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International Atomic Energy Agency

# GENERAL CONFERENCE

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Thirty-first regular session  
Item 13 of the provisional agenda  
(GC(XXXI)/799)

## THE FINANCING OF TECHNICAL ASSISTANCE

### Report by the Board of Governors

1. In 1986, the General Conference, by resolution GC(XXX)/RES/464, requested the Board of Governors to continue to report annually to it on the actions taken with regard to the implementation of its resolution GC(XXV)/RES/388, by which the Conference in 1981 requested the Board to:

- (a) take the necessary measures so that technical assistance is funded through the Regular Budget of the Agency or through other comparably predictable and assured resources,
- (b) take appropriate steps so that technical assistance funds are increased in order to respond adequately to meet increasing financial requirements for the maximum possible number of technically sound projects and to enable progress in technical assistance to keep pace with the progress in other main activities of the Agency, and
- (c) report to the General Conference at its twenty-sixth regular session and annually thereafter on the actions taken with regard to the implementation of these requests and on the actions proposed for the following years.

2. In the light of General Conference resolution GC(XXX)/RES/464, an item entitled "The financing of technical assistance" was placed on the agenda for the Board's session held in February 1987.
3. The Chairman of the Board, reporting to the Board in February 1987 on the consultations which he had held since the 1986 regular session of the General Conference, stated that positions still seemed to be divided on the question of the financing of technical assistance. It was agreed that the Chairman would continue with his consultations and report again in June, so as to enable the Board to finalize its report to the General Conference.
4. The Board resumed its consideration of the matter of technical assistance financing in June 1987, when the Chairman reported to it on the consultations held between the Board's February and June sessions. He stated that since the previous session of the Board there did not appear to have been any change in the positions held by delegations on the implementation of resolution GC(XXV)/RES/388 as he had described them in February. There were still those Members who believed that the Agency's technical assistance and co-operation programme should be financed from the Regular Budget and those who thought that the programme should continue to be financed from voluntary contributions.
5. The discussion during the Board's June meetings confirmed the picture of the situation given by the Chairman in his report.
6. The Board agreed to continue its efforts directed towards the implementation of General Conference resolution GC(XXV)/RES/388.
7. The summary records of the Board's discussions in February and June 1987 on the matter of technical assistance financing are reproduced in the Annex.

Summary records of the discussion on the item  
"The financing of technical assistance"  
at the meetings of the Board of Governors  
held in February and June 1987

RECORD OF THE 670th MEETING (held on 20 February 1987)

(b) THE FINANCING OF TECHNICAL ASSISTANCE (GC(XXX)/RES/464)

51. The CHAIRMAN recalled that in resolution GC(XXX)/RES/464 the Board was requested to report annually to the General Conference on the actions taken in connection with the implementation of resolution GC(XXV)/RES/388, adopted by the Conference in 1981.

52. The question of the financing of technical assistance had been a topic of discussion both in informal consultations and in formal meetings of the policy-making organs for several years, and from the informal consultations which he had had with Governors and the representatives of various area groups it would seem that the positions were still divided.

53. Under those circumstances, he took it that the Board wished him to continue with his consultations and to report again in June, so as to enable the Board to finalize its report to the General Conference. Meanwhile, an item entitled "The financing of technical assistance" would be placed on the agenda for the Board's June session.

54. It was so decided.

PROVISIONAL RECORD OF THE 678th MEETING (held on 13 June 1987)

THE FINANCING OF TECHNICAL ASSISTANCE (GC(XXX)/RES/464)

