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FIFTH COMMITTEE  
53rd meeting  
held on  
Tuesday, 20 November 1979  
at 10.30 a.m.  
New York

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SUMMARY RECORD OF THE 53rd MEETING

Chairman: Mr. PIRSON (Belgium)

Chairman of the Advisory Committee on Administrative and  
Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.30 a.m.

AGENDA ITEM 98: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981 (continued)  
(A/34/6 and Add.1; A/34/7; A/34/38)

First reading (continued)

Section 17. United Nations Industrial Development Organization

1. The CHAIRMAN pointed out that, in the last line of paragraph 17.19 of the French text of the first report of the Advisory Committee on Administrative and Budgetary Questions, the figure \$6,938,700 should read \$69,338,700.
2. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the major part of the reduction being recommended by the Advisory Committee under section 17, namely \$1,627,000 out of a total reduction of \$1,955,500 arose from the recommendation in paragraph 20 of its first report that the percentage used for calculating common staff costs at Vienna should be set at 31 per cent.
3. In paragraph 17.18 the Advisory Committee was also recommending the deletion of the provision of \$80,500 for inflation in the appropriation requested by the Secretary-General for servicing the Third General Conference of UNIDO. Since the Conference would take place in January-February 1980, the Advisory Committee believed that there were no grounds for a provision for inflation calculated at the rate for the full biennium 1980-1981.
4. The Advisory Committee had noted that the appropriation of \$4,579,300 requested for consultants and ad hoc expert groups amounted to 6.4 per cent of the total appropriations requested for UNIDO for the biennium 1980-1981, as against 2.9 per cent for UNCTAD, for example. While recognizing UNIDO's need for numerous specialists, the Advisory Committee believed that, given the recommendations of the Fifth Committee that the use of consultants and ad hoc expert groups should be limited as far as possible, savings could be achieved on expenditure under that heading if funds were carefully managed. As a result, the Advisory Committee was recommending a reduction of \$100,000, as explained in paragraph 17.11 of its report.
5. With regard to travel of staff on official business, the Advisory Committee noted that the estimates for 1980-1981 showed a considerable increase over the appropriations for 1978-1979. Believing that combining journeys through proper planning of travel could lead to savings, the Advisory Committee was recommending that the estimate under that heading should be reduced by \$80,000.
6. The reductions recommended under general temporary assistance, overtime and night differential, were set out in paragraphs 17.15 and 17.16 of the Advisory Committee's report.

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7. Mr. PAL (India), speaking on behalf of the Group of 77 in the Fifth Committee, said that, since the Group had been informed that the Second Committee had just begun consideration of a draft resolution on UNIDO, it had decided to request the Fifth Committee to defer consideration of section 17 pending information on the financial implications of that draft resolution. However, in order to avoid disrupting the work of the Committee, the Group was prepared to consider section 17 as it stood. Nevertheless, it wished to stress that the financial implications to be announced should have been included in the proposed programme budget; in view of the resolutions adopted by the General Assembly, they had been known since 1978.

8. Mr. DENIS (France) reiterated that his country fully endorsed the objectives of the Lima Declaration on the promotion of the industrialization of the least-developed countries. Since the activities of UNIDO represented one of the major spheres of activities of the United Nations, it was important that particular care should be taken to ensure that the funds allocated could be absorbed by the administrative machinery responsible for them and were put to the best possible use. In that connexion, his delegation was deeply disturbed at the UNIDO budget, primarily because of its size. Section 17 was the fourth largest, after sections 28, 29 and 31, and represented almost 6 per cent of the total regular budget of the United Nations. With the exception of section 29, it was section 17 which comprised the largest number of General Service and Professional staff. While the increase in staff might seem satisfactory, the structure certainly was not, not only because there were as many General Service staff as there were Professionals, but mainly because the budget was geared to an "army of generals". There was a much higher concentration of P-4 and P-5 posts in UNIDO than in the United Nations as a whole (51.3 per cent as compared with 43.5 per cent), while the concentration of P-3, P-2 and P-1 posts was much smaller than in the budget as a whole (39.6 per cent as compared with 46.3 per cent).

