

question of precedent. There seemed to be a consensus in the Committee against circulating the letter as a document of the Committee. He invited members of the Committee to consider the possibility of the Committee secretariat reproducing it by photocopy, at minimal cost, so that it could be consulted at the desk of the Conference Officer by interested delegations.

67. Mr. BOUAYAD-AGHA (Algeria) opposed such a reproduction of the letter on the grounds that it would create an undesirable precedent for circulating informal documents.

68. Mr. OUEDRAOGO (Upper Volta) said that, since he assumed the letter was written in English, he could not accept the reproduction at United Nations cost of a document which would not be accessible to all delegations.

69. The CHAIRMAN said that he took it that the Committee did not approve the circulation of the letter from the Chairman of the International Law Commission as an official document of the Fifth Committee, nor its reproduction by the Committee secretariat.

It was so decided.

70. The CHAIRMAN said that he would inform the Chairman of the International Law Commission of the Committee's decision.

71. Replying to a question from Mr. RHODIUS (Netherlands), he said that the letter would be available for consultation in the office of the Secretary of the Committee.

The meeting rose at 1.15 p.m.

1720th meeting

Thursday, 23 October 1975, at 10.50 a.m.

Chairman: Mr. Christopher R. THOMAS (Trinidad and Tobago).

A/C.5/SR.1720

AGENDA ITEM 96

Proposed programme budget for the biennium 1976-1977 and medium-term plan for the period 1976-1979 (continued) (for the documentation, see 1718th meeting)

First reading of individual sections of the programme budget (continued)

SECTION 8. ECONOMIC COMMISSION FOR LATIN AMERICA (concluded) (A/10006, A/10008 AND CORR.2)

1. Mr. MATHESON (Canada) asked why there were so many vacancies at the Professional level, particularly in the regional commissions, representing 20 per cent of all Professional posts in ECLA, 12 per cent in ESCAP and 14 per cent in ECA. In ECLA the problem had existed for several years, and it could imply unavailability of qualified personnel, lack of adequate effort on the part of the Secretariat to fill the vacancies, lack of priority attached by the Secretariat to filling the positions, or lack of real need to fill them.

2. Mr. CARRESSE (Uruguay) said that he would have been very gratified if the Advisory Committee on Administrative and Budgetary Questions had approved the appropriations requested for ECLA by the Secretary-General in the proposed programme budget (A/10006). The Advisory Committee undoubtedly had valid reasons for recommending reductions, as it had done in the case of all the regional commissions. However, in saying, in paragraph 8.4 of its report (A/10008 and Corr.2), that ECLA's sub-regional structure was not the most economical, the Advisory Committee was giving an opinion that it was not competent to give. It was for the Fifth Committee to

decide on a matter of that nature. In fact, the regional commissions decided on their structure in accordance with their needs. The ECLA office in Washington, about whose usefulness the Advisory Committee had expressed doubt, provided ECLA with indispensable information. ECLA's structure was certainly not perfect, but the Executive Secretary was trying to improve it, and it was, at any rate, meeting the needs of the region.

3. Mr. RIVAS (Colombia) supported the observations made by the representatives of Argentina and Venezuela at the previous meeting and those just made by the representative of Uruguay. The appropriations requested by the Secretary-General for ECLA were what the Commission needed in order to carry out the increasingly important role it would play in establishing a new international economic order. Moreover, it would be rash to try, for reasons of efficiency, to reduce the financial means of regional organs at a time when the United Nations was deliberately decentralizing its activities by delegating more and more powers to them and when the Economic and Social Council, UNCTAD and UNDP were all entrusting new responsibilities to the regional commissions.

4. He was surprised to hear so much criticism of the requests for additional staff. Criticism was easy when it was theoretical and when comparisons were being made between the manning tables of very disparate departments whose activities were carried out in conditions and contexts which were just as disparate. He could not endorse the Advisory Committee's recommendation for reductions, particularly since ECLA had stated that it was prepared to review carefully its staff requirements and programme of action in order to increase their effectiveness as much as possible.

