

WIPO General Assembly

Thirty-Ninth (20th Extraordinary) Session Geneva, September 20 to 29, 2010

NEW CONSTRUCTION PROJECT: “EVALUATION REPORT OF THE EXTERNAL AUDITOR ON THE NEW ADMINISTRATIVE BUILDING AND ADDITIONAL STORAGE CONSTRUCTION PROJECT – FOLLOW-UP TO THE 2008 AUDIT”

prepared by the Secretariat

1. The present document contains the “Evaluation Report of the External Auditor on the New Administrative Building and Additional Storage Construction Project – Follow-up to the 2008 Audit” (document WO/PBC/15/13), which is being submitted to the fifteenth session of the WIPO Program and Budget Committee (PBC) to be held from September 1 to 3, 2010.
2. The recommendation of the PBC in respect of this document will be included in the “Summary of Recommendations Made by the Program and Budget Committee at its Fifteenth Session Held from September 1 to 3, 2010” (document A/48/24).
3. *The General Assembly is invited to take note of the contents of document WO/PBC/15/13 and of any recommendation, as recorded in document A/48/24.*

[Attachment follows]



WO/PBC/15/13
ORIGINAL: ENGLISH
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Program and Budget Committee

Fifteenth Session

Geneva, September 1 to 3, 2010

NEW CONSTRUCTION PROJECT: "EVALUATION REPORT OF THE EXTERNAL AUDITOR ON THE NEW ADMINISTRATIVE BUILDING AND ADDITIONAL STORAGE CONSTRUCTION PROJECT – FOLLOW-UP TO THE 2008 AUDIT"

Prepared by the Secretariat

1. In accordance with Article 11(10) of the Convention Establishing the World Intellectual Property Organization (WIPO), the designated external auditors, the Swiss Federal Audit Office, have established in the course of 2009, the "Interim Audit of the construction project for the new administrative building and additional storage area – follow-up of the 2008 audit", dated August 17, 2009, which was received by the Secretariat on October 19, 2009, and which is enclosed in the Appendix.
2. The observations from the Secretariat in respect of the Recommendations made by the External Auditors are set out below, in the order in which they appear in the Audit Report.

Recommendation 1

3. *"Ensure that the assistance for the Internal Team Coordinator, which will be introduced, is able to monitor and reconcile the cost control with the Pilot and WIPO Finance Department, and that the coordination of internal WIPO activities linked to the new building project is guaranteed."*
4. A new Assistant has joined the Internal Project Monitoring Team Coordinator in July 2009 and is now providing essential support to him in terms of coordination, monitoring and operational needs. The assistance on cost control is provided to the Coordinator mainly by the Assistant to the Secretary of the Construction Committee. The balance of tasks as

well as the necessary overlaps in this respect between, on the one hand, the Internal Project Monitoring Team Coordinator and his Assistant, and the Secretary of the Construction Committee and her Assistant, and, on the other hand, the Pilot and the WIPO Finance Services, has been functioning satisfactorily. It should be emphasized that the institutional memory of the construction projects and the level of understanding and mastering of the budgetary and financial aspects are of such a scope that it would not be reasonable to expect that they could be fully transmitted in a matter of months.

Recommendation 2

5. *“The Construction Committee shall ensure that the use of the provision for “Miscellaneous and unforeseen” complies with the definition given in my previous report.”*
6. The Provision for Miscellaneous and Unforeseen has been used in accordance with the definition given by the External Auditor, as evidenced by the reports of the Construction Committee and relevant annexes. There has only been one case in which the Construction Committee approved the use of that provision in order to cover part of the amount of project modifications for which no funds remained available in the “Provision for Project Modifications”, i.e., for part of the cost of the fitting-out of the fourth underground basement of the new building as a storage area. The External Auditor’s report makes a specific mention of that case and refers expressly to the fact that the Construction Committee took that decision in that context. Full documentation of the matter can be found in the report of the session of the Committee and relevant annexes, copies of which were provided to the External Auditor. The Internal Project Monitoring Team and the Construction Committee continue to exercise greatest caution in using the “Provision for Miscellaneous and Unforeseen” as shown by the relevant reports of the Committee’s sessions and the corresponding annexes.

Recommendation 3

7. *“Mention in the cost control all the available amounts and ensure that their use complies with the definition given. Each request for these amounts must be duly documented.”*
8. Recommendation 3 has been fully implemented since the end of 2009 and complete documentation is presented on a periodical basis to the Construction Committee. Furthermore, each specific request to use funds is—according to established procedure whenever funds of any of the available provisions are concerned—fully explained by the Internal Project Monitoring Team to the Construction Committee and any decision taken by the Committee on such matters are fully reflected in the reports of the sessions of the Committee.

9. *The Program and Budget Committee is invited to take note of this document and of its Appendix.*

[Appendix follows]

[English translation prepared by WIPO]

SWISS FEDERAL AUDIT OFFICE

**WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA**

**INTERIM AUDIT
of the construction project for the new administrative building and
additional storage area – follow-up to the 2008 audit**

**External Auditor's Report
to the General Assembly**

Reg. No. 1.9045.944.00330.02
nede/rede

August 17, 2009

GENERAL

Terms of reference

1. At the forty-third series of meetings, held in Geneva from September 24 to October 3, 2007, the General Assembly of the World Intellectual Property Organization (WIPO), the WIPO Coordination Committee and the Assemblies of the Paris, Berne, Madrid, Hague, Nice, Lisbon, Locarno, IPC, PCT and Vienna Unions renewed the Swiss Government's mandate until 2011 inclusive, as External Auditor of WIPO and the Unions administered by WIPO, as well as the accounts for the technical assistance projects carried out by the Organization (paragraph 273 of document A/43/16).

2. The Government of the Swiss Confederation entrusted me, as Director of the Federal Audit Office, with the mandate to audit the accounts of WIPO and the aforementioned Unions. I instructed a qualified colleague from the Federal Audit Office to conduct, at the headquarters of the International Bureau in Geneva, an interim audit of the construction project for the new administrative building and additional storage area. The audit was conducted from June 9 to July 3, 2009.

3. My terms of reference are stipulated in Article 6.2 of the WIPO Financial Regulations and defined by the Terms of Reference Governing Audit, annexed to those Regulations.

Subject matter of the audit

4. This report provides an update not only of the tasks which have been carried out since my last audit, but also of the implementation of my previous recommendations.

5. I noted in my previous report¹ that "*the conditions have been satisfied in order to allow normal advancement of the construction phase and that the different participants have the project well in hand*". Following an update on the progress of the project, the tasks carried out and the decisions taken on the basis of the documentation submitted, I paid particular attention to the implementation of my previous recommendations in relation to decision-making and cost-reporting. Since the new administrative building and additional storage area project has been under way for more than a year now, it seemed relevant to me to assess the organizational structure put in place in order to judge whether the project was proceeding normally and being well managed, with observance of the financial envelope and deadlines, it being understood that good management is dependent on suitable organizational structure.

Information and documents

6. I am grateful for the obliging manner in which the information and documents provided were submitted by all the WIPO staff members so requested. During the auditing work, my colleague spoke regularly with Ms Boutillon, Director-Advisor and Secretary of the Construction Committee, Mr. Favatier, Chief Financial Officer (Controller), Mr. Vitry, Expenditures Section of the Finance Department, Mr. Favero, Consultant and Internal Project Monitoring Team Coordinator, Buildings Division, and Mr. Efendioglu, from Internal Audit.

VERIFICATIONS AND OBSERVATIONS

General

7. The observations and analyses contained in this report are based not only on different interviews with WIPO staff members but also on the documentation prepared by the Secretariat of the Construction Committee, which was submitted at the beginning of the audit².

Documentation (see Annex 1)

¹ See External Auditor's Report No. 8032.944.00330.02 of July 30, 2008

² See Annex 1

8. The documentation submitted by the Secretariat of the Construction Committee makes it possible to monitor all the tasks which have been carried out since my last audit. Furthermore, the systematic drafting of meeting reports allows the activities of the Secretariat of the Construction Committee to be documented in the best possible manner. It should be noted that the introduction, as of September 2008, in each report, of a summary of the decisions taken at the meetings, makes it much easier to read the reports.

