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COMMITTEE OF THE WHOLE

RECORD OF THE FORTY-SIXTH MEETING

Held at the Neue Hofburg, Vienna,
on Tuesday, 30 September 1986, at 10.40 a.m.

Chairman: Mr. de la BARRE d'ERQUELINNES (Belgium)

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[*] A provisional version of this document was issued on 19 November 1986.

[**] GC(XXX)/789.

The composition of delegations attending the session is given in document
GC(XXX)/INF/238/Rev.4.

87-660
1045e/0155e

ELECTION OF VICE-CHAIRMEN AND ORGANIZATION OF WORK

1. The CHAIRMAN understood that a consensus had been reached on the choice of two Vice-Chairmen and proposed Mr. Zador (Hungary) and Mr. Besrour (Tunisia). If there were no objections, he would take it that the Committee of the Whole wished to elect Mr. Zador and Mr. Besrour as Vice-Chairmen in accordance with Rule 46 of the Rules of Procedure of the General Conference.

2. It was so decided.

3. The CHAIRMAN drew the attention of the Committee of the Whole to document GC(XXX)/COM.5/OR.44, which listed the agenda items referred to the Committee by the General Conference. He proposed that the items be taken in the order in which they appeared in that document.

4. It was so decided.

5. The CHAIRMAN proposed that, as in the past, he himself should report orally at a plenary meeting of the General Conference on the Committee's deliberations, which would also be the subject of detailed summary records.

6. It was so decided.

THE AGENCY'S ACCOUNTS FOR 1985 (GC(XXX)/776)

7. Mr. KOREF (Panama) said that the question of the accounts had already been examined in detail in the Administrative and Budgetary Committee and in the Board of Governors. Therefore, in order to complete its work in time, the Committee of the Whole should adopt by acclamation the draft resolution appearing on page I of document GC(XXX)/776.

8. Mr. MORALES (Cuba) said that it appeared from Part I of the accounts document, which contained the Director General's report on budgetary performance in 1985, that under all appropriation sections, with the exception of General Services, there had been significant overruns. Although no proper explanation of the causes had been given, his delegation did not believe that the overruns were due to bad planning but rather the result of problems which had arisen unexpectedly during the year. He stressed the need to limit

overruns and to provide more comprehensive information on those which had been unavoidable. Although the Secretariat had already made efforts in that direction, additional measures were necessary in order to reach an acceptable situation.

9. It appeared from paragraphs 12 and 13 in Part II of document GC(XXX)/776 that on 31 December 1985 unpaid Regular Budget contributions had amounted to over \$5 million and that for 1985 alone unpaid contributions had amounted to over \$2.5 million, which was more than the total previous arrears. It was essential to find a solution to the problem of unpaid contributions; countries which were in a position to do so should respect their financial obligations.

10. Another important matter was the financial situation of the Technical Assistance and Co-operation Fund (TACF) as of 31 December 1985. In 1985, the figure approved for voluntary contributions to the TACF had been \$26 million; the total amount pledged had been \$23 255 051 (or 89.4%), but only a little more than \$15 million (about 67.5% of the pledged amount) had in fact been paid. As Statement II.B showed, that level was the lowest recorded since the introduction of the indicative planning figure mechanism. The United States alone owed more than \$6 million, and 46 countries had still to pay \$2 million of assessed programme costs. Despite all the efforts which had been made, it had not yet been possible to solve the problem of financing the TACF in a way which was acceptable to all parties. The Secretariat should formulate a specific proposal to be examined in due course by the Technical Assistance and Co-operation Committee and the Board of Governors. It was hardly necessary to stress the negative effects that such a situation might have in future on the functioning of the indicative planning figure mechanism and on the voluntary nature of contributions to the Fund.

11. Also, the Secretariat should take steps to avoid the recurrence of unused balances resulting from the non-implementation of planned activities, particularly in the technical assistance sector.

12. Having said that, his delegation was prepared to recommend approval of the draft resolution on page I of document GC(XXX)/776.

13. Since no other representative wished to speak on the agenda item under discussion, the CHAIRMAN took it that the Committee of the Whole wished to recommend that the General Conference adopt the draft resolution on page I of document GC(XXX)/776.

14. It was so decided.

THE AGENCY'S PROGRAMME AND BUDGET FOR 1987 and 1988 (GC(XXX)/777 and Add.1)

15. Mr. LAMPARELLI (Italy) said that his Government's position on the Agency's programme and budget for 1987 and 1988 was described in the summary records of the meetings of the Administrative and Budgetary Committee and the Board of Governors held in May and June respectively. With regard to the proposed expansion of the Agency's nuclear safety activities, his delegation was disappointed that the Board had not been able to identify clear priorities and had been content to approve a maximum level of expenditure. Examination of that question should be pursued without delay. His delegation believed that in order to do that and also to consider the other matters on which the General Conference, at its first special session, had requested further discussion[1], an ad hoc committee open to all Member States, should be established as Sweden had proposed at the meetings of the Board of Governors in September.

