



Chairman: Mr. E. Olu SANU (Nigeria).

AGENDA ITEM 76

Budget estimates for the financial year 1972 (*continued*)
(for the documentation, see the 1443rd meeting)

*First reading (continued) (A/C.5/XXVI/CRP.3 and
Corr.1)*

SECTION 7. CONSTRUCTION, ALTERATION, IMPROVEMENT AND MAJOR MAINTENANCE OF PREMISES (*continued*) (A/8406, A/8408 AND CORR.1 AND 2, A/C.5/1381)

HEADQUARTERS ACCOMMODATION (*continued*)
(A/C.5/1381)

1. Mr. FAKIH (Kenya) regretted that, at the current session, the Secretary-General had not submitted a full report to the Committee on the question of construction work at Headquarters. In the absence of detailed information and specific proposals, the Committee would have to wait until the following session to take a decision on the question, including the matter of the utilization of the \$2 million appropriation under section 7 of the 1971 budget. He, for one, would prefer to see action proceed on General Assembly resolution 2618 (XXIV), since the construction of new premises at Headquarters seemed to him the most economical solution. The Committee should give the host Government an opportunity to reconsider its decision, making it clear, however, that in the event of negative response it would examine the possibility of constructing new premises outside New York. Member States should be asked to make concrete proposals on the subject, which the Committee would examine at its next session in the light of the report to be submitted to it by the Secretary-General. The Committee should reserve judgement on the \$2 million so that it could decide later whether to use that money to finance the Headquarters project—if that project was launched—or to offset the financial deficit.

2. Mr. ABARA (Nigeria) stated that General Assembly resolution 2618 (XXIV) authorized the Secretary-General to do everything in his power to obtain contributions from other sources. He would like to know what efforts had been made in that direction and what had been achieved. He agreed with the representative of Kenya that the United States Government should be given time to reconsider its decision, if it wished to do so. Further, the Secretary-General should make recommendations on action to make the work of the Secretariat more efficient in order to reduce administrative expenditure at Headquarters.

3. Mr. DERWINSKI (United States of America) said that his delegation regretted that the Headquarters expansion project had not materialized. In 1969, it had promised the Fifth Committee that the United States Government would make every effort to participate in the financing of the project. The United States Congress had authorized but not appropriated the funds, since some members had felt that the Federal Government and the government of the State of New York would be bearing too great a share of the funding. The situation appeared unlikely to change in the immediate future. He therefore thought it advisable to abandon, for the time being, any plans for construction at Headquarters and to use the \$2 million appropriation in the 1971 budget to pay for over-runs of expenditure. The present financial situation also made it logical to delete the provisions for construction work at New York and Santiago, Chile, from the 1972 budget estimates.

4. Regarding the recent decision taken by the United States Senate, he was of the opinion that in the long-run it would not affect in any way his country's formal commitments to the United Nations and his Government would continue to discharge its financial obligations as it had done in the past.

5. Mr. ARBOLEDA (Colombia) recalled that, during the general discussion, his delegation had urged that highest priority should go to programmes benefiting the developing countries, including UNDP programmes. That would mean postponing, but not cancelling, the execution of unessential projects. The list of priorities should include the programmes of the regional economic commissions, which played a vital part in the economic and social field and whose activities were essential for the proper functioning of the United Nations. Those commissions, to which his country attached the greatest importance, provided direct technical assistance to the developing countries and must for that reason receive the highest priority. That showed the importance of the construction work planned for Santiago, Chile, Bangkok and Addis Ababa. The Committee should therefore postpone the work provided for in chapters I and II and in chapters VI and VII of section 7 concerning construction and maintenance at New York and Geneva and carry out the work provided for in chapters III, IV and V concerning construction at Santiago, Bangkok and Addis Ababa. The \$2 million appropriation that had not been used in 1971 for construction work in New York should be transferred to chapters III, IV and V, as the representative of the Soviet Union had suggested at the previous meeting. If the Soviet delegation did not take the initiative itself, his delegation would submit a formal proposal to that effect.

