



TWENTY-EIGHTH WORLD HEALTH ASSEMBLY

COMMITTEE B

COMMITTEE B

PROVISIONAL SUMMARY RECORD OF THE FOURTH MEETING

Palais des Nations, Geneva
Wednesday, 21 May 1975, at 2.40 p.m.

CHAIRMAN: Dr J. S. CAYLA (France)



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1. DRAFT FIRST REPORT OF COMMITTEE B (Document A28/B/2)

At the invitation of the Chairman, Dr VALLADARES (Venezuela), Rapporteur, read out the draft first report of the Committee (document A28/B/2).

Dr AVILÉS (Nicaragua) noted that the resolution on the status of collection of annual contributions urged Members in arrears to make special efforts to liquidate their arrears during 1975. Since governments had to prepare their budgets a year in advance, he asked the Director-General to send to each government as soon as possible a statement of the contribution required and of the exact amounts of the arrears for given years.

Mr FURTH (Assistant Director-General) replied that the Director-General would of course provide that information to governments very soon after the close of the Assembly, as had been the normal practice in past years.

Decision: The first report of Committee B was adopted.

2. REVIEW OF THE FINANCIAL POSITION OF THE ORGANIZATION: Item 3.3 of the Agenda Members in arrears in the payment of their contributions to an extent which may invoke Article 7 of the Constitution: Item 3.3.3 of the Agenda (Resolutions WHA8.13, WHA16.20, EB55.R29, EB55.R30, EB55.R31, EB55.R32 and EB55.R33; Official Records No. 223, Part II, Chapter II, paragraphs 24-27, Document A28/45) (continued)

Dr VALLADARES (Venezuela), Rapporteur, proposed the following draft resolution for the Committee's consideration:

The Twenty-eighth World Health Assembly,

Having considered the report of the Ad Hoc Committee of the Executive Board on Members in arrears in payment of their contributions to an extent which may invoke the provisions of Article 7 of the Constitution;

Having noted that Bolivia, the Dominican Republic, El Salvador, Haiti and Paraguay are in arrears to such an extent that it is necessary for the Assembly to consider, in accordance with Article 7 of the Constitution, whether or not the voting privileges of these Members should be suspended;

Noting that Bolivia, El Salvador, Haiti and Paraguay have made payments in 1975;

Noting further the proposals made by Paraguay for settlement of its outstanding contributions;

Recognizing the efforts made by those four countries to liquidate their arrears; and

Noting that the Dominican Republic has made no payment to the Organization in respect of its assessed contributions since 1966, in spite of the acceptance by the Twenty-fifth World Health Assembly of its proposal for settlement of its arrears, and that, as a result, the Dominican Republic is in arrears for the balance of its 1965 contribution and for the full contributions for the years 1966 to 1974,

1. DECIDES not to suspend the voting privileges of Bolivia, El Salvador, Haiti and Paraguay at the Twenty-eighth World Health Assembly;

2. ACCEPTS the settlement of its arrears proposed by Paraguay to the effect that the consolidated outstanding contributions for the years 1972-1975 be paid in 10 equal instalments of US\$ 13 650 in the years 1976-1985;

3. DECIDES that if the arrangements specified in operative paragraph 2 above are fulfilled by Paraguay it will be unnecessary for future Assemblies to invoke the provisions of paragraph 2 of resolution WHA8.13 and that, notwithstanding the provisions of Financial Regulation 5.6, payments of contributions of Paraguay for the year 1976 and future years shall be credited to the year concerned;

4. URGES Bolivia, El Salvador, Haiti and Paraguay to intensify the efforts now being made in order to achieve at the earliest possible date the regularization of their position;

5. DECIDES to suspend the voting privileges of the Dominican Republic at the Twenty-eighth World Health Assembly;

6. URGES the Dominican Republic to regularize its position at an early date and to implement the arrangements for settlement of its arrears accepted by the Twenty-fifth World Health Assembly, thus enabling the Dominican Republic to resume its full participation in the work of the World Health Assembly; and

7. REQUESTS the Director-General to communicate this resolution to the Members concerned.

Dr AVILÉS (Nicaragua), referring to operative paragraph 5 of the draft resolution, pointed out that the Dominican Republic had already been called during the voting at the present Health Assembly. In any case, he suggested the deletion of the paragraph.

Mr PARROTT (United Kingdom of Great Britain and Northern Ireland) said that the delegate of Nicaragua had raised an interesting point, since the effect of the resolution would depend on the time of its adoption. If adopted at the beginning of the Assembly it would have an effect throughout the Assembly, but if adopted at the end of the Assembly it would have virtually no effect at all. He asked for clarification on that point.

