises by strengthening the oversight of common premises by the United Nations Sustainable Development Group, clarifying the role and authority of its inter-agency Task Team on Common Premises and Facility Services and directing an appropriately capacitated Development Coordination Office to support them in carrying out the common premises workstream. That support work should include analysis of the priorities for future action, making arrangements for proactive support of country teams at all stages of project life cycles and drawing linkages to other facets of business operations.

Annex I

Overview of premises in United Nations country team countries and areas, by categories of premises at national, area and subnational level/locations (2017–2018)

United Nations country team country or area	United Nations expenditures (2013–2017), average in millions of United States dollars)	National or area				Subnational			National, area and subnational		
		Single premises with no alternative	Single premises	United Nations House	Other common premises	Single premises with no alternative	Single premises	Common premises	Single premises	Common premises	All premises
Afghanistan	1 220.17	0	1	0	1	4	16	7	21	8	29
Albania	18.85	0	5	1	0	1	0	0	6	1	7
Algeria	57.89	0	5	0	2	0	4	0	9	2	11
Angola	76.67	0	1	0	1	4	1	1	6	2	8
Argentina	294.81	0	6	0	2	0	2	0	8	2	10
Armenia	34.57	0	1	1	0	0	0	0	1	1	2
Azerbaijan	20.84	0	3	1	2	0	2	0	5	3	8
Bahrain	7.35	0	2	1	0	0	0	0	2	1	3
Bangladesh	257.26	0	10	1	0	4	13	1	27	2	29
Barbados	12.40	0	0	1	0	0	0	0	0	1	1
Belarus	25.64	0	3	1	1	0	0	0	3	2	5
Belize	6.49	0	2	0	1	0	0	0	2	1	3
Benin	49.25	0	4	0	1	0	2	0	6	1	7
Bhutan	17.69	0	2	1	0	1	1	0	4	1	5
Bolivia (Plurinational State of)	37.54	0	2	0	4	2	14	0	18	4	22
Bosnia and Herzegovina	68.60	0	1	1	0	0	3	0	4	1	5
Botswana	15.70	0	4	1	0	1	1	0	6	1	7
Brazil	119.71	0	9	1	0	4	11	2	24	3	27
Burkina Faso	125.79	0	6	0	2	2	7	1	15	3	18
Burundi	69.06	0	7	0	4	2	8	3	17	7	24
Cabo Verde	16.79	0	0	1	0	0	0	1	0	2	2

United Nations country team country or area	United Nations expenditures (2013–2017), average in millions of United States dollars)	National or area				Subnational			National, area and subnational		
		Single premises with no alternative	Single premises	United Nations House	Other common premises	Single premises with no alternative	Single premises	Common premises	Single premises	Common premises	All premises
Cambodia	88.56	0	13	0	3	2	3	0	18	3	21
Cameroon	162.26	0	6	0	1	3	14	2	23	3	26
Central African Republic	233.34	0	7	0	1	4	14	4	25	5	30
Chad	337.12	0	8	0	1	8	29	5	45	6	51
Chile	49.22	0	5	0	0	0	2	1	7	1	8
China	133.15	0	5	1	3	0	2	1	7	5	12
Colombia	224.99	0	13	0	1	13	33	18	59	19	78
Comoros	16.82	0	0	1	2	0	0	0	0	3	3
Congo	49.41	0	11	0	0	4	4	1	19	1	20
Costa Rica	24.12	0	2	1	0	0	3	0	5	1	6
Côte d'Ivoire	112.49	0	12	0	2	4	0	3	16	5	21
Cuba	34.05	0	3	0	1	4	1	1	8	2	10
Democratic People's Republic of Korea	56.78	0	6	0	0	0	0	0	6	0	6
Democratic Republic of the Congo	621.29	0	7	0	1	11	32	4	50	5	55
Djibouti	44.79	0	3	0	0	1	6	0	10	0	10
Dominican Republic	43.27	0	4	1	0	0	1	1	5	2	7
Ecuador	52.88	0	3	1	0	4	3	1	10	2	12
Egypt	203.40	0	9	0	3	2	13	0	24	3	27
El Salvador	68.44	0	9	1	0	0	0	0	9	1	10
Equatorial Guinea	15.15	0	1	1	0	1	0	0	2	1	3
Eritrea	40.12	0	3	1	0	0	0	0	3	1	4
Ethiopia	827.07	0	5	1	0	13	34	7	52	8	60
Fiji	43.81	0	3	0	1	1	2	1	6	2	8
Gabon	14.71	0	1	0	1	0	0	0	1	1	2
Gambia	25.73	0	4	1	0	0	1	0	5	1	6
Georgia	41.29	0	2	1	2	5	0	1	7	4	11