5. Mr. PONCE (Peru) said that an analysis of section 8 of the proposed programme budget showed that the projected growth in ECLA's activities was modest compared with that provided for in other sections. In view of ECLA's objectives, its role in the development of Latin America and its important co-ordination functions in connexion with, for example, UNIDO or UNDP projects, the appropriations requested by the Secretary-General should definitely not be reduced. ECLA was in the process of establishing a new development model for Latin America, which was already being cited as an example throughout the world, even in the United States. It was therefore surprising that the United States representative should propose that ECLA's budget should be cut even more than the Advisory Committee had recommended.
6. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) assured the Latin American delegations that the Advisory Committee in its observations on the structure of ECLA had had no intention of questioning policy decisions which lay within the jurisdiction of ECLA itself and had been duly endorsed by the Economic and Social Council. Nevertheless, it was the Advisory Committee's duty to point out that steps had to be taken to ensure that a complex administrative structure did not jeopardize the ability of the organ concerned to execute its programmes. He was confident that the Latin American delegations shared that concern for efficiency.
7. He pointed out that, of the over-all reduction of \$573,000 recommended by the Advisory Committee in paragraph 8.13 of its report, \$486,000 was to come from a higher turnover deduction. However, there was nothing to prevent ECLA from filling the Professional vacancies, if that could be done at a rate higher than that envisaged by the Advisory Committee. Moreover, the Advisory Committee had approved 6 of the 7 new Professional posts requested by the Secretary-General. That could not be regarded as excessive severity.
8. Mr. AKASHI (Japan) pointed out, as the Chairman of the Advisory Committee had done, that over 80 per cent of the reduction recommended by the Advisory Committee related to a purely technical item, the turnover deduction. The Committee might therefore apply to ECLA the same compromise formula it had applied to ESCAP, when considering section 7, by accepting the recommendations of the Advisory Committee, on condition that if the ECLA vacancies were filled it would consider, at the thirty-first session of the General Assembly, approving supplementary appropriations.
9. Mr. DIPP GOMEZ (Dominican Republic) said that ECLA, like the other regional commissions, should be given the means to carry out its obligations and to take part in the establishment of a new international economic order. However, the Fifth Committee needed to be better informed, as the Advisory Committee had pointed out, about ECLA's operations, and particularly about the activities of its subregional offices, such as those in Montevideo and Buenos Aires. Moreover, the Secretary-General had requested a total of 26 new posts, when 31 of the available Professional posts in ECLA still had remained vacant. It would be logical for ECLA, like any other organ of the United Nations, to try to fill existing vacancies before creating new posts.
10. In the circumstances, he willingly endorsed the proposal of the representative of Japan, which would give the Committee an opportunity to review ECLA's case at the thirty-first session and, if necessary, to approve supplementary appropriations for it.
11. Mr. LAVAU (Director of the Budget Division), replying to the questions raised on section 8, said, with regard to the question posed by the representative of Venezuela concerning Argentina's share in the operating expenses of ECLA's subregional office in Buenos Aires, that under an agreement signed on 12 December 1973, the Central Bank of Argentina provided the premises for that office (1,100 square metres) and the necessary furniture and equipment, and paid the salaries and wages of the 16 support personnel. The 5 Professional staff members of ECLA posted to Buenos Aires were, of course, paid by ECLA. All in all, Argentina's contribution for the current year amounted to \$383,000.
12. Several delegations had asked whether the establishment of ECLA subregional offices was justifiable. It was ECLA itself which, in a number of resolutions, including one adopted at the eighth extraordinary session of its Committee of the Whole in 1974, had asked the Secretary-General to strengthen those offices. The Advisory Committee had, as early as 1973, questioned whether the Washington office corresponded to a continuing need—as it pointed out in paragraph 8.4 of its report—but that office, in addition to its liaison activities between ECLA and organizations such as IBRD that had their headquarters in Washington, was increasingly being entrusted by ECLA with substantive studies, as for instance, those on transnational corporations and the reform of the international monetary system.
13. The representatives of the United States of America, Belgium and the United Kingdom, in particular, had expressed concern at the fact that ECLA's administrative costs accounted for 33.4 per cent of its budget. Those costs were not all purely administrative, because a large proportion of the costs was attributable, to such things as data processing, library services and the Latin American Documentation and Research Centre. Of the 26 new posts requested, 12 were intended for services of that kind.
14. With regard to the representative of Canada's concern about the large number of vacancies in ECLA, he said that the situation was improving: there had been 31 vacancies as at 1 May 1975 but only 25 as at 1 September, and recruitment procedures were under way for 13 of the latter. Quite soon there should be only 12 vacancies remaining, which was roughly equal to normal turnover. The large number of vacancies in the regional commissions was due, in part, to the situation in the countries in which those commissions had their headquarters and was therefore circumstantial. The main reason, however, was the constraints imposed on recruitment by the principle of geographical distribution.
15. The CHAIRMAN summed up the discussion on section 8. Many delegations wished the Committee to