Dr SACKS (Secretary) noted that one delegate from the Dominican Republic was named in the list of delegates. The resolution would only come into effect when it was adopted at a plenary meeting and the voting privileges of the Dominican Republic would be suspended from that time.

Decision: The draft resolution was approved.

3. REVIEW OF THE WORKING CAPITAL FUND: Item 3.5.3 of the Agenda (Official Records No. 223, Part I, Resolution EB55.R39 and Annex 9).

Dr TAYLOR (representative of the Executive Board) said that a report by the Director-General on the review of the Working Capital Fund had been considered by the Executive Board at its fifty-fifth session. The Working Capital Fund had last been reviewed in 1973 at the Twenty-sixth World Health Assembly. At that time the Assembly had adopted resolution WHA26.23 in which it requested the Director-General to submit further reports on the Working Capital Fund to the Executive Board and Health Assembly when he considered it warranted and in any case not less frequently than every third year.

The Director-General's report had dealt with three major points. The first concerned the authorized level of the Working Capital Fund and its adequacy to meet the needs for which it had been established. Provided there was no major crisis affecting the financing of the Organization's regular budget operations or a substantial shortfall in the collection of annual contributions assessed, the present level of the Fund would be adequate for the time being. However, it had been pointed out that should either one of those two provisos not be met, there could be serious repercussions on the Organization's operations. Furthermore, the Director-General had expressed concern on the matter of timely payment, as contributions from some Member States that normally paid in full much earlier in the year had remained outstanding as late as mid-December 1974. Fortunately, additional contributions had been received in the last few days of 1974; otherwise the Working Capital Fund would have been completely depleted.

The second basic point had related to the reassessment of the scale of assessment for advances to Part I of the Working Capital Fund. The Director-General had recommended, pursuant to resolution WHA23.8, that such reassessment should be made on the basis of the 1976 scale of assessment and that, to simplify administrative procedures, any changes resulting from the application of the 1976 scale should be adjusted to the nearest \$ 10, as was done in assessing annual contributions.

The third basic point had concerned the Director-General's recommendation that the limits on advances from the Fund for the provision of emergency supplies on a reimbursable basis should be extended. The existing limits had remained the same since 1959, although the cost of supplies and the size of the Organization's membership had increased considerably since that date. It was necessary, if the advancing arrangements were to remain fully effective, for the existing limits on the total amount

that could be withdrawn at any one time to be increased from \$ 100 000 to \$ 200 000 and for the credit that could be extended to any one Member or Associate Member to be increased from \$ 25 000 to \$ 50 000.

After favourable consideration of the Director-General's report, the Board had adopted resolution EB55.R39 in which it recommended that the Twenty-eighth World Health Assembly approve all the Director-General's proposals.

Mr FIORI (Canada) welcomed the proposal to update the scale of assessments to the Working Capital Fund. In other specialized agencies of the United Nations the scales of assessment to such a fund and to the regular budget were generally changed together, and he hoped that WHO could adopt the same procedure. While his delegation accepted the proposal to increase the amounts available for emergency supplies on a reimbursable basis, he wondered if that provision would be necessary at all if the special account for natural disasters to be discussed under agenda item 3.16.4 were to become viable.

One of the stipulated uses of the Working Capital Fund was to finance "unforeseen and extraordinary" expenses, but such expenses had seldom occurred. He asked the Secretariat to clarify the type of expenses covered by that phrase. If it meant unforeseen cost increases in regular programmes, his delegation would prefer it to be deleted, since such increases should be met through supplementary estimates.

He saw no reason to increase the Working Capital Fund by \$ 114 000. Since the contributions of most Member States would be revised according to the 1976 scale of assessment, it would be possible to maintain the Fund at the level of \$ 11 million and simply revise the allocations. The primary purpose of the Fund was to finance regular activities pending the receipt of contributions. Thus, if Member States paid earlier in the year in which contributions were due, the level of the Fund could be reduced. His delegation was not convinced that the level of the Fund had been determined solely with the primary purpose in mind, and he suggested that the Executive Board should examine the Fund in the light of information on the timing of contributions and disbursements.

Mr FURTH (Assistant Director-General) said that the reason why it had been proposed that the assessment for Part I of the Working Capital Fund should be based on the 1975 scale of assessment was that in resolution WHA23.8 the Health Assembly had decided that advances to the Fund should be assessed on the basis of the 1971 scale of assessment and that the assessment of Part I should be reviewed every 5 years. It so happened that 1975 was the first year in which such a review would make sense, because in previous years the scale of assessment had changed so little that changes in the advances would have been insignificant. However, with the significant changes effected in the 1975 scale of assessment the time had come to reassess Part I of the Fund on the basis of the 1976 scale, which was virtually identical to the 1975 scale. There were unlikely to be significant changes in the scale of assessment until 1978, and the Director-General would probably then propose that there should be another review of the assessment of Part I of the Fund.

