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Chairman: Mr. NEWLIN (United States of America)

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[*] GC(XXXIV)/914.

The composition of delegations attending the session is given in document GC(XXXIV)/INF/287/Rev.2.

THE AGENCY'S PROGRAMME AND BUDGET FOR 1991 AND 1992 (GC(XXXIV)/917) (continued)

1. Mr. HASHIMI (Pakistan) said that his delegation could support the adoption of the Agency's programme and budget for 1991 and 1992, although it shared the reservations expressed by the Chairman of the Group of 77 and was concerned about the decreases in the programme for 1991 in areas such as the nuclear fuel cycle, physical and chemical sciences, radiation protection and nuclear power. His delegation had never supported the concept of zero growth, but had agreed to it in view of the prevailing international political and economic situation. Zero growth had at least served to improve efficiency in the Secretariat and to reduce the burden on the major donors, but it had also imposed serious constraints on the implementation of certain valuable programmes, particularly those of importance to developing countries. It was time to lift the constraints imposed by zero growth, so that the Agency could meet the challenges of the next century.

2. Recent events had underlined the importance of nuclear energy as a benign form of power generation, and a revival of nuclear power seemed likely in the 1990s. It was therefore important to reinforce and expand programmes related to nuclear safety and to revise regulatory and safeguards activities so as to improve their efficiency. In the past, two of the major donors had been committed to such heavy spending on defence that there had been few resources left over for international co-operation on nuclear energy. Now, however, with a greatly improved political climate, it seemed appropriate to devote more resources to development.

3. In fact, the principle of zero real growth had never been adhered to in practice, since safeguards activities had expanded considerably during the last few years. The Director General had been forced to defer expenditure, to seek extrabudgetary resources and to place expenditures under different headings. Greater transparency was needed, with real programme costs shown under the correct headings, particularly in safeguards, and a proper balance maintained between regulatory and promotional activities.

4. His delegation welcomed the Agency's methodology for the proposed medium-term plan and the use of outside experts to review that plan. It also

supported the idea of reviving the Scientific Advisory Committee, since it was important for the Agency to keep abreast of the many scientific and technical advances taking place. While the advice of expert groups on specific questions was no doubt valuable, such groups could not provide an overall view of the role of nuclear technology within the framework of general economic and technological development, a task which the Scientific Advisory Committee could accomplish admirably. Its members should be - and had in the past been - familiar not only with nuclear technology, but also with the planning of scientific and technical programmes in different countries. It was also important that experts from developing countries should be properly represented on the Committee.

5. One serious problem for programme implementation was the late payment by major donors of their contributions. His delegation, understanding as it did the national laws of individual Member States which made it impossible for them to pay their contributions before a certain date, supported the Director General's proposal for a gradual increase in the Working Capital Fund to bring it up to the equivalent of one month's expenditure. For that reason, although his delegation believed that cash surpluses should normally be returned to Member States, it had agreed to the retention of part of the 1988 cash surplus to increase the Working Capital Fund to US \$8 million. Finally, his delegation wanted the Secretariat to give an assurance that the Board's recent authorization permitting the Director General to use all available uncommitted funds to enable the Agency to continue to operate would not adversely affect the implementation of technical co-operation programmes.

6. Mr. BENYOUB (Algeria) joined the consensus on the Agency's programme and budget and expressed his support for the statement made by India on behalf of the Group of 77. His delegation shared the view that more prominence should be given to the Agency's promotional activities and that any increase in the budget should be shared in a balanced way between the Agency's various activities. Although safeguards activities were important, too much emphasis was placed on them at the expense of promotional activities.

7. Mr. McRAE (Canada) said that his delegation was prepared to join the consensus in spite of its earlier position in favour of strict real

growth, and noted that it was undoubtedly difficult for the Agency to operate on the basis of zero real growth when half of the Member States did not pay their contributions on time.

8. Although his delegation had accepted the justification of the expenditure on safeguards equipment and for the replacement of obsolete computer equipment, it was not enthusiastic about the idea of retaining cash surpluses. Canada would prefer to see detailed proposals for a proper capital acquisitions fund, including appropriate provision for control and review by the Board of Governors.

9. Moreover, Canada felt that the appropriate level for the working capital funds of international organizations was approximately one month's current expenditure, and it therefore supported a gradual increase in the Agency's Working Capital Fund up to that level, followed by periodic small adjustments to maintain the level.