approve the appropriation requested by the Secretary-General, but just as many showed a preference for the lower figure recommended by the Advisory Committee. There were no formal proposals on either course. In the circumstances he proposed that the Committee should adopt the solution recommended by the representative of Japan and supported by the representative of the Dominican Republic, which was to approve the amount recommended by the Advisory Committee (1719th meeting, para. 42), on condition that, if there was progress in recruiting personnel to fill vacant posts and in executing the programme, the Secretary-General should submit at the thirty-first session a request for a supplementary appropriation.

It was so decided.

An appropriation in the amount of \$17,995,600 under section 8 for the biennium 1976-1977 was approved in first reading by 83 votes to none, with 8 abstentions.

16. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that he had abstained in the voting on the appropriation under section 8 because the increase in expenditures due to inflation, monetary instability and new posts should be covered by savings, corresponding staff reductions in certain departments and the elimination of non-essential items from the ECLA programme.

SECTION 10. ECONOMIC COMMISSION FOR WESTERN ASIA (A/10006, A/10008 AND CORR.2)

17. The CHAIRMAN said that the Secretary-General had requested, under section 10 of the proposed programme budget for the biennium 1976-1977 (A/10006) an appropriation of \$9,231,000 for ECWA. The Advisory Committee had recommended in its report (A/10008 and Corr.2, para. 10.7) that the appropriation should be reduced by \$369,000. Moreover, the reduction in the total appropriation requested for representation allowances recommended by the Advisory Committee in paragraphs 63-65 of its report would lead to an additional reduction of \$400 in the appropriation requested under the section. The total appropriation recommended by the Advisory Committee under section 10 was consequently \$8,861,600.

18. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the appropriation requested by the Secretary-General under section 10 represented an increase of \$5,097,000 or 123.3 per cent, over the revised appropriation for 1974-1975. The Secretary-General estimated the rate of real growth at 17.5 per cent. The total amount, including extra-budgetary funds and a sum for apportionment of common services, required for the execution of ECWA's activities, was estimated at \$11,414,000.

19. It was only in 1974 that ECWA had begun its operations, and the steep increase in appropriations requested was due, on the one hand, to the additional cost of maintaining in 1976-1977 the posts approved for the current biennium, with the normal reduction for delayed recruitment, and, on the other hand, to new posts requested for ECWA, so that it could meet its growing requirements.

20. The current manning table of ECWA had 191 posts, including 71 Professional and above. The Secretary-General proposed creating 48 new posts, namely, 20 Professional and 28 local level posts. As of 1 May 1975, 24 posts were vacant at ECWA, but all, or nearly all, of them should be filled shortly.

21. The Advisory Committee had taken those considerations into account in reviewing the appropriations sought. The information furnished by the Secretary-General in paragraphs 10.4, 10.10, 10.18, 10.22 and 10.34 of the proposed programme budget had not convinced that Committee of the need to approve all posts requested. However, after considering the distribution of existing staff by programme, the Advisory Committee was recommending approval of the creation of 17 Professional and 22 local level posts in ECWA for 1976-1977.

22. He drew attention to paragraph 10.6 of the Advisory Committee's report, in which it had made some observations on the question of ECWA's headquarters and the cost of renting premises.

23. The Advisory Committee's recommendations, which were summarized in paragraph 10.7 of its report, and its recommendations on the appropriation requested for representation allowances would lead to a reduction of \$369,400 in the appropriation requested, which would then amount to \$8,861,600.

