



Eleventh session
Agenda item 43

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1957

Revised estimates for section 18, United Nations Office at Geneva
Modernization of the Palais des Nations

Sixteenth report of the Advisory Committee on Administrative and Budgetary
Questions to the eleventh session of the General Assembly

1. The Secretary-General has submitted in document A/C.5/959 a plan for the modernization of the Palais des Nations, to be carried out over a period of eight years at a total approximate cost of \$1,200,000, in three stages:^{1/}

<u>Year</u>	<u>Approximate cost</u> ^{2/}
	\$
(1) 1957-1959	470,000
(2) 1960-1962	362,000
(3) 1963-1964	379,000

2. The present report does not attempt to assess the intrinsic merits of particular projects. To be valid, such an appraisal would call for a technical competence in matters outside the Advisory Committee's terms of reference. The Committee has, however, studied (a) the relative importance and urgency of component projects; and (b) the programme as a whole in relation to other budgetary demands of the United Nations.

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1/ A list of projects under the modernization programme is given in the annex to the present report.

2/ As the programme covers a long term, only approximate cost estimates can at present be submitted.

3. The Advisory Committee submits for the consideration of the Fifth Committee three main aspects of the problem: (a) the urgency of the proposed programme; (b) the relative importance of its several parts; and (c) the method of financing such improvements as the General Assembly may authorize.

Urgency of the programme

4. The preliminary discussion which was held in the Fifth Committee during December 1955^{3/} disclosed a considerable measure of agreement on the Secretary-General's proposal (A/3041, para. 11^{4/}) for a programme of improvement of the physical facilities at the Palais des Nations. Opinion on the question of timing was, however, divided: a proposal for the inclusion in the 1956 budget of \$50,000 with which to start the programme was adopted by only a slender majority.^{5/}

5. The technical studies necessary for the adoption of a full-scale programme were completed during the present year, and are the basis for the detailed estimates presented in the Secretary-General's latest report (A/C.5/659). But the salient facts on which to judge the urgency or otherwise of the proposed improvements have been known for many years:

(a) The number of meetings held in the Palais des Nations has shown a continuous increase from 1,913 meetings in 1949 to 2,656 in 1955;

(b) The membership of the specialized agencies which are the largest users of the premises and facilities has similarly shown an increase: thus, in the case of the International Labour Organisation, the membership rose from fifty-three in 1947 to seventy-six in 1956, and, in the same period, attendance at the annual Conference from 482 delegates to 804. A corresponding increase occurred in the World Health Organization, 536 representatives, experts and observers having attended the Health Assembly of 1956 as compared with 400 in 1950;

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3/ Official Records of the General Assembly, Tenth Session, Fifth Committee, 519th, 520th and 530th meetings.

4/ Ibid., Annexes, agenda items 38 and 47.

5/ On first reading of the 1956 estimates, the proposal was adopted by 20 votes to 16, with 9 abstentions; on second reading, a proposal to delete the amount of \$50,000 was rejected by 18 votes to 13, with 8 abstentions.

(c) The Palais des Nations is the second largest physical asset of the United Nations, representing (at cost) an investment in excess of eleven million dollars;^{6/}

(d) The Palais was originally designed to house a staff of 750, of whom 575 worked in 366 offices. On 1 March 1956, a permanent staff of 1,323 worked in the building, of whom 1,247 occupied 724 offices;

(e) When large conferences, such as the ILO Conference or the World Health Assembly, are held, the daily number of persons working in the building is, on an average, between 2,000 and 2,500^{7/} (i.e. representatives or delegates, experts and staff) while, in the case of medium-sized conferences, the approximate average number is 1,500;

Relative importance of projects within the total programme

6. The Secretary-General's report classifies the various projects in five main categories:

(a) Improvement of conference rooms, including the Assembly Hall;

^{6/} The United Nations purchased the assets of the League of Nations for \$10,809,529, comprising \$9,741,994 in respect of permanent capital assets, and \$1,067,535 in respect of other assets. In addition, the General Assembly has made substantial annual appropriations for permanent equipment at the Palais, as well as ad hoc appropriations for such items as the adaptation of the Council Chamber. In addition to the last-named item, the principal improvements made to the premises since 1946 are the following:

- (i) The construction of a new wing and the addition of new floors for the accommodation of WHO within the Palais;
- (ii) The creation of ninety new offices in space not previously used for office purposes;
- (iii) The addition of a cafeteria;
- (iv) The installation of simultaneous interpretation equipment in certain of the conference rooms, and the construction of interpreters' booths; and
- (v) The renewal of the air-conditioning plant in the Assembly building.

