

## **UPDATE ON THE “NOUVEAU CENTRE” AND THE “NOUVEAU CENTRE” FUND-RAISING CAMPAIGN**

### **INTRODUCTION**

1. Please refer to document [SC/56/3](#), paragraphs 1 to 4 for historical details on the project.
2. Since 2012, the City of Lyon has invested in a programme of urgent repair works for the tower building (ventilation, air-conditioning and heating systems) in order to ensure occupancy for five to seven years. Despite these concentrated efforts, the state of the building remains a major concern and continues to cause unanticipated interruptions in the Agency's work. The initial budget secured by the City of Lyon for the ad hoc repairs came to an end in June 2018. In order to ensure the continuity of IARC activities, the City of Lyon allocated an additional €240 000 budget for urgent works to be carried out in 2019 and further. This new budget allowed the replacement of several air-conditioning and heating units, the replacement of two lifts and the partial replacement of the fire safety system, which should be fully replaced in February 2021.
3. Moreover, the buildings have reached their maximum capacity in terms of office space, but also in electricity supply and telephone lines. This situation led to inactivation of some lights in corridors to prioritize electricity for computing equipment, or to share telephone lines within offices.

### **FINANCING THE BUILDING PROJECT**

4. Please refer to document [SC/56/3](#), paragraphs 10 to 19 to get the historical details on the funding of the building project.

### **CURRENT SITUATION AND PROJECT TIMELINE**

5. The global budget of the project has been revised by the Métropole de Lyon to include the amount of the Design-Build contract, taking account of the latest adjustments in the design of the building and has been increased to €51.6 million; cost increases of €2.4 million are equally shared between the Métropole and the Auvergne-Rhône-Alpes Region.
6. The request for building licence submitted in June 2018 was approved by the French authorities in mid-November 2018. The detailed design studies started in August with input from IARC experts, notably in relation to the specific laboratory plans, and to strict UN security requirements.

7. The Design-Build team requested a five-week delay to finalize the detailed design studies, which were delivered at the end of January 2019.
8. A team composed of the Métropole de Lyon, external experts, and IARC's experts carried out an assessment of the detailed design studies. This assessment highlighted the complexity of the project and pointed out lack of precision in the design. Consequently, the Métropole de Lyon requested the design-build team *inter alia*: to rework the design, to carry out additional detailed analysis, and to propose more detailed design studies for the beginning of July 2019.
9. IARC Secretariat, while supporting the decision of the Métropole de Lyon, raised its deep concerns regarding additional delays, which could compromise the inauguration of the new building that was initially planned before the end of 2021, potentially incurring additional costs on IARC in order to maintain the current premises operational beyond 2021.
10. Throughout the Summer 2019, several difficult meetings took place. First at the operational level between the Métropole de Lyon, its experts, the Design-Build team and IARC to identify and find solutions to the main obstacles; and then at the political level to enforce the Design-Build team to fulfil their contractual obligations and propose a project compliant with the agreed specifications.
11. At last, mid-October 2019, the Métropole de Lyon validated the majority of the detailed design studies to be able to launch the building works phase, while carrying on discussing and moving forward on the remaining design topics that were not fully approved.
12. After a preparatory period, the building works actually started at the beginning of January 2020.
13. The date of 6 February 2020 marked a historic moment for the Agency: the first stone laying ceremony for the "Nouveau Centre" took place during the Scientific Council, allowing the members of the Scientific Council to be present and symbolically place a stone (flocked with their country flag) on the wall IARC had designed for this occasion. IARC institutional partners (French central government, the Auvergne-Rhône-Alpes Region, the Métropole de Lyon and the Ville de Lyon) also actively participated in the event.
14. Due to the COVID-19 outbreak and the first lockdown in France, the building works stopped from 18 March 2020 until 15 May 2020.
15. The impact of the COVID-19 outbreak on the overall project timeline has led to rescheduling of the delivery of the building. The revised project timeline is as follows:
  - *Autumn 2019–Summer 2022*: Building works.
  - *Summer 2022–Autumn 2022*: IARC works (biobank set up and IT infrastructure).
  - *Winter 2022*: Physical move and opening of the "Nouveau Centre".

