

General Conference

SECOND REGULAR SESSION

Agenda item 12
(GC(II)/57)

PROGRAMME, BUDGET AND WORKING CAPITAL FUND FOR 1959

Report of the Programme, Technical and Budget Committee

Rapporteur: Mr. Vjekoslav CVRLJE (Yugoslavia)

1. The Committee considered this item at its seventh - twelfth meetings held on 27, 29, 30 September and 1 October (GC(II)/COM.1/OR.7 - 12), and completed its work on the Programme and Budget for 1959 submitted by the Board of Governors to the General Conference (GC(II)/36 and Corr.1).
2. The following additional documents were before the Committee:
Amendment by the Union of Soviet Socialist Republics (GC(II)/COM.1/9) to paragraph 53 of GC(II)/36,
Amendment by the Union of Soviet Socialist Republics (GC(II)/COM.1/18) to draft resolution on appropriations for the expenses of the Agency in the year 1959 contained in GC(II)/36, Annex V,
Additional recommendation in connexion with draft resolution A part B contained in Annex V of GC(II)/36 by Mexico, Norway, the United Kingdom of Great Britain and Northern Ireland and the United States of America (GC(II)/COM.1/17),
Proposals and amendments by Czechoslovakia (GC(II)/COM.1/16) to draft resolution A parts A and B contained in Annex V of GC(II)/36,
Amendment by Germany (Federal Republic of) (GC(II)/COM.1/11) to draft resolution B concerning the use of the working capital fund contained in GC(II)/36, Annex V;
Amendment by the Union of South Africa (GC(II)/COM.1/15) to draft resolution A part A contained in Annex V of GC(II)/36; and
Amendment by Czechoslovakia (GC(II)/COM.1/13) to draft resolution A part A contained in Annex V of GC(II)/36.

3. A general debate was held on the Programme and Budget for 1959 (GC(II)/36 and Corr.1) followed by consideration of Chapter I as a whole and Chapter II as a whole. Chapter III was discussed in two parts: paragraphs 222 - 281 and paragraphs 282 - 305 and Annexes I - IV.

4. At its eleventh and twelfth meetings the Committee considered draft resolution A (parts A and B) and draft resolution B contained in Annex V of document GC(II)/36 and the various proposals and amendments submitted to it.

5. The Committee agreed to consider together the amendments proposed by the Union of Soviet Socialist Republics (GC(II)/COM.1/9) to paragraph 53 of GC(II)/36 and to parts A and B of draft resolution A (GC(II)/COM.1/18), the USSR amendment to paragraph 53 being considered as an explanatory memorandum to the USSR amendment to draft resolution A. Under the USSR proposal paragraph 53 would be redrafted to read as follows:

"The execution of many of the operational functions of the Agency will require technical studies and a certain amount of research. The aforesaid technical studies and scientific research can be contracted out to laboratories in Member States. The Agency will provide a central point for pooling and analysing the results of this work.

In addition, the Agency will continue to study the question of the necessity and possibility of setting up its own laboratories, bearing in mind that the carrying out of such work should not divert the Agency's forces and means from the execution of its primary functions."

6. Under the USSR amendment to part A of draft resolution A, item "13. Scientific supplies and equipment - US \$50,000" would be deleted. Under the USSR amendment to part B of draft resolution A the sum of US \$400,000 for Agency projects would be deleted.

7. The Committee at its eleventh meeting voted upon the USSR proposals with the following results:

The amendment to paragraph 53 (GC(II)/COM.1/9) of GC(II)/36. was rejected by 9 votes in favour, 42 against with 5 abstentions.

At the request of Sweden it was agreed without objection to take a separate vote on the two proposals contained in GC(II)/COM.1/18:

The amendment to part A of draft resolution A (GC(II)/COM.1/18) was rejected by 10 votes in favour, 41 against with 8 abstentions.

The amendment to part B of draft resolution A (GC(II)/COM.1/18) was rejected by 12 votes in favour, 37 against with 9 abstentions.

8. Czechoslovakia made an amendment to add to the end of part B of draft resolution A the following paragraph:

"3. Decides that the Director General in agreement with the Board shall submit a detailed proposal for the activities of the laboratory to the Scientific Advisory Committee of the Agency for its consideration. The establishment of the laboratory shall be started only after the recommendation of the Scientific Advisory Committee has been approved by the Board."

9. The Chairman expressed the view that the first part of the Czechoslovak amendment seemed to be covered adequately in the four-power joint draft recommendation (GC(II)/COM.1/17). Furthermore, the second part of the proposal was complementary to the USSR amendment which had just been rejected by the Committee and that consideration of it would, in effect, result in the re-opening of a matter which had already been voted upon by the Committee. After discussion, Czechoslovakia did not insist on a vote on its amendment.

