

APPENDIX

**ENGLISH TRANSLATION OF LETTER
PREPARED BY WIPO**

Director General
World Intellectual Property Organization (WIPO)
34, chemin des Colombettes
1211 Geneva 20

Date: October 28, 2008

Our reference: 1.8032.944.00330.03
nede/glo

**Interim audit of the new administrative building and additional storage
construction project of the World Intellectual Property Organization
Follow-up to the 2007 audit**

Dear Director General,

Following the latest interviews with your colleagues, I have the pleasure to enclose herewith the interim audit report for the aforementioned project, dated July 30, 2008.

Yours faithfully,

(signed)

K. Grüter
Director
SWISS FEDERAL AUDIT OFFICE

(External Auditor)

Annexes: Report

ENGLISH TRANSLATION PREPARED BY WIPO

**WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA**

**INTERIM AUDIT
of the new administrative building and additional storage
construction project – follow-up to the 2007 audit**

**Report by the External Auditor
to the General Assembly**

*Reg. No. 1.8032.944.00330.02
nede/rede*

July 30, 2008

GENERAL

Mandate

1. At the thirty-ninth series of meetings, held in Geneva from September 22 to October 1, 2003, the General Assembly of the World Intellectual Property Organization (WIPO) and the Assemblies of the Paris, Berne, Madrid, Hague, Nice, Lisbon, Locarno, IPC, PCT and Vienna Unions renewed the Swiss Government's mandate as Auditor of the accounts of WIPO and the Unions administered by WIPO, and of the accounts for the technical assistance projects carried out by the Organization up to and including 2007 (paragraph 197 of document A/39/15).
2. The Government of the Swiss Confederation mandated me, as Director of the Federal Audit Office, to audit the accounts of WIPO and the Unions mentioned above. I entrusted a qualified colleague from the Federal Audit Office with the task of carrying out, at the headquarters of the International Bureau in Geneva, an interim audit of the new administrative building and additional storage construction project. This audit was conducted from July 7 to 30, 2008.
3. My terms of reference are specified in Article 6.2 of the WIPO Financial Regulations and defined by the Terms of Reference Governing Audit annexed to those Regulations.

Subject of the audit

4. In my previous report,¹ I noted that “*WIPO was now in a favorable position to launch the new construction project and that the project was advancing normally as regards the planning and Request for Proposals phases for a general contractor and project financing company*”. On the basis of the tasks which had been carried out by the WIPO Secretariat in November 2006 and May 2007, I had, however, put forward a number of recommendations in relation to:
 - a replacement for the key functions linked to the Internal Project Monitoring Team,
 - rapid decision-making,
 - risk management,
 - needs analysis,
 - the establishment of a reserve for “Miscellaneous and unforeseen” and
 - controlling and reporting of project costs.

¹ See report No.7073.944.00330.02, paragraph 64.

5. This audit provides not only an update on the tasks which have been carried out since my last audit, but also on the implementation of my previous recommendations. The updating of the needs of the revised project and the Request for Proposals procedure to select a general contractor have also been analyzed. Insofar as the Request for Proposals provided an update of the project's financial envelope, the controlling and reporting mechanisms for project costs, introduced both by the Internal Project Monitoring Team and by the Finance Department as well as the Pilot, have been studied. Finally, particular attention has been devoted to the new invoice settlement process.

Information and documents

6. I am grateful for the obliging manner in which information and documents were supplied by all the WIPO staff whom we approached. In the course of the auditing work, my colleagues had regular discussions with Ms. Boutillon, Director-Advisor and Secretary of the Construction Committee, Mr. Favatier, Director of the Finance Department, and his colleague, Mr. Vitry, of the Expenditures Section, Mr. Favero, Consultant and Coordinator of the Internal Project Monitoring Team, Buildings Division, and Mr. Fehr and Mr. Borer of the company Burckhardt+Partner SA, Project Pilot, Director General of the Project and Worksite Director respectively. Mr. Efendioglu, from the Internal Audit, was also consulted.

AUDIT AND FINDINGS

General

7. The audit contained in this report is based not only on various discussions with WIPO staff and the Project Pilot, but also on the documentation prepared by the Secretariat of the Construction Committee, submitted at the beginning of the audit².

Documentation (see Annex 1)

8. The documentation submitted by the Secretariat of the Construction Committee provides an overview of all the tasks which have been carried out. Furthermore, the systematic production of minutes of meetings enables me to confirm that the organization of the project defined in the Charter is appropriate and is functioning properly. Thus, to the 18 Construction Committee meetings dealing with all matters relating to the planning and implementation of the new construction since May 2007, should be added four sessions during which periodical reports on the new construction were presented by the Construction Committee to the Audit Committee, as well as the sessions of the Program and Budget Committee of June 2007 and the General Assemblies of September 2007. The reports of the Construction Committee have directly incorporated the monthly reports of the Pilot and of the General Contractor since May 2008. The tasks with their status, actions in progress and those already performed, are listed in an annex thereto.

² See Annex 1.

9. A reading of these documents reveals the following:

- the update of the Charter, Version No. 7 of May 5, 2008;
- the signing of the contract with the General Contractor on February 8, 2008, i.e. two months after the deadline mentioned in the previous versions of the Charter³. Additional procedures and the postponement of the launch of the first preselection procedure are the reasons for the delay⁴. The delay of four weeks already noted in my previous report⁵ has not therefore been reduced. At the date of the audit, the worksite has also been delayed by four weeks in relation to the program, owing to late delivery of equipment. The General Contractor hopes to be able to make up the delay during the forthcoming stages of the construction;
- the opening of the new construction worksite on April 7, 2008, i.e. a delay of two months on the initial program. The construction period has increased from 26 to 30 months and should therefore be completed in October 2010;
- the signing of the contract concerning the financing of the new construction with a syndicate of banks, on February 8, 2008;
- the update of the Pilot and Construction Committee risk register;
- obtaining the additional building permit, dated June 22, 2007;
- the thirty-fourth session of the WIPO General Assembly (eighteenth ordinary session), from September 24 to October 3, 2007, a meeting during which the Member States noted the progress report on the new construction project⁶ submitted to the session of the Program and Budget Committee held from September 11 to 13, 2007⁷;
- the approval by the Construction Committee of studies concerning the future Data Center at a cost of SFR242,000, dated November 27, 2007;
- the introduction, on the recommendation of the Pilot and approval of the Construction Committee, on February 27, 2008, of an electronic platform for exchange of documents between the agents;
- the introduction of a new procedure linked to expenditure related to the new construction, dated April 18, 2008;
- the drafting of a decision-making schedule by the Pilot, dated May 16, 2008, with eight main subjects:
 - September 2008, decision concerning level -4 (storage or car park) and the Data Center;
 - February 2009, approval of the facades and windows of the atriums;
 - April 2009, choice to be made concerning the expansion of the lobby and the conversion of the basement in the AB building;
 - May/June 2009, approval concerning the telephone system and internal fixtures and fittings (floors, office);
- submission to the meeting of the Construction Committee of June 2008 of a proposal for use of premises:
 - new construction, fitting-out of classrooms on the ground floor and use of the fourth basement as storage premises;
 - main building (AB), fitting-out of meeting rooms on the mezzanine and in the basement, vertical connections, fitness room with changing rooms in the basement and expansion of the entrance hall and incorporation of the Data Center.

