

FINANCING OF THE HEADQUARTERS OF THE UNITED NATIONS

REPORT OF THE FIFTH COMMITTEE

Rapporteur: Mr. R. HICKERS BERGSTROM, (Sweden)

1. The Fifth Committee at its ninety-ninth meeting held on 14 November 1947, considered questions relating to the cost of and financial arrangements for the establishment of permanent headquarters in New York City. This item was referred to the Fifth Committee by the ad hoc Committee on Headquarters, which, at its fifth meeting, held on 13 November unanimously adopted a resolution (document A/AC.15/8/Rev.1) approving the general plan and design as set forth in documents A/311/Add.1/Rev.1, A/311/Add.2 and A/311/Add.3, authorizing the Secretary-General to negotiate a loan agreement with the United States Government, and further authorizing him to proceed with construction of the headquarters.
2. The Secretary-General had received a letter dated 29 October 1947 from the Representative of the United States of America (A/AC.15/7) stating that the Government of the United States would be prepared to enter into negotiations with the Secretary-General with a view to concluding a loan agreement whereby an interest-free United States Government loan for an amount not exceeding \$65,000,000 would be made available for the purpose of financing the cost of constructing the United Nations Headquarters, and stating that the President of the United States would be willing to request the Congress of the United States to grant its approval which would be required for such a loan.
3. In considering the offer of the United States Government to enter into negotiations for the non-interest bearing loan, and the willingness of the President of the United States to request Congress to grant its approval for such a loan, a number of members expressed appreciation for the generosity of the United States Government.
4. It was made clear that the terms of the loan were to be negotiated by the Secretary-General, but that repayment would be made in annual installments beginning in 1951 from the funds of the United Nations received from Member nations in accordance with the future scales of contributions to be established each year.

/5. The resolution

5. The resolution proposed by the ad hoc Committee on Headquarters was adopted by thirty-six votes to none, with one abstention and the Fifth Committee therefore recommends the adoption by the General Assembly of the following resolution:

HEADQUARTERS OF THE UNITED NATIONS

THE GENERAL ASSEMBLY,

DESIRING to proceed as rapidly as possible with construction of the permanent headquarters in accordance with the decision taken by resolution 100 (1) of 14 December 1946 in order that a major part of the project may be completed and ready for use by the fourth regular session of the General Assembly;

NOTING with satisfaction the letter dated 29 October 1947 from the Representative of the United States to the Secretary-General (document A/AC.15/7), stating that the Government of the United States would be prepared to enter into negotiations with the Secretary-General with a view to concluding a loan agreement whereby an interest-free United States Government loan for an amount not exceeding \$65,000,000 would be made available for the purpose of financing the cost of constructing the United Nations headquarters, and that the President of the United States would be willing to request the Congress of the United States to grant its approval, which would be required for such a loan:

1. APPROVES the general plan and design set forth in the report by the Secretary-General on the permanent headquarters of the United Nations (document A/311) as revised in the further report by the Secretary-General (documents A/311/Add.1/Rev.1, A/311/Add.2 and Add.3).
2. AUTHORIZES the Secretary-General:
 - (a) To negotiate and conclude, on behalf of the United Nations, a loan agreement with the Government of the United States of America for an interest-free loan which would require approval by the Congress of the United States, in an amount not to exceed \$65,000,000 to provide for the payment of the costs of construction and other purposes provided for in paragraph 3 of this resolution. Such loan should be for a term of not less than thirty years and should be repayable in annual installments from the ordinary budget of the United Nations, the first installment to be payable out of the budget for the year 1951;
 - (b) To receive and expend, or direct the expenditure of, the sum borrowed in accordance with the foregoing authorization for the purposes set forth in paragraph 3 of this resolution;

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(c) With the consent of the Advisory Committee on Budgetary and Administrative Questions, to obligate or expend sums from the Working Capital Fund not exceeding \$1,000,000, in order to continue detailed architectural and engineering planning and research, and to meet commitments for other necessary arrangements in preparation for the construction and other work provided for in paragraph 3 of this resolution.

3. FURTHER AUTHORIZES the Secretary-General, after the conclusion of the loan agreement authorized in paragraph 2 of this resolution and approval of the proposed loan by the Congress of the United States of America:

(a) To proceed with the construction and furnishing of the General Assembly building, conference area and Secretariat building, together with the necessary landscaping, underground construction and other appropriate improvements to the land and approaches;

(b) To enter into contracts for the construction, furnishings and other work referred to in paragraph 3 (a) hereof, and to make expenditures to an amount not exceeding \$65,000,000 for these purposes and for related purposes as set forth in document A/311/Add.1/Rev.1.

4. FURTHER AUTHORIZES the Secretary-General:

(a) While adhering to the general plan and design referred to in paragraph 1 hereof, to make such modifications in the plans, design, buildings, furnishings, landscaping, underground construction and other improvements, as he finds necessary or desirable; provided that such modifications shall not increase the total cost beyond the sum provided for in paragraph 3 (b);

(b) To enter into appropriate arrangements with the United States Government, the State of New York, and the City of New York, with regard to easements, public services, sub-surface facilities, the approaches to the site, the vehicular traffic, water front and pier rights, and similar matters.

5. In carrying out his responsibilities as set forth in this resolution the Secretary-General shall be assisted by an Advisory Committee consisting of representatives of the following Members:

Australia, Belgium, Brazil, Canada, China, Colombia, France, Greece, India, Norway, Poland, Syria, Union of Soviet Socialist Republics, United Kingdom, United States of America and Yugoslavia.

6. REQUESTS the Secretary-General to report to the third regular session of the General Assembly on the execution of this resolution.