16. Mr. MORALES (Cuba) said that his delegation welcomed the improvement in the presentation of the programme budget. It would, of course, always be possible to improve the content, but his delegation believed that no significant change should be made to the format which had now been adopted, so that the necessary comparisons could be made without difficulty.

17. Document GC(XXX)/777 contained not only the draft programme and budget for 1987, but also forecasts for 1988. Only the proposals for 1987 were now being submitted to the General Conference for approval, but the ideas and opinions expressed in the Committee of the Whole on the subject of the programme budget for 1988 would serve as a guideline for the Secretariat. The Secretariat had adopted the practice of carrying out negotiations with Member

[1] See resolution GC(SPL.I)/RES/2.

States on the programme and budget for each year. That was particularly valuable for States which were not Members of the Board of Governors, and the recent initiative of presenting the activities and budgetary estimates of the Agency for two consecutive years should not interrupt that dialogue.

18. His delegation was pleased to see that the Regular Budget as presented envisaged an increase of 2.2% in expenditure for 1987, which seemed to mark a break with the arbitrary policy of zero real growth pursued in accordance with the wish of certain Member States but regularly rejected by the majority of developing countries.

19. From Tables 8, 11, 14, 18, 21, 24, 27, 31, 34 and 38, his delegation noted with concern that in some cases projects of special significance to developing countries were to be financed mainly from technical co-operation resources or extrabudgetary resources, which were generally rather unpredictable, whereas projects which were important for other countries were to be financed from the Regular Budget. His delegation believed that it was necessary to consider whether that situation was in line with the Agency's objectives and whether it should be corrected.

20. His delegation favoured adoption of draft resolutions A, B and C contained in Annex III to Part I of document GC(XXX)/777. Also, it believed that the proposed expanded nuclear safety activities[2] were in line with Cuba's interests, and approved in principle the inclusion of those activities in the Agency's programme and budget for 1987.

21. Mr. BAMSEY (Australia) said that, as in the case of previous budgets, the Australian authorities' primary concern when examining the draft budget for 1987 had been to ensure that the Agency had the necessary financial means fully to discharge its statutory responsibilities and would be able to discharge those responsibilities efficiently. His delegation was confident that the draft budget for 1987, as presented, would meet that concern.

22. The programme of expanded nuclear safety activities for 1987 proposed in document GC(XXX)/777/Add.1 had perforce been prepared in haste. Few national or international administrations would have been capable of devising

[2] Described in document GC(XXX)/777/Add.1.

and then revising such a comprehensive and detailed programme in so short a time. The very high quality of the work of the Agency's staff had been demonstrated once again. Australia believed that the revised programme was essential, supported it, and commended it to other Member States. However his country understood the position of those who considered that it should be examined in greater detail and was pleased that the Board of Governors was prepared to carry out such an examination, which could only add to the value of the proposed programme. It was important that in examining priorities in the area of safety there should be a return to the well-established mechanism of consultations which had proved to be so beneficial to the Agency; the proposals for safety activities in 1988 should be considered in that context.

23. The circumstances of 1986 had resulted in an exceptional need to expand the Agency's nuclear safety programme, but the economic constraints and policies of Member States had not changed since the Chernobyl accident. With the exception of the nuclear safety programme the Secretariat had, once again, succeeded in establishing a budget which reflected economic reality - in other words, a budget which was virtually one of zero real growth. His delegation congratulated the Secretariat on having achieved that result, which nevertheless met the essential needs of Member States and provided for some growth in important areas and which had been obtained after lengthy consultations with Permanent Missions. In that connection the Australian delegation would like, in the following year, to examine with the Secretariat ways of making such joint consideration of the programme and budget even more productive, by improving still further the timeliness of consultations and by taking even greater account of the integrated nature of the programme and budget.

24. In line with its conviction that international organizations should be fully accountable to their Member States, Australia had welcomed a number of innovations in the budgetary process which had led to greater transparency and efficiency. Also, his delegation had welcomed the Secretariat's intention to introduce biennial budgeting, which should improve forecasting, relieve pressure on the Secretariat and enable Member States to be associated more closely with decisions regarding priorities. The Secretariat had made some progress in that direction in 1986, but the pressure of events had limited

consultations on the budgetary estimates for 1988. It was, however, useful to have been given an initial indication of the Secretariat's proposals. The Australian Permanent Mission was looking forward to examining the more precise, revised estimates in consultation with the Secretariat and of course with other Permanent Missions.

