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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981

Accommodation at the Vienna International Centre

Report of the Secretary-General

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* To be issued as part II to the present report.

I. INTRODUCTION

1. The General Assembly in resolution 33/181 of 21 December 1978 recalled its earlier resolutions 1/ on the use of office accommodations and other facilities at the Vienna International Centre and authorized the Secretary-General to implement certain recommendations contained in his report 2/ and that of the Advisory Committee on Administrative and Budgetary Questions 3/ on the subject. In particular it:

(a) Reaffirmed its earlier authorization to implement fully the transfer to Vienna of certain organizational units of the Secretariat, ensuring at the same time that the success of the United Nations Decade for Women and the World Conference to be held in 1980 would not be affected by the move of staff to Vienna from New York and Geneva. 4/

(b) Approved the decision of the Secretary-General not to proceed further with arrangements for the transfer to the United Nations of Tower A.2 which originally had been intended for use of the International Atomic Energy Agency and which that organization, upon reconsideration, now wished to use for its own needs.

(c) Authorized the additional funds required in the biennium 1978-1979 to effect the transfer of staff and operation of the Centre.

(d) Requested the Secretary-General to keep under review the question of adequately strengthening the necessary support services in Vienna and to report on this question to the General Assembly at its thirty-fourth session.

2. The following report describes the actions taken by the Secretary-General to implement the provisions of resolution 33/181 and provides an account of the present status of the arrangements of the Vienna International Centre.

1/ Resolutions 3350 (XXIX); 3529 (XXX) and 31/194.

2/ A/C.5/33/39 and Corr.1.

3/ A/33/7/Add.20.

4/ Resolution 31/194.

II. DEVELOPMENTS SINCE 1978

A. Work progress

3. During the past year, construction of the Vienna International Centre proceeded generally in accordance with the revised schedule which provided for initial occupancy by some units in mid-1979. Although certain difficulties were encountered due to delayed deliveries of equipment and unexpected changes in plans, the work was sufficiently complete to permit initial moves in late August. Some facilities such as the cafeteria and dining room became operational in stages as of the end of August so that by mid-September, when the bulk of the United Nations staff had been transferred, they were in full use. Similarly, as a result of a delay in the delivery of some equipment, the Library became fully operational only during October. The conference facilities, however, were ready for use by 15 October. It is expected that some finishing such as balancing the air-conditioning system and final adjustment of certain mechanical installations will only be completed by the end of the year, but this will not interfere with the use of the premises.

B. Headquarters Agreement

4. During the past year considerable progress has been achieved towards the development of legal agreements concerning the use of the Centre. As previously reported, three separate agreements are contemplated; one between Austria and IAEA concerning the buildings assigned exclusively for IAEA use; one between Austria and the United Nations relating to the buildings exclusively assigned for United Nations use; and one signed by all three parties relating to the use of the conference and common service buildings.

5. As it was anticipated that these documents would not be ready for signature until 180, two supplemental agreements extending the application of the existing UNIDO Headquarters Agreement to the areas occupied by UNIDO and the United Nations and to the common areas in the Vienna International Centre have been signed in September 1979. IAEA has also signed a similar supplemental agreement regarding its office area as well as being a signatory to the supplemental agreement on the common areas. In order to regulate provisionally the use of the new Headquarters area of the United Nations/UNIDO, there has also been an exchange of letters with the Austrian authorities setting forth certain agreed principles which are to be included in the future supplemental Headquarters Agreement.

C. Inauguration ceremony

6. The official opening of the Vienna International Centre was celebrated on 23 August 1979. In the presence of the Federal President of Austria, the Mayor of the City of Vienna and a number of Austrian and foreign dignitaries, the Federal Chancellor, on behalf of the Austrian people, presented the building complex for use by the international organizations. The Secretary-General and the Director General of IAEA accepted the Centre and conveyed the appreciation and gratitude of the

international organizations for the generosity of the Government and people of Austria. In view of the widespread interest the project occasioned, arrangements were made by the Austrian authorities for "open days" on 25 and 26 August 1979 during which the public was invited to visit the complex.