9. All the reports produced by the Secretariat of the Construction Committee are complemented by the updates on the status of the actions carried out by the Committee, the state of commitments and payments, and the Construction Committee risk register. The monthly reports by the Pilot and General Contractor, sent to the Construction Committee, and the internal memoranda produced by the Internal Team Coordinator on the subjects to be dealt with by the Committee at its meetings are also attached to the reports.

10. The Secretariat of the Construction Committee has also prepared and submitted to the Program and Budget Committee and Audit Committee two reports and also four periodical reports on the progress of the project. Similarly, "Updated and Consolidated Budget and Financing for the New Construction Project" and "Proposal for a New Conference Hall" have been submitted to the Program and Budget Committee and the Assembly of the Member States of WIPO. It is on the basis of these documents that the Assembly of Member States approved, in December 2008, the updated budget for the new construction and the preparation of a file for a new conference hall project, which will be submitted to Member States for examination and decision in September 2009. Finally, Member States also approved the strengthening of security and safety rules for the existing WIPO buildings on the basis of the document "Proposal to Upgrade the Safety and Security Standards for the Existing WIPO Buildings".

11. List of the main tasks, decisions, approvals and project modifications since my last audit:

Charter

- A reading of the different documents allows the observation that the Charter has once again been updated (version No. 8 of March 2, 2009) and that the Construction Committee decided in June 2009 to incorporate therein the projects for the new conference hall and security measures according to the UN Headquarter Minimum Operating Security Standards (UN H-MOSS). The Charter also provides for the extension of the Risk Register to those relating to the new conference hall and security project. Finally, the terms of reference of the Construction Committee have also been extended to include the security project. However, the responsibilities concerning security and the financial aspect continue to be taken care of by the Safety and Security Coordination Services (SSCS).

Internal organization

- The composition of the Construction Committee was reduced in October 2008 to four (instead of eight) members. The duties of the Chair are currently carried out by the WIPO Director General. The Committee's terms of reference have therefore been amended³. Moreover, the Construction Committee approved in January 2009 the provision of assistance for the Secretary of the Construction Committee by means of internal redeployment. As regards the Internal Team Coordinator, the Committee decided not to replace him since the Pilot could carry out this function where necessary. In April 2009, it did, however, envisage looking internally for assistance of the same type as that introduced for the Secretariat.

Approval of Member States

- At the meeting of December 12, 2008, the Member States approved:

³ See Office Instruction No. 35/2009

- the updated and consolidated budget for the new construction project of SFR 145.7 million,
- the authorization of an appropriation of an amount of SFR 20 million, taken from the WIPO reserves,⁴
- the use of the option envisaged for increasing the use of a bank loan, within the contractual limit of SFR 16 million, to finance the provision for “miscellaneous and unforeseen” and modifications during the construction phase,
- the debit of SFR 4.2 million from the WIPO reserves, in 2009, in order to prepare a full architectural and technical file for a new conference hall project, which will be submitted to the Member States for examination and decision in September 2009, and,
- the approval of the strengthening of the security and safety rules for existing buildings, and also the appropriation of SFR 7.6 million to be taken from the reserve fund. It should be noted that, as the host country, Switzerland offered to participate in the funding up to a maximum limit of SFR 2 million. The total cost of the security measures for the existing buildings is therefore SFR 9.6 million.

Progress of work

- The major structural work on the lower levels (phase 1) of the new construction was completed and that on the upper levels began, in accordance with the indicative timetable of February 23, 2009, inserted in the Charter, Version No. 8. The fifth upper level is being concreted on the northern side. The facades have begun to be erected and the completion of the roof tiling, scheduled for September 19, 2009, should, according to the Internal Team Coordinator, be able to be respected, even ahead of time. The four-week delay noted during my last audit has consequently been caught up.
- It should, however, be mentioned that the new conference hall project, if it is to be accepted by the Member States in September 2009, will lead to project modifications such as the relocation of the new access ramp to the underground car park in the AB building. This modification is dependent on the new location of the access center. The center will not only be necessary to satisfy the UN H-MOSS security measures, but also in order to provide sufficient space for visitors, in view of the new conference hall. Similarly, the construction of part of the underground link between the AB building and the new building (phase III) will have to be modified so as to allow the excavation work required for building a new conference hall to be carried out. According to the WIPO Secretariat, the handover of the building at the beginning of October 2010 should not be postponed.⁵

Project update

- In October 2008, the Construction Committee approved the implementation of “immediate” additional security measures for an amount of SFR1.07 million. These immediate measures will allow the additional costs to be limited until a decision is taken on all the measures by the Member States⁶. Furthermore, the Construction Committee also approved the undertaking of studies for the construction of an IT “data center”, the fitting-out of 2,000 m² on level -4 of the new building as storage premises and, finally, the undertaking of studies on IP telephony.
- In February 2009, the Construction Committee approved the implementation of additional security measures with which the SSCS was in agreement, in view of the opinion given by the panel set up. On the same date, the Committee also approved studies for meeting rooms on the ground floor of the new building, which are to be used not only for classes, but also for the needs of the WIPO Arbitration and Mediation Center.

⁴ See doc. WO/PBC/13/6(b)

⁵ See WIPO doc. WO/PBC/14/6(c) Program and Budget Committee, December 10, 2008, Proposal relating to a new conference hall.

⁶ See above paragraph Approval of Member States for approval in December 2008.

- In April 2009, the Construction Committee also approved three additional security measures for the Data Center, on the basis of the UN H-MOSS requirements (an additional airlock for the double door, biometric access control system, “sweep” before the center becomes operational) and relocation of the access ramp to the AB car park.
- The approval of the final amount for the work on the additional security measures was also given in April 2009. It was provided on the basis of a bid by the General Contractor. The conclusion of amendments to the contracts of the General Contractor, the Architect, the Pilot and other WIPO agents was also approved, as were the changes concerning IP telephony and the funding of additional costs (SFR2.3 million) concerning the fitting-out of level -4 as storage premises for the new construction. Part of the additional costs (SFR 0.66 million) was placed under the assets of the provision for “miscellaneous and unforeseen”.
- Finally, in June 2009, the Construction Committee gave its agreement in principle regarding the extension of existing contracts (by means of amendments) in order to incorporate new terms of reference concerning the implementation phase for the new conference hall project, i.e.:
 - the terms of reference of the Pilot (for the new construction),
 - the existing loan contract with the syndicate of banks in order to cover the additional amount required to finance the new conference hall project,
 - the contract with the construction company for the modifications to the new construction project (access ramp to the car park and basement link between the AB building and the new building) and for the excavation work for the new conference hall.

New conference hall

- The Construction Committee decided at its session in October 2008 to submit to the Program and Budget Committee and then to the Assemblies of Member States in December 2008 a proposal for a new conference hall. The cost estimate made on the basis of the 2002 project is around SFR60 million for a hall with 900 seats. As already indicated, in December 2008 the Member States approved the preparation of the preliminary file (see above). At the same time, the premises program was approved by the Construction Committee. The program was subdivided into five subprograms (conference hall, meeting rooms, events, adjoining premises, fitting-out of the basement of the AB building). The Construction Committee organized several meetings with the architect in order to monitor the progress of the project.

Procedures

- In September 2008, the WIPO Secretariat introduced a system for validating invoices on the basis of Recommendation No. 3 of my previous report, in accordance with the diagram contained in Annex 4 of the same report. In January 2009, the Construction Committee decided to extend this procedure for payments which will be covered by the WIPO reserves concerning the new conference hall project. In response to Recommendation No. 4 of my previous report, the WIPO Secretariat also introduced a cost-reporting system for the Construction Committee (commitments/expenditures relating to the project financial envelope).
- In November 2008, the Construction Committee approved a diagram for the “standard operation of amendments and conclusion of an amendment as part of an approved budget”. A standard “order letter”, to be signed by the Director General as Chair of the Construction Committee, was introduced for all cases of project modifications with or without financial implications, which require immediate action on the part of the General Contractor.
- In December 2008, the accelerated information procedure for the Internal Team Coordinator and Pilot concerning the decisions taken by the Construction Committee was approved and, in January 2009, the Construction Committee undertook to revise the commitment procedures.

