



ineteenth session

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1965*

Conference facilities and major maintenance of
the Palais des Nations, Geneva

Fifteenth report of the Advisory Committee on Administrative
and Budgetary Questions to the General Assembly at its
nineteenth session

Introduction

. At its 1043rd meeting on 18 November 1963, the Fifth Committee decided to request the Advisory Committee on Administrative and Budgetary Questions to undertake during the early part of 1964 a comprehensive examination of all relevant factors governing: (a) the possible further expansion of existing conference facilities at the Palais des Nations; and (b) the question of a programme of rehabilitation of the premises as set forth in the Secretary-General's report^{1/} and to report its conclusions to the General Assembly at its nineteenth session. The Fifth Committee also decided that, as part of its general survey, the Advisory Committee should be requested to examine and report on the proposal of the Secretary-General (A/C.5/982, paras. 12 and 13) for the provision of a delegates' lounge in the Palais des Nations, and that the Committee should be authorized to incur commitments up to a maximum of \$50,000 in 1964 for the purpose of installing such a lounge, on the understanding that the necessary provision would be included in the budget estimates for 1965.^{2/}

Item 68 of the provisional agenda.

/ Official Records of the General Assembly, Eighteenth Session, Annexes,
agenda item 58, document A/C.5/982, paras. 14-18.

/ For the text of the Fifth Committee's decisions, see A/5709, annex I.

2. The Advisory Committee accordingly held a session in Geneva from 10 to 26 March 1964, in the course of which it studied the above-mentioned matters on the basis of reports of the Secretary-General to the Committee and oral consultations with the Director of the European Office of the United Nations and his associates. The Committee also had the advantage of consulting the executive heads or other representatives of the organizations based in Geneva which are the major users of the conference facilities in the Palais des Nations. Numerous on-the-spot inspections of the premises and the precincts of the Palais enabled the Committee to assess the nature, extent and urgency of the improvements and repairs proposed by the Secretary-General. The Committee's report to the General Assembly is contained in document A/5709.

3. In paragraph 61 of its report, the Advisory Committee concluded that the existing facilities for major conferences in the Palais des Nations are no longer entirely adequate to meet the increased demands made upon them by the United Nations and the specialized agencies. However, without more precise indications regarding future trends in the over-all programme of conferences in Geneva, the Committee felt that it would be premature to recommend the construction of additional conference rooms. At the same time, the Committee found that it was possible, within the existing structure, to improve the present facilities in the Palais and thereby meet the essential needs of its main users in the immediate future. To this end the Committee recommended in paragraph 62 of its report that, subject to its observations in that report and to the consideration of firm proposals to be submitted by the Secretary-General, the General Assembly should approve a maintenance and improvement programme along the lines suggested by the Secretary-General. This programme comprised projects designed to improve the conference facilities of the Palais, as well as certain major repair and replacement proposals affecting the premises as a whole. As indicated in paragraph 67 of its report, the Advisory Committee wished to await the Secretary-General's firm proposals, accompanied by precise cost estimates, before offering its final recommendations.

4. The Secretary-General has now submitted, in document A/C.5/1009, his comments on the Advisory Committee's report as well as the more detailed specifications it had requested in relation to his proposed programme of improvements and major maintenance projects.

5. In its initial report (A/5709) the Advisory Committee gave a full and detailed account of existing conference facilities in Geneva, the requirements of the specialized agencies and other main users of those facilities, the nature of present difficulties, and the choice of solutions. It went on to formulate its tentative conclusions and recommendations in relation to the proposals put forward by the Secretary-General. By and large, the material contained in the Committee's initial report remains valid today. Consequently, it has been considered unnecessary to repeat or even summarize it in this report. Further, the Secretary-General's proposals are, with one or two exceptions, basically unchanged. The Committee's observations in the paragraphs which follow are consequently related in the main to those of the Secretary-General's proposals set forth in document A/C.5/1009 which have undergone some change or in respect of which new evidence is now submitted.

The need for new conference facilities

6. Throughout its examination of the Secretary-General's proposals concerning the Palais des Nations, the Advisory Committee has proceeded on the understanding that the Palais is to remain the focal point for international conference activity in Geneva. This understanding is shared by the Secretary-General and by the executive heads of the Geneva-based agencies. It is pertinent that whereas several of the latter are undertaking or contemplating building projects in Geneva, they all intend to continue to use the conference facilities of the Palais for their major conferences. Thus, in considering the Secretary-General's present proposals, the Committee has continued to bear in mind the combined needs, as they are at present known, of the United Nations and specialized agencies based in Geneva. The Committee continues to be of the view that, with a carefully integrated programme of repairs, replacements and improvements on the lines of that proposed by the Secretary-General, the Palais can, for a time at least, continue to meet the combined requirements of the United Nations and specialized agencies based in Geneva.

