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NOTE BY THE TECHNICAL SECRETARIAT**PROGRESS IN THE PROJECT TO UPGRADE THE OPCW LABORATORY AND EQUIPMENT STORE TO A CENTRE FOR CHEMISTRY AND TECHNOLOGY****BACKGROUND**

1. On 10 July 2017, the Technical Secretariat (hereinafter “the Secretariat”) issued Note S/1512/2017 entitled “Upgrading the OPCW Chemical Laboratory to a Centre for Chemistry and Technology”, explaining the new challenges and changing requirements that made it necessary to modernise and expand the capabilities of the current OPCW Laboratory and Equipment Store in Rijswijk. In Note S/1561/2017 entitled “Request from the Director-General to States Parties for Voluntary Contributions to a New Trust Fund for Upgrading the OPCW Chemical Laboratory to a Centre for Chemistry and Technology” (dated 8 December 2017), the Secretariat informed States Parties of the establishment of a trust fund for this project and requested voluntary contributions.
2. The key objectives, project scope, and initial cost estimate and schedule were described in the Note entitled “Needs Statement for Upgrading the OPCW Chemical Laboratory to a Centre for Chemistry and Technology” (S/1564/2017, dated 22 December 2017 and Corr.1, dated 3 January 2018). Updates on the progress made in implementing the project were provided in Notes S/1769/2019 (dated 9 July 2019), S/1859/2020* (dated 9 March 2020), S/1881/2020 (dated 30 June 2020), S/1912/2020 (dated 16 November 2020), S/1956/2021 (dated 17 May 2021), S/1965/2021 (dated 24 June 2021), S/2003/2021 (dated 9 November 2021), S/2026/2022 (dated 17 February 2022), and S/2072/2022 (dated 24 June 2022) entitled “Progress in the Project to Upgrade the OPCW Laboratory and Equipment Store to a Centre for Chemistry and Technology”. Note S/1769/2019 also provided detailed information regarding the project’s expected benefits as well as its revised scope, cost, and schedule.
3. The Secretariat has provided numerous briefings on the project to States Parties at side events or via pre-recorded videos during regular sessions of the Executive Council (hereinafter “the Council”) and of the Conference of the States Parties. Additional briefings were provided to States Parties during the meeting of the Open-Ended Working Group on the Future Priorities of the OPCW on 2 October 2017, and during informal budget facilitations and meetings of the Friends of the Laboratory Group from 2018 to 2021. A pre-recorded briefing was provided to States Parties in April 2020 to present the preliminary design of the OPCW Centre for Chemistry and Technology (ChemTech Centre). A presentation on the design of the ChemTech Centre was provided by the architect during the “first pillar” ceremony on 23 September 2021.



4. The latest information on the project has been made available on the ChemTech Centre webpage (<https://www.opcw.org/media-centre/featured-topics/chemtech-centre>).
5. This Note updates States Parties on the progress made in the planning and implementation of the project since the previous update in June 2022 (S/2072/2022).

IMPLEMENTATION PROGRESS

Overall progress

6. The risks related to the current global inflation and the challenges with supply chains continue as the construction is coming to the final stage. However, to date, the project remains within budget and on schedule owing to the continued efforts by the Secretariat to mitigate the impact of such risks on the project. Such efforts include the close monitoring of the situation and the maintenance of rigorous contract management to ensure vendor delivery in accordance with the agreed terms. The Secretariat will continue its efforts to mitigate, to the extent possible, any potential risks to the project and will keep States Parties informed.

Construction phase progress

7. The construction of the building continues to progress. The finishing work on all parts is nearing completion and the testing and commissioning phase has started. Construction is on track to be finished by the end of 2022.

FIGURE 1: FACADE (OCTOBER 2022)



FIGURE 2: CENTRAL AREA (OCTOBER 2022)



Transition phase preparation

8. As the construction nears completion, preparation activities for the closure of the construction phase and the launch of the transition phase have started. The future users of the new facility will be trained by the contractors on the use of the building's facilities. The building will be tested and approved by the Secretariat with the support of external consultants before the Secretariat confirms acceptance of the building. Once the building has been accepted, the OPCW will take possession of the building and the Secretariat will inform the States Parties to that effect.
9. Maintaining the operations of the Laboratory and Equipment Store is of the utmost importance during the transition phase. To minimise the potential impact of the transition and to ensure continued operational capability of the OPCW Laboratory and the Equipment Store, the relocation from Rijswijk will be divided into several stages. Only after the successful completion of each relocation stage will the following stage start, so as to ensure operational continuity. The Laboratory will remain operational at the Rijswijk facility throughout the transition. After the transition phase has been completed, a minimum back-up functionality will be maintained at the Rijswijk facility for an additional two to three months until the full functionality of the Laboratory at the ChemTech Centre has been established and confirmed. This will provide additional assurance with respect to the operational capability of the Laboratory.
10. The OPCW Laboratory is externally accredited under standards ISO 17025¹ and ISO 17043² of the International Organization for Standardization. Maintaining this accreditation is a high priority for the Secretariat. To that end, the Secretariat remains in close contact with the accreditation authority to avoid any disruption of the existing accreditation.

¹ General requirements for the competence of testing and calibration laboratories.

² Conformity assessment—general requirements for proficiency testing.

11. Preparations for the decommission phase have also started. More details will be provided in due course.

Procurement

12. The tender process for the isolators (glove boxes) to be installed in the ChemTech Centre laboratory facilities has been completed. The tender process for non-fixed furniture such as desks, chairs, and monitors, as well as for workstations for the expanded training facilities, has also been completed. A number of small tenders for technical furniture (for example, work benches and storage cabinets) are in their final phase.

