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### ONE HUNDRED AND THIRTY-EIGHTH PLENARY MEETING

Held at the Neue Hofburg, Vienna,  
on Thursday, 24 September 1970, at 10.40 a.m.

President: Mr. SARABHAI (India)

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\* A provisional version of this document was issued on 30 September 1970.

\*\* GC(XIV)/442.

GENERAL DEBATE AND REPORT OF THE  
BOARD OF GOVERNORS FOR 1969-70  
(GC(XIV)/430, 440)

1. Mr. LE-VAN-THOI (Viet-Nam) was pleased to note that the Agency had prepared a sound and rational plan for its activities during the following six years, and congratulated and thanked the Director General and the Secretariat. The programme indeed laid down the guidelines for concerted action at international level, which would help Member States to develop their nuclear programmes in a way that would promote international and regional co-operation.

2. Viet-Nam commended the Agency's unrelenting efforts to promote such collaboration between various countries in South East Asia and the Far East by helping them to prepare a number of sound and useful projects and outline an appropriate legal framework within which those projects could be executed jointly by the countries concerned. In that respect, the results achieved at the meeting organized by the Agency at Bangkok in July 1970 were most encouraging, since they reflected the desire of the countries in the region to participate in co-operative projects which were assured of definite assistance by the Agency. His country therefore wished every success to that laudable attempt to integrate research and training projects in a regional context.

3. In spite of the chronic scarcity of resources, the Agency's record in the field of technical assistance was praiseworthy, and it was gratifying that the programme took account of the aspirations of most of the developing countries. It was indeed remarkable that the proportion of the resources allotted to equipment had, in the current year, reached the highest level so far, namely 25% of the total commitment. Furthermore, the proposed programme for the coming years gave evidence of a novel approach and of an attempt to impart flexibility to the implementation procedures. He took note of all the new prospects which the Agency's programme offered: the possibility of supply of equipment without expert services in justified cases, the use of Agency staff members for short-term expert missions, the grouping of projects of the same nature with a view to entrusting them to the same expert, and the dispatch of small missions to help national authorities prepare technical co-operation requests and, where appropriate, to interest several Governments in regional projects of common interest, for which more substantial assistance could then be made available. Such an approach was bound to mean increased effectiveness in regard to the receiving countries.

4. In that connection, the agreement concluded the previous year between the Agency and Sweden for financing technical assistance projects was another

proof of the Agency's efforts and a gesture of international solidarity, which deserved to be greeted warmly. He expressed the hope that other industrially advanced States would also increase their financial support to the Agency's technical assistance programme.

5. The scarcity of qualified technicians remained one of the major concerns common to all developing countries. It was therefore necessary to encourage training, preferably within a regional framework, through the utilization of existing nuclear facilities and research establishments, since that would lead to a considerable reduction in the costs devolving upon trainees, ensure training under living and working conditions comparable to those prevailing in their native countries, and promote the establishment of relations favouring future collaboration.

6. He stressed the undeniable usefulness of the standards and recommendations prepared by the Agency on nuclear safety and pointed out that the acceptance of many of them by WHO was likely to facilitate collaboration between the health authorities and the authorities responsible for atomic energy in various countries. It was at present planned to expand the Viet-Nameese dosimetry laboratory and he noted with interest that in that field, too, the Agency would continue to provide advisory services and technical assistance.

7. Referring to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT)<sup>1)</sup>, he stressed the great interest his country was taking in the deliberations of the Safeguards Committee (1970). However, the most thorny issue yet to be disposed of was the financing of the application of safeguards under NPT. He hoped that the Committee would be able to find a compromise solution acceptable to the majority of the developing countries. Otherwise, it would be paradoxical to proclaim that NPT would reinvigorate international co-operation, and, in particular encourage peaceful uses of nuclear energy in developing countries, yet start by imposing on them regular contributions at a level much too high in relation to their modest resources. It was more an ethical problem than one of rights and obligations, and the solution should not offend the conscience of the nations with the least means.

8. In regard to the Director General's wondering whether it was appropriate to create new international organizations or reorganize the existing ones so as to make them more effective instruments, he pointed out that during the preceding decade the Agency had proved to be one of the most efficient organizations in the United Nations family, and he was pleased to note that it had been called upon by the international community to assume increased respon-

1) Reproduced in document INFCIRC/140.

sibilities in the coming years. He expressed the hope that one day, through some tacit agreement on the non-proliferation of international organizations, those which were functioning efficiently, such as the Agency, would have available the resources needed to carry out their mission to the full.

9. Mr. NIISEKI (Japan) said that the present General Conference was especially significant as being the first since the coming into force of NPT which would lead to an increase in the Agency's safeguards responsibilities. At the same time the Agency was expected to devote increasing attention to its basic functions of promoting international co-operation, exchanging scientific and technical information, giving technical assistance and aiding in other ways of making peaceful use of atomic energy.

10. Turning to recent developments in nuclear energy in Japan, he said that there were two reactors producing nuclear energy on a commercial basis and that two more would become operational the following month. Their total output would amount to approximately 1300 MW. Five more power reactors with a total output of 3400 MW were under construction. The Government was aiming at a total output of approximately 8700 MW by 1975 and approximately 27 000 MW by 1980. The Japan Atomic Industrial Forum had recently announced that its long-term objective of nuclear power generation was 60 000 MW by 1985 and 120 000 MW by 1990. Nuclear power would thus become the largest source of power generation, representing 42% of Japan's total electrical power generation capacity. At the same time the construction of related machinery and the industrialization of nuclear fuel processing were making steady progress. With a view to establishing a proper fuel cycle Japan was also making efforts to promote, in close co-operation with the countries concerned, the development of uranium enrichment techniques, effective utilization of plutonium and the construction of a reprocessing plant. Japan was also developing an advanced type of converter and a fast breeder to make more efficient use of nuclear fuel and to reduce power generating costs.