25. In addition to the limitations on expenditure which continued to be imposed by the economic circumstances of Member States, the necessity of increasing nuclear safety activities would make it even more important to establish priorities and to adhere to them. The Agency should therefore make even greater efforts to reduce overheads and to increase productivity. That, together with the reduction or cancellation of low-priority activities, would release resources for priority programmes. The relevant decisions would not be easy, but they had to be taken - a stringent approach was essential.

26. Australia had always regarded the safeguards programme as being of high priority. The resources allocated to that programme would have to be increased if the Agency was to carry out its statutory responsibilities arising from safeguards agreements. In his statement to the General Conference, the Director General had himself drawn attention to the increasing responsibilities of the Department of Safeguards. The Department's efforts to improve still further the efficiency of safeguards activities were praiseworthy. Also, the Department was to be commended for its frankness during discussions in the Board and with Permanent Missions, which promoted greater understanding of the complex details of the safeguards system on the part of Missions and in capitals. The NPT Review Conference in 1985 had made various recommendations, some of which involved the Agency. The Agency had made progress in implementing those recommendations during 1986 and would undoubtedly continue its efforts in 1987. His delegation hoped that the Secretariat would take account of those recommendations when preparing the draft programme and budget for 1988.

27. In conclusion, his delegation supported the draft Regular Budget for 1987 as contained in documents GC(XXX)/777 and Add.1, the level proposed for voluntary contributions to the Technical Assistance and Co-operation Fund and the proposed level of the Working Capital Fund. While accepting that there

might be a need to review the proposals contained in document GC(XXX)/777/Add.1, it supported adoption of the draft resolutions contained in Annex III to Part 1 of document GC(XXX)/777.

28. Mr. HAUSTRATE (Belgium) said that his delegation had no objections to the Agency's programme and budget for 1987. However, it would like to make two comments. Firstly, acceptance of the budget did not mean that Belgium accepted the substance of the measures proposed in the area of nuclear safety. His delegation was grateful to the Agency for having devised an expanded programme in that area so rapidly, but wished to recall that the proposed measures still had to be examined in depth in the Board.

29. Secondly, acceptance of the budget by Belgium did not in any way constitute unconditional acceptance of the figures proposed. In fact, his delegation deeply regretted that it had not been possible to observe zero growth in the budget estimates for 1987. It believed that the increase resulting from the safety programmes proposed after the Chernobyl catastrophe could have been balanced by savings in other areas of the Agency's programme. The Annual Report for 1985 showed that in 1985 there had been an unused balance of nearly \$6 million, of which \$3.7 million had been attributable to exchange rate fluctuations and nearly \$2.2 million had been apparently due to overestimations in programme planning. That cash surplus would naturally be deducted from the amounts payable by Member States in 1988, but in the meantime the amounts officially fixed for the 1986 Regular Budget could not be changed, and budget estimates were based largely on earlier budget figures. Hence his delegation believed that the funds allocated under the 1986 budget and therefore under the 1987 budget (document GC(XXX)/777) could without too much difficulty have covered the safety programmes recommended following the Chernobyl accident.

30. On a more specific point, the Belgian delegation believed that the services rendered by the Agency to its Member States should be paid for when the recipients were advanced countries. Thus, for example, the programme of Operational Safety Review Team (OSART) missions which it was proposed to expand should not be an additional source of expense for the Agency. Advanced countries requesting such missions should cover the costs incurred by the

Agency. Belgium believed that it was the duty of developed countries to make an appropriate financial contribution if they requested such assistance. More generally, Belgium believed that technical assistance should be provided free of charge by the Agency only to developing countries. If that simple and just principle were applied, and if the budgetary surpluses which existed in various sectors were used, it ought to be possible to achieve the objective of zero growth.

31. Mr. CEJNAR (Czechoslovakia) said that his delegation could support the Agency's draft programme and budget for 1987 and 1988 (GC(XXX)/777).

32. With regard to the programme of expanded nuclear safety activities (GC(XXX)/777/Add.1), his delegation was in favour of its adoption and supported its implementation in principle; also, it accepted the figure of \$2 030 000 proposed as the upper limit for financing those activities in 1987. However, implementation of that ambitious programme in full would place great demands on the Secretariat and on Member States in terms of both human and technical resources. For that reason his delegation believed that priorities had to be clearly defined, and it was ready to help in finding the best mechanism for reviewing the programme.

33. Mr. MALU (Zaire) said, with regard to Addendum 1 to document GC(XXX)/777, that in view of the suddenness of the recent events which had led to the preparation of the programme of expanded nuclear safety activities, it was understandable that the Board should recommend that the General Conference authorize it to further examine the programme and to make any modifications which it considered necessary. However, such authorization should not be regarded as a blank cheque empowering the Board to commit the sums which it deemed necessary; it was essential that the General Conference establish a budgetary ceiling. In that connection, he hoped that he was not mistaken in thinking that the figures given for 1987 and 1988 in Annex 5 to the document in question represented a budgetary ceiling.