9. His delegation was even more seriously disturbed at the growth of the UNIDO budget. The expenditure of that organization had doubled in five years: from \$36,985,500 in 1974-1975, to an estimate of \$71,294,200 for 1980-1981. The current budget, with a growth of 15.3 per cent, revealed an average growth rate of 15 to 16 per cent a year, whereas the extrabudgetary resources for 1980-1981 showed an increase of 35.45 per cent by comparison with the amounts for 1978-1979. In the face of that situation, the recommendations of the Advisory Committee were over-cautious, all the more so since many of the recommendations it had made for the previous biennium had not been followed. For example, the reductions which it was advocating for consultants and travel costs, amounting to \$100,000 and \$80,000 respectively, represented negligible reductions in percentage terms - about 0.1 per cent of the total budget of UNIDO in each case.

10. Moreover, the inflation rate indicated in the proposed programme budget was too high and based on inconsistent estimates. For example, for a single item of expenditure such as consultants, the rates ranged from 0 to 14.2 per cent depending on which table was consulted. He would therefore like to know how the inflation rates were calculated. The recommendation of the Advisory Committee to delete the provision of \$80,500 for inflation relating to the Third General Conference of UNIDO was wise.

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(Mr. Denis, France)

10a. With regard to priorities, the Advisory Committee had already noted for the previous biennium that the UNIDO budget had not sufficiently highlighted priorities, and that there were far too many industrial studies and not enough industrial operations. There had been little change in that situation.

11. In conclusion, he found the budget to be expansionist and inflationary, marked by a haphazard distribution of funds which did not highlight priorities, and by obvious excesses in several spheres. Once it became autonomous, UNIDO was in danger of falling victim to its own success and of experiencing an artificial prosperity, while the industrial gap between the developing and industrialized countries might grow. For that reason, his delegation had very definite reservations about the UNIDO budget and a fortiori about any further addition to the already substantial bill that had been submitted.

12. Mr. KHAMIS (Algeria) said that his delegation shared the view expressed by the representative of India. It therefore sincerely regretted that the Secretary-General had not taken account of the explicit requests made by the Industrial Development Board, later echoed by the Economic and Social Council in its resolution 1979/54, that UNIDO should receive sufficient resources both for its programme support activities and for the system of consultations on the equitable distribution of world industry and the Industrial and Technological Information Bank. The Secretary-General merely indicated that it might be necessary to submit supplementary estimates for those activities. He could have submitted budget proposals, under section 17, in the form of indications of magnitude, on the basis of the recommendations of the two intergovernmental bodies concerned, instead of waiting until the General Assembly took a decision on those important activities. There had been disregard for the principle which his delegation had always supported, namely that secretariats should follow up the recommendations of policy-making bodies.

13. Consequently, his delegation reserved its position as to the final amounts which would be necessary to finance UNIDO activities, pending information on the outcome of the consultations under way in the Second Committee.

14. Mr. LÖSCHNER (Federal Republic of Germany) said that the improvement of economic relations between developing and developed countries required the industrialization of the former and changes in the economies of the latter. Through its activities, UNIDO promoted a more equitable division of labour and global economic growth. For those reasons, his Government endorsed the Secretary-General's proposals under section 17 of the proposed programme budget, as modified by the Advisory Committee. The Advisory Committee had recommended, in particular, reductions in the estimates for consultants, ad hoc expert groups and general temporary assistance, but the cuts recommended were far too modest. The major reduction recommended was in the estimate for common staff costs, and would in no way whatsoever jeopardize programme execution. With regard to draft resolution A/C.2/34/L.32, which had been submitted to the Second Committee by the Group of 77 and contained a request for an additional appropriation of more than \$3 million for UNIDO for 1980-1981, it was his delegation's view that it was for the Fifth Committee, and not the Second Committee, to consider that draft resolution;

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(Mr. Löschner, Federal Republic of Germany)

he asked the Chairman to apprise the Chairman of the Second Committee of that fact. As to the substance of the proposal, his delegation considered the request made in the draft resolution to be incompatible with the structure of the budget and believed that the method represented by that manner of proceeding in budgetary matters was dangerous in that it undermined the principle of democratic participation in budgetary decisions.

15. The CHAIRMAN, replying to the representative of the Federal Republic of Germany, said that in his view the Second Committee was entitled to discuss draft resolution A/C.2/34/L.32 under agenda item 57. He would not personally take the action suggested by the delegation of the Federal Republic of Germany. He had, however, on two occasions drawn the attention of the Chairman of the Second Committee to the fact that no Committee other than the Fifth Committee had the power to approve budgetary appropriations and that the Second Committee might consider that point when it took a decision on the draft resolutions before it.