Overall implementation progress

13. Figure 3 below indicates the overall progress made in respect of project implementation. The project remains on schedule, with the construction of the ChemTech Centre to be completed by the end of 2022.

FIGURE 3: OVERALL PROGRESS TO DATE

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	
Construction phase		■									
Transition phase								■	■		
Decommissioning phase									■	■	
Project closure phase										■	

FINANCIAL STATUS

Expenditure to date

14. As at 25 October 2022, approximately EUR 23.8 million had been spent on the project. The expenditure to date, as compared to the cost estimate provided to States Parties in Note S/1956/2021, is shown in the table below. The project remains within budget.

TABLE: PROJECT BUDGET AND EXPENDITURE

ChemTech Centre Project Budget and Expenditure		
Budget Item	<u>COLUMN A</u> Current Estimate (April 2021, in EUR)	<u>COLUMN B</u> Expenditure To Date (as at 25 October 2022, in EUR)
Building costs	20,763,000	16,430,727
Land purchase and related costs	2,363,000	2,307,151
Design costs	1,385,000	1,289,325
Outside area and site infrastructure	553,000	26,353
Equipment costs	50,000	50,000
Furniture and workstations	924,000	0
Transition costs	316,000	0
Decommissioning of facilities	400,000	0
OPCW project management staff	1,505,501	1,396,061
Project management and advisory services	2,401,561	1,348,927
Contingency	1,690,000	0
Subtotal	32,351,062	22,848,545
Programme support costs	1,091,254	912,474
Total	33,442,316	23,761,019

Fundraising progress

15. To date, approximately EUR 34.25 million in voluntary contributions has been pledged or provided to the project's trust fund by 54 countries, the European Union, and other donors. These contributions have been made or pledged by: Algeria, Andorra, Angola, Australia, Bangladesh, Belgium, Cameroon, Canada, Chile, China, Cyprus, the Czech Republic, Estonia, Finland, France, Germany, Greece, Hungary, India, Indonesia, Ireland, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Malaysia, Malta, Mexico, Morocco, the Netherlands, New Zealand, Norway, Pakistan, Panama, Peru, the Philippines, Poland, Portugal, the Republic of Korea, Romania, San Marino, Saudi Arabia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Thailand, Türkiye, the United Arab Emirates, the United Kingdom of Great Britain and Northern Ireland, the United States of America, the European Union, Israel (signatory State), and other donors.
16. The ChemTech Centre Trust Fund remains open for further contributions. Additional contributions would provide extra assurance for the successful completion of the project and for the activities to be carried out at the Centre as soon as the building is operational.

Operational costs

17. The Secretariat informed States Parties in Note S/1956/2021 of the estimate of the ChemTech Centre's operational costs prepared by the design team and cost advisors based on the technical design. As mentioned in the Note, the estimate did not represent actual prices for maintenance and other contracts, which were not yet in place. With some progress having been made with regard to contract preparation and owing to the latest information on the price of utilities, the Secretariat now has additional information on the estimated operational costs.

18. The Programme and Budget of the OPCW for 2022–2023 (C-26/DEC.11, dated 1 December 2021) and the Draft Revised Programme and Budget of the OPCW for 2023 (EC-101/DG.1/Rev.1, dated 22 September 2022 and Corr.1, dated 4 October 2022; and EC-101/DEC.6, dated 5 October 2022) incorporate the estimated operational costs in line with current information. However, the efforts of the Secretariat to prepare the estimate of the ChemTech Centre’s operational costs are ongoing due to the dynamic financial market.
19. The estimate for the utilities and maintenance costs for installations and equipment has increased since 2021. This is primarily due to substantially higher energy prices, inflation, and the increased volume of training equipment.
20. Some measures have already been introduced to reduce the impact of the cost increase. For example, the original design of the ChemTech Centre had a number of solar panels integrated in the design. They will provide approximately nine percent of the electricity needed for the building. Faced with the recent increase in energy prices, the Secretariat plans to install additional solar panels in the building to further reduce future operational costs. Together with the solar panels already integrated in the design, the Secretariat expects to produce 45% of the required electricity for the ChemTech Centre. The Secretariat is exploring the possibilities of placing further solar panels to increase this percentage, and thereby reduce future operational costs.
21. The Secretariat will continue its efforts to prepare the estimate of the ChemTech Centre’s operational costs by finalising the contracts related to maintenance. The results of these efforts will be incorporated into the Draft Programme and Budget of the OPCW for 2024–2025.

COMMUNICATION

22. A video on the construction progress of the ChemTech Centre as at September 2022 is available on the ChemTech Centre webpage (<https://www.opcw.org/media-centre/featured-topics/chemtech-centre>).
23. The construction site may be viewed in real time via a publicly accessible webcam, which is available online (<https://bouw.live/chemtech-centre/>).
24. The Secretariat is planning a ceremony to mark the opening of the ChemTech Centre in spring 2023. The details and date of the ceremony will be shared with States Parties in due course.

NEXT STEPS

25. In the coming months, the project team’s priorities will include finalising the construction, testing, and acceptance of the building and starting the transition phase.
26. The Secretariat will continue to update the ChemTech Centre webpage (<https://www.opcw.org/media-centre/featured-topics/chemtech-centre>).
27. The Secretariat will also continue to provide States Parties with briefings and written reports to keep them informed of the status of the project. The next report will be submitted to the States Parties in advance of the 102nd Session of the Council.