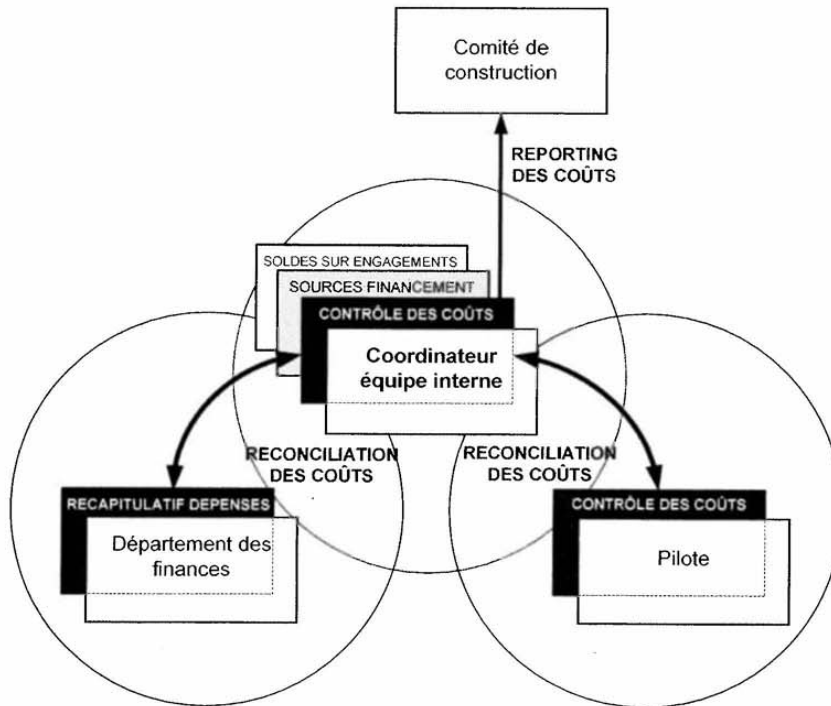
The Pilot could be authorized to make commitments with a maximum ceiling. The Office of the Legal Counsel and Procurement and Contracts Division must, together with the Internal Team Coordinator, make proposals for amendments concerning the specifications of the Construction Committee and Contracts Review Committee relating to the framework, principles and procurement procedures.

Risk register

Internal organization and replacement

- In my previous report, I recommended “providing a replacement for the key project functions”. In response to this Recommendation, the Construction Committee introduced, as of July 1, 2009, assistance to cover the administrative tasks of the Construction Committee Secretariat. In parallel, the Internal Team Coordinator will also be supported by an aid essentially responsible for performing administrative tasks. The selection for this post is currently ongoing. The Secretariat opted for this solution since the internal search for a person with skills identical to those of the Coordinator was unsuccessful. The Coordinator is currently obliged to prioritize his tasks, based on the numerous requests which he receives and the projects to be managed increase continually. It is necessary, however, not to confuse the assistance which will be introduced with the replacement referred to in my recommendation. It is planned to seek recourse to the Project Pilot to replace, where necessary, the Internal Team Coordinator. The risk level has been reduced by a notch in the Register to take account of the decision taken at the beginning of 2009. I will recall here that the Internal Team Coordinator keeps up to date in particular the cost control for the new construction, based on the approved project financial envelope. In this regard, he is the only one actually to possess detailed knowledge of the commitments and expenditures incorporated in the financial envelope, their allocation to the corresponding funding sources and amounts available based on the commitments made. It is on the basis of the Coordinator’s cost control that a reconciliation can be envisaged, both with the Pilot’s financial control and the summary of expenditures of the Finance Department. The Coordinator’s terms of reference also stipulate that he must be responsible for “monitoring the correct implementation of the decisions taken by the Member States, in particular as regards costs”, whereas the Pilot is, as a priority, responsible for verifying that the claims made by the construction company and the agents are aligned, based on the progress made in the work (see diagram 1, paragraph 13 below).

12. Diagram 1 – Control and Cost-Reporting



Comité de construction	=	Construction Committee
REPORTING DES COÛTS	=	COST REPORTING
SOLDES SUR ENGAGEMENTS	=	BALANCES ON COMMITMENTS
SOURCES FINANCEMENT	=	FUNDING SOURCES
CONTRÔLE DES COÛTS	=	COST CONTROL
Coordinateur équipe interne	=	Internal Team Coordinator
RECONCILIATION DES COÛTS	=	COST RECONCILIATION
RECAPITULATIF DEPENSES	=	EXPENDITURES SUMMARY
Département des finances	=	Finance Department
RECONCILIATION DES COÛTS	=	COST RECONCILIATION
CONTRÔLE DES COÛTS	=	COST CONTROL
Pilote	=	Pilot

13. Although certain coordination tasks may be delegated to the Pilot and it may be assumed that the Pilot has a part of the financial knowledge of the Internal Team Coordinator, it is important for the Internal Team cost control to be monitored constantly. The financial control by the Pilot should in no case replace that carried out by the Coordinator. Similarly, the effectiveness of the coordination of the activities relating to the different projects in progress with all the relevant sectors of the WIPO Secretariat must always be guaranteed.

14. In accordance with Recommendation No. 4 of my previous report⁷, the Secretariat of the Construction Committee has complemented the financial information contained in the report of each meeting with cost-reporting. The cost-control extract produced by the Internal Team Coordinator thus allows the Construction Committee to exercise closer control over the commitments and expenditures in relation to the revised financial envelope for the new construction project.

Recommendation No. 1: Ensure that the assistance for the Internal Team Coordinator, which will be introduced, is able to monitor and reconcile the cost control with the Pilot and WIPO Finance Department, and that the coordination of internal WIPO activities linked to the new building project is guaranteed.

Organization

15. The composition of the Construction Committee was reviewed and reduced to four members. As a result, its specifications were revised, given that the delegation of the Director General's responsibility to the Construction Committee is no longer appropriate, since it is the Director General who as of now chairs the Committee. Thus, henceforth only players directly involved in the construction projects form part of the Committee.

16. As already pointed out, an accelerated information procedure for the Internal Team Coordinator and the Pilot concerning the decisions taken by the Construction Committee was introduced as of December 2008. The new procedure allows the decisions taken by the Construction Committee to be initiated quickly and, consequently, the slowness of the validation of meeting reports, for example those of April 23 and May 15, 2009, which were submitted to my colleague only on June 24 and July 1, 2009 respectively, to be compensated for.

17. The approval by the Member States of a provision for "Miscellaneous and unforeseen" of SFR 7.8 million, while strengthening the financial competences of the Construction Committee, has the advantage of offering the Committee more effective and speedier management of all the decisions which it will have to take in relation to the new construction.

18. These three provisions undoubtedly allow decision-making by the Construction Committee to be improved and, as a result, the risks of the project being held up to be reduced. In that regard, the Construction Committee should also be reminded of the framework in which it is possible to request the provision for "Miscellaneous and unforeseen" (see paras. 45 and 46). These arrangements cover in any case the second part linked to the decision-making for my recommendation. The numerous meetings held and decisions taken, by the Secretariat of the Construction Committee with the other WIPO sectors concerned, confirm that the organizational structure of the project is appropriate and therefore operates as it should. The collective work done undoubtedly contributes to the smooth running of the project.

19. Despite these improvements, the Construction Committee Secretariat has nevertheless maintained a maximum risk level in its register as regards the project coordination and, more particularly, the capacity of the Internal Team to submit to the Construction Committee reports in line with the activities, requirements and complexity of the worksite and the implementation of the decisions taken by the Committee.

20. This observation should be related to the assistance for the Coordinator which should be put in place (see Recommendation No. 1), insofar as the tasks he carries out are considered to present a significant risk if they are not correctly performed.

⁷ See External Auditor's Report No. 8032.944.00330.02

Revised project update (see Annex 4)

Fitting-out proposals for the new building

21. A budget of SFR0.726 million had been planned in the revised financial envelope in 2008 for fittings on the ground floor of the new construction (SFR 0.4 million) and for the conversion of the fourth basement (0.326 million). These amounts were increased by SFR0.08 million and 0.214 million respectively to cover the honoraria. They reduced the amount available for the honoraria in the revised financial envelope in 2008 (see paragraphs 43, 44 and 55). The possibility of being able to convert the training rooms into arbitration rooms with interpreters' booths is included in the amounts indicated.

22. Furthermore, an additional amount of SFR 2.65 million had been estimated for the fitting-out of the fourth basement as storage premises. The reduction by one-third of the surface area to be fitted out, decided by the Construction Committee in October 2008, helped to reduce the amount by SFR 0.86 million.

