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on Wednesday, 24 September 1958, at 3.30 p.m.

President: Mr. SUDJARWO (Indonesia)

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* GC(II)/57.

N.B. The list of delegations attending the second regular session of the
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GENERAL DEBATE AND REPORT OF THE BOARD OF GOVERNORS FOR THE YEAR 1957/58
(GC(II)/39) (continued)

1. Mr. FURUUCHI (Japan) stated that the Japanese Government continued to attach great importance to the activities of the Agency, and wished to express its satisfaction at the work carried out during the first year. The present Conference would certainly mark a new and important stage in the history of the Agency and of its efforts to harness atomic energy for the cause of peace, health and prosperity throughout the world.
2. The Agency had been brought into existence in accordance with the magnanimous suggestions of President Eisenhower, whose desire it was that nuclear energy should cease to be a source of perils, and should instead be employed for peaceful purposes. The Agency should continue to meet the aspirations of mankind by effectively fulfilling the functions laid down in the Statute.
3. Japan, as a loyal member of the Agency, intended in the future to rely on the assistance of the Agency, and to make that assistance the corner-stone of its programmes in the peaceful utilisation of nuclear energy. He therefore wished to give the Conference a survey of Japan's present situation in that field.
4. Under a bilateral agreement concluded with the United States, there had been installed in Japan a boiling water reactor, of 50 KW thermal output, for research and training purposes, and in addition a CP-5 type reactor of 10 MW thermal output was under construction. It would be used for more advanced research, in particular for test production of radioisotopes and reactor material testing.
5. Japan, which was determined to remedy the shortage of resources in conventional energy supply by using nuclear energy, had recently concluded with the United States of America and Great Britain bilateral agreements for electricity production.
6. However, in the opinion of the Japanese Government the time had come when the under-developed countries should seek the assistance and advice of the Agency to implement their programmes of atomic energy. Therefore, on 23 September 1958, his Government had made a formal request to the Agency for its

assistance in obtaining about three tons of natural uranium of reactor grade in the form of ingots, required for its first national research reactor.

7. In that connexion he fully agreed with the view submitted by the Director General on the opening day^{1/}, that the conditions offered by the Agency for the supply of materials should be more favourable than those under bilateral agreements. In the absence of such inducement to apply to the Agency, the countries in the under-developed areas might be obliged to seek elsewhere the assistance they required, to the detriment of the development of the Agency.

8. One of the most important functions of the Agency, laid down in Article III, paragraph A.5 of the Statute, was to establish and administer safeguards designed to ensure that special fissionable and other materials, services, equipment and information made available by the Agency or at its request or under its supervision or control were not used in such a way as to further any military purpose, and to apply safeguards, at the request of the parties, to any bilateral or multilateral arrangement.

9. In the two bilateral agreements which Japan had concluded with the United States and the United Kingdom respectively, it was stipulated that the contracting parties intended to request the Agency to administer its safeguard provisions to those agreements, and that the parties would consult each other in order to determine in what respect and to what extent they would make use of its services. The Japanese Government had already informed the Government of the United States that it intended to request the Agency to apply its safeguard provisions with respect to the agreement concluded with the United States, as soon as the Agency was in a position to perform that service.

10. It was therefore essential for the Agency to take steps as soon as possible to develop those services and recruit the necessary personnel, while at the same time establishing the requisite safeguards. The Japanese Government would welcome any proposal to that effect submitted by the Director General or by one of the Member States.

11. In conclusion he expressed the hope that, as the Japanese programmes in the peaceful uses of atomic energy developed, Japan would be able to co-operate more and more actively with the Agency, not only in technical matters, but also in training schemes.

^{1/} GC(II)/OR.14, paragraph 50. (provisional)

12. Mr. ALLARD (Sweden) stated that, as a member of the Board of Governors, Sweden had closely followed the initial activities of the Agency and had had the opportunity to voice its views on that subject. On leaving its seat on the Board, Sweden would like to present its views with respect to the present and future activities of the Agency, on the basis of the Board's report to the Conference (GC(II)/39) and its draft programme and budget proposals^{2/}.

13. One of the most important problems before the Agency and all its member countries was clearly the question of what form international co-operation should take in regard to atomic energy and related subjects.

