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

STATEMENT BY THE CHAIRMAN

1. The CHAIRMAN referring to the number of members present, noted that the Committee could not take a decision, in its consideration of agenda item 74, on those questions relating to section 7 of the budget estimates for 1969 on which it was to vote. He invited the members to proceed to the consideration of the financial implications of the recommendations of the Second Committee affecting the level of the appropriations under part V of the budget, on the understanding that it would resume its consideration of the questions relating to section 7 later in the meeting.

ADMINISTRATIVE AND FINANCIAL IMPLICATIONS OF DRAFT RESOLUTIONS SUBMITTED BY THE SECOND COMMITTEE IN DOCUMENTS A/7331 AND A/7332 AND CORR.1 AND 2 ON AGENDA ITEMS 35* AND 44* (A/7376, A/C.5/1190)

2. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's report (A/7376) on the financial implications of draft resolutions recommended by the Second Committee under agenda items 35 (A/7332 and Corr.1 and 2, para. 15, draft resolution I) and 44 (A/7331, para. 7, draft resolution I). In the event of the adoption of those recommendations, which resulted from decisions made by the Governing Council of UNDP and the Industrial Development

Board, appropriations in a total amount of \$6,908,600 would be required under part V—sections 13, 14, 15 and 16—of the budget for 1969.

3. As the Advisory Committee had indicated in paragraph 7 of its report, it had not analysed or commented on the details of the proposals relating to the technical programmes. In fact, detailed proposals had not been formally submitted to the Advisory Committee. In the case of sections 13, 15 and 16, they had been submitted to the Governing Council of UNDP at its sixth session, in June 1968 and, in the case of section 14, to the Industrial Development Board at its second session, in May 1968. It followed that the Advisory Committee was not in a position to judge whether the proposals relating to the technical programmes had been drawn up with due regard for economy and administrative and budgetary discipline. Similarly, the Advisory Committee was unable to say whether all the projects under sections 13 to 16 of the budget for 1969 properly belonged there, rather than under other sections of the budget. For that reason, it was the Committee's intention in 1969, when it considered part V of the budget estimates for 1970, to seek assurances from the Secretary-General that he was satisfied that all the projects proposed for financing under part V met the necessary criteria for inclusion in the regular programme of technical co-operation.

4. He said that he wished at that juncture to make some comments of a more general nature. As the members of the Committee were doubtless aware, the procedure followed in connexion with the estimates concerning part V of the budget for 1969 had been of an *ad hoc* nature. The Governing Council of UNDP and the Industrial Development Board had been unable to make any recommendations before the budget estimates were prepared, and the Secretary-General had been obliged to include only a *pro memoria* provision under part V of the budget estimates for 1969 (A/7205). In paragraphs 262 to 271 of its main report (A/7207), the Advisory Committee had referred to the circumstances surrounding such an exceptional presentation and had expressed the view that the exclusion from the initial estimates of an item of expenditure of the magnitude of part V conflicted with the spirit of regulations 3.4, 3.5 and 3.6 of the Financial Regulation of the United Nations. Moreover, the budgetary procedures relating to part V were anomalous in that budgetary decisions to be taken by the General Assembly were in practice, though not formally, governed by the recommendations of two organs other than the Assembly.

5. The consideration by the Fifth Committee of the financial implications of recommendations of the Second Committee was apparently regarded at the current session as a consideration on first reading

*United Nations Industrial Development Organization: report of the Industrial Development Board.

**Operational activities for development:

(a) Activities of the United Nations Development Programme: reports of the Governing Council;

(b) Activities undertaken by the Secretary-General.

of part V. On purely practical grounds, the Advisory Committee could not disagree with that approach. However, bearing in mind the authority of the General Assembly in budgetary matters, the Advisory Committee felt that the procedure being followed was unfortunate. Indeed, the Advisory Committee had on many occasions observed that the amounts to be appropriated under part V depended on policy decisions taken by the General Assembly in the light of over-all budgetary considerations. Unfortunately, the Assembly too often left it to the Advisory Committee to take major policy decisions on matters which the Assembly itself had been unable to settle. While the task of the Advisory Committee was to make recommendations based on administrative, budgetary and even legal considerations, it had not been created to solve political problems. For that reason, he hoped that in future the General Assembly itself would decide on political issues, for whatever recommendations the Advisory Committee might make in such cases were bound to be inconclusive.