102. The CHAIRMAN said that the question of the financing of technical assistance had been included in the Board's agenda pursuant to resolution GC(XXX)/RES/464 adopted by the General Conference in 1986. In that resolution, the Board was again requested to report each year to the General Conference on the actions taken with regard to the implementation of resolution GC(XXV)/RES/388. In February 1987, the Board had agreed that the Chairman should continue to hold consultations on that question and report to it again in June so as to enable it to examine the nature of the report it was to submit to the General Conference in accordance with paragraph 2 of the operative part of resolution GC(XXX)/RES/464. The financing of technical assistance had therefore been included in the matters examined in the consultations which the Chairman had held subsequently with Governors and representatives of regional groups. During those consultations it had been noted that the agreement on the use of indicative planning figures for voluntary contributions to the Technical Assistance and Co-operation Fund would apply until 1989. At the same time, the need to guarantee the financing of technical assistance and co-operation activities in the long term - as requested in the resolution adopted by the General Conference in 1981 - had been stressed once again. However, the situation had not changed since February, and positions were essentially still the same. Some Members felt that the technical assistance and co-operation programme should be financed from the Regular Budget, whereas others continued to think that the programme should, as before, be financed on the basis of voluntary contributions. Consequently, he did not think that the situation was likely to change much before the following session of the General Conference and he had therefore taken the liberty of distributing informally a draft text which summarized the situation which he had just described and which could serve as a basis for the report which the Board would submit to the General Conference.

103. Mr. BRADY ROCHE (Chile), recalling the position of his delegation on the subject of the financing of technical assistance, said that the budget for such activities should be increased on a more reliable and predictable basis, since every year a large percentage of well-conceived projects submitted by developing countries could not be implemented owing to a lack of resources. Furthermore, the fact that technical assistance was financed through voluntary contributions which, by their nature, could not be depended upon meant that advance planning of multi-year projects was impossible, even though such projects were necessary to ensure more rational use of expert services, fellowships and equipment. That situation would continue to get worse, always to the detriment of developing countries. His delegation therefore insisted that the necessary funds for technical assistance be included in the Agency's Regular Budget. If its request were accepted, that important activity of the Agency could be improved considerably and would be able to play fully its proper role.

104. Mr. GOMAA (Egypt) said that the importance of resolution GC(XXV)/RES/388 for technical assistance had not diminished and requested all States to implement that resolution so that adequate resources for technical assistance could be collected on a predictable basis. The present system of financing had enabled the resources for technical assistance to be tripled since 1980, which was a much greater increase than in the Regular Budget over the same period. He nevertheless urged all delegations to make every effort to ensure the success of that system of financing, such success depending on a steady and realistic increase in the Technical Assistance and Co-operation Fund in line with the requirements of developing countries. All countries should pay their voluntary contributions so that the target set by the Secretariat was reached. Some of the necessary conditions to achieve that goal already existed and, if the requisite spirit of co-operation was shown, other conditions could be met, although some problems would remain. His delegation therefore supported the present system for financing technical assistance despite the growing discrepancy between the target and the actual level of contributions. The fact that some donor countries failed to pay their contributions on time did not pose a threat to the system and did not

justify changing it in the manner requested by some delegations. He urged all countries to fulfil their commitments to the Fund on time, since any delay hampered the implementation of projects. Also, it must not be forgotten that the resources available for technical assistance represented the minimum required to cope with the ever-increasing needs of Member States. In conclusion, his delegation was satisfied with the consultations held by the Chairman and supported the resulting recommendations.

105. Mr. STOIBER (United States of America) said that, as it had indicated on numerous occasions, his delegation was firmly convinced that the present system for the financing of technical assistance worked exceptionally well. Over the last five years, the increase in funds for technical assistance projects had been far greater than the increase in the Regular Budget. As a result of the current system of indicative planning figures, the Agency's Secretariat had been able to plan its technical co-operation programmes safe in the knowledge that the necessary resources would be available when needed. The agreement on indicative planning figures had in fact played a major role in providing adequate, predictable and assured resources for the financing of technical assistance and co-operation. However, in view of current extremely serious financial constraints, his Government wished to stress the need for realism as far as the prospects for future growth in the technical assistance and co-operation programme were concerned. Having said that, his delegation was happy to join the consensus on the submission of the Board's draft report to the General Conference.

106. The CHAIRMAN took it that the Board wished to submit, as its report to the General Conference pursuant to resolution GC(XXX)/RES/464, the draft text circulated by him, as well as the summary records of the Board's discussions.

107. It was so decided.