11. In addition to the generation of nuclear power, attention was also given to the multi-purpose utilization of reactors, including desalination, use of process heat and application to steel manufacturing. The introduction of nuclear energy into the steel industry to meet Japan's predictable shortage of cooking fuel had become a matter of great urgency. His country was therefore planning to embark on a research and development programme for a high-temperature reactor.

12. As an application of radiation in the medical field treatment of brain tumours by the use of thermal neutrons in a reactor had been carried out and a cyclotron would be constructed in a research

centre to solve various problems relating to the treatment of all types of tumour.

13. Turning to the environmental problems of the nuclear industry, he said that the industry throughout the world had since its inception been conscious of the possibilities of environmental pollution and that various preventive measures had been taken.

14. The merits of nuclear power generation over thermal power generation in so far as environmental pollution was concerned had come to be appreciated particularly in Japan and constituted a further incentive to the development of nuclear power generation. The treatment of radioactive wastes and their disposal into the environment would continue to present a formidable problem the solution of which required international co-operation. In particular the disposal of such waste into the sea called for urgent concerted action. His delegation endorsed the suggestions made by the Director General at the opening of the session and hoped that the Agency would intensify its efforts to establish technical standards for the disposal of radioactive wastes into the sea in close co-operation with the international community.

15. Turning to the safeguards question he said that the Safeguards Committee (1970) had recommended important principles and basic guidelines for the Agency's safeguards. Those principles had been accepted and endorsed by the Board of Governors as a basis for negotiations with the States Parties to NPT.

16. Singling out some of the important principles that had emerged from the discussions he was pleased to note the explicit confirmation of the principle that the Agency safeguards should be applied in such a manner as to enable the Agency to verify findings of the State's system of materials control. It was primarily the State which assumed the responsibility of fulfilling obligations under NPT. It had also been agreed that the Agency's verification should include independent measurements and observations. But how could the Agency safeguards be effectively applied to the flow of nuclear materials in a great number of States without the co-operation of the States concerned and without making the best possible use of their own control systems?

17. He noted further that it had been agreed to ensure the optimum cost-effectiveness in safeguards. The adoption of that principle was of great importance in developing rational, simplified and effective safeguards. Japan had been the first country to volunteer to accept the Agency's safeguards in 1959 and at present the number of facilities in Japan subject to safeguards represented almost one-third of the total number of facilities under the Agency's safeguards throughout the world. His delegation hoped that the Safeguards Committee at its next

meetings would not indulge in rhetoric but try to work out practicably and rationally safeguards applicable to all States.

18. He also appreciated the agreed principle that information pertaining to facilities should be the minimum necessary for safeguarding nuclear materials subject to safeguards.

19. The technical and procedural parts of safeguards should fully embody and be truly consistent with principles and guidelines recommended by the Safeguards Committee and endorsed by the Board of Governors. The whole set of safeguards — principles and technical implications — would have vital impact upon Japan's position vis-à-vis the ratification of NPT, as his Government had made clear in its statement at the signing of NPT.

20. With regard to the problem of the financing of safeguards he considered that the cost of safeguards should be shared by the world community and that no unfair burden should be imposed on non-nuclear-weapon-States to which safeguards were applied.

21. He recalled that the Agency's basic purpose was to promote the peaceful applications of atomic energy. The safeguards could not alter the fundamental character of the organization; they were meant to ensure the peaceful uses of nuclear materials. Otherwise, the purpose of NPT and of the Agency would be defeated.

22. Mr. HIRSCH (France) stressed that the rapid acceleration of technological development had been specially evident in the sphere of nuclear power generation, the need for which would be increasingly felt in the years to come with the continuing rise in the price of fuel-oil and coal.

23. The drawbacks of that development includes lengthening construction times, a rise in the cost of reactors and also technical hitches in the manufacture and starting up of units. Thus, in 1969 a human error caused the melting of a fuel element and led to the Saint-Laurent-des-Eaux power station being out of action for a year, a measure made necessary by the complex decontamination operations in the power station to remove molten and even volatilized uranium. It would be desirable for the Agency to collect all available information on such incidents and on the solutions adopted, so that the experience of one country could be of use to others.

24. He emphasized, however, that the various incidents which had occurred in existing power stations had never had any serious effects on the environment. In general, in spite of the denigration campaigns, nuclear power was a technology that was developing with an awareness of the limits of pollu-

tion which gave it a certain advantage over conventional power stations, in particular in the case of atmospheric pollution.

25. The Agency should play a growing role in radiation protection and radioactive waste management, and also in the co-ordination of the available data on nuclear explosions for peaceful purposes. In the last-named sphere the Agency had taken the welcome initiative of convening the first international meeting ever to be held, in the course of which French experts had given details of the original results obtained during underground explosions in hard rock. He hoped that at the right time the French experience could be used for industrial purposes. Mention should also be made of the importance of the symposium organized by the Agency in New York, in collaboration with the United States Atomic Energy Commission, on the environmental effects of nuclear power stations. The papers submitted had once again led to the unanimous conclusion that no industry had from its very beginning shown as much concern for the control of pollution as had the nuclear industry.

26. The Agency must also play an important role in the sphere of controlled fusion. France approved of the conclusions of a study group which had met under the Agency's auspices at Trieste in June 1970, when it had been suggested that an international fusion research council should be established under the Agency's sponsorship, having the aim of co-ordinating programmes on the basis of the systematic exchange of information on projects and experiences and not only on scientific results. That first stage, which had been reached several years ago by the European Atomic Energy Community (EURATOM), could be followed by an effective concentration programme effort which might reach the ultimate objective — the implementation of joint international projects.