D. Status of Moves

7. The occupancy of the Vienna International Centre proceeded in accordance with the plans reported to the General Assembly last year. Administrative and technical support staff began operations in the Centre in August in order to prepare for the main body of staff who were scheduled to move in September.

8. The staff of the International Trade Law Branch of the Office of Legal Affairs completed its move from New York in September and the Branch was operational in Vienna as of 15 September 1979.

9. The Centre for Social Development and Humanitarian Affairs commenced moving from New York to Vienna at the end of August 1979 and the Centre was officially transferred to Vienna International Centre as of 15 September. In accordance with the directives of the General Assembly, the Secretary-General has scheduled the transfer of staff of the Centre in such a way as not to interfere with the completion of the preparatory work for the World Conference for the United Nations Decade for Women: Equality, Development and Peace and for the Sixth United Nations Conference on the Prevention of Crime and the Treatment of Offenders.

10. As indicated by the Secretary-General in his report to the thirty-third session of the General Assembly, 5/ seven to eight Professionals of the Centre (together with supporting staff) will remain in New York for a further limited period on assignment to the Secretariat of the World Conference on the United Nations Decade for Women. These professionals will move to Vienna as their work is completed with roughly half transferring in the spring of 1980 and the balance by September 1980. Likewise, five Professionals, together with necessary supporting staff of the Centre's Crime Prevention and Criminal Justice Branch, will remain for the time being in New York, pending completion of the preparatory work for the Sixth United Nations Conference on the Prevention of Crime and the Treatment of Offenders. They will also be transferred to Vienna in the course of the spring and summer of 1980. Budgetary provision for these transfers has already been made in section 6 of the proposed programme budget for 1980-1981.

11. The transfer from Geneva of the staffs of the Division of Social Affairs, the Division of Narcotic Drugs, the Secretariat of the International Narcotics Control Board and the United Nations Fund for Drug Abuse Control was also completed during September 1979 as scheduled.

12. It will be recalled that at its twenty-eighth session the Commission on Narcotic Drugs questioned the plan to charge a part of the cost of the move of the

5/ A/33/339.

narcotic drug activities from Geneva to Vienna to the United Nations Fund for Drug Abuse Control. Consequent to this action, at its spring session in 1979 the Economic and Social Council requested the Secretary-General to seek General Assembly approval for the financing, from existing regular budget resources, of the costs of the transfer of the United Nations Fund for Drug Abuse Control to Vienna. ^{6/} The Secretary-General intends to seek the General Assembly approval in the context of the final performance report on the programme budget for the biennium 1978-1979, under section 14 entitled "International drug control".

13. The move of UNIDO from its former premises in Vienna was completed by the end of September, as were those of UNRWA and the United Nations Scientific Committee on the Effects of Atomic Radiation (UNSCEAR). The transfer of the International Atomic Energy Agency (IAEA) to the new buildings was effected in October 1979.

14. As of 31 October 1979 a total of 3,241 persons had been installed in the Vienna International Centre. This number was comprised as follows:

United Nations	211
UNIDO	1,110
UNRWA	255
IAEA	1,380
Staff of contractors and commercial organizations	285

E. Space situation

15. Developments since the Secretary-General reported on this subject last year have confirmed the projections of space use made at that time. The requirements of UNIDO and the other United Nations offices have largely taken up the office space in Towers D and E (formerly U-1 and U-2) and the Common Services building. A reserve of space equivalent to approximately one floor remains. However, this is not in a single block but is scattered throughout the respective floors to provide for growth of various units. Towers A and B (formerly A-1 and A-2), of course, are being utilized by IAEA. Although a certain reserve of space exists in the conference building for transients and meeting servicing staff, as indicated last year no substantial surplus of space remains in the United Nations areas of the Vienna International Centre. If at a future date the situation should change the Secretary-General, as previously stated, ^{7/} will bring the matter again to the attention of the General Assembly.

