



PPPs in Public Buildings: the case study of the Palais des Nations

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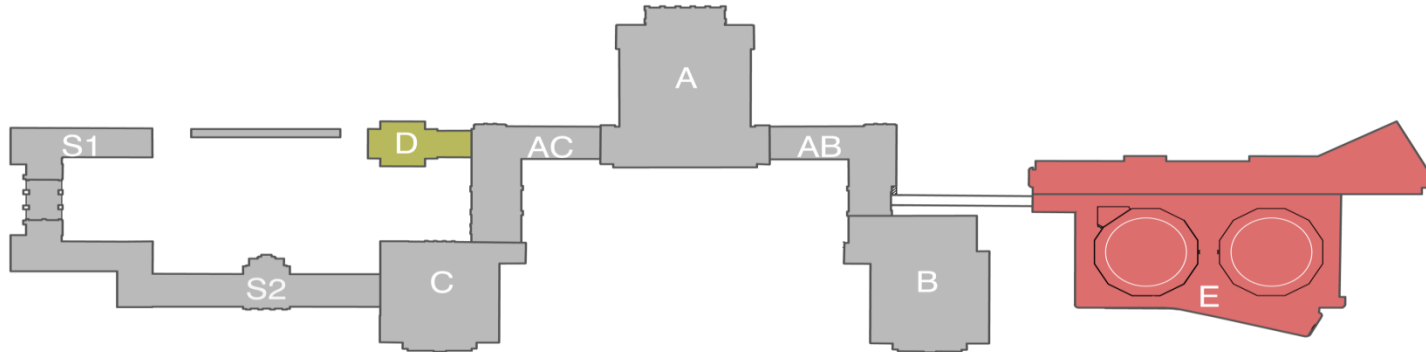


Palais des Nations





Palais des Nations



Original Buildings: 1929-1936

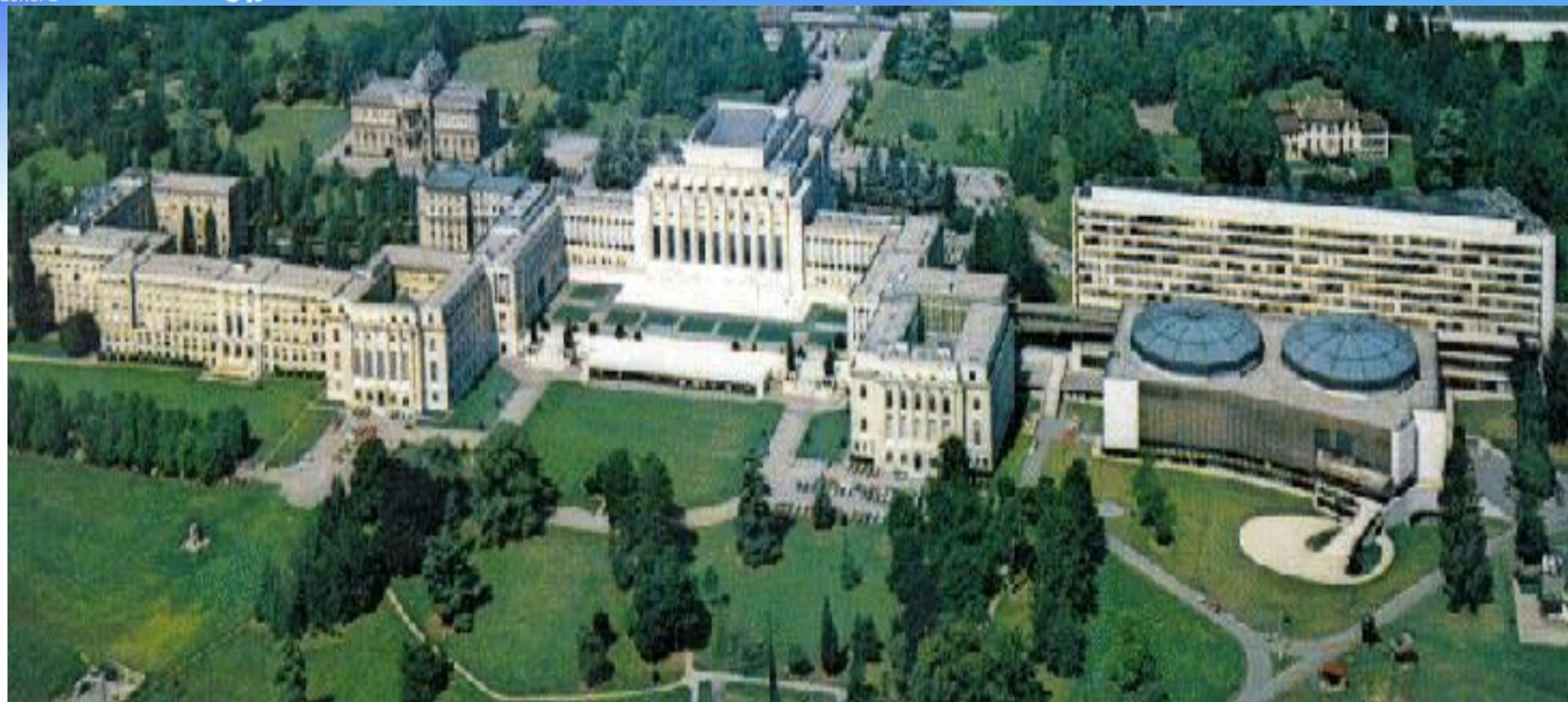
Secretariat – Council – Assembly – Library