24. Mr. AL-SHARAFI (Yemen) paid a tribute to the efforts of ECWA, to which his country attached great importance. He hoped that the Commission would be able to extend its activities and make progress towards the realization of the great goals which the countries of the region had set for themselves.

25. The appropriations requested by the Secretary-General and the growth which they implied were consistent with the special needs of a region in which the organs of the United Nations had recently intensified their efforts and which was chronically afflicted by lack of modern technology and the dearth of specialists. It had long been deprived of United Nations development assistance, and the new regional commission should enable the needs of the people of the region to be identified.

26. Now that ECWA existed and had begun its operations, all United Nations bodies should lend it their assistance and encouragement. The Advisory Committee, although its report was very constructive, proposed reducing the number of posts requested by the Secretary-General at a time when ECWA was just beginning its operations. For that reason, his delegation could not fully endorse the Advisory Committee's recommendations and urged the Fifth Committee to approve instead the appropriations requested by the Secretary-General, in view of the special position of ECWA.

27. Mr. ALKAFF (Democratic Yemen) said that, for special political reasons, the ECWA region had for a long time had no regional commission and had therefore been unable to benefit from the assistance which such an organ could bring in the sphere of development.

28. The fact that ECWA had been established so recently justified making a special effort to help it in its initial activities. The growth in its activities was a normal phenomenon, and the cost of the posts requested was a fair proportion of the total estimated increase. Furthermore, the Advisory Committee had noted that most of the new posts requested were for conference services, administrative services and some programmes of activity, in anticipation of ECWA's future needs.

29. Referring to paragraph 10.6 of the Advisory Committee's report, he paid a tribute to the Lebanese Government, which had been and continued to be of considerable service to ECWA. The region of Western Asia had the characteristic of being made up of rich and poor countries and was, therefore, an area of wide economic disparities. The presence of rich countries did not mean that the region should not develop its resources, especially since some of the other countries were among the least developed. Those disparities made regional co-operation more necessary than elsewhere, especially in the context of the current world crisis.

30. The Commission was contemplating a wide range of activities, since it intended to analyse the economic data of the region, to intensify national development strategies and to co-ordinate national development plans. The most important goals which ECWA had set itself were undoubtedly the following: the analysis of recent developments in agriculture and of broad questions of agricultural policy, the exchange of information and the preparation of schemes for a regional agricultural policy and action programme, a regional programme for the constitution of food grain reserve stocks; the improvement of budgetary and financing systems; the study of manpower problems, the study of urban and rural settlements, encouraging the population to participate in balanced rural development; co-ordination of industrialization plans and programmes, stimulation of certain branches of industry and of training and intensification of related technical co-operation to that end; assistance to Governments formulating strategies for water resource management and intensification of regional co-operation, increased participation of women in economic life; modernization of transport so as to facilitate the mobilization of human and natural resources, and the development of tourism.

31. In view of the importance of those goals, ECWA deserved to receive all possible assistance, and his delegation could not approve the Advisory Committee's recommendations on reducing the resources to be allocated to the Commission.

32. Mr. AL-NAKASH (Iraq) stressed ECWA's inexperience and the fact that it was in its "take-off" stage, a stage at which all other regional commissions had had similar difficulties. It needed skills and experienced personnel. The current establishment of 191 posts was therefore insufficient, since the region had many economic problems, as the representatives of Yemen and Democratic Yemen had pointed out. His delegation viewed the reductions recommended by the Advisory Committee with considerable disquiet. ECWA was experiencing the same problems as the other regional commissions with delayed recruitment, for example. It was not yet fully staffed and did not even have a permanent headquarters.

33. His delegation hoped that the Advisory Committee would reconsider its recommendations in view of the special difficulties which ECWA was undergoing.

34. Mr. BACHE (United States of America) supported the recommendations of the Advisory Committee; he believed that the appropriations requested under section 10 could be reduced further. It was certainly necessary to recognize the special problems which the Commission was facing because of having been established so recently, but as at 1 May 1975, the number of vacant posts in ECWA was four times the average number of vacancies used in calculating the standard turnover deduction of 5 per cent. An additional turnover deduction should therefore be applied to ECWA, as the Advisory Committee had recommended in similar cases.