27. Turning to the more specific achievements of the Agency, he welcomed the fact that in 1969 the latter had provided more technical assistance than in any other year. It was not unreasonable that a third of that technical assistance concerned the application of isotopes and radiation in medicine and agriculture, because that was a sphere in which the benefits to countries were obtained immediately and which did not require financial resources beyond the budgets available.

28. Unfortunately, the funds devoted to technical assistance and to all the Agency's other scientific activities were threatened on the one hand by the increase in the financial resources devoted to staff salaries and general costs and on the other by the inevitable rise in the cost of safeguards. In 1960 staff salaries and general costs had represented 58% of the total budget. In 1971 they would represent

74%, which meant that the part devoted to substantive activities had decreased from 42% to 26% in ten years. If that problem was not solved there was the danger that in a few years' time the Agency would find itself at a dead end, the budget being almost completely swallowed up by the salaries of a staff that would no longer have any resources with which to work. The solution was to give greater freedom to the Director General to transfer staff from one division to another and at the same time to authorize him not to fill certain less important posts when they fell vacant, the budget of course remaining the same so that the reduction in staff costs would benefit the Agency's activities proper.

29. He also hoped that there would be a ceiling to the number of staff with permanent contracts, which should in any case not exceed the present 25%.

30. At Geneva, the Director General had recently been alone among the executive heads of the international organizations belonging to the United Nations family in opposing a general increase in the salaries paid by those organizations and the United Nations.

31. In general, the rigidity of the Agency's administrative regulations or practices should never stand in the way of economies. For example, it had become customary to hold a short session of the Board of Governors before the General Conference; that session had often been useful. But it was totally unreasonable to incur Secretariat expenditure and to bring national representatives to a session with an agenda consisting of two or three routine items, as had just been the case at the lightning meeting on 18 September 1970. The Director General should be in a position to cancel with the necessary advance notice such a meeting if it seemed clear to him that it would not deal with any useful item of substance before the General Conference.

32. The other threat which hung over the Agency's budget was linked with the inevitable increase in the funds devoted to safeguards. Control activities were bound to play an increasingly important part in the Agency's work, but in the interest of its general programme it was vital that that increase should not take place at the expense of scientific activities.

33. His delegation had followed with interest the meetings of the Safeguards Committee set up by the Board of Governors with a view to the negotiations to be concluded between the Agency and the non-nuclear States Parties to NPT. Attention was rightly focused on "light" control operations the purpose of which was to verify the exactness of the accounting procedures adopted by each country or possibly by groups of countries, such as EURATOM. The fundamental principles established by the Safeguards

Committee would permit the Director General to start negotiations within the time limits laid down by the Treaty.

34. His delegation hoped that the question of financing safeguards could be solved satisfactorily. The coming into force of NPT and the considerable increase in control activities resulting therefrom indeed strengthened the reservations which his delegation had been expressing for several years with regard to the present practice. Controls could not continue to be financed out of the Agency's Regular Budget. From 1972 onwards there must be two different budgets: the first would cover all preliminary work and general expenditure incurred by the Agency in the course of developing control techniques and controlling all nuclear installations of a non-commercial nature, such as research reactors. That budget would be financed by all Members of the Agency on the normal scale of assessed contributions. The second budget would cover all expenses relating to installations of a commercial nature, refineries, fuel fabrication and reprocessing plants, nuclear power stations etc.; that budget should essentially be the responsibility of the countries parties to the bilateral or multilateral agreements under which the controls were being exercised.

35. Equally, if certain countries with nuclear weapons wished to put their civilian installations under the Agency's control it would be the natural thing if they themselves assumed the total cost of that control. The effect would no doubt be to restrict to a reasonable limit the number of installations being controlled, because if those countries placed the whole of their enormous civilian installations under control the result would be an expenditure that was both substantial and unnecessary.

36. The routine character of the inspection operations was such that it would be difficult to keep inspectors interested in them for a long period if, as at present, they continued to be qualified engineers. It seemed desirable that the operations should in the future be undertaken by competent technicians instead of engineers, a change that would result in some financial saving without risking in any way the effectiveness of inspection.

37. The question of safeguards was not the only political problem that had occupied the Board of Governors in the course of the past year. No less important was the question of its composition, bearing in mind the increase in the number of Members of the Agency and the development of nuclear energy in the world. In view of those trends, France had for the last two years supported the Italian move to bring about reform of the Agency's governing body. Although an increase from 25 to 34 Members was somewhat larger than that which his delegation

had envisaged, the Italian proposal<sup>2)</sup> of which his country was a co-sponsor was the one that came closest to an equitable solution acceptable to all and should be adopted by the General Conference at its present session.

38. Conscious of the limits of its financial effort in the sphere of voluntary contributions, the French Government had decided to present to the Agency electronic or other research equipment for the Seibersdorf and Monaco Laboratories to a value of approximately 100 000 francs.

39. It also renewed the offer of 10 fellowships intended for research workers who already had some experience and who wished to undergo advanced training in their basic discipline. During 1970, of the 11 candidates proposed by the Agency eight had been accepted and their training had just begun or was about to begin in October. A further dozen or so French experts had helped the Agency in its task of providing technical assistance. A number of the expert missions had been of long duration.

40. Further, various French nuclear research centres had opened their doors to some 30 Agency fellowship holders for basic or advanced training courses.