10. Mr. SAVIC (Yugoslavia), indicating his support for the position of the Group of 77, said that it was time to abandon the policy of zero real growth and to accept gradual modest real growth, which was particularly important for nuclear safety programmes and for promotional activities. With those remarks, his delegation supported the Agency's programme and budget for 1991 and 1992.

11. Mr. TANGUYEN (Viet Nam) said that his delegation fully supported the Group of 77's call for a balance between expenditure on safeguards and promotional activities. Although it was in a position to support the Agency's programme and budget for 1991 and 1992, it believed that the time had come to abandon the policy of restricting the budget to zero real growth.

12. Mr. STRATFORD (United States of America) stressed that, for his delegation, zero real growth meant absolute zero growth. That being so, he could not associate himself with the proposed increase of 0.2% in the budget for 1991. However, the United States would not oppose the consensus, provided adequate funding for safeguards equipment was included in the budget. Although his delegation believed that all safeguards requirements should be funded through a regular budget compatible with the principle of zero real

growth, it was prepared to agree, exceptionally, to the proposal that \$1.2 million from the final 1988 cash surplus should be used for safeguards equipment.

13. His delegation would also approve the proposal to retain \$5.5 million from the 1988 cash surplus for the purchase of computer equipment, on the understanding that the Board approve of the use of those funds only after examination of the question by a group of experts. However, in supporting that proposal, his delegation wished to reaffirm its view that cash surpluses should, in principle, be returned to Member States and that their use should be requested only on an exceptional basis.

14. Finally, the United States delegation was prepared to support an increase in the Working Capital Fund to \$8 million in 1990. Increases in that Fund should, in accordance with the Agency's financial regulations, be accommodated in the same way as they had been the previous year. However, he was bound to state for the record that the capacity of his Government to pay such assessments would be contingent upon appropriations.

15. Mr. KOCH (Federal Republic of Germany) appealed to all Member States that had not yet done so to pay their contributions; it was quite unacceptable that the Agency should have received only about 50% of the contributions for 1990 at such a late stage in the year. His delegation was concerned about the Director General's proposal to borrow money internally, because it would presumably mean a loss of interest on the money borrowed, and hence a reduction of miscellaneous income and an increase in Member States' contributions. For that reason, his delegation was opposed to such borrowing. In any case it would like the Secretariat to provide detailed information on the financial consequences thereof.

16. Mr. ALVAREZ GORSIRA (Venezuela) said that his delegation supported the consensus on the Agency's programme and budget for 1991 and 1992, but had certain reservations. Venezuela's acceptance of 0.2% growth should not be taken to mean that it had abandoned its support for the policy of zero real growth. Furthermore, the use of part of the 1988 cash surplus to finance the purchase of safeguards equipment should not be regarded as a precedent and, if

cash surpluses were used in future, they should be distributed equally between the Agency's regulatory and promotional activities. There should also be a better balance between those two basic types of activity in the Regular Budget generally.

17. His delegation also had reservations about the substantial increases referred to in paragraphs 16 and 17 of document GC(XXXIV)/917. As to the funds made available to the Agency by UNDP for the implementation of its projects, his delegation reiterated its view that these resources should be fully amalgamated with other funds allocated to the Department of Technical Co-operation. Furthermore, the no-growth policy should not be allowed to affect the technical co-operation programme.

18. Finally, Venezuela urged Member States who had not yet paid their contributions to do so, since non-payment of contributions was the main cause of the Agency's financial difficulties.

19. Mr. AL-TAIFI (Saudi Arabia) stressed the necessity of maintaining a policy of zero real growth in the Agency's budget. Although it believed that expenditure on safeguards should be reduced, his delegation did not want to oppose a consensus and therefore supported the Agency's programme and budget for 1991 and 1992.

20. Mr. KANIEWSKI (Poland) expressed support for the Agency's programme and budget, which he considered to be well-balanced. While the concept of zero real growth had helped to improve the Agency's efficiency, it should not be regarded as an absolute rule, and in any case the very small increase of 0.2% could not be considered a real increase. Although his delegation also supported the proposed use of the 1988 cash surplus for the purchase of safeguards and computer equipment, major expenditure for equipment should, in future, be planned well in advance.

21. Ms. HUSSEIN (Egypt) jointed others in supporting the Group of 77's position and the consensus on the Agency's programme and budget. Even so, her delegation had reservations about the zero growth policy, especially with regard to technical assistance, and wanted to stress the importance of achieving a proper balance between safeguards and other activities. The

Agency should also examine ways of avoiding large budgetary surpluses. Finally, she urged those Member States - particularly the major donors - who were in arrears with their contributions to pay them promptly.