23. It is planned to fund the IP telephony system incorporated in the IT network, estimated at SFR 0.7 million, with the budget provided in the financial envelope approved in 2008 of SFR 0.76 million for the traditional telephone switchboard.

Data Center (see Annexes 2 and 4)

24. As a reminder, the revised financial envelope for the project includes an amount of SFR 1.26 million (including honoraria). It was planned to increase this amount by SFR 1.04 million in order to be able to fit out the future Data Center. The gross estimate of the initial costs depending on a concept which has not yet been realized generated an increase in the latter amount of SFR 1.5 million in order to allow the Data Center to be fitted out. Consequently, the honoraria also increased by SFR 0.41 million. In overall terms, the cost of the Data Center increased from SFR 2.3 million to SFR 4.2 million. Additional security measures for SFR 0.26 million are still envisaged. The Construction Committee planned to use the provision for "Miscellaneous and unforeseen", in order to cover these additional security measures (see paragraphs 44 to 46). The provision for project modifications introduced into the approved additional budget will cover the additional costs linked to the modifications relating to the initial Data Center project.

Security

25. An amount of SFR 1.07 million (including honoraria) was approved by the Construction Committee in October 2008 for the undertaking of additional immediate security measures, in order to take account of the progress of the worksite and to avoid additional costs. These measures essentially concern the retractable bollards and barriers in the car park ramps. The work was awarded to the General Contractor in April 2009 for SFR 0.885 million and the services of the agents for SFR 0.159 million, i.e. an amount slightly lower than that which had been budgeted. The remaining measures were estimated at SFR 3.411 million by the SCS.

26. At its session in March 2009, the Construction Committee approved the immediate launch of the studies for the implementation of the remaining security measures according to the UN H-MOSS standards. They concern not only peripheral measures, but also the internal elements of the new construction.

27. In overall terms, all the costs concerning the additional security measures for the new construction, taking into account the measures which have already been incorporated for SFR 2.5 million in the revised financial envelope, immediate work undertaken and that remaining, are close to SFR 7 million. As a reminder, these costs had been estimated at SFR 8 million in my report in 2007.

28. The Construction Committee also approved in June 2009 the preparation of an amendment to the civil engineer's and General Contractor's contracts in order to include the measures to strengthen the protection wall at the north-west corner of the new construction. It was decided that the costs estimated at SFR 0.1 million would be placed under the provision for "Miscellaneous and unforeseen".

29. Considering the new conference hall project, the visitors' access center has been placed on the concourse in front of the main entrance to the AB building. This positioning involves moving the access ramp for the underground car park. The additional storage project modifications will generate increased costs of about SFR 0.5 million (including honoraria). It is planned to include this amount provisionally in the budget of SFR 7.6 million linked to security measures (see para. 46) and then to include it in the budget for the future conference hall. The budget for the strengthening of the safety and security standards in existing WIPO buildings does not, however, make provision for this amount. Should the new conference hall project not be successfully concluded, the funding of these modifications is not currently covered since it could not be included under the provision for "Miscellaneous and unforeseen".

30. Finally, the visitors' access center estimated in the document submitted to the Program and Budget Committee in December 2008⁸ at SFR 0.7 million could be largely underestimated, considering a projected surface area which is three times larger.

Proposals for fittings in the AB building

31. In my previous report⁹ I mentioned that the two options included in the request for proposals for a General Contractor concerning fittings in the existing AB building had been taken into account in my analysis, since those proposals were part of the planning in progress. This related to the extension of the existing lobby and the conversion of the first and second basements, in relation to the existing loading bay area. It is quite obvious that the new conference hall project will have an effect on the existing building lobby and, consequently, on all the proposals for fittings which had been planned in the AB building¹⁰. In the case of approval by the Member States of the construction of a new conference hall, it is planned to incorporate therein all these fittings and also the costs related thereto, apart from the fitting-out of a meeting room in the first basement and that of a loading bay.

Revised financial envelope for the new construction (see Annexes 2 and 3)

Approved financial envelope

32. The revised financial envelope as submitted during my last audit was approved by the Member States in December 2008. Although adjustments have been made as regards the honoraria, the Client's costs have not varied in overall terms. The provision of SFR 7.886 million for "Miscellaneous and unforeseen" has been moved from the "Client's costs" entry to that of "additional budget", given that its funding is provided by the loan option for an amount of SFR 16 million. The total amount of the "construction and Client's costs" entries remained unchanged at SFR 145.7 million.

33. The costs linked to the additional security measures henceforth form part of the additional budget of SFR 16 million. Estimated as of now at SFR 4.456 million, the costs concerning the additional security measures increased by a little less than one million Swiss francs. Also included in the budget of SFR 16 million are the additional amounts linked to the Data Center (see paragraph 25) and the fitting-out of the fourth basement in the new building for SFR 2.524 million and 1.132 million respectively. The approved financial envelope stands, taking into account these increases, at SFR 161.7 million. Although my previous report referred only to an amount of SFR 157.1 million, it already mentioned that an additional SFR 3.7 million would be necessary for fitting-out the Data Center and the fourth basement (see Annexes 2 and 3, "non-budgeted amounts").

⁸ See doc. WO/PBC/13/6(a) of November 11, 2008, Annex 1.

⁹ External Auditor's Report No. 8032.944.00330.02, paras. 26 and 27

¹⁰ See External Auditor's Report No. 8032.944.00330.02, paras 28 to 30 and Annex 5, AB building

Revised financial envelope (2009 estimate)

34. Taking into account the updated amount of the loan interest (SFR 3.3 million), administrative costs including the consultant's salary (SFR 1.6 million) and the Pilot's honoraria and charges (SFR 2.6 million), the estimate for the revised financial envelope of the new construction stands at SFR 169.2 million, compared with 167.9 million previously.

Global financial envelope (estimate)

35. The global financial envelope with the purchase of the plot for SFR 13.5 million and competition fees for 1.7 million is currently SFR 184.4 million.

Funding sources (see Annex 3)

36. The project funding sources are divided between the regular budget, WIPO reserve funds and the loan requested from a syndicate of banks. The construction costs (SFR 117.7 million) and the Client's costs (SFR 28 million), which remained unchanged since my last audit, are financed by the commercial loan (of SFR 114 million), at a level of SFR 113.58 million, the regular budget for SFR 12.634 million and reserve funds for the balance, i.e. SFR 19.528 million.

37. The differences observed with the figures from my previous report come from the adjustment of two amounts, i.e.:

- for SFR 0.42 million, from the commercial loan request of SFR 114 million at a level of SFR 113.58 million and,
- for SFR 0.461 million, taken into account from the disbursed amount of SFR 12.634 million at the end of 2007 from the regular budget rather than from the figure of SFR 13.095 million included in the 2006/2007 Financial Management Report (see Table 13). Consequently, these figures have increased the amount taken from the reserve funds by SFR 0.881 million, i.e. SFR 19.528 million taken, instead of SFR 18.647 million.

38. The interest from the commercial loan together with the Pilot's honoraria and the WIPO consultant's salary are also funded via the regular budget. It should be noted that WIPO made a first withdrawal of SFR 50 million on the loan of SFR 114 million in March 2009, rather than in December 2008. Apart from the postponement by three months of the deadline initially planned, WIPO benefited also from a rate 1.5 per cent lower than what was provided for. These two elements reduce accordingly the budgeted interest of SFR 6.9 million. If these conditions were to be maintained until the building is handed over, it may be hoped that a saving of about SFR 3.6 million will be made. By contrast, the updating of the Pilot's honoraria and the consultant's salary on the basis of the latest cash flow projection, produced by the Controller, indicates an increase of SFR 0.31 million on these two positions.

39. At the session of December 12, 2008, the Member States authorized the utilization of an amount of SFR 20 million from the WIPO reserves in order to cover the amount of SFR 19.528 million¹¹.

