

JOINT REPORT OF THE SECRETARY-GENERAL AND OF THE NEGOTIATING
COMMITTEE ON THE AGREEMENT CONCERNING THE PREMISES
OF THE PEACE PALACE AT THE HAGUE

(Item 27 (d) of the Provisional Agenda
for the second part of the First Session)

The General Assembly at its 28th plenary meeting, held 10 February 1946, instructed the Secretary-General to conduct preliminary negotiations with the Board of Directors of the Carnegie Foundation at The Hague or other convenient place in order to fix the conditions on which the premises in the Peace Palace at The Hague, which are required by the International Court of Justice, could be placed at its disposal, the conditions being embodied in an agreement subject to the approval of the General Assembly. The General Assembly at its 29th plenary meeting, held on 12 February 1946, approved of the setting up of a small Negotiating Committee, consisting of one representative designated by the delegations for Chile, China, France, and Union of South Africa, Union of Soviet Socialist Republics, United Kingdom and United States of America, to assist the Secretary-General in negotiating agreements in connection with the premises in the Peace Palace at The Hague.

The Secretary-General has the honour to submit for approval of the General Assembly the following agreement between the United Nations and the Carnegie Foundation concerning the use of the Peace Palace and the agreement between the United Nations and the Carnegie Foundation concerning refund of loans. The Report on the negotiations with the Trustees of the Carnegie Foundation is attached hereto as Annex A.

ANNEX A

NEGOTIATING COMMITTEE ON LEAGUE OF NATIONS ASSETS
REPORT ON THE NEGOTIATIONS WITH THE TRUSTEES OF THE
CARNEGIE FOUNDATION

The agreements between the United Nations and the Trustees of the Carnegie Foundation are drawn up on the same lines as the existing agreement between the Foundation and the League of Nations for the use of the premises in the Peace Palace for the Permanent Court of International Justice.

The main points discussed were the rent to be paid and the payment of the remaining instalments on the two loans granted by the Carnegie Foundation to the League of Nations to meet the expenses of alterations to the Peace Palace to accommodate the judges.

The first agreement provides that the premises in the Peace Palace are rented as from 1 April 1946 at a rent of fl. 48,000. After discussion it was agreed to raise the rent of fl. 40,000 a year by twenty per cent to fl. 48,000. This percentage rise does not seem unreasonable in view of the fact that in February 1946 salaries in The Netherlands had risen fifteen - twenty per cent as compared with 1939, wages by forty per cent and rationed foods by sixty-five per cent. The Committee was however of the opinion that there should be some stability in the rent. Therefore, in order to avoid new negotiations on rent after each year, the new agreement has been concluded for an initial period of three years. Only after that time will the agreement be subject to renewal from year to year. The Trustees of the Carnegie Foundation on their side desired to be protected against any excessive change of circumstances. The Committee felt unable to provide against this contingency in the agreement. A solution was found by agreeing, in the notes exchanged at the time of signing the main documents, that an excessive increase in the cost of upkeep of the Peace Palace would constitute a ground for new conversations.

In order to prevent a deadlock occurring if the agreement were to be denounced by one of the parties on account of the rent and the parties failed to agree on the amount of the yearly rent to be paid, Article XIII, paragraph 2 provides for settlement of the question by arbitration. A similar arbitration clause has been included in the notes exchanged.

It is expressly stated that furniture, books and archives taken over by the United Nations from the League become the property of the former Organization. It is further stipulated that the Trustees of the Carnegie Foundation shall contribute to the maintenance of the library.

The agreement between the Carnegie Foundation and the League of Nations included an article on the repayment of a loan granted to meet the expenses of alterations to the Peace Palace. The terms of a second loan, having been drawn up after this agreement, were appended in the form of a rider. The Committee considered that these loans should not be mentioned in the body of the new agreement on the renting of the premises in the Peace Palace but that they should be the subject of a separate agreement.

It was agreed that the United Nations would take over the liability for the refunding of these two loans. The Trustees of the Carnegie Foundation during negotiations with the League of Nations had accepted the view that a moratorium on the loans should be granted during the years of the war. As a consequence the final payment on each of the loans will be postponed for six years. The yearly payments to be made by the United Nations are to continue as prescribed in the original contract. In order to cover the United Nations in the event of the International Court of Justice having to leave the Peace Palace owing to a denunciation of the agreement by the Trustees of the Carnegie Foundation a provision

been inserted in the agreement to the effect that the obligation pay the instalments on the loans shall cease from the time the rt ceases using the premises in the Peace Palace on account of ion taken by the Trustees.

The Committee is of the opinion that on balance this settlement satisfactory to all the interests concerned and recommends that agreements be signed by the Secretary-General.

AGREEMENT between the United Nations and the Carnegie Foundation
concerning the use of the peace palace

ARTICLE I

The Carnegie Foundation shall allow the International Court of Justice, for so long as the said Court shall be sitting at The Hague, the use of the Peace Palace as from 1 April 1946, subject to the following conditions.

ARTICLE II

The annual contribution payable by the International Court of Justice in respect of the use of the Peace Palace, is hereby fixed at 48,000 florins.

ARTICLE III

The said contribution shall be payable in quarterly instalments, each of one quarter of the total sum, on 1 July, 1 October, 1 January and 1 April. The first payment shall be made on 1 July 1946.

ARTICLE IV

The Court shall have the permanent and exclusive use of the following rooms:

Nos. 8, 9, 10, 11, 13, 27, 28, 38, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 301, 302, 303, and 306, as well as the room known as the "Refectory" and the adjacent premises appertaining thereto.