7. As regards future needs, the Advisory Committee observed in its initial report (A/5709, para. 53) that if the trend towards holding in Geneva an increasing number of major conferences, with ever-growing participation, were to

continue, the General Assembly should note that there was a strong probability that it would be necessary to construct additional conference facilities at substantial expense. The Committee recommended that, in view of the uncertainty regarding future requirements, the situation should be watched carefully and be reviewed not later than the twenty-second session of the General Assembly in 1967. The Secretary-General has now suggested (A/C.5/1009, para. 11) that the General Assembly authorize him to spend up to \$45,000 for the preparation of architectural and engineering studies in 1966 in order that he may report to the General Assembly at its twenty-first session on the estimated cost of constructing new conference rooms together with the necessary ancillary services.

8. The Advisory Committee is inclined to maintain at this time the recommendation it made following its visit to Geneva in March. However, as the studies foreseen by the Secretary-General would be performed in 1966 only, the Committee suggests that he make provision for them in his budget estimates for that year and it will consider the matter when it reviews these estimates, in the light of developments during the intervening period.

The programme of improvements and major maintenance

9. In presenting his revised programme of major maintenance and improvements in part II of document A/C.5/1009, the Secretary-General points out that each item is calculated to enhance the value of the premises, protect the Members' heavy investment in the Palais, and ensure its more efficient functioning as an international conference centre. Apart from a number of changes made in response to suggestions of the Committee for the deferment of certain projects, the programme follows the same general lines as the one presented to, and approved in general by, the Committee in Geneva.

10. Subject to the comments which follow, the Committee believes that the programme as a whole corresponds generally to established needs. It does not doubt that the premises must be adequately maintained. By and large, the priorities in this part of the programme would seem reasonable. As regards improvements, the Committee believes that they would enable the Palais to meet the essential needs of its main users during the next year or so. However, with so many imponderables as regards the future, the Committee would caution

against being too definitive with regard to long-term commitments at this stage, and while recommending that the General Assembly approve in principle the programme of improvements proposed by the Secretary-General, it would suggest that the General Assembly specify that the programme will be subject to review annually in the light of developments.

11. With the foregoing reservations, the Advisory Committee recommends that the General Assembly authorize the Secretary-General to proceed with the programme of maintenance and improvements he has proposed for the year 1965 in annex A of document A/C.5/1009. In so doing, the Committee suggests that he be asked to reconsider his list of priorities for the proposed improvements to the Assembly Hall with a view to installing the protective device at the same time as the new projectors. The Committee further suggests that he be asked to limit repairs to roads and car-parks in 1965 to those which are really urgent.

12. As regards the programme proposed by the Secretary-General for subsequent years, the Committee limits its comments at the present time to one or two matters concerning meeting rooms. It finds the cost of reconditioning the Council Chamber somewhat high and it would require firm estimates before finally approving this project. With respect to Room XIV, the Committee noted that the extent of its proposed enlargement - and indeed cost - had increased since it had examined the room in March. Under the original proposal, the room, extended by twenty feet (six metres) and suitably equipped, would have accommodated ninety-six delegates at the table and ninety-six advisers seated behind them at a cost of \$90,000; under the new proposal, extension by thirty-feet (nine metres) and improved decoration would accommodate 120 delegates and 120 advisers at a cost of \$250,000. Given the fact that if the latter proposal were approved, Room XIV would still not accommodate the largest bodies which are accustomed to use the Palais, and that its conversion is not scheduled to begin before 1967, the Committee would propose to re-examine this project in 1966 in the light of circumstances at that time.

13. There is one particularly important item of the over-all programme of improvements to the Palais for which the Secretary-General is, as yet, unable to offer firm proposals. In its initial report (A/5709, para. 38) the Committee pointed to the inadequacy of the existing number of offices for

conference purposes in the Assembly block and recommended that the Secretary-General should arrange for a study to be made of the utilization of office space in the Palais (A/5709, para. 62 (f)). Since then, several of the Geneva-based agencies have made it clear that the provision of improved conference rooms will not alone solve their problems and that the availability of an adequate number of offices in the immediate vicinity of the main conference rooms is equally important.