6. Mr. BENDJENNA (Algeria) recalled that during the general discussion his delegation had advocated decentrali-

zation through the transfer of certain organizational units to other countries like Switzerland or Austria or to certain third-world countries. He believed that the possibility of constructing additional premises should be viewed within the general context of the evolution of the United Nations in the 20 years ahead and proposed in that connexion the setting up of an intergovernmental group to assist the Secretary-General in examining the possibility of expanding United Nations facilities outside New York. Construction costs, operating expenses and the cost of living were much higher at New York than elsewhere and, consequently, conducting the Organization's activities outside New York might enable it to make considerable savings, which could be used for purposes more useful to the Member States. Until that problem was solved, consideration should be given on a short-term basis to the possibility of transferring certain units, for example, units in the economic and social field, elsewhere, which would bring them closer to most of the developing countries. The two solutions proposed by the representative of the Secretary-General at the Committee's 1443rd meeting were unacceptable and his delegation hoped that a more substantial report, containing more positive proposals, would be submitted to the Committee. The suggestions made by certain delegations that the New York construction project should be abandoned and the possibility of building elsewhere explored should be taken into consideration.

7. Mr. MSELLE (United Republic of Tanzania) said that many speakers had shared his delegation's disappointment at the failure to attain the objective defined in resolution 2618 (XXIV). While recognizing the constitutional difficulties that sometimes faced Governments when they tried to keep their promises, he saw no point in exerting pressure on the General Assembly to take a decision for which it was evident that there was just as little enthusiasm on one side as on the other. The situation being what it was, he regretted that the Secretary-General had not indicated in his report (A/C.5/1381) alternative methods for solving the accommodation problem at Headquarters. In his view the Administration, not the Member States, should be responsible for making proposals in that matter. Whatever suggestions were put forward, the General Assembly should decide against the construction of new premises at New York. He opposed the idea of reviving the plan to construct at the northern end of the present building, since it was both aesthetically and politically unacceptable, and recalled that the decision to construct in New York had been strongly opposed by a large number of delegations and that the reasons for that opposition remained valid. The suggestion to rent a building to accommodate other sections of the United Nations and those of UNDP and UNICEF which could not be accommodated in the present building he also found unacceptable because of the high rentals in New York. No more plans should be made to build or rent in New York. Efforts should be made to find less expensive alternatives in other parts of the world. The present situation therefore made it more urgent for the Secretariat to implement operative paragraphs 4 and 5 of resolution 2618 (XXIV) and to review seriously its personnel management policy in order to ensure that resources already available and additional resources were utilized to the full. The idea of common premises should also be explored with greater vigour, since accommodation was a problem common to all organizations in the United Nations

system. While that idea did not so far appear to have aroused much enthusiasm, many of the existing difficulties were not insurmountable. Although the Advisory Committee on Administrative and Budgetary Questions, in paragraph 59 of its first report (A/8408 and Corr.1 and 2) on the budget estimates for 1972, agreed that the Secretary-General should proceed cautiously, it was now imperative that the Secretariat should take the lead in making proposals regarding the means of achieving fresh progress in that field.

8. It would have been much better to discuss together all the problems related to accommodation, namely, construction, alteration, improvement and major maintenance of premises for the Committee would thus have had a clearer picture of the magnitude of the accommodation problems of the Organization. The part which Governments played in assisting the United Nations system in that problem would also have been corroborated. The arrangements envisaged in resolution 2618 (XXIV), though generous, were not unique. In fact, paragraph 57 of the Advisory Committee's first report indicated that, in 1971, Governments of host countries were paying full rentals for information centres—two more than in 1970–83 UNDP field offices—an increase of eight—and 11 UNICEF field offices—another increase of eight. In Africa alone, in addition to the help given by the Ethiopian Government in the current construction at Addis Ababa, free accommodation was provided to various United Nations organizations in Lagos, Kinshasa, Dar-es-Salaam, Yaoundé, Nairobi, Accra, Kampala, Bangui and Ouagadougou. The size of the aid provided made the disappointment of Committee members at the failure to realize the plan to construct at Headquarters more understandable.

9. Mr. VAN DER GOOT (Netherlands) said that there were two separate questions facing the Committee. On the one hand, it must decide what steps to take if the plan to build in New York was abandoned and if General Assembly resolution 2618 (XXIV) could not therefore be implemented. It had been pointed out that the Committee could not decide on that question until it had examined the problems in detail and that it could not do so until the Secretariat provided the necessary information. The other question was how to use the unspent \$2 million appropriated for the proposed construction.

