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FIFTH COMMITTEE, 512th  
MEETING

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New York

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Chairman: Mr. Hans ENGEN (Norway).

## AGENDA ITEMS 37 AND 38

### Supplementary estimates for the financial year 1955

### Budget estimates for the financial year 1956 (*continued*)

#### INTERNATIONAL CONFERENCE ON THE PEACEFUL USES OF ATOMIC ENERGY (A/3029, A/C.5/638)

1. Mr. MERROW (United States of America) said that the cost of the International Conference on the Peaceful Uses of Atomic Energy was very high. It was doubtful that the General Assembly, when it had authorized the Secretary-General at its ninth session to convene that Conference, had anticipated the extent of the accomplishments or the expenditures. The Conference had enabled the public to gain a better understanding of atomic energy problems, and in every country the Press had devoted more attention to its discussions than to any previous conference sponsored by the United Nations.

2. As the figures quoted by the Secretary-General in his report (A/2967) showed, the International Conference on the Peaceful Uses of Atomic Energy had probably been the largest scientific conference ever held. Accordingly, the expenditures must be weighed in terms of the results. The Conference had clearly brought out the fact that it was feasible to generate electricity by atomic energy, that uranium resources were more widely distributed than had been thought, and that thorium was particularly important for the production of atomic energy. The exchange of scientific information would help to accelerate the use of atomic energy for peaceful purposes. Moreover, scientists of various countries had resumed relations that had been broken off for many years, and had held discussions in a spirit of co-operation which had contributed to international harmony. It was probable that the Conference would

have repercussions in all fields for very many years. Private industry, universities, foundations and government agencies had all made useful contributions. The United States Government had presented a permanent atomic energy library to the Library of the European Office of the United Nations at Geneva.

3. The success of the Conference was especially gratifying to the United States, as it had been in the spirit of the statement made to the General Assembly on 8 December 1953 (470th plenary meeting) by President Eisenhower that the United States delegation had, at the ninth session, proposed the convening of that international Conference. In order to ensure the dissemination of the information made available at the Conference it was essential that the records of the Conference and the reports submitted to it should be published. That accounted for the unusually high cost of printing and translation. To lessen the impact of those expenditures on the total United Nations budget consideration should be given to the possibility of deferring to a later date the printing of a number of relatively less important publications in other fields.

4. The first Committee had already recommended, in a draft resolution (A/3008, draft resolution A), the convening of a second international conference on atomic energy to be held under United Nations auspices in 1957 or 1958. It was to be hoped that the experience gained during the 1955 Conference would enable the Secretary-General, the Advisory Committee and Governments to obtain even better results while keeping expenditure to the minimum.

5. In conclusion, he stressed the importance of the use of atomic energy for peaceful purposes. The conferences on atomic energy would certainly constitute one of the most valuable contributions of the United Nations in meeting the crucial issues of the present time.

6. Mr. VAN ASCH VAN WIJCK (Netherlands) said that the Committee had been presented with a very heavy bill, but one which it would probably have little hesitation in accepting in view of the Conference's success. It would be desirable if, in future, the General Assembly and the Advisory Committee could give close study to the Secretary-General's budget estimates for conferences of that kind, so that some economies might be effected.

7. His delegation endorsed all the Advisory Committee's recommendations (A/3029), especially the reduction of \$50,000 in the appropriation requested for the translation and printing of the records of the Conference and the suggestion that a part of the cost of information activities, to the extent of \$50,000, should be met out of the over-all allocation of funds for the Department of Public Information under the budget estimates for 1956 (A/2904).

8. Mr. CHAMBERS (Australia) welcomed the Conference's great success, but shared the Advisory Committee's view (A/3029, para. 7), that the limited time

available for the planning of the Conference had contributed to an expansion of costs. If it was decided to call a further conference, the necessary time should be available to prepare the conference as efficiently as possible while restricting the costs. Furthermore, it was questionable whether a useful purpose was really served by printing the records of all the Conference's meetings. Subject to those observations, his country would support the Advisory Committee's recommendations.

