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Item 18 of the provisional agenda (GC(XXVIII)/711)

FINANCING OF TECHNICAL ASSISTANCE

Report by the Board of Governors

- 1. In 1983, the General Conference, by resolution GC(XXVII)/RES/418, requested the Board of Governors to continue to report annually to it on the actions taken with regard to the implementation of its resolution GC(XXV)/RES/388, by which the Conference in 1981 requested the Board to:
 - (a) take the necessary measures so that technical assistance is funded through the Regular Budget of the Agency or through other comparably predictable and assured resources,
 - (b) take appropriate steps so that technical assistance funds are increased in order to respond adequately to meet increasing financial requirements for the maximum possible number of technically sound projects and to enable progress in technical assistance to keep pace with the progress in other main activities of the Agency, and
 - (c) report to the General Conference at its twenty-sixth regular session and annually thereafter on the actions taken with regard to the implementation of these requests and on the actions proposed for the following years.
- 2. Pursuant to General Conference resolution GC(XXVII)/RES/418, the Board considered the matter of technical assistance financing at its sessions in February and June 1984[1].

^[1] The summary records of the Board's discussions on this matter in February 1984 are reproduced in the Annex; the summary records of the Board's discussion in June 1984 will be issued in an addendum to the present document.

- 3. The Chairman of the Board, reporting to the Board in June on consultations he had held with delegations between the Board's February and June sessions, stated that, since the previous session of the General Conference there did not appear to have been any change in the positions held by delegations on the one hand, sincere concern among many delegations about the long-term need for predictable, assured and sufficient technical assistance and co-operation programme, which some believe should be financed from the Regular Budget, and, on the other, the equally sincere concern of many other delegations that contributions to the Technical Assistance and Co-operation Fund should continue to be voluntary, which created the conditions necessary for the long-term assurance of resources for the technical assistance and co-operation programme.
- 4. The discussion during the Board's June session confirmed the description of the situation given by the Chairman in his report.
- 5. The Board, having taken note of the Chairman's report, agreed to continue its efforts directed towards implementation of General Conference resolution GC(XXV)/RES/388.

ANNEX

"The financing of technical assistance" at meetings of the Board of Governors held in February 1984

RECORD OF THE 617TH MEETING (held on 22 February 1984)

THE FINANCING OF TECHNICAL ASSISTANCE (GC(XXVII)/RES/418)

- 74. The <u>CHAIRMAN</u> recalled that the question of technical assistance financing was on the agenda pursuant to resolution GC(XXVII)/RES/418 adopted by the General Conference in October 1983. In that resolution the Board was requested to report to the General Conference on the actions taken with regard to the implementation of resolution GC(XXV)/RES/388 adopted in 1981.
- 75. That important question had been examined at length in recent years by the policy-making organs of the Agency. In 1981, the Board of Governors had recommended indicative planning figures for 1982 and 1983 which had subsequently become the targets for voluntary contributions for those two years. In 1982, the Chairman of the Board had been able to inform the Administrative and Budgetary Committee that consultations between Member States had led to a consensus on indicative planning figures for 1984, 1985 and 1986.
- 76. In view of that consensus, he proposed not to dwell on that question during the present meetings but to place it on the provisional agenda for June, when a report to the General Conference could be adopted.
- Mr. HAWAS (Egypt) considered that resolution GC(XXV)/RES/388, which had been adopted by consensus, had laid an acceptable and reasonable basis for the financing of technical assistance, stipulating that the resources for that programme of the Agency should be assured, predictable and sufficient. His delegation accordingly called for the implementation of that resolution. The agreement of May 1982 on indicative planning figures for the targets for contributions to the Technical Assistance and Co-operation Fund for 1984, 1985 and 1986 was a positive step towards the implementation of resolution GC(XXV)/RES/388. His delegation therefore hoped that the Administrative and Budgetary Committee, at its 1985 meetings, would follow the established procedure and recommend indicative figures for 1987, 1988 and 1989.

- 78. His delegation urged those countries which were in a position to do so to provide the funds required to make footnote a/ projects operational. Such projects were included in the Agency's technical assistance and co-operation programme because they were considered technically sound and of importance to the developing countries concerned. The resources allocated to those projects were a contribution to one of the main objectives of the Agency and to the promotion of international co-operation in the peaceful use of nuclear energy. His delegation was prepared to welcome any proposal for better implementation of General Conference resolution GC(XXV)/RES/388.
- Mr. KHAN (Pakistan) accepted the Chairman's proposal to defer discussion of the matter to June. However, he wished to stress again that the present system of technical assistance financing based on indicative planning figures was only a provisional solution. The time had come to find a more appropriate and more stable basis so that technical assistance could be financed from predictable and assured resources in accordance with General Conference resolution GC(XXV)/RES/388. The very credibility of the programme of promotional activities, of all the Agency's activities in fact, was at stake. His delegation could not accept the difference which existed between the financing of technical assistance and that of safeguards. It hoped that the Board would give more weight to the provisions of resolution GC(XXV)/RES/388 when it re-examined the matter in June.
- 80. Mr. OBIAGA (Nigeria) accepted the Chairman's proposal to put the matter on the agenda for June. However, he wished to make some comments at the present time.
- 81. While agreeing that something had been done, his delegation felt that it had consisted mainly of talk. Resolution GC(XXV)/RES/388 recognized the need to finance technical assistance from the Regular Budget or other comparably predictable and assured resources. The non-implementation of that resolution would certainly cast doubt on the will of the most developed countries to facilitate the provision of technical assistance.
- 82. His delegation was very appreciative of the Agency's technical assistance activities. In many cases the results were tangible, but in general projects could not be effectively and fully implemented without assured resources. His delegation thanked all those countries which made voluntary contributions to the Technical Assistance and Co-operation Fund, but it nevertheless considered

that projects so important to so many developing countries should not be financed out of charity. Financial resources which were not assured and not predictable very much limited the technological progress of most developing countries. Therefore his delegation wished to renew its appeal to the Board that it accept the financing of technical assistance from the Regular Budget or from other resources which were equally assured and predictable.

- 83. The <u>CHAIRMAN</u> took it that the Board wished to have the question of the financing of technical assistance placed on the provisional agenda for the June meetings.
- 84. It was so decided.