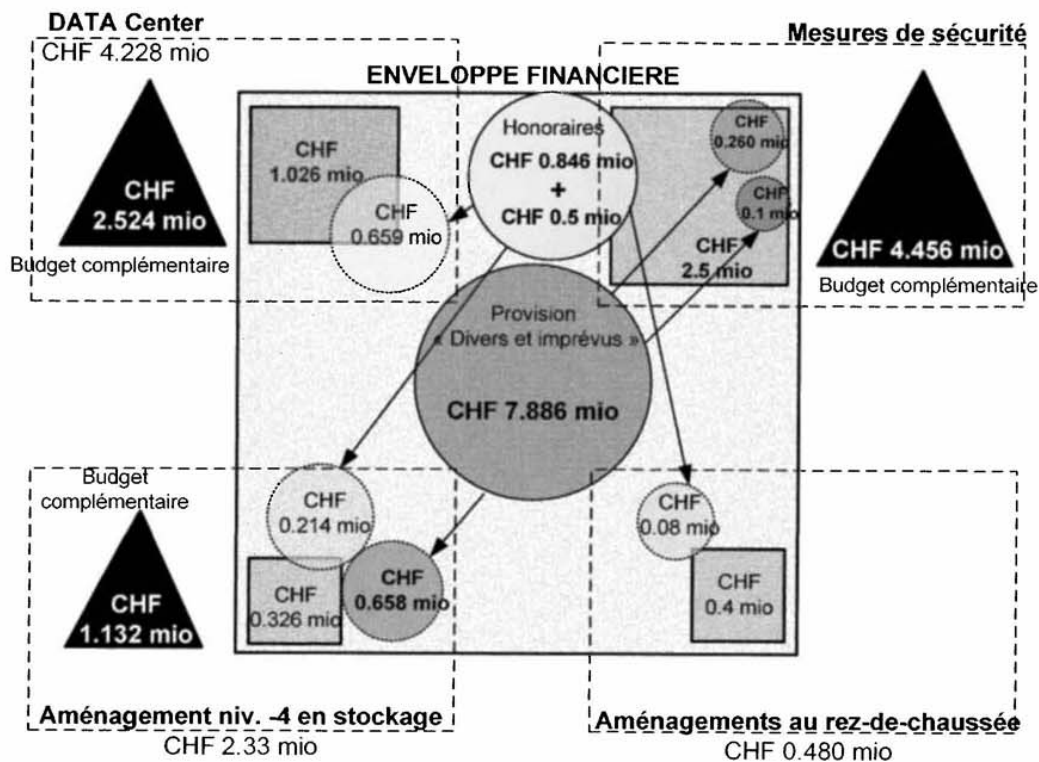
¹¹ As a reminder, document WO/PBC/11/10, prepared by the WIPO Secretariat, invited the Member States to "envisage the possibility of allocating a provisional sum of SFR 15 million, with a view to an initial advance of funds to pay for the new construction". See report No. 8032.944.00330.02, para 13 and doc. WO/PBC/11/10, para. 21.

40. The contract relating to a commercial loan of SFR 114 million, signed in February 2008, includes the option of increasing this amount by SFR 16 million, subject to the same conditions. This option valid until the end of the construction was activated by WIPO, following the approval of the Member States in December 2008, to fund:

- the provision for "Miscellaneous and unforeseen" (SFR 7.886 million),
- the project modifications linked to the Data Center (SFR 2.524 million),
- the fitting-out of the fourth basement of the new building as a storage area (SFR 1.132 million) and
- the additional security measures for the new building (SFR 4.456 million).

41. The Construction Committee decided to finance the surplus of SFR 0.658 million for the fitting-out of the fourth basement of the new building as a storage area via the provision for "Miscellaneous and unforeseen".

42. Diagram 2, Funding of project modifications



ENVELOPPE FINANCIERE	=	FINANCIAL ENVELOPE
Mesures de sécurité	=	Security measures
Budget complémentaire	=	Additional budget
Aménagement niv. -4 en stockage	=	Fitting-out of storage area on -4
Aménagements au rez-de-chaussée	=	Fitting-out of ground floor
CHF	=	SFR
Provision	=	Provision
"Divers et imprévus"	=	"Miscellaneous and unforeseen"

43. The financial envelope approved in December 2008 by the Member States already included several items (which were then subject to project modifications covered by the additional provision dedicated to modifications), i.e. SFR 1.026 million for the Data Center, SFR 0.326 million for the fitting-out of the fourth basement, SFR 0.4 million for fittings on the ground floor and SFR 2.5 million for additional security measures (strengthening of facades). An amount of SFR 0.5 million had also been provided for honoraria linked to project modifications. Apart from the fittings on the ground floor of the new construction, which consisted in fitting out meeting rooms, needs increased considerably in relation to what had been planned in the revised project dating from 2005.

44. Although the inclusion of a provision for "Miscellaneous and unforeseen" undoubtedly improves decision-making, the Construction Committee must, however, ensure strict observance of the definition given concerning its use¹². I had already mentioned in a previous report that this provision would in no way be able to cover needs that were not part of the financial envelope approved by the Member States. Furthermore, the provision must be used only to cover exceptional and unforeseen expenditures¹³. The activation of this provision for work to fit out the fourth basement at a cost of SFR 0.658 million, as well as the intention to include also additional sums for SFR 0.36 million in relation to additional security (SFR 0.26 million for the Data Center and SFR 0.1 million for measures to strengthen the north-west wall of the new building) does not satisfy my recommendation directly.

45. Furthermore, since these project modifications have rightly been the subject of separate funding in order to respect the whole transparency of the new construction project, it is not appropriate to carry over all the honoraria dependent on this work to the approved financial envelope for the new construction project. Taking account of the progress in the work, it is certainly still too early to activate expenditures from the provision for "Miscellaneous and unforeseen", without running the risk of no longer being able to cover budget overruns, which would correspond precisely to the definition given for the use of this reserve.

Recommendation No. 2: The Construction Committee shall ensure that the use of the provision for "Miscellaneous and unforeseen" complies with the definition given in my previous report.

46. As a reminder, the competition costs have been divided between the regular budget (SFR 1.55 million) and the reserve fund (SFR 0.143 million). It is the latter source of funding which has again been used to purchase the land (SFR 13.5 million).

47. I had mentioned in my last report that the investment to be granted to secure the existing buildings would, according to one estimate, be SFR 9.3 million¹⁴. In December 2008 the Member States approved an amount of SFR 7.6 million for strengthening the security and safety standards relating to the existing WIPO buildings. The host country will assume SFR 2 million of the cost.

48. It should be noted that the Construction Committee approved, in April 2009, the inclusion of the UN H-MOSS security project in the existing organizational structure introduced for the new construction, in both the terms of reference of the Construction Committee and those of the Internal Team. This approval applies to the existing buildings and obviously to the new projects. The responsibilities relating to security and also the financial aspect continue, however, to be assumed by the SSCS.

49. In December 2008, the Member States also approved a debit of SFR 4.2 million from the WIPO reserves for the purposes of preparing a complete architectural and technical file for a new conference hall project, which will be submitted to the Member States for examination and decision in September 2009. It is planned to fund the construction work estimated at about SFR 60 million partly by means of a withdrawal from the WIPO reserves (SFR 25 million) and, for the balance, by means of a commercial loan or other sources of funding.

¹² See report 7073.944.00330.02, Recommendation No. 4.

¹³ See report 7073.944.00330.02, para. 46.

¹⁴ See report No. 8032.944.00330.02, paras. 12 and 13.

Expenditures

50. The cost control as of May 31, 2009 refers to a volume of payments between June 2008 and May 2009 of SFR 34.1 million. In overall terms, as at May 31, 2009, SFR 75.2 million had been spent out of the estimated total, according to the revised financial envelope of the same date, of SFR 169.2 million, excluding the purchase of the land, the competition costs and lost expenses, i.e. a further SFR 25.8 million. A comparison of the amounts paid at the end of May (SFR 57.2 million) with the contract concluded with the General Contractor (SFR 117.7 million) shows that about 50 per cent of the work has been completed already. This relates essentially to excavation and structural work.

Conference hall

51. The expenditures linked to the new conference hall for a total amount of SFR 0.748 million relate only to honoraria for preliminary studies.

Overall cost control management

Amounts available on awards

52. My colleague asked the Internal Team Coordinator to identify, in his cost control activities, the amounts available in the revised financial envelope for 2008, taking into account the awards made and the progress of the project. It is therefore noted that a sum estimated at SFR 0.845 million was available in the financial envelope as at May 31, 2009. The amount of SFR 0.450 million comes from a fee for provision of electrical power by the Industrial Services of the City of Geneva (SIG), which is no longer necessary for the new building and the reimbursement of a building permit tax of SFR 0.21 million by the City of Geneva. To the amount of SFR 0.845 million there should also be added SFR 0.628 million corresponding to non-awarded honoraria, i.e. an available total of SFR 1.473 million.