9. Sir Alec RANDALL (United Kingdom) said that the Governments concerned, the Secretary-General and the staff of the United Nations had all contributed to the success achieved by the Conference. His delegation would vote for the appropriations recommended by the Advisory Committee agreeing with the Committee that expenditure to the extent of \$100,000 should be met by deferment in 1956 of less important activities already provided for in the 1956 estimates. It also concurred with the Advisory Committee in opposing the carry-over of 1955 appropriations to 1956. To depart from normal budgetary practice would create a most undesirable precedent.

10. Mr. CHECHYOTKIN (Union of Soviet Socialist Republics) said that his delegation was highly satisfied with the Conference's success, endorsed the Advisory Committee's conclusions and recommendations, and would vote in favour of the appropriations recommended by the Advisory Committee.

11. Mr. VENKATARAMAN (India), Mr. RISH-TYA (Afghanistan) and Mr. BREWER (Liberia) expressed their Governments' satisfaction at the Conference's success. They would vote for the appropriations recommended by the Advisory Committee.

12. Mr. FENAUX (Belgium) drew attention to paragraph 7 of the Advisory Committee's report and expressed the hope that improvisations in the preparation of a conference of that kind would be avoided in the future. He wished, however, to congratulate the Secretary-General and the Director and staff of the European Office on the efforts they had made to contribute to the Conference's success. He supported the recommendations made by the Advisory Committee in paragraph 14 of its report and fully endorsed the arrangements made for the revision of the Russian and Spanish translations by the Academies of Sciences of Moscow and Madrid respectively. His delegation would vote for the appropriations recommended by the Advisory Committee.

13. Mr. TURNER (Controller), after thanking the delegations which had congratulated the Secretariat on the way it had organized the International Conference on the Peaceful Uses of Atomic Energy, said that he would like to state the Secretary-General's views on the Advisory Committee's recommendations.

14. The Advisory Committee recommended a reduction in the total estimates submitted by the Secretary-General of \$50,000 on the cost of publications and \$50,000 in the requirements for the Department of Public Information. The Secretary-General would not contest the proposed \$50,000 reduction in the publication estimates, on the understanding, however, that there was necessarily a great deal of uncertainty about the figures and that he could not give any absolute guarantee that it would be possible to save that amount on the total United Nations publications programme. He also pointed out that the Advisory Committee's suggestion might entail an eventual transfer of credits between sections 24 and 25 and section 34. It was assumed that there would be no objection to such a transfer.

15. With regard to the proposed reduction in requirements for the Department of Public Information, there had not been an opportunity of considering the implications of the Advisory Committee's recommendation. It might well involve considerable difficulties and whatever decision the Committee might now take the Secretary-General would hope that he might have a later opportunity of expressing his views, perhaps at the time when the Committee considered the estimates (section 10) for the Department of Public Information.

16. As regards the Advisory Committee's proposed reduction of \$74,000 in the 1955 supplementary appropriation, the Secretary-General raised no objection, also on the understanding that the balance of the total cost would be included in the 1956 appropriation.

17. In paragraph 5 of its report, the Advisory Committee referred to the suggestion of the Secretary-General that in view of the uncertainty as to which year some of the expenses would fall into, the 1955 appropriation should remain available in 1956. In its view there was no reason to modify the normal procedure by which any unobligated balance in 1955 would be surrendered and, if necessary, re-appropriated by means of a supplementary appropriation. The Secretary-General had intended to include a paragraph in the 1955 appropriation resolution which would have provided that any unobligated balance in section 34 would be re-appropriated automatically for 1956. It appeared, therefore, that the only real difference between the Secretary-General and the Advisory Committee was over the question of whether the unobligated 1955 balance should be re-appropriated for 1956 during the current session or through a supplementary estimate submitted to the next session of the General Assembly. The Secretary-General's feeling was that it would be unrealistic to make an actual surrender of the unobligated balance when it was reasonably certain that the money would have to be spent in the first few months of 1956. However, he did not feel strongly on the point provided it was understood that, if the 1955 balance was surrendered and if the appropriation for 1956 proved insufficient, recourse would have to be made to the Working Capital Fund to supplement the appropriation for section 34.

18. The CHAIRMAN asked the Committee to vote on the Advisory Committee's recommendation (A/3029, para. 17) that an appropriation of \$1,400,000 should be provided in a separate new section of the 1955 budget as approved by resolution 890 (IX) of 17 December 1954 and that an appropriation of \$961,000 should be provided in a separate new section of the 1956 budget.

