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ECONOMIC COMMISSION FOR LATIN AMERICA

COMMITTEE OF THE WHOLE

Extraordinary Session

PROVISIONAL SUMMARY RECORD OF THE SECOND MEETING

Held at Headquarters, New York,
on Friday, 3 October 1958, at 11 a.m.

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Chile (E/CN.12/AC.41/2, E/CN.12/AC.41/L.1, E/CN.12/AC.41/L.2) (continued)

Report of the Committee

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Publication of the final printed records being subject to a rigid schedule, the co-operation of delegations in strictly observing this time-limit would be greatly appreciated.

PRESENT:

<u>Chairman:</u>	Mr. CORREA	Ecuador
<u>Rapporteur:</u>	Mr. QUIJANO	Argentina
<u>Members:</u>	Mr. PENTEADO	Brazil
	Mr. SERRANO	Chile
	Mr. MORALES RIVAS	Colombia
	Mr. O'NAGHTEN	Cuba
	Mr. URQUIA	El Salvador
	Mr. VIAUD	France
	Mr. PEREZ GALLIANO	Guatemala
	Mr. TEEBORD	Haiti
	Mr. PERDOMO	Honduras
	Mr. URQUIDI	Mexico
	Mr. Van ASCH van WIJCH	Netherlands
	Mr. MONTERO de VARGAS	Paraguay
	Mr. FAREJA	Peru
	Mr. ANNAND	United Kingdom of Great Britain and Northern Ireland
	Mr. PHILLIPS	United States of America
	Mr. YRIART	Uruguay
	Mr. ALVARADO	Venezuela

Representatives of specialized agencies:

Mr. METALL	International Labour Organisation (ILO)
Mr. ORR	Food and Agriculture Organization (FAO)

Secretariat:

Mr. TURNER	Controller
Mr. VAUGHAN	Director of General Services
Mr. SANTA CRUZ	Secretary of the Committee

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PROPOSALS FOR THE FINANCING OF A UNITED NATIONS BUILDING IN SANTIAGO, CHILE
(E/CN.12/AC.41/2, E/CN.12/AC.41/L.1, E/CN.12/AC.41/L.2) (continued)

The CHAIRMAN recalled that at the previous meeting the proposals for financing a United Nations building at Santiago, Chile, had brought to light two tendencies, one reflected in the draft resolution submitted by Ecuador and Mexico (E/CN.12/AC.41/L.1), the other expressed in the verbal proposal made by the representative of the United States. On the basis of the unofficial conversations which had since taken place between a number of members of the Committee a draft resolution had now been worked out (E/CN.12/AC.41/L.2) and was being put forward by seven countries; it combined in a new plan the elements of the two original proposals. Before inviting the representative of Argentina to present the new draft, he drew the attention of the Committee to a number of small changes in wording which should be made to the Spanish text of the draft to ensure that it coincided with the English and French texts. The corrections referred to paragraphs 2, 4 and 5 of the operative part and the only change that they would involve in the English text would be the elimination in paragraph 4 of the word "loans" to correspond to the replacement of the word "préstamos" by the word "anticipos" in the Spanish text, the English text then reading:

"4. Inviting Governments members of the Commission to make interest-free cash advances to the United Nations..."

Mr. QUIJANO (Argentina) stated that the new joint draft resolution reproduced the main points of the preamble to the preceding draft (E/CN.12/AC.41/L.1).

In the operative part the new draft provided for a plan bringing into harmony the principles of General Assembly resolution 1224 (XII) and the suggestions made by the United States delegation. Under the new system the cost of putting up the United Nations building would be charged against the regular United Nations budget in annual instalments while the Secretary-General could, if he thought fit, ensure that cash was available by requesting the Governments of the States Members of the Commission to grant ECIA refundable interest-free cash advances. Repayment by annual instalments would probably continue until 1963. But since the building had to be completed before that date it was essential to make arrangements by which the Secretary-General could be sure of having sufficient funds to hand at all times. The new plan was in keeping both with the desires

(Mr. Quijano, Argentina)

of the members of the Committee and with those of the Secretary-General to give assistance to the Economic Commission for Latin America.

Mr. PHILLIPS (United States of America) considered that the new draft was a happy fusion of the two schemes already proposed. The new plan represented the best possible solution and would make it possible for the building at Santiago to be constructed with all due speed.

The United States delegation, which was in fact one of the sponsors of the draft resolution, would naturally vote in its favour and would also support the proposal in the General Assembly.

Mr. VIAUD (France) said that the new draft resolution had the advantage of combining the two systems of financing discussed at the earlier meeting. France accepted the new plan and would support it.

