



GC

International Atomic Energy Agency

GENERAL CONFERENCE

GC(XXXV)/COM.5/OR.76
14 January 1992

GENERAL Distr.

ENGLISH
Original: FRENCH

THIRTY-FIFTH (1991) REGULAR SESSION

COMMITTEE OF THE WHOLE

RECORD OF THE SEVENTY-SIXTH MEETING

Held at the Neue Hofburg, Vienna,
on Wednesday, 18 September 1991, at 10.35 a.m.

Chairman: Mr. WILSON (Australia)

CONTENTS

<u>Item of the agenda*</u>		<u>Paragraphs</u>
-	Election of the second Vice-Chairman of the Committee of the Whole	1 - 2
12	Measures to strengthen international co-operation in matters relating to nuclear safety and radiological protection	
	(a) Implementation of resolutions GC(XXXIV)/RES/529 and GC(XXXIII)/RES/508	3 - 9
14	Scale of assessment of Members' contributions for 1992	10 - 11
15	The financing of safeguards	12 - 53

[*] GC(XXXV)/982.

The composition of delegations attending the session is given in document
GC(XXXV)/INF/301/Rev.2.

91-4651 (9222e/0873e)

<u>Item of the agenda*</u>		<u>Paragraphs</u>
16	The financing of technical assistance	54 - 106
17	Plan for producing potable water economically	107 - 116
18	Staffing of the Agency's Secretariat	117 - 139

Abbreviations used in this record

NPT	Treaty on the Non-Proliferation of Nuclear Weapons
TACF	Technical Assistance and Co-operation Fund
UNDP	United Nations Development Programme

ELECTION OF THE SECOND VICE-CHAIRMAN OF THE COMMITTEE OF THE WHOLE

1. The CHAIRMAN informed the members of the Committee that further consultations had taken place concerning the election of the second Vice-Chairman of the Committee, and that the name of Mr. Ghonda (Zaire) had been put forward. If there were no objections, he would assume that the Committee wished to elect Mr. Ghonda Vice-Chairman.

2. Mr. Ghonda was elected Vice-Chairman of the Committee of the Whole.

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN MATTERS RELATING TO NUCLEAR SAFETY AND RADIOLOGICAL PROTECTION

(a) IMPLEMENTATION OF RESOLUTIONS GC(XXXIV)/RES/529 and GC(XXXIII)/RES/508 (GC(XXXV)/COM.5/100)

3. Mr. VERBEEK (Netherlands), introducing the draft resolution contained in document GC(XXXV)/COM.5/100 on behalf of the 12 Member States of the European Community, made a number of preliminary comments with a view to explaining the purpose and content of the draft.

4. First of all, the co-sponsors were seeking in the draft to take up the thread of the resolution which had been adopted by consensus the previous year (GC(XXXIV)/RES/529) and which bore the same title. During the current year, a number of important measures had been taken within the Agency to reinforce international co-operation on nuclear safety. Those new measures deserved to be highlighted and endorsed by the General Conference. The Conference might also wish to express an opinion concerning the measures which the Agency should be undertaking during the coming year to promote nuclear safety throughout the world.

5. The new developments during the current year had, of course, been the International Conference on the Safety of Nuclear Power, which was mentioned in preambular paragraph (b) and operative paragraphs 2 and 10 of the draft resolution, the recommendations which had been adopted during the previous week by the Board of Governors pursuant to the results of that Conference, which were mentioned in preambular paragraph (f), the publication of the conclusions of the International Chernobyl Project, mentioned in operative paragraph 13 and, last but not least, the intensification of co-operation

activities, especially in Europe, on the safety of nuclear reactors constructed according to outmoded safety standards - a matter referred to in operative paragraph 12.

6. The co-sponsors had incorporated in the draft all the main recommendations of the International Conference on the Safety of Nuclear Power, quoting as comprehensively as was necessary the relevant paragraphs of the ten-point list which had been put forward by the Chairman of that Conference during the closing session on 6 September. Those quotations were contained in preambular paragraphs (c), (d) and (e) and operative paragraphs 3, 4, 5, 6, 8, 9 and 10.

7. On the previous day, the head of the Netherlands delegation, speaking on behalf of the 12 Members of the European Community during the general debate, had expressed the Twelve's appreciation of the important progress which had been made at the nuclear safety conference in the following terms:

"The Community and its Member States welcome the recommendations formulated by the Board of Governors last week for both starting the step-by-step approach towards an international safety convention - as suggested by the Safety Conference - and for inviting the Director General to incorporate the other valuable recommendations of that Conference into the Medium-Term Plan and the work programme for the coming biennium. The Community and its Member States are firmly resolved to assist in these endeavours to the best of their abilities."