53. It is planned to make use of this amount to cover the request by the architect to amend the choice of type of wood for the partitions on the atriums. This request for an amount of SFR 0.1 million was approved by the Construction Committee in May 2009. Similarly, the costs relating to the recovery of the trunks of the felled black Austrian pines (SFR 3,915), the adaptation of the type of glass on the ground floor for multipurpose rooms (SFR 30,000) and different additional studies concerning emergency lighting (SFR 10,000) and artificial lighting for the new building (SFR 24,350) will also be taken from the available amount mentioned. Consequently, the balance of the amount will be SFR 1.317 million. It would be expedient in the future to show this available amount in the cost control and to mention systematically therein the work and also the honoraria which will be taken from it.

54. The Internal Team Coordinator updated the architect's and agents' honoraria. The update brought to light an available sum of SFR 0.235 million. The amount increased further the "honoraria for project modifications" entry. It is, however, planned to fund, through this same entry, honoraria linked to additional work which does not form part of the financial envelope for the new construction, i.e. and as already indicated, the new Data Center (SFR 0.659 million), the fitting-out of the fourth basement as storage premises (SFR 0.214 million) and the fitting-out of training rooms on the ground floor (SFR 0.08 million) (see diagram 2).

55. In order to maintain the consistency of the cost control with the project development and, insofar as the architect's and agents' honoraria have been updated, it would be expedient to do likewise with the interim interest, the consultant's administrative charges and the Pilot's honoraria.

Recommendation No. 3: Mention in the cost control all the available amounts and ensure that their use complies with the definition given. Each request for these amounts must be duly documented.

CONCLUSION

The approval, by the Member States in December 2008, of the revised financial envelope for the new construction project and the funding not yet covered has not only allowed the financial situation of the project to be put in order but has also strengthened the powers of the Construction Committee. As of now, the Committee has available, through the provision for "Miscellaneous and unforeseen", greater autonomy which facilitates its decision-making processes that are essential to the progress of the project. Furthermore, the organizational structure of the project appears to be appropriate and allows the project to be managed effectively. It should, however, be ensured also that the tasks performed by the Internal Team Coordinator, linked to the financial monitoring of the project and to its coordination within the WIPO Secretariat, are guaranteed until the end of the work. The Construction Committee has, moreover, maintained a high level of risk in this regard.

Although half of the financial volume concerning the new construction has been spent to date, without directly affecting the provision, a certain caution remains appropriate as to the use of the provision. It is probable that the work done on the finishings and internal fittings, which is more complex in its implementation, places greater calls on this provision, it being understood that it must in no case be used to cover needs which would not be part of the financial envelope approved by the Member States. Furthermore, as I have mentioned in my previous reports, this provision must be used only to cover exceptional and unforeseen expenditures. It is, moreover, this use which is normally reserved when a provision of this kind is put in place. It also corresponds to the definition which the Pilot had given and which I have adopted in my reports. Finally, only observance of this consistency in the use of the provisions available is able to guarantee complete transparency in the financial management of the project.

(signed)
K. Grüter
Director, SWISS FEDERAL AUDIT OFFICE
(External Auditor)

Annexes:

1. Documentation submitted
2. Project financial envelope
3. Funding sources
4. Revised project updates

Annex No. 1 to 1.9045.944.00330.02
**Documentation submitted by WIPO:
June 9, 17 and 22, and July 1, 2009**

1. Charter for the new WIPO construction project, version v.08 of March 2, 2009.

Construction Committee

2. Construction Committee Reports including Report of the Pilot to the Construction Committee:
 - No. 6 of June 23, 2008
 - No. 7 of July 17, 2008
 - No. 8 of September 8, 2008
 - No. 9 of October 27, 2008
 - No. 10 of October 29, 2008
 - No. 11 of November 25, 2008
 - No. 12 of December 19, 2008 with memorandum of decisions (dated December 23, 2008)
 - No. 1 of January 20, 2009 with memorandum of decisions (dated January 23, 2009)
 - No. 2 of February 20 and 27, 2009 with memorandum of decisions (dated February 20, 2009)
 - No. 3 of March 11, 2009 with memorandum of decisions (dated March 11, 2009)
 - No. 4 of April 7, 2009 with memorandum of decisions (dated April 9, 2009)
 - No. 5 of April 23, 2009 with memorandum of decisions (dated April 27, 2009)
 - No. 6 of May 15, 2009 with memorandum of decisions (dated May 18, 2009)
 - No. 7 of June 3, 2009 is still in preparation and the memorandum of decisions dated June 8, 2009 has been submitted.

Audit Committee

3. Periodical report on the new construction submitted to the tenth session of the Audit Committee from October 6 to 9, 2008 by the Construction Committee (WO/AC/10).
4. Periodical report on the new construction submitted to the eleventh session of the Audit Committee from December 1 to 4, 2008 by the Construction Committee (WO/AC/11).
5. Periodical report on the new construction submitted to the twelfth session of the Audit Committee from March 23 to 26, 2009 by the Construction Committee (WO/AC/12).

Including "Organization and Timetable for Meeting on Project Management and Execution, Monitoring of Performance through KPIs and English Translation of Annex 2 to External Auditor's Report (October 2008)".

6. Periodical report on the new construction submitted to the thirteenth session of the Audit Committee from June 8 to 11, 2009 by the Construction Committee (WO/AC/13) Including "Cashflow Projection for the Total Duration of the New Construction Project (1998-2012)".
7. Report of the Audit Committee from December 1 to 4, 2008 (WO/AC/11/2).
8. Report of the Audit Committee from March 23 to 26, 2008 (WO/AC/12/2).

Program and Budget Committee

9. Program and Budget Committee, thirteenth session of December 10 and 11, 2008, Progress Report on the New Construction Project prepared by the WIPO Secretariat (WO/PBC/13/5).
10. Program and Budget Committee, thirteenth session on December 10 and 11, 2008, Proposal to Upgrade the Safety and Security Standards for the Existing WIPO Buildings (WO/PBC/13/6(a)).
11. Updated and Consolidated Budget and Financing for the New Construction Project (WO/PBC/13/6(b)).

12. Proposal for a New Conference Hall (WO/PBC/13/6(c)).
13. New Construction Project: "Evaluation Report of the External Auditor on the New Administrative Building and Additional Storage Construction Project – Follow-Up to the 2007 Audit" (WO/PBC/13/8).
14. Report of the Program and Budget Committee of December 10 and 11, 2008 (WO/PBC/13/10), paras. 15 to 17, 104 to 107, 119 to 129 and 130 to 142.
15. Informal Session of the Program and Budget Committee from July 20 to 22, 2009, Progress Report on the New Construction Projects (WO/PBC/IM/1/09/5).

WIPO General Assembly

16. General Assembly, thirty-sixth session (eighteenth extraordinary session) from September 22 to 30, 2008 (WO/GA/36/6), Progress Report on the New Construction Project, document prepared by the WIPO Secretariat.

Assembly of Member States

16. Forty-sixth series of meetings, December 12, 2008, Progress Report on the New Construction Project, document prepared by the Secretariat (A/46/5).
17. Forty-sixth series of meetings, December 12, 2008, Updated and Consolidated Budget and Financing for the New Construction Project, document prepared by the Secretariat (A/46/6(b)).
18. Forty-sixth series of meetings, December 12, 2008, Proposal for a New Conference Hall, document prepared by the Secretariat (A/46/6(c)).
19. Forty-sixth series of meetings, December 12, 2008, Evaluation Report of the External Auditor on the New Administrative Building and Additional Storage Construction Project, Follow-Up to the 2007 Audit (A/46/7).
20. Forty-sixth series of meetings, December 12, 2008, General Report adopted by the Assemblies (A/46/12).

