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AMENDMENT OF ARTICLE VI. A. 2 OF THE STATUTE

Note by the Director General

- 1. Since the General Conference met in September 1978, the Board had further discussions on the question of the amendment of Article VI. A. 2 of the Statute and it decided at its meetings last June that the records of its discussions should be made available to the Conference.
- 2. Those parts of the summary records dealing with the item "Amendment of Article VI. A. 2 of the Statute" at meetings of the Board in February and June 1979 are accordingly reproduced in this document.

Summary records of the discussion on the item - Amendment of Article VI.A.2 of the Statute - at the meetings of the Board of Governors held in February and June 1979

RECORD OF THE FIVE HUNDRED AND TWENTY-EIGHTH MEETING

Held at Headquarters, Vienna, on Wednesday, 21 February 1979, at 11.5 a.m.

AMENDMENT OF ARTICLE VI.A.2 OF THE STATUTE

- 3. The CHAIRMAN invited the Board to consider item 5 of the agenda Amendment of Article VI.A.2 of the Statute on the basis of Resolution GC(XXII)/RES/361 adopted by the General Conference in September 1978.
- 4. Mr. SINGH (India) recalled that in February 1977 the Board had had before it a draft amendment to Article VI.A.2 of the Statute, relating to the representation of the areas of Africa and the Middle East and South Asia. Those two areas had always been inadequately represented on the Board. The need to remedy that intolerable situation had been amply demonstrated in both the Board and the General Conference, and the adoption of an amendment was consequently an urgent matter.
- Mr. GHEZAL (Tunisia) agreed and stressed that the representation of those two areas on the Board was of the order of 22% while the representation of the other areas ranged from 32% to 38%. In practice, that meant that a country in one of the two unfavoured areas had to wait nine years before getting another seat on the Board, whereas countries in other areas had to wait only six years. That was a flagrant violation of the principle of equitable representation of Member States in different areas, a principle which was clearly laid down in the Agency's Statute. It was highly regrettable that no solution was yet in sight and he earnestly hoped that constructive discussions could be held in the Board before the twenty-third regular session of the General Conference.
- 6. Mr. OSMAN (Egypt) said that the question of equitable representation for the areas of Africa and the Middle East and South Asia had been on the Board's agenda and under discussion since February 1977, the two areas concerned asking that the principle of equitable representation mentioned in Article VI.A.2 of the Statute be respected and that they no longer be discriminated against. His country adhered to the original proposal, of which it had been a co-sponsor, calling for three more seats for Africa so as to remedy the imbalance that existed and in order to uphold the Statute. His delegation was open-minded

with regard to any solution which commended itself to all Member States in the area of Africa and he proposed that informal consultations be held as early as possible so that a swift decision could be taken soon.

- 7. Mr. ALLOTTEY (Ghana) strongly supported the proposed amendment, the purpose of which was solely to ensure the observance of an essential principle of the Agency's Statute.
- 8. Mr. CHRAIBI (Morocco) unreservedly agreed with the views of the Governors who had spoken before him.
- 9. Mr. MANZÓN JUÁREZ (Guatemala), speaking on behalf of the Latin American countries, thought that a thorough study of the question was essential in order to arrive at a fair and equitable solution and that the consultations already started should therefore be continued.
- 10. Mr. SILVA ARANDA (Peru) said that the Group of 77 would continue to consider the question in the hope of being able to propose an acceptable solution at the June meetings of the Board.
- 11. Mr. HASANI (Saudi Arabia) said that his delegation was one of the co-sponsors of the original draft amendment and that he would abstain from making a detailed statement if it were decided that the question would be included in the agenda for the June meetings of the Board.
- 12. The CHAIRMAN took it that the Board wished to postpone further discussion on the amendment of Article VI.A.2 of the Statute until June.
- 13. It was so decided.

RECORD OF THE FIVE HUNDRED AND THIRTY-FOURTH MEETING

Held at Headquarters, Vienna, on Thursday, 28 June 1979, at 11.10 a.m.

AMENDMENT OF ARTICLE VI.A.2 OF THE STATUTE

- 7. The <u>CHAIRMAN</u> reminded the Board that it had agreed in February to postpone discussion of the amendment of Article VI.A.2 of the Statute until June*
 and drew attention to the resolution which the General Conference had adopted on
 that subject at its most recent regular session (GC(XXII)/RES/361).
- 8. Mr. KATTAN (Saudi Arabia) pointed out that in its resolution GC(KXII)/RES/361 the General Conference had given the Board a specific task, that

^{*/} See the record of the 528th meeting, paras 3-13, reproduced above.

of submitting its observations on proposals for increasing the representation of the areas of Africa and of the Middle East and South Asia. Lengthy discussions had been held on the subject and he believed that the proposal submitted in 1978 by Iran, Pakistan and Saudi Arabia still represented the best solution. He hoped that the Board would recommend that solution to the General Conference for adoption.