6. Mr. CZARKOWSKI (Poland) recalled that during the general discussion (1252nd meeting) his delegation had expressed the view that in the interest of placing the United Nations regular budget on a sound basis, it should concentrate primarily on expenditure of an administrative nature, and other types of expenditure should be financed principally through voluntary contributions and from extra-budgetary funds. His delegation felt that expenditure under part V relating to technical assistance activities belonged in the latter category and should not be financed in the same manner as the activities covered by other sections of the regular budget.

7. Technical assistance activities had expanded considerably since they had first been undertaken in 1948, at a time when, in the absence of other alternatives, they had been included in the regular budget. The establishment of the Expanded Programme of Technical Assistance, the Special Fund, and the subsequent merging of those two components into the United Nations Development Programme had not only increased the effectiveness of those activities, but had also provided evidence that technical assistance operations financed from special accounts based on voluntary contributions were capable of rapid growth for the benefit of the developing countries. That could be illustrated by the fact that voluntary contributions from countries at all stages of development had risen from \$20 million in 1950 to \$55 million in 1955, to \$183 million in 1968 and would probably exceed \$200 million as from 1969. The figure for the regular programme of technical assistance had amounted to only \$6.4 million and had remained at that top level for some years. It was therefore evident that the financing of technical assistance activities under the regular budget imposed limits on the expansion of those activities. Furthermore, the inclusion of funds for technical assistance in the regular budget introduced an element of strain and instability in the budget and the procedure now being followed was actually contrary to the financial regulations. The regulations provided that the various competent bodies should determine the substance of the programmes, while the related

expenditure was to be scrutinized by the Fifth Committee and by the Advisory Committee.

8. The relationship between the formulation of the programmes and the financial implications under the regular budget was implicit in rule 154 of the rules of procedure of the General Assembly concerning the role of the Fifth Committee and in rule 153 concerning the functions of the Advisory Committee, as well as in financial regulation 13.1. In the case of the regular programme of technical assistance, however, the opposite procedure was followed, since a "planning level" was established first and the programme was then adjusted to the financial framework previously approved. The irregularity of that procedure was even more evident during the current session, when the Fifth Committee was confronted with decisions already taken by the Governing Council of UNDP and by the Industrial Development Board involving a planning level of \$6.9 million. The Committee was therefore only asked to rubber-stamp an accomplished fact. Moreover, since the figures for sections 13, 14, 15 and 16 of the budget had not been received on time, the Fifth Committee had found it difficult to give proper consideration to the budget estimates as a whole. In that connexion, his delegation fully shared the Advisory Committee's view that the exclusion from the initial estimates of an item of expenditure of the magnitude of part V conflicted with the spirit of financial regulations 3.4, 3.5 and 3.6. It was certainly very difficult to form an opinion on the budget as a whole without having information on important items which were presented only in pro memoria form.

9. His delegation recognized of course that as a result of developments in the Industrial Development Board and the Governing Council of UNDP and of the previous decision of the General Assembly establishing the appropriation level for part V of the budget at \$6.4 million, it would have been difficult for the Secretary-General to act otherwise. None the less, it was difficult for the delegations to establish their positions on the budget as a whole, and there was no assurance that a similar situation would not recur at the following session.

10. For all those reasons his delegation wished to suggest the establishment of a separate special account to be financed by voluntary contributions, starting at least at the current level of the total appropriation under part V of the regular budget. The funds contributed to that special account would increase much faster than the appropriations under part V, since it would certainly be much easier for many Governments to pay higher contributions to the account in their respective currencies. Moreover, the special account would not be limited to contributions from Member States only, but could be open to contributions from non-members. With that type of financing, donor countries would be associated more closely with the provision of technical assistance. In concrete terms that would mean that experts would be recruited from a larger number of countries, that fellows could be sent to new countries to a greater extent than they currently were and that equipment could flow to the developing countries from new

geographical areas. The programme would be more universal as a result, and that, after all, was one of the objectives of co-operation within the United Nations framework. Adoption of the Polish suggestion would also have a positive effect, in that it would help to unify and simplify the principles and procedures governing the operation of the various programmes of technical co-operation, and would thereby tend to increase their effectiveness.

