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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 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, A/C.5/L.961)

Conclusion of the consideration of the proposal concerning section 12 before the Committee* (A/C.5/L.961)

1. Mr. WILTSHIRE (Trinidad and Tobago) said that he wished to state briefly his delegation's position on the draft resolution before the Committee (A/C.5/L.961). His country had become independent in 1962, a year after the adoption of General Assembly resolution 1739 (XVI) authorizing the issue of United Nations bonds. Moreover, his delegation had been unable to participate regularly in the work of the Fifth Committee until 1967. It was understandable, therefore, that his delegation should find the various legal, financial and moral issues involved in the controversy over the method of financing the bond issue somewhat difficult to grasp. Furthermore, it was apparent that a number of conflicting views on the matter were held with equal conviction by different members of the Committee. The situation was far from clear-cut, and for that reason his delegation had been attracted to the proposal that it should be subjected to a thorough and dispassionate analysis by the Advisory Committee on Administrative and Budgetary Questions. The members of that Com-

mittee could not be blamed if they were not eager to accept the assignment, for the bond issue was a highly sensitive and complex subject; moreover, the political issues surrounding it were a serious obstacle to a fruitful scrutiny of the central problem. However, his delegation would very much welcome any light which might be shed on the problem by the proposed study, and hoped that a permanent and satisfactory solution might be found. It would therefore vote in favour of the draft resolution.

2. Mr. DILER (Turkey) said that in the view of his delegation the draft resolution under consideration was not basically different from draft resolution A/C.5/L.876^{1/} which had been submitted to the Fifth Committee at the twenty-first session. His delegation had opposed that draft resolution, and it found the present one equally unacceptable, mainly because, like many other delegations, it considered that the terms and conditions governing the bond issue, as set forth in resolution 1739 (XVI), could not be modified unilaterally. The fact that circumstances had made it necessary to use the bond issue as a means of financing peace-keeping operations could not justify the United Nations in altering the original arrangements for repayment. To do so would be contrary to the Organization's contractual obligations, would impair its integrity and would not be an appropriate or sound way to restore financial solvency. His delegation would therefore vote against draft resolution A/C.5/L.961.

3. Mr. YUNUS (Pakistan) said that draft resolution A/C.5/L.961 had not been intended to stir controversy. It was a proposal for a study, which was essentially a procedural rather than a substantive initiative. The fact that controversy had nevertheless arisen was no doubt due to the extremely sensitive nature of the issue itself.

4. It was argued that any attempt to change the original terms governing the bond issue would reflect adversely upon the Organization's credit and betray a tendency to default on contractual obligations. It was said that the faith of the bondholders in the financial integrity and credit-worthiness of the United Nations would be badly shaken if what was described as unilateral action was taken. Furthermore, the interest rate on the bonds was only 2 per cent, which had been low at the time of issue and was even lower now in relation to market rates. Partly for that reason, and partly because of the long amortization period, the advanced countries which had purchased more than 80 per cent of the total bond issue felt that the investment was not profitable for them and that they should not therefore be asked

^{1/} See *Official Records of the General Assembly, Twenty-first Session, Annexes*, agenda item 74, document A/6631, para. 69.

*Resumed from the 1273rd meeting.

to contribute more towards the cost of amortization than would be due from them under the regular scale of assessments. On the basis of those and other considerations some members of the Committee had concluded that the study proposed in the draft resolution would be of no avail because it could not change either the terms of resolution 1739 (XVI) or the attitude of those delegations which did not accept responsibility for the amortization of the bonds on account of their position of principle regarding peace-keeping operations.

5. The other side of the argument was based on the contention that the developing countries could not be expected to make contributions to the expenses of major peace-keeping operations in proportion to their contributions to the regular budget. In recognition of that principle the General Assembly had approved a special scale of assessments for expenses relating to major peace-keeping operations, and it had been applied in certain cases. Another relevant consideration was that the developing countries had difficulty in finding foreign exchange for their contributions to the budgets of international organizations. It was argued, therefore, that the United Nations bond issue, which had been used entirely to pay for the peace-keeping operations in the Congo and the Middle East, should not be financed by assessments based on the regular scale. The proponents of that argument were not disregarding the contractual obligations assumed by the United Nations, nor could their proposal damage the Organization's financial integrity or credit-worthiness, because the point at issue was not whether the bonds should be amortized but simply how the cost of amortization should be apportioned among the Member States.