*The recommendation was adopted.*

#### AGENDA ITEM 38

#### Budget estimates for the financial year 1956 (A/2904 and Add.1, A/3025, A/C.5/627/ Rev.1, A/C.5/L.353) (continued)

#### PERMANENT HEADQUARTERS OF THE INTERNATIONAL TELECOMMUNICATION UNION AND THE WORLD METEOROLOGICAL ORGANIZATION (continued)

19. Mr. CHAMBERS (Australia) recalled that at the ninth session the Australian delegation had stated in the Fifth Committee (480th meeting) that it could accept the proposal that the United Nations should finance the building of headquarters premises for the International Telecommunication Union (ITU) and the World Meteorological Organization (WMO) in the grounds of the Palais des Nations only if the work

could be financed by means other than direct appropriation from the regular budget of the United Nations. Since the Secretary-General, in his further note on the matter (A/C.5/L.353), could see no other means of financing the operation than by providing an appropriation and had discarded the idea of raising a loan or drawing money from the Working Capital Fund, the Australian delegation did not think that the General Assembly should renew the offer it had made in 1954 (A/2886, para. 37).

20. The Canton of Geneva had made a very generous offer, which should enable the United Nations to make a saving of about \$2 million. The advantages of housing the two specialized agencies in the United Nations grounds were important but hardly warranted the expenditure that would be involved. If ITU and WMO had their headquarters in the United Nations grounds, the possible savings from common services would be in the vicinity of only \$10,000 a year whereas the cost to Member States of providing the capital would be in the vicinity of \$60,000 a year.

21. In view of the offer made by the Canton of Geneva, such expenditure would be absolutely unnecessary and unjustified, even if the Swiss authorities were prepared to make a financial contribution towards the building of a new wing to the Palais des Nations. At a time when the budgets of the United Nations and the specialized agencies were beginning to assume disturbing proportions, when it was going to be necessary to approve supplementary appropriations of nearly \$6 million for 1955, when a considerable increase in expenditure was going to be entailed by more liberal payments in respect of certain staff allowances, and when some delegations claimed that funds available for technical assistance were inadequate — at such a time it would be unreasonable to contemplate appropriations of \$2 million to finance construction work for which provision could be made without cost to the United Nations.

22. If, however, it were decided to renew the previous offer to the two agencies, the Australian delegation saw no objection to the Secretary-General's proposal (A/C.5/L.353, para. 5) that he should be authorized to explore, in consultation with the Secretaries-General of ITU and WMO, the question of a direct financial contribution by the Government of Switzerland towards the construction costs of the new wing nor, in the event of such a contribution being offered, to his being authorized to accept it. In that case the Australian delegation would also agree that the Secretary-General should be authorized to adjust the annual rental charge to ITU and WMO to the amount of 3 per cent of the construction costs borne by the United Nations.

23. Mr. VAN ASCH VAN WIJCK (Netherlands) admitted that from a strictly financial point of view the offer by the Canton of Geneva was the more advantageous but it would nevertheless mean giving up the possibility of closer co-operation between the specialized agencies and the United Nations and of developing common services. In that connexion, it would be useful to have more exact information on the savings which the development of common services would make possible. If such savings amounted to a considerable sum, it would be advisable to maintain the United Nations offer.

24. The decision of the Netherlands delegation would also depend largely on the method of financing that was adopted. The solution advocated by the Secretary-General (A/C.5/L.353, para. 7) was acceptable but it would

be useful to study other methods, particularly the possibility of a direct financial contribution from the Swiss Government for the construction of a new wing, and to see whether a solution similar to that which had been adopted for the World Health Organization wing could be found. Unless the Swiss Government was prepared to assume responsibility for about half the building costs, it would be better to give up the idea of building a new wing. If it proved impossible to obtain all the necessary information before the end of the session, it would be better to allow the Secretary-General to make the decision, in agreement with the Advisory Committee.

25. So far as the building of additional offices for the United Nations was concerned, he understood the Advisory Committee's objections (A/3025, para. 11) but thought it would be wise to take the opportunity of enlarging the premises of the Palais des Nations, which was apparently going to have to accommodate more and more international conferences.