10. If the Committee decided to postpone consideration of the question of premises, he wondered whether it would have any impact on the budget estimates for 1972 and whether the Secretary-General would take it into account in submitting revised estimates. He also wondered whether the Secretary-General had considered the possibility of relocating certain units of the Secretariat to another city, Geneva for example.

11. Mr. BERTRAN (Uruguay) recalled that the Committee had decided not to take any decision on the supplementary estimates for 1971 before studying the question of accommodation and building at Headquarters. The representative of the United States had at the current meeting confirmed that his Government would not be able to pay its \$20 million contribution in 1972 for construction of new premises at Headquarters. The Committee should now vote on whether, as a result, it should defer

consideration of chapter I of section 7 as far as the New York Headquarters were concerned.

12. Mr. RADLEY (United Kingdom) said that his delegation had listened with interest to the comments made by the delegations of Colombia and the United Republic of Tanzania on the accommodation needs at Headquarters. However, the immediate issue was to deal with the 1971 supplementary estimates. His delegation had also been disappointed that it would not be possible to proceed with the construction plans. However, in view of the Organization's financial position it would not be wise to proceed with major construction projects either in New York or elsewhere. Moreover, there had been many suggestions for containment of staff which would have an impact on accommodation requirements. His delegation supported the view put forward by the United States delegation that no provision should be included in section 7 for the major building works in New York, and that the proposals for new building initiatives elsewhere should also be reconsidered in view of the gravity of the financial situation.

13. The \$2 million provided in the 1971 budget should be used to offset the additional expenditures incurred that year. Any alternative course of action would be irresponsible.

14. Mr. GUPTA (India) said that the real question was the implementation of General Assembly resolution 2618 (XXIV), which had nothing to do with the supplementary estimates. Only if the Committee decided to write the resolution off the books would it have to wonder how to use the \$2 million. If that happened, his delegation would be opposed to using the funds to offset over-expenditures during the financial year 1971; it would agree to the money's being used to finance other building plans under section 7 of the 1972 budget estimates.

15. His delegation was concerned to see that some delegations tied the question of space and construction to that of staff. The fact that the plans to construct at Headquarters could not be implemented in no way justified reductions in staff.

16. Mr. ALARCON (Cuba) said that the Committee should face up to the fact that a General Assembly resolution could not be implemented and should determine what to recommend to the General Assembly in that connexion. In 1969, his delegation had categorically opposed the adoption of resolution 2618 (XXIV) pointing out that there were other more economical ways of solving the accommodation problem, in particular, by using the possibilities of expansion in European cities where some United Nations organizations had their headquarters.

17. If the circumstances that had led the Secretariat to request that new buildings be constructed had not changed, he doubted it was wise to postpone again the work of construction. There might be other ways of solving the accommodation problem, for example by using vacant premises in Geneva. In the present situation, it would be unreasonable to commit oneself to build in New York. The General Assembly should consider the possibility of relocating Headquarters to another city, or at least making greater use of the space available to units in other cities.

18. The General Assembly must reconsider the decision it had taken at its twenty-fourth session. The Fifth Committee should submit a draft resolution recommending that the General Assembly should note that its resolution 2618 (XXIV) could not be implemented.

19. Mr. NAUDY (France) recalled that his delegation felt that the \$2 million appropriated should be used to reduce the supplementary estimates for 1971.

20. His delegation requested that the reports which had to be submitted to the Committee under paragraphs 3, 4 and 5 of resolution 2618 (XXIV) be submitted as soon as possible. As other delegations had pointed out earlier, Committee members would not be in a position to make the proposals expected of them so long as they did not have a minimum of information.

21. Mr. FAROOQ (Pakistan) expressed surprise that the discussion of resolution 2618 (XXIV) should be reopened, since the main aspects of the problem—the percentage of the United States contribution and the financial situation of the Organization—had been well known at the time the resolution was adopted.

22. He was concerned at the suggestions to freeze the staff, because that would have a highly adverse effect on the Organization's activities.