United Nations country team country or area	United Nations expenditures (2013–2017), average in millions of United States dollars)	National or area				Subnational			National, area and subnational		
		Single premises with no alternative	Single premises	United Nations House	Other common premises	Single premises with no alternative	Single premises	Common premises	Single premises	Common premises	All premises
Ghana	86.29	0	8	0	1	2	2	1	12	2	14
Guatemala	87.33	0	5	0	2	0	1	0	6	2	8
Guinea	150.45	0	2	0	1	1	11	0	14	1	15
Guinea-Bissau	50.93	0	3	1	0	1	3	0	7	1	8
Guyana	10.37	0	5	0	1	0	0	0	5	1	6
Haiti	178.65	0	15	0	1	5	22	2	42	3	45
Honduras	64.28	0	2	1	1	4	6	0	12	2	14
India	247.34	0	9	0	2	30	19	4	58	6	64
Indonesia	124.65	0	4	0	2	8	8	5	20	7	27
Iran (Islamic Republic of)	64.27	0	3	0	2	5	0	0	8	2	10
Iraq	824.06	0	0	0	1	3	11	3	14	4	18
Jamaica	11.33	0	2	0	1	0	0	1	2	2	4
Jordan	613.95	0	10	0	6	2	9	3	21	9	30
Kazakhstan	29.69	0	1	1	0	0	2	1	3	2	5
Kenya	504.99	0	4	1	1	7	19	2	30	4	34
Kuwait	13.23	0	0	0	1	0	0	0	0	1	1
Kyrgyzstan	57.10	0	7	1	0	2	5	2	14	3	17
Lao People's Democratic Republic	62.28	0	5	0	1	5	0	0	10	1	11
Lebanon	845.38	0	9	0	0	4	20	4	33	4	37
Lesotho	39.13	0	2	1	0	2	0	0	4	1	5
Liberia	179.02	0	6	0	4	9	8	1	23	5	28
Libya	56.98	0	4	0	0	2	2	0	8	0	8
Madagascar	122.70	0	1	1	0	7	0	0	8	1	9
Malawi	235.60	0	7	0	1	1	0	0	8	1	9
Malaysia	32.58	0	0	1	1	0	3	1	3	3	6
Maldives	13.81	0	4	1	0	0	0	0	4	1	5