26. In any case, the Netherlands delegation had not yet taken its stand on the subject and would like to hear the views of other delegations.

27. Mr. PELT (Director of the United Nations European Office) drew the Committee's attention to the financial implications of the various proposals, as summarized in document A/C.5/627/Rev.1, paragraph 12. The summary showed that the offer made by the Canton of Geneva to the two agencies, in particular the offer to ITU, was very generous. The statement at the 510th meeting by the Swiss acting observer suggested, moreover, that it might be possible to hope for a direct financial contribution from the Swiss Government. In that case, the annual rental charge for ITU could be adjusted to an amount equal to  $2\frac{1}{4}$  per cent of the total construction costs and in those circumstances would probably be comparable to the rent which the cantonal authorities were thinking of asking. Under such conditions, ITU and WMO might well be tempted to accept the United Nations proposal, since the United Nations would be the owner of the new premises.

28. In reply to the representative of the Netherlands, he recalled the statement he had made at the 510th meeting on the subject of common services. It would be difficult for the two specialized agencies to organize common services with the United Nations effectively if they accepted either of the proposals made by the Swiss authorities. If the first proposal made by the Canton of Geneva were adopted, it would not be practical to organize common services as between the two agencies themselves, but in either case it would not be feasible to organize common services of the kind referred to in paragraphs 10 and 11 of the Secretary-General's report (A/C.5/627/Rev.1). If the quite flexible principles advocated by the Advisory Committee in the matter of reimbursement rates for services rendered (A/3024) were applied, the specialized agencies might be inclined to develop common services to a greater extent than under the previous system of reimbursement rates and it would be easy to do so in such fields as reproduction — provided the equipment of the European Office could be modernized — distribution, which was closely linked with reproduction, and, perhaps even to some extent, translation and printing.

29. Sir Alec RANDALL (United Kingdom) did not think that the United Nations was in a position to bear the capital cost of building a new wing. When, at the ninth session, his delegation had agreed in principle



that the United Nations should defray the cost of building headquarters for ITU and WMO, it had been on the understanding that the money could be advanced from the Working Capital Fund. Circumstances had changed since then: the 1956 budget was higher than that of the previous year and, after the proposed arrangements for tax reimbursement by means of a tax equalization fund were accepted the Working Capital Fund would not have the necessary resources. The United Kingdom delegation was opposed to any step which might swell the budget further and would accordingly vote against the renewal of the offer made in 1954 to ITU and WMO.

30. It was for the specialized agencies concerned to see whether they could accept the very generous offer made by the Canton of Geneva or any more favourable offer that might be made by the Canton.

31. His delegation was opposed to any extension of the United Nations Geneva Office to provide reserve space at the present time. The extent of the need, if any, could not be foreseen with any accuracy and it would be wrong for the Organization to undertake any such commitment now.

32. Mr. ERHAN (Turkey) thought that it would be preferable for the United Nations to own the buildings in which the two specialized agencies would be housed, even though it might prove somewhat more expensive. Unfortunately, the difference in cost might well be rather considerable.

33. In any case, if the Committee decided that the United Nations should finance the building of a new wing, the cost should be spread over at least five years, to avoid too great an increase in the contributions of Member States. If, on the other hand, ITU and WMO accepted the offer from the Canton of Geneva, there should be a clause in the agreement reserving the right of the United Nations to purchase the buildings at a later date.

34. Mr. LIVERAN (Israel) said that the intimation the Swiss acting observer had given of the possibility that the Swiss Government might contribute to the cost of a new wing to the Palais des Nations had put a fresh complexion on the discussion. The Committee could not take a decision until it had more details concerning the offer and knew the reaction of the two specialized agencies concerned.

35. Mr. MERROW (United States of America) thought that the United Nations should reaffirm its 1954 decision in the form of a firm offer, since such a course was in the interests of closer co-ordination between the various United Nations agencies and the development of common services. Even though the proposals outlined in the Secretary-General's working paper (A/C.5/L.353, para. 7) for financing the building might entail for some years to come an increase in Members' contributions, the United States delegation would support them, especially in view of the indication from the Swiss Government that it might assist in the financial arrangements. In any case, no appropriation need be made in the 1956 budget. As the Secretary-General suggested, the United Nations expenditure under that heading in 1956 could be met by an advance from the Working Capital Fund. The General Assembly could then decide on the method of financing

at its eleventh session, when it would have fuller information at its disposal.