10. Mexico, Norway, the United Kingdom of Great Britain and Northern Ireland and the United States of America jointly proposed (GC(II)/COM.1/17) that the following paragraph should be added at the end of part B of draft resolution A:

"3. Recommends that the Board of Governors and the Director General in the application of the appropriation of the Operating Fund, Part I (For Agency projects) should establish a laboratory with the following functions:

- (1) Standardization of isotopes and preparation of radioactive standards
- (2) Calibration and adaptation of measuring equipment
- (3) Quality control of special materials for nuclear technology
- (4) Measurements and analysis in connexion with the Agency's safeguards and health and safety programme
- (5) Services for Member States which can be undertaken with the facilities needed for the aforementioned activities".

11. During discussion of this proposal the United Kingdom, on behalf of the sponsors, accepted an oral amendment by Morocco to insert the words "in accordance with the provisions of paragraph 286" after "(For Agency projects)", modified the phrase "with the following functions" to read "the functions of which shall not exceed the following" and proposed the inclusion of an additional paragraph to read:

"Before implementing this recommendation, the Board of Governors and the Director General shall consult the Scientific Advisory Committee recently established by a decision of the Board of Governors."

12. After further discussion and a short suspension, the Committee at its eleventh meeting adopted the four-power proposal, as amended, by 46 votes in favour, none against with 10 abstentions.

13. The proposals and amendments by Czechoslovakia (GC(II)/COM.1/16) to parts A and B of draft resolution A requested (a) that a separate vote be taken on item "3. Special missions - US \$200,000" in part A; and (b) that part B should be amended by replacing the amount of US \$1,100,000 for expenses to be met from the Operating Fund (Part II) by the amount of US \$1,300,000.

14. The request for a separate vote was accepted by the Committee which approved the retention of item "3. Special missions - US \$200,000" in part A by 32 votes in favour, 14 against with 6 abstentions. In view of the result of this vote Czechoslovakia withdrew its amendment to part B, reserving its right to submit further amendments.

15. The amendment by the Union of South Africa (GC(II)/COM.1/15) would add an additional paragraph to part A of draft resolution A inviting the Board of Governors and the Director General, in the application of the appropriations approved by this resolution, to make such adjustments as they consider desirable in order to take into account as far as practicable the views on the programme and budget for 1959 expressed by member governments during the second session of the General Conference, and the information and comments on scientific developments relevant to the Agency's activities published at the Second United Nations International Conference on the Peaceful Uses of Atomic Energy.

16. The Czechoslovak amendment (GC(II)/COM.1/13) would add an additional paragraph at the end of part A noting that the inclusion of the expenses connected with item "3. Special missions" among the administrative expenses is without prejudice to the future treatment of such expenditures in the light of the experience to be gained about the character and purpose of the special missions.

17. After these two proposals had been introduced by their sponsors the Committee proceeded to the vote on parts A and B of draft resolution A and the amendments thereto.

18. At the request of the Ukrainian Soviet Socialist Republic it was agreed to take a separate vote on item "13. Scientific supplies and equipment - US \$ 50,000".

19. The result of the voting was as follows:

Item "13. Scientific supplies and equipment - US \$ 50,000" was adopted by 44 votes in favour, 10 against with 2 abstentions.

The South African amendment (GC(II)/COM.1/15) was adopted by 50 votes in favour, none against with 2 abstentions.

The Czechoslovak amendment (GC(II)/COM.1/13) was adopted by 44 votes in favour, none against with 6 abstentions.

Part A of draft resolution A, as a whole, as amended, was adopted by 56 votes in favour, none against with one abstention.

20. The Committee then proceeded to consider part B of draft resolution A.

21. The Ukrainian Soviet Socialist Republic requested a separate vote on the line reading "The Operating Fund, Part I (For Agency projects) - US \$ 400,000".

22. Venezuela objected to this request on the basis that the Committee had already made a decision in this matter by rejecting the USSR proposal contained in GC(II)/COM.1/18 and that a separate vote would constitute, under Rule 66, reconsideration of a proposal on which a decision had already been taken. The request of the Ukrainian Soviet Socialist Republic was therefore put to the Committee which decided by 19 votes in favour, 7 against with 29 abstentions to take a separate vote on this item.

23. The Committee then proceeded to vote on part B of draft resolution A and the amendments thereto.

"The Operating Fund, Part I (For Agency projects) - US \$ 400,000"

was adopted by 42 votes in favour, 12 against with 4 abstentions.

Part B as a whole with the amendment already approved (paragraph 12) was adopted by 50 votes in favour, none against with 6 abstentions.

24. The Committee then proceeded to consider draft resolution B and the amendments thereto.

25. The amendment proposed by Germany (Federal Republic of) (GC(II)/COM.1/11) and amended orally by the sponsor, proposed a redrafting of paragraph 3(b) to read:

"That in addition the Director General shall be authorized to make advances from the Fund not to exceed a total of US \$ 25,000 at any time to provide temporary financing for projects or activities of a strictly self-liquidating character. Thereby it is understood that the use of this authority will not lead to an increase in the amount of the Working Capital Fund in the following years. A statement of such advances shall periodically be submitted by the Director General to the Board of Governors."