E conference building: 1968-1973





Palais des Nations



- 111 acres (floor area: 37 acres)
- Conference rooms: 34
- Number of existing workplaces: 2,800

Annual flux of persons

- Delegates: 28,000
- Visitors: 100,000



Palais des Nations



Asbestos presence throughout the buildings, most prevalent in the E building

- **High risk of defragmentation and consequent contamination – health hazard;**
- **Inability to undertake necessary upgrades to comply with fire regulations;**
- **Risk of unplanned closure of the conference areas in case of asbestos defragmentation**





Palais des Nations

- **Water penetration resulting in structural damage;**
- **Heat Losses – uneconomical building operations;**
- **High risk of falling material – safety hazard.**



Palais des Nations

Deteriorating water pipes and obsolete electrical systems

- Risk of flooding and damages to the structure and content;
- Risk of power supply interruptions and fire – business continuity risk.

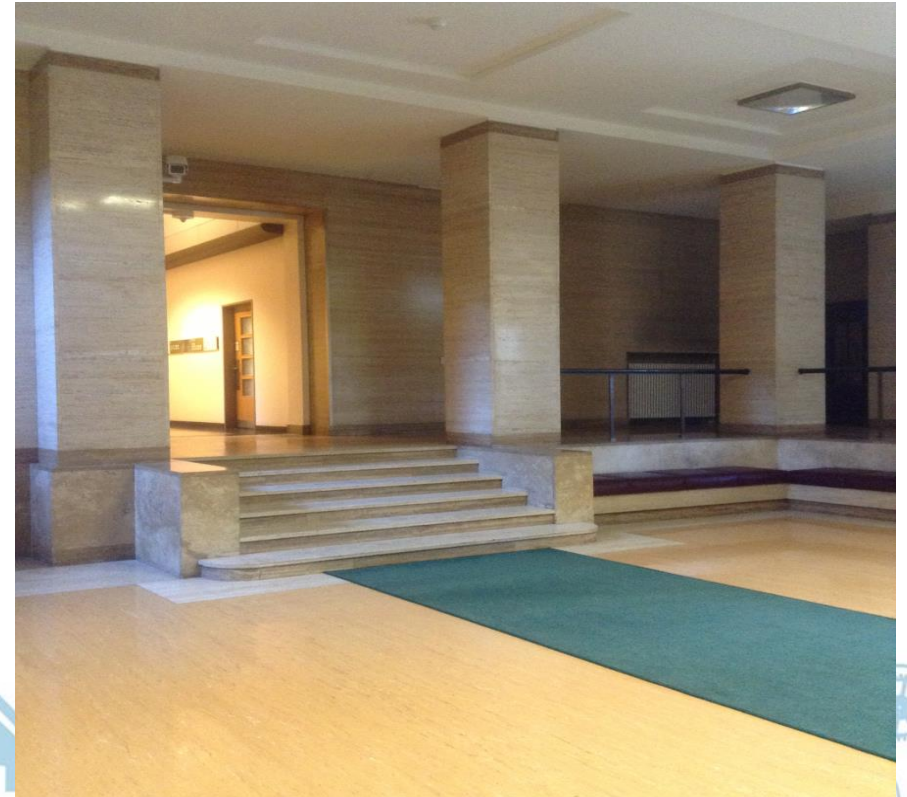




Palais des Nations

Non compliance with building regulations for persons with disabilities

- **Limited accessibility and insufficient facilities;**