6. It was clear that support for either of those arguments was dictated not by reason alone but by political considerations as well. His delegation had noted particularly, however, that the draft resolution did not take a partisan view of the substantive issues, and that in that respect it had been unjustly criticized. He invited the Committee to examine the text of the draft. There could be no objection to the first two preambular paragraphs, which were statements of fact. In the third preambular paragraph, the use of the word "prior" in reference to resolutions of the General Assembly had been questioned, and he suggested that the inclusion of a specific reference to the relevant prior resolutions would perhaps overcome the difficulty. The fourth preambular paragraph reflected one side of the main arguments. It would seem quite appropriate to his delegation if, to provide a balance, the other side of the argument was also presented in a suitable place in the draft resolution. No one could disagree with the hope expressed in the fifth preambular paragraph; its relevance might be queried, but his delegation had no objection to its inclusion. The request contained in the single operative paragraph carried no suggestion of bias. The question was highly complex, and the Fifth Committee had agreed in 1966 that it required further study. On that occasion the Member States themselves had been given time to consider the issue; now it was to be referred to an expert body, where it would receive the "mature consideration" referred to in

the report^{2/} of the Fifth Committee to the General Assembly at its twenty-first session.

7. His delegation did not wish to impute motives to the sponsors and could see nothing wrong with the request; it did not favour one side or the other, for all the ideas expressed in the Fifth Committee were to be taken into account in the proposed study. The Advisory Committee's report would not solve the problem but might at least place it in perspective and provide the Fifth Committee with a sound basis for decision. Those who had spoken against the proposal had dwelt on the possibility that it might lead to a change in the present arrangements. If that was the intended effect, there would indeed be cause for concern; but the draft resolution did not propose any such change.

8. His delegation felt that if the Fifth Committee was to entrust a study of such importance to the Advisory Committee, the decision to do so should be well supported. It would therefore welcome any move which might help to gain wider support for the proposal. He recalled that in other difficult situations the Committee had succeeded in agreeing on an appropriate paragraph for inclusion in its report, and wondered whether the same might be done in the present case. If that was not possible, however, and the draft resolution was put to the vote, his delegation would vote for it.

9. Mr. MSELLE (United Republic of Tanzania) said that his country had attained independence on 9 December 1961 and had been admitted to the United Nations on 14 December 1961. When General Assembly resolution 1739 (XVI) had been adopted on 20 December that year, his delegation had therefore not been in a position to vote, but that did not mean that it considered itself excused from taking a position on the issue involved. A great deal had been said on the subject of resolution 1739 (XVI), but many speakers had failed to relate it to other resolutions adopted before and after. During the fourth special session of the General Assembly in 1963, for example, several relevant resolutions had been adopted, and his delegation had joined the sponsors of some of those resolutions. In particular, a number of important principles relating to the sharing of the costs of future peace-keeping operations involving heavy expenditures had been recognized by the General Assembly in resolution 1874 (S-IV). One of the principles was that the financing of such operations was the collective responsibility of all States Members of the United Nations. Another was that, whereas the economically more developed countries were in a position to make relatively larger contributions, the economically less developed countries had a relatively limited capacity to contribute towards peace-keeping operations involving heavy expenditures. In General Assembly resolution 1885 (XVIII), of 18 October 1963, the Secretary-General had been authorized to expend up to \$18.2 million for the United Nations Operation in the Congo during the period 1 January to 30 June 1964. Of that amount, \$15 million was to be apportioned thus: \$3 million among all Member States in accordance with the regular scale of assessments for 1964, and \$12 million among all Member States in accordance

^{2/} *Ibid.*, para. 76.

with the regular scale of assessments for 1964, except that each economically less developed country was to be assessed an amount calculated at a maximum of 45 per cent of its rate under the regular scale of assessments for that year. That was a clear acknowledgement that developing countries should be treated differently from the developed countries where peace-keeping operations involving heavy expenditures were concerned.

10. There seemed to have been a misunderstanding on the part of some speakers. There was no suggestion in the draft resolution that the United Nations should attempt to disown its contractual obligations, and he did not think that any delegation had advocated such a course. The central question was how the payments on the bonds should be financed, and in that connexion it was relevant to note that certain decisions of the General Assembly contained in the later resolutions to which he had referred had not yet been implemented. Clearly the sponsors would like to have that aspect of the situation examined by the Advisory Committee together with the other related issues.