41. At the beginning of September 1970 an Agency symposium had been held at Aix-en-Provence on development in the management of low and intermediate-level radioactive wastes. Participants in the symposium had been able to visit the Cadarache nuclear centre and in particular had been able to inspect the experimental fast neutron reactor, Rapsodie, which continued to operate satisfactorily.

42. The interest aroused by French work on fast-neutron reactors continued to show itself in international collaboration with India, Italy and Japan in particular.

43. With regard to the generation of electricity from nuclear sources, no decision for new power stations had been taken in 1970 nor was it intended to build any of the natural-uranium, gas-graphite type in the near future. On the other hand his Government had decided to diversify its effort during the next few years by starting up several enriched-uranium, light-water power stations at the same time as completing, in co-operation with Atomic Energy of Canada Limited, a preliminary project study by French industry for a nuclear district heating plant employing the Canadian pressurized heavy-water type reactor.

44. Another sphere in which the result of French activities had had international repercussions was that of prospecting for uranium, particularly in Niger,

where the Commissariat à l'Énergie Atomique (CEA) had been carrying out exploration for over ten years. In February 1970 Niger, which was participating in the work, had permitted two companies, one German and the other Italian, to join the Franco-Niger production group which would begin operations shortly. A syndicate for uranium mining research and development had also been established on 1 June 1970 by the Republic of Niger, the CEA and a Japanese industrial consortium. The role played by large Japanese firms once more showed the interest aroused by the earlier discoveries of CEA in that region of Africa.

45. Turning to another stage of the nuclear fuel cycle, he said that France was devoting great efforts to isotopic separation by gaseous diffusion, with the long-term objective of setting up a multi-national factory which by the end of the decade would satisfy enriched uranium requirements beyond the present output, which would no longer suffice, and would also provide a new source of supply. France had offered to collaborate with its partners in EURATOM and was ready to compare on the technical and economic levels the characteristics of the process which it had developed with those of new processes studied in recent years by other countries.

46. He hoped that the forthcoming United Nations Conference at Geneva on the Peaceful Uses of Atomic Energy would lead the great Powers concerned to lift the veil which covered isotopic separation processes, the last bastion of an out-dated policy of secrecy, and thus to permit the technical and economic comparisons that were desirable from the point of view of the cheaper production of enriched uranium in the world.

47. Mr. REITBAUER (Austria) said that the most welcome news in the annual report of the Board of Governors was the increase — from 26.4% in 1969 to 36.8% in 1970 — in the percentage of technical assistance requests for experts and equipment met in the current year<sup>3)</sup>. Even though the increase was in part due to a new division of cash resources and in part to a slight decrease in the value of the requests received, his delegation welcomed the apparent reversal of a most unsatisfactory trend and hoped that the volume of such assistance would continue to increase.

48. In that connection he noted that the report on another problem which was of direct concern to the developing countries — the financing of nuclear projects<sup>4)</sup> — had been studied by his delegation with great interest. The report drew attention to one of the tremendous tasks with which the Agency and the international community in general would shortly be confronted.

3) GC(XIV)/430, para. 12.

4) GC(XIV)/436.

2) GC(XIV)/437, section A.5.

49. His delegation had noted with satisfaction the expansion in the Agency's day-to-day work in the field of basic and applied research. Successful research projects, symposia and panel discussions had helped to foster international scientific co-operation. Nuclear techniques which were sometimes viewed as a danger to the human environment might yet prove useful in environmental control, thus helping to improve over-all living conditions.

50. There was reason to hope that 1971, with the Fourth International Conference on the Peaceful Uses of Atomic Energy, would see a further increase, both in the volume and the intensity of international scientific collaboration.

51. Although the Austrian delegation attached great importance to the "traditional" tasks of the Agency, the coming into force of NPT was of crucial importance both in the annals of international relations and in the history of the Agency. Austria had been among the first countries to sign the Treaty and had ratified it at an early date. Although sincerely interested in its early implementation the Austrian delegation was fully aware of the difficulties inherent in the task that was facing the Agency and Member States in connection with NPT. For the States Parties to the Treaty the time limit imposed by it required speedy action, but it would be difficult to disregard the need to proceed carefully with the implementation so as to ensure the widest possible application of an efficient and sufficiently adaptable international safeguards system.

52. The Austrian delegation therefore welcomed the establishment of the Safeguards Committee (1970). The time to review its work had not yet come but he believed that substantial progress had already been made. He fully shared the concern of the developing countries that a disproportionate increase in safeguards activities might lead to a curtailment of the Agency's work in other fields. In planning the future, the Agency must exercise the utmost care so as to maintain a properly balanced programme of activities.

53. As to the method of financing safeguards, he had no wish to anticipate the forthcoming discussions of the Safeguards Committee. In principle, the Austrian delegation believed that when it came to safeguards under NPT there should be no attempt to apply purely financial or even purely economic yardsticks.

54. With regard to the budget for 1971<sup>5)</sup> he noted with concern that a substantial share of the increases envisaged would be absorbed by staff costs. However, he had not overlooked the fact that the development appeared, at least in part, justified by the increased

volume of activity in certain sectors. He realized that the increase in the voluntary fund target from \$2 million to \$2.5 million did not fully meet the expectations of certain Member States but regarded the figure as a reasonable one. Subject to parliamentary approval, the Austrian authorities envisaged a corresponding increase in Austria's contribution to the voluntary fund.

55. With regard to Article VI of the Statute, his delegation remained of the opinion that a revision of the Article appeared justified, in view of the increased number of Member States, the role of the developing countries and the technological progress achieved by certain States.

