

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

STARRED QUESTION NO:122

ANSWERED ON:30.11.2011

CONSTRUCTION OF BUILDINGS FOR MISSIONS

Mani Shri Jose K.;Sidhu Shri Navjot Singh

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether delay in constructing own buildings and renovating the existing structures in foreign countries including Missions and Embassies has resulted in continuous /recurring expenditure for the Government by way of rentals;
- (b) if so, the details thereof and the corrective measures being taken in this regard;
- (c) whether the plots meant for construction of Mission buildings in Bangkok and Warsaw are lying idle for more than two decades and if so, the details thereof;
- (d) the total rent paid for rented buildings in Bangkok and Warsaw so far; and
- (e) the time by which the buildings for these Missions are likely to be constructed?

Answer

THE MINISTER OF EXTERNAL AFFAIRS(SHRI S.M. KRISHNA)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF LOK SABHA STARRED QUESTION NO.122 REGARDING 'CONSTRUCTION OF BUILDINGS FOR MISSIONS' FOR ANSWER ON 30.11.2011

(a) & (b) The delays in commencement of construction on government-owned plots of land and in renovation of government-owned properties are attributable to several factors, largely local norms, practices and conditions. It has also not been found possible in several cases for the Ministry to acquire built-up properties to meet the office/residential requirements in Missions/Posts abroad due to non-availability of suitable properties. These factors as well as the fact that government has decided to open new Missions/ Posts abroad in recent years have resulted in continued expenditure by way of rentals. The Ministry's efforts to reduce expenditure on rentals by constructing/acquiring/renovating properties abroad are reflected in the increasing utilization of funds under Capital Outlay from a level of `90 crore in 2005-06 to `415 crore in financial year 2010-11.

(c) Yes, sir. Despite the fact that the Ministry has made sustained efforts since the acquisition of the plots of land in Bangkok in 1974, and in Warsaw in 1988, it has not been found feasible to commence construction on these properties.

Since the acquisition of the plot of land in Bangkok in 1974, Ministry has mounted twelve property teams for on-the-spot assessment and to make recommendations on the best option for utilizing the plot of land. These options range from construction of residences to construction of Embassy Residence/Cultural Centre as well as disposal of the plot of land, have been considered by the Ministry during this period. A Consultant has also been engaged to develop the concept design for utilization of the plot of land. However, the location of the plot at the dead end of the lane, the narrow approach road to it, and its possible ramifications from security perspective have been constraints in proceeding further with construction activities. The disposal of the plot of land has also not been found a preferred option as it would not be possible to find a good property in Central Bangkok close to the government-owned Embassy premises, as is the case with the currently owned plot of land. Taking into account all these factors, and based on the recommendations of the last property team which visited Bangkok in January 2011, the Ministry has decided to proceed further with the construction of residences, as envisaged initially at the time of purchase of the plot of land, after resolving the issue of access/security.

The plot of land in Warsaw was acquired in 1988 and immediately thereafter, an Indian Consultant was selected in April, 1989. However, immediate progress on the project could not be achieved as it was decided to postpone any expenditure on this and other construction abroad in the wake of economy measures in the aftermath of the Gulf War. The project was revived in 1998 and after developing the parameters of the proposal, including detailed drawings and estimates, approval of competent authority was obtained in December, 2004. Efforts to pre-qualify contractors for the project in the year 2006 and 2008 did not yield the desired outcome. It had also taken considerable time in obtaining requisite approvals from the local authorities and the same was eventually secured in April 2008. However, on account of poor response to earlier invitation for pre-qualification, the Government did not find it advisable to proceed with the project. The reasons for poor response were examined thoroughly and the Ministry decided to undertake the pre-qualification exercise afresh with revised criteria taking into account the prevailing conditions in Warsaw. The pre-qualification exercise has since been completed and the response has been satisfactory. As against 2 - 3 companies, which showed interest in

previous invitations for pre-qualification earlier, 8 companies have now submitted pre-qualification documents.

(d)The expenditure on rentals on hiring of residential accommodation in Bangkok stands at `2.14 crore per annum and for hiring of Chancery and staff residences in Warsaw stand at ` 1.28 crore per annum.

(e)The construction of Chancery-cum-residential complex in Warsaw, after completion of the analysis of financial bids and award of work to the selected contractor, is likely to commence in May, 2012 and should be completed by November, 2013. The residential complex in Bangkok is however likely to take some more time due to continued difficulty in securing viable options to address the narrow approach problem that could have security ramifications.