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Conformément au règlement (CEE, Euratom) n° 354/83 du Conseil du 1er février 1983 concernant l'ouverture au public des archives historiques de la Communauté économique européenne et de la Communauté européenne de l'énergie atomique (JO L 43 du 15.2.1983, p. 1), tel que modifié par le règlement (CE, Euratom) n° 1700/2003 du 22 septembre 2003 (JO L 243 du 27.9.2003, p. 1), ce dossier est ouvert au public. Le cas échéant, les documents classifiés présents dans ce dossier ont été déclassifiés conformément à l'article 5 dudit règlement.

In accordance with Council Regulation (EEC, Euratom) No 354/83 of 1 February 1983 concerning the opening to the public of the historical archives of the European Economic Community and the European Atomic Energy Community (OJ L 43, 15.2.1983, p. 1), as amended by Regulation (EC, Euratom) No 1700/2003 of 22 September 2003 (OJ L 243, 27.9.2003, p. 1), this file is open to the public. Where necessary, classified documents in this file have been declassified in conformity with Article 5 of the aforementioned regulation.

In Übereinstimmung mit der Verordnung (EWG, Euratom) Nr. 354/83 des Rates vom 1. Februar 1983 über die Freigabe der historischen Archive der Europäischen Wirtschaftsgemeinschaft und der Europäischen Atomgemeinschaft (ABl. L 43 vom 15.2.1983, S. 1), geändert durch die Verordnung (EG, Euratom) Nr. 1700/2003 vom 22. September 2003 (ABl. L 243 vom 27.9.2003, S. 1), ist diese Datei der Öffentlichkeit zugänglich. Soweit erforderlich, wurden die Verschlussachen in dieser Datei in Übereinstimmung mit Artikel 5 der genannten Verordnung freigegeben.

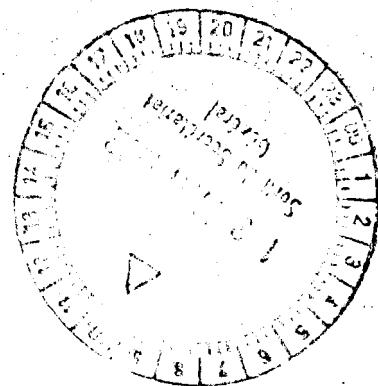
# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 280 final.

Brussels, 11 May 1982

GENERAL BUDGET FOR 1982

SECTION III - COMMISSION - PART A



TRANSFER OF APPROPRIATIONS No 10/82

(Non-compulsory expenditure)

FROM CHAPTER 100 - PROVISIONAL APPROPRIATIONS

TO CHAPTER 20 - INVESTMENTS IN IMMOVABLE PROPERTY, RENTAL OF  
BUILDINGS AND ASSOCIATED COSTS

Article 206 - Acquisition of immovable property

1 500 000 ECU

The Financial Controller approved this proposal on 28 April 1982 in accordance with Article 21(4) of the Financial Regulation and certified that the appropriations are available.

COM(82) 280 final.

GROUNDS

1. All available space in the offices of the Commission Delegation in Tokyo is occupied by the 35 people currently employed there, but in the medium-term the staff complement will have to be raised to 45. Furthermore, these offices do not meet present safety requirements and this makes a poor impression in a country with which the Community's trading links are of the utmost importance.

The residence of the Head of the Delegation - two connected flats with a total area of 320 m<sup>2</sup> - is not convenient for the entertaining that plays such an important role in Japanese life.

The Member States have always taken account of the importance of proper entertaining by giving reception rooms in their residences preference over their chancelleries. All except Ireland own the buildings they occupy.

2. Since the conclusions of the Commission's economic analysis establishing the advantages of purchase of buildings over rental are no longer questioned, the Commission is requesting the means to purchase a plot of land and construct a building to house both offices and residence.

In the 1980 budget the Commission unsuccessfully requested an appropriation of 6 904 000 ECU to buy a plot of land (5 530 000 ECU) and begin building (1 374 000 ECU, one third of the total cost) and then asked for an appropriation of 2 094 000 ECU in the 1981 budget to continue work.

For 1982 it requested 7 200 000 ECU for the purchase of a plot of land and a further 1 300 000 ECU for the construction of a building. As in 1981, it was granted only 1 500 000 ECU which was entered in Chapter 100.