9. Mr. CHAGULA (United Republic of Tanzania) said that discussion of the issue of amendment of Article VI.A.2, simple as it appeared, was taking a disproportionate amount of the Board's time; little progress seemed to have been made since the Board had started to discuss the matter in February 1977. It should not be forgotten that under Article XVIII.C(i) of the Statute the General Conference would not be able, at its next session, to adopt a proposal on that subject unless the Board had made a final recommendation.

10. Although representation of other regions on the Board ranged from 32% to 38%, the two regions of Africa and of the Middle East and South Asia were represented to the extent of only about 22%. That obvious under-representation of the two areas concerned was a flagrant violation of the principle of equitable representation of Member States on the Agency's Board of Governors as clearly stated in Article VI.A.2. As had been stated by the Governor from Tunisia at the meetings of the Board in February 1979, **/ the result of the inequitable situation was that, although each Nember State in the other regions had to wait at most six years before obtaining a seat on the Board, Member States in the two regions concerned had to wait as long as nine years. He hoped that the Board would face up to its responsibilities and produce definite recommendations on that issue at the current series of meetings, so that the General Conference could consider them at its next regular session.

11. If the Board did not do that, it might be thought that its attitude to the Statute was inconsistent, and it might be only a matter of time before other articles of the Statute, for example those regulating technical assistance and safeguards, were violated. If that were to happen, the very credibility and respectability of the Agency might be in jeopardy. His statement should not be taken as implying that Tanzania had no confidence in the Agency; however, constructive criticism of the Agency's policies (or lack thereof) were surely in order from time to time, and it should be possible to differ from other Member States on matters of policy - for example where technical assistance to States members of the Group of 77 was concerned.

^{**/} Tbid., para. 5.

- Mr. SINGH (India) said that the question of amending Article VI.A.2 12. of the Statute had been under consideration since February 1977. The principle on which the proposed amendment was based was not new and was fully in accord with the Statute. India had consistently supported the principle of equitable geographical representation in various international fora, including the Agency. It was a fact that the regions of Africa and of the Middle East and South Asia had been under-represented on the Board from the very beginning and had not received equitable representation at the time of the last amendment of the Statute. During the two years since the present proposal for amendment had first been put forward, ample justification had been provided for it both in the Board and at the General Conference. It was thus regrettable that the disparity in representation had still not been resolved. The matter should be kept open for further consideration if no agreement were reached at the current series of meetings.
- Mr. SAMII (Iran) said that the question under discussion had been considered often by the Board and also by the General Conference. Many delegations had put forward arguments both in favour of and against the amendment. He believed, however, that the figures spoke for themselves, since they clearly demonstrated that the regions involved were under-represented. He supported those who had spoken in favour of amendments and hoped that the Board would consider the subject in depth at its present series of meetings.
- Mr. NAMEK (Egypt) said that over two years earlier a proposal had been submitted for a limited increase in representation for the areas of Africa and of the Middle East and South Asia. The case for amendment was clear and straightforward, since those regions were obviously under-represented. The issues at stake were all well known and there was no further need even to provide arguments against those of Member States who were not in favour of amendment. Such States were concerned only with maintaining the status quo and did not wish to address themselves to the problem seriously. Egypt wanted an open, frank and purposeful discussion of proposals for amendment; his Government's position would always be one of understanding and flexibility, if others were prepared to act similarly. Egypt was in favour of approving the original proposal, of which it had been a cosponsor and which called for three additional seats on the Board for the area of Africa.
- Mr. SILVA ARANDA (Peru), speaking on behalf of Peru alone, said that the subject under discussion was of great importance for all developing countries, including countries in regions other than those directly concerned by the present proposal. He had had many discussions on the subject with representatives of countries which belonged to the two regions involved and he had noted that those countries did not feel they were represented on the Board as they should be. He believed that if no solution were achieved at the current series of meetings the issue should be reopened at the General Conference.

- 16. The <u>CHAIRMAN</u> suggested that the relevant parts of the official records of the Board's meetings in February and of the present meeting should be made available to the General Conference at its twenty-third regular session.
- 17. It was so agreed.