56. Baron van BOETZELAER (Netherlands) considered that the amendment of Article VI of the Statute of the Agency was an important item on the agenda of the General Conference. That item had been brought forward from the agenda of the thirteenth Conference but the point had now been reached where, in his view, a decision could be taken. During the past year his Government had decided to co-sponsor the proposal now before the General Assembly in document GC(XIV)/437, section A.5. That proposal had been several times modified to suit the interests of the maximum number of Members while keeping within the limits of the criteria on which a revision of Article VI of the Statute had to be based. In the opinion of his delegation the proposal in question created a reasonable and workable balance between the criteria of technical advance, effectiveness of the Board and equitable geographical representation and he therefore recommended its adoption by the Conference.

57. He commended the spirit of co-operation in which meetings of the Safeguards Committee (1970) had been held. Referring to the general subject of safeguards, he emphasized that adherence to NPT implied a country's willingness to accept a limitation of its sovereignty in the form of safeguards. It would be unrealistic at the present stage to expect Governments to relinquish parts of their sovereignty which they considered vital to their national dignity and security or to part with the secrets of industrial techniques which the skill of their scientists had devised. Nevertheless, if the discussions of the Committee in October 1970 were continued in the same spirit of wisdom and realism he was certain that the aims of NPT could be reconciled with national aspirations.

58. He believed that the governing factor in the financing of safeguards should be their importance in the strengthening of world peace and that the costs should therefore be found from the Regular Budget to which all Members contributed on a scale related to their capacity to do so. He was nevertheless prepared to accept alternative solutions and

5) See document GC(XIV)/433.

felt that the most satisfactory solution might be one about which all parties were equally dissatisfied.

59. He recalled that his Government had recently informed the Director General of its preparations for participation in the International Nuclear Information Service (INIS) by the establishment of a national editorial centre. He would be grateful at the same time for information on the progress made in this field in other countries and in the Secretariat. His Government believed that INIS should, after a certain initial period, be handed over to a non-profit-making body which would have to aim at self-sufficiency. That proposal was prompted by the fear that IAEA activities in the field of documentation and information might increase at the expense of the other tasks of the Agency.

60. Announcing his Government's support for the proposed establishment of an International Fusion Research Council, he said that national co-ordination of technological research on fusion reactors should be undertaken even before a self-sustaining fusion reaction had been realized in the laboratory.

61. In view of the disturbing imbalance between the number of requests for technical assistance and the inadequate and static financial resources available, to which he had referred in 1969, he welcomed the raising of the target for voluntary contributions from the \$2 million level to the level of \$2.5 million. His Government had decided, subject to parliamentary approval, to nearly double its voluntary contribution (a rise of well over 90%).

62. He paid tribute to the efficiency of the Secretariat in the transaction of business with Dutch organizations, in the administration of fellowships and in the organization of courses and symposia in the Netherlands and pledged his Government's full support to the Director General in the accomplishment of his most important task.

63. Mr. STRAUB (Hungary) said that the Hungarian People's Republic had always paid great attention to the Agency's activities and noted with satisfaction the results achieved. Hungary was, that year, celebrating the 25th anniversary of its liberation, a fact to which he made reference because the revolutionary changes which had begun 25 years ago had allowed his country to contribute, albeit in a modest way, to the realization of the Agency's goals.

64. The coming into force of NPT was one of the most important events in the history of the Agency and a milestone on the road towards controlling the arms race. The widest acceptance of NPT and strict observance of the principles laid down in the Treaty decreased the hazards of nuclear war.

65. He noted with satisfaction that the idea of general and complete disarmament was enjoying increasing popular support. His country, which had been among the first to ratify NPT, was convinced that many more and possibly all States which had so far reserved their stand would become convinced of the Treaty's historical importance and sign and ratify it.

66. The administration of NPT safeguards required a somewhat different type of activity and constituted an additional work load on the Agency. His country appreciated the knowledgeable and dedicated efforts of the Director General and the Secretariat in assisting the Board of Governors in the initiation of bilateral talks on safeguards agreements. He hoped that the Agency would be able to satisfy the request of Member States and other States Parties to NPT; requests which on the basis of the Treaty the Agency was asked to meet.

67. Undeniably the tasks devolving from NPT would result in changes in the activities of the Agency but he was convinced that the organization could proceed with, and even improve, its programme and the help which it gave to the developing countries. To do so it was necessary for the discussions in the Safeguards Committee (1970) to come urgently to a satisfactory conclusion.

68. While realizing that the budget and its structure would be influenced by the changes in the Agency's activities, he thought that strict economy together with a rational redeployment of the Agency's resources should provide the necessary funds for all its activities. The Hungarian Government had decided to increase its contribution to the voluntary fund in line with the new target.

69. The Agency's programme for 1971-76 (GC(XIV)/433) was the result of a thorough study and constituted a reasonably well-balanced programme. He was pleased to note that a number of former programmes were being phased out and replaced by new ideas. The INIS was a good example of the type of activity that the Agency was developing satisfactorily. Those were activities of great importance to the developing countries and all Member States ought to benefit from such programmes. He expressed his country's willingness to co-operate with the Agency in every possible way.

70. He noted with satisfaction that all programmes bore in mind the complexity of problems under consideration and avoided the pitfall of using radiation or tracer methods for their own sake. He agreed that the Agency should not do all the work within its own laboratories. An international laboratory should work on standardization, intercomparison and control problems, or, where national efforts were insufficient, such a laboratory should be esta-



blished. He thought that some of the work presently planned in the Seibersdorf or Monaco Laboratories should be handed over to national laboratories in Member states.