35. Mr. BASSAM (United Arab Emirates) said that he could not accept the reductions recommended by the Advisory Committee. He agreed with those delegations that had suggested that the Committee should approve the estimate proposed by the Secretary-General.

36. Mr. AL-ZAID (Kuwait) said he, too, hoped that the Committee would approve the estimate proposed by the Secretary-General.

37. Mr. MARPAUNG (Indonesia) said that the recruitment situation appeared to be far worse at ECWA than at the other regional commissions. The Advisory Committee's decision regarding the deduction applied to the cost of existing posts was sound; however, the Secretary-General might be asked to make a special report on recruitment delays in the regional commissions. When taking a decision on section 10, the Committee might make the same reservation in approving the amount recommended as it had done for sections 7 and 8.

38. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that, in the case of ECWA, the Advisory Committee had not seen fit to recommend that an additional turnover deduction be applied to existing posts, as it had done for ECA, ECLA and ESCAP in paragraph 48 of its report. The decision to be taken by the Committee would therefore have to be worded somewhat differently in the Fifth Committee's report. The representative of Indonesia was right to suggest that the Committee should approve the estimate recommended, subject to the possibility of approving supplementary estimates at the thirty-first session, if that proved necessary.

39. The CHAIRMAN suggested that the Committee should vote on the amount recommended by the Advisory Committee (see para. 17 above), on the understanding that the Secretary-General would report to the General Assembly at its thirty-first session on the implementation of ECWA programmes. If, in the light of that report, additional resources would be required, the Fifth Committee would consider the approval of supplementary estimates for ECWA.

An appropriation of \$8,861,600 under section 10 for the biennium 1976-1977 was approved in first reading by 83 votes to 1, with 10 abstentions.

40. Mr. LADOR (Israel), explaining his vote, said that his delegation had been unable to approve the amount requested for ECWA because that Commission did not comprise all the countries of the region, Israel being unjustly excluded from its work.

Question of the separate preparation and submission of the programme and budget of the United Nations Industrial Development Organization and of administrative autonomy for UNIDO (A/C.5/1678)

41. The CHAIRMAN said that the report of the Secretary-General concerning the question of the separate preparation and submission of the programme and budget of UNIDO and of administrative autonomy for UNIDO (A/C.5/1678), which was now before the Committee, had been submitted for information purposes only. Because of developments since the twenty-ninth session of the General Assembly, arrangements were now in progress to prepare for the conversion of UNIDO into a specialized agency. The Committee would have an opportunity of discussing the question fully when it considered section 12 of the programme budget, relating to UNIDO, and the revised estimates resulting from the decisions of the Second General Conference of UNIDO, held at Lima in March 1975.

42. Mr. SCHMIDT (Federal Republic of Germany) said that, in his opinion, the questions of a separate programme and budget for UNIDO and of administrative and budgetary autonomy for UNIDO were interrelated and might therefore be discussed together without any difficulties. However, since the report submitted by the Secretary-General was extremely brief, the Committee required some additional information before it could embark on a discussion. The deliberations in the Economic and Social Council or in other bodies concerning the status of UNIDO as an independent agency were of no value in determining the interim arrangements to be put into effect as long as UNIDO remained a subsidiary organ of the General Assembly and its budget was included in the regular budget of the United Nations. As far as the transitional period was concerned, however, the Secretary-General's report gave little information and it would therefore be of great interest to ascertain whether the corresponding document submitted at the twenty-ninth session¹ remained valid. In order to determine what budgetary procedure would be followed for UNIDO in the transitional period, it would perhaps be expeditious to request the Advisory Committee to give its opinion on that document, which might be considered together with any revised estimates to be submitted for UNIDO.

43. Mr. NAUDY (France) agreed with the representative of the Federal Republic of Germany that the report submitted by the Secretary-General covered two questions: the conversion of UNIDO into a specialized agency—a matter which the Fifth Committee was not required to deal with for the time being—and the question of the arrangements to be made for the transitional period prior to that conversion—a matter which was now before the Committee. As long as UNIDO remained an organ of the United Nations, its budget must be submitted to the General

Assembly. As the report of the Secretary-General, and particularly paragraph 5, dealt with that point very summarily, his delegation insisted that the Committee should be provided with additional information and with the revised estimates referred to, since in the transitional period UNIDO would probably remain an organ of the United Nations and its budget would still constitute a section of the United Nations budget.