11. Finally, his delegation felt that, in view of its interest and previous involvement in the matter, it could not remain uncommitted on the present occasion, and it would therefore have no hesitation in voting in favour of draft resolution A/C.5/L.961.

12. Mr. NASHER (United States of America) said that before the draft resolution was put to the vote, he wished to reaffirm his delegation's position on the question of the United Nations bond issue, which had greatly interested the Congress and people of the United States in recent years. He wished to stress once more some of the main points of the statement he had made at the 1273rd meeting. Firstly, the clear answer to the problem was to continue to finance the bonds under the terms and conditions on which they had been sold. General Assembly resolution 1739 (XVI) represented a clear commitment of the United Nations to all those who purchased the bonds. Were that provision to be altered despite the objections of the bondholders, the good faith and credit of the United Nations would be materially impaired. Secondly, the United States, for its part, would be required by the terms of its legislation on the matter to oppose firmly and strongly any change in the method or terms of repayment of the bond issue. It could not agree to pay any larger share of the total cost of bond repayments than it was now paying under the regular assessment scale, nor would it be willing to have its share increased indirectly through tinkering with miscellaneous income as a means of financing the bonds. Thirdly, those who found the repayment of the bonds onerous should address themselves to those who had caused the problem. The defaulters must provide funds to repay the bonds as they were required to do under Article 17 of the United Nations Charter; they must, moreover, pay their regular budget arrears if the United Nations was to have a financially solvent twenty-fifth anniversary.

13. Mr. RHODES (United Kingdom) assured the Committee that there was no misunderstanding on the part of his delegation. Persuasive arguments had been adduced based on General Assembly resolu-

tions adopted after resolution 1739 (XVI), but in his delegation's view those later resolutions had no relevance to the question. Consequently such arguments were simply excuses for default. His delegation considered—and was sure world opinion would agree—that a vote in favour of draft resolution A/C.5/L.961 would be construed as a vote for default.

14. Mr. SILVEIRA DA MOTA (Brazil) said that the sponsors of the draft resolution were grateful to the representative of Pakistan for suggesting that the Committee might try to reach a consensus on the question of financing the bond issue, and record that consensus in its report to the General Assembly. However, as the delegations of the United States of America and of the United Kingdom seemed to be unwilling to consider any course other than that which they had advocated in their statements to the Committee, the sponsors had no alternative but to request that the draft resolution should be put to the vote. All they wanted was that the Advisory Committee should now undertake a comprehensive study of the financing of the bond issue. The assumption that they wished the United Nations to default on its obligations was a regrettable misrepresentation of their true position.

15. Mr. ALO (Nigeria) said that his delegation would like to have followed the constructive suggestion made by the representative of Pakistan. On the other hand, as some delegations had questioned the motives underlying the draft resolution, the sponsors had no choice but to ask the Committee as a whole to express its views on their proposal.

16. Mr. MSELLE (United Republic of Tanzania) categorically rejected the United Kingdom representative's assertion that a vote for the draft resolution would be a vote for default. The draft resolution merely called for a study of the question of financing the bond issue. The Advisory Committee, as a result of the study, might or might not propose that the present method should be changed. The United Kingdom representative seemed to be prejudging the result of the Advisory Committee's study.

17. Mr. JERE (Zambia) said that, whatever reasons the United Kingdom representative might have had for making his assertion, the Zambian delegation could not agree that a vote for a study of the question was a vote for default. It had the impression, rather, that the United Kingdom representative was trying to intimidate the Committee.

18. Mr. WILTSHIRE (Trinidad and Tobago) said that, if his delegation had any fear or suspicion that the sponsors of the draft resolution wanted the United Nations to default on its obligations, it would certainly not support the draft resolution. However, it had no such fears. The sponsors merely wanted the Advisory Committee to undertake a study to clarify the various issues involved in the financing of the bond issue, so that the General Assembly at its twenty-fourth session could take a decision which would enable the United Nations to go on meeting its obligations to the bondholders. There was nothing in the text before the Committee which suggested that the Organization should default on its obligations, or even that the present system of financing the bond issue should be changed.

19. The CHAIRMAN invited the Committee to vote on the four-Power draft resolution (A/C.5/L.961).

At the request of the representative of Argentina, the vote was taken by roll-call.