^{7/} The daily addition to the working population of the building is estimated respectively at 700 and 1,100 during the sessions of the Health Assembly and the ILO Conference.

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- (b) Modernization of equipment;
- (c) Improvement of restaurant and cafeteria services;
- (d) Provision of additional storage space; and
- (e) Improvements to the grounds.

7. As regards the order of priority among the above projects, the Secretary-General proposes that, on the basis of a total programme of eight years' duration, the first, three-year phase should include the following improvements, in chronological order of completion.^{8/}

Item	Approximate cost, as at present estimated
_____	_____
	\$
1957 (a) Enlargement of Conference Room VII, installation of simultaneous interpretation equipment and furniture as required in Conference Rooms III, VII, VIII and XI; alteration to rostrum and installation of interpreters' cabins in Conference Room XII	160,000
1958 (b) Improvement of restaurant and cafeteria services	156,000
(c) Modernization of reproduction equipment	70,000
1959 (d) Modernization of certain of the lifts	80,000
(e) Conversion of the Library sub-basement into a store-room	4,000

8. The improvements suggested for the first phase (1957-1959) are those considered most urgent from the standpoint of an adequate conference service, and the Advisory Committee agrees that projects within this category should receive the highest priority: those, for example that are designed to meet the stated requirements of the ILO and WHO - next to the United Nations, the largest users of the conference facilities - and those of the Economic Commission for Europe. From that point of view, the essential need is not so much to increase the number of conference rooms, which is still sufficient, as to provide in existing rooms reasonable working conditions through an enlargement of seating capacity and, in certain cases, to instal permanent

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^{8/} On the basis of a five years' programme (see paragraph 12 below), the projects would be carried out in the slightly different order which is shown in the annex to the present report.

equipment for simultaneous interpretation. With this over-riding consideration in view - that priority should be given to the improvement of conference facilities - the programme as a whole has been planned in such a manner as to prevent disruption of the conference schedule, or indeed of the general work of the secretariats housed in the Palais.

9. Furthermore, the Secretary-General has stated his intention (A/C.5/659, paras. 43 and 45) of annually reviewing, during the term of the modernization programme, the relative order of priority as a basis for the detailed plans and budgetary proposals for the following year's projects. This process of review may also be of importance in relation to the pattern of Headquarters and Geneva conferences which the General Assembly adopted in resolution 694 (VII) of 20 December 1952.

10. Under that pattern, which will continue in force until the end of 1957, the Economic and Social Council, one of its functional commissions,^{9/} and the International Law Commission^{10/} have held a session at Geneva in each year. However, only certain parts of the programme now proposed affect the work of these bodies. Thus, the International Law Commission and each one of the functional commissions can be accommodated without difficulty^{11/} in the existing conference rooms at the Palais, while the Council Chamber, in which the Economic and Social Council meets, was extensively remodelled in 1951, for use by any one of the United Nations Councils. It is therefore doubtful whether any changes in the fixed conference pattern which the General Assembly may authorize at the close of the current four-year period would materially alter the situation in regard to the accommodation of Headquarters-based bodies.^{12/} The existing number and seating capacity of the conference rooms at the Palais appear adequate to cover

^{9/} Occasionally, as in 1956, a second functional commission of the Council has held its session at Geneva.

^{10/} General Assembly resolution 984 (X) of 3 December 1955 transformed the International Law Commission into a Geneva-based body.

^{11/} Difficulty might, however, arise even in the case of these bodies but for the restriction on overlapping sessions written into General Assembly resolution 694 (VII).

^{12/} The present report is not concerned with staffing problems connected with the conference pattern.

possible variations in the pattern.^{13/} But the remaining improvements (reproduction equipment; lifts; restaurant and cafeteria, etc.) do have a bearing on the work of any Headquarters-based body authorized to meet at Geneva.