14. His Government noted with great satisfaction the preparation of relationship agreements between the Agency and a number of specialized agencies^{3/}, for it was of primary importance for all members of the United Nations family to maintain close and harmonious relations with each other. In that way they would be able to benefit from each other's experience and resources and avoid, to the greatest possible extent, duplication of work and unnecessary expenditure. International organizations should not regard themselves, or act, as competing bodies with exclusive rights and obligations.

15. The need for co-ordination was particularly vital in the atomic sphere, in view of the extremely wide and important implications of the uses of the atom for peaceful purposes. Together with the Relationship Agreement with the United Nations^{4/}, the agreements between the Agency and some of the specialized agencies formed the essential bases for effective co-ordination.

16. However, the consultations and the co-operation provided for in those agreements would probably not always be sufficient to solve the complete range of problems of co-ordination. It was of particular importance and urgency to co-ordinate closely the work on radiation effects being carried out by various international organizations, governmental as well as non-governmental. He drew attention to the note^{5/} in which the Director General had dealt with the problem.

^{2/} GC(II)/36 and Corr.1.

^{3/} GC(II)/46 and Add.1 and Add.1/Corr.1, GC(II)/47, GC(II)/48, GC(II)/49, GC(II)/50 and Corr.1.

^{4/} GC.I/3.

^{5/} GOV/203 and Add.1.

That document would be of special interest and use to delegations when considering the report of the Secretary-General of the United Nations on the question of strengthening and widening scientific activities in the field of the effects of atomic radiation.

17. The Swedish Government was also happy to note that preliminary exchanges of views had taken place on the establishment of fruitful relations between the Agency and certain regional intergovernmental organizations such as the European Nuclear Energy Agency of the Organization for European Economic Cooperation (OEEC) and the European Atomic Energy Community (Euratom). His Government was glad that those organizations were represented by observers at the Conference, and he hoped that their relations with the Agency would soon become formalized in an appropriate manner.

18. Nevertheless, helpful and important as the delimitation of functions between various international organizations might be, it constituted only one element of the activities of the Agency. It was of equal importance for the Board of Governors, the Director General and the General Conference to find out what kind of services Member States were in fact requesting, which of those services should be supplied by the Agency, and which could be more effectively supplied by other media. In short, the problem was to know how to put the necessarily limited resources of the Agency to the most profitable use.

19. The previous year his Government had indicated its general approval of the Report of the Preparatory Commission, on the understanding that the Report indicated the broad lines for possible future activities of the Agency. His Government had not then considered - and did so even less at present - that the endorsement of the Report by the Member States had put the Agency under any obligation to acquire financial and staff resources enabling it to start or to pursue all the activities mentioned in that Report. While it was true that the Report had been drawn up by a highly competent body, its authors had not claimed to be establishing an exact list of the activities that would in reality be undertaken by the Agency in the initial period of its existence.

20. His Government felt that the foremost considerations in planning the Agency's programme should be to ascertain whether the activities proposed were really called for, whether the Agency would be in a position to carry them out more

effectively than any other existing organization or whether indeed they could be carried out without the assistance of any international body at all.

21. It was in the light of those considerations that his Government had participated in the planning of the Agency's programme during the first year. It had noted with satisfaction that its views had been taken into account to a certain extent in the formulation of the proposed budget. In many instances, however, the decisions of the Board had been contrary to its views. His delegation therefore reserved its right to maintain its opposition during the committee stage of the budget debate.

22. Furthermore, certain developments which had taken place after the proposed budget had been formulated by the Board had shed new light on some of the Agency's proposed activities. In particular, he referred to the Second United Nations International Conference on the Peaceful Uses of Atomic Energy which had just been held in Geneva, and to the continued tendency of many governments to prefer bilateral or multilateral agreements to enlisting the assistance of the Agency for the supply of materials and equipment.

23. If the Agency was to continue to be a viable and useful organization, it had to take into account the developments arising out of scientific and technological progress and the policies considered by Member States to be in their best interests. In other words, the Agency had to adapt itself to such inevitable changes and concentrate its efforts in fields in which it could render real and valuable assistance.

24. There was no doubt that there were many such fields. The various forms of technical assistance to the under-developed countries - and with regard to atomic energy, most countries were under-developed - certainly provided the best example. It was important that, wherever necessary, countries should be provided with expert advice on the form of investment, in particular with regard to the use of radioisotopes in agriculture, industry and medicine, which would lead to the quickest and best results from the economic and social points of view. The Agency could also contribute to progress in many countries by promoting the exchange and training of students at various levels of education. His country had already promised to assist the Agency in that respect, both financially and in admitting students and trainees to Swedish institutions.