- **Inadequate technological support installations;**
- **Limited emergency exits routes – safety hazard.**





PPP option for the renovation of the Palais des Nations

- **General Assembly asked the Secretary-General to explore the PPP option for the renovation of the Palais des Nations;**
- **Estimated cost of the renovation: \$891 million**
- **UNECE was asked to provide its PPP expertise to assist UNOG;**
- **UNECE study in May 2013 with key recommendations: initial appraisal positive, but there is the need for a feasibility study**





UK Treasury (Ministry of Finance)

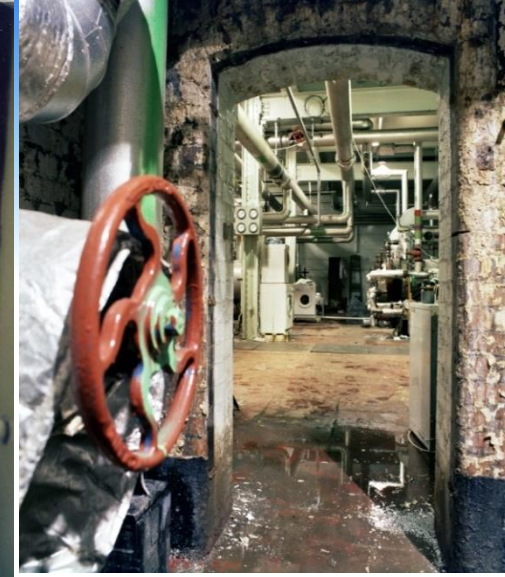
- The Treasury Building is a heritage building in Central London that was refurbished under two separate PPP agreements between 2000 and 2004;
- Services contract until July 2037, including life cycle responsibility.





UK Treasury (Ministry of Finance)

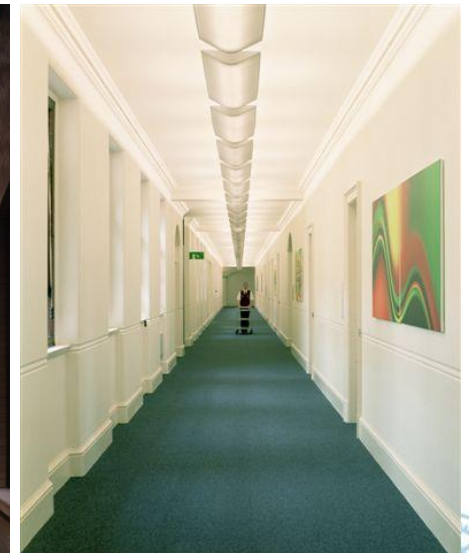
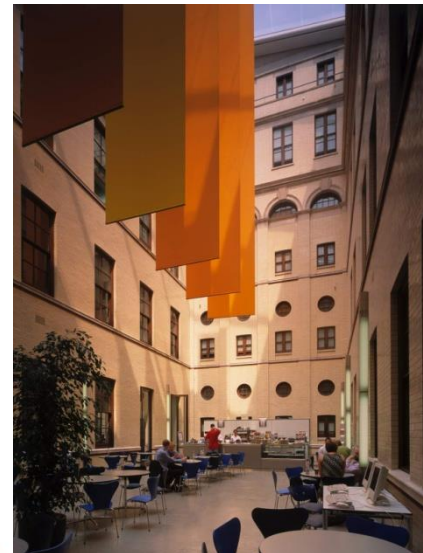
- Built around 1900;
- By 1990's physical condition deteriorated;
- Infrastructure not capable of supporting changing business needs;
- Large spaces exposed to the elements and unused.