11. The comments offered in the preceding paragraph do not, of course, apply to that category of conferences which concerns neither Headquarters-based nor Geneva-based bodies, and which is therefore outside the scope of the fixed programme. That category includes, for example, the International Conference on the Peaceful Uses of Atomic Energy, which met in 1955 at Geneva by ad hoc decision of the General Assembly,^{14/} and which entailed heavy expenditure for the erection of temporary installations and the hiring of equipment, etc., as well as the adoption of other makeshift and costly measures of dubious efficiency. The parallel and annually recurring situation in connexion with the general conferences of the ILO and WHO leads the Advisory Committee to give support - to the extent warranted by the general budgetary situation - to the modernization programme, and particularly to those parts of the programme that are most closely related to the improvement of conference facilities. The Committee also takes account of the fact that with the prospective transfer of the headquarters of both the International Telecommunication Union and the World Meteorological Organization to a building or buildings in the immediate vicinity of the Palais des Nations, these agencies may be expected to make a much larger use of the conference facilities and common services available in the Palais.^{15/} Indeed, the Secretary-General of ITU has expressed to the Committee the view that in those cases where the United Nations can furnish certain common services at an economical rate, it would be to the interest of ITU to make use of such services in the same manner as it would do if housed within the Palais.

^{13/} Among such purely hypothetical variations is the substitution of an annual session of the Trusteeship Council for that of the Economic and Social Council.

^{14/} In resolution 810 B (IX) of 4 December 1954 the Assembly suggested that the place of meeting should be fixed by the Secretary-General and the Advisory Committee on Peaceful Uses of Atomic Energy.

^{15/} At the present time, WMO uses the conference facilities for the meetings of its Executive Committee. In addition, its 1955 Congress was held at the Palais.

12. The Advisory Committee understands that while purely financial reasons have led the Secretary-General to propose a programme calling for an average annual expenditure of about \$150,000, an acceleration of the programme from eight to five years would not impair the conference schedule or other work at the Palais. The requirement of an adequate conference service related to the needs of the largest users clearly argues in favour of completing the programme within the shortest practicable time, and the Advisory Committee accordingly recommends that, subject to the reservations stated in the following paragraph, the programme should be based on a duration of not more than five years.

13. Independently of the merits of the proposed improvements, the Advisory Committee sees no alternative, in view of the progressive increase in the 1957 assessment figure, but to make a conditional recommendation, to the following effect:

(a) That consideration of the present matter should be deferred until such time as the Fifth Committee has reviewed other items comprising the 1957 estimates, as well as the supplementary estimates for 1956;

(b) That, in the light of its prior decisions on the 1956 and 1957 estimates, which will establish a provisional assessment figure for 1957, the Fifth Committee should:

(i) Decide in principle on the programme as a whole;

(ii) If in favour of the programme, decide on the appropriate term of years for its completion, and thereby determine the cost arising in 1957; and

(iii) Decide whether any further addition is warranted to the amount assessable in 1957 on Member States.

14. The above procedure would not, of course, preclude the Secretary-General's proposing the compensatory deferment of other items in the 1957 estimates which he may deem to be less urgent than the modernization of the Palais des Nations.

15. The situation in regard to the 1957 assessments of Members, combined with other factors, may, however, lead the General Assembly to consider the following alternative means of financing the proposed improvements: (a) to make an initial appropriation for 1957 of either \$160,000 (covering the projects

listed in annexes I to IV of document A/C.5/659) or \$240,000,^{16/} and to defer the remainder of the programme for review at the twelfth (1957) session of the General Assembly; or (b) to approve the programme as a whole at a given approximate figure but, as regards the method of financing, to explore the possibility of obtaining a loan from a source external to the United Nations.

^{16/} See the annex to the present report, which shows that the cost of 1957 projects is estimated respectively at \$160,000 and \$240,000 under the eight-year and five-year programmes.

A N N E X

<u>Eight-year programme</u>		<u>Five-year programme</u>	
Year	Total for year	Year of completion	Total for year
	Cost	Item	Cost
1957	\$ 160,000	(1) Projects listed in A/C.5/659, annexes I to IV	\$ 160,000
		(2) Modernization of lifts	80,000
1958	156,000	(3) Improvement of restaurant, etc.	156,000
		(4) Modernization of reproduction equipment	70,000
1959	154,000	(5) Store room in Library sub-basement	4,000
1960	205,000	(6) Improvement of Conference Rooms XIV, XV, XVI	362,000
1961	62,000	(7) Improvement of Assembly Hall	292,000
1962	95,000	(8) Additional storage space	87,000
1963	292,000	(9) Improvements to grounds	
1964	87,000		
		TOTAL	\$1,211,000