22. Mr. VILLAROS (France) said that, despite its reservations about the budget and, more generally, the methods used to examine draft budgets, his delegation did not want to reopen debate on the consensus already achieved in the Board. As far as the 1991 exercise was concerned, France's reservations related to the use of cash surpluses from previous years, the level of the Working Capital Fund proposed by the Secretariat, and the increasing frequency of appeals for extrabudgetary resources to enable the Agency to discharge its functions.

23. Future budgets should, therefore, be based on clearly defined priorities to be assigned to each of the Agency's activities, priorities determined in accordance with real and urgent needs and not simply based on a hard and fast balance between the Agency's major activities. His delegation therefore welcomed the preparation of a medium-term plan that would make it possible to establish priorities over a long enough period so that they could be taken into account in a number of successive biennial budgets, yet adjusted if and when the need arose.

24. Mr. SHINOTSUKA (Japan) said that, although the principle of zero real growth should be maintained, his delegation could agree to the proposed budget for 1991. In principle, cash surpluses should be returned to Member States, but his delegation was prepared to agree to the use of part of the 1988 surplus for safeguards equipment. The purchase of computer equipment on the other hand was a matter to be discussed by an expert working group, in which Japan would be happy to participate.

25. Mr. PAPADIMITROPOULOS (Greece) supported the Agency's programme and budget for 1991-92, but was concerned about the continued zero growth policy if applied to technical assistance and safeguards. It was to be hoped that the slight decrease in the safeguards inspection effort would not affect the credibility of Agency safeguards. In any case, it seemed likely that expenditure on safeguards would have to be increased in the future.

26. Mr. CLARK (United Kingdom) said that his delegation would not oppose the consensus, but still had reservations about the proposals to fund capital items through an increase in the Working Capital Fund and the use of part of the 1988 cash surplus. Those proposals represented a clear departure from the policy of zero real growth and indicated a certain inconsistency in the approach to the 1991 budget. For that reason, his delegation supported the preparation of a medium-term plan, since the identification of clear priorities should ensure that there would be a more systematic programme of capital replacement.

27. Mr. JURZA (Czechoslovakia) expressed support for the Agency's programme and budget for 1991-92 in which resources were distributed among the different programmes in a balanced way. Although a strictly observed principle of zero real growth created difficulties, his delegation believed that they could be overcome or considerably alleviated by modifying the way in which the Agency's basic activities were implemented, and through intensive rather than extensive development of its traditional activities.

28. Mr. MALU wa KALENGA (Zaire) said he would prefer to see a term other than "output" ("produit" in French) used in the budget document to refer to the use being made of resources under individual programmes.

29. It was unfortunate that the Agency itself contributed so little money to the International Centre for Theoretical Physics in Trieste, Italy, described under subprogramme G.3 on theoretical physics. The Agency in fact provided only 8% of the Centre's budget; by far the largest contribution came from the Italian Government. He wished to thank the Italian Government for its generosity and to repeat his appeal to the Agency to give more support to the Centre. The effective transfer of nuclear technology from developed to developing countries could only take place if a broad local science base was available.

30. Mr. BERG (Norway) said that, subject to parliamentary approval, his delegation would support the programme and budget proposals for 1991 and 1992. In order to ensure the Agency's continuous operation, Norway could accept an increase in the level of the Working Capital Fund for 1991 to \$8 million. One of the most pressing administrative problems facing the

Agency was the cash flow situation brought about by late and uncertain payments, and he wished to underscore the importance of resolving it.

31. Norway deplored the fact that in the 1991 budget the Secretariat had had to make reductions in fixed prices for nuclear safety and radiation protection and for safeguards. There were important Agency activities in those areas that needed to be continued and strengthened, even if that implied future budgetary increases.

32. Mr. LAMPARELLI (Italy) assured the representative of Zaire that Italy would continue to support the International Centre for Theoretical Physics at Trieste. It recognized the importance of the Centre's work and was prepared to do everything it could to maintain Italian contributions to it at their present level, even if that had a negative impact on Italy's voluntary contributions to the Technical Co-operation Fund.

33. Mr. TITKOV (Union of Soviet Socialist Republics) said that the Soviet position on the proposals for the 1991 budget had been set out in detail during the Board's discussion of the subject in June. At that time, the Soviet Union had joined in the consensus on the programme and budget, and its position had not changed since.