## **FINANCING THE PHYSICAL MOVE AND EQUIPMENT**

16. Aside from the budget adjustments by the Métropole de Lyon mentioned in document SC/56/3 and paragraph 5 above, the finalized "*Programmiste*" study allowed the Secretariat to better define the overall costs of the project, which led to certain cost elements being identified as outside the scope of the Métropole de Lyon's financial responsibility. These cost elements *inter*

alia include the physical move of operations of a substantial number of biobank samples requiring specialized transportation; the purchase, transport and installation of laboratory equipment and benching; and the installation of specific security requirements as mandated by UN Security Standards.

17. Other potential costs associated with the move relate to modernization to ensure the best possible working environment in the new IARC Headquarters. This includes the replacement of some of the oversized or old office furniture, outdated laboratory equipment, as well as auditorium and meeting room video and sound systems. The Agency would also like to take this opportunity to replace old freezers in the biobank and transition to a modern, automated system.

18. During the detailed design studies phase (September 2018–October 2019) additional adjustments to the project were made, incurring supplementary costs.

19. The overall investments for a fully operational modern, smart and open building are estimated at €13.4 million, which would allow IARC to deliver at its full potential and further expand its activities.

20. The Secretariat has identified the following funding to partially cover these costs:

- The Director has put in place a mechanism to set aside €1.5 million from earned overheads over the five-year period 2015–2019 to partially cover the physical move.
- The Director agreed to charge €164 000 on the UB (unbudgeted assessments from new Participating States) to cover some necessary and essential adjustments during the design phase.
- The residual balance of funds previously approved by the Governing Council ([Resolution GC/54/R6](#) refers).
- Anticipated revenue from sales of old furniture and equipment ([Resolution GC/60/R10](#), paragraph 3 refers).

21. In addition, the City of Lyon is expected to provide an estimated €1.24 million from sale proceeds of the Latarjet and BRC buildings to partially cover office design and installation costs. These funds are not yet secured as the City of Lyon has not made an official commitment so far.

22. Thanks to the generosity of Mr Alain Mérieux, €1 million was mobilized to fully equip the Auditorium (see below paragraph 29).

23. Notwithstanding the above, the unfunded balance remains to be mobilized. As of December 2020, the funding gap amounts to €10.4 million; the sale of Latarjet and BRC buildings to the Ville de Lyon could reduce the gap to €9.16 million. The Secretariat has thus made the "Nouveau Centre" one of the priorities in its resource mobilization efforts during the next two years.

24. In early 2020, in order to help the resource mobilization efforts, the Governing Council Working group on Infrastructure requested IARC Secretariat to address the funding gap issue and develop investment prioritization strategy scenarios for all the additional costs of items outlined in paragraphs 16, 17 and 18 above.

## RESOURCE MOBILIZATION EFFORTS: THE "NOUVEAU CENTRE" FUND RAISING CAMPAIGN

25. Based on the strategy presented during the 56<sup>th</sup> Scientific Council session, IARC has launched three different resource mobilization streams as part of its "Nouveau Centre" campaign (local direct marketing, in-kind contribution, international major donations). Since it was the first time IARC embarked in such a comprehensive fund-raising campaign, targeting major donors and other non-state actors, much preparatory work was required. The IARC Secretariat's preparatory work included the following:

- Definition of a clear risk assessment framework and mitigation measures, as well as clear acknowledgement guidelines for any financial or in-kind donation received for the "Nouveau Centre". These documents have been discussed extensively with the unit in WHO responsible for due diligence of Non-State Actors (part of the Compliance, Risk Management and Ethics division) as well as the legal division to ensure alignment with the Framework of Engagement with Non-State Actors (FENSA).
- Creation of attractive communication materials to present the "Nouveau Centre" project. IARC has developed a specific visual identity for the "Nouveau Centre" campaign, a brochure and a letter signed by the IARC Director, a leaflet for the in-kind contributions, a dedicated microsite, and social posts for staff to use. Developing these materials was crucial to ensure IARC could communicate with external audiences in a professional and engaging manner. These materials have been shared with Governing and Scientific Council members for their perusal.