71. With regard to the revision of Article VI of the Statute his delegation understood and sympathized with the request of Asian, African and Latin American countries to obtain better representation on the Board of Governors. His country had made it clear in the Ad Hoc Committee of the Whole and the Board that it could only accept an increase in the number of Governors if such a step did not jeopardize the Board's efficiency. An increase in the number of seats on the Board should not damage either the interests of the socialist countries or those of others. Those considerations were reflected in the amendment to Article VI of which his country was a co-sponsor<sup>6)</sup>.

72. As an international organization with universal representation the IAEA should not, in the opinion of his delegation, exclude on the ground of political considerations States which had achieved considerable results in the peaceful application of atomic energy and in addition had ratified NPT. His delegation would welcome a solution of those problems and was willing to co-operate with other States in furthering the goals of the Agency.

73. Mr. N'GUEMA N'DONG (Gabon) said that Gabon was still the second largest producer of uranium in Africa. His Government was certain that the demands of the nuclear power industry would exceed current production and that the time would come when the uranium production capacity anticipated for the following five or seven years would perhaps have to be rapidly increased.

74. Gabon was therefore interested in the problems connected with the prospecting for, the demand for and the production of uranium. A prospecting plan had been prepared with a view to discovering other possible deposits capable of being worked in the following years.

75. His country had always kept the Agency informed of its prospecting activities, discoveries of ore deposits, and methods of extraction and processing uranium, and hoped that all Members of the Agency would do the same. It had the best and most important hydroelectric sites in Africa and was unremitting in its efforts, in collaboration with friendly countries, to explore uranium deposits and thus ultimately to help solve the serious problem of atmospheric pollution. Nuclear industry had indeed taken many precautions against pollution. Nevertheless, it was desirable for the Agency to continue implementing its important health, safety and waste

management programme in connection with the peaceful uses of atomic energy.

76. Gabon accordingly commended the decision to convene the Fourth International Conference on the Peaceful Uses of Atomic Energy at Geneva in 1971. It was to be hoped that at the Conference the political, economic and technical authorities would have the opportunity to study, with benefit to all concerned, the various problems of the atom for peace in the world.

77. It would be desirable for the Agency to carry out studies on low-cost nuclear power plants capable of providing the means of development needed by the emerging countries. It should also make available to those countries more substantial assistance for the exploration and exploitation of uranium deposits.

78. For two years the representatives of various States Members of the Agency had been pressing for amendment of Article VI of the Statute. Proposals had been submitted with a view to amending that Article in a way that would promote a more efficient functioning of the Board of Governors while ensuring an equitable representation of all the continents. The question must be examined on the basis of the proposals submitted<sup>7)</sup>, particular consideration being given to the one which enjoyed the support of the largest number of States. His country was sure that a solution could now be found for the problem of amendment.

79. Mr. LUNDE (Norway) foresaw that the Agency's activities in relation to its obligations under NPT would add a new dimension to its work in the coming year and hoped that as a result interest would be stimulated in other Agency activities. His Government had noted the increase in the target for voluntary cash contributions from \$2 million to \$2.5 million to cover technical assistance and had decided to increase its voluntary contribution accordingly.

80. One of the most important Agency tasks was to co-ordinate and standardize recommendations, rules and regulations in all fields of nuclear safety. His Government had noted with satisfaction that in general the safety recommendations issued by the IAEA were now well co-ordinated with other relevant international organizations and felt that continued emphasis should be placed on that work. There was, furthermore, an increasing need for international co-ordination of rules and practices with respect to radioactive wastes. He hoped that the Agency would consider possible further steps towards international agreement in the field of waste disposal, in particular waste disposal into the sea and radioactive pollution of the atmosphere.

6) GC(XIV)/437, section A.1.

7) See document GC(XIV)/437.

81. Regarding the amendment of Article VI of the Statute, he said that important nuclear developments had taken place within various member countries since the present text of Article VI was formulated and he hoped that serious efforts would be made to see that some of those changes were reflected in the amended text.

82. Recalling that his country was one of those which had ratified NPT before it entered into force, he stressed the continuing importance attached by his Government to the Treaty. The guiding principle should be that the safeguards arrangements, while not being unduly cumbersome or costly to apply, would give the basic assurance that the Treaty's obligations were not being circumvented. He felt that international financing of the safeguards costs was the only equitable solution and he believed that it was possible to arrive at generally acceptable arrangements.

83. Mr. ERRERA (Belgium) said that the Agency's work during the past year had included not only the traditional tasks; it had perforce been much affected by NPT, in view of the role assigned to the Agency by the drafters of the Treaty in regard to the obligation assumed by non-nuclear-weapon States not to acquire or seek to possess nuclear weapons or other nuclear explosive devices.

84. His delegation welcomed the establishment of the Safeguards Committee (1970) to advise the Board and the Director General and to make recommendations on the content of the agreements to be concluded between the Agency and States Parties to NPT.

85. The broad discussions that had already taken place in the Safeguards Committee during its first two sessions showed, if the need still existed, how well-founded was the concern for specifying the principles to govern future safeguards agreements that had been repeatedly expressed in the past.

86. The first outcome of that work was positive, greatly to his delegation's gratification. It saw there a happy augury for the future conclusion of safeguards agreements with signatory States, either singly or in groups as was the case with non-nuclear-weapon States members of EURATOM.

87. Of course many questions were left in abeyance; and a solution to at least one of those — namely the problem of financing — would be of prime importance for the Agency's success in applying safeguards.

88. As the Belgian delegation in the Safeguards Committee had already pointed out, that problem was all the more important as some Member States were not parties to NPT and would probably not

always be prepared to bear costs relating to an agreement to which they had deliberately decided not to adhere. Furthermore, several States Parties to NPT were not Members of the Agency; under present arrangements, those States would be privileged by comparison with other Parties to NPT in the sense that they would not have to pay their share of the cost of control operations. Some Members might even be prompted to withdraw from the Agency in order to avoid the over-heavy financial burden those new activities would represent for them. But that was certainly not the intention of Belgium.