34. Mr. DIRCKS (Deputy Director General for Administration), replying to comments by delegations, said that those comments had been detailed, wide-ranging and generally supportive of the 1991 budget. The Secretariat was grateful for that response. It was prepared to meet with the representative of the Federal Republic of Germany and any others who would like to try to improve the presentation of information in the budget document, with a view to improving the document to be issued in the coming year.

35. A number of delegations had objected to the use of budgetary surpluses to finance programmes. He wished to assure Member States that no precedent was being created by the use of part of the 1988 surplus and that such use would be avoided as far as possible in future. The Secretariat was keenly aware that the surplus belonged to Member States, and would do everything it could to maintain it intact. There had also been suggestions to the effect that more effort should be made to keep surpluses down in future, and the

Secretariat would certainly try to do so. Much of the surplus had arisen as a result of the Agency's inability to use available authorization for allocations, and that in turn was a consequence of payments arriving too late to be put to use.

36. References had been made to the use of UNDP funds to offset administrative costs of the Technical Co-operation Programme: the Secretariat had thought that, by applying those funds in that way, it was complying with the desire of Member States to ensure the administrative efficiency of the programme. Apparently, however, the procedure did not conform to the wishes of some Member States, and the Secretariat would therefore consult with them to find a better way of applying UNDP resources to the Technical Co-operation Programme.

37. With regard to the comments on internal borrowing, he wished to assure delegations that that was a mechanism of last resort. There was very little likelihood that the implementation rate would be slowed by such a practice. Any movement of funds would be kept to the bare minimum, and as soon as assessed contributions were received, the funds would be replenished. One could expect that any loss of interest would be minimal, but the Secretariat would go into the subject more thoroughly in response to the request from the representative of the Federal Republic of Germany.

38. Mr. YAREMY (Nuclear Safety Division) said he wished to address himself to the comment made by the representative of Belgium, in the context of programme I (Safety of Nuclear Installations), concerning the difficulty of reaching consensus on safety criteria for future reactors. The NUSS codes setting out requirements for the construction of nuclear power plants had been drawn up on the basis of existing designs. As a new generation of nuclear power plants was now being developed, the Agency had the opportunity to put forward in advance the safety objectives that plant designs should pursue. It was therefore working to provide a framework for the conceptual evaluation of future and enhanced designs. While it would be easy to achieve consensus on general criteria, it was to be hoped that agreement on specific objectives - ones that would be useful for comparing the advances of future designs over the present generation - could be reached as well.

39. Mr. KOCH (Federal Republic of Germany) said he was grateful for the explanations provided by the Deputy Director General for Administration. The assurances he had given that no precedent would be set for the future by the use of the budgetary surplus and other funds had made it possible for his delegation to join in the consensus on the proposed programme and budget for 1991.

40. The CHAIRMAN said that, if there were no objections, he would take it that the Committee wished to recommend that the General Conference adopt draft resolutions A, B, and C contained in Annex IV to document GC(XXXIV)/917, subject to the recommendation the Committee of the Whole would decide to make on the Agency's accounts for 1989.

41. It was so decided.

SCALE OF ASSESSMENT OF MEMBERS' CONTRIBUTIONS FOR 1991 (GC(XXXIV)/925 and Add.1)

42. The CHAIRMAN said that, if there were no objections, he would take it that the Committee wished to recommend that the General Conference adopt the draft resolution contained in document GC(XXXIV)/925 and that, in adopting it, the Conference approve the footnote on the first page of the Annex to the draft resolution, as shown in document GC(XXXIV)/925/Add.1.

43. It was so decided.

AMENDMENT OF ARTICLE VI.A.2 OF THE STATUTE (GC(XXXIII)/RES/522, GC(XXXIV)/929 and Add.1 and GC(XXXIV)/COM.5/85/Rev.1)

44. The CHAIRMAN drew attention to a report by the Board of Governors on amendment of Article VI.A.2 of the Statute (GC(XXXIV)/929) and to the summary record of the Board's discussion of the subject on 13 September 1990 (GC(XXXIV)/929/Add.1).

45. Ms. HUSSEIN (Egypt), introducing the draft resolution contained in document GC(XXXIV)/COM.5/85/Rev.1 on behalf of the sponsors, who now included Nigeria, said the subject of amendment of Article VI.A.2 of the Statute had been under consideration by the General Conference and the Board for fourteen years. Since 1977, the countries of Africa and the Middle East and South Asia (MESA) had been requesting the allocation to those regions of additional seats

on the Board, in order to restore geographical equity. At its twenty-fifth session, the General Conference had adopted a resolution in favour of increasing the representation on the Board of those regions, but the Board and the General Conference had still not demonstrated the political will required to apply it. The need to redress the imbalance was indisputable: Africa and MESA were allocated only five seats, yet 37% of all the Member States of the Agency were from those regions.