3. Twenty-five percent of the inhabitable land area of Japan lies around Osaka, Nagoya and particularly Tokyo, where about 70% of the population and the same percentage of industrial production are to be found. The very rapid growth of these areas has resulted in acute over-population with almost insoluble housing problems and rocketing land prices; fierce competition has, however, pegged building costs.

If the Delegation is to function efficiently, these factors must be taken into account and the search for a suitable site must be confined to the area of Chiyoda-Ku and a part of the adjoining district of Minato-Ku. These are central areas where most of the embassies of the Member States, ministries, business centres and press offices are situated.

Having had no success in its approaches to the Japanese authorities (Ministry of Foreign Affairs) and to the embassies of the United States and the Philippines, which own land, the Commission decided to study the land market itself.

4. Land prices have risen sharply in only a few years from 2 509 ECU per square metre in 1978 to between 5 018 ECU and 6 277 ECU per square metre in 1982.

There are three sites for sale at the moment in the area referred to at 3 above:

- in Chiyoda-Ku in an area designated for commercial building:  $1\ 118\ m^2$  at 9 538 ECU per square metre;
- in Chiyoda-Ku in a residential area:  $1\ 606\ m^2$  at 5 647 ECU per square metre;
- in Minami-Azabu in a residential zone:  $3\ 280\ m^2$  at 5 647 ECU per square metre.

Some other sites became available but these were not pursued because the Community's decision-making process cannot keep up with the speed at which land deals are usually completed.

5. The Commission has also considered the following solutions:

- (a) continuing to rent the space required for its offices and the residence of its Head of Delegation. The financial terms are extremely unattractive and there is no return on the money spent. This solution runs counter to the recommendations of the Court of Auditors and Parliament;
- (b) purchase of a suitable area in an existing building. Since office and apartment blocks are built by large companies either for their own needs or as an investment, it is impossible to buy parts of buildings in Tokyo;
- (c) to have the space required for the offices and residence included in a building under construction. Although this solution would provide custom-built premises, there would be no financial advantage because a large deposit yielding no interest would have to be lodged, and then a normal rent paid. For an area which could be used for the residence, chancellery and two flats on a  $2\ 640\ m^2$  site near the British Embassy, a deposit of 6.2 million ECU followed by an annual rent of 745 236 ECU has been quoted.

If the budgetary authority rejects its building proposal, the Commission will have to fall back on this last solution which would at least have the advantage of providing space adequate for its needs and security. It would however involve payment of some 6 million ECU as a deposit; this sum would be returned at the end of the lease.

6. The Conference of Catholic Bishops in Japan wishes to auction a piece of land which it owns. Advertisements will be published in mid-June. Staff from Brussels have been to see the site, which appears very attractive. It is situated in Chiyoda-Ku (Rokubancho) near to two large railway stations and the Belgian Embassy, ten minutes walk from the delegation's present offices and in an area where fire protection facilities are excellent.

The total area is about  $2\ 280\ m^2$ . This could be used for a complex of offices and residence not more than 20 m high, providing 3 600 square metres of usable space. The Commission would use this as follows:

- offices:  $1\ 200\ m^2$ ;
- residence of the Head of Delegation:  $600\ m^2$ ;
- two or three meeting rooms:  $400\ m^2$ ;
- parking, technical services, archives, storage etc:  $1\ 400\ m^2$ .

Consultations with architects, construction firms and banks suggest that:

- (a) an offer of less than 5 640 ECU per square metre (12 860 000 ECU for the whole site) is unlikely to be successful;
- (b) the maximum price the site is likely to realise is 6 277 ECU per square metre (a total of 14 310 000 ECU). A reserve appropriation should therefore be set aside; this would not be used unless required.

7(a) The Commission is therefore requesting the budgetary authority to authorize the transfer of 1.5 million ECU entered in Chapter A 100 (Provisional appropriations) to Article A 206 (Acquisition of immovable property) to enable it to go ahead with this building project.

(b) In authorizing this transfer, the budgetary authority would also commit itself to providing a further 12.8 million ECU for Article A 206, if required, on the basis of a proposal which the Commission would submit before the end of this financial year.

APPROPRIATIONS IN CHAPTER 100 - PART A

AS AT 28 APRIL 1982

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|                                     |                     |
|-------------------------------------|---------------------|
| 1. Total appropriations             | 6 231 000 ECU       |
| 2. Appropriations being transferred | 355 000 ECU         |
| 3. Appropriations still available   | <hr/> 5 876 000 ECU |