Risk Register

21. WIPO Risk Register, updates:
 - No. 10 of July 31, 2008,
 - No. 11 of August 31, 2008,
 - No. 12 of September 30, 2008,
 - No. 13 of November 30, 2008,
 - No. 14 of January 31, 2009,
 - No. 15 of February 28, 2009,
 - No. 16 of March 31, 2009,
 - No. 17 of April 30, 2009.
22. Pilot Risk Register, updates:
 - of June 30, 2008,
 - July 31 2008,
 - August 31, 2008,
 - September 30, 2008,
 - October 31, 2008,
 - November 30, 2008,
 - January 31, 2009,
 - February 28, 2009,
 - March 31, 2009,
 - April 30, 2009.

OMPI - NOUVELLE CONSTRUCTION et NOUVELLE SALLE DE CONFERENCES

ANNEXE 2

TABLEAU BUDGET ET COÛTS REVISES

NOUVELLE CONSTRUCTION						PROJET SALLE DE CONFERENCE	
CFC DESCRIPTION	Enveloppe financière révisée 2008	Enveloppe financière APPROUVEE	Enveloppe financière révisée 2009	Montants payés 2008	Montants payés 2009	Enveloppe financière APPROUVEE	Montants payés 2009
Date: 17.08.2009							
Date contrôle des coûts OMPI	24.01.2008		31.12.2008				
Contrôle des coûts OMPI mis à jour le	14.07.2008		05.06.2009				
Situation des paiements OMPI au				30.06.2008	31.05.2009		31.05.2009
Date du rapport d'audit	30.07.2008		17.08.2009				
Approbation des Etats membres		12.12.2008				12.12.2008	
COÛTS DE CONSTRUCTION (CFC 1 à 5)				26'993'540	57'295'612		
Coûts de construction travaux préparatoires	1'228'988	1'228'988	1'228'988	1'228'988			
Coûts de construction bâtiment	108'344'545	108'344'545	108'344'545	25'764'552			
Complément budget pour façades	inclus	inclus	inclus				
Renchérisssement 2003 -2009	inclus	inclus	inclus				
Mesures de sécurité additionnelles- Renforcement des façades	2'500'000	2'500'000	2'500'000				
Permis de construire sup.: Police du feu, exigence sup.	154'805	154'805	154'805				
Total intermédiaire coûts de construction bâtiment	110'999'350	110'999'350	110'999'350				
Garanties financières supl.(bid bond)	40'000	40'000	40'000				
Garanties financières supl. (performance bond)	1'000'000	1'000'000	1'000'000				
Garanties financières supl. (penalties for delays)	1'000'000	1'000'000	1'000'000				
Garanties financières supl. (all inclusive fixed price)	3'500'000	3'500'000	3'500'000				
Total garanties financières	5'540'000	5'540'000	5'540'000				
Total coûts de construction bâtiment	116'539'350	116'539'350	116'539'350				
TOTAL CONSTRUCTION	117'768'338	117'768'338	117'768'338	26'993'540	57'295'612		
FRAIS MAITRE D'OUVRAGE (CFC 1, 2, 3, 4, 5, 9)	27'974'305	27'974'305	27'974'305	12'257'162	15'198'743	4'200'000	748'500
1 Travaux préparatoires	305'356	305'356	305'356	90'389	90'389		
2 Bâtiment	872'000	872'000	872'000				
3 Equipements d'exploitation	2'021'200	2'021'200	1'841'200				
Installations électriques	1'538'200	1'538'200	1'358'200				
33 Fourniture central téléphonique et terminaux	768'200	768'200	0				
33 Centre informatique (sans éléments actifs)	643'000	643'000	643'000				
33 Aménagement rez et 4 ^e sous-sol	127'000	127'000					
Aménagement 4 ^e sous-sol			27'000				
Aménagement rez			100'000				
IP Téléphonie (budget central TT)			588'200				
34 Chauffage, ventilation, air conditionné	350'000	350'000	350'000				
35 Installations sanitaires	30'000	30'000	30'000				
36 Aménagements intérieurs 1	103'000	103'000	103'000				
4 Aménagements extérieurs	19'819	19'819	19'819	7'555	7'555		
5 Frais secondaires	24'225'930	24'225'930	24'405'930	12'159'219	15'100'799		
51 Autorisations, taxes	1'459'426	1'459'426	1'459'426	670'356	670'656		
52 Echantillons, reproductions, maquettes	1'427'219	1'427'219	1'427'219	321'745	492'624	280'000	36'315
53 Assurances	39'470	39'470	39'470	29'400	29'400		

WO/PBC/15/13
APPENDIX

56	Autres frais	993'708						
59	Honoraires	20'306'107	993'708	993'708	483'026	492'046		
590	Honoraires		20'306'107	20'486'107	10'654'691	13'416'073		
	<i>Architecte</i>	9'296'000	9'296'000	9'142'223		7'032'948		
	<i>Sous-traitants architecte</i>	2'559'310	2'559'310	2'531'624		2'026'890		
	<i>Ingénieurs civils</i>	3'149'530	3'149'530	3'123'074		1'617'933		
	<i>Ingénieurs électricité</i>	1'630'800	1'630'800	1'567'897		959'649		
	<i>Ingénieurs CVC</i>	1'076'700	1'076'700	1'121'573		676'573		
	<i>Ingénieur sanitaire</i>	637'209	637'209	627'500		435'500		
	<i>Honoraires géomètre</i>	30'000	30'000	30'000				
	<i>Planification circulation</i>	26'404	26'404	26'403		26'403		
	<i>Gestion déchets chantier</i>	7'020	7'020	7'020		7'020		
	<i>Analyses pins</i>	2'500	2'500	2'500		2'500		
	<i>Honoraires modifications de projet</i>	1'346'577	1'346'577	1'762'236				
	<i>Honoraires complémentaires divers</i>	846'577	846'577	628'700				
	<i>Honoraires travaux complémentaires MO</i>	500'000	500'000					
	<i>Data center</i>			659'536		145'600		
	<i>Aménagement niveau-4</i>			214'000				
	<i>Aménagements rez salles de cours</i>			80'000				
	<i>IP Téléphonie</i>			180'000		21'000		
	Divers honoraires							
	Audit	544'057	544'057	544'057		464'057		
	Consultant Management externe	0	0	0				
9	Ameublements	530'000	530'000	530'000				
	Renchérissement 2003 -2009	inclus ds positions	inclus ds positions	inclus ds positions				
	Réserve "Divers et imprévus"	7'886'260	voir dans budget complémentaire	voir dans budget complémentaire				
	TOTAL MAITRE D'OUVRAGE	35'860'565	27'974'305	27'974'305	12'257'162	15'198'743	4'200'000	748'500
	TOTAL CONSTRUCTION ET MAITRE D'OUVRAGE	153'628'903	145'742'643	145'742'643	39'250'703	72'494'355	4'200'000	748'500

AUTRES FRAIS MAITRE D'OUVRAGE

580	Mesures de sécurité additionnelles	3'500'000	voir dans budget complémentaire	voir dans budget complémentaire				
1	Périphérie (cloture du site)	1'500'000						
2	Façades extérieures et atriums	0						
	Renforcement des façades	voir ds position coûts de construction						
3	Equipements intérieurs	500'000						
4	Honoraires mandataires	500'000						
5	Divers	1'000'000						
	TOTAL avec SECURITE ADDITIONNELLE	157'128'903	145'742'643	145'742'643	39'250'703	72'494'355		

BUDGET COMPLEMENTAIRE

881	Provisions, réserve		16'000'000	16'000'000		5'700		
	Provision pour modifications pendant l'exécution		8'113'740	8'113'740				
	Data center (montants complémentaires)		2'524'713	2'524'713				
	Travaux		2'524'713	2'524'713				
	Honoraires mandataires		prévus dans CFC 59	prévus dans CFC 59				
	Mesures additionnelles de sécurité		4'456'500	4'456'500				
	Travaux		3'713'750	3'713'750				
1	Périphérie (cloture du site)		2'694'250	2'694'250				

WO/PBC/15/13
APPENDIX

	Renforcement des façades
2	
3	Equipements intérieurs
4	Honoraires mandataires
5	Divers
Aménagement niveau -4 (montants complémentaires)	
	Travaux
	Honoraires mandataires
883	Provision pour divers et imprévus
Aménagement niveau -4 (montants complémentaires)	

voir ds position coûts de construction
1'019'500
742'750
1'132'527
1'132'527
prévus dans CFC 59
7'886'260
7'227'913
658'347

voir ds position coûts de construction
1'019'500
742'750
1'132'527
1'132'527
prévus dans CFC 59
7'886'260
7'227'913
658'347