16. Prior to the decision of IAEA in 1978 to retain Tower B for its own use, work had been initiated on the top floor of that Tower for the special facilities

^{6/} Economic and Social Council resolution 1979/10.

^{7/} A/C.5/33/39, para. 25.

required by the Narcotics Laboratory. Following the change in plans, the Laboratory was located on the top floor of Tower E. This work was done at no cost to the United Nations and it is expected that the Laboratory will be fully operational in the new facilities during October 1979.

F. Supporting community services

17. During the past year the Austrian authorities continued their efforts to assure that the staff moving to the Vienna International Centre would have adequate educational, housing, transportation and shopping facilities.

18. In September 1978 the Vienna International School began operations using as its nucleus the premises, staff and student body of the former "English School". More than 63 per cent of the 800 students have parents working in international organizations or the diplomatic corps and 68 nationalities are represented in the student body. The curriculum, which is modelled on that of the United Nations International Schools in New York and Geneva, starts with a pre-school programme for three-year-old children and offers instruction up to the university entrance examination. In 1980 it will be able to enter students to the international baccalaureate. The school operates under the auspices of, and with substantial financial assistance from the Austrian Government. The Austrian authorities have also been most helpful in arranging for the placement of children in day care centres and kindergartens both in the vicinity of the Vienna International Centre and elsewhere.

19. As regards housing, following the organization in October 1977 of the Joint Housing Service by UNIDO, IAEA and the International Institute of Applied Systems Analysis (IIASA), much has been done to obtain additional information on the availability of housing in Vienna and to assist staff members in finding suitable accommodation. By the end of September 1979 the Joint Housing Service had arranged for 779 rental contracts with an average rent of 5,965 Austrian schillings (approximately \$475) per month, including house maintenance costs but excluding utilities.

20. During recent months 26 staff members transferring from New York and Geneva obtained accommodation via the Joint Housing Service. The UNIDO Legal Liaison Office provides a legal consultant to assist staff members with rental contracts and the purchase of real estate. Evidence indicates that by co-ordinating the housing requirements of the United Nations and the other international organizations, the Joint Housing Service has been able to exert a moderating influence on the level of rents.

21. The City of Vienna has also taken a number of measures to improve public transportation facilities leading to the Vienna International Centre. The bus line which provides a link to the residential district, where the majority of staff resides, has been extended. The City has also increased the frequency of tramway services to the Centre. Finally, arrangements have been completed which provide a commuting bus service to and from the Centre running on nine routes on an established schedule.

22. In order to improve shopping facilities close to the Vienna International Centre, arrangements have been made with a nearby shopping centre to provide a free shuttle bus service between the Centre and the centre during the midday lunch period. Another large shopping centre, which is also located near the Centre, has agreed to offer a wide variety of goods at wholesale prices to the staff.

23. In order further to assist transferring staff to adapt to life in Vienna, UNIDO has increased the number of German language classes and additional classes are planned if they prove necessary to meet the needs of the transferring staff. Furthermore, the self-supporting German classes for dependents of staff members which have been organized for several years through the United Nations Women's Guild have invited spouses to participate.

24. Finally, with the opening of the Vienna International Centre, the Austrian Broadcasting System initiated a special radio service for the Vienna area called "Blue Danube Radio". The purpose of this service, which is provided several hours each day, is to supply members of the international community in Vienna with news, information, entertainment and useful hints in both English and French. The response indicates that the international community considers it to be a most valuable adjunct to the existing entertainment and cultural facilities.

III. ADMINISTRATIVE MATTERS

A. Common services

25. Under the terms of the Memorandum of Understanding signed between the Secretary-General, the Director General of IAEA and the Executive Director of UNIDO in 1977, various common services were allocated to the three parties concerned on a cost sharing basis. A tripartite committee which also was established by the Memorandum of Understanding, on which the Secretary-General, the Director General of IAEA and the Executive Director of UNIDO are represented, met a number of times during 1979 to monitor the arrangements for common services and to co-ordinate the various aspects of the move.