46. Arguments against amendment of Article VI.A.2 - for instance, to the effect that it would decrease the Board's effectiveness by disrupting the political equilibrium among members - were groundless. The proposal was in full consonance with the Agency's Statute, which stipulated that Board members must be elected with due regard for equitable representation. The Board's composition had been increased over the years, from 25 in 1961 to 35 at present, but the representational requirements of developing countries had not been taken into account. How long would it be before a lasting and satisfactory solution was found?

47. In the draft resolution, which the sponsors had made less detailed than the one submitted in 1989 in the hopes of winning consensus, the lack of progress in achieving equitable representation was deplored. The sponsors proposed the addition of three seats on the Board for Africa and two for MESA. They called on all Member States to demonstrate the necessary political will to assure equitable representation on the Board, and hoped that the draft resolution would win the necessary consensus.

48. The CHAIRMAN, in opening the floor for discussion, requested members to confine their remarks to the subject of amendment of Article VI.A.2 of the Statute. Revision of Article VI as a whole would be discussed at a later meeting.

49. Mr. HASHIMI (Pakistan) said that in order for the Board to function efficiently and retain the confidence of Member States, it had to remain effective and representative. Its membership had been expanded over the years, but the increase in numbers in 1973 had not taken full account of the needs of developing Member States and in 1976 the countries of Africa and

the Middle East and South Asia had called the Board's attention to the underrepresentation of their two regions, which together accounted for some 37% of the Agency's total membership yet occupied about one-fifth of the seats on the Board. In 1978 the General Conference, in resolution GC(XXII)/RES/361, had recognized the need to increase the representation of Africa and the Middle East and South Asia and noted that the proposal that those two areas should increase their representation by one seat each had been acceptable to a majority of Member States. Unfortunately, little had been done over the past decade to implement that resolution.

50. The main issue was to bring about equitable representation and put an end to the gross injustice inflicted on two regions, many of whose countries, through their exports of oil and raw materials, including uranium, had made a major contribution to the development of the industrialized nations. Those same countries had taken an active interest in the work of the Agency, and many of them had made significant progress in nuclear energy matters, including the construction of complete fuel cycle facilities, new commitments to build nuclear power reactors, the establishment of research reactors and constantly expanding nuclear energy programmes.

51. Furthermore, while there were currently 27 African Member States in the Agency, there were over 50 in the United Nations and in time more African States could be expected to join the Agency, as could countries from the Middle East and South Asia. The two regions' underrepresentation, bad as it was at present, would therefore deteriorate further in the future. It was now time to correct the imbalance by adding three seats for Africa and two for the Middle East and South Asia.

52. While Article VI as a whole needed to be revised, and another informal group established for that purpose, highest priority should be given to the need to do justice to Africa and to the Middle East and South Asia. Any proposed solution would require acceptance by a two-thirds majority of all Member States and a serious dialogue should now be undertaken in order to achieve a convergence of the positions reflected in the various proposals, both in respect of the amendment of Article VI.A.2 and of the revision of Article VI as a whole.

53. Mr. SOLTANIEH (Islamic Republic of Iran) expressed regret that no constructive proposal had been made in respect of the proposed amendment of Article VI.A.2. The very low representation of the regional groups of MESA and Africa in the Board of Governors was a problem that needed to be resolved soon, not least because the persistence of the existing situation and the failure to implement several Agency resolutions during the past decade could endanger the credibility of the Agency.

54. He supported the draft resolution submitted by Pakistan and other countries (document GC(XXXIV)/COM.5/85) and expressed the hope that Member States would co-operate fully with a view to resolving that outstanding political problem in the near future.

55. Mr. MALUA wa KALENGA (Zaire) suggested that to relieve the present complete deadlock the phrase "with due regard to equitable representation on the Board as a whole ..." in sub-paragraph (a) of Article VI.A.2 might be amended to read: "with due regard to the inequitable representation ...".

56. Mr. PARK (Republic of Korea) said that his delegation supported the draft resolution contained in document GC(XXXIV)/COM.5/85/Rev.1 in view of the clear desirability of giving the African and Asian continents more equitable representation on the Board.