The special account for disasters and natural catastrophes served quite a different purpose to the use of the Working Capital Fund for emergency supplies. It was an account of the Voluntary Fund for Health Promotion, to be credited with voluntary contributions, and there was no obligation on the recipient of assistance from the Fund to reimburse it. The Working Capital Fund could be used only for the provision of emergency supplies on a reimbursable basis. The two emergency provisions complemented rather than duplicated each other.

He confirmed that the provision for unforeseen and extraordinary expenses had been used very rarely. It had last been used in 1969, when \$ 1 373 900 had been withdrawn to provide for increases in staff salaries and allowances and in the maximum amount of the education grant. Repayment of that withdrawal had been approved by the Twenty-second World Health Assembly in its resolution WHA22.12. Apart from some withdrawals to deal with emergency situations in the very early years of the Organization's existence, there had been only two other cases of withdrawals under that heading, in 1959 and 1968. He would agree with the delegate of Canada that unforeseen expenses under the regular budget would normally be met by supplementary estimates, but sometimes there might be special circumstances necessitating the use of the Working Capital Fund.

With regard to the Canadian delegate's question about the increase in the Working Capital Fund by \$ 114 000, there had in fact been no increase. In resolution WHA26.23 the World Health Assembly had decided that Part I of the Fund should remain established in the amount of \$ 5 million, to which should be added the assessments of any Members joining the Organization after 30 April 1965. The assessments on new Members since that date had amounted to \$ 114 000 at 30 September 1974, and now that Committee B had proposed to the Assembly the assessment of 5 new Member States, the established level of the Working Capital Fund in a few days' time would probably rise to the level of \$ 5 120 000.

The delegate from Canada had questioned the level of the Working Capital Fund and had proposed that a study should be undertaken on the appropriate level, considering the timing of contributions and disbursements. In fact, such a study had previously been undertaken each year, but the Executive Board and the Assembly had given up that practice because they felt that annual reviews had not been worthwhile. The Fund was now being reviewed only every third year, unless the Director-General felt that more frequent reviews were warranted. As to the level of the Fund, the net cash balance at the end of 1974 had been only \$ 3 433 571 and at 30 April 1975 only \$ 4 653 357. There was a danger that the Fund would be depleted by the end of 1975. The rate of collection of contributions at the end of 1974 had been 92.99%, as compared to 96.55% at the end of 1973, but as late as 18 December 1974 eighteen Member States had not paid any part of their assessed contributions for that year and 28 Members had still not paid their 1974 contributions in full. The total shortfall of contributions on that date had amounted to nearly \$ 16 million, or slightly over 15% of the contributions assessed for the effective working budget. As the established level of the Working Capital Fund was only slightly over \$ 11 million, there had been some sense of crisis in December 1974, particularly since it was far too late in the year to reduce the obligations already incurred in 1974. If substantial additional contributions had not been received just before the end of the year, the Working Capital Fund would have been completely depleted. That situation could occur again and become even worse if Member States failed to pay their contributions much earlier in the year, and in that event the Director-General would have little choice but to propose an increase in the Fund.

Mr FIORI (Canada) thought that Mr Furth had just shown cause why the Executive Board should examine the issue in 1976. He asked the view of the Secretariat on the possibility of dropping the provision for unforeseen and extraordinary expenses, since it had rarely been used and other mechanism existed for providing for such expenses.

Mr FURTH (Assistant Director-General) replied that the first point made by the delegate of Canada was covered by the last paragraph of the draft resolution, which the Executive Board had recommended for adoption by the Assembly in its resolution EB55.R39. In that paragraph the Director-General was requested to submit a report on the Working Capital Fund to the Board and Health Assembly when he considered it warranted and in any case not less frequently than every third year. If a serious situation arose at the end of 1975 the Director-General would be bound to present a report to the Board in 1976. If not, there would be no need for any proposal to increase the Fund, but in any event there would be a report in 3 years' time. The possible deletion of the provision for unforeseen and extraordinary expenses was a matter for the Assembly to decide. He would, however, suggest that it would perhaps appear anomalous to delete it at the present time, when the Assembly had to consider a number of items relating to unforeseen and extraordinary expenses and cases of emergency. The provision did give a certain latitude to the Director-General, and also to the Executive Board, since the Director-General could use only up to \$ 250 000 at his own discretion and the Board's prior concurrence had to be sought for withdrawals of up to \$ 2 million.