25. The Swedish Government also thought that in many cases the Agency could play an important part in planning conferences, symposia and similar meetings on various topics. Swedish scientists and technicians were ready to share in such planning and, whenever appropriate, to take part in meetings organized under the auspices of, or in co-operation with, the Agency.
26. The Agency had taken a most useful step in drawing up a draft manual of practices for safe handling of radioisotopes; his country would follow future work concerning the transport of such isotopes with great interest. On its part, the Board of Governors, on a Swedish proposal, had just requested the Secretariat to examine the possibilities of undertaking a similar study with respect to the transport of fuel elements. Other studies might deal, inter alia, with the safety of reactors and their location.
27. Such activities would be of benefit to Members as a whole and would ensure widespread support for the Agency. Nevertheless, the Agency's principal function in that field should be co-ordination; technical and legal advice should be furnished mainly by such experts as countries made available to the Agency, so that it would not have to increase its staff for that purpose. It would be of value if the Agency took as an example the practice followed in that respect by the European Nuclear Energy Agency of OEEC.
28. The Swedish Government, at least for the time being, entertained serious doubts about the usefulness of certain undertakings that were contemplated.
29. In his statement to the General Conference^{6/}, the Director General had pointed out that the Agency, in order to be able to act as an intermediary in the supply of materials and equipment between countries, should receive somewhat better terms than those offered to buyers. It was of course possible that the Agency might be granted such preference in the future on political grounds, but it was obvious that no other considerations - such as economic ones - would justify giving the Agency preferential treatment.
30. It was not only a question of price; control conditions were also of great significance. A certain tendency seemed to be discernible of late to make control arrangements which, to say the least, appeared to be less orthodox than those

^{6/} GC(II)/OR.14, paragraph 50 (provisional).

provided for in the Statute. That apparent tendency would hardly serve to strengthen the Agency's position as a possible supplier of materials and equipment.

31. The Swedish Government did not therefore consider the Agency justified in employing for the time being a large staff for either supply or safeguards services. Elaborate planning in those fields seemed wholly premature, and a waste of resources. The principle that the permanent staff should be kept to a minimum was hardly in accordance with such activities.

32. With regard to the size of the staff in general, he was convinced that the need for personnel, particularly administrative personnel, had been regarded by the Director General as somewhat pressing during the Agency's first year. Certainly a great many of the administrative staff had not only worked hard, but had done really useful work. Nevertheless, if the number and duration of Board meetings were reduced, if some contemplated activities were put in cold storage for the time being, and if the undoubted talents of the leading members of the Secretariat were devoted to placing the available administrative staff in positions where they were most urgently needed, it would surely be possible to put an effective check on the further growth of the Secretariat.

33. The same considerations applied in part to the technical staff. Their activities, however, were more intimately related to the main tasks of the Agency, they were less interchangeable, and their numbers were less liable to increase and decrease.

34. He concluded by stressing that his remarks should not be considered as a negative criticism; they had been offered in a constructive spirit and as an attempt to indicate a realistic course to be followed by the Agency at the outset. Such an approach would be in the best interests of the Agency as well as of all those countries which, like Sweden, would like the Agency to develop into a useful instrument for international co-operation.

35. Mr. SCHMUDSKY (Ukrainian Soviet Socialist Republic) said that the prospects for the peaceful uses of atomic energy were constantly improving and foreshadowed a radical transformation in power supplies, technology, transport, public health and living conditions. Mankind was at the beginning of a new era of world-wide distribution of productive power.

36. Unfortunately, the peaceful uses of atomic energy had not yet achieved their full development, because the efforts of scientists, the resources of the various countries in fissionable materials and their industrial and technical potentialities were being exploited for military purposes. Obviously the prohibition of the use of atomic energy for military purposes would give a decisive impetus to international co-operation among scientists and technicians; and it would markedly facilitate the Agency's task. The first step had been taken on that road by the initiative of the Government of the Soviet Union, which had decided to stop nuclear and thermo-nuclear weapon tests and had invited other governments to follow its example.

37. The United States and the United Kingdom had not hitherto answered that appeal by the Soviet Union; thereby they ran the risk of seriously hindering progress in the peaceful uses of atomic energy and of causing immense and irreparable harm to mankind. People throughout the whole world failed to understand the views of the United States and United Kingdom Governments, especially now that the conclusions of the United Nations Scientific Committee on the Effects of Atomic Radiation^{7/} and those of the conference of experts which had been held at Geneva had been published.