57. Mr. MGBOKWERE (Nigeria) said that his delegation supported the draft resolution contained in document GC(XXXIV)/COM.5/85/Rev.1 and fully supported the comments made in particular by Pakistan. Nigeria had been one of the five countries which in 1977 had sought to amend Article VI to redress the imbalance in the representation of Africa and the Middle East and South Asia. The 28 African Member countries of the Agency accounted for only five and one third seats as against eight seats for the 23 members belonging to the Western Group. With the changing situation in some parts of Africa, more countries would undoubtedly become Members of the Agency and the representation gap would widen. The African countries had been patient in the hope that a solution would be found to the problem, but the necessary political will appeared to be lacking. However, with the positive changes in the international situation, he had every confidence that members would see their way to finding a solution in the near future.

58. The CHAIRMAN said he assumed, in the light of the statements made, that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in document GC(XXXIV)/COM.5/85/Rev.1.

59. It was so agreed.

REVISION OF ARTICLE VI OF THE STATUTE AS A WHOLE (GC(XXXIII)/RES/523,
GC(XXXIV)/930)

60. Mr. HALIM (Malaysia), introducing the report in his capacity as chairman of the informal working group set up to examine different proposals on the revision of Article VI of the Statute as a whole, said that the working group had held five meetings and had considered all the items on its agenda, starting with a detailed examination, under agenda item 1, of the Italian proposal to expand membership of the Board from 35 to 44. Items 2 and 3 had been discussed very frankly and exhaustively and various proposals had been put forward. Items 4, 5 and 6 had also been discussed at length, but, because of time constraints and the need of many members to reflect further on the issues involved, they had not been discussed as exhaustively as might have been desirable. Views still differed, therefore, on many of the issues before the working group, but there had been strong support for the proposal under agenda item 2 to open up the Technical Assistance and Co-operation Committee and the Administrative and Budgetary Committee to all Member States wishing to participate in their meetings. That matter had been discussed at the recent meetings of the Board of Governors and a decision had been taken by the Board as reflected in paragraph 2 of document GC(XXXIV)/930.

61. As the working group had not managed to discuss many of the items in full, it had recommended that a successor working group be established to deliberate further on those items. He expressed the hope that that recommendation would be acceptable to the Committee and would be transmitted to the General Conference.

62. Mr. LAMPARELLI (Italy), speaking on a procedural point, wondered whether the Committee should wait for a draft resolution being prepared by some delegations to be officially introduced, or whether it might proceed in accordance with paragraph 30 of the report of the working group.

63. The Italian delegation appreciated the report of the working group and the efforts of its chairman and regretted that there had been no consensus on how the composition of the Board might be expanded. It continued to attach great importance to the matter and expressed the hope that its resolution would be approved by the General Conference.

64. Mr. LAVIÑA (Philippines) welcomed the balanced report from the working group and thanked the Italian delegation for its proposal, which had served as a useful basis for discussion. However, despite its merits, that proposal failed to redress the present political imbalance and inequitable representation on the Board. The argument that an enlarged Board would be unwieldy and incompatible with so-called effectiveness and efficiency would, if pursued logically, result in a decision to reduce membership, which was not the wish of the majority.

65. Designation was an arrangement unique in the United Nations system, firstly because it violated the fundamental principle of sovereign equality of States enshrined in the United Nations Charter and the Agency's Statute, and secondly because it went against the usual arrangement whereby members of a board or governing council were elected by its general conference, the parent body. Furthermore, the practice of designating members of the Board by adopting the Secretariat's list of 13 names of Member States, in alphabetical order, with no indication whatsoever of the criteria under which they were being designated, was completely at odds with legal procedure. The eight geographical areas mentioned in Article VI.A.1 were themselves, moreover, unique and not consistent with the usual geographical divisions or groups used in other United Nations bodies. They were artificial and gave rise to such questions as why, if the countries of North America could form a single group, countries like China and Japan or South Korea could not be allowed to form a single group as well. The matter was further confused by the Board's practice of countenancing informal groupings such as the Geneva Group, which were not specified in the Statute. The Agency's geographical areas should therefore be brought into line with the traditional United Nations areas of Asia, Africa, Latin America, Western European and other States, and Eastern Europe.

66. The Board's outdated and undemocratic methods of operation were perpetuated by Rule 50, which denied the right of a Member State of the Agency not represented on the Board to participate in the deliberations of the Board as a matter of course - a rule not applied in other bodies of the United Nations system. That rule needed to be entirely revised, if not abandoned.

