

Report to the federal Parliament:

Construction of the new NATO Headquarters – Work Completion Report



In 2004, the North Atlantic Treaty Organization (NATO) asked Belgium to manage on its behalf the construction project for its new permanent headquarters in Brussels.

In 2006, the Belgian Court of Audit drew up a multi-year audit plan for the project. The first two reports were published in October 2008 (at the start of the project) and December 2014 (midway through construction).

In its current work completion report, the Court re-examined how the Belgian Ministry of Defence has managed public procurement contracts awarded under the project. The Court's main conclusion is that the ministry has sufficiently controlled the project's financial risks for the Belgian State. On the other hand, the project is 20 months behind schedule altogether. Despite additional costs compared to the tenders, the final amount of all contracts remains globally lower than the budget authorised by NATO in 2009.

For managing such complex projects, the Court formulates the following recommendations: apply other award criteria than the sole lowest-price, prepare the contract documents better, provide for clear, accurate and unambiguous review clauses, include an accountability mechanism for project designers and consider adopting the Design & Build approach to transfer the risk of inappropriate design from the contracting authority to a sole contractor and therefore simplify the construction phase.