³ See Charter No. 4 of March 8, 2007.

⁴ See paragraph 51 of Charter No. 7 of May 5, 2008.

⁵ See Report No. 7073.944.00330.02, paragraph 10.

⁶ See WIPO doc. WO/GA/34/11.

⁷ See WIPO doc. WO/PBC/12/7

WIPO General Assemblies

10. The report⁸ produced by the WIPO Secretariat and submitted to the General Assemblies in September 2007 provides details of the schedule and progress of the project, Requests for Proposals in progress (General Contractor and financing companies), the planned financing and the estimated project cost of SFR138.6 million instead of SFR125.5 million, according to the last financial envelope approved by the Member States in October 2005 (see Annex 2).
11. As a reminder and in detail, the examination of the project costs presented by my colleague in December 2006⁹ specified that given an increase of SFR7 million, a reduction in the reserve of SFR3 million and an increase in construction costs of SFR0.3 million, the estimate of the financial envelope should be increased to SFR129.8 million¹⁰. An audit of the costs carried out by the Pilot in April 2007 considered an increase on the basis of the Geneva index of construction costs rather than on that for Zurich (SFR6.8 million) and an under-estimate on the facades of SFR2 million. Consequently, the estimate for the financial envelope should be increased to SFR138.6 million¹¹. It is the latter amount which was communicated in the report submitted to the WIPO General Assemblies in September 2007. This report also mentions the increase in the project reserve. In my previous report¹², based on the project study by the Pilot, I had strongly recommended that the reserve for "Miscellaneous and unforeseen" be increased to a level of five per cent of the budgetary envelope. This reserve should therefore be increased from SFR0.9 million to SFR7.8 million. The estimate for the new construction financial envelope is therefore SFR145.5 million¹³.
12. The update for the security of WIPO premises based on the new guidelines for the United Nations system (UN H-MOSS¹⁴) would obviously generate additional costs for the new construction, estimated at SFR3.5 million (see Annex 2). The investment to be made to make the existing buildings secure would increase, also according to an estimate, to SFR9.3 million¹⁵. These issues have not yet, however, been examined either by the Construction Committee or by the Director General.
13. The sum of SFR9.3 million could be financed by means of reserves available to WIPO. Although it has been planned to finance the additional security costs for the new construction by means of a bank loan¹⁶, a principle already approved by the Member States in October 2005, the progress of this case depends on approval by the Member States for the whole of the security concept. Four other investment projects are also linked to the use of the reserves available to WIPO, including an initial payment as part of the new construction project¹⁷. At the date of this audit (July 2008), the WIPO Secretariat had proposed reducing the amount of the loan by financing part of the cost of the new construction with the reserve funds¹⁸. The Member States had been invited to envisage the possibility of allocating a provisional sum of SFR15 million, with a view to an initial advance

⁸ See WIPO doc. WO/GA/34/11

⁹ See External Auditor's Report No. 6085.944.00330.06 of November 9, 2006 and Annex 2 to Report No. 7073.944.00330.02 of June 27, 2007.

¹⁰ SFR125.5 million + SFR7 million - SFR3 million + SFR0.3 million = SFR129.8 million.

¹¹ See paragraph 10 of doc WO/GA/34/11. SFR129.8 million + SFR6.8 million + SFR2 million = SFR138.6 million.

¹² See Recommendation No. 4 of the External Auditor's Report No. 7073.944.00330.02 of June 27, 2007.

¹³ SFR138.6 million + SFR6.9 million = SFR145.5 million

¹⁴ Minimum operating security standards at UN headquarters

¹⁵ See doc. WO/PBC/11/10, paragraph 14.

¹⁶ See docs. WO/PBC/11/12, paragraph 22, and WO/PBC/11/10, paragraph 15.

¹⁷ See doc. WO/PBC/12/4, paragraph 2.

¹⁸ See doc. WO/PBC/12/4(b), paragraph 3.

of funds to pay for the new construction¹⁹. Following his appointment, it will be the responsibility of the new Director General to define his strategy in this regard.

14. At its thirty-fourth session (eighteenth ordinary session) in September 2007, the WIPO General Assembly did not discuss issues related to the revised budget for the 2006-2007 biennium and the Program and Budget for the 2008-2009 biennium. The revised budget for 2006-2007 and all related files should not, pending approval, be submitted to the Member States before the end of 2008, owing to an already heavy agenda for the meeting to be held in September 2008. Only the program and budget for 2008-2009, which will cover mainly interest on the bank loan and the Pilot's costs, has already been accepted during the meeting of the WIPO Member States held in March 2008. The validation of the new budgetary envelope, taking into account the increase since 2005, the award of the work and the financing conditions granted by the syndicate of banks, the update of the project reserve and the incorporation of security measures, is also awaiting approval.
15. The project Pilot and the Internal Project Monitoring Team have already incorporated certain measures linked to security in the terms of reference of the Request for Proposals for the General Contractor. This relates to strengthening the glass in the windows on the first two levels of the new building and the creation of a concrete wall to the north-west of the building for SFR2.5 million (see Annex 2). At the Pilot's request, the Construction Committee has also authorized studies to be undertaken concerning firstly the implementation of additional security measures (UN H-MOSS)²⁰ and, secondly, the incorporation of the Data Center in the new construction²¹. If they are approved by the Member States, the advance production of these studies, insofar as they directly influence the project planning in progress, will undoubtedly allow additional costs to be avoided when the work is carried out.

Pilot

16. The study of the documentation submitted also provides an understanding of the importance of the Pilot's function in the organization of the project, not only to inform the Construction and Audit Committees as to the progress of the project, but also to advise them on the decisions to be taken and to coordinate project planning, at more technical and operational sessions with the Internal Project Monitoring Team, the group of agents and the General Contractor. The steps taken to date have allowed a number of decisions to be anticipated in support of implementation and the project financial envelope respectively.

Electronic document exchange platform

17. The introduction of an electronic platform for exchange of information between the agents was approved by the Construction Committee in February 2008, on a recommendation by the Project Pilot. The agreed expenditure of SFR70,000 should allow the budget provided for reproductions and the Pilot's costs to be reduced by at least as much.

Risk register

Internal organization and replacement

18. In my previous report I had mentioned "*the importance of making rapid decisions with regard to both the project organization and terms of reference and its deadlines and costs*"²². The coverage of these risks had been the subject of two recommendations in my previous report, the first of

¹⁹ See doc. WO/PBC/11/10, paragraph 21.

²⁰ See Construction Committee Report No. 8 of April 30, paragraph 30, SFR70,000.

²¹ See Construction Committee Report No. 15 of November 27, 2007, paragraph 18, SFR242,000.

²² See External Auditor's Report No. 7073.944.00330.02, paragraphs 13 to 22.

which was based on a distribution of competences taking into account the replacements to be used and, for the second, in the production of a decision-making schedule for the Construction Committee. Although a decision-making schedule has been produced by the Pilot with eight main subjects, a replacement for the key posts in the project has not been introduced. The strengthening of the Internal Project Monitoring Team with a permanent member of the Buildings Division and representatives of the IT Division, the Safety and Security Coordination Service and the Conference Services should not be understood as a measure to support the Internal Team Coordinator. However, although considered high in the WIPO register, this risk has not yet been the subject of any particular measure. It appears obvious that a solution should be sought within the WIPO Secretariat, and more particularly in the Buildings Division with regard to a replacement Coordinator. In order to ensure, where necessary, the continuity of internal project management, the replacement should obviously have sufficient resources available.