8. It was the aim of the co-sponsors that the draft resolution should be adopted by consensus. They would be pleased to discuss the content of the draft with all interested delegations.

9. The CHAIRMAN suggested that discussion of the item be postponed so that the Committee might have more time to examine the draft resolution which had just been submitted.

SCALE OF ASSESSMENT OF MEMBERS' CONTRIBUTIONS FOR 1992 (GC(XXXV)/967)

10. The CHAIRMAN noted that the Committee had before it document GC(XXXV)/967, page 2 of which contained a draft resolution. There being no speakers, he assumed that the Committee wished to recommend to the General Conference that it adopt that draft resolution.

11. It was so decided.

THE FINANCING OF SAFEGUARDS (GC(XXXIV)/RES/538, GC(XXXV)/957 and Add.1 and 2)

12. The CHAIRMAN drew the attention of the Committee to document GC(XXXV)/957 containing the report of Ambassador Vettovaglia (Switzerland), Chairman of the informal working group which had been set up by the Board of Governors two years previously. The records of the discussions which had taken place during the Board's meetings in June on that issue were contained in document GC(XXXV)/957/Add.1. Document GC(XXXV)/957/Add.2 contained a proposal which had been put forward by Sweden.

13. Mr. VETTOVAGLIA (Switzerland) said that he did not wish to discuss the report of the informal working group but simply to make four preliminary remarks with a view to facilitating the work of the Committee.

14. Firstly, he was sure that nobody would wish to reopen the debate on the question, particularly since recent developments had complicated that already highly complex issue still further. He would confine himself to mentioning the new measures which the Board of Governors would be examining in December 1991 or February 1992, the dismemberment of the Soviet Union and its consequences for the group's work, and the imminence of new expenditure as new States adhered to the NPT.

15. Secondly, as the report of the Chairman of the informal working group indicated, it had been proposed that the group should recommend to the Board in June 1991 that the question of the effectiveness and efficiency of safeguards be examined over the period 1993-1995. The Board was planning to embark upon that work by the end of the current year.

16. Thirdly, it seemed impossible that agreement could be reached at the present stage on a revised or expanded mandate for the group. During its discussions in June 1991, the Board had not been able to reach any conclusion. Several ideas had been put forward as to the future of the informal working group, but they had not attracted a consensus which the Committee could use as a basis for making any recommendation to the General Conference.

17. Fourthly, as the Agency's non-proliferation tasks increased, it was a matter of the very highest priority that the Secretariat should be able to count on having the necessary financial resources.

18. In conclusion, he suggested that, on the one hand, the Board of Governors and the General Conference should be viewed as being the appropriate statutory bodies to discuss the question of the effectiveness and efficiency of safeguards and, on the other hand, that the informal working group on the financing of safeguards should be retained as a forum for discussion of the financial aspects of that debate and the way they could be integrated into a financing formula.

19. Consequently, the General Conference could simply approve once again a resolution identical to the one adopted the previous year (GC(XXXIV)/RES/538). That solution would have three advantages: first of all, it would avoid further discussion of the financing of safeguards which could not be fruitful at the present stage; secondly, it would avoid difficult discussions as to the nature of the group's mandate; and, thirdly, after the Board's meetings in February, a forum would still be in existence where the financial aspects of safeguards could be examined prior to the June 1992 session of the Board.

20. Mr. ALER (Sweden) said that his delegation attached the greatest importance to the question of the financing of safeguards and reminded the Committee that it was his delegation which had taken the initiative, several years ago, of suggesting the establishment of an informal working group to examine that issue. The document now before the Committee showed that more time was needed for discussions and consultations. He therefore endorsed unreservedly the proposals just made by the Chairman of the informal working group.

21. Mr. KLEINJAN (Netherlands) said that his delegation firmly subscribed to the principle that safeguards benefited all Member States and that their cost should therefore be borne by all Member States. Although he could accept reasonable shielding for certain countries, no system of shielding in which the increased cost of safeguards was borne exclusively by the non-shielded States could be considered reasonable. Therefore, it had to be understood that the strengthening of the safeguards system would result in an increase in the contributions of all Member States.

22. Mr. PENG (China) said that his delegation attached great importance to the question of the financing of safeguards and had taken an active part in the discussions on that issue.

23. First of all, any solution to the problem of the financing of safeguards had to take into account the wishes and needs of all Member States, and they in turn had to fulfil their financial obligations with respect to safeguards.