The Committee adopted this amendment by 51 votes in favour, none against with 2 abstentions.

26. Draft resolution B, as amended, was adopted by the Committee by 56 votes in favour, none against with no abstentions.

27. In the light of the various decisions taken, the Committee recommends for adoption by the General Conference the draft resolutions contained in the Annex to the present report.

28. On the proposal of the Chairman, the Committee agreed that the Rapporteur in consultation with the Chairman and Vice-Chairman should prepare a separate report on that part of item 12 "Programme, budget and Working Capital Fund for 1959" which had so far been approved by the Committee.

ANNEX

A

BUDGETARY APPROPRIATIONS FOR THE EXPENSES OF THE AGENCY IN 1959

The General Conference

I

1. Approves the recommendation of the Board of Governors that the total appropriations for the administrative expenses of the Agency in the year 1959 shall amount to US \$5,225,000 as follows:

<u>Expenses</u>	<u>Amount in US dollars</u>
Conferences, meetings and missions:	
1. General Conference and Board of Governors	749,000
2. <u>Ad hoc</u> scientific advisory panels	51,500
3. Special missions	200,000
4. Seminars and scientific meetings	100,000
The Secretariat:	
5. Salaries and wages	2,030,000
6. Temporary assistance	100,000
7. Consultants	100,000
8. Common staff costs	873,000
9. Travel of staff	200,000
Common services and equipment:	
10. General expenses (including supplies)	304,000
11. Hospitality	7,500
12. Permanent equipment	110,000
13. Scientific supplies and equipment	50,000
14. Contractual scientific services	315,000
15. Contractual printing	10,000
16. Library acquisitions	<u>25,000</u>
TOTAL	5,225,000

2. Invites the Board of Governors and the Director General, in the application of the appropriations approved in terms of this resolution, to make such adjustments as they consider desirable in order to take into account as far as practicable:

(a) The views on the programme and budget for 1959 expressed by member governments in the course of the Second Session of the General Conference, and

(b) The information and comments on scientific developments relevant to the Agency's activities published at the Second United Nations International Conference on the Peaceful Uses of Atomic Energy.

3. Notes that the inclusion of the expenses connected with "special missions" (item 3 above) among the administrative expenses is without prejudice to the future treatment of such expenditures in the light of the experience to be gained about the character and purpose of the special missions.

II

1. Approves the recommendation of the Board of Governors that the target for contributions to the General Fund in 1959 shall be fixed in the amount of US \$1,500,000 to meet expenses of the Agency in accordance with Part II.A. of Chapter III of the programme and budget as follows:

<u>Expenses to be met from</u>	<u>Amount in US dollars</u>
The Operating Fund, Part II (For projects for Members)	1,100,000
The Operating Fund, Part I (For Agency projects)	<u>400,000</u>
TOTAL	<u>1,500,000</u>

2. Urges Member States to provide funds for this purpose by making voluntary contributions to the General Fund in accordance with Article XIV.F of the Statute.

3. Recommends that the Board of Governors and the Director General in the application of the appropriation of the Operating Fund, Part I (For Agency projects) in accordance with the provisions of paragraph 286 should establish a laboratory the functions of which shall not exceed the following:

- (a) Standardization of isotopes and preparation of radioactive standards
- (b) Calibration and adaptation of measuring equipment
- (c) Quality control of special materials for nuclear technology

- (d) Measurements and analysis in connexion with the Agency's safeguards and health and safety programme
- (e) Services for Member States which can be undertaken with the facilities needed for the aforementioned activities.

Before implementing this recommendation the Board of Governors and the Director General should consult the Scientific Advisory Committee recently established by a decision of the Board of Governors.

B

USE OF THE WORKING CAPITAL FUND IN 1959

The General Conference,

Having reviewed its resolution of 22 October 1957 establishing the Working Capital Fund^{1/}, as well as the operation of the Fund during the first year of the Agency;

1. Approves the recommendation of the Board of Governors that the amount of the Working Capital Fund should continue to be US \$2 million during 1959;
2. Urges those Member States that have not yet paid their advances to the Fund to do so as soon as possible; and
3. Approves the recommendations of the Board of Governors:
 - (a) That the Fund shall be financed, administered and used in 1959 in accordance with the relevant provisions of articles VI and VII of the Financial Regulations, and
 - (b) That in addition the Director General shall be authorized to make advances from the Fund not to exceed a total of US \$25,000 at any time to provide temporary financing for projects or activities of a strictly self-liquidating character. Thereby it is understood that the use of this authority will not lead to an increase in the amount of the Working Capital Fund in the following years. A statement of such advances shall periodically be submitted by the Director General to the Board of Governors.

^{1/} GC.1(S)/RES/7.