United Nations country team country or area	United Nations expenditures (2013–2017), average in millions of United States dollars)	National or area				Subnational			National, area and subnational		
		Single premises with no alternative	Single premises	United Nations House	Other common premises	Single premises with no alternative	Single premises	Common premises	Single premises	Common premises	All premises
Mali	299.11	0	13	0	1	4	9	1	26	2	28
Mauritania	79.46	0	7	1	1	0	4	1	11	3	14
Mauritius	9.34	0	0	1	0	0	0	0	0	1	1
Mexico	62.95	0	9	0	2	2	4	1	15	3	18
Mongolia	24.85	0	0	1	0	0	0	0	0	1	1
Montenegro	12.86	0	1	1	0	0	0	0	1	1	2
Morocco	38.77	0	9	0	1	0	0	0	9	1	10
Mozambique	138.06	0	12	0	3	2	3	1	17	4	21
Myanmar	228.78	0	4	0	3	10	37	8	51	11	62
Namibia	27.42	0	1	1	0	0	0	0	1	1	2
Nepal	174.64	0	8	1	2	9	7	3	24	6	30
Niger	282.10	0	7	1	0	14	20	5	41	6	47
Nigeria	557.15	0	9	0	1	9	8	5	26	6	32
North Macedonia	23.43	0	6	0	1	0	0	0	6	1	7
Pakistan	529.49	0	7	1	2	16	36	10	59	13	72
Panama	65.03	0	2	1	2	0	9	1	11	4	15
Papua New Guinea	44.90	0	2	1	0	1	0	0	3	1	4
Paraguay	37.94	0	7	1	0	0	0	0	7	1	8
Peru	128.09	0	8	0	1	0	0	1	8	2	10
Philippines	169.19	0	5	1	0	3	10	1	18	2	20
Republic of Moldova	34.69	0	7	1	0	0	0	0	7	1	8
Rwanda	118.64	0	6	0	3	5	6	0	17	3	20
Samoa	15.44	0	0	0	0	0	0	1	0	1	1
Sao Tome and Principe	11.93	0	0	1	0	0	0	0	0	1	1
Saudi Arabia	59.93	0	0	0	0	0	1	1	1	1	2
Senegal	127.36	0	10	0	0	1	16	1	27	1	28
Serbia	40.50	0	7	1	0	1	2	0	10	1	11

United Nations country team country or area	United Nations expenditures (2013–2017), average in millions of United States dollars)	National or area				Subnational			National, area and subnational		
		Single premises with no alternative	Single premises	United Nations House	Other common premises	Single premises with no alternative	Single premises	Common premises	Single premises	Common premises	All premises
Seychelles	1.14	0	0	0	0	0	0	0	0	0	0
Sierra Leone	184.85	0	8	0	3	2	6	1	16	4	20
Somalia	713.65	0	1	0	0	4	17	9	22	9	31
South Africa	68.44	0	4	1	0	9	10	1	23	2	25
South Sudan	1 031.81	0	7	1	3	9	25	8	41	12	53
Sri Lanka	70.32	0	7	0	1	2	10	1	19	2	21
Sudan	630.90	0	13	0	1	8	55	11	76	12	88
Suriname	2.65	0	1	1	0	0	0	0	1	1	2
Swaziland	22.77	0	0	1	0	0	0	0	0	1	1
Syrian Arab Republic	844.25	0	12	0	1	1	12	3	25	4	29
Tajikistan	58.58	0	4	0	2	4	0	1	8	3	11
Thailand	97.36	0	1	0	2	4	11	1	16	3	19
Timor-Leste	49.88	0	2	1	0	5	1	0	8	1	9
Togo	40.50	0	6	0	0	1	2	0	9	0	9
Trinidad and Tobago	6.14	0	3	1	0	0	3	0	6	1	7
Tunisia	39.21	0	10	0	1	5	1	0	16	1	17
Turkey	392.22	0	4	1	3	3	7	2	14	6	20
Turkmenistan	13.20	0	1	1	0	0	0	0	1	1	2
Uganda	324.86	0	3	0	3	14	5	7	22	10	32
Ukraine	126.52	0	11	1	1	3	11	7	25	9	34
United Arab Emirates	9.58	0	4	0	0	0	0	0	4	0	4
United Republic of Tanzania	200.88	0	10	1	0	10	3	3	23	4	27
Uruguay	29.57	0	6	0	3	0	0	0	6	3	9
Uzbekistan	31.29	0	7	0	2	0	1	0	8	2	10
Venezuela (Bolivarian Republic of)	40.77	0	6	0	1	3	3	0	12	1	13
Viet Nam[a]	76.84	0	8	0	1	0	5	0	13	1	14

United Nations country team country or area	United Nations expenditures (2013–2017), average in millions of United States dollars)	National or area				Subnational			National, area and subnational		
		Single premises with no alternative	Single premises	United Nations House	Other common premises	Single premises with no alternative	Single premises	Common premises	Single premises	Common premises	All premises
Yemen	639.18	0	6	0	3	5	13	1	24	4	28
Zambia	163.72	0	6	1	1	1	1	1	8	3	11
Zimbabwe	441.97	0	6	0	4	2	8	1	16	5	21
Kosovo[b]	24.55	0	5	0	1	2	10	0	17	1	18
State of Palestine	238.72	0	9	0	2	2	1	5	12	7	19
Total	**20 782**	**0**	**655**	**58**	**136**	**381**	**826**	**201**	**1 862**	**395**	**2 257**

Source: Information provided by the Business Innovations Group project team.