24. Secondly, when the amount to be paid by developing countries was fixed the capacity of those countries to pay had to be taken into account. As far as future arrangements for the financing of safeguards were concerned, the Chinese delegation felt that the arrangement whereby the contributions of shielded Member States to the safeguards element of the regular budget would continue to increase at the same rate as inflation over the period 1993-95 should be a temporary measure.

25. His delegation believed that, with the help of the Secretariat, the informal working group should be able to continue its consultations with a view to finding a definitive solution to the problem of the financing of safeguards. It hoped that that problem would be treated as an integral part of the whole safeguards issue and that it would be examined by the Secretariat within the framework of the Medium-Term Plan.

26. Mr. LOOSCH (Germany) endorsed wholeheartedly the comments which had been made by the representative of the Netherlands. Safeguards were a responsibility of the Agency which benefited all Member States; consequently, all Member States should contribute to the costs thereof. A certain amount of shielding was necessary, but that shielding should not be so extensive that the non-shielded States bore the whole brunt of increases in safeguards costs.

27. Mr. TALIANI (Italy) said that the position of the Italian delegation on the issue was well known. An Italian proposal had been put forward and was mentioned in the report of the Chairman of the informal working group. It was a fair proposal which should solve the problem of the financing of safeguards. Half-measures whereby, for example, certain developing countries would pay a few hundred thousand dollars more or less would not change the situation. A considerable increase in safeguards costs had to be expected and the matter had to be treated seriously. It was not simply a matter of determining to what extent the shielded countries should or should not be shielded, since the problem could not be truly solved in that way.

28. Ms. LACANLALE (Philippines) said that her delegation had urged an absolutely fundamental principle within the Working Group, namely that all States which owned or operated nuclear facilities should be chiefly responsible for the financing of safeguards. Indeed, it had urged that that principle had to be recognized before the principle that Member States had the right and duty to contribute to the financing of safeguards could be acknowledged.

29. The Philippine delegation would have preferred to see a new group given an expanded mandate so that it could examine other outstanding issues as well. Nevertheless, it was able to go along with the continuation of the existing working group during the coming year. In the meantime, she endorsed the proposal that the effectiveness and efficiency of the current safeguards system should be evaluated since that would probably have a major influence on the issue of the financing of safeguards.

30. Mr. PAPADIMITROPOULOS (Greece) commended the efforts which Ambassador Vettovaglia had made to find a solution to the problem of the financing of safeguards and agreed to the group continuing its work under its present mandate.

31. Mr. KUMAR (India) said that, in the light of the views expressed by preceding speakers, he considered it important to reaffirm the shielding principle: that principle had emerged from a carefully deliberated compromise and should be maintained during the forthcoming discussions on the financing of safeguards, particularly if there were to be considerable increases in safeguards costs, as certain States were recommending. Any measure involving an increase in costs should be paid for by the States which advocated it. In addition, the cost-effectiveness of safeguards should be re-examined with a view to reducing the cost of their application.

32. Mr. ENDO (Japan) thanked the Chairman of the informal working group and endorsed his proposal that the group should continue its work under the same mandate. Safeguards benefited everyone, not only those countries which operated nuclear facilities. Therefore, the costs of safeguards should be shared equitably.

33. Mr. KANIEWSKI (Poland) thanked Ambassador Vettovaglia and endorsed his proposal that the group should continue its work with an unchanged mandate. The policy of zero real growth had already led to an increase in the efficiency of safeguards. Any attempt to examine simultaneously the question of the financing of safeguards and the question of their effectiveness and efficiency would only increase the volume of discussion without producing any concrete results. He associated himself with those delegations which had expressed the view that safeguards benefited all States.

34. Mr. RIOBO (Chile) said he would prefer to see the group's mandate enlarged, because it was not possible, in his opinion, to examine the question of the financing of safeguards without knowing exactly how the money was to be spent. If the group were able to examine in detail the way in which safeguards were being applied, it would be able to arrive at a clear definition of the financing criteria required.

35. Mr. JAGUARIBE (Brazil) said that the proposal which had just been put forward by the representative of Chile, to the effect that the group's mandate should be extended, merited consideration since a number of questions - in particular the issue of the rationalization of safeguards - were related to the problem of their financing. Those questions had so far not been seriously examined because the group's mandate was too restrictive.

36. The CHAIRMAN took it that the Committee was generally of the opinion that the informal working group should pursue its work after the current session of the General Conference. He asked whether the Committee was prepared to consider a draft resolution similar to the one which had been adopted the preceding year, or whether it would prefer to produce its own draft resolution.