16. Mr. BEGIN (Director, Budget Division), replying to the question of the representative of France concerning rates of inflation, said that the rates of inflation assumed for Vienna were 6 per cent for 1980 and 6 per cent for 1981. Those rates represented official Austrian projections. Thus, a rate of inflation of 6 per cent was used for 1980 and 3 per cent applied to the 1980 base for 1981, which yielded an over-all rate of 9 per cent. That was the figure reflected in all the tables, provided that comparison was made between the amount appearing in the column headed "Inflation" and the 1978-1979 appropriation, revalued and adjusted to reflect any resource growth or decrease in the new budget.

17. Mr. GARRIDO (Philippines), referring to section 17.D (Programmes of activity), asked the Secretariat to indicate the level of resources allocated to UNIDO under the heading "Experts and consultants" in section 24 of the proposed programme budget.

18. The CHAIRMAN said that, if there was no objection, he would take it that the Fifth Committee wished to approve in first reading an appropriation of \$69,338,700 under section 17 of the proposed programme budget.

19. It was so decided.

20. Mr. GOLOVKO (Ukrainian Soviet Socialist Republic) said that his delegation, while understanding the importance of the activities of UNIDO for the developing countries, was concerned about the large appropriation. The increase in the estimates for section 17 was due primarily to projected inflation in 1980 and 1981, and his delegation could not agree to an increase of \$6 million for that purpose. It had stated on numerous occasions that such additional costs should be met through savings, a reassessment of programme priorities and voluntary contributions, especially from countries in which offices of the United Nations were situated. The increased expenditure proposed for section 17 was also due to a great extent to the creation of new Professional posts, the reclassification of a number of Professional posts, temporary assistance and overtime. He reaffirmed

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(Mr. Golovko, Ukrainian SSR)

his delegation's position that there was no need to increase the number of staff; the answer was to make the best possible use of the existing staff. His delegation considered the estimates for consultants and staff travel on official business. For those reasons, his delegation would have voted against the estimate for section 17 if it had been put to a vote.

✓ Section 32. Construction, alteration, improvement and major maintenance of premises (A/34/6 and Add.1, A/34/7; A/C.5/34/23)

21. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that the Secretary-General's estimate for section 32 (Construction, alteration, improvement and major maintenance of premises) was \$46,908,300 and that the appropriation recommended by the Advisory Committee was \$44,983,200, or a reduction of \$1,925,100. The most important reduction related to an amount of \$15,428,600, requested for the construction programme in Nairobi, which would be reduced to \$14,274,000, reflecting a cut of \$1,154,600. The Advisory Committee's reasons for recommending that reduction was set forth in paragraph 32.6 of its report.

22. In paragraph 32.14 of its report, the Advisory Committee was recommending a reduction in the estimate for improvement of premises in Geneva, because it believed that the Secretary-General had not provided sufficiently complete explanations concerning the proposed work. In addition, a reduction of \$323,600 was recommended in paragraph 32.19 relating to repairs in Geneva, about which the Advisory Committee had expressed surprise, since the premises in question had been completed as recently as 1975. The Advisory Committee believed that steps must be taken to ascertain whether a claim existed against the architects or contractors responsible for the project.

23. Lastly, in paragraph 32.21 of its report the Advisory Committee had expressed its concern about the lack of technical reviews and other analyses in connexion with the proposed projects for Geneva and the headquarters of the regional commissions. Such analyses should have been made before estimates were submitted in the proposed programme budget for the biennium 1980-1981.

24. Mr. RUEDAS (Assistant Secretary-General for Financial Services) said that two documents would be issued shortly, one concerning the proposed project in New York and the other on the construction programme in Nairobi. The cost of those two projects represented approximately two thirds of the estimates submitted in section 32.

25. The CHAIRMAN drew attention to paragraph 32.21 of the Advisory Committee's report. In his view, the Fifth Committee should endorse the Advisory Committee's comments and join that Committee in urgently requesting the Secretary-General to take immediate steps to remedy the situation criticized by the Committee in paragraph 32.21.

26. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that it was unfortunate that the Fifth Committee had not yet received the two reports mentioned by the Assistant Secretary-General for Financial Services. In the circumstances, he wondered whether the Committee should continue its consideration of section 32, especially in view of the substantial amounts involved.

27. The CHAIRMAN said he was aware of the difficulties created by the absence of the necessary documentation. However, as with all the other sections of the programme budget, he would prefer the Committee to consider the estimates submitted by the Secretary-General, on the understanding that at a later stage, when all the relevant documents were available, it would take a decision on any supplementary estimates which had to be submitted.