26. The Committee determined that it would be in the interests of all concerned to have certain building maintenance and operations activities carried out on a contractual basis rather than with "in house" staff. Accordingly contractual arrangements have been made for cleaning and window washing, elevator maintenance, catering and maintenance of the mechanical and electrical (other than low-voltage) installations. As regards the maintenance of the mechanical and electrical installations, the company which built the complex, Internationales Amtssitz- und Konferenzzentrum Wien (IAKW), has been employed for one year to provide this service in view of its special knowledge of the design and installation of the equipment, and to facilitate enforcement of vendor's and contractor's guarantees.

27. As previously reported, under the Agreement with IAEA and UNIDO, IAEA will be responsible for the operation and management of (a) computer services, (b) library services, (c) printing and reproduction, (d) commissary, and (e) medical service. UNIDO will be responsible for (a) buildings management and operation, (b) catering facilities, and (c) language training. The United Nations will, for its part, be responsible for security and safety functions. Arrangements have been made for the interchange of staff between the organizations to effect the consolidation of these formerly separate activities.

28. The question of allocating to one or the other organization additional services which might be consolidated, such as procurement, contracting and conference services remains to be reviewed after experience has been gained with the common arrangements already undertaken.

B. Cost sharing

29. The arrangements for cost sharing for initial expenses to provide equipment and installations beyond those furnished by the Austrian Government provided that each organization, the United Nations and IAEA, will be responsible for expenses in respect of the Office Towers, which they will respectively occupy. The costs related to the Common Services buildings which house such activities as the restaurant, cafeteria, commissary, receiving, storage and communications areas, are to be shared on an equal basis. The costs related to the Conference building

are to be shared on the basis of the proportionate use by the two organizations. Of the nine conference rooms, five are reserved for priority use by the United Nations and four by the Agency. 8/

30. As regards language training, the United Nations, which will provide this service on a cost-of-use basis, will be responsible for provision of the equipment for language laboratories while the Agency will be similarly responsible for all initial expenses in respect of the computer facility and equipment.

31. A working group on cost sharing for recurrent expenditures which consists of representatives of the United Nations and the Agency has developed over-all principles and procedures for the distribution of operating costs of common services. These provide that the organization responsible for a common service will award contracts as necessary, record the costs incurred and bill the other organizations in accordance with agreed cost sharing arrangements. These procedures provide for payments proportionate to areas occupied in the case of such services as utilities or direct reimbursement of costs for services such as computer use or printing. Wherever possible, efforts have been made to provide for direct billing to an organization for services provided, as for example in the case of cleaning where separate contracts have been established on the one hand for the IAEA towers and on the other for United Nations/UNIDO office buildings and the common service areas. Charges for the latter jointly used areas will be prorated. These arrangements will be continuously monitored by the working group to assure equitable distribution of costs.

C. Major repairs and replacements

32. The question of responsibility for major repairs and replacements at the Vienna International Centre has been the subject of extensive discussions between the organizations and the Austrian authorities and while negotiations on some points are still continuing, general agreement has been obtained on the concept of cost sharing for major repairs and replacements subject to the following provisions which have still to be incorporated into an appropriate agreement:

(a) The three parties (Government of Austria, the United Nations and the Agency) shall establish a Common Fund to meet the costs of major repairs and replacements at the Vienna International Centre;

(b) The Fund shall become operative on 1 January 1981. The cost of major repairs and replacements required for the operation of the Centre prior to that date will be borne fully by the Austrian Government;

(c) The annual contribution to the Fund shall be \$100,000 shared equally between the three parties;

8/ This represents a modification of an earlier understanding whereby the Agency had requested priority use of only three conference rooms.

