



Thirteenth session  
Agenda item 52

OFFER BY THE GOVERNMENT OF CHILE OF LAND IN SANTIAGO  
TO BE USED AS OFFICE SITE FOR THE UNITED NATIONS AND  
OTHER INTERNATIONAL ORGANIZATIONS

Thirteenth report of the Advisory Committee on Administrative and Budgetary  
Questions to the thirteenth session of the General Assembly

1. In accordance with the provisions of General Assembly resolution 1224 (XII) of 14 December 1957, the Advisory Committee on Administrative and Budgetary Questions has considered the report (A/3952) which the Secretary-General has submitted in terms of that resolution with regard to the financing of the construction of a United Nations building at Santiago. Land for the building site was offered by the Government of Chile, and accepted in principle<sup>1/</sup> by the Secretary-General in accordance with the decision of the General Assembly in the resolution cited above.
2. Last year the Secretary-General envisaged the possibility of covering most of the anticipated cash requirements by interest-free loans from Governments members of the Economic Commission for Latin America, along the lines recommended by the ECLA Ad Hoc Committee, repayments to be spread over some twenty to twenty-five years (A/C.5/712, para. 12).<sup>2/</sup> Since then, however, considerations relating to possible constitutional and legal delays confronting some of those Governments have led to the exploration of alternative means of financing the construction. The proposals that have now been evolved by the extraordinary

<sup>1/</sup> The precise location in Santiago has not been chosen pending an inspection by the appropriate officials from Headquarters.

<sup>2/</sup> Official Records of the General Assembly, Twelfth Session, Annexes,  
agenda item 50.

session of the ECLA Committee of the Whole (October 1958)<sup>3/</sup> are in the nature of an attempt to marry two different possibilities: counting exclusively on interest-free loans from Governments and relying solely on budgetary appropriations and advances from the Working Capital Fund.

3. The Committee of the Whole, after careful consideration of the question, also seems to have favoured a shorter period of amortization than had been previously envisaged. Thus, under the proposals now submitted, the total anticipated cost of \$850,000 would be covered by budgetary appropriations spread over five years, with an instalment of \$50,000 in 1959 and of \$200,000 in each of the four years 1960 to 1963. Inasmuch as this annual sum cannot be regarded as unduly large in relation to the total budget of the Organization, the Advisory Committee has no objection to the proposed period of amortization although, in view of the pressure on the 1959 budget, it would have preferred the amortization period to commence with 1960.

4. It should be noted here that whatever might be the immediate means of financing or the period over which the cost would be amortized, the ultimate cost to the Organization is, for all practical purposes, the same. The essential point, of course, is the total cost of construction. The Advisory Committee understands in this connexion that the Secretary-General would regard the estimated amount of \$850,000 as imposing a ceiling on such cost.

5. In view of the great importance which the General Assembly has attached over the years to common premises for offices of the United Nations and of specialized agencies located in the same city, the Advisory Committee notes with satisfaction that the proposed building in Santiago will house, in addition to the secretariat of ECLA, the local offices of the United Nations Children's Fund, the Technical Assistance Administration, the Food and Agriculture Organization and the Technical Assistance Board.

6. In conclusion, the Advisory Committee endorses the proposals contained in paragraphs 8 to 10 of the Secretary-General's report (A/3952). The Committee would also underline the statements in paragraph 11 of that report to the effect that the Secretary-General would report to the General Assembly at its fourteenth (1959) session on detailed building plans and that he would keep the Advisory Committee apprised in detail as steps preparatory to construction are taken.

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<sup>3/</sup> See also the report of the extraordinary session (E/CN.12/AC.41/3).