Bolivia, having been drawn by lot by the Chairman, was called upon to vote first.

In favour: Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Equatorial Guinea, Guatemala, Guyana, India, Kenya, Mauritius, Mexico, Nigeria, Pakistan, Panama, Portugal, Spain, Sudan, Syria, Trinidad and Tobago, Uganda, United Republic of Tanzania, Uruguay, Venezuela, Yugoslavia, Zambia, Argentina, Barbados.

Against: Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia, Denmark, Finland, Greece, Hungary, Iceland, Ireland, Italy, Japan, Luxembourg, Malaysia, Mongolia, Netherlands, New Zealand, Norway, Poland, Romania, Sweden, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Australia, Austria, Belgium.

Abstaining: Burma, Cameroon, China, Congo (Brazzaville), Cyprus, Ethiopia, France, Ghana, Guinea, Indonesia, Iran, Israel, Ivory Coast, Kuwait, Laos, Lesotho, Mali, Mauritania, Philippines, Rwanda, Senegal, South Africa, Togo, Tunisia, Upper Volta, Algeria.

The draft resolution was adopted by 29 votes to 28, with 26 abstentions.

20. Mr. TARASOV (Union of Soviet Socialist Republics) said that his delegation understood the desire of the sponsors of the draft resolution to have expenditure relating to the United Nations bond issue excluded from the regular budget. However, the text they had submitted was too weak and would not achieve the objectives they desired. Moreover, it contained references to certain illegal resolutions of the General Assembly. His delegation had therefore been obliged to vote against it.

21. Mr. MEYER PICON (Mexico) said that his delegation had voted for the draft resolution, on the understanding that nothing in the text would prejudice the results of the proposed study.

22. His delegation's position on the bond issue was well known. It believed that the cost of peace-keeping operations should be financed from sources other than the regular budget and should not be shared among the entire membership on a compulsory basis.

23. Mr. BRATHWAITE (Barbados) said that his delegation had voted for the draft resolution on the understanding that the sponsors were merely proposing a study of the financing of the bond issue, and nothing else. It certainly did not wish the United Nations to default on its obligations.

24. Mr. CZARKOWSKI (Poland) said that his delegation appreciated the sponsor's efforts to find a solution to the controversial problem of the financing of ONUC and UNEF. However, it had not been able to support the draft resolution, because the only solution it could accept was that expenditure in connexion with the bond issue should be excluded

from the regular budget altogether. The present practice of including that expenditure in the annual budget was illegal and did not impose any financial obligations on Member States.

25. Mr. BAVAND (Iran) said that his delegation had abstained on the draft resolution because it thought that the question of the financing of the bond issue should not be considered in isolation, but in relation to the whole question of peace-keeping in all its aspects.

26. Furthermore, although he had no wish to impugn the motives of its sponsors, he felt that whatever their intentions might have been, the mere fact that they had proposed a study of the financing of the bond issue would create the impression that the terms and methods of repayment were to be changed.

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

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

27. Mr. VAUGHAN (Assistant Secretary-General for General Services) referred, first, to the United Nations building at Santiago, Chile. At the preceding meeting the representative of Hungary had asked why it was that, although the building had originally been designed to provide space for ECLA and the specialized agencies, there was not now enough space even for ECLA itself. The answer to that question could be found in the Secretary-General's earlier reports on the subject. In 1961, at the sixteenth session,^{3/} for example, the Secretary-General had informed the Committee that it would be necessary to make modifications to provide for the expanding activities of ECLA, resulting particularly from decisions taken by the Economic and Social Council at its thirty-first and thirty-second sessions, which had led to an expansion of ECLA's staff by 35.6 per cent as compared with 1959. At the seventeenth session,^{4/} the Secretary-General had reported that it would in all probability be necessary to limit space requirements to those of ECLA itself, and thus to exclude all or most of the other prospective occupants. Similarly, at the eighteenth session^{5/} the Secretary-General had stated that extensive changes had had to be made in the building plans to provide for considerable increases since 1959 in the staff of ECLA and of the specialized agencies to be accommodated in the building. At the twentieth session,^{6/} the General Assembly had been informed that, with the growth of the Latin American Institute for Economic and Social Planning, it had become increasingly evident that the physical proximity of the Institute and ECLA was highly desirable; furthermore, the Government of Chile had offered to contribute \$1.2 million to the construction of the building

^{3/} *Ibid.*, Sixteenth Session, Annexes, agenda item 54, document A/C.5/887, paras. 2 and 3.