11. Mr. UGGELDAHL (Finland), speaking on behalf of the delegations of the Scandinavian countries—Denmark, Norway, Sweden and Finland—recalled that the Governing Council of UNDP, after recommending a planning level of \$6,400,000 for the United Nations regular programme of technical co-operation in 1969, had decided ^{1/} at its sixth session that the question of the distribution of the appropriation between the various sections of part V would have to be solved by the General Assembly at the twenty-third session after its consideration of the recommendations emanating from the Industrial Development Board, the Governing Council of UNDP and the Economic and Social Council. With that reservation, the Governing Council had approved a programme for 1969 amounting to \$5,408,600 for activities other than those relating to industrial development. Furthermore, the Industrial Development Board at its second session had recommended, by its resolution 11(II), ^{2/} the sum of \$1.5 million as the planning level for the regular programme of technical assistance in industrial development. As a result of those decisions and recommendations the General Assembly was now being asked to approve an appropriation of \$6,908,600 under part V of the budget for 1969.

12. The question of increasing the resources of the regular programme of technical assistance—or, to be more accurate, of restoring the appropriations for the regular programme to the 1962 level—had been dealt with on several occasions. The Nordic countries believed that the 1962 level should be restored, and would therefore vote for the appropriation requested under part V. In so doing, they were giving their support to the widespread wish not only to continue the regular programme but also to maintain its resources at least at the level agreed upon in 1962.

13. However, they still thought that the most appropriate way of ensuring the efficiency of the regular programme of technical assistance in the economic field would be to maintain a certain amount of flexibility in that sector and not to split up the appropriation between different sections. In that connexion, they had voted at the twenty-second session against the decision to provide for a separate section for UNIDO under part V. Accordingly, if section 14 were put to the vote separately, they would not be able to vote for it. It was not that they were opposed to an expansion of UNIDO's activities; quite the contrary. However, they thought that the main source for financing UNIDO should be UNDP. Their position did not mean that they thought that UNIDO should **not receive any contributions from the regular**

programme. In fact, they still believed that a sizable share of the appropriation should be used for industrialization.

14. Mr. OLIVIER (Canada) pointed out that, in connexion with the Second Committee's recommendation on agenda item 44, the General Assembly was being asked to approve appropriations for 1969 amounting to \$5,113,000 under section 13, \$220,000 under section 15 and \$75,000 under section 16. In fact, the second and third of those figures represented an increase of more than \$30,000; but, in view of the laudable purposes for which the funds concerned were spent, his delegation did not intend to oppose the increase. In any case, the appropriations requested under sections 13, 15 and 16 were not in any major way responsible for the proposed increase of more than \$500,000 under part V as a whole. In connexion with agenda item 35, the Second Committee was recommending the General Assembly to adopt a draft resolution arising out of a decision taken by the Industrial Development Board, wherein the Board had proposed an appropriation for industrial development of \$1,500,00 under section 14. That sum was more than \$500,000 higher than the appropriation for industrial development in 1968. His delegation had no objection to the recommendation which invited approval of the 1969 programme for sections 13, 15 and 16, but wished to make some comments with regard to section 14. It believed that, as the Secretary-General had been aware of the planning level which the Industrial Development Board had adopted in the spring of 1968 for the regular programme of technical assistance in industrial development, that figure might well have been included in the initial estimates for 1969.

15. As his delegation had stated in the Second Committee on 25 October 1968 (1202nd meeting), it was encouraged by the signs of increased co-operation between UNIDO and other members of the United Nations family, whose activities had taken them into the industrial development field. Though UNIDO had primary responsibility for co-ordinating industrial development activities, it was clear that some overlapping was inevitable. On the other hand, his delegation hoped that jurisdictional disputes would not in future prevent the efficient use of the scarce resources available for development activities. Effective agreements should be concluded to ensure co-operation by all bodies dealing with industrial development. His Government would therefore examine with interest the proposed agreements to be presented to the Industrial Development Board at its next session.

16. His delegation was still concerned about the relationship between the examination of a programme and the financing of the activities required to implement it. Programmes should be formulated in the light of available resources, and the budget should be prepared on the basis of the programme to be financed. During the session of the Industrial Development board in May 1968, his delegation had taken the view that the Board did not have enough information to relate programme considerations to budgetary resources. It had felt that the Board should at least have before it a general outline of the Secretary-General's budget estimates for the coming year. With that information, the Board would have been

^{1/} See Official Records of the Economic and Social Council, Forty-fifth Session, Supplement No. 6A, para. 322.