Notes: As pointed out in the main body of the report, the centrally available system-wide data on premises in the United Nations system has limitations. The annexes to the present report are based on the data provided by the Business Innovations Group project team, as this informed the work on the common premises workstream. That data set continues to be refined. The Inspectors observed variations between this initial central data set and the premises data provided to them by some organizations. Nevertheless, updated data that has emerged as the current report was being finalized do not materially change the overall patterns and trends portrayed in the reports, as can be seen in annex V.

United Nations operations expenditures refer to the total expenditure for a given year by the United Nations system. For more information, see CEB United Nations system financial statistics for the period 2013–2017.

Premises are "national" if they are the country office of an agency and "subnational" if indicated otherwise.

[a] A greater consolidation took place in Hanoi in 2017 with the inauguration of the Green One United Nations House. In 2020, the premises profile in the country encompasses the United Nations House, three single premises at national level and four single premises at subnational level.

[b] References to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999).

Annex II

Offices of United Nations system organizations co-located in government premises (2017–2018)

United Nations organizations	Number of premises
WHO	233
UNDP	156
FAO	76
UNIDO	20
UNOPS	18
UN-Habitat	18
WFP	18
ILO	18
UNFPA	18
UNV	12
ICAO	11
IOM	8
UNESCO	8
UNHCR	7
All other offices co-located in government premises	31
Total	**652**

Source: Information provided by the Business Innovations Group project team.

Note: As pointed out in the main body of the report, the centrally available system-wide data on premises in the United Nations system have limitations. The annexes to the present report are based on the data provided by the Business Innovations Group project team, as they informed the work on the common premises workstream. That data set continues to be refined. The Inspectors observed variations between this initial central data set and the premises data provided to them by some organizations. Nevertheless, updated data that has emerged as the current report was being finalized do not materially change the overall patterns and trends portrayed in the reports, as can be seen in annex V.

Annex III

Premises profile of United Nations system organizations in United Nations country team countries and areas, by organization at national, area and subnational level/locations (2017–2018)

	National or area			Subnational			National, area and subnational		
	Single premises with no alternative	*Single premises*	*Common premises*	*Single premises with no alternative*	*Single premises*	*Common premises*	*Single premises*	*Common premises*	*All premises*
UNHCR	0	65	36	121	175	87	361	123	484
UNDP	0	25	123	33	81	120	139	243	382
UNICEF	0	68	52	40	101	69	209	121	330
WFP	0	54	25	48	105	47	207	72	279
IOM	0	64	27	30	75	36	169	63	232
FAO	0	52	33	19	59	39	130	72	202
UNFPA	0	31	80	7	42	38	80	118	198
WHO	0	48	33	38	42	37	128	70	198
Office for the Coordination of Humanitarian Affairs	0	13	21	3	29	61	45	82	127
UN-Women	0	23	43	1	4	17	28	60	88
UNOPS	0	24	22	8	17	13	49	35	84
ILO	0	33	23	6	11	10	50	33	83
UNAIDS	0	25	45	0	3	5	28	50	78
UNODC	0	17	21	6	11	14	34	35	69
UNESCO	0	26	19	0	10	13	36	32	68
OHCHR	0	12	15	2	12	23	26	38	64
UN-Habitat	0	12	25	0	6	7	18	32	50
UNIDO	0	13	27	0	6	3	19	30	49
UNV	0	3	24	16	2	4	21	28	49
IFAD	0	9	23	1	2	3	12	26	38