38. He hoped that in the near future the United States and United Kingdom Governments would follow the example of the Soviet Union, thereby hastening the moment when, in the words of Article II of the Statute, atomic energy would be used exclusively for "peace, health and prosperity throughout the world". That was of prime importance to the Agency.

39. During the past year the Ukrainian S.S.R. had continued to pay attention to the peaceful utilization of atomic energy. Great success had been achieved in the use of radioisotopes in the scientific, industrial, agricultural and medical fields. At the Geneva Conference the delegates of the Ukraine had submitted very important scientific reports on each of those subjects.

40. The Academy of Sciences of the Ukraine was in the process of completing the construction of a research reactor. The methods used in the Ukraine for mining uranium ores had attracted much attention from various foreign experts, particularly Canadians.

^{7/} United Nations Document A/3838.

41. In the view of the Ukrainian Government the essential function of the Agency lay in the assistance it could give in the atomic field to the less-developed countries, so that the present disparity between the industrial and non-industrial countries might be reduced. The Ukraine was ready to offer the benefits of its experience to all who needed it, as the Ukrainian delegation had already pointed out at the first session of the General Conference of the Agency^{8/}.

42. After studying the first annual report of the Board of Governors to the General Conference, the Ukrainian delegation did not consider the Agency's activities during the period entirely satisfactory.

43. It could not approve the terms of paragraph 9 of the report when it stated that at the present time it was "as yet uncertain to what extent power, research and training reactors may be constructed in the near future outside the atomically more advanced countries". It appeared that the authors of the report based their views on the preconceived, and mistaken, notion that the construction of reactors in the less-developed countries would be impossible. However, the experience of those countries, and the research carried out there, had demonstrated the advantages and the future prospects held in store for them by the construction of research and training reactors, and eventually power reactors.

44. It was surprising that the Agency had not taken any steps to convince the under-developed countries that research reactors were of interest to them and to rate at its real value the execution of a reactor building programme. Furthermore, it emerged from the report that the Agency doubted even the possibility of building reactors in under-developed countries. However, the initial programme expressly envisaged that the Agency should take steps "to encourage and assist a special programme of reactor building"^{9/}.

45. The Ukrainian delegation was astonished to read in paragraph 9 of the report that "it is not yet possible to formulate the policy the Agency should follow" with regard to the price at which fissionable and source materials might be supplied through the Agency. The Ukrainian delegation considered that the guiding principle in determining the prices of materials should be that those

^{8/} GC.1(S)/OR.10, paragraph 38.

^{9/} GC.1/1, paragraph 45.

supplied by the Agency should be the cheapest on the world market. The report of the Board of Governors should have drawn attention to this principle, the more so because certain countries had expressed the intention to deliver materials at commercial prices.

46. From the beginning it had been the opinion of the Ukrainian delegation that the Agency should not be a commercial organization enabling those who provided materials and equipment for the Agency to make profits. Otherwise the Agency would hardly be in a position to offer disinterested assistance to under-developed countries, which would then have to find other ways of satisfying their requirements.

47. In a speech at Chicago, the Governor from the United States of America on the Board of Governors had defined the Agency as a device backed up by a real profit motive. But it was precisely the profit motive which should be firmly excluded from the Agency.

48. The report of the Board mentioned, on the subject of staff recruitment, that the Agency had had recourse to the United Nations for aid in completing its staff. So as not to contravene the principle of geographical representation laid down in the Statute, however, United Nations officials transferred to the Agency must be considered, not in their capacity as officials of an international organization, but as representing the geographical areas to which they belonged.

49. The report, regrettably, said nothing about the activities of the Agency with regard to information - activities which left much to be desired. It was difficult to see why the Agency's non-technical bulletin had not yet appeared; nothing was known about the ways in which the Agency informed the public as to its activities or issued information on progress made towards the peaceful use of atomic energy. The fact that the public was, unfortunately, hearing more and more often about the military applications of atomic energy made the Agency's responsibilities in regard to information all the more important. The man in the street would largely depend on the Agency's information work for his views on the prospects of atomic energy, and it would, moreover, enhance the Agency's moral authority. The non-technical bulletin should - from the very first year - be produced in that spirit.

