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THE FINANCING OF TECHNICAL ASSISTANCE

Pursuant to a decision taken by the General Conference in September 1980^{1/}, the Board, on 12 June 1981, discussed the matter of the financing of technical assistance. The part of the summary record dealing with the item "The financing of technical assistance" is reproduced below.

Summary record of the discussion on the item "The financing
of technical assistance" at the meeting of the Board
on 12 June 1981

RECORD OF THE FIVE HUNDRED AND SIXTY-EIGHTH MEETING

Held at Headquarters, Vienna, on Friday, 12 June 1981, at 2.50 p.m.

THE FINANCING OF TECHNICAL ASSISTANCE

139. The CHAIRMAN recalled that when the General Conference had examined the Board's report in document GC(XXIV)/631/Rev.1 it had asked the Board to continue to study the matter of the financing of technical assistance and to report to the General Conference at its twenty-fifth regular session on all possible effective means of assuring the financing of technical assistance.

^{1/} GC(XXIV)/RESOLUTIONS(1980), Resolutions and Other Decisions of the General Conference, GC(XXIV)/DEC/9.

140. Mr. SITZLACK (German Democratic Republic) said that, in any discussions of the financing of technical assistance, those promotional activities of the Agency's Departments of Research and Isotopes and Technical Operations which were performed in addition to the technical assistance programme as such, and from which all Member States could benefit, should not be forgotten. A good example of such activities was provided by the International Nuclear Information System (INIS), which collected a vast mass of scientific and technical information for the benefit of the whole nuclear community. In his opinion the system of financing technical assistance from voluntary contributions had proved itself for over two decades and it had been clear, especially in the recent past, that the funds available could be used in their entirety. There was thus no justification for changing that procedure.

141. Mr. KHAN (Pakistan), supported by Mr. VILLARROEL (Peru), Mr. HAWAS (Egypt) and Mr. AL-MASHAT (Iraq), said that the report in document GC(XXIV)/631/Rev.1 had been useful but had not addressed itself directly to the problem at hand. The real issue was that of finding means of obtaining funds in a stable and predictable manner in order to finance technical assistance over a period in such a way that proper planning would be possible. The idea behind General Conference Resolution GC(XXIII)/RES/368, which required the Board to study the matter and report on it again, was to find methods of financing technical assistance other than from voluntary contributions. He believed that the Agency's technical assistance was as important as its safeguards activities, and he saw no reason why technical assistance should not be financed from the Regular Budget on the same basis of assessment as that used for other important Agency activities.

142. Mr. de CARVALHO (Brazil), supporting the comments by the Governor from Pakistan in relation to the financing of technical assistance from the Regular Budget, said that he could not accept the arguments of donor countries

according to which the provision of technical assistance on an assured basis involved difficulties. In fact, technical assistance represented an investment for those countries; through their contributions they opened up opportunities for selling large installations, and such an investment could only be worth their while. In any case, most of the funds provided for technical assistance would be used on expert services and equipment from donor countries, so that the funds supplied would revert to those countries.

143. Mr. BIRIDO (Sudan), agreeing with the Governor from Pakistan that technical assistance should be financed from the Regular Budget, saw no reason why a distinction should be made between safeguards and technical assistance where financing was concerned. By including technical assistance in its Regular Budget, the Agency would provide a regular and predictable means of funding such assistance and would thereby enable the Secretariat, the donor countries and the recipients to plan the implementation of projects in an appropriate way. Document GC(XXIV)/631/Rev.1 was very informative, since it showed how other organizations, such as the World Health Organization (WHO), allocated large sums in their Regular Budgets for technical assistance. He saw no reason why that could not be done in the Agency, too.

144. Mr. HAMIYÉ (Lebanon) said that technical assistance was one of the Agency's main activities. In order to ensure that technical assistance could be planned on a regular basis it should come under the Regular Budget. Until that solution was finally adopted, however, he hoped that targets for voluntary contributions for technical assistance would be increased in such a way as to enable the Agency to fulfil its objectives under the Statute.

145. Mr. AGIOBU-KEMMER (Nigeria) said it was wrong that an important part of the Agency's programme should be subject to the vicissitudes of voluntary contributions; although indicative planning figures had been agreed on, those figures were not binding. Also, it was never certain that targets would in fact be reached, and the technical assistance programme was entirely dependent on the generosity of richer Member States. Technical assistance should be accorded the place it deserved in the Regular Budget. Indeed, there was no reason why it should not be funded in the same way as regulatory activities.

If technical assistance continued to be funded from extra-budgetary resources, there was no reason why the same principle should not be applied to the Agency's regulatory activities. He believed that those countries which were opposed to the principle of funding technical assistance from the Regular Budget should explain their reasons for that attitude. It seemed to him that their purpose might be to prevent developing countries from gaining access to nuclear technology. In that connection, he wondered whether the regulatory functions of the Agency were as effective as they could be, since they appeared to relate merely to horizontal proliferation without affecting vertical proliferation.

146. Mr. PRIBIĆEVIĆ (Yugoslavia) said that a step forward had been made with the acceptance of indicative planning figures, and experience had shown that a certain measure of regularity and predictability in the financing of technical assistance was possible. It was, however, essential for the Agency to take the further step of including technical assistance in the Regular Budget. It would be unwise to remain deaf to the appeals of many countries in that respect, and his delegation intended to continue to strive towards that end.

147. Mr. KIRK (United States of America) said his Government welcomed the fact that the Agency's technical assistance programme had seen a substantial increase in recent years. At a time of near-zero real growth in the Regular Budget, the voluntary nature of contributions to the technical assistance programme had been a critical factor in making such an increase possible. His Government continued to believe firmly that as a matter of principle technical assistance activities in the United Nations system should be funded from voluntary contributions.

148. The CHAIRMAN took it that the Board wished to have the parts of the official summary record relating to the financing of technical assistance transmitted to the General Conference.

149. It was so agreed.