1. At the ninety-fifth meeting on 24 September 1971, the Committee considered item 15 of the agenda - Assessment of Members' contributions towards the Agency's administrative expenses. The Committee had before it a note\(^1\) and a memorandum\(^2\) by the Director General.

2. At the conclusion of the general debate the Committee approved without vote the draft resolutions on Further principles for the assessment of Members' contributions towards the Agency's administrative expenses and on the Scale of assessment of Members' contributions for 1972. However, the delegate of France requested that his disapproval be recorded in the present report. The delegates of Italy and South Africa also requested that their reservations be noted.

3. The Committee accordingly recommends the General Conference to adopt the two following draft resolutions.

**FURTHER PRINCIPLES FOR THE ASSESSMENT OF MEMBERS' CONTRIBUTIONS TOWARDS THE AGENCY'S ADMINISTRATIVE EXPENSES**

The General Conference,

(a) Being informed of a set of arrangements providing for the financing of the safeguards activities of the Agency which the Board of Governors has endorsed,

\(^1\) GC(XV)/462 - Principles of assessment to supplement those set forth in Resolution GC(III)/RES/50.

\(^2\) GC(XV)/463 - Scale of assessment for 1972.
Taking note of an understanding that those arrangements would not be invoked as a precedent for other financing arrangements either within the Agency or in other international organizations; and

Considering it desirable to supplement the principles for the assessment of Members' contributions towards the Agency's administrative expenses, which it approved by Resolution GC(III)/RES/50, with further principles that will reflect the arrangements in question,

Establishes the following principles for the assessment of Members' contributions towards the Agency's administrative expenses to supplement those it approved by Resolution GC(III)/RES/50:

(a) The Agency's administrative expenses shall be divided into:
   - (i) Non-safeguards expenses, which shall include all expenses required to be apportioned among Members in accordance with Article XIV.D of the Statute except safeguards expenses; and
   - (ii) Safeguards expenses, which shall include all expenses relating to the Agency's safeguards activities;

(b) Non-safeguards expenses shall be borne by Members in proportion to their respective base rates of assessment calculated by application of the principles set forth in Resolution GC(III)/RES/50;

(c) Safeguards expenses, after deduction of such amounts as are recoverable under agreements relating to safeguards between the Agency and parties to such agreements that are not members of the Agency, shall be borne by Members as follows:
   - (i) Each Member on the list provided for in sub-paragraph (ii) below shall contribute a minimum amount determined by applying its rate of assessment for 1971-1/ to the safeguards section of the Regular Budget for 1971-2/; but shall contribute a larger amount corresponding to one half of its base rate of assessment or equal to 16.9% of the sum which it contributes under sub-paragraph (b) above, whichever is the less, if each of the latter amounts is greater than the minimum amount;
(ii) The list, which shall be drawn up by the Director General (and will be kept under review by the Board of Governors), shall comprise Members, except those that have notified the Director General that they do not wish to be included, having per capita net national products of less than one third of the average per capita net national product of the ten Members having the highest per capita net national products, the per capita net national products being identified by examination of the documents used by the Committee on Contributions of the General Assembly of the United Nations; and

(iii) Any Member not on the list shall contribute on a scale to be determined by proportionately increasing its base rate of assessment in such a way that the total contributions of such Members make up the balance of the safeguards expenses.

1/ See Resolution GC(XIV)/RES/267, para. 1.
2/ Resolution GC(XIV)/RES/264, para. 1.

SCALE OF ASSESSMENT OF MEMBERS' CONTRIBUTIONS FOR 1972

The General Conference,

Applying the principles for the assessment of Members' contributions towards the Agency's administrative expenses which it has established by Resolutions GC(XIII)/RES/50 and GC(XV)/RES/... [the draft resolution above],

Decides that the base rates and resulting scale of assessment of Members' contributions to the Agency's Regular Budget for the year 1972 shall be as follows:

[Here will be inserted the scale set forth in document GC(XV)/463]