Mr PARROTT (United Kingdom of Great Britain and Northern Ireland) expressed sympathy with the Canadian delegate's views. However, the statistics on which the Executive Board had based its advice to the Health Assembly in resolution EB55.R39 covered the months January to September 1974 inclusive and so did not show the variations in the cash balance of the Working Capital Fund during the last quarter and, in particular, that of the crisis month. He therefore suggested that the Committee be supplied with an updated version of the table appearing in Annex 9, Appendix 1, of Official Records No. 223. It would then be in a position to decide on the draft resolution contained in resolution EB55.R39 and perhaps amend it by adding a new preambular paragraph to the effect that the

Health Assembly had considered a further report from the Director-General. That would show that the Health Assembly had been made aware of the critical situation of the Fund and would encourage more prompt payment of contributions than in the past.

Mr FURTH (Assistant Director-General) said that a version of the table, updated to 30 April 1975, would be prepared for the following meeting. Members would thus be able to see the sharp fall in the net cash balance of the Fund at the end of 1974. They would note, in particular, that the net cash balance had never exceeded \$ 5 million since December 1974. Schedule 6 of the Financial Report for 1974 (Official Records No. 222) already indicated that the end-of-year net cash balance was \$ 3 433 571.

The CHAIRMAN suggested that, pending the distribution of the additional information, the Committee proceed to the next item of its agenda.

It was so agreed.

4. STUDY OF THE POSSIBILITY OF FINANCING WHO ACTIVITIES IN CURRENCIES OTHER THAN US DOLLARS AND SWISS FRANCS: Item 3.6 of the Agenda (Official Records No. 215, Annex 6; Resolutions WHA27.13 and EB55.R40)

The CHAIRMAN drew the Committee's attention to the draft resolution on the subject recommended by the Executive Board in its resolution EB55.R40.

Dr TAYLOR (representative of the Executive Board) informed the Committee that, in response to resolution WHA26.40, the Director-General had submitted a report to the Executive Board at its fifty-third session, the full text of which had been published as Annex 6 to Official Records No. 215.

Since the United Nations General Assembly had decided to establish a working group to consider alternative solutions to the difficulties arising from currency instability and inflation, the Twenty-seventh World Health Assembly had decided, in resolution WHA27.13, on the Board's recommendation, to defer the matter until the General Assembly had considered the report of its working group.

The Director-General had informed the Executive Board, at its fifty-fifth session in January 1975, that the working group had reported to the General Assembly in the latter part of 1974 and had found no generally agreed alternatives to policies already being followed in the United Nations and related agencies to solve the problems resulting from continuing currency instability and inflation. After considering the matter, the Board had adopted resolution EB55.R40, in which it recommended the adoption of the draft resolution now before the Committee.

Decision: The draft resolution contained in resolution EB55.R40 was approved.

5. HEADQUARTERS ACCOMMODATION: FUTURE REQUIREMENTS: Item 3.7 of the Agenda (Resolution WHA27.14; Official Records No. 223, Part I, Resolution EB55.R48 and Annex 12; Document A28/31 and Add.1)

Dr TAYLOR (representative of the Executive Board) recalled that in 1974 the Executive Board, in resolution EB53.R43, had advised the Health Assembly to defer any decision on the continuation of the study and the erection of the permanent extension to the headquarters building, and had requested the Director-General to follow the situation and report back at its fifty-fifth session. The Health Assembly had acted on that advice in resolution WHA27.14.

Examining the report submitted by the Director-General at its fifty-fifth session, the Board had found that headquarters strength had increased more rapidly in 1974 than in the past, although the number of posts financed from the regular budget had risen very little - the rise being due mainly to the increase in the volume of programmes financed from extrabudgetary funds and, consequently, in the number of support staff working at headquarters. It had also been necessary to employ more temporary staff and consultants in 1974 because of the moratorium of several months on the recruitment of permanent staff.

Some members of the Board had joined the Director-General in hoping that headquarters strength would gradually be stabilized, so that it would not be necessary to build a permanent extension to accommodate some 700 staff members. In the current economic situation such a project could not be financed under the advantageous conditions that the Organization might have hoped to have obtained. However, there was little doubt that for

some years headquarters strength would continue to increase, although to what extent it was difficult to estimate at the moment except by extrapolation from past experience.

The Board had considered the solutions put forward by the Director-General, noting that to meet the most urgent needs he had rented some office space in the new ILO building for a minimum of 2 years and had taken an option, valid until June 1975, on renting further space from January 1977 onwards. However, there was no assurance that WHO would be able to prolong its current agreement with ILO beyond 1976, ILO being entitled to terminate the lease or reduce the area rented at 3 months' notice. Also, the cost of renting was very high. The Director-General had therefore proposed the erection of a new temporary building on the site that the Organization had acquired for the permanent extension. To finance the construction, the Health Assembly might decide to use the amount of US\$ 879 835 set aside in the Real Estate Fund for the permanent extension and to meet the balance from casual income.

Considering that proposal, the Board had noted that if the decision to erect a third temporary building were taken at the current Health Assembly, the accommodation would be available before the end of 1976, so that there would be no need to extend the current agreement with ILO or to rent further space.