44. Mr. STOTTEMYER (United States of America) said that he was perplexed by document A/C.5/1678 and failed to understand its purpose. In paragraph 5, for example, the Secretary-General first referred to interim arrangements and then stated that the Executive Director of UNIDO would report thereon to the Industrial Development Board. He asked whether the Secretary-General intended to report to the Fifth Committee at some specific time. He would like to know, too, whether the document submitted at the twenty-ninth session¹ remained valid, whether any new procedures were being contemplated, and what the outcome was of the consultations which had taken place between the Secretary-General and the Executive Director of UNIDO. There should be a frank discussion on the subject in the Committee. During the transitional period the budget estimates of UNIDO, like the other sections of the programme budget of the United Nations, should be discussed by the Advisory Committee and the Fifth Committee. The provisional arrangements might be prejudicial to that procedure. It might be useful, as had been suggested by the representative of the Federal Republic of Germany, to refer the matter to the Advisory Committee, which would then give some guidance to the Fifth Committee. As was indicated in paragraph 12.4 of its report (A/10008 and Corr.2), the Advisory Committee had not yet reached a final decision on the section of the proposed programme budget relating to UNIDO—section 12; when the Advisory Committee did submit its recommendations, however, the Fifth Committee should discuss the budget of UNIDO together with the question of interim arrangements. He asked the representative of the Secretary-General to provide some explanations concerning the purpose of document A/C.5/1678 and to shed some more light on the subject as a whole.

45. Mr. DEBATIN (Assistant Secretary-General, Controller) said that, as a number of representatives had pointed out, there were two questions: the conversion of UNIDO into a specialized agency and the transitional period preceding that conversion. The second question had been discussed at the seventh special session of the General Assembly and was included in the Assembly's agenda at its current session. It had originally been the intention to work out special arrangements for the transitional period; however, it had been concluded, as a result of consultations on the subject, that any arrangement aimed at granting greater budgetary autonomy to UNIDO would be prejudicial to the idea of a unified United Nations budget. It had therefore been agreed that the same objective should be pursued more flexibly, and the Secretary-General had undertaken to give special consideration to the proposals and requests of the Executive Director of UNIDO, who in turn would take into account the decisions taken at the General Conference at Lima in any suggestions he made. That being so, the Secretary-General would submit to the Fifth Committee revised budget estimates for UNIDO in the light of the

¹ Document A/C.5/1616 and Corr.1, of 11 October 1974.

suggestions made by the Executive Director, pursuant to the decisions taken at Lima.

46. In conclusion, he said that there were no special arrangements for the transitional period, although there was an understanding that the Secretary-General would do everything possible to take account of any special problems that might arise during that period. The various factors involved would become apparent when the Committee had before it the revised budget estimates for UNIDO.

47. Mr. STUART (United Kingdom) said he still had doubts as to the whether the interim arrangements regarding greater autonomy for UNIDO would be submitted to the General Assembly for consideration. That was an important matter because the Assembly retained financial and administrative responsibility for UNIDO and might not divest itself of that responsibility until it could be entrusted to another competent organ, such as the governing body of the future specialized agency. As long as the Assembly retained that responsibility, the interim arrangements provisionally worked out by the Secretary-General of the United Nations and the Executive Director of UNIDO should be submitted to it for consideration. He would therefore like the representative of the Secretary-General to state definitely whether the interim arrangements would be submitted to the Fifth Committee and the General Assembly for consideration.

48. Mr. DEBATIN (Assistant Secretary-General, Controller) replied that they would.

49. Mr. GARRIDO (Philippines) endorsed the comments which had been made by other representatives concerning autonomy for UNIDO. He asked whether document A/C.5/1678 had been submitted to the Committee for information purposes only or whether the Committee was required to take a decision in the matter and whether the revised estimates for UNIDO would be submitted in a separate document or together with the revised estimates for other bodies.