Decision-making

19. I had also raised in my previous report a significant risk of stalemate if decisions could not be taken within the deadlines²³. It is indeed to avoid repercussions for the project implementation phase that the Construction Committee was obliged to anticipate committing two study loans for the planning of security and the Data Center, given that the Member States had not taken a decision in September 2007. Despite the existence of a high risk in the Construction Committee register, this matter has still not been the subject of corrective measures.
20. In his reports of December 2007 and July 2008, the Internal Auditor also raised the risk linked to decision-making. As discussed in the above paragraph, the lack of decisions taken by the General Assembly has already led those responsible in the Secretariat to be obliged to introduce corrective measures concerning project planning. If decisions to be taken were further postponed in relation to the decision-making schedule put in place, the repercussions for project costs could be significant.
21. The increase in the reserve for “Miscellaneous and unforeseen” entered in the financial envelope for the project, which would increase from SFR0.9 million, or SFR3.8 million if the financial envelope approved in 2005 were considered, to SFR7.8 million, as I suggested in my previous report, would have the benefit of strengthening the financial capacity of the Construction Committee. The Committee could thus manage all the decisions taken more effectively and more quickly.
22. It will not always be possible to anticipate requests so as to have sufficient time to deal with them, as has been the case for the measures referred to above²⁴. For this reason, the entry of a reserve for “Miscellaneous and unforeseen” in the project financial envelope is essential so as not to prejudice the decisions to be taken, which are essential for the progress of the project.

Recommendation No 1: Provide a replacement for the key project functions and include a reserve for “Miscellaneous and unforeseen” in the project financial envelope so as not to prejudice the decisions to be taken, which are essential for the progress of the project²⁵. Furthermore, the Secretariat should submit to the Member States as quickly as possible the revised financial envelope for the new administrative building construction project.

²³ See External Auditor's Report No. 7073.944.00330.02, paragraph 17, Recommendation No. 2.

²⁴ See External Auditor's Report No. 7073.944.00330.02, paragraph 19.

²⁵ See Recommendations Nos. 1, 2 and 4 in my previous report.

Revised project update

23. Recommendation No. 3 in my previous report requested WIPO to identify precisely all its needs relating to the new construction, before the signing of the contract with the General Contractor at a fixed price. The use of lake water as a cooling system for the building, the geotechnical studies and also the modification of the facades have been included in the Request for Proposals for the General Contractor.
24. Concerning the modification of the facades, the architect proposed the introduction of a continuous uniform base on the ground floor and first floor of the building. This architectural option has no impact on the internal flexibility of the premises. Moreover, according to the Internal Team Coordinator, it represents a deduction of SFR0.23 million on the cost of the facades. By contrast, the architect also proposed the incorporation of folding openings in the facades on the atriums. This modification, which was incorporated in the contract with the General Contractor, gives rise to an increase in the price of SFR0.25 million. On the whole, it may be noted that the implementation of these two modifications does not give rise to significant additional costs.
25. In June 2008, the Internal Project Team submitted to the Construction Committee a file with proposals for use of the premises in the new construction and for modifications to the existing AB building. These proposals were accompanied by summary estimates of the costs.
26. Two options were included in the Request for Proposals concerning fixtures and fittings in the existing building. These relate to the expansion of the existing hall and the conversion of the first and second basements in relation to the area of the existing delivery dock. This work had been estimated at SFR1.9 million²⁶. The proposed price for the work was SFR1.7 million, by the General Contractor (SFR1.3 million for the expansion of the hall and SFR0.4 million for the unloading dock).
27. Insofar as these proposals for fitting-out were included in the planning in progress (options in the Request for Proposals, amounts partly incorporated in the revised financial envelope and studies produced in advance by the Construction Committee), this has been taken into account in the audit. The Construction Committee has not yet, however, taken a decision concerning these proposals. The date of April 2009, indicated in the decision-making schedule, is therefore still uncertain. The identification of the needs established by the Internal Team corresponds fully to the recommendation made in my previous report.

Proposals for fitting-out in the AB building (see Annex 5)

28. The new building includes a total of 560 work spaces, i.e. 1,113 office modules. It is planned to occupy 473 work spaces or 949 modules. There is a resulting balance of 164 modules, representing, according to the WIPO standard, 82 work spaces. The internal team has therefore proposed transferring 18 people (44 office modules) from the mezzanine of the existing AB building to the new building in order to create and have available meeting rooms. There remain about 120 office modules for around 60 people, currently in reserve in the new building. The fitting-out of the mezzanine with meeting rooms has been estimated by the Internal Team at a cost of SFR0.4 million.
29. The fitting-out in the basement of the main building of a meeting room for about 100 people (SFR4 million) and a vertical connection with the mezzanine (SFR0.8 million) have been estimated at SFR4.8 million. This estimate takes into account the option included in the Request

²⁶ See External Auditor's Report No. 7073.944.00330.02, paragraphs 32 and 33.

for Proposals of SFR0.4 million for the unloading dock. The installation in the same basement of a fitness room with changing rooms has also been estimated at SFR0.4 million.

30. The project to enlarge the entrance hall (SFR1.3 million + SFR0.2 million in honoraria) presented as an option in the Request for Proposals has been complemented by the incorporation of the Visitors' Center. The Center is currently planned to be in the new construction. Its transfer from the entrance hall of the existing building would generate additional costs of SFR0.2 million.

Proposals for fitting-out in the new building (see Annex 5)

31. Two classrooms could be fitted out on the ground floor of the new building, in an unallocated area. A sum of SFR0.7 million is provided in the budget for the new construction.
32. Finally, the Internal Team has also studied, in relation to updating the Organization's needs, the future parking spaces which will be available. It notes a deficit of 374 parking spaces in relation to the current situation. In view of the discussions with the Geneva authorities to obtain additional authorization, it is unlikely that WIPO will be able to use the fourth basement of the new construction to provide a further 130 parking spaces. Consequently, the Internal Team proposes partitioning the fourth basement and incorporating the technical installations necessary to have storage facilities available. The new construction budget provides SFR0.3 million for the various fixtures and fittings on this level, an amount to which 2.65 million francs, unbudgeted, should also be added.
33. The system selected for telecommunications in the new building will constitute a pilot project that could be put in place throughout the Organization. If the system is incorporated in the IT network, the installation costs could be reduced. By contrast, it would be necessary to replace all the telephones. An amount of SFR0.8 million has been included in the financial envelope.

Data Center (see Annex 5)

34. Given the schedule for dispatching submission documents, it has not been possible to incorporate in the Request for Proposals the measures concerning security and the Data Center. As already pointed out, the Construction Committee has nevertheless anticipated the need for advance studies relating to security and the incorporation of a data center in order to limit the impact on the implementation of the new construction (see paragraphs below).
35. An area of 250m² has been reserved in the basement of the new building for the setting-up of a future Data Center. This Center will constitute the "Master" for WIPO and the other secondary centers will be linked to it. A budget for studies of SFR242,000 has been approved by the Construction Committee in order to begin the studies. The advance preparation of the studies will allow the planning and coordination of the work to take into account the impact that that will have on the major structural work and technical installations, in particular the cooling system which requires additional power. The result of these studies is expected at the end of July 2008 and the return of the proposals for carrying out this work for the end of September. The revised project financial envelope shows an amount of SFR1.2 million including the budget for studies. It should be complemented by an additional SFR1.05 million in order to be able to set up the Center.
36. In conclusion, the fixtures and fittings envisaged in the existing building are estimated to cost SFR7.3 million and are not included in the revised budget envelope, while those relating to the new construction (Data Center (SFR1.2 million), fitting-out of level -4 and of training rooms on the ground floor (SFR0.7 million), telephone switchboard (SFR0.8 million)) are included up to an amount of SFR2.7 million. There will, however, be a further SFR3.7 million missing, including honoraria, for the possible implementation of the latter fixtures and fittings, i.e. a total of SFR11 million for all the fixtures and fittings.