UK Treasury (Ministry of Finance)

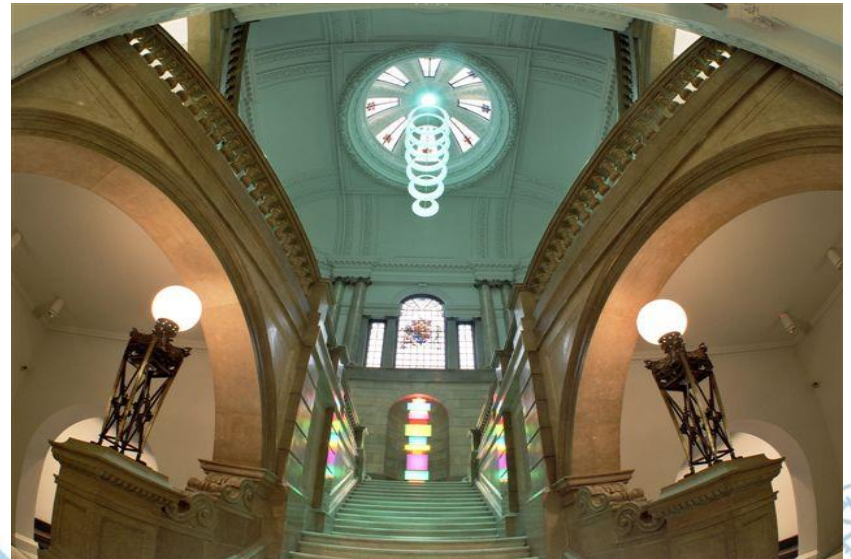
- offers flexibility to meet the present needs, and those in the foreseeable future;
- enables the UK Treasury to work collaboratively, openly and innovatively;
- fosters good internal and external communications;
- projects a modern, professional and welcoming image.





UK Treasury (Ministry of Finance)

- **Cost of renovation: £254 million (approximately \$436 million);**
- **Facilities (HFM and SFM) management costs over the project life cycle (35 years): £63 million per year (approximately \$108 million per year)**





Generating revenue for the renovation Palais des Nations

- Under the auspices of UNECE, Toyo University in Japan prepared a preliminary study on using UN real estate in Geneva to generate revenue towards the renovation;
- Thinking outside the box: building on UN land a hotel and apartments for diplomats, delegates and UN staff;
- Potential to generate more than 50% of funding needed.





Case study: James Oyster School in Washington D.C.

- School was over 75 years old and needed to be rebuilt and expanded;
- Local Government didn't afford the cost;
- School had unused property...
- ...used to finance and maintain the new school