In conclusion, the Board had adopted resolution EB55.R48, in which it recommended the Director-General's proposals to the Health Assembly, further recommending that any decision on the construction of a permanent extension to the headquarters building be deferred. In that same resolution the Board recommended that the Health Assembly authorize the Director-General to pay sums due for the rental of the ILO offices from the Casual Income Account, up to the equivalent of the amount which WHO was to recover from ILO as the result of the sale of a building partly financed by WHO.

Mr FURTH (Assistant Director-General) informed the Committee that since document A28/31 (report of the Joint Inspection Unit) had been issued, the Director-General had received a letter dated 28 April from the Chairman of the Joint Inspection Unit (JIU), to which he had replied on 7 May. Those letters had been transmitted to the Health Assembly for information as Annexes 1 and 2 to document A28/31 Add.1. The document was, he believed, self-explanatory.

He drew attention to a minor correction that JIU wished to make with regard to the fifth paragraph of the foreword and paragraph 3 of chapter I of the report. JIU had decided not to submit the detailed reports concerning the office accommodation problems of each organization of the United Nations system to the General Assembly, unless it so requested, but to inform it that the reports had been completed and submitted to the organizations concerned.

Dr ALY (Egypt) recalled the history of the discussions of future requirements for headquarters accommodation from 1972 onwards and the way in which the subject had been linked, in resolution WHA25.37, with the study of possible further regionalization of WHO staff and programme activities. That study had been incorporated, by resolution EB51.R54, in the Board's organizational study of the "Interrelationships between the central technical services of WHO and programmes of direct assistance to Member States" that the Committee would be considering under item 3.10 of its agenda.

As long ago as 1973, the Twenty-sixth World Health Assembly had been informed that even then the permanent building would have cost some Sw.fr. 68 million. In view of the financing difficulties, succeeding Health Assemblies had deferred the problem, requesting the Director-General to keep them informed of developments. At the present session those included the proposal that a temporary building be erected at a cost of approximately Sw.fr. 5.5 million, and the JIU report. He expressed his regret at the misunderstanding reflected in the letters appended to the report (document A28/31 Add.1) and his gratitude to the Director-General for making the report available to Member States in good time, especially as its conclusions were not the same as the proposals before the Health Assembly.

In the present international monetary situation and considering the Organization's serious financial position, his delegation could not vote in favour of the Director-General's proposals. Since it seemed from paragraphs 93 and 94 of the JIU report that the erection of temporary buildings never solved the problem of accommodating additional staff unless the staff level had already been determined, but merely deferred the problem, he suggested that the Committee recommend that the whole matter be postponed and that the Board be requested to study the JIU report in detail and make a recommendation to the Twenty-ninth World Health Assembly.

Professor AUJALEU (France) said that reading the JIU report had not changed his delegation's views that the Executive Board's advice was sound and should be followed. Like other delegations, the French delegation hoped that the staff level at headquarters would be stabilized and that any increases would be in the regional offices and in the field. But there was already a need for additional office space at headquarters and the ILO premises might not be available after 1977. Furthermore the Organization was having to pay a substantial rent.

The times were not propitious for embarking on the building of a permanent extension; the Inspectors had mentioned the possibility of a loan being forthcoming from the Swiss authorities, but they should have been more careful to obtain correct information, since that was not the case. A number of other arguments militated in favour of a prompt decision to erect a temporary building, among them the disadvantages of having staff scattered in several locations, but the decisive one was that the temporary building - which would last 20 years - would cost a little less than 6 years' rent.

Mr FIORI (Canada) was interested to learn that the cost of renting ILO offices for 1977/1978 would be between Sw.fr. 600 000 and 1 000 000 depending on cost-of-living trends in Geneva, whereas the cost of the proposed building would be a good deal more. He would welcome more information on the cost/benefit of renting as against building in the longer term.

The Committee might also remember that in paying rent to ILO, WHO benefited ILO Member States, which were largely the same as its own Member States. Moreover, a more rational use of consultants to curb staff increases might reduce somewhat the pressure on existing accommodation, as would the eventual removal of the International Computing Centre to its own premises at some future date. He wondered whether possibilities such as those had been taken into account.

Mr WIRTH (Federal Republic of Germany) agreed with the Board's recommendation to defer the decision on the construction of a permanent extension to headquarters building in view of the strained financial situation and to erect a temporary building, for the reasons given by the delegate of France. He also supported the view of the Inspectors that, in deciding to erect the temporary building, the Health Assembly should consider whether it should also place limitations on headquarters staff growth in order to ensure that the new building would meet WHO's needs on office accommodation for a reasonable period of time.

