



UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/33/7/Add.12
14 November 1978

ORIGINAL: ENGLISH

Thirty-third session
Agenda item 100

PROGRAMME BUDGET FOR THE BIENNIUM 1978-1979

Revised estimates under section 26 B and C: alteration and
improvement and major maintenance of premises

United Nations Office at Geneva

Thirteenth report of the Advisory Committee on Administrative
and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on revised estimates under section 26 B and C: alteration and improvement and major maintenance of premises, United Nations Office at Geneva (A/C.5/33/33).
2. In paragraph 1 of his report, the Secretary-General recalls that the General Assembly, at its thirty-second session, appropriated \$81,000 for the renovation of the villa "Les Feuillantines", the residence of the Director-General of the United Nations Office at Geneva. In paragraphs 2 to 5 he refers to environmental and cost factors which led him not to proceed with the implementation of the plan for "Les Feuillantines" and to propose instead that another United Nations property, the villa "La Fenêtre", be reconditioned for use by the Director-General.
3. The villa "Les Feuillantines" has been in use as the residence of the Director-General of the United Nations Office at Geneva since 1960. The Committee was informed that, prior to 1960, it had been rented out for use as a residence; it was occupied by the Secretary-General of the General Agreement on Tariffs and Trade (GATT) from 1952 to 1960 and by the Executive Secretary of the Economic Commission for Europe (ECE) from 1947 to 1952.
4. In response to inquiries, the Advisory Committee was informed that the Director-General of the United Nations Office at Geneva has been paying rent to the United Nations for the use of "Les Feuillantines". The following table compares the rent charged for the villa with the net salary and post adjustment of the Director-General:

<u>Year</u>	<u>Rent per year</u> (SwF)	<u>Net annual salary</u> <u>and post adjustment</u> (SwF) <u>a/</u>	<u>Rent as a percentage</u> <u>of net emoluments</u>
1960	12,000	67,400	17.80
1969	13,300	122,300	10.87
1974	19,200	146,500	13.10
1978	24,000	151,300	15.86

a/ Converted at a rate of \$US 1 = SwF 4.32 for 1960 and 1969;
\$US 1 = SwF 2.99 for 1974 and \$US 1 = SwF 1.78 for 1978.

The Advisory Committee understands that the rent includes the cost of heating and maintenance.

5. The villa "La Fenêtre" was used as offices by the Permanent Mission of the United Kingdom of Great Britain and Northern Ireland between 1947 and 1967. It remained unoccupied for a year, and from 1969 to August 1977 it was leased to GATT to accommodate part of its staff.

6. When the Advisory Committee met at Geneva in May 1978, it was informed of the Secretary-General's intention to propose that the villa "La Fenêtre" be renovated for use by the Director-General as his residence, instead of the villa "Les Feuillantines". The Committee therefore visited the two villas and has since obtained from the Secretary-General additional information on their dimensions. This information is summarized in the following table:

	<u>Villa "Les Feuillantines"</u> <u>(existing residence)</u>	<u>Villa "La Fenêtre"</u> <u>(proposed residence)</u>
Floor area:		
Basement	237 sq m (2,551 sq ft)	118 sq m (1,270 sq ft)
Ground floor	291 sq m (3,132 sq ft)	348 sq m (3,746 sq ft)
First floor	246 sq m (2,648 sq ft)	329 sq m (3,541 sq ft)
Second floor	222 sq m (2,390 sq ft)	311 sq m (3,348 sq ft)
	<u>996 sq m (10,721 sq ft)</u>	<u>1,106 sq m (11,905 sq ft)</u>
Number of rooms as indicated in floor plans	26	32

/...

7. At its thirty-second session, the General Assembly appropriated \$81,000 for the renovation of "Les Feuillantines". The Secretary-General estimated the cost of converting the villa "La Fenêtre" into a residence at \$140,000, which the representatives of the Secretary-General stated was a firm bid. The Secretary-General's proposal would thus cost \$59,000 more than has already been appropriated. In his report, however, the Secretary-General calculated net additional requirements at \$8,900, as follows:

	\$US
(a) Conversion of "La Fenêtre" to residential use	87,900
(b) Minor maintenance and repair	23,300
(c) Heating equipment and masonry work	<u>28,800</u>
Subtotal (a), (b) and (c)	140,000
(d) <u>Less</u> the cost under item (b) above to be absorbed within available resources under section 22H	(23,300)
(e) <u>Less</u> the unused appropriation of \$81,000 (at the exchange rate of \$US 1 = 2.17 SwF) approved for renovating the existing residence recosted at the revised exchange rate of \$US 1 = 1.63 SwF	<u>(107,800)</u>
<u>Less</u> subtotal (d) and (e)	(131,100)
Net additional requirements	8,900

In paragraph 8 of his report the Secretary-General indicated that he would make every effort to absorb the net additional requirements of \$8,900 within existing resources.

8. While, at first sight, there would thus seem to be little to choose between the two alternatives on the basis of the cost estimates, the Advisory Committee notes that the Secretary-General proposed to absorb altogether work estimated at \$32,200 (\$23,300 plus \$8,900). This can be achieved only by displacing other work for which provision has been made in the programme budget or by spending funds which would otherwise have been surrendered. Furthermore, the Secretary-General assumes in his calculation that the devaluation of the US dollar in 1978 justifies an increase in the funds appropriated for villa "Les Feuillantines" by \$26,800 (i.e. from \$81,000 to \$107,800).

9. In the opinion of the Advisory Committee, however, the proposal cannot be judged on the basis of immediate cost estimates alone. In particular, the Committee is not convinced that the Secretary-General's proposal to convert the villa "La Fenêtre" to residential use was preceded by a full study of the potential alternative uses of "La Fenêtre". As was stated in paragraph 5 above, "La Fenêtre" has been used as offices for the past 30 years; the net office space available in the villa is 492 square metres (5,296 square feet), and it is subdivided into 22 offices. The report of the Secretary-General neither indicates how many offices are

/...

currently vacant in the buildings available to the United Nations at Geneva, nor how soon a shortage of office space might develop. It would appear to be uneconomical to convert "La Fenêtre" to residential use only to be confronted in due course with the need to rent office accommodation.

10. As regards the recommendation in paragraph 10 of the Secretary-General's report that the villa "Les Feuillantines" be declared surplus to United Nations requirements and be offered for sale, the Advisory Committee is of the opinion that the General Assembly would require additional information both on the estimated sale price and on the future needs in terms of office space at Geneva. In connexion with the latter point, the Advisory Committee has been informed that if the villa "Les Feuillantines" was converted to office use, it could accommodate 12 offices.

11. As regards the question of principle, the Advisory Committee notes that while provision is made in the United Nations regular budget for the Secretary-General's accommodation, the Organization does not provide housing for any of its senior officials. The Committee understands also that the Executive Heads of the specialized agencies do not have official residences. The practice of the past 18 years to rent the villa "Les Feuillantines" to the Director-General has been an ad hoc arrangement which did not originate in a decision by the General Assembly and is not part of the Director-General's conditions of service.

12. In the circumstances, the Advisory Committee is unable to recommend acceptance of the Secretary-General's proposals in document A/C.5/33/33.
