

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION

### GATT Accommodation in the former ILO Building - Progress Report

In accordance with the recommendation of the Committee on Budget, Finance and Administration and the decision of the Council on 28 January 1974, the Director-General has taken the necessary action in order to accommodate the GATT secretariat in the former ILO building, rue de Lausanne, and a building fund has been established.

A first report on the progress of work has been submitted to the Committee on Budget, Finance and Administration at its meeting in October 1974. The present note reports on the progress of the work so far and on its financial implications.

#### 1. Technical Progress

##### General

After detailed preparation in 1973/4 and removal of ILO to its new building in the early months of 1975, work started on 1 April 1975 in the south wing of the building, which will be occupied by the United Nations. The north wing, which will be taken over by GATT, was occupied by the Security Conference until the end of July 1975, which delayed the start of actual work until September 1975. This should, however, have no great impact on the further progress of work.

The first months will be spent on basic renovation work: new staircases, new elevators, replacement of the boilers and of the majority of the sanitary installations, civil engineering work in the conference rooms, etc. The main part of that work is paid for by the Fondation des Immeubles pour les Organisations Internationales (FIPOI), proprietor of the building.

##### Details

Detailed studies are in progress for the equipment of specialized services such as Roneo, Registry, data processing, library, etc. Concerning conference rooms, detailed studies are also in progress for floor, wall and ceiling coverings, lighting, furniture, etc. A call for tenders has gone out for the simultaneous interpretation equipment for the conference rooms. In most cases these detailed studies will result in orders being placed towards the turn of the year.



## 2. Administrative and Legal Aspects

The "Délégation des Maîtres de l'ouvrage", composed of the four organizations which organize work in the building, i.e. the Fondation des Immeubles pour les Organisations Internationales (FIPOI), l'Institut universitaire des Hautes Etudes Internationales (IUHEI), the United Nations and GATT have agreed that all work which will be incorporated in the building is controlled jointly by the "Délégation" under the co-ordination of FIPOI according to the machinery applicable to the "Swiss Federal Constructions". Work which will remain the exclusive property of GATT, mainly furniture and simultaneous interpretation equipment, is dealt with by GATT according to its financial regulations.

## 3. Financial Aspects as per 31 August 1975

### (a) Building Fund

The total work was estimated at Sw F 5 million in October 1973, and the decision was taken by GATT to establish a building fund up to that amount. This amount is intended to cover improvements to the building corresponding to specific GATT needs; they do not include the renovation work covered by FIPOI, which has been granted Sw F 13 million by the Swiss Chambres Fédérales for that work. According to the index of construction costs which is calculated by the Statistical Office of the town of Zurich and is considered all over Switzerland to be the most reliable yardstick, an increase in building costs amounting to 4.41 per cent has occurred since October 1973. The initial estimate of the Building Fund should, therefore, amount to Sw F 5,220,000 to cope with inflation.

### (b) Income

As per 31 August 1975, the building fund amounts to:

Transfer from 1973 surplus	Sw F	622,532.66
Transfer from 1974 surplus	Sw F	1,250,000.00
	Total Sw F	<u>1,872,532.66</u>

(An amount of Sw F 515,610 is in Suspense Account pending a decision on the proposals made by the Director-General (document C/92))

For the budget year 1976, an additional contribution is proposed, amounting to	Sw F	<u>2,500,000.00</u>
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(c) Commitments

The total commitments entered into by GATT  
up to now amount to

Sw F 1,816,732.00

(d) Payments made so far amount to

Sw F 341,643.50

4. Time-table

According to present forecasts the basic work should be completed towards the middle of 1976 and the finishing-off work will start shortly after New Year 1976 and be completed towards the middle of 1977.

Due to the delay of a few months in the start of the work (see paragraph 1 above), the bulk of the payments for the main work, corresponding roughly to the commitments entered into so far, will come in the early part of 1976 instead of in 1975. Provision needs to be made in addition for the orders which will be placed towards the turn of the year, and which will result in delivery in most cases in the course of the year 1976.

Depending on the progress of the technical work, about 85 per cent of the payments will need to be made by the end of 1976, leaving about 15 per cent to be paid in 1977.