^{2/} See Official Records of the General Assembly, Twenty-third Session, Supplement No. 15, annex VI.

able to make realistic recommendations on the priorities to be adopted within the work programme. As the figures for the UNIDO budget were submitted to the Advisory Committee and the Committee for Programme and Co-ordination early in June, his delegation would suggest that, in order to increase the effectiveness of the work of the Industrial Development Board, consideration might in future be given to the possibility of arranging for the Board to meet at a time when it would have before it an outline of the Secretary-General's budget estimates.

17. Turning to the general question of the financing of UNIDO's activities, he said that his delegation's views on the subject were related to its interpretation of the role and functions of that organization. UNIDO's chief function was to assist the developing countries in achieving a much more rapid rate of industrial growth through better utilization of their human and physical resources. As industrial development depended to a large extent on capital investment, one of UNIDO's principal tasks was to act as a catalyst for the mobilization of capital through field-oriented operations involving demonstration and pilot plants based on locally available materials and the applications of new industrial technology. As that was essentially a pre-investment activity, UNIDO's relations with UNDP should be very close. His delegation noted that UNIDO was already implementing 26 major Special Fund projects, for which some \$23.4 million had been earmarked from UNDP financial resources. Thus, the aggregate of funds being channelled through UNIDO from UNDP sources was very considerable, and might be expected to increase in future. His delegation also believed that close working relationships should be established in the field between UNIDO industrial advisers and UNDP Resident Representatives, particularly when recipient Governments were being given advice regarding the formulation of industrial development practices and policies. Collaboration between UNIDO and UNDP was also essential in the formulation of requests for viable projects in the light of national priorities. His Government had already stated that, in determining its 1969 contribution to UNDP, it had taken into account the financial requirements of UNIDO's operational activities. It believed that UNDP should be the central financing source for the operational requirements of all the agencies concerned, including UNIDO.

18. Funds were allocated to UNIDO under part V of the United Nations regular budget. By its resolution 11 (II),^{3/} which his delegation had strongly opposed, the Industrial Development Board had recommended that the planning level of the regular programme of technical assistance for industrial development should be set at \$1.5 million for 1969 and 1970. Since there had been no reduction in the other programmes financed under part V, the General Assembly was being asked to make a total appropriation of \$6.9 million under that part of the budget for 1969. His delegation had already stated its view that the Secretariat officials in charge of the various activities financed under the regular programme of technical assistance should consult with one another in order to ensure a more equitable distribution of the limited funds available. His delega-

tion felt that the decision taken by the Industrial Development Board was unfortunate and endorsed the observations of the Advisory Committee on that point. Furthermore, his delegation considered that pending the completion of the in-depth study of part V of the budget, on which the Secretary-General had been asked to submit a full report to the Governing Council of UNDP at its seventh session, it would not be helpful to alter the level of resources allocated under that part of the budget. In any event, any decision relating to an alteration of that kind should be taken in the Fifth Committee rather than elsewhere and on the basis of a full knowledge of all the factors involved.

19. In conclusion, his delegation wished to draw attention to what it regarded as an unsatisfactory budgetary practice, namely, the provision of a separate section in part V for technical assistance in industrial development. The decision to include that section in the budget had been taken against the wishes of many countries, including Canada. The resultant difficulties were due to the fact that two inter-governmental bodies, the Governing Council of UNDP and the Industrial Development Board, both had statutory responsibility for making recommendations on some aspects of part V. His delegation wished to point out the danger of such a situation, which was not in accordance with proper administrative practices. In his delegation's view, since the appropriations in question were part of the Secretary-General's budget estimates, it should be his prerogative to decide how the total amount recommended by the Governing Council of UNDP was to be divided, if it had to be divided at all. Subsidiary bodies of the United Nations should not be permitted to dictate to the central authority the size or the allocation of appropriations under the Organization's budget. It went without saying that his delegation would support any move designed to rectify the existing situation and effectively re-establish budgetary discipline. For the reasons it had given, it could not support the proposed increase under part V.