(d) Payments made from the Fund during any year shall, in addition, be replenished in equal shares by parties during the subsequent year, subject to paragraph (e) below;

(e) There shall be a ceiling of \$225,000 on the financial liability for each calendar year of each of the international organizations; over and above these limits the responsibility will be that of the Austrian Government;

(f) The authority over the Fund shall be vested jointly in the Austrian Government, the United Nations and IAEA. Accordingly, the Fund shall be administered by the three parties, and decisions affecting the Fund shall be taken jointly;

(g) The ceiling on the annual financial liability of the international organizations shall be re-examined after five years in the light of experience and/or agreed plans for major repairs and replacements;

(h) After the Fund has been in existence for 10 years, there shall be a review to consider terms on which it should continue.

D. Central services

33. Central services covers (a) the costs of maintaining and operating the Centre and (b) the additional costs of administration incurred by UNIDO. The former category includes all costs associated with the operations of the Centre, including those costs which the United Nations/UNIDO pays against reimbursement from IAEA and UNRWA. This category, therefore, includes all general operating expenses as well as the costs of the Buildings Management Service and the Safety and Security Service. In this connexion, the provision of buildings management is a responsibility of UNIDO, while security is a responsibility of the United Nations. The latter category includes the provision of services by the Administrative Services Division of UNIDO, including financial functions (accounting, payroll and treasury) and personnel functions other than those provided through the United Nations Administrative Office (see para. 37 below).

34. It had been hoped that the present report could have been based on the experience gained during several months of operation. However, the main removal to the Vienna International Centre did not begin until the end of August and was not completed until early November 1979, so that normal operating conditions will prevail only for the last two months of the year. While virtually no operating experience yet exists, a large number of contracts affecting major items of expenditure have been concluded and a more precise picture of the real staffing requirements has been gained since the preparation of the Secretary-General's report to the General Assembly at its thirty-third session 9/ on which the initial estimates were based.

9/ A/C.5/33/39 and Corr.1.

35. Experience to date has shown that some adjustments in staffing will be required, as compared with previous estimates, in a number of areas, including Buildings Management, Security and Safety and Communications, Archives and Records. The latter area, which includes mail order operations and messenger service, was not strengthened by the General Assembly at its thirty-third session in contemplation of the move, and is in particular need of reinforcement at this time.

36. Details of these adjustments may be found in section IV C under Budgetary matters.

E. United Nations Administrative Management

37. In May 1978 a Co-ordination and Planning Office was established to serve as the focal point for planning and liaison for the move of units to Vienna and the development of arrangements for the occupancy and management of the buildings and facilities of the Vienna International Centre. Experience has proven not only the value of this office during the transition period, but more importantly the need for an executive and administrative management office responsible directly to New York Headquarters for the administrative servicing of the United Nations units located in Vienna. Although current arrangements provide that UNIDO will furnish routine administrative services such as payroll processing, recruitment of General Service staff, the provision of office supplies and the maintenance of expenditure accounts, it has already become clear that the United Nations units in Vienna require the full-time assistance of a senior official who can provide administrative and executive guidance similar to that which they were accustomed to receiving in New York and Geneva. The need for this function has become particularly apparent in view of the anticipated establishment of UNIDO as a specialized agency. When that takes place the Vienna International Centre will become the headquarters of two independent organizations, IAEA and UNIDO, as well as providing accommodation for United Nations offices in Vienna. The development of this situation will require the establishment of a clearly identifiable and distinctive United Nations presence in Vienna in the nature of a core administration. This office will not only be responsible for normal administrative arrangements, but also for co-ordinating conference scheduling and services and relationships with the host Government. Under the circumstances, the Secretary-General proposes the establishment of a United Nations Administrative Office in Vienna, headed by an officer at the Director (D-2) level, responsible to the Under-Secretary-General for Administration, Finance and Management. The existing post of Chief of Co-ordination and Planning Office (D-1) would be suppressed. Other budgetary changes, reflecting the changes in responsibility discussed in this part of the report, will be presented in section IV C under Budgetary Matters.