50. The CHAIRMAN said that the Secretary-General's report had been submitted to allow the Committee to take note of it without considering the substance of the question, which would be discussed later.

51. Mr. SCHMIDT (Federal Republic of Germany) said he had understood that no budgetary and administrative arrangements had been made for UNIDO for the transitional period, and that it was simply understood that the Secretary-General would take into account the special problems of UNIDO during that period. The Controller, however, had told the United Kingdom representative that, if interim arrangements were made, they would be submitted to the Committee. Accordingly, he called for submission of those arrangements to the Committee along with the comments of the Advisory Committee on them.

52. Mr. STOTTEMYER (United States of America) said that the vagueness of the statement by the Controller was an indication of how uncertain the situation was. There seemed no point in continuing consideration of the item as the Committee could not take a decision on the document submitted to it. Accordingly, he proposed that the debate

should be adjourned until the revised estimates for UNIDO were submitted to the Committee.

53. Mr. DEBATIN (Assistant Secretary-General, Controller), answering the representative of the Federal Republic of Germany in order to eliminate any misunderstanding, said that no arrangements had been approved as of the current stage; if interim arrangements were worked out, the relevant information would be submitted to the Industrial Development Board, as indicated in paragraph 5 of document A/C.5/1678, and also to the Fifth Committee.

54. Mr. STUART (United Kingdom) supported the United States proposal, but requested further clarification from the Controller. Naturally, if interim arrangements were approved by the United Nations Secretary-General and the UNIDO Executive Director, the General Assembly would have to be informed; the point was whether the arrangements would be submitted in a provisional form to the General Assembly so that it could take a decision on them.

55. Mr. PIRSON (Belgium) asked whether, in case of adjournment of the debate, the revised estimates for UNIDO would be submitted in the meanwhile to the Advisory Committee, as all estimates under the regular budget were.

56. Mr. SETHI (India) moved the adjournment of the debate on the item, in accordance with rule 116 of the rules of procedure of the General Assembly, as proposed by the United States representative and supported by the United Kingdom representative.

57. The CHAIRMAN said that, if he heard no objection, under rule 116 of the rules of procedure, he would adjourn the debate on the item on the separate preparation and submission of the programme and budget of UNIDO and administrative autonomy for UNIDO.

It was so decided.

Exchange of properties between the Etat de Genève and the United Nations (A/10008/Add.1, A/C.5/1674)

58. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that the Secretary-General, in his report (A/C.5/1674) on the exchange of properties between the Etat de Genève and the United Nations, had outlined the terms under which the Etat de Genève would transfer to the United Nations one plot of land of 17,690 square metres valued at 4,670,160 Swiss francs in exchange for 4 plots of land whose total area was 21,167 square metres valued at 4,658,008 Swiss francs to be ceded by the United Nations. The value of the plots had been estimated by two experts, one appointed by each of the two parties.

59. The Advisory Committee on Administrative and Budgetary Questions, in its report (A/10008/Add.1), had commented that the exchange would be of mutual benefit to the two parties and would be on an "even exchange" basis, not involving payment of additional money by either party, even though the property to be transferred by the Etat de Genève was valued at 12,152 Swiss francs more than that to be ceded by the United Nations. The

difference in valuation of the various properties was based on the location, shape and construction possibilities of each plot. The Fifth Committee might note that some of the plots to be transferred by the United Nations were currently subject to a building prohibition. The value of those plots would be enhanced if that restriction was lifted. The Advisory Committee recognized that it was impossible to guard against all unknown eventualities in a contract of that nature, but was nevertheless satisfied with the assurances given as to the conditions of the exchange. Since the Secretary-General, for his part, was convinced that the exchange would be in the best interests of the Organization, the Committee had recommended that the General Assembly should approve the exchange under the terms set out in the exchange of letters between the Director-General of the United Nations Office at Geneva and the Etat de Genève (A/C.5/1674, annexes II, III and IV), subject to the stipulation that the transfer would not involve any expenditure by the United Nations other than a share of the conveyance charges and surveyors' fees, as described in paragraph 12 (f) of the report of the Secretary-General.