26. The first stream corresponds to the local fund-raising campaign for Non-State Actors in Lyon and its surroundings, including for-profit entities, corporate and philanthropic foundations as well as local key influencers/major donors.

- Establishment of an Advisory Committee or "*Comité de Soutien*" composed of affluent individuals from Lyon (based on the advice of last year's Scientific Council). Six affluent individuals from Lyon, with a very large network, have been nominated as part of this Committee. Thanks to their support, IARC was able to create a database of more than 400 potential major donors or strategic partners to engage with. This has already started to bear fruit (e.g. direct contacts and meetings with high-level donors, establishment of strategic partnerships, engagement with media and celebrities).
- Increased visibility of the Agency towards targeted audience in Lyon. While IARC has been located in Lyon since its birth back in 1965, the visibility of the Agency is very limited. To maximize the opportunity to receive financial donations from local non-state actors, IARC needs to ensure that people know about the organization, its role, the impact it has on public health issues as well as the way the Agency interacts and partners with local stakeholders. To do so, IARC engaged with several local media houses. IARC also mapped in a comprehensive manner all interactions with local entities, including, but not limited to, research institutions, public and private hospitals, schools, suppliers, and cultural institutions. This mapping helped convince external stakeholders of the value of IARC not only as a multilateral global UN agency but also as a local partner.

27. The second stream corresponds to the in-kind contribution campaign. Most of the funding gap for the "Nouveau Centre" corresponds to the purchase of physical equipment. IARC launched, in early November 2020, a Request for Expression of Interest (REOI) asking companies to manifest themselves should they have some equipment to provide as an in-kind contribution to the

"Nouveau Centre". To avoid any perceived influence from private sector entities or any conflict of interest, IARC strictly abided to the following process:

- Specific communication materials were designed: a leaflet explaining the operation, a tutorial to go on the United Nations Global Marketplace (UNGM), specific acknowledgement guidelines for the donation.
- The REoI was launched on the UNGM early November 2020.
- The list in the REoI did not include equipment that require specific maintenance to avoid providing an unfair competitive advantage to any one company.
- The list was divided in three batches:
  - IT, audio, video;
  - Laboratory equipment;
  - Furniture for office, meeting rooms and public areas.
- A list of potential companies was created and a communication plan implemented (targeting especially chamber of commerce and association of industries).

28. The last stream of the campaign concerns the capacity for IARC to attract major donations. The first target audience for this part of the campaign will be Ultra-High Net Worth Individuals (UHNWI) or individuals having a net worth of at least US\$ 30 million in investable assets net of liabilities (after deducting residential and pension investments such as art, planes, yachts and real estate).

29. As mentioned in paragraph 22, the Secretariat accepted with gratitude the generous donation of €1 million from Mr Alain Mérieux for the Nouveau Centre project. Mr Mérieux and the IARC Director signed an agreement on 22 September 2020.

30. IARC is now looking at expanding its search for UHNWI beyond France's borders. To reach out to this specific target audience, IARC is exploring the possibility to work with celebrities to become champions/Goodwill Ambassadors for the Agency, who could also open doors to UHNWI networks for IARC. Another option that IARC is pursuing is to contact well-known scientists that have made an impact on cancer research to help us mobilize resources from UHNWI.

31. Finally yet importantly, the existing Participating States may wish to contribute to the Nouveau Centre technical equipment (as it was the case with the UK and the USA in 1972) or to help furnish the delegates' lounge or the restaurant (provided respectively by Australia and the Netherlands in 1972). Governing Council members could help, jointly with the IARC team, in reaching out to their respective governments and in advocating for investment in the "Nouveau Centre". IARC is aware that some Participating States are trying to include such donations for the "Nouveau Centre" as part of their annual budgets and is very grateful for this.

32. As a conclusion, it is worth mentioning that the current COVID-19 pandemic is delaying some of these activities. Companies today and in the near future are struggling with the lockdowns and are affected by the resulting economic recession. It will take time for the world to recover and this indubitably has an impact on the IARC fund-raising campaign for the "Nouveau Centre".