F. Library services

38. Under section 29F of the proposed programme budget for the biennium 1980-1981, 10/ the Secretary-General stated that he was reviewing the level of library

10/ See Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 6 (A/34/6), vol. II, sect. 29F, paras. 29.123 to 29.125.

services required by the units transferred to Vienna in order to ensure adequate support services for the work programme of these units as requested by resolution 33/181 of 21 December 1978.

39. Following the Memorandum of Understanding of 31 March 1977, library facilities at the Vienna International Centre are to be provided by a common library under the general direction of IAEA. The Secretary-General is of the opinion that a central library, servicing IAEA and UNIDO as well as the units transferred to Vienna, is a more economical and efficient way of providing comprehensive resources and services than a dispersal of such resources to several smaller library facilities. In this he concurs with the views expressed by the Advisory Committee on Administrative and Budgetary Questions in their first report on the proposed programme budget for the biennium 1980-1981. 11/

40. After reviewing the existing library facilities of UNIDO and IAEA which are to form the basis of the new common library at the Vienna International Centre, and after careful assessment of the library needs of the units transferred from New York and Geneva, the Secretary-General has concluded that these facilities must be expanded and strengthened in order to ensure that the collections and services are adequate to meet the work programme of the units concerned. The libraries of IAEA and UNIDO are relatively small, technical and specialized collections, limited to a large extent to the subject areas covered by these organizations. To serve the units moving to Vienna, it will be necessary to expand the collection to a range of subject fields in the social sciences (for the Centre for Social Development and Humanitarian Affairs, incorporating the Division of Social Affairs from Geneva) and the subject fields covered by the Division of Narcotic Drugs, the United Nations Fund for Drug Abuse Control and the International Narcotics Control Board.

41. In this regard budgetary provision will be needed for a strengthening of the central servicing staff of the common library as well as for maintenance of the collections. Details of these provisions may be found in section IV D under Budgetary matters.

42. In view of the special needs of the International Trade Law Branch of the Office of Legal Affairs, a separate reference library has been established for the Branch pursuant to resolution 33/181 of 21 December 1978. Last year the General Assembly approved the creation of a Professional post in the Branch for a law librarian at the P-4 level and provided for supporting General Service assistance. It also authorized the expenditure of \$100,000 out of the net savings realized from the decision of IAEA to occupy Tower B for the establishment of the library. In addition the Government of Austria offered a contribution of approximately \$150,000 to enable the Branch to build up its essential stock of reference materials.

43. The contribution of approximately \$150,000 by the Government of Austria is being made in two segments of approximately \$75,000 each, one in 1979 and the other in 1980. Most of the amount contributed for 1979 will have been spent or committed by the end of 1979. The Government of Austria has given assurance that the amount not spent in 1979 will be available for use in 1980, in addition to the amount previously allocated for 1980.

11/ See Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 7 (A/34/7), sect. 29F, para. 29.53.

G. Information services

44. The move to the Vienna International Centre of UNIDO as well as the units from New York and Geneva has already resulted in an additional workload for the UNIDO Information Service, and this will certainly increase in the 1980-1981 biennium. Not only will the service have the responsibility for the information activities of UNIDO, but must also handle the public information requirements of the newly transferred units of the United Nations Secretariat. None of these units have an information officer on their staff and over-all information activities for them, including press coverage of meetings as well as preparation of materials such as information pamphlets, has been provided in the past from central information services in New York and Geneva. In recognition of this, the Division of Information of UNIDO was strengthened by one P-3 in 1979, following submission of revised estimates by the Secretary-General at the thirty-third session (A/C.5/33/39). Initial experience in Vienna has shown that this reinforcement of UNIDO's capacity is not sufficient and a further strengthening is required.