	5'700

TOTAL avec BUDGET COMPLEMENTAIRE 157'128'903

161'742'643

161'742'643

39'250'703 72'500'055

Programme et budget 2006-2010		10'781'000
54	Intérêts intercalaires durant la construction (26 mois) pour un emprunt de 113'580'000 CHF au taux de 2.7%	
54	Intérêts intercalaires durant 26 mois (2008-2009-2010) pour un emprunt de 113'580'000 CHF au taux de 4.5%	6'891'000
	Intérêts intercalaires durant 22 mois pour un emprunt de 113'580'000 CHF au taux de 3.0725%	
55	Frais administratifs du Maître d'ouvrage (salaires consultants)	1'440'000
56	Prestations du Pilote: honoraires et frais	2'450'000
	frais	100'000
	honoraires	2'350'000

7'507'000
3'303'000
1'604'000
2'600'000

1'787'122	2'711'757
40'000	215'325
1'058'767	1'201'717
	1'294'715
	46'465
688'355	1'248'250

TOTAL avec PROGRAMME ET BUDGET 06-10 167'909'903

169'249'643

41'037'825 75'211'812

0	Terrain: achat parcelle (1998)	13'554'124
01	Acquisition terrain et frais	13'554'124

13'554'124
13'554'124

13'554'125	13'554'125
13'554'125	

TOTAL avec TERRAIN 181'464'027

182'803'767

54'591'949 88'765'937

5	Frais de concours (1999)	1'693'788
50	Frais de concours	1'693'788

1'693'788
1'693'788

1'693'789	1'693'789
1'693'789	

TOTAL avec CONCOURS 183'157'815

184'497'555

56'285'738 90'459'726

Coûts perdus liés au projet initial (2000-2004)		10'584'141
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10'584'141

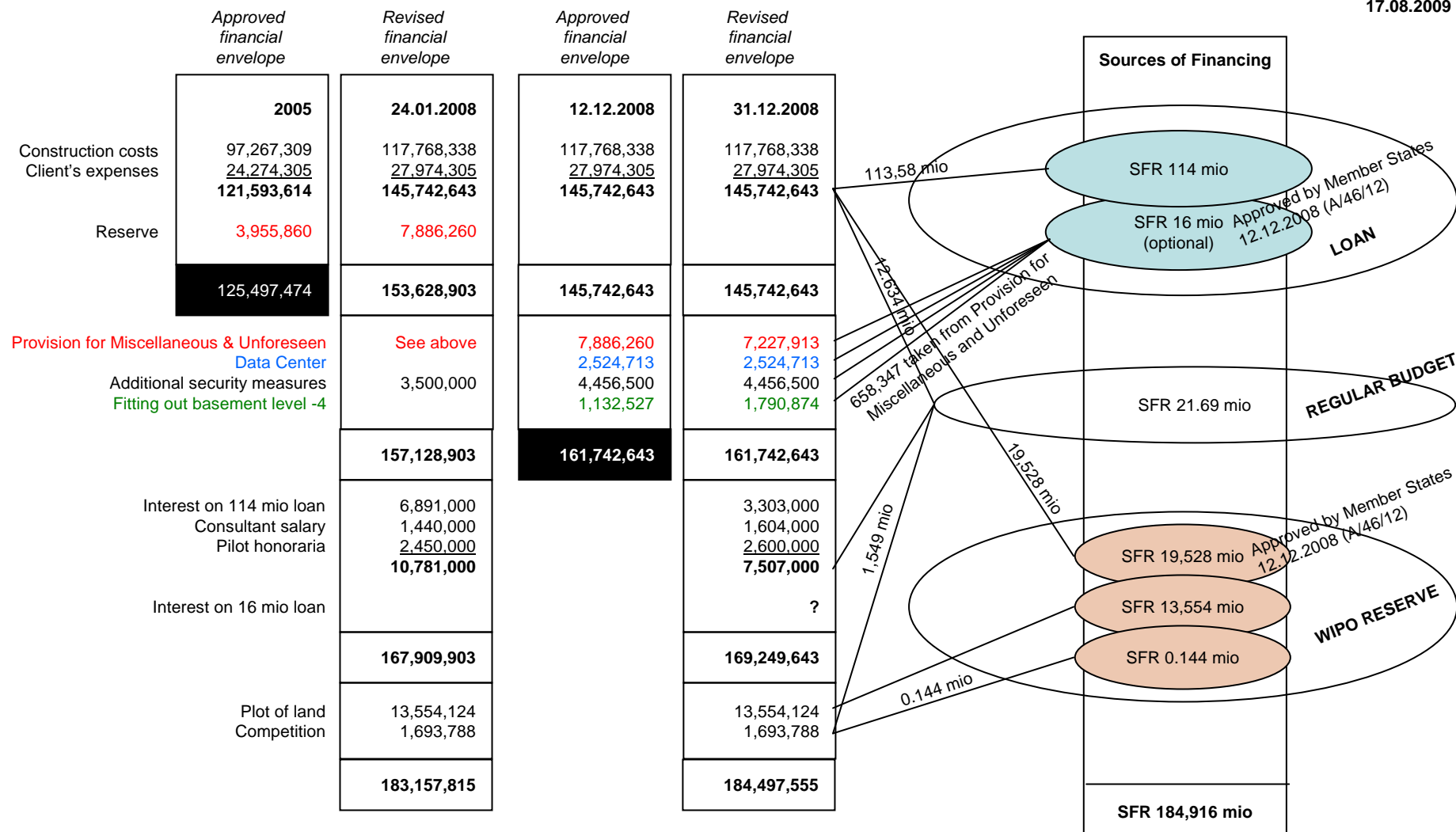
10'584'142	10'584'142
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TOTAL avec COUTS PROJET INITIAL 193'741'956

195'081'696

66'869'880 101'043'868

	Montants déjà intégrés dans le budget ci-dessus	Montants non budgétés
Data center (CFC 2 et 3)	1'268'000	1'044'000
Aménagement salles de formation rez-de-chaussée et aménagement niveau -4	726'000	
Aménagement niveau -4		2'650'000
Central téléphonique	768'200	
TOTAL	2'762'200	3'694'000



Non-budgeted amounts as on 24.01.2008 (see § 47 of report n° 8032)

Data Center 1,044,000
Construction basement level -4 2,650,000

Available in Revised financial envelope 31.12.2008 0.419 mio (see § 38 of report n° 9045)

Lost costs 10,584,141

Lost costs 10.584 mio

Revised project update (budget and cost estimate)

	2008			2009		
	Amounts incorporated in revised financial envelope	Amounts outside revised financial envelope		Amounts incorporated in revised financial envelope	Amounts outside revised financial envelope	Provision for Miscellaneous and Unforeseen
New building						
Data Center	1'268'000	1'044'000	<i>incl. honoraria</i>	1'685'536	2'524'713	
<i>Preliminary studies/honoraria</i>	242'000			659'536		
<i>Electrical installations</i>						
<i>Heating, ventilation and air-conditioning installations</i>	1'026'000			1'026'000		
<i>Sanitation installations</i>						
<i>Internal fixtures and fittings</i>						
Fitting-out of training rooms on ground floor	726'000			400'000		
Fixtures and fittings level -4		2'650'000	<i>incl. honoraria</i>	<i>Honoraria</i> 80'000		
Telephone switchboard	768'200			<i>Honoraria</i> 326'000	1'132'527	658'347
				<i>Honoraria</i> 214'000		
				<i>Honoraria</i> 588'200		
				<i>Honoraria</i> 180'000		
	2'762'200	3'694'000		3'473'736	3'657'240	658'347
Additional security measures	3'500'000			3'500'000	956'500	
AB building						
<i>Extension of ground floor lobby (including honoraria)</i>		1'500'000				Included in New Conference Hall Project
<i>Fitting-out of Information Center in lobby</i>		200'000				
<i>Fitting-out of meeting rooms on mezzanine</i>		400'000				
<i>Fitting-out of meeting room for 100 people level -1 (including unloading dock)</i>		4'000'000				
<i>Vertical connection/lift, staircase -1 to mezzanine</i>		800'000				
<i>Fitting-out of fitness rooms</i>		400'000				
		7'300'000				
		10'994'000				

[End of Appendix and of document]

[End of Attachment and of document]