37. Mr. RIOBO (Chile) said that his delegation felt that the group should have a wider mandate so that it could examine various safeguards questions which were related to the financing of safeguards.

38. Mr. STOIBER (United States of America), endorsing unreservedly the formula which had been proposed by Mr. Vettovaglia, said that the wording of resolution GC(XXXIV)/RES/538, which had been adopted the previous year by the General Conference, clearly defined the group's mandate and would enable it to

pursue its work in an appropriate fashion. The United States Government would not be prepared to accept a substantial extension of the group's mandate. The overall question of safeguards had vast implications which would be examined by the Board and the Secretariat prior to a special meeting of the Board which might be devoted to it in February 1992. That was the appropriate framework for an examination of the whole of the safeguards system.

39. Ms. SCHICK (Australia), Mr. von PREUSCHEN (Germany), Mr. AGRELL (United Kingdom), Mr. ENDO (Japan), Ms. BERTEL (France), Mr. PAPANIMITROPOULOS (Greece), Mr. TITKOV (Union of Soviet Socialist Republics), Mr. MAKIPENTTI (Finland), Mr. BAKSHI (India), Mr. JURZA (Czechoslovakia), Mr. VIEIRA (Portugal) and Mr. PEÑAHERRERA (Ecuador) also expressed their support for a continuation of the group's current mandate.

40. Mr. ORNSTEIN (Argentina) was also in favour of the group retaining its current mandate but thought that its composition might perhaps be enlarged.

41. Ms. GARZA SANDOVAL (Mexico) said she did not think it was necessary to enlarge the group, but that account should be taken of the concern which had been expressed by the representatives of Chile and Brazil.

42. Mr. ALER (Sweden) said he was in favour of continuing the group's present mandate, which was entirely satisfactory. Other safeguards-related issues would be studied during the discussions of the Medium-Term Plan and the next biennial budget.

43. Mr. KANIEWSKI (Poland), reaffirming the position of his delegation, added that the Board of Governors would be a more appropriate forum for the consideration of wider safeguards issues during its meetings in February, and that the group, working with the same mandate, should take into account the conclusions of the Board's discussions.

44. Mr. TALIANI (Italy) said that his delegation would not be opposed in principle to a broadening of the group's mandate since, like other delegations, it thought that the group's present restricted mandate might prevent it from obtaining concrete results. However, as things stood, it would not be realistic to expand its mandate, particularly since the whole question of safeguards was to be examined by the Board in February and June 1992 and there was therefore the risk of a certain amount of confusion.

45. Mr. GUZMAN MARTINEZ (Cuba) thought it better that the group's mandate should remain unchanged, as long as it was understood that it did not exclude an examination of ways in which the costs of the safeguards system might be rationalized.

46. Mr. RIOBO (Chile) noted that, in his first statement on the subject, he had meant that the group's mandate should cover not just the question of the financing of safeguards but also what one might call the administrative and accounting aspects of that question. He did not think that the group should be entrusted with the task of examining all safeguards-related issues. He would therefore be ready to accept the wording of the resolution which had been adopted the previous year, on the understanding that the group would also be examining how the money paid in by Member States was spent.

47. Mr. ALVAREZ GORSIRA (Venezuela) associated himself with the views expressed by those representatives who thought that the group's mandate should also cover the question of rationalization of costs.

48. Mr. HASHIMI (Pakistan) was in favour of the working group retaining its current mandate. However, he noted that delegations were already expressing their position on the issue of financing, and it had been stated that the group should take into account the Board's deliberations in February 1992. The group's task should not be further complicated by instructions issued to it during the present meeting.

49. Mr. ADEKANYE (Nigeria) was in favour of the continuation of the working group's current mandate, but urged all the members of the group to show a spirit of compromise with a view to obtaining results.

50. Ms. GARZA SANDOVAL (Mexico) thought that the representative of Chile had suggested a possible solution in his last statement when he had expressed his readiness to accept the text of the resolution adopted in 1990 on the understanding that the group's mandate would enable it to examine the administrative and accounting aspects of the financing of safeguards.

51. Mr. STOIBER (United States of America), associating himself with the comments which had been made by the representative of Mexico, said that that solution should achieve consensus, and he therefore proposed that the text of the resolution adopted the previous year be used.

52. The CHAIRMAN proposed that the Committee recommend to the General Conference that it adopt a draft resolution which reproduced, mutatis mutandis, the text of resolution GC(XXXIV)/RES/538, and suggested that the summary record of the present discussion should be transmitted to the informal working group so that it could take full account of the points of view which had been expressed on the issue.