23. The attempt to implement resolution 2618 (XXIV) should not be lightly abandoned; the Fifth Committee should not dispose of the \$2 million before the General Assembly had taken a decision on the resolution's implementation.

24. Mr. KABORE (Upper Volta) agreed with the French delegation that the \$2 million should be spent to offset over-expenditures during the financial year 1971.

25. The Committee would have to try to find a solution to the problem of accommodation at Headquarters. A degree of decentralization might be considered to make it possible to establish certain United Nations units in a more favourable setting and at the same time cut down on costs.

26. His delegation's position, he recalled, was that if section 7 was put to the vote as a whole, his delegation would abstain in the vote.

27. Mr. REFSHAL (Norway) recalled that in his statement to the Fifth Committee at the 1443rd meeting, the Secretary-General's representative had confirmed that the Secretary-General was in favour of maintaining the plans for construction at Headquarters which the General Assembly had approved and which, for financial reasons, could not be realized at the present time; in the current circumstances it had not been possible to complete the financial arrangements. The Controller had stated at the same meeting that there was no possibility of reaching agreement on a financial package. He wondered whether the Controller's statement had not been too hasty, for, although the United States representative had said that no appropriations had been made for the construction plan in the United States Federal budget for 1972, he had not said that the situation might not change at some future date.

The statements of the Secretary-General's representative and the Controller did not seem reconcilable and, if the Secretary-General was in favour of maintaining the Headquarters construction plan, the Committee should seek workable solutions instead of merely proposing that the \$2 million appropriated under section 7 for 1971 be used to offset certain items of expenditure in the supplementary estimates. The construction plan could be retained but its execution delayed or other means of financing the project might be sought, or it might be executed in stages over a longer period. If none of those possibilities was acceptable, more modest construction plans might be drawn up but at all events the plan should not be abandoned lightly and every possibility should be explored.

28. In the present circumstances the \$2 million appropriated under section 7 should be kept for later use and it would be inappropriate and unwise to allocate it for other purposes. If no decision was taken, space would continue to be rented at very high cost; expenditure for rent currently amounted to \$2.2 million and it was unlikely to go down. Recalling paragraph 24 of the Secretary-General's report to the General Assembly at the twenty-fourth session on the question of Headquarters office space,¹ he observed that the cost of renting space for UNDP and UNICEF had been estimated at \$900,000 in 1970 and that \$1,055,800 had been requested under the 1970 budget for rental of outside space to accommodate United Nations Secretariat staff. On paragraph 25 of the same report, the Secretary-General had referred to the need for reassembling, on an adequately equipped Headquarters site, increasingly dispersed Secretariat operations and activities in the interests of economy, efficiency and effectiveness. It would appear that those remarks still applied.

29. In 1969, the Committee had been presented with various reports totalling 92 pages, supporting the proposals for building accommodation at Headquarters. In 1971, only one report of two pages had been submitted and the Committee had heard only one oral report on the question. It seemed that an attempt was being made to have the plans dropped without sufficient consideration.

30. Referring to the statement of the representative of the United Republic of Tanzania that a number of delegations was opposed to the construction of premises at Headquarters, he said that General Assembly resolution 2618 (XXIV) had been adopted by 95 votes to 14, with 10 abstentions. Some delegations were demanding that paragraphs 3, 4 and 5 of the resolution should be applied. However, it should be remembered that those paragraphs were only inserted in the text of the draft resolution for the sake of compromise, following discussions with the delegations which were entirely opposed to it. Now it had been suggested that only those paragraphs should be considered, and that the remainder of the resolution should be ignored.

31. The use of the allocation of \$2 million in section 7 in order to meet overexpenditure in other sections of the 1971 budget, as suggested by the United States representative, would not help to solve the organization's financial difficulties in a satisfactory way. The proposal of the

United States representative that the Secretariat staff should be maintained at its present level, that no new activities should be undertaken and that the problem of premises should be solved by continuing to pay high rents, did not seem constructive and would be detrimental to the activities of the United Nations.