Mr. van ASCH van WIJCK (Netherlands) congratulated the delegations on reaching agreement regarding the new plan and producing the draft resolution (E/CN.12/AC.41/L.2). The result was an extremely satisfactory one. While the Netherlands would have had some difficulty in subscribing to the plan as set forth in the earlier draft resolution (E/CN.12/AC.41/L.1) by reason of the constitutional problems it raised, the new proposal eliminated those problems. It was therefore entirely acceptable, and the Netherlands would support it.

Mr. ANNAND (United Kingdom) was happy to note that the new plan for financing the building eliminated the constitutional difficulties raised by the plan as set forth in the earlier draft resolution (E/CN.12/AC.41/L.1). The United Kingdom delegation was therefore now in a position to support the plan unreservedly and considered it to be excellent.

Mr. MORALES RIVAS (Colombia), Mr. O'NAGHTEN (Cuba), Mr. ALVARADO (Venezuela), Mr. PENTEADO (Brazil), Mr. THEBORD (Haiti), Mr. PEREZ GALLIANO (Guatemala), Mr. PAREJA (Peru) and Mr. MONTERO de VARGAS (Paraguay) intimated that they had all already voiced the acceptance in principle by their Governments of the project to put up a United Nations building at Santiago, Chile, and had been prepared to approve the financing plan set forth in the draft resolution submitted by Ecuador and Mexico. The new plan, however, as submitted in the seven-country draft resolution (E/CN.12/AC.41/L.2), had great advantages and was perfectly acceptable to their Governments.

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Mr. URQUIA (El Salvador) wished to thank ECLA on behalf of his Government for the assistance it was giving to the countries of Latin America. He referred in that connexion to the statement made at the recent plenary meeting of the General Assembly by the head of his own delegation. With regard to the financing of a United Nations building at Santiago, the new plan as set forth in document E/CN.12/AC.41/L.2 was a great improvement over the original one, which his delegation had none the less been prepared to support. He was, however, anxious to have some details regarding the meaning and scope of the Chairman's amendment to the Spanish text of paragraph 4 of the operative part of the seven-country draft resolution. It would seem in fact that the new plan maintained the system of refundable "loans" although the word itself had been deleted from the text.

The CHAIRMAN read out the amended text of the Spanish version of paragraph 4. He explained that under the new plan the Secretary-General would have available in 1959 a sum amounting to \$50,000 to cover the initial expenditure on the project. Every year after that until the total cost of the building had been met, the Secretary-General would set aside \$200,000 from the United Nations budget. The Secretary-General might, however, in the meantime require ready cash to meet building expenses. In that event he could obtain what he needed by drawing on the Working Capital Fund. It was to meet the eventuality of the Secretary-General being unable to draw on the Working Capital Fund that the Governments of the States Members of the Commission were being invited to make interest-free cash advances refundable against the annual contributions of Member States to the United Nations.

Mr. URQUIDI (Mexico) proposed that the word "refundable" should be added in operative paragraph 4 of the draft resolution before the words "interest-free". That would meet the point raised by the representative of El Salvador and get rid of any possible ambiguity.

Mr. URQUIA (El Salvador) supported the Mexican proposal, which would remove any danger of misunderstanding and make the draft acceptable to all.

Mr. YRIART (Uruguay) said that the financing plan as set forth in the seven-country draft resolution was acceptable to his Government, and subject to

(Mr. Yriart, Uruguay)

constitutional formalities Uruguay was prepared, if need should arise, to make cash advances to the United Nations. The amendment proposed by Mexico defined more clearly the nature of the advances to be made to the United Nations, and the Uruguayan delegation would support it.

The CHAIRMAN took it that the Committee was ready to adopt the seven-country draft resolution (E/CN.12/AC.41/L.2) without opposition with the changes in wording to which he had drawn attention and the amendment proposed by Mexico.

It was so decided.

REPORT OF THE COMMITTEE

The CHAIRMAN said that in view of the unanimous approval given to the seven-country draft resolution the Rapporteur might perhaps be excused from submitting his draft report to the Committee and presenting it direct to the General Assembly.

It was so decided.

The CHAIRMAN again expressed the gratitude of all the members of ECLA to the Chilean delegation for the generous offer made by the Government of Chile and further thanked those members of the Committee who did not represent Latin American countries for their generous and disinterested co-operation. He hoped there would be a similar spirit of co-operation in the Fifth Committee of the General Assembly. He further thanked the members of the United Nations Secretariat and in particular the Controller, Mr. Turner, for the valuable aid they had given the Committee.

The meeting rose at 11.35 a.m.