45. The area provided for the Guided Tour Lecture Service was one of the last to be completed and, as a result, at the time of the preparation of this report, the activity is still in its organizational stage. It is not possible, therefore, to report any developments additional to the proposals contained in the initial budget estimates for the 1980-1981 biennium. 12/

H. Conference services

46. It is planned that the conference servicing requirements of the units transferred to Vienna will be met by making the best possible use of existing resources, both regular and temporary, of the Department of Conference Services, Headquarters; Conference Services, Geneva; and UNIDO Conference Services. 13/ An agreement reached between the Department of Conference Services of the United Nations and UNIDO envisages that, on an experimental basis, UNIDO will assume responsibility for the provision of conference services to United Nations bodies whose established headquarters is now Vienna. This arrangement is subject to review after one year of actual working experience from 1 January 1980 to 31 December 1980.

47. Conference Services, the United Nations Office at Geneva, and the Department of Conference Services in New York will provide appropriate backstopping to UNIDO Conference Services, which is expected to involve, inter alia, the assignment of staff members from Geneva or New York to service meetings in Vienna. The responsibility for financial management and controls will rest with the United Nations Office at Geneva. It will also undertake, in co-operation with UNIDO Conference Services, to prepare staffing and cost estimates for meetings to be held in Vienna, which are to be included in a statement of financial implications.

12/ See Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 6 (A/34/6), vol. II, income sect. 3, para. 3.56.

13/ Ibid., vol. II, sect. 29C, para. 29.100.

48. As regards conference room facilities, the Vienna International Centre comprises nine conference rooms. Three have a seating capacity of up to 90 delegations, two rooms have a seating capacity of up to 70 delegations and four rooms provide seats for up to 30 delegations at tables. With the exception of one large and three small conference rooms for which IAEA has priority use, the other conference rooms are at the disposal of UNIDO and the United Nations. When not required by the organization for which they are reserved, each of the rooms is available for use by one or the other organization. Given the limited seating capacity, only meetings and conferences with a moderate number of delegations or participants can be accommodated in the Centre.

49. In order to supplement the conference facilities available at the Vienna International Centre, the Austrian Federal Government has decided to put at the disposal of the United Nations conference space at the Vienna Hofburg Congress Centre free of charge for meetings of all United Nations bodies based in the Centre which cannot be accommodated in those premises. The offer includes the costs for standard personnel, heating, normal cleaning and electricity. The Secretary-General welcomes this generous offer which should assure that sufficient conference space will be available in Vienna for United Nations conferences.

I. United Nations Postal Administration

50. In accordance with the plans reported last year, the Government of Austria and the United Nations completed an agreement for the establishment of an office of the United Nations Postal Administration (UNPA) at the Vienna International Centre under terms similar to those applicable to the UNPA offices in New York and Geneva. Authorization for this action had been granted in May 1978 by the Executive Council of the Universal Postal Union.

51. On 24 August 1979 UNPA initiated sales of United Nations stamps in Austrian currency. Through the co-operation of the city of Vienna and the Austrian postal and telegraph authorities the opening ceremonies, as well as first day sales, were conducted at the Vienna City Hall. The response of collectors was enthusiastic and there was a heavy demand for the stamps. Although complete records are not yet available it appears that sales in Vienna by the end of the year will exceed \$1,000,000, while sales in New York, Geneva and the other world-wide outlets of UNPA will be more than \$1,650,000.

52. The post office at the Vienna International Centre which is run by the Austrian postal and telegraph authorities, as well as the sales office of UNPA, opened on 27 August 1979. It is planned that by early 1980 the Vienna office of UNPA will have established the necessary computerized system to permit transfer from Geneva of responsibility for the filling of orders and the distribution of stamps in Austria and the Federal Republic of Germany as well as such other areas as could conveniently and economically be served by the Vienna office.

53. Beginning in 1980, all commemorative stamps of the United Nations will be issued in Austrian as well as United States and Swiss currency denominations. As the office continues through its set-up period the staffing situation is being kept under close review. Present indications suggest that while the basic organizational structure is adequate, strengthening in certain areas, particularly that of financial controls and supervisory staff, will be necessary. If interest in United Nations stamps remains at its present level, it will also be necessary to increase the provision for temporary assistance; however, it would be premature at this stage to estimate the amount of additional funds which might be needed.