Whilst the Court and its chambers are in session, the Court shall have the use of the Great Court Room (No. 2) with the ante-chamber (No. 3) as well as of rooms Nos. 1 and 25. On days on which the Court is not meeting in public, the said premises may be used by other institutions.

The Court shall be entitled to the joint use of all the other premises of the Palace necessary for its work in accordance with agreements to be concluded in each particular case with the Foundation.

Members of the Court and its officials shall enjoy on the same footing as the other members and officials of the other institutions occupying the Peace

Palace:

- (a) the entrances and exits, vestibules, corridors, and stairways,
- (b) the cloak-rooms and lavatories adjacent to the premises occupied,
- (c) the lifts and similar parts of the Palace intended for general use.

ARTICLE V

The existing library shall be kept carefully up-to-date and supplied with additions as necessary. The Foundation will give favourable consideration to any suggestion on this subject from the Court or its members.

The Secretary-General expresses the hope that the Foundation will assign adequate funds for bringing and keeping the library at the Peace Palace up-to-date.

Members and officials of the Court may consult books in the library at all times provided they comply with the regulations in force; apart from the hours during which the library is open to the public, they shall have access thereto from 9 a.m. until 6:30 p.m. on every working day during or immediately before meetings of the Court or its chambers.

ARTICLE VI

Furniture and other objects bought by the League of Nations on behalf of the Permanent Court of International Justice and now intended for the use of the International Court of Justice shall be the property of the United Nations and shall where necessary be replaced at the expense of the United Nations.

Should any pieces of furniture belonging to the Foundation and installed in premises of which the Court has the permanent or temporary use become unusable, they shall be replaced at the Foundation's expense.

ARTICLE VII

The costs of rental and maintenance of telephones connecting the premises of which the Court has the permanent or temporary use, both with one another and with the town, as well as the costs of using the telephone exchange which is not directly connected with the town, shall be borne by the Foundation.

In the absence of an agreement to the contrary in each particular case,

the said exchange shall be in operation until 5 p.m. and, whilst the Court or its chambers are in session, until 7 p.m.

It is understood that the expenses referred to above are entirely covered by the United Nations contribution referred to in Article II above.

ARTICLE VIII

The United Nations assumes no responsibility for the maintenance of the building and the grounds appertaining thereto.

The heating, lighting and cleaning of those parts of the building of which the Court has the permanent or temporary use shall be defrayed by the Foundation. The temperature of the premises used as offices or conference rooms shall not be below 18°C. The cleaning shall be carried out in such conditions and at such hours that the occupants are not disturbed in their work.

The Foundation shall bear the costs arising out of the municipal water supply used by members or officials of the Court.

It is understood that the sum referred to in Article II above constitutes full and complete payment of the charges herein referred to.

ARTICLE IX

The service personnel hired by the Foundation shall be at the Court's disposal under the same conditions as it is at the disposal of any other institution established in the Peace Palace.

It is agreed that the working hours of at least one member of this personnel shall be determined with due regard, so far as possible, to the service requirements of the International Court of Justice.

The Court shall be free to engage at its own cost and for its own exclusive service officials belonging to the category of service personnel. Such officials shall in no way be under the authority of any other institution.

It is agreed that the expenses in respect of additional service personnel engaged as a result of the establishment of the International Court of Justice at the Peace Palace are fully covered by the contribution referred to in Article II above.

ARTICLE X

The officials of the Foundation shall hand without delay to the chief registry clerk of the Court or his deputy any postal or telegraphic communication delivered to the Peace Palace and addressed to the Court or to one of its members or officials.

ARTICLE XI

While the Court or its chambers are in session, paying or other visitors not connected with one of the institutions established at the Peace Palace may not, without agreement to the contrary in each particular case, enter the Peace Palace except between 1 p.m. and 3 p.m. They may not enter rooms which they have been forbidden to enter by the competent officials of the Court.

ARTICLE XII

Any payment which may be required and levied by the Netherlands authorities whether governmental or municipal, out of funds paid to the Foundation by the United Nations or on the occasion of the payment of such funds, or in respect of the Peace Palace or the grounds appertaining thereto, shall be defrayed by the Foundation.

ARTICLE XIII

The present agreement is concluded for a period of three years and shall be automatically renewable for further periods of one year unless prior notice of termination is given by one of the parties within three months preceding the expiration of each period.

In cases of differences of opinion regarding the possible modification of Article II, the parties shall have recourse to arbitration.

ARTICLE XIV

It is expressly understood that the question of the establishment of the International Court of Justice at the Peace Palace exclusively concerns the United Nations and the Carnegie Foundation, and is consequently outside the jurisdiction of any other organisation; the Foundation declares its readiness to accept all the responsibilities arising out of this principle.

ARTICLE XV

The present agreement shall enter into force immediately upon its approval by the General Assembly of the United Nations.

AGREEMENT between the United Nations and the
Carnegie Foundation concerning the repayment
of loans

To enable the Carnegie Foundation to refund to the Netherlands Government the balances of the loans contracted by it in 1927 and 1932 for the purpose of making certain alterations to the premises of the Permanent Court of International Justice, which are now to be used by the International Court of Justice, the United Nations shall pay to the Carnegie Foundation the following sums:

(a) On 1 July 1946 and thereafter every six months a sum of 5,000 florins until the total amount of 125,000 florins has been refunded.

(b) On 1 July 1946 and thereafter every six months a sum of 5,000 florins until the total amount of 170,000 florins has been refunded, followed by a final instalment of 1,249.26 florins, payable on 1 July 1963.

This obligation shall cease if the Carnegie Foundation gives the International Court of Justice notice of termination, in accordance with Article XIII paragraph 1 of the Agreement concerning the use of the Peace Palace.

The present agreement shall come into force on the date of its approval by the General Assembly of the United Nations.