^{4/} *Ibid.*, Seventeenth Session, Annexes, agenda item 62, document A/C.5/923, para. 18.

^{5/} *Ibid.*, Eighteenth Session, Annexes, agenda item 58, document A/C.5/990, para. 2.

^{6/} *Ibid.*, Twentieth Session, Annexes, agenda item 76, document A/C.5/1025, paras. 35, 37 and 39.

on the understanding that the Institute, for which no provision had been made in the original plans, would be accommodated in the new building. Thus the answer to the Hungarian representative's question was that the period of construction of the building at Santiago had also been a period of expansion in the work of ECLA and the other regional economic commissions. The Economic and Social Council, in a number of resolutions adopted at its thirtieth, thirty-second, thirty-fourth and thirty-sixth sessions had called upon ECLA to undertake increased activities in such fields as social development, land reform, economic planning and projection, science and technology, housing, and building and planning.

28. The representative of Hungary had also asked who was responsible for the deficiencies which had been revealed in the construction, and for the decisions to eliminate various items provided for in the original plan. In pursuance of a recommendation made by the Advisory Committee in a report^{7/} to the General Assembly at the fourteenth session, and as Headquarters officials were obviously unable to supervise work on a building many thousands of miles away, the building project had been managed by the ECLA building construction committee, whose members included the architect and the general contractor and which was responsible for all the decisions relating to the elimination of various items or their replacement by cheaper processes. In fairness to the architect and the general contractor he wished to say that, although they were members of that committee which agreed to various cost-saving devices, they were frequently faced with a situation in which the need for economy compelled them to choose between a number of equally unsatisfactory alternatives. He hoped that the extremely difficult problems of exercising effective management and financial control over building sites in distant cities would be dealt with in the study proposed by the Advisory Committee in paragraph 17 of its report (A/7373).

29. With regard to the proposed new construction project at Headquarters, the representative of Trinidad and Tobago at the previous meeting had asked to what extent the Organization's freedom of choice would be affected if the Fifth Committee decided not to approve an appropriation of \$250,000 for the preparation of detailed plans and specifications. In reply, he pointed out that the developments at present under consideration had resulted from the interest expressed by various public-minded citizens and philanthropic groups which had established an organization known as the Fund for Area Planning and Development, Inc., to assist the United Nations in solving its accommodation problems. The Fund had at its own expense conducted a feasibility study of a new construction project on a site between 41st and 42nd Streets east of First Avenue in New York, and had concluded that the project was technically and legally feasible. The Secretary-General had taken the view that the Fund's proposals (see A/C.5/1183, annex) should be commended to the General Assembly.

30. The General Assembly could not, of course, be expected to take a decision on the project until it knew exactly how much the new construction was likely to cost, how it was to be financed, and what proportion of the total expenditure would have to be financed from the regular budget. Provision in the amount of \$250,000 had been requested precisely with a view to obtaining an answer to those questions. If the General Assembly did not approve an appropriation for the preparation of detailed specifications and cost estimates, the momentum created by the interest displayed by the Fund for Area Planning and Development would be lost. The Assembly could, of course, revert to the matter at a later session but, by that time, the Fund would no longer be in existence and completely new negotiations would have to be initiated with a new group of interested parties.

31. Mr. TURNER (Controller) said that the Hungarian representative's assertion that the difficulties encountered in the construction of the United Nations building at Santiago were not the consequence of budgetary cuts was quite correct. Undoubtedly, some of the responsibility for the problems that had arisen must be borne by the Controller and by the Assistant Secretary-General for General Services. He had considered it a most serious obligation to keep within the appropriations approved each year by the General Assembly, and, therefore, economies had been required as the construction proceeded. It was most unusual for him to be criticized for having exercised strict budgetary control.

32. In reply to the representative of Trinidad and Tobago, he said that consideration had been given to the possibility of securing the amount of \$250,000 requested in connexion with the expansion of Headquarters premises from sources external to the regular budget. However, it had been felt that mendicant measures were not in keeping with the dignity of an Organization consisting of 125 sovereign States. All indications were that there was little likelihood of finding the money from outside sources; in any event, the Secretary-General felt that the matter was one of principle. The undertaking of the Fund for Area Planning and Development had been generously fulfilled. It would be inappropriate to look to some outside philanthropic source to finance something which was clearly the responsibility of the United Nations. The procedure proposed in the Secretary-General's report (A/C.5/1183) and recommended by the Advisory Committee (A/7366) was exactly the same as that followed by the General Assembly in other United Nations construction projects. It was the same procedure as that used for the extension of the Palais des Nations at Geneva and for the plans and specifications of the building at Santiago, and he saw no reason why it should not be applied to Headquarters construction projects.

