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**Chairman:** Mr. G. G. TCHERNOUCHTENKO  
(Byelorussian Soviet Socialist Republic).

AGENDA ITEM 74

Budget estimates for the financial year 1969 (continued)  
(A/7125, A/7205, A/7207, A/7236, A/7255, A/7280,  
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L.956)

Extension of conference facilities at the Palais des  
Nations at Geneva (continued) (A/7337, A/C.5/  
L.1179)

1. The CHAIRMAN invited the members of the Committee to resume discussion of the extension of the conference facilities at the Palais des Nations. The Assistant Director-General of the United Nations Office at Geneva, Mr. Palthey, would be glad to answer questions on the item.

2. Mr. AYOUB (Tunisia) said that his delegation had voted for the proposed extension of conference facilities at the Palais des Nations in 1966 and had given its support to General Assembly resolution 2246 (XXI). It had not changed its position and would endorse the new proposal contained in the Secretary-General's report (A/C.5/1179), since the requested increase of \$7 million over the initial estimate of expenditure appeared to be inevitable. The revised plan would provide facilities which were much more functional, and the amount of office space would be more than doubled. An increase in the costs of labour and materials at Geneva had doubtless led to a review of the initial requirements which appeared to have been under-estimated. He wished to know the real cost of the work as anticipated in the earlier plan, taking into account both current prices and the detailed estimates the Secretariat had been able to establish in the light of the more specific information which had become available. It would then be possible to have an accurate idea of what the original estimate should have been. His delegation's apprehension at the possible consequences of a rise in prices during the period of con-

struction had been allayed in part by the information that some firm bids were already expected. He assumed that the total costs would not exceed those anticipated in the revised estimate and that the Contingency Fund would be large enough to cover price variations. He was disappointed to note that the report of the Secretary-General was much less detailed than that of the Advisory Committee on Administrative and Budgetary Questions (A/7337) and supplied no information on such matters as the number of offices or the present situation regarding the awarding of contracts.

3. In conclusion, he was pleased to see that a modern conference centre would be placed at the disposal of WHO, the ILO and UNCTAD, thus enabling them to hold large conferences close to their headquarters.

4. Mr. TARDOS (Hungary) said that he was surprised to read the statement in the Secretary-General's report that the new plans did not necessarily represent an increase of \$7 million, because the original plans had been under-estimated. All the new factors could have been foreseen much earlier and the Committee had a right to expect better planning on the part of the Secretariat. His delegation disapproved of the revised proposal now before the Committee, since it could have been submitted two years previously.

5. He asked whether the Swiss Federal Government and the Republic and Canton of Geneva would be making an additional financial contribution in view of the difference between the initial and the revised estimates. He noted that provision was being made for parking facilities for 330 cars, instead of 500 as originally envisaged, and wondered why it had been decided to reduce the parking space. In addition, he requested clarification on the item of 2 million Swiss francs for administrative costs listed in connexion with fees for architects and engineers; he wanted to know who the recipients of that amount would be.

6. Mr. PALTHEY (Assistant Director-General of the United Nations Office at Geneva), replying to the representative of Tunisia, said that the new project was much broader than the original one. However, although the increase in the over-all cost would be close to 50 per cent, the net increase in the cost of the new office space would be only 30 to 35 per cent, since the revised plan took into account the prices obtaining in 1968. The initial estimate had been based on costs at Geneva in 1965. Contracts had now been allocated for approximately 50 to 60 per cent of the work at the prices anticipated in the revised estimate. It was quite natural to feel some apprehension at the possibility of future variations in prices. Forty per cent of the work was still to be allocated to contractors, but he felt sure that the provision for contingencies

would easily cover possible price and wage increases between 1968 and 1971.