34. Mr. METZGER (Federal Republic of Germany) said that his Government continued to support the practice of holding detailed consultations at the various budget preparation stages between the Secretariat and Member States, which helped in establishing a sound and transparent balance of Regular Budget

priorities. Also, his Government continued to attach importance to zero-real-growth budgeting in international organizations. However, it appreciated the exceptional nature of the present circumstances and the new demands made on the Agency in the area of nuclear safety. The Agency could and should take on the new tasks, but that would involve certain budgetary increases.

Nevertheless, his Government felt that there should be a detailed review of the need for far-reaching budgetary commitments such as the creation of new posts under the 1987 budget, of which there were a considerable number. He endorsed the Agency's draft programme for 1987 and 1988 and budget for 1987 and also the recommendation concerning the Working Capital Fund. Subject to parliamentary approval, his delegation accepted the target of \$34 million for contributions to the Technical Assistance and Co-operation Fund. For national budgetary reasons, his Government was not in a position to accept at present the estimates for 1988; nevertheless the figures were instructive.

35. The programme for 1987 and 1988 reflected his delegation's views, regarding priorities - namely, co-operation and the exchange of experience in the nuclear field, technical assistance and co-operation, safeguards and, especially, support for and strengthening of international co-operation in nuclear safety. With regard to nuclear safety, his Government endorsed the broad lines of the proposed expanded programme, which had been drawn up rapidly and efficiently by the Secretariat. The measures proposed, however, required more detailed discussion and, at its meeting immediately following the General Conference session, the Board should examine the programme in greater depth, particularly from the point of view of priorities and the sharing of tasks with other international organizations.

36. Mr. TSUKADA (Japan) said that, as his Government's position on the subject of the programme and budget for 1987 and 1988 had already been made clear, he would restrict himself to the matter of the resources requested for the proposed additional nuclear safety activities. The Japanese delegation had joined in the consensus on those activities in the Board, thus respecting the strong wishes of other Board Members. However, he wished to make two comments which had already been made in the Board. Firstly, the activities now proposed involved a greater number of programmes than those proposed initially. His delegation assumed that the increase resulted either from a

reduction in each programme or an overestimate or an extension of the period of programme implementation beyond the first year; in that connection, his delegation was strongly in favour of priority programmes rather than a large number of small programmes. Secondly, he noted that the estimates for 1988 had increased by 60% as compared with the initial estimates; although the figures for 1988 were only indicative, his delegation believed that they were too high. Furthermore, it wished to stress that over-emphasis on the nuclear safety programmes could lead to an imbalance in the Agency's overall activities. It therefore wished to reserve its position on the subject and to wait until the draft budget for 1988 was examined.

37. Mr. MAHMOUD (Iraq) said that the remarkable presentation and clarity of the programme and budget for 1987-88 were the results of intensive consultations between the Agency's Secretariat and Member States. That practice was excellent and should be maintained. Biennial budgeting had the advantage of leaving enough time for the planning and implementation of activities but, in order to be effective, it presupposed consultations held long in advance. The Iraqi delegation could support the draft programme and budget for 1987 but believed that the figures for 1988 should be regarded as purely indicative until there was a fuller examination during the consultations which would take place at the beginning of 1987.

38. His delegation believed that the level of resources allocated to promotional activities remained below the aspirations and needs of the developing countries; it was essential to find a solution to the problem of financing those activities.

39. With regard to international co-operation in the field of nuclear safety, his delegation had examined and could support the 1987 programme proposals emerging from the intensive activities of the summer and also the proposals - on which consultations still had to be held - concerning the programme for 1988.

40. His delegation supported the annual programme of courses for young graduates from developing countries, which should be extended to include more non-safeguards areas. As regards OSARTs, his delegation believed that it would be a good idea to include experts from developing countries in the teams.

41. In order to ensure total protection of the public and the environment, it was important to establish basic radiation standards, and that was a task on which the Agency should concentrate during the following two years. With regard to the storage of radioactive waste, it was necessary to adopt sophisticated safety standards appropriate to the type of radioactive material involved, and the Agency should envisage more extensive and more comprehensive programmes for that purpose.

42. The continuing imbalance between the level of resources allocated to safeguards and the amounts allocated to other activities was a cause of concern to the Iraqi delegation.

43. Iraq had considerable understanding for the proposal, put forward in the Board by Sweden and supported at the current meeting of the Committee of the Whole by Italy, that an ad hoc committee of the Board should examine questions of nuclear safety, but his delegation could not support it.

44. The Iraqi delegation supported adoption of the draft resolutions contained in Annex III to Part I of document GC(XXX)/777.