Security (see paragraphs 12 and 14)

37. As already stated, a sum of SFR2.5 million has been included in the contract for the strengthening of the facades. The Construction Committee has authorized a budget of SFR0.07 million to begin studies concerning the implementation of the additional security measures. This amount is included in the revised financial envelope.

Award of contract procedure for a general contractor

38. The selective procedure for awarding a contract to a general contractor began at the end of 2006 with an international call for expressions of interest. The qualification criteria for firms based on their financial capacity in relation to the size of the market, their general references and ability to carry out the mandate opened to bids were laid down with the assistance of the Swiss Construction Law Institute and the Pilot before participation applications were returned. Five applications were received by the WIPO Procurement and Contracts Division. The opening of applications on February 14, 2007 is duly documented. The Internal Project Monitoring Team and the Pilot each conducted an evaluation on the basis of the requisite qualification criteria. The Selection Board then preselected four firms.
39. Request for Proposals documents to the four firms preselected, mentioning the evaluation criteria (price, organization of the bidder for performing the contract, deadlines) dispatched on April 5, 2007. The method for evaluating the criteria established was last validated on July 23, 2007. The report on the opening of proposals of July 24, 2007 mentions that three firms submitted a proposal. During August and September 2007, the firms not only replied to two questionnaires, but they also submitted their proposals directly to the Internal Project Monitoring Team accompanied by the project Pilot. The Pilot and the Evaluation Team each submitted their independent evaluations on November 8, 2007. The Selection Board then requested separate negotiations to be undertaken with the two firms that had submitted the best proposals.
40. A new phase began with the dispatch of a new questionnaire, a negotiation meeting and a new opening of financial proposals on November 27, 2007. The final joint evaluation by the Pilot and the Project Evaluation Team, dated December 4, 2007, recommended the firm Implenia which appeared to be the best prepared and structured in relation to the organizational aspects specific to the worksite, mastery of operational aspects and preparatory measures with a view to the opening of the worksite. The discrepancies between the weight of the weighted criteria obtained were very small, as only two per cent separated the two proposals. The Selection Board finally selected, on December 6, 2007, the firm recommended by the joint evaluation. The firms were officially notified on December 18, 2007 and the contract was signed on February 8, 2008.
41. On December 11, 2007, WIPO also received a better proposal following a final negotiating session which had taken place one day before with WIPO. The session was, however, conducted only with the firm selected by the Selection Board.
42. This procedure does not respect the conditions of paragraph 44 of the last version of the Charter²⁷ which stipulates that negotiations will be based “*on the principle of non-discrimination*”. The paragraph refers to Article 250 of the WIPO Procurement Manual²⁸. Article 253 also specifies that the best final proposal shall be submitted on a particular date and that the best final proposal allows the price to be reduced and additional discounts to be given. The last proposals submitted

²⁷ See Charter No. 8 of May 5, 2008.

²⁸ See doc. WIPO Procurement Manual of September 3, 2007.

by both firms with which the Selection Board decided to open negotiations date from November 27, 2007. It is, moreover, on this basis that the final joint evaluation report was drawn up.

43. WIPO responded on December 18, 2007 to a letter of challenge from the firm which was excluded from the last round of negotiations that *“the decisions of the Selection Board are final and irrevocable”*.
44. The prejudice for WIPO does not relate to the amount of the proposal negotiated since an additional discount of 1.25 per cent has been obtained, but more to the lack of respect for award of contract procedures. This point had, moreover, been the subject of a recommendation in one of my previous reports²⁹. If a final negotiation had taken place at the same time with the two firms, it may be envisaged that the firm excluded could also have offered an additional discount equal to or greater than that granted by the firm selected.

Recommendation No 2: Respect the principle of *“non-discrimination”* between the bidders for forthcoming Requests for Proposals and document all phases of the procedure.

Revised financial envelope for the new construction (see Annexes 2 and 5)

45. The financial envelope for the new construction was revised in January 2008 by the Internal Project Monitoring Team and the project Pilot, following the award of the work to the General Contractor. The *“revised budget and costs table”* was produced based on the model in Annex 2 of my previous report. It contains details of the CFC positions concerning the Client’s costs. The increase calculated for 2003 to 2009 has been divided in proportion in each of these positions. The additional security measures have been reduced in terms of the elements which have already been incorporated in the project, that is, the contract with the General Contractor. Finally, the amount of financing for the loan has been updated taking into account the conditions of the contract signed with the syndicate of banks in February 2008.
46. In detail, by deducting the sum of SFR116.5 million awarded to the General Contractor, the amount of the additional guarantees requested by WIPO and evaluated at SFR5.5 million, we note that the resulting amount of SFR111 million corresponds to the estimated costs mentioned in my previous report. The latter amount includes, as indicated above, the additional security measures concerning the facades at a cost of SFR2.5 million and part of the additional requirements (SFR0.15 million) concerning the fire policy, requested when the revised building permit was granted. An estimated balance of SFR0.4 million should also be taken from the reserve for *“Miscellaneous and unforeseen”*. The increase in the position relating to agents’ honoraria (CFC 59) of SFR3 million depends not only on the indexation of costs but also on the amount of the works providing entitlement to honoraria, which increased from SFR97 million in the first estimates to SFR111 million, when the works were awarded. Finally, the loan financing costs of SFR114 million, calculated over a new period of 30 months at the rates mentioned in the contract, are SFR6.9 million instead of SFR6.5 million previously estimated.
47. As a reminder, the revised budgetary envelope includes SFR2.7 million for providing the fixtures and fittings in the Data Center (SFR1.2 million), the conversion of level -4 into storage premises and the fitting-out of training rooms on the ground floor (SFR0.7 million) and the telephone switchboard (SFR0.8 million). These fixtures and fittings require, however, an additional SFR3.7 million if they are to be realized, including honoraria (SFR1.05 million for the Data Center and SFR2.65 million for level -4). Possible fixtures and fittings in the AB building at a cost of SFR7.3

²⁹ See External Auditor’s Report No. 5229.944.00330.04 of July 6, 2005, Recommendation No.8: *“The aims of effective competition and equality of treatment between all the bidders will undoubtedly enable the transparency essential for any contracting procedure to be created”*.

million are not budgeted for either. The total amount for the fixtures and fittings not included in the envelope is SFR11 million.

48. The revised financial envelope for the new construction now stands at SFR153.6 million, instead of the 145.5 previously estimated, i.e. an increase of SFR8.1 million depending on the additional guarantees requested from the General Contractor (fixed prices, guarantee of the proposal until the contract is signed, performance bond) and on the adjustment of the agents' honoraria.