20. After a procedural discussion in which Mr. BAROODY (Saudi Arabia), Mr. RHODES (United Kingdom), Mr. MSELLE (United Republic of Tanzania), Mr. WILTSHIRE (Trinidad and Tobago) and Mr. MUNYESHULI (Rwanda) took part, the CHAIRMAN proposed that the Committee should postpone further discussion of the Second Committee's recommendations and of part V of the budget estimates and resume its consideration of section 7, as proposed in the agenda for the meeting.

It was so decided.

AGENDA ITEM 74

Budget estimates for the financial year 1969 (continued)
(A/7125, A/7205 and Corr.1, A/7207, A/7236, A/7255, A/7280, A/7304, A/7336, A/7337, A/7339, A/7340, A/7341, A/7351, A/7356, A/7359, A/7366, A/7367 and Corr.1, A/7373, A/C.5/1168, A/C.5/1169 and Corr.1, A/C.5/1175-1179, A/C.5/1182, A/C.5/1183, A/C.5/1185, A/C.5/1186 and Add.1, A/C.5/1187-1189, A/C.5/L.943, A/C.5/L.948, A/C.5/L.950, A/C.5/L.960)

^{3/} *Ibid.*,

Accommodation at Headquarters: proposed new construction and major alterations of existing premises
(continued) (A/7366, A/C.5/1183)

21. Mr. NASHER (United States of America) observed that in 1950, when the Headquarters buildings had been completed, the Organization had had only 59 Members and no one had foreseen that the programmes of the United Nations, particularly in the economic and social fields, would grow to such an extent. Since that time, the staff of the Secretariat had increased from 4,100 to over 8,00 and the Organization's budget from \$50 million to over \$153 million. More than 80 per cent of the Organization's personnel and resources were now employed in economic and social development work. A large number of buildings had been constructed in all parts of the world to accommodate United Nations organs which had not even existed in 1950, and many of them had very properly been built in the areas which the units accommodated in them were intended to serve. Each building must be designed to meet the requirements as closely as possible, and the most up-to-date architectural and urban planning techniques must be brought to bear upon the task of improving the Headquarters buildings and the surrounding area.

22. The budget estimates for 1969 included requests for substantial appropriations for United Nations buildings throughout the world. The Committee had approved on first reading plans for the extension of the Palais des Nations at Geneva at a cost that would total \$24,850,000. It had before it a programme of major maintenance and improvement of the Palais at an estimated cost of \$4,850,000 and a request for a further grant of \$30,000 towards the expansion and improvement of the physical facilities of the International School at Geneva. An additional estimate of \$1,300,000 had just been requested in order to make the United Nations building at Santiago, Chile finally functional. It was to be expected that within the next few years further amounts would be required for the planning and construction of facilities at other United Nations locations.

23. All delegations had long been aware that there was an acute shortage of space in the Secretariat Building in New York, that the services there were greatly overcrowded and that it had been necessary to rent outside accommodation to relieve the difficulty. As the Secretary-General had pointed out in his report (A/C.5/1183), the question of the adaptation of the physical facilities at Headquarters to meet growing needs had been under active consideration since 1959. As a result of studies authorized at that time, certain alterations had been carried out, but they had been no more than stop-gap measures. In 1963 the Secretary-General had submitted detailed recommendations^{4/} for the expansion or modification of the Delegates' Lounge and the Dining Room and for additions to the Conference Building. So far nothing had been done about that. In 1966, at the twenty-first session, the Secretary-General had brought to the General Assembly's attention the urgent need for additional office space for the Secretariat.

^{4/} Ibid., Eighteenth Session, Annexes agenda item 58, document A/C.5/993.

riat. He had pointed out^{5/} that the only building site available was the land at the north end of the United Nations grounds, and that the only possible short-term solution was to rent outside office space. The Secretary-General had asked the Assembly to give urgent consideration to the possibility of undertaking a major construction project. Later in the same session (see 1160th meeting, paras. 51 to 55), the Secretary-General had recommended that the General Assembly should consider the offer of the organization which subsequently became the Fund for Area Planning and Development, Inc., to conduct, at its own expense, a study to determine the feasibility of acquiring and building on an area of land to the south of the Headquarters site. That study had now been completed and the results communicated to the Secretary-General. The land to be added to the area already owned by the Organization belonged to the City of New York and would be made available without cost. In carrying out the study the Fund had worked in close co-operation not only with the Mayor and the City of New York, but also with the Triborough Bridge and Tunnel Authority, the Consolidated Edison Company of New York, Inc., and many other bodies. The Fund had drawn more than \$600,000 from its own resources to pay the costs of the various studies, and the report it had produced had led to a request from the Secretary-General, endorsed by the Advisory Committee on Administrative and Budgetary Question, that the General Assembly should authorize the preparation of detailed plans and specifications on the basis of which the General Assembly could take a decision at its twenty-fourth session.