60. Mr. BOUAYAD-AGHA (Algeria) expressed surprise that the United Nations, which was so meticulous in many matters should take up the question of the exchange of properties in a manner that was not entirely logical. The United Nations, of course, had to maintain good relations with the Etat de Genève, but annex I of document A/C.5/1674 showed that the properties which the United Nations intended to exchange for the "Penthes" (ex-Birkigt) plot were geographically much larger; four plots in different areas were more valuable than one large plot. Moreover, the value of the land per square metre was given at 1975 prices (in passing, he drew attention to an error in the French text concerning the value per square metre of the "Campagne Rigot" plot, which should read 194,935 Swiss francs) while, as could be seen from paragraph 5, the idea of exchanging those properties for other land adjacent to the United Nations park, and therefore more useful to the Organization, had first taken shape in the later 1950s. He wondered what the price of the properties had been in the 1950s, as at that time apparently an effort had been made to exchange the four plots owned by the United Nations for a property owned by the Etat de Genève. It would be interesting to know whether the value of the four plots owned by the United Nations had risen since then, as the question of land was of major importance in Switzerland. His delegation was reluctant to see the United Nations exchange four properties for one, even if informed calculations indicated that the value of those four plots was equivalent to the value of the property ceded by the Etat de Genève.

61. Mr. COÏDAN (Assistant Director-General of the United Nations Office at Geneva) said that the question asked by the Algerian representative was somewhat difficult to answer as in 1950 the idea of an exchange had not been taken very far: the idea had been proposed in connexion with a competition organized by the Swiss authorities for the rebuilding of the Place des Nations, but the prices of the plots to be exchanged had never been discussed, particularly as the Swiss authorities had not made any offer in exchange. At the time, the cost of the land must have been about 60 or 70 Swiss francs per square metre, but

those prices were not comparable with current prices for the Etat de Genève had not then established the body which had since been made responsible for relations with international organizations and for the management of the international zone subsequently established, which covered such organizations as WHO and the ILO and, which later became a development zone where private construction was prohibited. Since the current value of the land differed from the value at the time when construction had been permitted, it was more useful to consider the current relative value of the various plots. The two properties on either side of the Place des Nations were not very useful as they could not be developed, and the "Sous-Carlton" plot had been divided in 1950 by an access road to the WHO building. Moreover, he believed that the experts appointed by the Etat de Genève and the United Nations office had done good work and that their figures were accurate. The exchange of properties had been necessitated by the fact that the surroundings of the Palais des Nations were very busy, traffic was extremely slow at certain hours, and the system of access roads to the buildings had to be reviewed; the road leading to the WHO building was to be widened and another road bypassing the Place des Nations was to be built on the "Les Petits-Crépins" plot.

62. Mr. BOUAYAD-AGHA (Algeria), thanking the Assistant Director-General for the clarification he had given, drew attention to the fact that the property which the Etat de Genève was to cede was 17,690 square metres, while the plots to be ceded by the United Nations amounted to 21,167 square metres. He asked why the property offered by the Etat de Genève was more valuable than the properties owned by the United Nations, for they all were centrally located. He also asked whether, since the Etat de Genève intended to build roads on the plots ceded by the United Nations, the prohibition on construction would be lifted and the land made available to individuals.

63. Mr. STUART (United Kingdom) suggested that the Committee might take a decision on the item under consideration without proceeding to such a detailed examination as the representative of Algeria deemed necessary. Three fundamental points should be borne in mind: first, the transfer of the plots which the United Nations would cede to the Etat de Genève would enable the latter to build roads which were necessary in the area—from which the United Nations Office would benefit; second, the value of the properties had been estimated by two independent experts whose figures should be accepted; third, concerning the question whether the construction prohibition on some of the properties ceded by the United Nations might be lifted, it should be noted that, as the Advisory Committee had indicated in paragraph 7 of its report, the instrument of exchange would constitute a formal contract which could not be unilaterally amended by either party, and building would be prohibited on the part of the "Campagne Rigot" plot adjacent to the Place des Nations and, with the exception of the C.G.T.E. bus shelter, on the "Superficia" plot (A/C.5/1674, annex II, para. 4). On those grounds, the Committee should approve the proposed exchange, as recommended by the Advisory Committee.

The meeting rose at 1.10 p.m.