33. The representative of Trinidad and Tobago had also asked what proportion of the estimated \$50 million needed for the proposed new construction and major alterations of the existing premises at Headquarters would have to be borne by the regular budget. Unfortunately, it was impossible at that juncture to specify what the proportion would be, but he emphasized that the Secretary-General was most optimistic that a substantial portion would

^{7/} Ibid., Fourteenth Session, Annexes, agenda item 50, document A/4277, para. 6.

be underwritten from external sources. Negotiations with those sources would take place in 1969, and some informal consultations had already been held in 1968. The study of the final financial arrangements was of course closely related to the detailed preparation of plans and specifications for which \$250,000 was now requested. The Secretary-General was convinced that firm plans for the construction, together with the relevant financial arrangements could be placed before the General Assembly at its twenty-fourth session. He also wished to stress that major alterations of existing premises were an important element of the proposals and that the project did not consist entirely of new construction.

34. He realized that some delegations disapproved of what they regarded as a piecemeal approach to the whole matter. Some years earlier, the Secretary-General had placed before the Committee an important policy suggestion designed to develop long-term administrative and budgetary planning to meet precisely the kind of situation which had now arisen. ~~It had been said at that time that needs should be~~ met as they arose. Accordingly, he welcomed the fact that the Advisory Committee had now recognized the desirability of taking a long forward look at future expansion requirements. The Fifth Committee was faced with some unpalatable decisions, but the few proposals which required action by it at the current session would fit neatly into a more comprehensive plan which he hoped would be submitted to the General Assembly in the next year or two.

35. Mr. TARDOS (Hungary) said he had the impression that in general the Secretariat was not too timid to submit additional requests under the supplementary estimates if it felt that there was a need to do so. While he appreciated the Secretariat's present course of action in returning to the General Assembly to request a further amount to complete the building at Santiago, he considered the submission of requests for budget appropriations at the right time to be a sounder way of effecting savings. He noted that the Controller had taken the responsibility for ordering cuts in the interests of economy, but he doubted whether the Controller or the Assistant Secretary-General for General Services should in fact take the responsibility for the mistakes which had been made. It was misguided for reasons of comradeship, to shield those persons who had made wrong decisions to save money and keep the construction work within budgetary limits. While the gardens or the roads at the Santiago building could have been completed later, **the absence of insulation and the installation of a system which made the offices hot in summer and cold in winter were much more serious mistakes.** It was necessary to identify those responsible for such nonsensical action, which increased the cost to the Member States.

36. Mr. TURNER (Controller) said that the Secretariat had been more than timid so far as the ECLA building was concerned and had hesitated to ask for more funds. Nevertheless, he recognized in retrospect that it had been a mistake to economize, and it would have been much wiser to submit additional requests for funds to the General Assembly

in the supplementary estimates some two or three years ago.

37. Mr. MSELLE (United Republic of Tanzania) said that in the course of its lengthy discussion of the problem of accommodation at Headquarters in 1966, the Committee had ruled out the renting of outside office space as a long-term remedy. In his report at that time^{8/} the Secretary-General had said that the principle consideration in the transfer of Secretariat groups to other locations was that there was already a shortage of office space in the United Nations Office at Geneva and other major **overseas offices and that the shortage would continue** to exist for the foreseeable future. The Committee had then been informed of the interest expressed by an external organization to assist the United Nations in solving its accommodation problems. Everybody was aware that overcrowding existed at Headquarters and, while the Committee was grateful for the offers which had been made, nobody knew exactly what commitments the United Nations would have to sacrifice in order to carry out the proposals. He felt that the unfortunate impression was being created that New York was the United Nations and that the United Nations could not exist without New York. The spiralling costs of construction in New York might mean that it would be necessary to spend more than the \$50 million tentatively estimated by the Secretary-General.