24. In his delegation's view, the proposal prepared by the Fund (see A/C.5/1183, annex) was based on requirements determined by the Secretary-General and was designed to meet the need for additional office space for the United Nations Secretariat, UNDP and UNICEF, with a minimum allowance for future growth. It should not be forgotten that in 1969 alone the Organization would pay approximately \$1.3 million in rent for outside office space; such costs must be eliminated as quickly as possible. Moreover, the construction of a new building at Headquarters would not interfere in any way with the growth of the Organization's activities at other locations, and it had to be recognized that certain parts of the United Nations could function efficiently only as long as they were not arbitrarily broken apart.

25. The proposal developed by the Fund for Area Planning and Development was an integral part of an over-all plan for the redevelopment of the area around the United Nations Headquarters; the plan was not, in point of fact, of direct concern to the Committee, but it would have the advantage of transforming that area of the city into an international centre far more worthy of the Organization and endowed with all the requisite facilities and amenities. It was important to note that the plan would entail no cost to the United Nations. It included, for example, the construction of a new building for the United Nations International School between 39th Street and 40th Street, financed by a grant of over \$8.5

^{5/} Ibid., Twenty-first Session, Annexes, agenda item 74, document A/C.5/1062.

million from the Ford Foundation and the Rockefeller family; the extensive development on a long-term basis of the area occupied by the two blocks to the west of the Secretariat buildings, where offices for delegations and for various organizations associated with the work of the United Nations would be built, together with a centre containing shops and hotels, all of which would be financed principally by private capital; and the construction of low-cost housing on land owned or controlled by the City of New York to the south of that area. All those projects had been conceived primarily for the benefit of the United Nations and its staff and delegations and they should make it possible to meet the need for office space, hotels and services. In addition, the area surrounding Headquarters would be improved and it would become both quieter and more efficient.

26. As delegations were aware, the facilities in the existing Conference Building with regard to conference rooms, lounges and restaurants were inadequate, as were the facilities for parking and for the reproduction, distribution and storage of documents. Lastly, recreational facilities should be provided for the use of delegations and staff members of the United Nations. The proposed plan would meet that need, since it included a proposal to build a gymnasium in one of the basements and since the facilities of the International School could be used after school hours. The proposed park would extend over the East River and would make it possible to provide playing fields and facilities for outdoor sports.

27. In conclusion, the United States delegation, being aware of the need to provide the United Nations with accommodations which met its needs, fully supported the proposal of the Secretary-General (A/C.5/1183, para.11) which would authorize the preparation in 1969 of detailed plans and specifications that would make it possible to estimate the expenditure involved in the implementation of the project and to make final proposals for its financing. As the Secretary-General had said, it was only then that the Assembly would be required to take a decision as to whether or not the project should be implemented. The United States delegation would therefore vote in favour of the appropriation requested by the Secretary-General.

28. Mr. BAROODY (Saudi Arabia) said he thought that it would be advisable for the Committee to obtain some clarification before voting and he would like the representative of the United States of America to reply to certain questions.

29. First, he asked whether the plan which the latter had just spoken about would solve the problem of accommodation permanently, or was only a temporary remedy, with the result that the problem would arise again in four or five years' time.

30. Secondly, it was difficult to take a decision on such an important project without knowing anything about the method of financing the actual construction. It had been implied that external sources, perhaps even the Government of the United States or the authorities of the City or State of New York would provide the necessary funds, but there had been no formal undertaking on their part. He asked whether the United States representative could give any specific assurances on that score.

31. Thirdly, before any consideration was given to the expansion of the Headquarters in New York, the United States Government should ratify the Convention on the Privileges and Immunities of the United Nations. He asked the representative of the United States whether he could give an assurance that his Government would ratify that Convention without delay.