Miss von GRUENIGEN (Switzerland) confirmed that the Swiss authorities would be unable to make a loan for the construction of a permanent extension to the headquarters building for approximately a year owing to budgetary difficulties. Her delegation would support the proposed construction of a temporary building, in view of the fact that ILO premises might not be available after 1976.

Dr AVILÉS (Nicaragua) wondered how the staff currently occupying ILO premises would be accommodated if ILO refused to renew the lease and no temporary building had been erected.

He had been reassured by Professor Aujaleu's comments that the proposed temporary building would be of a type that would last 20 years; in that case it would be uneconomic to rent rather than build. While he agreed with the delegate of Canada that funds paid by WHO to another United Nations agency were not lost to Member States as contributors, they were lost to them in terms of health programmes. His delegation therefore supported the recommendations in operative paragraph 2 of resolution EB55.R48.

Dr O. A. HASSAN (Somalia) said that in order to obtain good service the Organization should provide good accommodation. But before a decision was taken that would have a far-reaching effect on the life of the Organization, a study should be made of a number of the questions listed in paragraph 111 of the JIU report, notably subparagraphs (a), (b), (e) and (f). In particular, further information should be obtained from the Swiss authorities about the prospects for obtaining a loan. Meanwhile too much weight should not be given to the argument that ILO premises might not be available, since Member States could always give the necessary instructions to their ministers of health and ministers of labour, so that some solution could be found until such time as WHO could complete a permanent extension.

Mr PARROTT (United Kingdom of Great Britain and Northern Ireland) complimented the Inspectors on the first 25 pages of their report; thereafter it was disappointing to read that yet further study was recommended. His delegation considered that the Board's Ad Hoc Committee on Headquarters Accommodation had done better work than the Inspectors seemed to realize when they stated, in paragraph 94, that no detailed study had yet been made of the long-term needs of WHO for office accommodation at headquarters, even though they tempered that statement, in paragraph 101, by admitting that the projection of staff increases had been reasonably accurate.

Though buildings and funds were important, he agreed with the delegate of Somalia that the time had come to consider the needs of the staff. He therefore strongly supported the recommendations of the Executive Board for the reasons given by the French delegate and others, as a gesture of confidence in the Board and in the Director-General who, he was sure, would respond, as indicated in paragraph 102 of the JIU report, by stabilizing the staff.

Professor VANNUGLI (Italy) supported the recommendations of the Executive Board, since the proposed temporary building would be of good quality. He reminded the Committee that the building was needed to accommodate existing WHO staff already working in the ILO building, and not for additional staff; he, too, was in favour of the stabilization that the Director-General was quoted as believing to be attainable. The present monetary situation and the budget ceiling would in any case militate in favour of that. Moreover, as there was no chance of obtaining a loan in the near future, to decide to await a loan for the construction of a permanent extension would be tantamount to postponing the problem yet again.

Mr NOZIGLIA (United States of America) recalled that his delegation had been among those which, at previous Health Assemblies, had preferred not to go ahead with the construction of a permanent building. The Committee had been informed that a third temporary building would meet staff needs until about 1982. He considered that further studies would postpone a decision without throwing any more light on the situation and that to decide at the present Health Assembly to construct a temporary building would give the Organization time to consider building a permanent extension in 1982 in the light of the circumstances then prevailing.

It seemed that rental of ILO premises until the end of 1976 would amount to some Sw.fr. 622 000 and the new temporary building would cost Sw.fr. 5 630 000, so that for a total cost of Sw.fr. 6 252 000 the Organization would have solved the accommodation problem until 1982, whereas, if the current Health Assembly acted on the Inspectors' recommendation, the Twenty-ninth World Health Assembly would find the position unchanged. If that Assembly were to decide on the erection of a temporary building, construction could only begin in the second half of 1976, so that not only would the existing lease have to be prolonged - and there was no guarantee that the lease could be extended, as ILO staff needs would naturally take precedence over those of WHO - but additional space would have to be rented. Alternatively the Twenty-ninth World Health Assembly might decide to go ahead with a permanent extension, in which case the Organization would have to rent accommodation, in the ILO or elsewhere, until the new building was ready. The amount thus paid out would in either case be close to the cost of deciding forthwith on the erection of the temporary building, the only difference being that the Organization would not have had the temporary building. His delegation considered that it would be a waste of money and time not to act on the proposals so carefully prepared by the Director-General and the Executive Board with the least possible delay.

Dr OULD BA (Mauritania) agreed with resolution EB55.R48, especially after the clear explanation by the French delegate. As the temporary building might last some 20 years, however, the new building should take into account the Organization's possible expansion over the next 10-15 years at least.