36. Mr. FRIIS (Denmark) found it difficult to adopt a definite position at that stage of the discussion. It would be better to wait until delegations with suggestions to make had put them in more concrete form. Incidentally, he wondered why the Secretary-General rejected the idea of an interest-bearing loan (A/C.5/L.353, para. 7).

37. Mr. TURNER (Controller) said that in the Secretary-General's opinion payment of interest would represent an additional cost which there was no strong reason to incur. By comparison with the total United Nations budget, the estimated cost of a new wing did not involve so large an outlay and the cost would, in any event, be spread over several years. The financing of the new wing through a loan would not reduce the actual budget charge by more than a few hundred thousand dollars, while interest on a loan, even at a low rate, could amount to a relatively large sum over the period of amortisation. The Secretary-General would, however, if the Committee so desired, look into the possibility of such a loan and should that materialize would report on the matter to the next session. There would still be sufficient time for the Committee to consider the specific method of financing that it deemed most appropriate.

38. Mr. CHECHYOTKIN (Union of Soviet Socialist Republics) remarked that many questions remained unanswered, particularly with regard to the future co-ordination of United Nations activities and those of the two specialized agencies. It would therefore be better not to take any decision before the next session, at which time all aspects of the problem could be seriously studied.

39. Mr. FENAUX (Belgium) said that he shared the hesitation of the many delegations which doubted the advisability of taking an immediate decision. While agreeing, however, that the Committee must study all aspects of the question, he felt that some decision must be reached at the current session.

40. Mr. PINARD (Canada) suggested that there was a possible alternative. As most delegations would prefer the two specialized agencies to be housed in a new wing of the Palais des Nations, and as the Swiss Government had intimated that it would help, the Secretary-General might try to obtain from the Swiss authorities an interest-free loan similar to that granted for the building of the United Nations Headquarters in New York. As no immediate outlay by the United Nations would then be needed to finance the building, the arrangement should commend itself to those delegations who objected to the original scheme.

41. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) agreed that an interest-free loan would be a very attractive solution. The United Nations would own the new premises and could develop common services to the full. Moreover, the arrangement, at a minimum of expense to the Organization, would help to strengthen the ties uniting the two specialized agencies to the rest of the United Nations family.

42. Mr. MAHDAVI (Iran) said that four solutions now appeared open to the Committee: to defer decision

until the eleventh session, to finance the building work directly, to recommend that the specialized agencies should accept the offer from the Canton of Geneva, or to try and obtain an interest-free loan. The first solution being unwise, the second not feasible and the third not in line with the principles so often voiced by delegations regarding co-ordination of the activities of the United Nations and the specialized agencies, his delegation favoured the fourth solution. The Secretary-General and the Advisory Committee should be authorized to take the necessary steps and to report to the Committee as soon as possible.

43. Mr. VENKATARAMAN (India) said that the solution sounded very attractive but he felt that the attitude of the Swiss Government should first be ascertained.

44. Mr. FRIIS (Denmark) and Mr. VAN ASCH VAN WIJCK (Netherlands) moved the adjournment of the debate.

*The motion for adjournment was adopted.*

#### AGENDA ITEM 46

##### **Audit reports relating to expenditure by specialized agencies of technical assistance funds allocated from the Special Account (*concluded*)**

DRAFT REPORT OF THE FIFTH COMMITTEE TO THE GENERAL ASSEMBLY (A/C.5/L.350)

*The draft report (A/C.5/L.350) was adopted unanimously.*

#### AGENDA ITEM 36

##### **Financial reports and accounts, and reports of the Board of Auditors (*concluded*)**

##### **(d) United Nations Korean Reconstruction Agency, for the financial year ended 30 June 1955 (*concluded*)**

DRAFT REPORT OF THE FIFTH COMMITTEE TO THE GENERAL ASSEMBLY (A/C.5/L.351)

*The draft report (A/C.5/L.351) was adopted unanimously.*

The meeting rose at 12.55 p.m.