32. Fourthly, he asked whether the staff of the International School would belong to a trade union and, if so, whether there was not a risk of strikes, such as those which had just paralysed the City schools. If not, he asked whether the United Nations would be prepared to agree to frequent increases in the salaries of teachers in order to bring them into line with those paid in the City schools.

33. Fifthly, he asked whether the representative of the United States, who was a well-known expert in urban matters, could provide the Committee with some indication as to the price which the sale of the land on which Headquarters was located at present with all the buildings would bring in five years' time.

34. Sixthly, he asked whether the representative of the United States could indicate, taking into account the suggestions made by the representative of Saudi Arabia at the 1275th meeting, what he thought it would cost to purchase land and construct the necessary buildings in an area approximately 50 miles from New York City.

35. Lastly, he asked whether the representative of the United States really thought that it was fair to ask the Committee to vote an appropriation of \$250,000 without knowing whether the United States Government and the local authorities intended to contribute to the financing of the construction of the proposed building. He wondered whether there was not some danger that a precedent would be created and that the Committee would be led to take decisions without being informed of all the consequences which those decisions might involve.

36. Mr. FAURA (Peru) said that he had listened with the greatest interest to the statement of the United States representative and that he thought that the appropriation requested for the proposed study was at all events comparatively modest and represented a long-term investment which would eventually make it possible to avoid high expenditure on rent.

37. He did not believe that the replies to the questions put by the representative of Saudi Arabia would throw further light on the problem and thought that the Committee should immediately proceed to a vote.

38. Mr. NASHER (United States of America), replying to the questions put by the representative of Saudi Arabia, pointed out, in answer to the first point, that the Secretary-General's proposals were based on projected space requirements up to 1976 and said that in his opinion the question had been given thorough study.

39. On the second point, to which the Controller had already replied at the preceding meeting, it would be unrealistic to think that it was possible to make final arrangements for financing until comprehensive cost estimates for the project were available,

and those estimates could only be calculated when the architectural and engineering plans had been prepared.

40. With regard to the third point, the United States delegation intended to do everything possible to persuade the United States Government to ratify the Convention on the Privileges and Immunities of the United Nations at the earliest possible date.

41. As for the question of whether the teaching staff of the United Nations International School would be members of a trade union or not, that was a question which should be put to the Governing Board of the School itself.

42. As regards the fifth question put by the representative of Saudi Arabia, he found it impossible to give an estimate of the value of the land on which the premises of the United Nations in New York were built or of the property as a whole, since they, like other edifices which formed part of the national or international heritage, no longer came into the category of real estate on which a value could be placed on the basis of normal market prices.

43. With regard to the sixth question, it was difficult to give an exact answer since construction costs varied according to the type of area and the nature of the development plan under consideration and depended on a number of factors, such as whether the necessary resources and materials for the construction work were available locally or not.

44. In reply to the last question put by the representative of Saudi Arabia, he said that in his view it would be perfectly legitimate and reasonable to vote the appropriation of \$250,000 requested by the Secretary-General. Now that the United Nations had the study made by the Fund, the findings should be translated into plans and specifications which would make it possible to calculate the final cost estimates.

45. Mr. BAROODY (Saudi Arabia) said that he still thought that the Fund, which had already shown great generosity in undertaking at its own expense the studies on which the report submitted to the General Assembly was based, could without too much difficulty assume responsibility for the expenditure of the \$250,000 required to draw up the plans and specifications. That method would have the additional advantage of avoiding the creation of a precedent.

46. Mr. OLARTE (Colombia) warned the Committee against entering into a debate which might take a political turn. No precedent would be created by approving the appropriation requested by the Secretary-General. A similar question had arisen in connexion with the work of expanding and improving the premises at Geneva, work for which the Committee had approved an appropriation a few years earlier without agonizing over the question of financing and without engaging in interminable debates.

47. Mr. WILTSHIRE (Trinidad and Tobago) said that his delegation's position regarding section 7 was based on considerations which it had already set forth during the discussion of other questions and which he wished to restate in explanation of the manner in which he intended to vote.