67. The rule of consensus which prevailed in the working group helped perpetuate the undemocratic situation in the Board. It prevented democratization of the Board because of the obstinate refusal of some members, mostly designated members, to exercise political will for the due enlargement of the Board, as called for by a great majority of the members of the working group. It was to be hoped that logic and reason would ultimately prevail so that the Agency could have a Board which was truly representative of the increasing number of active Members of the Agency.

68. The CHAIRMAN invited the Committee to reflect on the alternative courses of action mentioned by Italy, namely whether the Committee should wait for a draft resolution to be submitted or whether paragraph 30 of the working group's report should be taken as the Committee's recommendation to the General Conference.

69. Mr. MALU wa KALENGA (Zaire) favoured the former alternative, but the draft resolution should first be available to the Committee in all the working languages.

70. The CHAIRMAN agreed that any draft resolution would have to be translated before circulation.

71. Mr. PARK (Republic of Korea) said that, his country was one of the ten most advanced countries generating nuclear power for peaceful purposes which had to be designated for Board membership in accordance with Article VI.A.1. The successor working group might therefore usefully consider giving added weight to that criterion, given that the aim of the Agency was not to promote nuclear activity for military purposes.

72. Ms. HUSSEIN (Egypt) said that her delegation had no objection to the Italian proposal in principle, but felt that it should be examined carefully in the Committee of the Whole before being submitted to the General Conference.

73. Mr. AL-MATOOQ (Iraq) said that the problem of expanding the membership of the Board was no longer linked to political balance, given the present détente between East and West. Unless some countries relaxed the stubborn positions they had taken in the working group, and respected the fundamental functions of the Agency, there never would be a solution to the problem.

74. Mr. PILAT (United States of America) said that the report of the working group was an accurate reflection of its deliberations over the past year and contained a balanced account of all the conflicting views of the issues discussed. During the meetings of the working group, the United States Government had repeated its long-held view that expansion of the IAEA Board would reduce its efficiency and effectiveness. It continued to believe that increasing the number of Board members would not be in the best interests of the Agency. A resolution to continue the working group for another year would be acceptable, provided there were no financial implications for the Agency.

75. In his delegation's opinion, Rule 50 and the steps already taken by the Secretariat to facilitate attendance by non-Board members at meetings of the Board, provided sufficient basis for participation by non-Board members at Board meetings. The United States would oppose any attempt to alter the existing mode of application of Rule 50: that Rule was necessary to preserve the statutory distinction between countries which were and countries which were not members of the Board.

76. Mr. MGBOKWERE (Nigeria) had no objection to the proposal to increase the membership of the Board from 35 to 44, but was anxious that a judicious balance be maintained with respect to regional representational and that the under-representation of countries from the areas of Africa and the Middle East and South Asia be rectified. The present proposal increased the relative advantage of certain groups and perpetuated the present imbalance in a wider form.

77. It was clear that, generally speaking, the political will to reach an agreement on the matter was lacking, although his delegation had had fruitful discussions with several individual representatives. Rather than lose hope, however, his delegation would support any request for the Board to set up a working group to continue to examine the question.

78. Mr. ILJAS (Indonesia) supported the suggestion in paragraph 30 of document GC(XXXIV)/930 that a successor working group be established to continue the examination of the matter and felt that a fresh look at the various ideas and proposals put forward for the revision of Article VI of the Statute was warranted by developments that had occurred since the previous session of the General Conference. Additional African States would probably be joining the Agency soon, and equal attention should be given to other regional groups such as South East Asia and the Pacific, which might also contribute additional Member States.

79. Mr. ALLAGUI (Tunisia) felt that the only rational way of responding to the legitimate needs of a growing number of Member States to participate fully in the Board was to enlarge its membership. Such a measure would not in any way upset the political balance of the Board, nor would it be prejudicial to equitable representation. While it was true that observer status offered Member States an opportunity to participate to a certain extent in the Board's work, such participation was random and optional and not in any way equivalent to full participation in the deliberations and decisions of the Board. His delegation was therefore once again putting forward a draft resolution urging the same informal working group, or a successor, to continue the work and to find a solution to the problem. In view of the very effective guidance provided by Ambassador Halim, he would be Tunisia's choice to take the chair of any successor working group established.