	National or area			Subnational			National, area and subnational		
	Single premises with no alternative	*Single premises*	*Common premises*	*Single premises with no alternative*	*Single premises*	*Common premises*	*Single premises*	*Common premises*	*All premises*
UNEP	0	4	9	0	0	7	4	16	20
UNRWA	0	4	0	1	7	3	12	3	15
ICAO	0	5	0	1	3	1	9	1	10
UNCTAD	0	6	0	0	3	1	9	1	10
ITU	0	1	1	0	7	0	8	1	9
United Nations Capital Development Fund	0	2	5	0	1	1	3	6	9
ECA	0	2	0	0	3	3	5	3	8
ECLAC	0	3	2	0	2	0	5	2	7
IMO	0	4	1	0	0	2	4	3	7
ESCAP	0	2	1	0	1	1	3	2	5
United Nations Office for Disaster Risk Reduction	0	0	2	0	1	2	1	4	5
UPU	0	1	0	0	2	0	3	0	3
WMO	0	1	2	0	0	0	1	2	3
ESCWA	0	0	0	0	2	0	2	0	2
ITC	0	2	0	0	0	0	2	0	2
WIPO	0	1	0	0	1	0	2	0	2
IAEA	0	0	1	0	0	0	0	1	1
Total	**0**	**655**	**741**	**381**	**826**	**667**	**1 862**	**1 408**	**3 270**

Source: Information provided by the Business Innovations Group project team.

Note: As pointed out in the main body of the report, the centrally available system-wide data on premises in the United Nations system have limitations. The annexes to the present report are based on the data provided by the Business Innovations Group project team, as they informed the work on the common premises workstream. That data set continues to be refined. The Inspectors observed variations between this initial central data set and the premises data provided to them by some organizations. Nevertheless, updated data that has emerged as the current report was being finalized do not materially change the overall patterns and trends portrayed in the reports, as can be seen in annex V.

Annex IV

Premises of United Nations system organizations in United Nations country team countries and areas, by cluster of countries based on expenditure and risk profile (2017–2018)

United Nations operations size	Country cluster	Total expenditure across all countries and areas of each cluster 2013–2017 (in millions of United States dollars and percentage of total expenditure)	Total number of premises located in countries and areas included in cluster	Number of single premises with no alternative and percentage of premises within each cluster	Number of single premises and percentage of premises within each cluster	Number of common premises and percentage of premises within each cluster
Operations with less than $40 million in expenditure (small)	Cluster A (44 countries and areas)	911 (4%)	238	8% (19)	67% (160)	25% (59)
Operations with $40–$100 million in expenditure (medium)	Cluster B (38 countries and areas)	2 285 (11%)	447	17% (76)	68% (302)	15% (69)
Operations with greater than $100 million in expenditure (large)	Cluster C (34 countries and areas)	8 416 (41%)	914	19% (178)	63% (572)	18% (164)
	Cluster D (risk environments) (15 countries and areas)	9 170 (44%)	658	16% (108)	68% (447)	16% (103)
	Cluster C and D grouped (49 countries and areas)	17 586 (85%)	1 572	18% (286)	65% (1 019)	17% (267)
Total		**20 782**	**2 257**	**381** **17%**	**1 481** **65%**	**395** **18%**

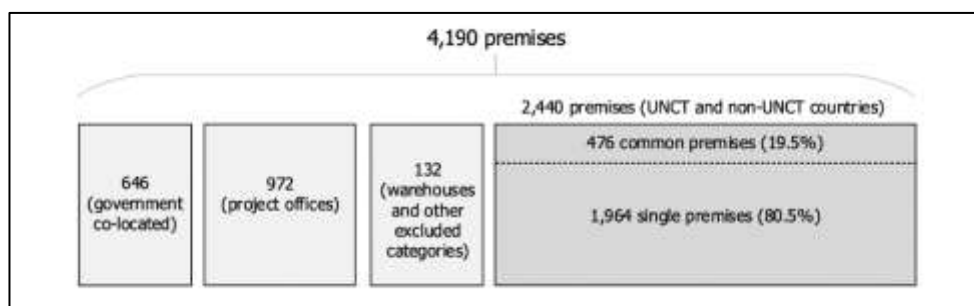*Source:* Prepared by JIU based on information provided by the Business Innovations Group project team.