32. Mr. DERWINSKI (United States of America) wished to clarify some of the points raised by the representative of Norway. In 1969, when resolution 2618 (XXIV) had been adopted by the General Assembly, the United States Federal Government had obtained authorization from the United States Congress to participate in financing the project. However, the Congress had not followed up on its decision and appropriated the necessary funds. Therefore, it was impossible for the United States Government to participate at present in financing the project. Two months previously, Mr. Bush, head of the United States delegation, had promised in a letter to the Secretary-General that the Permanent Mission of the United States to the United Nations would do all in its power to assist the Organization to solve the problem of renting premises. The United States delegation considered that the \$2 million allocated in the budget for the financial year 1971 for proposed building at Headquarters should be used to offset over-expenditure in 1971 and that allocations requested for construction work in New York and Santiago, Chile, should be deleted from the 1972 budget. The United States representative emphasized that Congress was independent, and that the policies which it adopted were neither those of the United States delegation to the United Nations, nor those of the President.

33. Mr. TARASOV (Union of Soviet Socialist Republics) welcomed the manner in which the Committee had approached the discussion of the question and wished to restate the views of his delegation.

34. Some delegations found it expedient to request the United States Government to reconsider the construction plan at Headquarters. The Soviet delegation did not support that request; neither did it support the various proposals of the Norwegian representative for the retention of that plan.

35. As for the proposal to set aside the allocation of \$2 million for the purpose of renting premises which would be grouped in a single building, the Soviet delegation saw no connexion between the two questions. Only the Secretary-General was empowered to make the necessary arrangements if he considered that all premises should be regrouped. At the moment, it was advisable to cancel the construction plan at New York, as the representatives of the United Republic of Tanzania and Cuba had suggested. The Soviet delegation supported the proposal of the Cuban delegation that the General Assembly should be recommended to conclude that it was not possible to implement resolution 2618 (XXIV).

36. However, such a decision would leave in abeyance the fundamental question of transferring some Secretariat services. In that connexion, he found constructive the proposal of the representative of Upper Volta that decentralization should be increased, which would allow economies to be made. He also supported the observations of the representative of the United Republic of Tanzania who

¹ See *Official Records of the General Assembly, Twenty-fourth Session, Annexes*, agenda item 74, document A/C.5/1246.

had requested that the Secretary-General should consider the possibility of building elsewhere than at Headquarters and should present his views on the subject. His delegation also regarded as reasonable the statement of the United States representative, which aimed to solve the problem of building premises at Headquarters by stopping the recruitment of new personnel and reducing the number of consultants called upon. It did not think that such action would be detrimental to the activities of the Organization, as claimed by the representative of Norway. The solution must be found by improving the efficiency of the Secretariat.

37. For the use of the \$2 million allocated in the 1971 budget for the construction of a building at Headquarters, four suggestions had been formulated. The Advisory Committee had proposed to use the allocation in order to offset additional expenditure in 1971. He had no objection to that solution, except that it was in opposition to his delegation's position of principle that the Secretary-General should not submit supplementary estimates. The proposals of the Norwegian representative would lead to a waste of money. The proposal to credit the sum to Member States might have been acceptable to the Soviet delegation, but it did not seem logical to remove that item from the budget only to make further allocations later for the construction of other premises. On the other hand, the suggestion of the representative of Colombia that the allocation in question

should be transferred to other construction projects which had already been approved, and that allocations requested for construction projects in 1972 should be reduced by \$2 million, could be acceptable for most delegations.

38. Mr. MSELLE (United Republic of Tanzania) said, in reply to the Norwegian representative, that he wished to clarify his previous statement. In 1969, at the time of the adoption of resolution 2618 (XXIV), there had been initial strong opposition to the idea of constructing a new building at Headquarters. Resolution 2618 (XXIV) had been submitted to the General Assembly after an exchange of views between the two groups during which the arguments put forward by the supporters of the resolution in favour of the financial advantages involved had gained general acceptance. In the beginning, however, it had not enjoyed the support of the majority.

39. The CHAIRMAN agreed with the representative of the Soviet Union that the debate on the construction plan at Headquarters had been useful, and reminded the Committee that it would be able to decide on the use of the allocation of \$2 million in section 7 of the 1971 budget during the detailed consideration of the supplementary estimates.

The meeting rose at 1.05 p.m.