49. *Updated final financial envelope (estimate)*

50. Taking into account the additional security measures estimated at a cost of SFR3.5 million and which must also be validated by the Member States, the interest on the loan of SFR6.9 million, the Pilot and Consultant's honoraria for unchanged sums of SFR2.4 million and SFR1.4 million respectively, the estimated final financial envelope for the new construction stands at SFR167.9 million instead of SFR163.9 million.

51. *Overall financial envelope (estimate)*

52. The overall financial envelope with the purchase of the plot for SFR13.5 million and competition costs of SFR1.7 million is currently SFR183.1 million. As already mentioned above, and in Annex No. 2 to this report, the cost of the fixtures and fittings in the existing AB building are not taken into account in the project envelope in accordance with the International Public Sector Accounting Standards (IPSAS), which aim to define the "accounting of tangible assets" represented by the new construction (see Auditor's Report, June 27, 2007, paragraphs 57 and 58).

Sources of financing (see Annex 3)

53. The sources of project financing are divided between the regular budget and reserve funds for WIPO, and the loan requested from a syndicate of banks. The construction costs (SFR117.7 million) and the Client's costs (SFR28 million) will be financed by the loan (SFR114 million), the regular budget and reserve funds for the balance (SFR31.7 million). The interest on this loan (SFR6.9 million) and the Pilot's honoraria (SFR2.4 million) and the WIPO Consultant's salary (1.4 million) are also financed by the regular budget. It is planned to draw down from the loan only once a year for the duration of the worksite of 30 months and, in the interim, to use the WIPO cash flow to cover expenditures.

54. The initial request of SFR15 million envisaged from the WIPO reserve fund (see paragraph 12) should therefore be increased by about SFR3 million. The Secretariat will propose to the Program and Budget Committee at its next meeting that this amount should be financed from the WIPO Reserve. The cash flow will be readjusted based on the recommendation by that Committee and the decision of the Member States. For the time being, the amount of the loan does not cover the additional security measures also awaiting a decision by the Member States. The possible request for the project reserve for "Miscellaneous and unforeseen" will also need to be divided based on the different sources of financing available.

55. As a reminder, the competition costs have been divided between the regular budget (SFR1.55 million) and the WIPO reserve funds (SFR0.144 million). It is the latter source of financing which has also been used to purchase the land (SFR13.5 million).

IPSAS 17, paragraphs 26 and 28

56. Concerning the accounting of tangible assets and with a view to WIPO's introduction in 2010 of IPSAS, the Secretariat will in future show all the components of the project cost in its book values.

I reiterate that, as mentioned in my last report³⁰, the costs linked to the initial project no longer form part of the assets.

Expenditures (see Annexes 2 and 3)

57. The Internal Project Monitoring Team and the Finance Department drew up two financial statements on December 31, 2007 and June 30, 2008, on the basis of which a reconciliation has been produced. Considering several financial engagements carried forward to 2008 and discrepancies justified by the fact that the Internal Project Monitoring Team did not take into account the period during which the services were provided but the actual date of payment of the invoice, these reconciliations have not shown any particular discrepancy. They are, moreover, well documented.
58. A volume of payments between December 2006 and December 2007 of SFR1.2 million is noted, to be entered in the Client's expenses account for SFR0.85 million, SFR0.15 million for the WIPO Consultant's salary and SFR0.2 million for the Pilot's honoraria. As at June 30, 2008, the volume of payments increased to SFR27.1 million. This figure consists of a payment to the General Contractor in the form of an advance, in accordance with the contract signed and the first deposit according to the payment plan, for a total of SFR25.7 million, i.e. a little over 20 per cent of the contracted sum. The balance of SFR1.4 million is to be divided mainly between the honoraria of the Pilot, and those of the Consultant and agents. Overall, as at June 30, 2008, SFR41 million were spent on an estimated total, according to the revised financial envelope, of SFR167.9 million (not including the purchase of the plot, competition expenses and lost costs, i.e. a further SFR25.8 million).

Flow of invoices (see Annex 4)

59. A new system for validating invoices was put in place following the introduction of the new financial rules in April 2008. It is specific to the new construction and does not require the level of authorizations usually necessary at WIPO, given the prior existence of a contract.
60. The agents send their original invoices to the WIPO Finance Department for preregistration on the one hand and, on the other hand, so that provision may be made for the amount. The project Pilot receives a copy of the same invoice at the same time. In addition to a material check, he produces a "payment voucher" which will be sent to the WIPO Internal Project Monitoring Team Coordinator, once the voucher has been approved. The Coordinator, when in possession of the original invoice and the copy validated by the Pilot, carries out firstly a formal and material check, then enters the invoice in his cost control system, approves the payment voucher and sends the file to the WIPO program manager who also approves it and returns it to the Expenditures Section of the Finance Department for payment. The actual date of payment is communicated to the Internal Team Coordinator, as he enters this date in his cost control system. This is precisely what sometimes leads to a discrepancy with the Finance Department when costs are reconciled.
61. I consider that the system could be simplified if the agents sent only one original invoice directly to the project Pilot. This procedure would have the advantage of having the Pilot's material validation on the basis of an original document. The Pilot must, however, undertake to process these invoices quickly so as to avoid the Finance Department not making sufficient provision in time for the amount required for the payment. The procedure introduced is not, moreover, completely operational yet, since the accounting documents dealt with after the introduction of the

³⁰ See External Auditor's Report No. 7073.944.00330.02, paragraph 58.

new system are verified, which shows that original invoices have been sent directly to the Pilot or that the Internal Team has received the invoice before the Finance Department.

Recommendation No. 3: Introduce a system for validating invoices on the basis of original documents.

Overall cost control management

Commitments/payments

62. As I recommended in my previous report, the annex to the report of the minutes of the Construction Committee, which keeps up to date the situation of commitments and payments, has been complemented by a cost control system which establishes a relationship for each commitment and expenditure position respectively with the revised project financial envelope. It is therefore possible to consult the balances to be committed and the balances to be paid for all positions (by construction costs code (CFC)) in the project. Each position is linked to a file which documents the awards (date, number of order form, description, amount) and the payments (date of payment of invoice, order form, amount). The document structured on the same basis as the revised financial envelope is regularly updated. It represents the essential management instrument for the client with a view to the realization of the new building, by incorporating its own costs. My colleague recommended to the Internal Team Coordinator to verify the reference of each order form in the files so as to guarantee the transparency of his cost control system.
63. The payment vouchers produced for the new construction have been complemented by the registration of an activity code and of the construction costs code. This system allows the invoices processed by the Finance Department to be linked to the cost control system put in place by the Internal Team at the time costs are reconciled. At the request of my colleague, the list of Finance Department payments has been complemented by a column which allows the discrepancies justified with the control system introduced by the Internal Project Monitoring Team to be identified quickly.
64. Finally, the cost control system introduced by the Pilot manages more specifically the commitments and expenditures particular to the implementation of the project. It is essential for the Internal Team Coordinator to reconcile the costs regularly, both with the Pilot and the Finance Department, and for him to produce a report for the Construction Committee. Thus, the Committee will be informed of the state of expenditure in relation to the commitments of the revised financial envelope. A cost reporting system in the Pilot's report to the same Committee would also be expedient.

Recommendation No. 4: Introduce a cost reporting system for the Construction Committee.