Professor LISICYN (Union of Soviet Socialist Republics) said that some questions remained unclear to him. For the following reasons, it would be advisable to defer consideration of the problem to the fifty-seventh session of the Executive Board, which could then study all the relevant documents including the report of the Joint Inspection Unit. First, the present currency instability was likely to continue. Secondly, there was to be practically no increase in programme activities in 1975 and 1976 and, as the

Director-General had indicated, no substantial increase in headquarters staff was anticipated. Thirdly, there was at present a tendency to decentralize activities, at least as regards the Organization's main programmes, which would naturally lead to the transfer of some headquarters staff to the regional offices. Fourthly, he did not think that delegates had had time to study in sufficient detail all the relevant documents, and especially the JIU report, which contained a number of important considerations. In particular, the Inspectors had drawn attention to the fact that no detailed study had been made of the needs of WHO for office accommodation at headquarters, and had also emphasized that construction of a new temporary building would not provide a solution to the accommodation problem.

For the reasons he had enumerated, his delegation was unable to support the resolution proposed by the Executive Board with regard to the construction of a further temporary building.

Dr TOURE (Senegal) agreed with the delegates of Somalia and the United Kingdom that adequate accommodation for the staff was necessary. However, the Organization also had to establish policies within its means. Since it would be difficult to find the necessary funds to construct a permanent building, the solution of constructing a temporary one, as recommended by the Executive Board, seemed a reasonable one. He felt that the solution was a good one, particularly since there would be a substantial saving in rent and the temporary building might well be modified to permanent standards.

Dr ROUHANI (Iran) also supported the recommendations of the Executive Board. It had been calculated that the cost of the temporary building, which was generally recognized to be necessary, would be recovered in less than 6 years - an unusually favourable transaction for WHO.

Mr FURTH (Assistant Director-General), referring to the terminology used for the different types of building mentioned in the JIU report, said that the terms "temporary" and "permanent" had probably arisen from the fact that the first prefabricated building constructed by WHO had been intended to be temporary. However, the so-called temporary building under discussion would not be temporary in the strict sense, but would last 20-30 years before needing major repairs. It would be better to describe it as a standard design, low-cost, prefabricated building, or simply as a "prefabricated building". A "permanent" building was better described as an architect-designed building, constructed to architect's specifications, without prefabricated components, in a style consistent with the present headquarters building, and costing about 60% more per square metre of office floor (Sw.fr. 425 versus Sw.fr. 260) than a prefabricated building. For the sake of convenience, he would henceforth refer to the large extension under discussion as the "architect-designed building".

Although the Inspectors' report seemed to raise the basic issue as if it were a choice between a large architect-designed and a smaller prefabricated building, the Director-General had never excluded the possibility, as had been made clear in his report to the Board, that a larger building might be required at some time in the future. It was felt, nevertheless, that a third prefabricated building would permit WHO to meet its headquarters staff expansion needs until 1982, although no formal commitment to that effect could be given in view of the many factors beyond the control of the Secretariat, such as, for example, the proposal now before the Health Assembly to adopt new working languages, which would entail a considerable increase in headquarters staff. Since for one reason or another headquarters staff would most likely continue to grow to some extent for the next few years, the issue to be decided by the Committee was how to accommodate headquarters staff until 1982, the earliest date by which an architect-designed building could be available for occupancy. He recalled that a loan from the Swiss authorities, even if WHO should learn tomorrow that one could be made available at a reasonable rate, could be secured at the earliest by January 1978, owing to the lengthy formalities to be followed. It would be only in May 1978, then, that the Thirty-first World Health Assembly could authorize construction of the building and decide on the method of reimbursing the loan and financing the remaining cost not covered by the Swiss loan. That meant that the building would be ready for occupancy, barring unexpected delays, by 1982 at the earliest.

The problem of how to accommodate headquarters staff until then could not be ignored. Space was already being rented from the ILO, but the Secretariat had not found any evidence to support the statement in the Inspectors' report that WHO had the "ability to rent space

in the ILO building during the next several years". On the contrary, the ILO had stated repeatedly orally and in writing, both to the Inspectors and to WHO whether or not it would be possible to extend the lease depended on the development of the ILO staff situation and that it was not foreseen at the present stage that any extra space would be available for rental to WHO after the first 4 years.

Even if space could be rented from the ILO until 1982, the cost - which would be Sw.fr. 6 388 000 taking account of the additional offices needed - would be greater, as the United States delegate had so clearly pointed out, than renting from the ILO during 1975 and 1976 and simultaneous construction of a prefabricated building - Sw.fr. 6 252 000. Moreover, the cost of renting would have to be added, after 1976, to the annual budget. It should be borne in mind that the figures just mentioned did not allow for rent increases, which the ILO was free to demand in accordance with its agreement with WHO, or for maintenance charges relating to the prefabricated building. The two costs could offset each other.