45. Mr. ZADOR (Hungary) said that his delegation supported the Agency's draft programme and budget for 1987 and 1988. With regard to the programme of expanded nuclear safety activities for 1987-88, described in the Addendum to document GC(XXX)/777, Hungary had taken note of the Swedish proposal for the establishment of an ad hoc committee on that subject, which had been supported in the Committee by the representative of Italy. In view of the importance of the activities in question for the Agency and for Member States, the Hungarian delegation favoured the setting up of such a committee or a similar body, which would be responsible for helping to draft a realistic and effective nuclear safety programme within the financial limits already recommended by the Board.

46. Mr. BARTELL (United States of America), recalling that his delegation had already made its views known on the expanded nuclear safety programme, said that the United States Government was satisfied with the clear and detailed presentation of the budget. It naturally reserved its position on the figures for 1988, but it commended the Secretariat for the detailed presentation of the two-year programme, and would continue to support the

Agency in its efforts to promote the vital interests of the world community. His delegation endorsed the 1987 budget proposals and recommended adoption of the draft resolutions contained in Annex III to Part I of document GC(XXX)/777.

47. Mr. WATERFALL (Canada), noting that his Government remained strongly attached to the principle of zero real growth in the Agency's budget, recalled that the Canadian delegation, which had an open mind concerning expansion of the nuclear safety programme, had joined in the consensus on a budget ceiling for 1987. However, it did not consider any increases should be automatic; careful work still had to be done in examining priorities critically and obtaining maximum efficiency at minimum cost in future years. Moreover, the importance attached recently to nuclear safety should not detract from the other essential areas of the Agency's programme, particularly safeguards and technical assistance.

48. Mr. JOEDOATMODJO (Indonesia) said that, as far as the strengthening of international co-operation in the area of nuclear safety and radiation protection was concerned, his delegation approved in principle the proposed programme, but believed that it should be more balanced and place greater emphasis on the prevention of reactor accidents.

49. Once the 1987 component of the expanded programme had been finally approved, it would be necessary to establish machinery to examine nuclear safety activities in 1988 and 1989. That machinery, as several delegates had already said, could be an open-ended ad hoc committee. In his delegation's view such a committee, established for a maximum period of a year, should be able to propose to the Board an overall nuclear safety programme, its proposals being complementary to INSAG's recommendations.

50. The Indonesian delegation noted with satisfaction that the nuclear power programme remained quite significant, but regretted that work on small and medium power reactors was to be postponed for a year. The lack of response mentioned in Annex 3 to document GC(XXX)/777/Add.1 could perhaps be explained by a temporary shift of interest, with a focusing of attention on nuclear safety and radiation protection. Still on the subject of nuclear power, the Agency should continue to give the utmost attention to programmes in the areas of the nuclear fuel cycle and radioactive waste management.

51. Emphasizing his delegation's interest in the food and agriculture sector, he said that his Government had recently decided to participate in the work of the International Consultative Group on Food Irradiation and that Indonesia was already participating in the RCA project on food irradiation. The Agency should continue to support that sector.

52. In conclusion, his delegation could support the figures proposed for the Regular Budget, the Technical Assistance and Co-operation Fund and the Working Capital Fund for 1987.

53. Mr. IMMONEN (Finland) said that his delegation was ready, as had already been indicated in the Board of Governors, to support the Agency's budget for 1987 as contained in document GC(XXX)/777 and the Addendum to that document. The new presentation gave a clear picture of the programme's objectives and the proposed means, and his delegation hoped that the introduction of that new presentation would lead in the Agency's work to an approach which emphasized the importance of clearly defined objectives. Since it had never advocated strict application of the principle of zero growth, his delegation noted with pleasure that, at a time when the Agency had been called upon to react rapidly to a new situation, that principle had not been rigidly applied. More generally, the principle of zero growth should not be uniformly applied to each appropriation section; within the framework of overall zero growth, a certain dynamism should be maintained. Dynamism and the question of priorities would be particularly important when the Agency came to implement the decisions taken at the special session of the General Conference and possibly recommendations made by the expert working group on international co-operation in nuclear safety and radiation protection which was expected to meet in November.

54. Mr. HAWAS (Egypt) said that the Agency's draft programme for 1987, which was more comprehensive than ever, highlighted the importance of the Agency's role. The two conventions adopted at the special session of the General Conference had given the Agency new responsibilities which would have to be taken into account during the preparation of the budget for 1988.

55. His delegation attached great importance to the holding of consultations during the preparation of the budget. That was not incompatible with a two-year budget, which had certain advantages in terms of planning. For the moment, his delegation reserved its position on the indicative budget figures for 1988, which would have to be discussed in detail later.