CONCLUSION

65. The new administrative building and additional storage project has entered, since April 2008, its implementation phase, as the worksite opened on that date. It should be possible to move into the premises as of the end of 2010. In my previous report, I had noted that the conditions were favorable to the project being launched and I now consider that they have been satisfied in order to allow normal advancement of the construction phase. I also have the impression that the different participants have the project well in hand. Improvements relating to the reduction of risks linked to decision-making and concerning cost reporting could, however, also be made. It is important to have the revised financial envelope validated as soon as possible by the General Assembly of the Member States. Although the works have been awarded in accordance with the cost estimates produced, attention should continue to be paid to the project financial envelope. Additional guarantees and the adjustment of the agents' honoraria have caused an increase of the budget by an additional eight million francs. The fitting-out of the premises according to recently updated needs requires a further SFR3.7 million. Furthermore, the Member States should also take a decision on investments of around SFR7.3 million provided for in the existing AB building. In all cases, the cost control system for the new construction now in operation allows the changes in expenditure, in relation to the commitments made, to be monitored as closely as possible. In the final analysis, the revised budgetary envelope is estimated at a current cost of SFR153.6 million, while the overall financial envelope, which takes into account security measures, loan interest, the honoraria of the Pilot and consultants, the purchase of the plot and competition expenses, is SFR183.1 million. This amount also corresponds to the accounting value which will be activated as part of the introduction of IPSAS by WIPO in 2010.

(signed)

K. Grüter

Director

SWISS FEDERAL AUDIT OFFICE

(External Auditor)

Annexes:

1. Documentation submitted
2. Project financial envelope and expenditures
3. Sources of financing
4. Flow of invoices
5. Revised project update, budget and estimated costs

Annex No. 1 to 1.8032.944.00330.02

Documentation submitted by WIPO:

July 7, 2008

1. Charter for the WIPO New Construction Project, version v.07 of May 5, 2008.

Construction Committee

2. Construction Committee reports including report of the Pilot to the Construction Committee:

- No. 5 of May 1, 2007
- No. 6 of May 29, 2007
- No. 7 of June 14, 2007
- No. 8 of July 3, 2007
- No. 9 of July 26, 2007
- No. 10 of September 5, 2007
- No. 11 of October 4, 2007
- No. 12 of October 9, 2007
- No. 13 of October 30, 2007
- No. 14 of November 19, 2007
- No. 15 of November 27, 2007
- No. 16 of December 3, 2007
- No. 17 of December 11, 2007
- No. 1 of January 29, 2008
- No. 2 of February 27, 2008
- No. 3 of April 8, 2008
- No. 4 of April 30, 2008
- No. 5 of May 27, 2008

Audit Committee

3. Periodical report on the new construction submitted by the Construction Committee to the Fifth Session of the Audit Committee, from July 9 to 12, 2007.
4. Periodical report on the new construction submitted by the Construction Committee to the Seventh Session of the Audit Committee, from December 3 to 6, 2007.
5. Periodical report on the new construction submitted by the Construction Committee to the Eighth Session of the Audit Committee, from February 18 to 21, 2008.
6. Periodical report on the new construction submitted by the Construction Committee to the Ninth Session of the Audit Committee, from May 19 to 22, 2008.

Program and Budget Committee

7. Program and Budget Committee, eleventh session from June 25 to 28, 2007 (WO/PBC/11/13), report on the progress of the new construction project, prepared by the Secretariat.

WIPO General Assembly

8. General Assembly, thirty-fourth session (eighteenth ordinary session), from September 24 to October 3, 2007 (WO/GA/34/11), report concerning the new construction project, prepared by the Secretariat.

Project financing

9. Documents prepared for the fourth session of the Selection Board for the new construction project, dated September 20, 2007:

- list of participants, agenda, annotated list of documents,
- preselection of financial institutions: general considerations, list of institutions,
- preselection of financial institutions: evaluation of the WIPO Internal Project Monitoring Team, decision of the Selection Board.

10. Documents prepared for the sixth session of the Selection Board for the new construction project, dated December 18, 2007:

- list of participants, agenda, annotated list of documents;
- selection of the financing entity: general considerations, list of financial institutions;
- evaluation by the WIPO evaluation team;
- decision of the Selection Board;
- final report of the Selection Board;
- report of the evaluation team on the result of the negotiations with the financing entity.

11. Banks' syndicate contract.

General Contractor

12. Documents prepared for the fifth session of the Selection Board for the new construction project, dated November 8 and December 6, 2007:

- list of participants, annotated list of documents, general considerations;
- evaluation by the WIPO evaluation team and evaluation by the Pilot;
- decision relating to the process of selecting the General Contractor;
- final joint recommendation by the WIPO evaluation team and the Pilot;
- decision of the Selection Board;
- final report of the Selection Board.

13. General Contractor contract.

Risk register

14. WIPO risk register (No. 9) for the new construction of June 30, 2008.

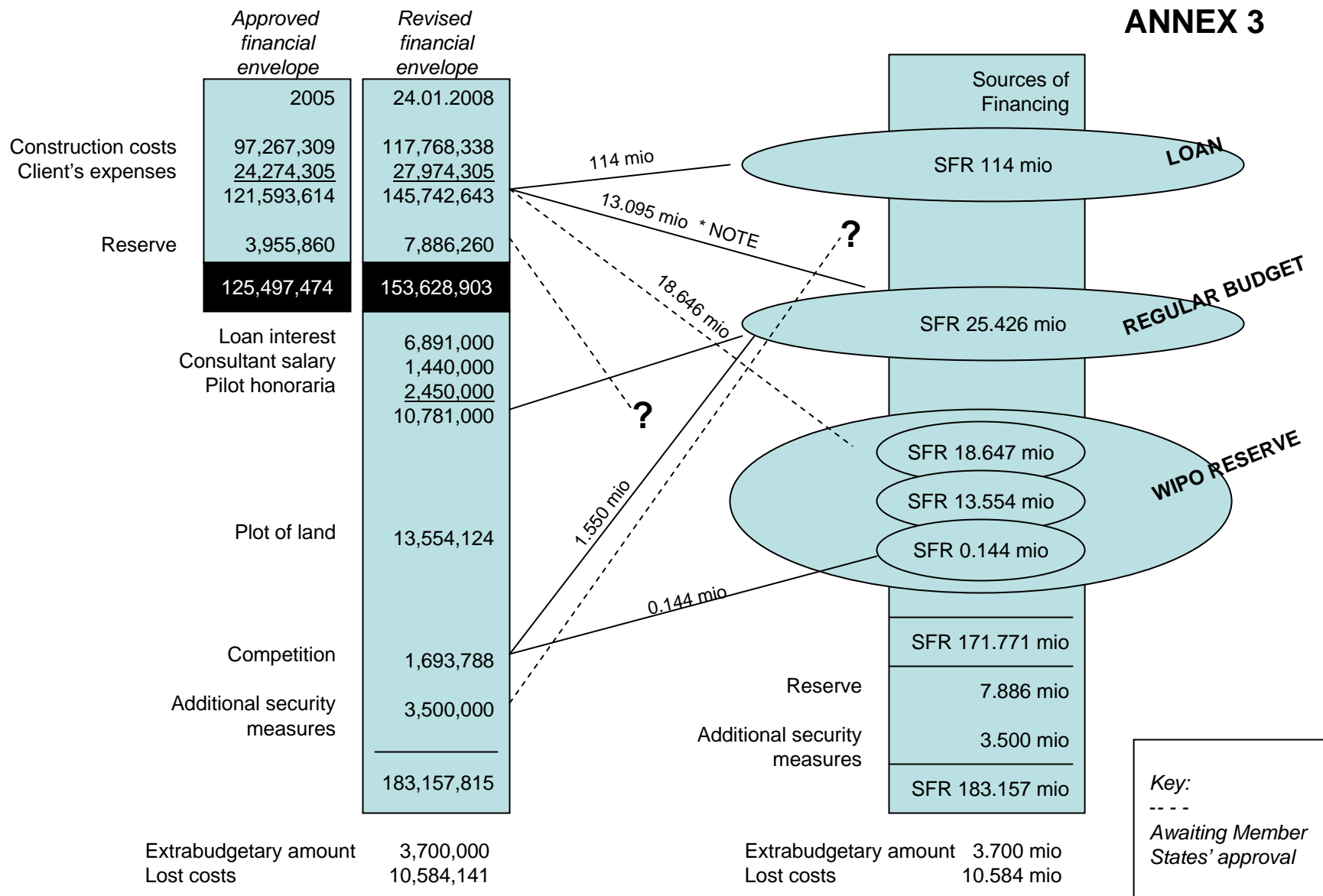
15. Risk analysis by the Pilot of May 31, 2008.