14. The Committee was informed that the study referred to in the preceding paragraph had been completed and that a report was in course of preparation. In the meantime, the Committee was given the assurance that possibilities did exist to provide more offices adjacent to conference Room XV, the conversion of which is the main item of the 1965 programme of improvements. As regards the provision of additional offices in a more general way in the Assembly area, the Committee was given to understand that certain possibilities would occur, as a result of a general relocation of staff, consequent upon the departure of the World Health Organization (WHO) from the Palais. The Committee agrees that the Secretary-General should take the fullest possible advantage of this move to effect a general relocation of services in a more functional manner in order that the best possible use can be made of all available space. The Committee consequently endorses the Secretary-General's proposals for further studies as described in paragraphs 19 to 22 of document A/C.5/1009 and recommends that the General Assembly authorize him to incur expenditure not exceeding \$50,000 for these purposes in 1965.

15. As regards furnishing the offices to be vacated by WHO in 1966, to which the Secretary-General refers in paragraph 23 of document A/C.5/1009, the Committee was given to understand that the orders would have to be placed some six months in advance of the delivery date. It consequently recommends that the General Assembly authorize him to enter into commitments not to exceed \$200,000 for this purpose in 1965, subject to approval by the Advisory Committee of precise estimates to be submitted to it in the course of its examination of the 1966 budget estimates.

The method of financing

16. The Secretary-General, in annex A of document A/C.5/1009, estimates that his total programme of maintenance and improvements as set forth in part II of that document would cost \$4,463,000 over the ten-year period 1965-1974. Of this total figure, \$1,865,000 would be for maintenance, \$1,901,200 for improvements and \$696,800 for architects' and engineers' fees, contingencies and administrative expenses.

17. As is explained by the Secretary-General in paragraph 25 of document A/C.5/1009, the estimate of \$1,865,000 for maintenance includes a sum of \$112,000 for the completion of repairs to the roofing of the Palais, the first phase of which has been undertaken in 1964. In the light of the Committee's recommendations in paragraph 18 below concerning the method of financing the various projects, no provision for part or whole of this sum is necessary in the 1965 budget and the amount of \$70,000 at present included under section 7 should be deleted.

18. In ~~part III~~ ^{paragraphs 9-15} of the present report, the Advisory Committee has approved in principle a programme of maintenance and improvements on the general lines suggested by the Secretary-General. At the same time, it has expressed certain reservations regarding one or two items and has stated its belief that, in the absence of a clear picture as to future needs in Geneva, the over-all programme of improvements should be reviewed annually in the light of developments. The Committee has consequently recommended that the Secretary-General be authorized to proceed with the projects he has proposed for 1965 in annex A of document A/C.5/1009. To this end, it recommends that he be authorized to accept forthwith the generous offer of the Swiss Federal Government of an interest-free loan of 8.5 million Swiss francs (\$1,967,000) reimbursable over the five-year period 1970-1974.

Summary of recommendations

19. The Advisory Committee recommends that the General Assembly:

- (a) Approve in principle the programme of maintenance and improvements presented by the Secretary-General in part II of document A/C.5/1009, subject to annual review by the General Assembly;

- (b) Authorize the Secretary-General to accept the generous offer of the Swiss Federal Government of an interest-free loan of 8.5 million Swiss francs (\$1,967,000) reimbursable over the five-year period 1970-1974;
- (c) Authorize the Secretary-General, utilizing the proceed of this loan,
- (i) To proceed with the projects listed in annex A of document A/C.5/1009 for implementation in 1965;
 - (ii) To expend up to \$50,000 in 1965 for architectural and engineering studies in connexion with further plans for the improvement of existing conference facilities and for similar studies related to the proposed programme connected with the premises to be vacated by WHO;
 - (iii) To enter into commitments up to an amount of \$200,000 in 1965 in respect of new furniture for the premises to be vacated by WHO early in 1966, subject to approval by the Advisory Committee of precise estimates to be submitted to it in the course of its examination of the 1966 budget estimates;
- (d) Decide to provide in the budgets for the years 1967 to 1974 eight equal instalments for the repayment of the loan and the financing of the total programme approved by the General Assembly;
- (e) Decide that an amount of \$70,000 be deleted from section 7 of the 1965 budget estimates, since the repairs to the roofing for which this sum had been requested would now be financed from the proceeds of the loan of the Swiss Federal Government.

20. The only effect of the foregoing recommendations on the 1965 budget estimates would be a net reduction of \$70,000 in section 7 as a result of sub-paragraph (e) above. Their financial consequences will be reflected in the estimates for 1966 and subsequent years.