38. Like the Advisory Committee, he assumed that **authorization of an additional provision of \$250,000** under section 7 of the budget for 1969 did not constitute any commitment on the part of the General Assembly to **approve the total project involved in the proposals for accommodation at Headquarters.** He was **obliged to note, however, that there had been some change since 1966, when the Secretary-General had been requested to give assurances that there would be no commitment whatsoever on the part of the Organization to construct on any site which could be made available. Authorization of the sum of \$250,000** would be tantamount to a commitment to embark on at least part of the project. In addition, he hoped that the Secretary-General would indicate at the twenty-fourth session whether a substantial portion of the over-all costs would be underwritten from sources outside the regular budget. He was in complete agreement with the recommendations made by the **Advisory Committee in paragraphs 18 and 19 of its report (A/7366)** and felt that it would be very helpful if the Secretary-General could submit a comprehensive **report in 1969 containing a twenty-five year projection** of expansion requirements at Headquarters, Geneva and the regional economic commissions. With that information in hand the Member States would find it easier to take a final decision on the question of accommodation at Headquarters and would know exactly how many years would elapse before they were faced with another request for funds for construction work.

39. Mr. STOBY (Guyana) expressed concern at the manner in which the proposals for the expansion of

^{8/} *Ibid.*, Twenty-first Session, Annexes, agenda item 74, document A/C.5/1062, para. 21.

^{2/} *Ibid.*, document A/6631, para. 63.

Headquarters and other plans connected with United Nations accommodation in various parts of the world were being presented to the Committee. No attempt had been made to supply a coherent over-all view of the problem. He was confident that the omission was inadvertent and no one intended to withhold complete information from the Committee until it was too late for it to make meaningful decisions in the matter. The Controller had refuted the objection that the various measures being submitted represented a piecemeal approach. However, if an integrated long-term plan did exist, his delegation would prefer to see it submitted in its entirety to the Committee instead of being concealed for fear of having it rejected. His delegation was deeply appreciative of the proposals put forward by the Fund for Area Planning and Development, but felt that no decision should be taken in isolation. He disagreed with the view that approval of \$250,000 for the preparation of detailed plans for the Headquarters project would not represent a commitment on the part of the United Nations. In his experience, a decision was made in principle on a specific need for construction and plans were then put into effect—the opposite of what was now taking place. In fact, detailed plans had already been submitted by the Fund. He noted that Harrison and Abramovitz, architects of the United Nations had been involved in their preparation. The Committee was now being asked to approve the preparation of fully detailed architectural plans. Given the extent of the information available, its approval could only be viewed as an implicit commitment and something very like a moral obligation. If no decision had in fact been taken in the matter, he failed to see the need to authorize final plans. His delegation would be the first to support a decision that it was in the best interests of the Organization to continue to concentrate its activities in New York, provided that decision was arrived at after a complete study of the whole question of United Nations accommodation throughout the world. The host country had been most solicitous towards the United Nations and he expected no change in its attitude in future, but he urged the Committee not to take hasty action.

40. The best course would be to postpone a decision until a master plan had been prepared. He, too, hoped that it would be possible for the Secretary-General to submit a report to the General Assembly at its twenty-fourth session which would include projections of expansion at Headquarters, Geneva and at the headquarters of the regional economic commissions. His delegation would expect such a report to examine in scrupulous detail the advantages and disadvantages of expansion at Headquarters as compared with decentralization and relocation of some United Nations activities now based in New York. He was thinking in terms of the relocation of such bodies as UNDP, UNICEF and the Department of Economic and Social Affairs. He was not advocating that the United Nations Headquarters itself should be moved out of New York. A move of that kind might well be disastrous.

41. His Government favoured postponement of a decision on the question in order to provide an opportunity to reflect further on the expansion of Headquarters premises and related problems. Until it had such an opportunity, it could not in all conscience approve the request for an allocation of \$250,000. If the matter was put to the vote, his delegation would be obliged to abstain.

42. Mr. TURNER (Controller) said he wished to assure the representatives of the United Republic of Tanzania and Guyana that the Secretary-General would definitely furnish a full report on the financial arrangements for the expansion of accommodation at Headquarters, at the beginning of the twenty-fourth session. It was not reasonable to ask the Committee to take a final decision if it did not have a firm cost estimate and full details of the project, and the Secretariat had taken for granted that the Committee would follow its customary practice of requesting the fullest information.

The meeting rose at 5.55 p.m.