7. He agreed with the representative of Hungary that it would have been preferable if the original proposal had made full allowance for the new requirements. Nevertheless, when the plan had been drawn up in 1966, the architect and engineers had, for reasons of economy, attempted to design a building which would be as compact as possible. It was only at the end of 1967 that they had informed the Secretariat that it would not be wise or aesthetically satisfying to continue along the same lines. With regard to financing, there had been no fundamental change. The loan of 61 million Swiss francs from the *Fondation des immeubles pour les organisations internationales* remained the same. It had been decided to construct an underground garage for 330 cars instead of providing above-ground space for 500 cars because of the shape of the terrain. A larger garage would have resulted in additional expenditure for more excavation work. Lastly, the item of 2 million Swiss francs for administrative costs was intended to cover the expenses of a small accounting unit established for such tasks as following the day-to-day work of the operations, receiving bids and consulting contractors. The work of the unit would forestall difficulties after completion of the construction work.

8. Mr. SILVEIRA DA MOTA (Brazil) said he regretted that the Committee was obliged to consider again the question of the extension of the Palais des Nations. His delegation had shared some of the misgivings concerning the revised proposal but was now persuaded that the new plans provided for a more effective and rational layout of the new buildings. Accordingly, it would support the resolution contained in paragraph 48 of document A/7337. At the same time, he could not agree with the assertion that the current design was more compatible with the architecture of the existing premises. He had learned that the architects had been compelled to opt for the present design in view of the need for economy. He felt, after an examination of the photo-montages in document A/C.5/1179, that the architectural style of the new extension was unfortunately in marked contrast with that of the existing building. It could be seen from the report of the Secretary-General, that the work undertaken to date was only at the preliminary stage. For example, no contracts had yet been awarded for the concrete and masonry work for the infrastructure. The design of the Palais des Nations had particular characteristics and he wondered whether something could not be done before the actual construction started in order to ensure greater harmony between the proposed extension and the existing building.

9. Mr. RHODES (United Kingdom) said it was clear from the Advisory Committee's report that when the building was completed, the office space available would for some years be well in excess of requirements. If the United Nations did not use that space, it was essential that other organizations should be able to use it and he sought some assurance that security or other factors would not prevent rental of surplus office accommodation to such bodies.

10. Mr. AYOUB (Tunisia) said that the design of the Palais des Nations was somewhat outdated, and his

delegation would prefer to see some improvements made to the existing building which would make it more functional and more suited to present-day needs.

11. Mr. KABORE (Upper Volta) said that the increase in cost of the new premises would place an additional financial burden on his country and the matter could not be taken lightly. He realized that the revised plans would allow for more efficient servicing of meetings and conferences. However, if the Advisory Committee, which was an expert body in which the Fifth Committee placed the greatest confidence, expressed doubts regarding the financial implications of the proposal, his delegation could do no less. The Advisory Committee had stated that it was conscious of the fact that its competence did not extend to the highly specialized and technical fields of architecture and engineering. It had had to rely on the advice of experts appointed by the Secretary-General. The representatives of the Committee of Architects had supplied detailed oral information on several occasions and he asked whether the Advisory Committee had been wholly convinced by the arguments they had adduced.

12. Mr. PALTHEY (Assistant Director-General of the United Nations Office at Geneva) said he wished to reply briefly to points raised by the three previous speakers.

13. He assured the representative of the United Kingdom that the rental of surplus accommodation would present no security problems. The spare offices would probably be let to organizations within the United Nations system or closely related to it, many of which had their headquarters in Geneva.

14. The representative of Brazil had referred to the architectural and aesthetic qualities of the proposed extension. He agreed that the old Palais had become part of the landscape and had historical associations; the Committee of Architects responsible for designing the new building, however, had concluded after careful consideration that to build an extension in similar style would cause technical and financial problems. The Palais had been built thirty-five years before and its design was now outdated. To adapt it to present-day needs had already proved difficult, particularly where conference rooms were concerned, for they now had to be almost as large as a General Assembly Hall. It would be both difficult and costly to construct rooms of that size using the same building methods as had been used in 1925. Another suggestion had been that the style of the Palais might be adapted for the new buildings just sufficiently to meet functional requirements, but that had proved impracticable. The architects had decided that the best solution was to erect a building in a style and spirit that were in keeping with modern trends but at the same time to preserve a certain harmony between the old and the new buildings by facing the new Palais with materials similar to those used in the facing of the old Palais.