50. It must be admitted that there was a pernicious tendency to turn the Agency into an international body merely to supervise the utilization of atomic energy for peaceful purposes instead of also making of it an organization capable of contributing substantially to the economic development of many countries throughout the world.

51. During the preceding year, a disproportionate amount of the Agency's activities had been administrative, concealing all the other, much more important, aspects of its task. Having laid down excellent principles, it was time for the Agency to start putting them into practice; that was what the nations expected of it.

52. The Ukrainian delegation reserved the right to put forward its suggestions for the future during the examination of the programme, budget and operating fund for 1959.

53. Mr. CARSTENS (Federal Republic of Germany) said he had heard with satisfaction the remarks made by the Director General at the opening meeting of the Conference^{10/}. His delegation wished to congratulate the Director General on the speed with which he had succeeded in providing the Agency with an administration and with the services of outstanding officials. The Agency as a result was already able to carry out some of its essential functions, connected with the exchange of scientific and technical information, assistance to students and experts, world co-operation on health matters, and assistance to under-developed countries in regard to atomic energy.

54. His delegation therefore fully approved the Agency's programme for 1959^{11/}, which included those various activities. It especially favoured projects for calling scientific conferences and symposia on atomic matters, which could give an impetus to the co-ordination of scientific research, and exploit the results of the recent Geneva Conference. The need for all countries to develop their atomic energy programmes should be underlined, and fruitful international co-operation would thus ensue.

55. For its part, the Federal Republic of Germany was operating research reactors at the Universities of Munich and Frankfurt. A reactor for research on nuclear ship propulsion would go into operation in Hamburg in 1958; another reactor

^{10/} GC(II)/OR.14, paragraphs 32 to 50.

^{11/} GC(II)/36 and Corr.1.

at Berlin would serve the same purpose. Research work would also be starting soon at Karlsruhe and at Julich. Thus the number of reactors which could be used for research in his country within the near future would total seven, of which six had been supplied by the Governments of the United Kingdom and the United States, to which he wished to express his gratitude.

56. German industry was taking a keen interest in the development of nuclear generators. Industrial concerns had formed themselves into groups to investigate types of generators which would soon be able to compete with standard electric power stations. The "Rheinisch-Westfälische Elektrizitätswerke", with the assistance of the United States, had decided to build an experimental boiling water generator, with a capacity of 15 MW, near Aschaffenburg, while another high temperature generator of the same capacity was to be built near Düsseldorf. Both of these would of course be experimental reactors and could not for the moment compete with standard-type power stations.

57. His country was also engaged in the production of material such as heavy water for reactors and nuclear equipment. The electrical industry in Germany was manufacturing instruments for measuring radiation and for protection against radiation.

58. Since there was no shortage of natural uranium in the world, the Federal Republic was not intending to intensify uranium mining on its own territory, but was importing uranium to meet its needs.

59. With regard to the activities of the Agency, the appointment of the Scientific Advisory Committee was a very timely step, which would enable the Agency to develop the co-ordination of scientific work. His delegation, which was anxious to see close contact established between the Agency and other organizations, noted with satisfaction that agreements with several international organizations had been submitted to the Conference for approval. It was true that the many new organizations which had been established during the last ten years - particularly regional organizations - were designed to meet particular requirements and occupied a clearly defined place in the vast field of international co-operation, but it was desirable none the less that close contact should be established between them and the Agency. Effective co-operation was particularly necessary in the matter of third party liability for damages and

insurance against atomic risks. A number of regional organizations, such as the European Nuclear Energy Agency had already undertaken studies of those questions, which might be of value to the Agency.

60. Since the first plans for the establishment of the Agency had been made, his Government had always stated that it earnestly desired the development of international co-operation in the field assigned to the Agency and that, for its own part, it was prepared to do everything possible to attain that end. Although the Federal Republic was still in the early stages of the development of nuclear energy for peaceful purposes, it was particularly anxious to help other countries in educating specialists, and had offered the Agency twenty subsidized fellowships, in addition to the sixty fully paid fellowships which it had placed at the disposal of various countries under bilateral agreements. The fellowships were intended mainly to enable students to perfect their knowledge in various fields of the basic sciences.

61. In conclusion, he would assure the Conference that his country would spare no effort in assisting the Agency to bring to a successful issue the work which it had undertaken in the interests of all its members.

The meeting rose at 4.40 p.m.