56. Egypt believed that the principle of zero real growth applied to the Agency's overall budget, including promotional activities and particularly those relating to nuclear applications, was having a negative effect on the Agency's ability to meet the growing needs of developing countries, which the Agency was bound to do under Article III of its Statute. The proposals contained in document GC(XXX)/777/Add.1 were likely to result in over-emphasis on nuclear safety, thus creating an imbalance between that area of activity and others. Nuclear safety activities should not be expanded at the expense of other operations, particularly those related to the development of atomic energy for peaceful purposes.

57. Having said that, his delegation could support the proposals contained in document GC(XXX)/777 and the Addendum.

58. Mr. EL AMIN (Sudan) said that his delegation generally supported the Agency's draft budget. However, the budget continued to be based on the principle of zero real growth, and his Government had difficulty in accepting that principle, particularly with regard to promotional activities. His delegation supported in principle the programme of expanded nuclear safety activities, but felt that it should be reviewed by an open-ended ad hoc committee.

59. With regard to the activities of priority interest to developing countries, he agreed with the Director General that regional co-operation between developing countries, particularly in Africa, deserved special attention. Sudan could accept the level proposed for the Technical Assistance and Co-operation Fund in 1987 and welcomed the consensus reached on an annual increase of 12% in the Fund's resources. However, it was necessary that the target for contributions to the Fund should in fact be reached; otherwise, consideration would have to be given again to the financing of technical

assistance activities from sources more reliable than voluntary contributions. His delegation supported the Agency's training programmes, particularly those of special interest to developing countries.

60. Subject to those comments, the Sudanese delegation could recommend adoption of the draft resolutions contained in Annex III to Part I of document GC(XXX)/777.

61. Mr. CHAUDHRI (Pakistan) said that his delegation welcomed the practice, now of several years' standing, of subjecting the various aspects of budget preparation to consultations, discussion and analysis right from the start. The process was already quite well organized, but improvements could still be made. In particular, it was necessary to encourage interaction between the different groups of Member States so as to resolve differences of opinion which might otherwise emerge during the meetings of the Administrative and Budgetary Committee.

62. His delegation supported in principle the programme of expanded nuclear safety activities as described in document GC(XXX)/777/Add.1 and had joined in the consensus on the budgetary appropriations earmarked for 1987. However, it believed that the objectives of that programme required further refinement and that it would be possible to increase its usefulness by regrouping certain of its components. His delegation was ready to participate in the process of refinement when the matter came before the Board. With regard to the mechanism to be established to review that part of the programme which the Secretariat had had to prepare at great speed, Pakistan supported the establishment of an ad hoc committee but would be ready to consider a different solution.

63. His delegation, like those of Japan, Canada and Egypt, believed that the emphasis currently being placed - quite rightly - on safety as a result of recent events should not lead to an imbalance in the programme and budget. The balance reached in the budget document, which reflected the order of priorities corresponding most closely to the needs of Member States, was the result of a long process and should not be modified hastily and arbitrarily. His delegation believed that in any case it was necessary to study carefully the nuclear safety component of the programme and budget for 1988 and to bear

the foregoing considerations in mind when deciding upon the figures to be submitted in 1987 to the Administrative and Budgetary Committee and to the Board.

64. The Pakistan delegation wished once more to repeat that it was not in favour of strict application of the principle of zero growth to promotional activities. The requests for technical assistance presented by Member States showed that an increasing number of them were interested in the development of nuclear applications other than power generation. His delegation was convinced that there should be some increase in the resources of the Technical Assistance and Co-operation Fund and, in order to improve the implementation of the programme, in the corresponding supporting appropriations in the Regular Budget. Strict zero growth would be detrimental to the programme as a whole.

65. His delegation could recommend adoption of the draft resolution contained in Annex III to Part I of document GC(XXX)/777.

66. Mr. MOSES (Netherlands) said that the statements and observations on the programme and budget made by many delegates bore witness to a spirit of understanding and loyalty towards the Agency, which they were calling upon to carry out additional tasks in the area of nuclear safety apart from its already considerable responsibilities. That was why the principle of zero growth was being abandoned for the following two years - something which the Netherlands delegation could support. However, Member States in general and the Board in particular should not lose sight of their financial responsibilities; they should examine in depth the budgetary estimates for 1988 with a view to limiting the escalation of expenditure as far as possible and revert to zero growth in subsequent years.

67. Mr. AGUILERA ACEVEDO (Chile) paid tribute to the Agency's Secretariat for the quality of documents GC(XXX)/777 and Add.1, in which a satisfactory balance had been achieved between the various activities planned for the following two-year period. With regard to the proposed supplementary nuclear safety programme, every effort should be made to finalize it soon. The nuclear safety programme should occupy a priority place among the Agency's activities, since it was one of the essential bases for all the other programmes.