15. The representative of Upper Volta could rest assured that the architects and engineers appointed to take charge of the construction were worthy of full confidence. Numerous technical questions were involved in the construction of a new conference centre, for example, the use of new building materials, the provision of language and documentation facilities and the functional characteristics of the conference rooms, such as easy access and suitable seating

arrangements. The plans had been reviewed in collaboration not only with the architects and engineers but also with the consumers themselves, namely, the international organizations which would be using the new building. They had also been studied by the Office of Conference Services at Headquarters and the corresponding services in the specialized agencies. He believed that the building which would result from those plans could well prove to be one of the best of its kind in the world.

16. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions), commenting on the views expressed by the Brazilian representative, said that harmony was a matter for subjective judgement, but that the Advisory Committee, having judged the plans *in situ* and having seen a model of the new building, was satisfied that it had been achieved. He drew attention to the fact that the new building was separate from the old one; that had been done intentionally to avoid merging two different architectural concepts. The communications problem had nevertheless been solved satisfactorily.

17. In response to the observations made by the representative of Upper Volta, he said that since the members of the Advisory Committee were not experts on architectural and technical matters, they had had to trust the judgement of the architects in preparing their recommendations. They had, however, examined all aspects of the plans as closely as possible. In view of the technical nature of the question, they had also considered seeking the advice of experts. To do so, however, would have meant consulting another group of architects, and since the five in the present group, who were all distinguished in their profession, had already reached agreement upon the plans, it had been felt that little would be gained by calling in outsiders. Moreover, such a procedure would have caused extra expense and one to two years' delay. The Advisory Committee had therefore concluded that it had no alternative but to advise approval and endorsement of the revised plans by the General Assembly. It was convinced that the plans were adequate both technically and aesthetically and that they would enable the requirements of the United Nations Office at Geneva to be met in the shortest possible time. The Advisory Committee had been keenly aware of the need to start work on the new building as soon as possible, not only because of rising prices and wages but also because it was most important that the Geneva facilities should have better offices and conference arrangements within the coming two to three years.

18. Mr. TARASOV (Union of Soviet Socialist Republics) thanked the Assistant Director-General of the United Nations Office at Geneva and the Chairman of the Advisory Committee for their explanations. The points made by the representatives of Brazil and Upper Volta regarding the aesthetic and technical sides of the question were well taken. It was always annoying when an architectural entity of historical importance had to be subjected to alterations and additions. It would be very difficult, however, to build on to the Palais a new building which would completely preserve the features of the old and yet meet modern practical requirements. As the two previous speakers had rightly indicated, the use of up-to-date construction methods and the convenience of the people who

were to work in the building had to be the paramount considerations. Style must be taken into account, but it should be recognized that to construct a building in exact imitation of the Palais des Nations would be aesthetically unwise.

19. The question of the extension of conference facilities at the Palais des Nations had been discussed for so long that it was difficult to escape the impression that efforts were being made to obstruct and delay a final solution. Since the question had first been raised in 1964, the Secretary-General and the Advisory Committee had repeatedly drawn attention to the fact that the Palais des Nations was still an international conference centre, that it was being used not only by the United Nations but also by the many specialized agencies at Geneva, and that it was required to provide facilities for more than 3,000 meetings a year. At the twenty-first session, the General Assembly had approved the first expansion plan, which was to be completed by May 1970 at a maximum cost of \$15 million, the cost to be covered by a loan offered by the Swiss authorities on favourable terms. At the same time, the Advisory Committee had expressed the hope that the detailed estimates would be lower than the maximum figure authorized by the General Assembly. Accordingly, no one had anticipated that the authorized figure would be exceeded.