80. Mr. CLARK (United Kingdom) said that, while recognizing the legitimate claim of Member States to have a voice in matters relating to the management of the Agency and the scope of its activities, his delegation had consistently taken the view that enlarging the Board's membership would only hinder its efficiency. The proposals aimed at an enlarged membership were unjustified, moreover, because the evidence submitted to the working group had

shown that the Board was already larger in proportion to the total membership of the Agency than was the case in other comparable international bodies.

81. It was impossible to overemphasize the importance of consensus in all the Agency's activities, especially in the matter of Board membership. In that spirit, his delegation felt that the working group should be reconstituted for a further year, under the terms proposed, with a view to pursuing discussions further. While compromise was indeed an essential condition for resolving the problem, it was unreasonable to expect any one group to make all the moves towards compromise.

82. Mr. LAVIÑA (Philippines) supported the proposal to set up a successor working group and the suggestion to forward that proposal to the General Conference in plenary session. His delegation could also support the proposal to submit a draft resolution, provided it was formulated in the proper manner and took account of the request by some delegations to have the resolution translated into the official languages before a decision was taken.

83. Mr. PARK (Republic of Korea) supported the suggestion by previous speakers that the informal working group be reconstituted under the chairmanship of Ambassador Halim, who had made a most valuable contribution to the work of the group.

84. Mr. YBAÑEZ (Spain) supported the proposal by the representative of Tunisia that the Committee approve a draft resolution to reconstitute the informal working group. His country had participated enthusiastically in the work of that group and regretted the fact that its efforts had met with such a poor response. However, the group continued to be a forum in which Member States wishing to make a greater contribution to the Agency's work could do so, and as such it had an important role to play.

85. The proposal to ask Ambassador Halim to chair the successor working group had his delegation's full support.

86. Mr. HASHIMI (Pakistan) said that his delegation had taken part in the working group's discussions and was not opposed to any move to revise Article VI of the Statute as a whole, provided that any amendments made were not at the expense of the areas of Africa and the Middle East and South Asia.

It was vital, however, to keep the question of Article VI separate from the application of Rule 50, yet one could not help observing a regrettable tendency in the working group's report and in subsequent discussions to link the two.

87. He had also noted in the discussions of the working group a certain inflexibility on the part of a number of delegations, which he felt might hamper the future progress of the successor working group. The constraint of maintaining a political balance within the Board was obviously proving to be obstructive to efforts to resolve the problem of the revision of Article VI. The working group should take account of the fact that political realities outside the Agency had changed in the 20 years since the Board had last been enlarged.

88. Pakistan supported the recommendation by the working group that a successor working group be established.

89. Mr. LAMPARELLI (Italy) supported the proposal by previous speakers that Ambassador Halim should be asked to serve as chairman of the successor working group.

90. The CHAIRMAN suggested that the Committee suspend its discussion of the question of revising Article VI until a draft resolution was ready in all the working languages.

EXECUTING AGENCY AGREEMENT BETWEEN THE UNITED NATIONS DEVELOPMENT PROGRAMME AND THE INTERNATIONAL ATOMIC ENERGY AGENCY (GC(XXXIV)/923)

91. The CHAIRMAN, noting the Board's recommendation in paragraph 5 of document GC(XXXIV)/923 that the General Conference approve the draft Executing Agency Agreement contained in the Attachment to that document, took it that the Committee in turn wished to recommend approval of the Agreement to the Conference.

92. It was so decided.

CO-OPERATION AGREEMENTS WITH INTERGOVERNMENTAL ORGANIZATIONS (GC(XXXIV)/924)

93. The CHAIRMAN recalled that in June 1990, as indicated in paragraph 5 of document GC(XXXIV)/924, the Board had authorized the Director General, subject to the approval of the General Conference, to conclude the co-operation agreement with the Arab Atomic Energy Agency set forth in Annex 1 to that document. In paragraph 6 of document GC(XXXIV)/924 it was recommended that the General Conference approve conclusion of the agreement.

94. Mr. AL-MATOOQ (Iraq) said that his delegation supported the conclusion of such co-operation agreements and hoped that the Agency would take a leading role in implementing the relevant provisions of the present one. He stressed that the type of co-operation in question was purely technical and that extraneous elements, particularly those of a political nature, should be strictly excluded as being beyond the competence of a technical organization.

95. The CHAIRMAN took it that, in accordance with paragraph 6 of document GC(XXXIV)/924, the Committee wished to recommend that the General Conference approve the conclusion of the co-operation agreement with the Arab Atomic Energy Agency.

96. It was so decided.

The meeting rose at 12.45 p.m.