Even though the Inspectors, in paragraph 101 of their report, admitted that the projections of staff growth made by the Ad Hoc Committee of the Executive Board had been "reasonably accurate thus far", they were proposing in paragraph 103 a further delay on a decision pending another study permitting "accurate projections of staff growth". The inconsistency in those statements had already been pointed out. In fact, three detailed projections had already been made by the Director-General and the Ad Hoc Committee, which had been submitted to the Board and the Health Assembly. A fourth study had also been made, not in mathematical terms, of the possibilities of further decentralization of WHO staff. By decision of the Board and the Health Assembly, that study, which was to forecast the types of activities the Organization would undertake in future and determine whether they could be carried out more appropriately at headquarters, in the regions, or at the country level, had been made part of the Board's organizational study on "Interrelationships between the central technical services of WHO and programmes of direct assistance to Member States". That organizational study would soon be considered by the Health Assembly, and he wished merely to point out that, in presenting the study to the Executive Board, the Chairman of the Working Group had noted that the Group had considered at length the issue of centralization versus decentralization, adding that the study prescribed no formula and made no appeal for either centralization or decentralization. Rather, it stressed a unified concept of the Organization whereby functions at different levels could be carried out without a distinct separation. A further study, in his opinion, would not shed any additional light on the problem before the Committee.

The DIRECTOR-GENERAL reiterated that the decision on the parameters controlling the growth of the headquarters staff did not rest with the Director-General. During the 20 months of his tenure, nevertheless, each of the many new activities begun at the instigation of the Health Assembly had been offset by reductions in headquarters posts in other activities. He would abide by the Health Assembly's wish to prevent any excessive growth. Although new activities would continue to be demanded by Member States, the necessary resources would have to be mobilized by reducing other services to avoid an undesirable impact on the budget and on headquarters accommodation. It was also true, however, that space at headquarters had had to be found for staff engaged in activities financed through the very considerable funds mobilized outside the regular budget for the direct benefit of Members in fields such as community water supplies, family health, and human reproduction.

It was his sincere wish to continue on the same path. Within the regular budget, it was hoped soon to have a stabilized headquarters population. If the Health Assembly agreed to continue the activities financed by such funds, he hoped that overhead costs funds could be accumulated and used towards the cost of construction, if necessary, of temporary buildings sufficient to accommodate them. Personally, he had opposed placing the proposal for a new permanent building before the Executive Board and Health Assembly because, psychologically, it was helpful not to have too much space; space in the headquarters building was currently being exploited to an extent unparalleled by most national administrations, as delegates could see by visiting the building. Through its present approach WHO was not only effecting economies but helping to keep headquarters staff growth under control. As pointed out by the USSR delegate, that went hand in hand with the current determined efforts to decentralize activities, whenever feasible, from headquarters to the regional offices and thence to the countries. Today's debate again indicated that Members would not tolerate excessive growth, and the Secretariat would abide by their wish.

Dr VALLADARES (Venezuela), Rapporteur, read out the following draft resolution on headquarters accommodation:

The Twenty-eighth World Health Assembly,
Recalling resolution WHA27.14;

Having considered resolution EB55.R48 and the Director-General's report on future requirements for headquarters accommodation;

Having noted the Joint Inspection Unit's report on the utilization of office accommodation at the headquarters of the World Health Organization;

Noting with satisfaction that the Director-General has made arrangements to provide the WHO headquarters services with the premises they will need in 1975 and 1976 by renting offices in the new ILO headquarters building;

Considering it desirable that the Organization should have its own premises so as to ensure that the offices required by it after that period will be available;

Recognizing that in present economic conditions the resources for financing a large architect-designed building are lacking; and

Noting that the cost of a smaller prefabricated building with a useful life of at least 20 years before requiring major repairs and containing about 138 offices is estimated at Sw.fr. 5 630 000,

1. AUTHORIZES the Director-General to pay from the Casual Income Account the rent and the cleaning, maintenance and installation costs of the offices rented by WHO in the ILO building until 31 December 1976, up to the extent of the amount accruing to WHO from the sale by ILO of its temporary building in Petit-Saconnex;
2. FURTHER DEFERS a decision on the construction of an architect-designed extension to the headquarters building;
3. AUTHORIZES the construction of a new prefabricated building containing about 138 offices on the site belonging to the Organization; and
4. AUTHORIZES the use of the reserves that have accumulated in the Real Estate Fund for the construction of a larger architect-designed extension to the headquarters building to finance in part the construction of this prefabricated building.

Decision: The draft resolution was approved.

6. DRAFT SECOND REPORT OF COMMITTEE B (Document A28/B/3)

Dr VALLADARES (Venezuela), Rapporteur, read out the draft second report of Committee B (document A28/B/3).

Decision: The second report of Committee B was adopted.

The meeting rose at 5.10 p.m.