28. Mr. GARRIDO (Philippines) asked whether in the past separate cost-benefit analyses had been submitted to the Fifth Committee in similar cases.

29. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that he did not believe the Fifth Committee had ever received such information. Some 10 years earlier, the Committee had been provided with very detailed documents in connexion with several matters, but they had not been cost-benefit analyses properly speaking. He did not believe, moreover, that the Committee actually needed such analyses. The Committee could, of course, ask to receive such information in connexion with the construction of new buildings, for example, but in principle it had to work on the basis of the information provided by the Secretary-General and not on the basis of reports prepared by consultants.

30. Mr. AYADHI (Tunisia) said that he, too, deplored the absence of the relevant documents, especially since substantive documents and not just financial implications were involved. Nevertheless, so as not to delay the Committee's work, his delegation would be satisfied if the Secretariat responded orally to the Advisory Committee's comments in paragraph 32.21 of its report.

31. Mr. TIMBRELL (Assistant Secretary-General for General Services) said that, regarding the comments made by the Advisory Committee in paragraph 32.21 of its report, he would speak only of the situation at Headquarters: it would be presumptuous of the Office of General Services in New York to give instructions on what to do to the relevant services at the United Nations Office at Geneva, whose Director-General was directly responsible to the Secretary-General, and whose staff had long included engineers and architects responsible for such matters. As far as the headquarters of the regional commissions were concerned, on the other hand, the technical staff of the Office of General Services at New York should indeed be involved, as the Advisory Committee had recommended, in future projects for alteration, improvement and maintenance, since the commissions did not have the same staff resources as Headquarters or Geneva.

32. As to Headquarters, the Advisory Committee seemed to be most concerned over the recommendations relating to energy conservation. A study had been carried out by a consultant, who had identified a number of areas where it would be worth while to invest in the acquisition of materials in order to achieve energy savings.

(Mr. Timbrell)

Some of those suggestions had to be studied in greater depth from a technical standpoint. In other cases, the initial requests for appropriations had been too cautious, and it was now clear that additional expenditure was needed. According to the study, it was expected that, at 1979 prices, the investment required to finance the work detailed in paragraph 32.16 of the proposed programme budget would be recouped in less than two years. The contents of the study had, moreover, been communicated to the Advisory Committee, but it seemed that there had been a misunderstanding between the Secretariat and ACABQ regarding the form in which the latter wished to receive the information; the necessary steps in that regard would be taken in future.

33. Mr. RUEDAS (Assistant Secretary-General for Financial Services) said that cost-benefit analyses were always very complicated and full of uncertainties. He had, nevertheless, taken note of the concerns of ACABQ; in future the Office of Financial Services would do all it could, within the limits of the technical and staff resources available to it, to submit cost-benefit analyses, prepared in conjunction with the Office of General Services, on all proposals relating to alteration, improvement and maintenance of premises.

34. Mr. DE FACQ (Belgium) said that paragraph 32.24 of the proposed programme budget had raised a number of questions in his mind concerning the Organization's collection of objets d'art. He wished to know if an inventory of the collection had been made, and if the objects had been valued. He also wished to know who was responsible for their maintenance; such work was very specialized and should be supervised by a special committee or even a committee of experts.

35. Mr. TIMBRELL (Assistant Secretary-General for General Services) replied that there did indeed exist a committee, made up of senior United Nations staff with some experience of the arts, which was responsible for considering all offers of gifts to see whether they should be accepted and for determining where gifts should be placed. A similar committee was about to be established at Vienna. At Headquarters, the gifts received had been entered in an inventory but had not been valued; in most cases, valuation would be virtually impossible. The Secretariat customarily asked the donor country to bear any installation costs. As for maintenance, in the case of gifts which could be replaced when worn out, donors were asked whether they were prepared to provide a replacement and had sometimes agreed to do so. Other problems were more difficult to solve; an example was the Belgian tapestry in the delegates' lobby of the General Assembly building, which was fading as a result of exposure to sunlight. The question had been studied, but no solution had yet been found. He assured Committee members, however, that the Secretariat had the matter in hand.