20. However, it now appeared that the plan submitted in 1966 had been incomplete. The Committee was faced with an entirely new plan, under which conference rooms were to be enlarged, access to conference rooms was to be improved and the number of offices for conference servicing staff was to be increased from 300 to 700. As the Advisory Committee had pointed out, completion of the new offices at the Palais des Nations would make it possible to dispense with more than 200 offices currently being rented outside the Palais at an annual cost of about \$200,000; and, even when staff now occupying outside rented premises had been accommodated in the Palais itself, there would still be a considerable reserve of vacant offices. His delegation did not agree with the United Kingdom representative that those offices should be rented to other organizations. Instead, it would ask the Secretary-General to give serious consideration to the possibility of using the vacant offices at Geneva to effect a partial transfer of certain departments of the Secretariat which were at present functioning at Headquarters in New York.

21. With regard to the financial implications of the revised plan, his delegation noted with concern that the construction period was to be extended by one year until June 1971 and that the total cost was to be increased by 40 per cent from \$15 million to \$22 million. If interest payments were taken into account, the total increase in cost would amount not to \$7 million but to \$9 million. It was regrettable, too, that the Assembly had not been given any advance information about the proposed changes and had virtually been presented with a *fait accompli*. In a progress report submitted at the twenty-second session<sup>1/</sup> the Secretary-General had merely stated that work on the original plans were proceeding, and had

<sup>1/</sup> Official Records of the General Assembly, Twenty-second Session, Annexes, agenda item 74, document A/C.5/1135.

not given any warning of changes in the plans on the scale now proposed, or of any considerable increase in the financial implications.

22. Notwithstanding those considerations, the Soviet Union delegation thought it could support the revised Geneva construction plan, on the understanding that the proposed expansion of office accommodation would make it possible to transfer part of the Secretariat from New York to Geneva and thereby ease pressure on accommodation at Headquarters. Such a solution would lead to considerable savings, since expenditure on new construction at New York would be reduced correspondingly.

23. Mr. BAROODY (Saudi Arabia) said it augured well that the facilities of the United Nations Office at Geneva were to be expanded. He was aware that a great effort had been made to ensure that the old Palais and the projected annexes would be aesthetically compatible, and was completely satisfied with the assurances made on that point by the Assistant Director-General. He fully agreed with the representative of the Union of Soviet Socialist Republics about the importance of the functional aspects of the building, which had no doubt been given careful consideration. He noted from paragraph 28 of document A/7337 that the project was to be financed partially by a loan of \$14,120,000 from the Fondation des immeubles pour les organisations internationales, to be repaid over the ten-year period from 1973 to 1982. He would like more information about that. He had ascertained from the Assistant Director-General that the loan would be in Swiss francs; while the Swiss franc was a relatively stable currency, much could happen in ten years. He wondered if the interest for the ten-year period would be fixed in advance and how much it was likely to be. He also wondered whether it would be paid in Swiss currency. He felt that before the Organization committed itself to loans of that kind it should go into the whole question very carefully. Nevertheless, he hoped that the proposed expansion in Geneva would receive the unanimous support it deserved.

24. The Geneva project could not be discussed without reference to the projected expansion of the Headquarters in New York. He was very much in favour of decentralization and thought it far more appropriate to expand the Geneva facilities than to enlarge Headquarters. He hoped that when the new building in Geneva was completed, which should be in 1971, it would be able to accommodate a number of departments currently installed in New York. He was opposed in principle to the whole project for the expansion of Headquarters, and wished also to raise two specific objections. First, the Secretary-General had recommended that a provision of \$250,000 should be made under section 7 of the budget for 1969 for the preparation of detailed plans and specifications; that money could surely be provided from some source other than the United Nations budget. Secondly, the proposed new park was to provide five tennis courts for United Nations use; he felt that the existence of such facilities would create a very bad impression and urged that the idea be abandoned.