89. The problem of financing was at present the subject of controversy in the Safeguards Committee and that Committee would have to take the matter up again when resuming its work the following month.

90. Up till now, the expenditure entailed by the application of Agency safeguards under bilateral agreements had always been charged to the Regular Budget.

91. But it would be recalled that that practice had always been regarded as a provisional one, pending the accumulating of further experience by the Agency which would enable it to give effect, in particular, to the provisions of Article XIV.C of the Statute.

92. In the past few years, the problem of reimbursing the Agency for all or part of its expenses for the application of safeguards under bilateral or multilateral agreements had been discussed but had so far remained unsolved. Now, the problem was taking on greater proportions. In 1980, the cost of safeguards might be of the order of \$12.5 million, and that excluding the cost of the applying of safeguards to the peaceful nuclear activities of nuclear-weapon States submitted voluntarily to Agency control; the latter would in fact double the total. Those were merely estimates, but judging by how the safeguards chapter of the budget had evolved, one might reasonably wonder whether those estimates would not in fact be exceeded by 1980. The 1971 safeguards budget itself<sup>8)</sup> showed an increase of 48.13% over the figure for 1970 (which had shown an increase of 38% as compared with 1969), reaching a total of \$1 885 000, excluding supporting services the cost of which would also be significant. For 1972, the provisional estimates showed a further increase of 40%, bringing allocations for safeguards up to \$2 644 000. In fact, it was a true geometrical progression, even before the controls required for NPT had got started.

93. It was to be regretted that the drafters of NPT had not laid down the method of financing for the

8) GC(XIV)/433, section V.13.

controls envisaged under Article III. That gap had now to be filled, taking account on the one hand of the legitimate concern of the developing countries for a fair balance between control and promotional (technical assistance) activities, and on the other of the desire to see the nuclear-weapon States take on a relatively substantial share of control costs in view of the privileges conferred on them by the Treaty. With no pretension to providing a miracle answer, his delegation would suggest as an additional working hypothesis for the future work of the Safeguards Committee that the problem of financing NPT safeguards might be resolved, without unduly encumbering the Agency's Regular Budget, by setting up a special fund. The fund could be established by a conference of States interested in NPT, and would be constituted by contributions from States Parties to the Treaty, for the purpose of financing safeguards and related activities; from that fund the Agency could be reimbursed for expenditure incurred by it in carrying out its duties under NPT. Such an arrangement would entail no change in the Statute. Furthermore, provision for the special fund would take the form not of voluntary contributions but of compulsory contributions at fixed rates to be determined on the basis (for example) of the following principles:

(1) A substantial share of the financing (e.g. 50% larger than their present share of contributions to the Agency's Regular Budget) would be taken upon themselves by the nuclear-weapon States alone, in compensation for the privileges accorded to them by NPT;

(2) A second portion, to be determined, would be covered by all States Parties to NPT, according to the principles adopted by the United Nations to govern the contributions of Member States to the United Nations regular budget. The portion in question would represent the world community's agreed effort to ensure that there should be no proliferation of nuclear-weapon States; lastly,

(3) The remainder of the costs incurred in administering safeguards would be distributed among the non-nuclear-weapon States in proportion to the degree of development of their nuclear activities.

94. His delegation was greatly concerned about the problem of financing safeguards because of the resultant inflation of the Agency's budget. An increase of 10.1% in the Agency's budget for 1971 was being proposed<sup>9)</sup>, and that already exceeded a normal growth rate; that figure had resulted, moreover, from a drastic cut in the Agency's original proposals, which would have meant an increase of

some 16% in the 1971 budget. With regard to the increase in staff salaries, his delegation, while recognizing the value of creating a nucleus of competent international officials, had already advocated a well-balanced rotation system for one section of the staff to enable young officers to be recruited at necessarily lower rates. The draft programme and budget for the year 1971 showed that a fairly large part of the increased expenditure resulted from the upgrading of posts to higher categories.

95. As to the new presentation of the Agency's future activities in the "programme budget" form, the document would be even clearer if the financial participation of supporting services were shown in each programme; along with the safeguards programme, for example, one could show the legal support provided to it by the Legal Division, whose main function in the years to come would be to develop the legal instruments made necessary by the entry into force of NPT.

96. With regard to the extension of the Agency's Laboratory at Seibersdorf and Headquarters, his delegation still considered that a large part of the work carried out by the Laboratory was not justified. For instance, the preparation of labelled fertilizers and the radiation sterilization of male insects should be entrusted to FAO or WHO. He saw no advantage, either, in a further extension of the Laboratory buildings. However important work concerning safeguards might be in the future, there were already enough superbly equipped laboratories throughout the world that were ready to co-operate with the Agency. Certain tasks that were no longer of interest should be discontinued, without seeking substitute work to take their place in order that the staff might be kept on. The number of staff must be based on the work to be done and not the other way round. The Agency should lay down as a principle that any activity undertaken by it at the request of other United Nations bodies must be fully reimbursed.

97. His country welcomed the fruitful co-operation instituted between the Agency and EURATOM in connection with the starting up and operation of INIS and would contribute to INIS through EURATOM's CID.

98. In common with other Agency Members, his country attached great importance to the question of the composition of the Board of Governors. It had therefore suggested a way of allowing for natural evolution without having to come back to the matter at more or less frequent intervals. However, that proposal had not been supported, and Belgium preferred to reserve its position at the present stage on the other arrangements advocated, none of which in its opinion would preclude the necessity of re-considering the matter sooner or later.