Annex V

Updated overview of United Nations premises identified by the Business Innovations Group project team (2020)

The present annex elaborates on the most recent extraction of the data contained in the premises database of the United Nations Security Management System, as requested in March 2020 by the Business Innovations Group project team. The purpose was to provide the United Nations country teams with updated figures in the context of the rolling-out of the consolidation plan of premises at the country and area level coordinated by the Development Coordination Office.

The overview of the premises landscape presented below refers to figures IV and VI in the report. It presents broadly the same picture as the one described in paragraphs 37 to 44. At the time of the finalization of the present report, the verification process was still in progress and the data available were not comprehensive enough to enable the Inspectors to present the same level of disaggregation as offered in the graphs and charts which are based on the 2017–2018 figures.

**United Nations premises identified by the BIG project team (2020)**

Source: Prepared by JIU based on information provided by the Business Innovations Group project team in June 2020.

The preliminary analysis of the 2020 data indicates that the percentage of common premises worldwide has increased from approximately 17 per cent to 19.5 per cent since 2017–2018. Furthermore, there has been an adjustment in the number of offices co-located with Governments and in the number of project offices.

The new data also indicate that the average number of organizations situated in common premises is 4.2 instead of 3.6.

Annex VI

Inter-agency mechanisms tasked with promoting common premises in the United Nations system (1988–2020)
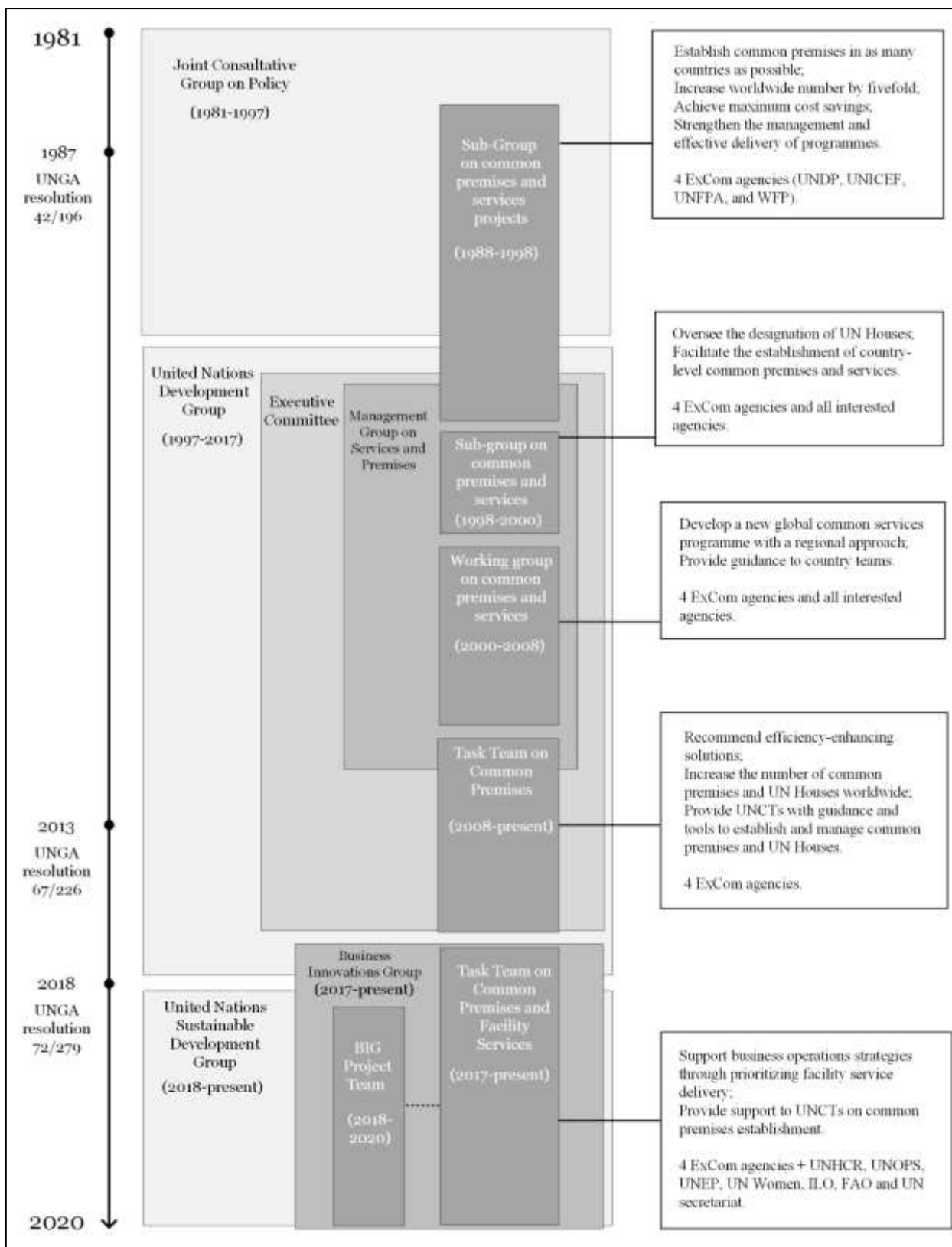
Source: Prepared by JIU.