25. Mr. ZIEHL (United States of America) observed that the Secretary-General, in paragraph 23 of his report (A/C.5/1179), had expressed a reservation

about the final cost of the revised plan, and had said that it should be possible for the General Assembly to be kept annually informed of any trend likely to increase the contingency provision and thereby the total cost of the project. The Advisory Committee, in paragraph 45 of its report (A/7337), had said that it trusted that the reservation contained in paragraph 23 of the Secretary-General's report would prove unfounded and that the total cost of the project would not exceed \$22 million plus interest payable on the loan. The United States delegation hoped that the Advisory Committee's confidence was justified, and that the figure of \$22 million was a firm estimate.

26. Mr. MEYER PICON (Mexico) noted that the Soviet Union and Saudi Arabian representatives had expressed concern at the financial and other implications of providing additional office accommodation at Headquarters. He asked the representative of the Secretary-General whether the revised plan for construction at Geneva contained provision for a possible further extension of office accommodation at the Palais des Nations, if the General Assembly were at some future date to decide that certain departments of the Secretariat should be transferred from Headquarters to other duty stations.

27. Mr. GANEM (France) said that his delegation approached the Secretary-General's proposals with complete objectivity. Though Geneva was only a few kilometres from the French frontier, France had never advocated the establishment of an international conference centre there. In 1919 the French Government had in fact urged that the League of Nations should have its headquarters not at Geneva, but at Brussels. In 1945 it had proposed that the Headquarters of the United Nations should be located not at Geneva, but at Copenhagen or Vienna.

28. His delegation appreciated the force of the Brazilian representative's argument that the style of the new premises to be constructed at Geneva should be in harmony with that of the existing Palais des Nations. Nevertheless, after studying the Advisory Committee's report and listening to the observations made earlier in the meeting, he thought it would be wise to accept the Secretary-General's proposals as endorsed by the Advisory Committee, and he would vote for them.

29. Mr. FAURA (Peru) said that the Chairman of the Advisory Committee, in his statement, had dispelled any doubts which the Peruvian delegation might have entertained with regard to the revised plan for construction at Geneva. Delay in construction should at all costs be avoided, since it might lead to an increase in the interest payable on the loan obtained for that purpose.

30. His delegation, like those of Saudi Arabia and Mexico, would be interested to hear the views of the representatives of the Secretary-General regarding the possibility of transferring major departments of the Secretariat from Headquarters to Geneva.

31. Mr. PALTHEY (Assistant Director-General of the United Nations Office at Geneva), replying to the United States representative, said that every possible effort would be made to keep the total cost of the

project within the limits of the estimate submitted to the Committee.

32. In reply to the representatives of Mexico and Peru, he said that the revised plan did not contain any provision for a possible further increase in office accommodation at Geneva. Indeed, for functional and aesthetic reasons, it would be difficult to envisage any additions to the revised plan. If the General Assembly were to decide that even more office accommodation should be constructed at Geneva, a completely new and separate project would have to be prepared.

33. Mr. TARASOV (Union of Soviet Socialist Republics) asked whether the new offices to be built for conference servicing staff at Geneva could equally well be used as offices for staff members of other departments transferred from Headquarters. He wondered if there were any administrative or technical reasons why they should be used as offices for conference servicing staff only.

34. Mr. PALTHEY (Assistant Director-General of the United Nations Office at Geneva), replying to the

Soviet representative, said that the 315 vacant offices at Geneva would be offices of the standard type, and that there were no technical reasons why they could not be used for United Nations requirements of any kind.

35. Mr. SILVEIRA DA MOTA (Brazil) said that in his earlier statement he had not wished to give the impression that he was indifferent to functional or economic considerations. He was merely concerned that the new building should harmonize with the existing structure and blend into the surrounding landscape. The remarks by the Chairman of the Advisory Committee had dispelled that concern.

36. The CHAIRMAN put to the vote the draft resolution contained in paragraph 48 of the Advisory Committee's report (A/7337).

*The draft resolution was adopted by 78 votes to none.*

*The meeting rose at 1.30 p.m.*