OMPI - NOUVELLE CONSTRUCTION
TABLEAU BUDGET ET COÛTS REVISES

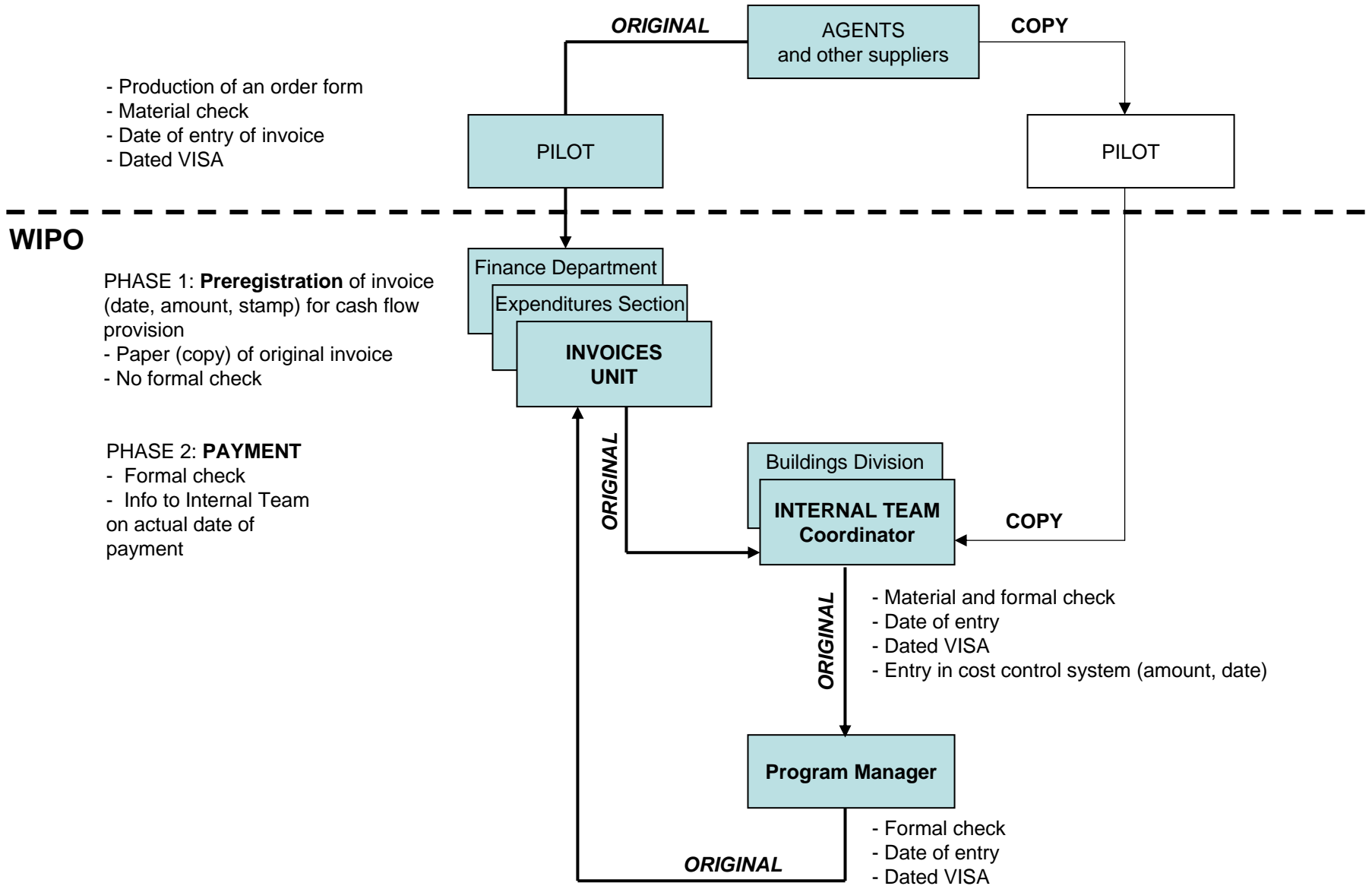
ANNEXE 2

CFC DESCRIPTION	Vérificateur des comptes Suivi audit 2005			Pilote	Vérificateur des comptes Suivi audit 2006		OMPI	Montants payés au 31.12.2006	Montants payés au 31.12.2007	Montants payés au 30.06.2008
	Enveloppe financière approuvée 5.10.2005	Estimation enveloppe financière 9.11.2006	Analyse du devis projet réduit 18.04.2007		Estimation enveloppe financière 10.05.2007	Estimation enveloppe financière avec montants renchérissement dans position coûts de construction et frais MO 24.01.2008				
Date: 30.07.2008										
COÛTS DE CONSTRUCTION (CFC 1 à 5)										
Coûts de construction travaux préparatoires	1'228'988	1'228'988	1'228'988	1'228'988	1'228'988	1'228'988	1'228'988	1'228'988	1'228'988	26'993'540
Coûts de construction bâtiment	96'038'321	96'325'478	96'325'478	96'325'478	96'325'478	96'325'478	108'344'545	1'228'988	1'228'988	1'228'988
Complément budget pour façades			2'000'000	2'000'000	2'000'000	2'000'000	inclus	0	0	25'764'552
Renchérissement 2003-2009						12'200'558	inclus			
Mesures de sécurité additionnelles- Renforcement des façades							2'500'000			
Permis de construire sup.: Police du feu, exigence sup.							154'805			
Total intermédiaire coûts de construction bâtiment			98'325'478	98'325'478	110'526'036	110'999'350				
Garanties financières suppl. (bid bond)						0	40'000			
Garanties financières suppl. (performance bond)						0	1'000'000			
Garanties financières suppl. (penalties for delays)						0	1'000'000			
Garanties financières suppl. (all inclusive fixed price)						0	3'500'000			
Total garanties financières						0	5'540'000			
Total coûts de construction bâtiment						110'526'036	116'539'350			
TOTAL CONSTRUCTION	97'267'309	97'554'466	99'554'466	99'554'466	111'755'024	117'768'338		1'228'988	1'228'988	26'993'540
FRAIS MAITRE D'OUVRAGE (CFC 1, 2, 3, 4, 5, 9)	24'274'305	24'274'305	24'274'305	24'274'305	25'897'347	27'974'305		10'577'609	11'442'054	12'257'162
1 Travaux préparatoires	281'356	281'356	281'356	281'356	281'356	305'356		90'389	90'389	90'389
2 Bâtiment	773'000	773'000	773'000	773'000	773'000	872'000		0	0	0
3 Equipements d'exploitation	1'794'200	1'794'200	1'794'200	1'794'200	1'794'200	2'021'200		0	0	0
4 Aménagements extérieurs	19'819	19'819	19'819	19'819	19'819	19'819		7'555	7'555	7'555
5 Frais secondaires	20'935'930	20'935'930	20'935'930	20'935'930	20'935'930	24'225'930		11'344'111	12'159'219	12'159'219
51 Autorisations, taxes	1'394'426	1'394'426	1'394'426	1'394'426	1'394'426	1'459'426		670'006	670'356	670'356
52 Echantillons, reproductions, maquettes	1'620'107	1'620'107	1'620'107	1'620'107	1'620'107	1'427'219		283'112	321'745	321'745
53 Assurances	35'470	35'470	35'470	35'470	35'470	39'470		5'000	29'400	29'400
56 Autres frais	579'820	579'820	579'820	579'820	579'820	993'708		324'830	483'026	483'026
59 Honoraires	17'306'107	17'306'107	17'306'107	17'306'107	17'306'107	20'306'107		10'061'163	10'654'691	10'654'691
9 Ameublements	470'000	470'000	470'000	470'000	470'000	530'000		0	0	0
Renchérissement 2003-2009							1'623'042			inclus ds positions
Réserve "Divers et imprévus"	3'955'860	955'860	7'886'260	7'886'260	7'886'260	7'886'260		0	0	0
TOTAL MAITRE D'OUVRAGE	28'230'165	25'230'165	32'160'565	32'160'565	33'783'607	35'860'565		10'577'609	11'442'054	12'257'162
TOTAL CONSTRUCTION ET MAITRE D'OUVRAGE	125'497'474	122'784'631	131'715'031	131'715'031	145'538'631	153'628'903		11'806'597	12'671'043	39'250'703
Renchérissement	0	7'000'000	13'823'600	13'823'600						
582 Indexation 2003 - 2006		6'000'000	9'858'000	9'858'000			Ventilation des montants ds les positions coûts de construction et frais MO			
Indexation 2007		1'000'000	1'247'800	1'247'800						
Indexation anticipée pendant travaux 2008 - 2009			2'717'800	2'717'800						