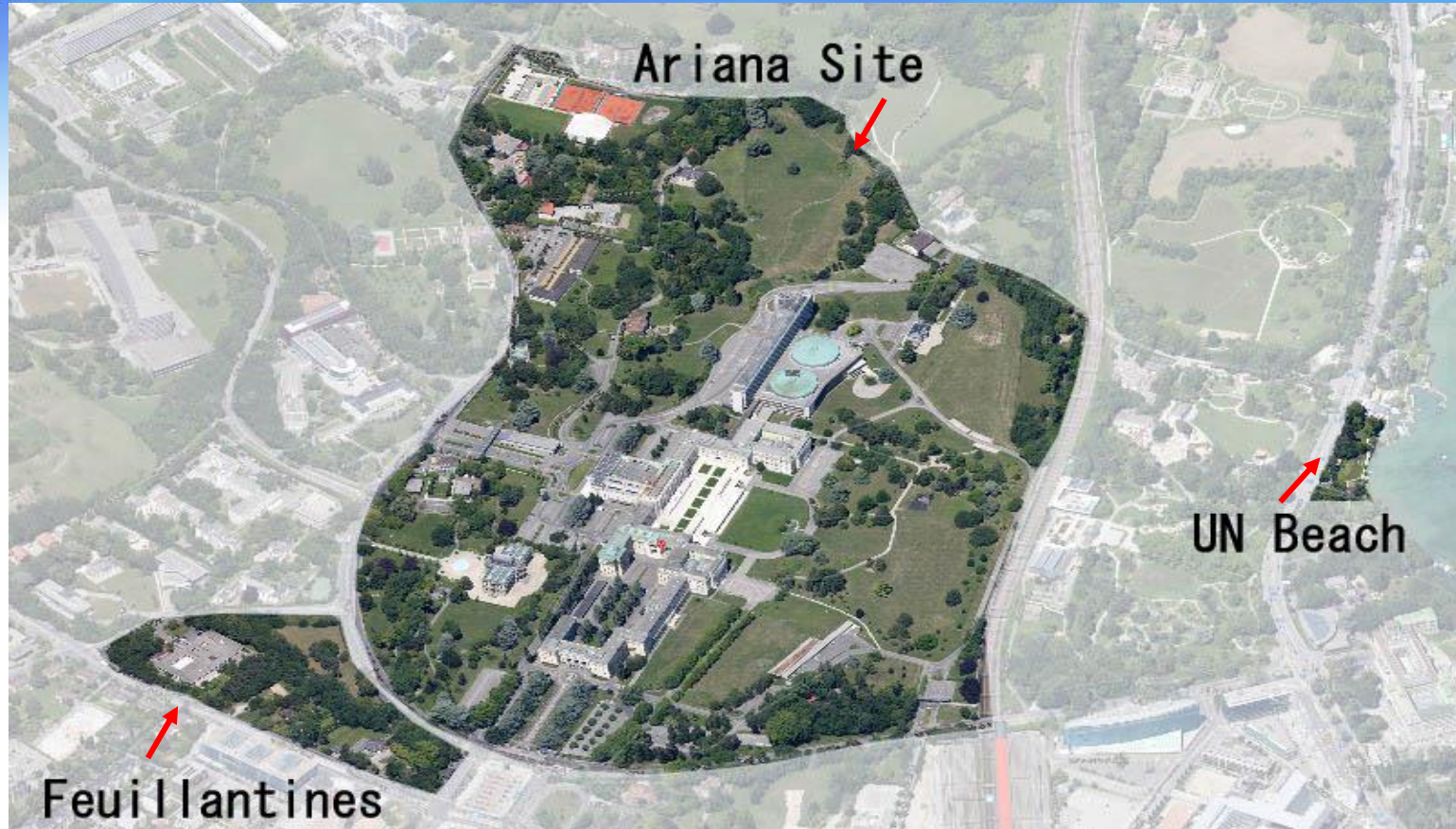
Case study: Toshima City Hall, Japan

- **City Hall in Toshima needed to be rebuilt and...;**
- **...Local Government didn't afford the cost;**
- **Private developer built apartment units on top of the City Hall...**
- **...which it sold to finance and maintain the new City Hall.**





Generating revenue for the renovation Palais des Nations



Need for a separate feasibility study on revenue generating options





Thank you for your attention!

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