68. On the first page of Annex 5 to document GC(XXX)/777/Add.1 it was stated that the exchange rate used to establish the budgetary estimates for the additional programme was 19.50 Austrian schillings to the dollar, whereas the real rate was at present about 25% lower than that figure. Such a difference could lead to difficulties. Nevertheless, his delegation endorsed the two documents under consideration.

69. Mr. ZOBOV (Union of Soviet Socialist Republics) said, with reference to the order of priorities within the proposed supplementary nuclear safety programme, that all delegations recognized the importance of that programme. Both in the Board and at the first special session of the General Conference, the Soviet Union had made comments and proposals regarding the conduct of the activities in question, but at its meetings in September the Board had not been able to examine the programme thoroughly. It was to be hoped that that task would shortly be carried out either by an ad hoc committee, or at a special meeting of the Board or by some other appropriate means. In any case, the Soviet Union could accept in principle the Agency's programme and budget for 1987 and 1988.

70. Mr. DANIELS (United Kingdom) said that his country supported the proposals contained in documents GC(XXX)/777 and Add.1, and also the recommendation that the Board be authorized to examine the proposed expanded programme and to make amendments thereto. For 1988, the United Kingdom reserved its position with regard to the figures proposed in the two documents under consideration, pending consultations between delegations and the Secretariat in accordance with the established practice.

71. Mr. FERREIRA (Portugal) supported the Agency's proposed programme for 1987 and 1988, which appeared to him to be well-balanced. With regard to the budget, he said that Portugal favoured zero growth in the budgets of international organizations and, although certain special factors had to be taken into account with regard to the Agency, he hoped that there would continue to be zero growth in the Agency's budget.

72. Mr. BASSOY (Turkey) considered that the documents submitted were satisfactory as regards both form and content. Turkey was particularly interested in the programme of operational safety review teams (OSARTs) and in the nuclear safety standards (NUSS) programme.

73. The question of zero budgetary growth had occupied the attention of the Committee of the Whole for several years. Now a new situation had developed in the area of nuclear safety, and it was unlikely that the Agency would be able to conduct its nuclear safety activities effectively within the limits imposed by zero budgetary growth. It was regrettable that considerable disparities existed in the draft budget for 1987 and 1988 and that the amounts allocated to the different Departments of the Secretariat were so disproportionate; and it was particularly regrettable that the Division of Technical Assistance and Co-operation was so poorly endowed. Having said that, Turkey supported on the whole the proposals contained in documents GC(XXX)/777 and Add.1.

74. Mr. STORHAUG (Norway) said that his country supported without reservation the proposed programme and budget for 1987 and the additional programme of and budget for expanded nuclear safety activities. That programme still had to be examined in greater detail by the Board, and Norway was not opposed to the idea of establishing an open-ended ad hoc committee for that purpose, or to any other solution which might be suggested. His delegation was, of course, in favour of the principle of zero growth in the budget under normal circumstances, but when events so required there was every justification for departing from it. In conclusion, his delegation fully supported both documents under consideration.

75. Ms. BHADURI (India) said that her country was opposed to the principle of zero real growth in the budget. Although it was fully aware of the need to make additional financial efforts in the field of nuclear safety, India believed that the Agency's promotional activities - and particularly those of benefit to developing countries - should not suffer thereby. Her delegation endorsed the Agency's draft programme and budget for 1987 but reserved its position with regard to the proposals for 1988, which still had to be studied by other bodies.

76. Mr. LOUVET (France), commenting on the Agency's expanded programme in the areas of safety and radiation protection, said that the document on that subject, already amended following recent meetings, was most interesting;

however, the document was too recent for a decision to be taken on it immediately. Some of the proposals which it contained could probably be adopted straight away, but others would have to be examined in greater depth, particularly in the light of the conclusions of the various expert meetings which had been convened or which would be convened following the Chernobyl accident. The framework of such an examination - whether it would be conducted in an expert group or at a special meeting of the Board - still had to be determined.

77. Mr. SIEVERING (Deputy Director General, Department of Administration), referring to the statement made by the representative of Zaire, said that the figure of US \$2 030 000 on the first page of Annex 5 to document GC(XXX)/777/Add.1 was a ceiling; also, the amount in question was included in the figure of US \$103 899 000 in draft resolution A in Annex III to Part I of document GC(XXX)/777. With regard to the concern expressed about the fact that the present US dollar/Austrian schilling exchange rate was very different from the rate (19.50) used in establishing the budget estimates, he said that there would not be any financial difficulties since, as was clear from draft resolution A, adjustments would be made so as to take account of exchange rate fluctuations. In that connection, reference should be made to document GC(XXX)/INF/237, which showed how such adjustments would be made if necessary.

78. The CHAIRMAN said that if there were no objections he would take it that the Committee wished to recommend that the General Conference adopt draft resolutions A, B and C contained in Annex III to Part I of document GC(XXX)/777.