TOTAL avec RENCHERISSEMENT	125'497'474	129'784'631	145'538'631	145'538'631	145'538'631	145'538'631		11'806'597	12'671'043	39'250'703
AUTRES FRAIS MAITRE D'OUVRAGE										
580 Mesures de sécurité additionnelles	0	8'000'000	0	8'000'000	8'000'000	3'500'000				
1 Périphérie (cloture du site)		1'500'000		1'500'000	1'500'000	1'500'000				
2 Façades extérieures et atriums		4'500'000		4'500'000	2'000'000	0				
Renforcement des façades					2'500'000					voir ds position coûts de construction
3 Equipements intérieurs		500'000		500'000	500'000	500'000				500'000
4 Honoraires mandataires		500'000		500'000	500'000	500'000				500'000
5 Divers		1'000'000		1'000'000	1'000'000	1'000'000				1'000'000
TOTAL avec SECURITE ADDITIONNELLE	125'497'474	137'784'631	145'538'631	145'538'631	153'538'631	153'538'631		11'806'597	12'671'043	39'250'703
Programme et budget 2006-2010	4'631'000	5'750'000	0	10'390'000	10'390'000	10'781'000		893'002	1'233'995	1'787'122
54 Intérêts intercalaires durant la construction (26 mois) pour un emprunt de 113'580'000 CHF au taux de 2.7%	3'131'000	3'300'000								
54 Intérêts intercalaires durant 26 mois (2008-2009-2010) pour un emprunt de 113'580'000 CHF au taux de 4.5%				6'500'000	6'500'000	6'891'000		0	40'000	40'000
55 Frais administratifs du Maître d'ouvrage (salaires consultants)				1'440'000	1'440'000	1'440'000		833'002	983'512	1'058'767
56 Prestations du Pilote: honoraires et frais	1'500'000	2'450'000		2'450'000	2'450'000	2'450'000		60'000	250'483	688'355
TOTAL avec PROGRAMME ET BUDGET 06-10	130'128'474	143'534'631		163'928'631	163'928'631	167'909'903		12'699'599	13'905'038	41'037'825
Terrain: achat parcelle (1998)	13'554'123	13'554'123	0	13'554'123	13'554'124	13'554'124		13'554'123	13'554'124	13'554'125
01 Acquisition terrain et frais	13'554'123	13'554'123		13'554'123	13'554'124	13'554'124		13'554'123	13'554'124	13'554'125
TOTAL avec TERRAIN	143'682'597	157'088'754		177'482'754	177'482'755	181'464'027		26'253'722	27'459'161	54'591'949
Frais de concours (1999)	1'693'788	0	0	1'693'788	1'693'789	1'693'788		1'693'788	1'693'788	1'693'789
50 Frais de concours	1'693'788			1'693'788	1'693'789	1'693'788		1'693'788	1'693'788	1'693'789
TOTAL avec CONCOURS	145'376'385			179'176'542	179'176'544	183'157'815		27'947'510	29'152'949	56'285'738
Coûts perdus liés au projet initial (2000-2004)	10'584'140	0	0	10'584'140	10'584'141	10'584'141		10'584'140	10'584'141	10'584'142
Coûts perdus liés au projet initial	10'584'140			10'584'140	10'584'141	10'584'141		10'584'140	10'584'141	10'584'142
TOTAL avec COÛTS PROJET INITIAL	155'960'525			189'760'682	189'760'685	193'741'956		38'531'650	39'737'090	66'869'880
Data center (CFC 2 et 3)							Montants déjà intégrés dans le budget ci-dessus			Montants non budgétés
Aménagement salles de formation rez-de-chaussée et aménagement niveau -4								1'268'000		1'044'000
Aménagement niveau -4								726'000		2'650'000
Central téléphonique								768'200		
Bâtiment AB										7'300'000
TOTAL								2'762'200		10'994'000

ANNEX 3



* NOTE: Expenditures December 31, 2007, Table 13 of the 2006-2007 Financial Management Report.



Revised project update (budget and cost estimate)

	Amounts incorporated in revised financial envelope	Amounts outside revised financial envelope	
New building			
Data Center	1'268'000	1'044'000	including honoraria
<i>Preliminary studies/honoraria</i>	242'000		
<i>Electrical installations</i>	643'000		
<i>Heating, ventilation and air-conditioning installations</i>	270'000		
<i>Sanitation installations</i>	10'000		
<i>Internal fixtures and fittings</i>	103'000		
Fitting-out of training rooms on ground floor and level -4	726'000		
	499'000		
	127'000		
	80'000		
	20'000		
Fixtures and fittings level -4		2'650'000	including honoraria
Telephone switchboard	768'200		
	2'762'200	3'694'000	
AB building			
<i>Extension of ground floor lobby (including honoraria)</i>		1'500'000	
<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	