9) GC(XIV)/433, para. I. 2.

99. In conclusion, he made it plain that his critical attitude to some of the Agency's activities was no expression of animosity; the contrary was the case. His country wanted to see the Agency continue to be held up as a model to other institutions, both for its administrative organization and for the reasonable, reasoned and selective choice of its activities.

100. Mr. ANDRZEJEWSKI (Poland) noted with pleasure that the international role of the Agency had been reinforced since the last General Conference. It was reasonable to envisage for the Agency an even more important role in the field of safeguards under NPT and an expansion of international co-operation in the peaceful utilization of the applications of nuclear energy. Those complementary aspects of the Agency's activities would undoubtedly be maintained in the future since they represented concepts of permanent importance.

101. The NPT having come into force in March 1970, the tasks associated with the Treaty were in the process of implementation and the Agency had set up the Safeguards Committee (1970). The Agency had become an important centre of international activities aimed at the limitation of nuclear armaments. That role was of particular importance since the Agency was charged with devising a universal system of control.

102. Poland, which had suffered so heavily in two world wars, attached the greatest importance to that aspect of the Agency activities. It had therefore been one of the first States to ratify NPT and had declared itself ready to start negotiations with a view to concluding with the Agency an agreement in accordance with Article III of the Treaty. Those negotiations would be started on 30 September 1970.

103. Poland very much hoped that those nuclear Powers which had not yet signed NPT would do so as soon as possible. The ratification of NPT by all countries in the world was essential to the activity of the Agency and for the full utilization of nuclear energy in the service of peace and of mankind. At the same time that activity was closely related to the provisions of the Treaty both in regard to the control of fissionable materials (and the installations in which they were contained) and in the field of the peaceful utilization of nuclear explosives. Poland approved in full the activities undertaken by the Secretariat in that field up to now and would support the proposed budgetary allocations.

104. Poland approved the future development of the Agency activities in the peaceful utilization of nuclear energy and noted with satisfaction an expansion in the technical assistance and co-operation programmes implemented by the Agency and in particular the progress made in the sphere of the applications of nuclear explosives for peaceful purposes under international control.

105. Poland also approved the development of INIS and the activities connected with nuclear physics, a domain in which a common project was being undertaken by Norway, Poland and Yugoslavia.

106. The Agency programme for the coming years was very extensive and it was to be hoped that the Director General would make a judicious choice between the various vital alternatives.

107. Poland attached great importance to the activity of the Agency in the field of regulations and recommendations governing radiological safety and radioactive waste management.

108. The world-wide action which had now begun to protect the environment would find nuclear industry well prepared, thanks to the efforts of the Agency.

109. Pollution due to radioactive waste was negligible. The Agency regulations covering all phases of work with radioactive materials, including transport, had become the basis of the rules applied in various States Members of the Agency and in numerous international organizations.

110. The future development of the peaceful applications of nuclear energy required a continuous improvement of planned co-operation. It was essential to find new methods of financing such co-operation, but it was also important to ensure that funds at present available should be used in the most effective way. His delegation was convinced that the underlying principles of the Agency programmes were sound.

111. It did appear, however, that fairly large reserves were available in the United Nations Development Programme (UNDP), in both the Technical Assistance and the Special Fund sectors and also in the Agency's General Fund, to which Poland had announced for 1970 a contribution 65% higher than for 1969.

112. The utilization of the potential reserves available in UNDP and in the General Fund depended as much on Member States as on the Agency. The Board of Governors and the Secretariat should take that possibility into consideration.

113. According to paragraph I.2 of document GC(XIV)/433, there was a proposed increase of 10.1% in the Regular Budget of the Agency for 1971 by comparison with 1970. His delegation found it necessary to emphasize once again that the increase in the Regular Budget should not exceed the increase in the national incomes of Member States. It hoped that the programme would be implemented in an economic and efficient manner and that the desk-to-desk survey of Agency staff would enable economies to be made.

114. The increase in the activities of the Agency during the past year had been due not only to the coming into force of NPT and the expansion of the Agency's co-operation programmes but also to the discussions on the problem of the composition of the Board of Governors. The solution of that question would have repercussions on future co-operation within the Agency. His delegation therefore attached considerable importance to that question and was co-sponsor, together with five other socialist countries, of one of the five proposals for amendment of Article VI of the Statute that were before the General Conference in document GC(XIV)/437. A great effort should be made to ensure that one of those proposals received the approval of all the regional groups.

115. To impose a majority decision would modify the political balance in the Board, with a consequent adverse effect on the work of the Agency. Inspired by the spirit of compromise, Poland and the five other socialist countries were not pressing for the maintenance of paragraph A.2 of the Article which provided for the designation of Poland for membership on the Board one year in two. That spirit of compromise could well be imitated by other

delegations, particularly in regard to the creation of new permanent seats on the Board. The proposal co-sponsored by 25 States would tend to create a privileged position for certain Western European countries. Poland was opposed to any such solution.

116. The role of the Agency demanded that the principle of universality should be fully respected. The failure to admit certain States as a result of political discrimination was incompatible with the international character of the Agency and would prevent co-operation between the Agency and those countries.

117. A further effect of that discrimination was to deprive the Agency of substantial resources in the field of technical assistance and co-operation. His delegation wished to re-state its position regarding the need to admit the German Democratic Republic to the Agency. That country was one of the most highly developed in the peaceful applications of nuclear energy. It was furthermore one of the first States to have ratified NPT. The absence of the German Democratic Republic caused great harm to the programmes and activities of the Agency and was not at all in the interest of Member States.

*The meeting rose at 1.10 p.m.*