79. It was so decided.

80. The CHAIRMAN said that if there were no objections he would take it that the Committee supported the Board of Governors' recommendation that the Conference authorize the Board to continue examination of the proposed expanded nuclear safety programme and to make such amendments as it considered necessary.

81. It was so decided.

CONVENTION ON THE PHYSICAL PROTECTION OF NUCLEAR MATERIAL (GC(XXX)/COM.5/43
and Add.1)

82. Mr. BETTAUER (United States of America), introducing draft resolution GC(XXX)/COM.5/43 on behalf of the co-sponsors, recalled that at its special session the General Conference had adopted two important conventions which 51 countries had signed immediately; since three of the signatures to the Convention on Early Notification of a Nuclear Accident were not subject to ratification, that convention would enter into force on 27 October. But it was a matter of urgency that another convention should be ratified and come into force - namely, the Convention on the Physical Protection of Nuclear Material. Although it had been opened for signature in March 1980 it had still not entered into force - while the threat of nuclear terrorism was causing increasing concern and was calling for concerted international action.

83. The problem of terrorism continued to be a serious one in many countries, and all States, particularly those which had been the victims of terrorism, should immediately become party to that important convention, for the entry into force of which only three more ratifications were required.

84. For its part, the United States would increase its efforts to convince other countries to sign and ratify that convention; Congress and the President of the United States were unanimous on that point as demonstrated by the adoption of the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986 which had come into force in August. It was to be hoped that in 1987 the Director General would be in a position to announce the entry into force of the Convention on the Physical Protection of Nuclear Material, for it was more important than ever that the convention should enter into force and receive wide adherence: the international community and the general public should emphasize the importance which they attached to ratification. The United States had been taking action at both the bilateral and the multilateral level, and undoubtedly all the co-sponsors shared his country's view.

85. Draft resolution GC(XXX)/COM.5/43 had more than 20 sponsors; at the twenty-ninth session of the General Conference a similar draft resolution had been adopted by consensus. The instrument in question was the first major multilateral convention for which the Agency was acting as depositary; the

General Conference should therefore adopt the draft resolution by consensus and demonstrate even more clearly its desire to see the convention enter into force.

86. Mr. JANOWSKI (Poland), emphasizing the importance which his delegation attached to the Convention on the Physical Protection of Nuclear Material, said that the Polish Government had promulgated a law on that subject two years previously and would support any appeal made to countries to ratify that fundamental international legal instrument. There were two aspects to nuclear terrorism: besides the diversion of nuclear material or nuclear explosive devices by terrorists for use against the international community or against a particular country, malevolent persons might try to occupy civil nuclear facilities with the aim of threatening to blow them up. That was why the convention, which would greatly improve international security, should take effect as soon as possible.

87. Mr. MORALES (Cuba) said he supported the draft resolution as a whole but would like to examine parts of it in depth. With regard operative paragraph 3, he did not think it necessary to include a separate item on the convention in the agenda for the next session of the General Conference. He proposed that the Committee take a decision on the draft at its next meeting.

88. Mr. HAWAS (Egypt) recalled that his Government was currently studying the matter of Egypt's accession to the Convention on the Physical Protection of Nuclear Material. The study was likely to have a positive outcome and, like the representative of the United States, he hoped that at the next session of the General Conference it would be announced that the convention had come into force.

89. The Egyptian Government had consistently condemned all forms of international terrorism, and early in 1986 the President of Egypt, Mr. Mubarak, had proposed that an international conference be convened on the problem of international terrorism. Such a conference should (a) study all aspects of the matter, taking particular account of the roots of the evil and bearing in mind the international conventions currently in force, which were only a partial solution to the problem; (b) try to find remedies for the unjust and pernicious situation which affected many peoples who were unable to

exercise their legitimate rights to self-determination; and (c) prepare an international convention covering all aspects of that important problem, which was undoubtedly a cause of concern to all governments. His delegation would therefore support any positive resolution along the lines of the draft in document GC(XXX)/COM.5/43.

90. Mr. BASSOY (Turkey) said that the Convention on the Physical Protection of Nuclear Material was very important from the point of view not only of physical protection itself but also of nuclear safety. For the reasons put forward by the representative of the United States, Turkey had signed the convention in 1983 and had become party to it in 1985; and it regretted that there were still only 46 signatories and 17 parties to the convention. He commended the Egyptian representative's remarks in favour of accession to the convention and hoped that by the next session of the Conference the number of States party to the Convention would have increased significantly.

91. The CHAIRMAN said that the comments made by representatives would be duly reflected in the summary record of the meeting and, in view of the request by the representative of Cuba, proposed that the Committee postpone until the following meeting a decision on the draft resolution under consideration.

92. It was so decided.

The meeting rose at 1.5 p.m.

