

UNITED NATIONS  
GENERAL  
ASSEMBLY



Distr.  
GENERAL

A/5386  
19 December 1962

ORIGINAL: ENGLISH

Seventeenth session  
Agenda item 62

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1963

Construction of the United Nations Building in Santiago, Chile

Report of the Fifth Committee

Rapporteur: Mr. N.A. QUAO (Ghana)

1. The Fifth Committee, at its 980th meeting, considered the report of the Secretary-General (A/C.5/923 and Add.1) on the developments during the past year in regard to the construction of the United Nations Building in Santiago, Chile. The report indicated that, on the basis of the architectural plans and the bids received, the cost of construction of the building was now expected to exceed the financial authorization of \$1,550,000 by approximately \$460,000.<sup>1/</sup> With a view, however, to remaining, so far as the United Nations budgetary commitments were concerned, within the foregoing authorization, the Secretary-General outlined, in paragraph 17 of his report, the following courses of action which he proposed to follow, subject to such views and alternative proposals as the General Assembly might offer:

(a) To accept, with gratitude, the additional gift of Escudos 465,000 from the Government of Chile;<sup>2/</sup>

(b) To support the gift programme undertaken by the Ad Hoc Committee of the Economic Commission for Latin America (ECLA), and to ascertain whether

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<sup>1/</sup> The excess of \$460,000 is largely attributable to fluctuations in the exchange rate.

<sup>2/</sup> Among other contributions from the Government of Chile are the donation of the site, the development of the surrounding area, the construction of access roads, and the extension of municipal facilities to the site.

the anticipated deficit might not be covered in part by the donation of functional gifts and/or by cash contributions; and

(c) To modify the construction programme to the extent imposed by the existing financial authorization by means of further drastic reductions in space and facilities.

2. The Committee's study of this item was greatly facilitated by the report of the Advisory Committee (A/5369), whose careful review of the situation took account both of the original considerations that had led to the construction of this building and of the importance of avoiding any additional charge on the United Nations budget.

3. The Advisory Committee had borne in mind that the building was essentially designed to house not only the ECLA Secretariat but the local offices of the United Nations and the specialized agencies, as well as to provide common services for the various organizations. Accordingly, it felt that it would not be satisfactory to construct a building with office space limited exclusively to the ECLA Secretariat. The Advisory Committee thus addressed itself to the possibility of constructing the building in accordance with the original plans but with the minimum risk of incurring any additional charge on the United Nations budget. The Committee understood that it would be possible to proceed with the construction on the basis of the original plan, and to leave to the General Assembly at its eighteenth session the final decision on the adequacy of available resources; that decision could be based on a more realistic assessment of the general economic situation in Santiago and on the result of the voluntary contribution programme already under way. It felt that the nature of the construction programme should make it possible to obviate any additional budgetary charge if the construction went forward as planned. The Advisory Committee further recommended that the General Assembly should call for the maximum possible support for the voluntary contribution programme which had been initiated.

4. The members of the Fifth Committee appreciated the problems with which the Secretary-General was confronted in proceeding with the building project. They recognized the importance of facilitating the successful completion of the project in accordance with the original plans, and of thus ensuring the provision

of space in the building not only for the ECLA Secretariat but for other offices of the United Nations and the specialized agencies in Santiago.

5. The Committee expressed its gratitude to the Government and people of Chile for the many generous contributions they had made towards the project. Delegations hoped that there would be sufficient response from other Member Governments towards the voluntary contribution programme.

Decision of the Fifth Committee

6. The Fifth Committee decided, without objection, to accept the suggestion and recommendation of the Advisory Committee as contained in paragraph 5 of its report (A/5369), namely, that in view of the total situation and of the various considerations to which that Committee had referred, it might be advisable to proceed with the construction on the basis of the original plan, subject to appropriate precautions [see para. 3 above], and to review the situation at the eighteenth session of the General Assembly. Meanwhile the General Assembly might call for the maximum possible co-operation in the voluntary contribution programme which had been initiated.

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