Annex VII

Overview of actions to be taken by participating organizations on the recommendations of the Joint Inspection Unit

	Intended impact	CEB	United Nations[a]	UNAIDS	UNCTAD	ITC	UNDP	UNEP	UNFPA	UN-Habitat	UNHCR	UNICEF	UNODC	UNOPS	UNRWA	UN-Women	WFP	FAO	IAEA	ICAO	ILO	IMO	ITU	UNESCO	UNIDO	UNWTO	UPU	WHO	WIPO	WMO
		United Nations, its funds and programmes																Specialized agencies and IAEA												
Report — For action		□	⊠	⊠	□	□	⊠	⊠	⊠	⊠	⊠	⊠	⊠	⊠	□	⊠	⊠	⊠	□	⊠	⊠	□	⊠	⊠	⊠	□	□	⊠	□	⊠
Report — For information		⊠	□	□	⊠	⊠	□	□	□	□	□	□	□	□	⊠	□	□	□	⊠	□	□	⊠	□	□	□	⊠	⊠	□	⊠	□
Recommendation 1	a		L	L			L	L	L	L	L	L	L	L		L	L	L		L	L		L	L	L			L		L
Recommendation 2	d		E	E			E	E	E	E	E	E	E	E		E	E	E		E	E		E	E	E			E		E
Recommendation 3	h		E	E			E	E	E	E	E	E	E	E		E	E	E		E	E		E	E	E			E		E
Recommendation 4	c		E	E			E	E	E	E	E	E	E	E		E	E	E		E	E		E	E	E			E		E
Recommendation 5	f		E	E			E	E	E	E	E	E	E	E		E	E	E		E	E		E	E	E			E		E
Recommendation 6	h		L																											
Recommendation 7	d		E	E			E	E	E	E	E	E	E	E		E	E	E		E	E		E	E	E			E		E
Recommendation 8	a		E	E			E	E	E	E	E	E	E	E		E	E	E		E	E		E	E	E			E		E

Legend: L: Recommendation for decision by legislative organ **E:** Recommendation for action by executive head

▨ Recommendation does not require action by this organization

Intended impact: (a) enhanced transparency and accountability; (b) dissemination of good/best practices; (c) enhanced coordination and cooperation; (d) strengthened coherence and harmonization; (e) enhanced control and compliance; (f) enhanced effectiveness; (g) significant financial savings; (h) enhanced efficiency; (i) other.

[a] As listed in ST/SGB/2015/3.