36. Mr. BRUCE (Canada) noted that the Secretary-General would soon be submitting a report to the Committee on the state of progress in the construction of UNEP headquarters at Nairobi, in respect of which the Advisory Committee had proposed a reduction in the estimate. In the meantime he would like the Committee to be given an oral report so that it could have an idea of what had been done so far and of the schedule for the completion of the work. The existing conference facilities - those currently utilized by UNEP and various United Nations offices -

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(Mr. Bruce, Canada)

must be properly used in parallel with the facilities provided in the new building. It might even be possible to phase the appropriation of around \$15 million requested for the new building over a longer period, slowing down the construction work if necessary. He would welcome oral information on that matter, pending receipt of the written report of the Secretary-General.

37. Mr. GARRIDO (Philippines) said it was important to know the total amount of the appropriations needed to complete the work scheduled for the biennium 1980-1981. Given that the Secretary-General's requests were rough estimates, and that additional appropriations would be needed, it would be desirable for the Assistant Secretary-General for General Services to give the Committee an immediate indication of the magnitude of the expected cost. Moreover, concerning the possibilities for energy conservation, he noted that in paragraph 32.11 of its report, the Advisory Committee spoke of selecting the "most promising" recommendations for implementation: did that mean the most economical and cost-effective recommendations?

38. Mr. KEMAL (Pakistan) pointed out that, in paragraph 32.12 of the proposed programme budget, the Secretary-General stated that the appropriation of \$14.9 million requested represented the balance of anticipated needs for the completion of the work during the biennium 1980-1981; in paragraph 32.9 of its report, on the other hand, the Advisory Committee announced that the cost of the work would be considerably in excess of the estimates submitted. Did that mean that the Committee would be called upon to consider requests for additional appropriations at a later stage?

39. The CHAIRMAN said that that would indeed be the case.

40. Mr. TIMBRELL (Assistant Secretary-General for General Services), replying to the representative of Canada, said that he would find it very difficult to report orally on the construction work at Nairobi, the Secretariat had prepared a long report on the subject, which the Committee would take up shortly. He could state, however, that work had commenced and that the planned completion date remained September 1982. The question of conference facilities had been discussed in Nairobi; the Kenyan Government had indicated that it expected to use all the existing facilities to meet its own needs in coming years and thus could not undertake to make them available to the United Nations in future. That matter had been duly taken into account in the report soon to be submitted to the Committee. He was sorry that he could not provide more information from memory.

41. As to the question by the representative of the Philippines concerning work at Headquarters, the Advisory Committee had mentioned in its report certain difficulties which the Secretary-General had encountered. It had been decided, partly owing to inflation, that it would be preferable to begin the work under the north lawn immediately, on the understanding that the Secretary-General would submit a report to the Committee at the current session. It was that report which the Committee would shortly take up.

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(Mr. Timbrell)

42. As for the energy conservation measures, the "most promising" recommendations clearly meant those which were most economical and cost-effective.

43. Mr. GARRIDO (Philippines) asked for confirmation of his understanding that there would be no conference rooms in the new building at Nairobi and that UNEP would continue to use the conference rooms at the Kenyatta Centre.

44. Mr. TIMBRELL (Assistant Secretary-General for General Services) replied that the new building would have three conference rooms, one large and two small, which had had to be added when it had proved impossible to obtain assurances from the Kenyan Government that the facilities and services at the Kenyatta Centre could be made available to UNEP when the Programme required them.

45. Mr. RUGWIZANGOGA (Rwanda) referred to the appropriation of \$55,100 requested for consulting engineers' fees in paragraph 32.18 (c) of the proposed programme budget and asked how many such engineers were involved.

46. The CHAIRMAN said that the Secretariat would reply to that question at a later stage.

47. Mr. KEMAL (Pakistan) recalled that in paragraph 32.23 of the proposed programme budget the Secretary-General requested \$1,223,600 for maintenance work at Geneva and that the Advisory Committee had concluded, in paragraph 32.19 of its report, that there was a need to ascertain whether a claim existed against the architects and/or contractors responsible for the work, which had been shown to be defective even though the building had been completed as recently as 1975. He asked whether the necessary steps had been taken in that respect and whether there was any hope of recovering a portion of the cost of the work if there had been negligence on the part of the architects or contractors.

48. Mr. RUEDAS (Assistant Secretary-General for Financial Services) replied that the United Nations Office at Geneva was tackling that question and that he was therefore unable to give the Committee further clarification. He nevertheless wished to emphasize that the question was a very complex one, to be studied on the basis of the records of the various companies concerned, and that legal advice would also have to be taken.