48. His delegation would abstain in the vote on the provision of \$250,000 recommended by the Secretary-General and approved by the Advisory Committee (A/7366, para. 22) for the preparation of detailed plans and specifications for the proposed construction at Headquarters. He was not overlooking the fact that the Secretary-General and the Advisory Committee had been careful to point out that in authorizing such an appropriation the Committee would not be committing the United Nations to the total project. Personally he questioned whether, at the present stage, the United Nations should take decisions which might entail a long-term future commitment, since it had no very clear notion of what was involved and had neither studied thoroughly the various factors to be considered, nor looked at the over-all context of the question of expanding the premises occupied by the United Nations. For example, to base plans on a period of only eight years might not be looking far enough ahead. The 1947 proposals for the United Nations buildings showed how unrealistic it was to draw up plans based on only short-term needs. At that time, the Secretary-General's original plans had provided for construction of a 45-floor Secretariat building; for reasons of economy, the revised plans had reduced the number of floors to 40, and the United Nations was now faced with having to expand its facilities at a cost much greater than if it had made the necessary expenditure originally on the basis of long-term needs.

49. In any case, the construction costs were not, in his view, the only factor which the Committee should take into consideration in deciding whether the existing premises should be expanded and new buildings constructed. It must consider the maintenance cost of the premises, staff salaries, and the expenditure which delegations had to face because they were working in an inflationary economy and were increasingly obliged to expand their staffs in order to cope with the growing workload resulting from the proliferation and concentration of activities at Headquarters.

50. It had been argued, in opposing the idea of decentralizing major units—UNDP and the Department of Economic and Social Affairs, for example—that such units should be located close to the libraries, research and study centres and financial units; those considerations were not decisive, however, since libraries and study centres could always be built at whatever place might be chosen to accommodate certain units which were not located at Headquarters.

51. Perhaps the proposed scheme should be adopted, but it was difficult to support it when so many factors had not been properly looked into. It might, of course, become necessary some day to expand the premises of certain units at Headquarters; indeed, premises were already inadequate and the possibility of undertaking some work therefore had to be considered. It was also true that the land now being offered to the Organization might no longer be available if its acquisition was delayed for too long. Nevertheless, his delegation did not feel that it could support the appropriation requested, despite the generosity of the Government of the United States

of America, the New York State and City authorities and the Fund for Area Planning and Development, and despite the City authorities' decision to construct housing for delegations at reasonable rents and the assurance given to the Committee that approval of the recommended appropriation would not commit the Organization to the total project; on the other hand, it felt that it could not cast a negative vote, particularly in view of the clarification provided by the Controller. It therefore wished to reserve its over-all position on the matter until it had examined the study presented by the Fund for Area Planning and Development and was able to form a general picture of the expenditure involved in expanding the Organization's premises. His delegation would, of course, acquiesce in the Commission's decision, since its position had been presented in clear and unmistakable terms. That position compelled it to abstain in the vote on the recommended appropriation.

52. With regard to the United Nations building at Santiago, Chile, his delegation would vote for the additional appropriation of \$700,000 recommended by the Advisory Committee (A/7373, para. 19) despite its reservations regarding the scope of the proposed expansion; having received from the Controller the assurance that it required, it would not stress those reservations.

53. The CHAIRMAN invited the Committee to vote on the Advisory Committee's recommendation for an additional appropriation of \$250,000 under section 7 to cover the preparation of plans and specifications on the proposals concerning Headquarters.

The Advisory Committee's recommendation (A/7366, para. 22) for an additional appropriation of \$250,000 under section 7 was approved by 64 votes to 11, with 9 abstentions.

54. The CHAIRMAN suggested that the Committee should request the Rapporteur to prepare a draft resolution reflecting the various views expressed and the Advisory Committee's recommendations; the draft resolution would appear in the Committee's report on item 74.

It was so decided.

United Nations building at Santiago, Chile (continued)
(A/7373, A/C.5/1186 and Add.1)

55. The CHAIRMAN invited the Committee to vote on the Advisory Committee's recommendation for an additional appropriation of \$700,000 under section 7 for work concerning the United Nations building at Santiago, Chile.

The Advisory Committee's recommendation (A/7373, para. 19) for an additional appropriation of \$700,000 under section 7 was approved by 74 votes to none, with 10 abstentions.

56. The CHAIRMAN suggested that the Committee should request the Rapporteur to prepare a suitable draft resolution which would appear in the Committee's report on item 74.

It was so decided.

The meeting rose at 2.15 p.m.