



Fourteenth session

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1960

Modernization of the Palais des NationsNinth report of the Advisory Committee on Administrative and Budgetary
Questions to the General Assembly at its fourteenth session

1. A programme for the modernization of the Palais des Nations in Geneva, set out by the Secretary-General in documents A/C.5/659 and Add.1,^{1/} and commented on by the Advisory Committee in documents A/3379 and Add.1,^{1/} was approved by the General Assembly in resolution 1101 (XI) of 27 February 1957, at a total estimated cost of some \$1,200,000. In terms of that resolution, the Secretary-General was authorized to accept the offer of the Swiss Federal Council of an interest-free loan of 4 million Swiss francs (\$930,250 at current exchange rates), to proceed with the execution of the programme and to include in his budget estimates for the years 1957 to 1966 provision for ten annual instalments of \$121,000 to finance the programme and repay the loan.
2. In October 1958 the Secretary-General submitted to the Advisory Committee a report on the progress of the work indicating that, as a result of a detailed architectural survey,
 - (a) Certain adjustments had had to be made in the initial plans for the improvements of conference rooms and ancillary services; and
 - (b) Certain extensive changes would need to be made in the plans concerning the Assembly Hall.

^{1/} Official Records of the General Assembly, Eleventh Session, Annexes,
Agenda item 43.

In its twenty-sixth report (A/4003)^{2/} to the General Assembly at its thirteenth session, the Advisory Committee undertook to consider the question in detail in 1959 and to submit approximate recommendations to the General Assembly at its fourteenth session.

3. In the course of its first session in 1959, held in part at Geneva in April, the Advisory Committee examined the revised plans and cost estimates submitted in the Secretary-General's current report to the General Assembly (A/C.5/775).

The Committee also took advantage of its presence in the Palais to make an on-the-spot survey of work completed to date as well as of proposed further structural changes and, notably, the latest plan for the Assembly Hall area.

Conference rooms and ancillary services

4. As regards the projects for the modernization of the conference room area and of the ancillary services, the Advisory Committee was able to ascertain that the work was now nearing completion and that considerable functional advantages would seem to have been gained. To the extent that certain details of the original plan were varied in actual execution, the Committee was satisfied that these had remained within the basic outlines of the programme approved by the General Assembly. The Committee has taken note also of the Secretary-General's assurance that costs under this part of the programme would be kept within the total amount of \$590,000 originally estimated for this purpose.

Assembly Hall area

5. As to the revised plan for the enlargement of the Assembly Hall and the related adaptation and transformation of adjacent areas, the Advisory Committee paid special attention to the extent to which the new scheme would meet the principal objectives and requirements which the General Assembly had in mind when it agreed to the original plan.

6. The present plan is estimated to cost \$1,200,000, as compared with the amount of \$621,000 estimated for the purpose in 1956. The Advisory Committee notes that, within the existing limits of architectural possibilities, the plan would afford

^{2/} Ibid., Thirteenth Session, Annexes, agenda item 44.

the maximum extension of the Assembly Hall. The Committee would submit in this regard that, from the long-term point of view, it would indeed be prudent and practical to achieve such maximum expansion on the occasion of the reconstruction scheme now contemplated. It was persuaded also that the related development of the adjacent areas would seem to be necessary for the proper functioning and servicing of the enlarged Hall. Accordingly, the Advisory Committee believes that the new plan is in accord with the general objectives of the General Assembly and would recommend its approval by the General Assembly.

7. The Advisory Committee notes that the present plan is generally acceptable to the International Labour Organisation and the World Health Organization, two of the principal users of the meeting facilities in the Palais, and, further, that the time-table for the execution of the plan would permit the annual conferences of those organizations to take place without interruption. There is, however, one point which may call for further continuing attention, namely, the problem of adequate office space in the vicinity of the Assembly Hall. While it is proposed to remodel the second floor, that is the floor immediately below the Assembly Hall, with a view to accommodating such essential services and facilities as documents distribution centres, postal services, bank, press area and cloakrooms, the expansion of the Assembly Hall itself might result in a curtailment of currently available office space in that area. Any consideration of the problem of providing additional office space in the proximity of the Assembly Hall should also take account of the probable release, with the move of WHO from the Palais in three or four years, of a substantial amount of space in a part of the Palais which, however, is the farthest from the Assembly Hall. In other words, some extensive rearrangements involving office space may need to be made at that time with a view to freeing offices nearer to the Assembly Hall from regular secretariat use.

8. The Secretary-General states, in paragraph 26 of his report, that while every effort will be made to keep costs within the present estimate of \$1.2 million, the possible need for some upward adjustment - perhaps of the order of 10 per cent - cannot be ruled out "in the event that the plans as now recommended are to be carried through to completion". The Advisory Committee notes in this regard that the Secretary-General intends to keep the Committee fully and currently informed

of the progress of the work with particular reference to the pattern of expenditures. This is especially important since, in the event of possible increases in costs, the Committee might have opportunities to recommend off-setting economies relating to certain less essential non-structural aspects of the plan.

Financing

9. The Secretary-General estimates the total cost of the entire modernization programme, as modified, at \$1,790,000. To meet this expenditure he proposes that:

- (a) The number of annual budgetary appropriations be kept unchanged at ten;
- (b) The level of the appropriation be maintained at \$121,000 in the budgets for the years 1960 to 1962 (as for the years 1957 to 1959) but raised to \$131,000 in 1963 and to \$311,000 annually for the three years 1964 to 1966;
- (c) The sums which may be required from time to time to finance actual cash requirements, over and above cash already available through budgetary appropriations and the proceeds of the loan from the Swiss Federal Council, be advanced from the Working Capital Fund;
- (d) The sums advanced from the Working Capital Fund be repaid from budgetary appropriations in accordance with the schedule shown in annex II to the Secretary-General's report (A/C.5/775).

10. The Advisory Committee has considered this proposal from the point of view of its over-all burden on Member States and has taken special note of the fact that the last annual instalment of \$200,000 for the United Nations building in Santiago will have been included in the budget for 1963. The Advisory Committee believes that the Secretary-General's proposal represents a reasonable adaptation of financial arrangements already approved.