49. The CHAIRMAN, strongly regretting that the Secretariat had been unable to submit in time the reports on work both at Headquarters and in Nairobi, none the less suggested that the Committee approve in first reading an appropriation of \$44,983,200 under section 32, in accordance with the recommendation of the Advisory Committee, it being understood that the Committee would return to the question when it had received the two reports of the Secretary-General and the relevant observations of the Advisory Committee.

50. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) requested a vote.

51. The CHAIRMAN asked whether delegations wished to explain their vote before the vote.

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52. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) regretted that not all the information needed for consideration of section 32 had been made available to the Committee in time; two Secretariat reports on the work to be carried out at Headquarters and Nairobi had yet to appear. His delegation, however, agreed to the procedure suggested by the Chairman, while preserving the right to make detailed comments when it had examined the two reports concerned.

53. His delegation fully endorsed the opinions expressed by the Advisory Committee on the subject of section 32, and more particularly the comments which it made in paragraph 32.21 of its report. Having consistently opposed the construction work envisaged under that section, whether in connexion with Headquarters or for duty stations, his delegation would be unable to vote in favour of the appropriations requested under that section.

54. The recommendation of the Advisory Committee for an appropriation of \$44,983,200 under section 32 was approved in first reading by 97 votes to 9, with 1 abstention.

55. Mr. PAPENDORP (United States of America) said that his delegation had abstained in the voting because of the unavailability of the documents which would have enabled him to study that section in full knowledge of the facts.

56. The CHAIRMAN suggested that the Committee should approve the observations submitted by the Advisory Committee in paragraph 32.21 of its report.

57. It was so decided.

58. Mr. KEMAL (Pakistan) asked whether it would not be appropriate for the Committee to state specifically that it approved the non-budgetary observations and recommendations which the Advisory Committee had formulated in its report, particularly in paragraphs 32.12 and 32.19.

59. Mr. AYADHI (Tunisia) said that his delegation had voted for the appropriations requested under section 32 on the understanding that the observations submitted by the Advisory Committee in its report would be taken into consideration in implementing the budget. The Advisory Committee's very pertinent observation in paragraph 32.19 should be singled out as an example. Where there was a constructional defect, every possible recourse to the architect or contractor should be exhausted before repairs were begun. Even if the Organization was obliged as a matter of urgency to undertake work financed from its own funds, it must subsequently institute proceedings for compensation.

60. The CHAIRMAN suggested that the Committee should take note of the observations made by the Advisory Committee in connexion with section 32 of the proposed programme budget.

61. It was so decided.

62. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recommended that the Fifth Committee take note of the Secretary-General's report on the alteration, improvement and major maintenance of premises at the United Nations Office at Geneva (A/C.5/34/23), that it accept the arrangements envisaged by the Secretary-General, particularly those in paragraphs 12 and 22 of the report, and that it request the Secretary-General to report to the General Assembly, through the Advisory Committee, the context of the proposed programme budget for the biennium 1982-1983, on his actions in the matter, unless he thought it necessary to report earlier.

63. Mr. AYADHI (Tunisia) expressed surprise that the Secretary-General envisaged, among the various possible solutions, the sale of the villa "Les Feuillantines" when the General Assembly had, in resolution 33/116 A (sect. V), requested the Secretary-General to study further the possibilities of using the villa. His delegation considered that the wording of the resolution categorically excluded the possibility of sale.

64. Part B of the Secretary-General's report (Proposed transfer of United Nations property to the City of Geneva) raised a number of questions. It was entirely understandable that the City of Geneva sought to acquire a strip of land measuring 160 square metres in order to eliminate the encroachment of the property "Le Bocage" on the public domain, but it was the compensation offered for that land which created the problem. The City of Geneva was undertaking to erect a wall, at its own expense, on the new boundary of the property. There was every reason to suppose that it would merely reconstruct a wall, after demolishing the old one. Thus, in actual fact, the compensation contemplated was theoretical.

65. Secondly, it was surprising that there could be any question of applying Swiss legislation to the United Nations since, in an exchange of properties concluded between the United Nations and the City of Geneva in 1954, each party to the transaction had undertaken to respect "legal restrictions to ownership as to building line plans". It would perhaps be appropriate to seek legal advice before accepting provisions which could have such important consequences.

66. Finally, the Secretary-General's report mentioned a strip of 80 square metres which would also be ceded to the City of Geneva. His delegation hoped that clarification would be forthcoming on the intended use of the strip, and also on the legal basis for the transfer.

The meeting rose at 1.05 p.m.