53. The Chairman's proposal was adopted by the Committee.

THE FINANCING OF TECHNICAL ASSISTANCE (GC(XXXV)/958 and Add.1,
GC(XXXV)/COM.5/104)

54. The CHAIRMAN noted that for the present item the Committee would be considering a report from the Board of Governors in document GC(XXXV)/958, the summary record of the discussions on the financing of technical assistance which had taken place in the Board in June (GC(XXXV)/958/Add.1) and a draft resolution in document GC(XXXV)/COM.5/104 submitted by Zaire on behalf of the African Group.

55. Mr. KLEINJAN (Netherlands) said that before taking a position on the draft resolution he wished to stress that the Netherlands could perfectly well accept the idea of incorporating the TACF into the Regular Budget, with all the attendant implications, and that it had again made a substantial pledge to the TACF for 1992, amounting to US \$855 750.

56. He also suggested that in future staff costs relating to services performed for the technical assistance programme should be met at least in part from the TACF and not from the Regular Budget as was the current practice. Such a measure would not only reduce the burden on the Regular Budget but would also be in conformity with the cost-sharing practices used elsewhere in the United Nations system, such as the agency support cost arrangements recently concluded between UNDP and several specialized agencies.

57. Mr. ABDEL-HAMID (Egypt), introducing the draft resolution contained in document GC(XXXV)/COM.5/104, drew the Committee's attention specifically to the first operative paragraph, which was an attempt to solve a problem dating back to the adoption of resolution GC(XXV)/RES/388 10 years earlier. It should assist Member States and the Agency to make progress, as

the establishment of an open-ended working group would provide a proper framework for the consultations carried out by the Chairman of the Board of Governors.

58. Ms. LACANLALE (Philippines) supported the draft resolution. Referring to the statement made by the representative of the Netherlands, she said that technical assistance should certainly be financed from the Regular Budget, as that would be entirely in keeping with the spirit of resolution GC(XXV)/RES/388, but she had strong reservations regarding the proposal for the staff costs arising from that assistance to be financed from the TACF.

59. Mr. SKANGWA (Zambia) supported the draft resolution. Technical assistance was of primary importance and the resolution was a good way of helping the Agency find an appropriate mechanism to ensure that predictable resources were available, particularly as the developing countries were in increasing need of that assistance.

60. Mr. ADEKANYE (Nigeria), speaking as a co-sponsor of the draft resolution, emphasized that the establishment of a working group should make it possible to find ways of providing predictable and assured resources for the Agency's technical assistance activities.

61. Mr. AL-MATOOQ (Iraq) said that the problem of financing technical assistance was of primary importance in view of its interest for developing countries. As such assistance was currently financed by voluntary contributions, it was naturally limited. Unfortunately that problem, which dated back a long time, no longer seemed to be of much interest to the countries whose opinion counted in the Agency. Technical assistance was therefore subject to the whims of potential donors who were more concerned with their own interests than those of the developing countries. The establishment of an informal working group was therefore particularly desirable.

62. Mr. PEÑAHERRERA (Ecuador) supported the proposals made by the African Group. As technical assistance was particularly important to developing countries, predictable and assured resources were essential.

63. Mr. ALER (Sweden) repeated what he had already said to the Board in June, namely that the present system was operating successfully, although

it relied on the readiness of Governments to make pledges and contributions corresponding to their share of the target amount. Sweden had also presented various proposals - for example, the idea of financing from the Regular Budget various costs usually met from other funds, in particular for programmes relating to nuclear safety, radioactive waste management and radiation protection. It was clear that some forum was needed in which a wider analysis could be made of the financing system for technical assistance, and Sweden therefore supported the establishment of an informal working group.

64. Mr. ABDELBARI (Algeria), emphasizing the importance which developing countries attached to technical assistance activities, noted that a lack of adequate financial resources made it impossible for all of those activities to be implemented, which was harmful to the development of the countries concerned. His delegation had always been in favour of establishing a financing system which would provide assured and sufficient resources. The establishment of a working group to consider that problem appeared to be a wise course of action. His delegation therefore supported the draft resolution.

65. Mr. CHOI (Democratic People's Republic of Korea) emphasized that 10 years had elapsed since the adoption of resolution GC(XXV)/RES/388, without any significant results. Technical assistance should be financed from the Regular Budget or from other predictable and assured resources, and his delegation therefore supported the draft resolution.

66. Mr. PENG (China) restated his country's view that technical assistance should have predictable and assured resources. He hoped that the Agency's Secretariat would continue its consultations with Member States to find effective solutions. His delegation supported the draft resolution.

67. Mr. KANIEWSKI (Poland) maintained that the present financing system was best suited to prevailing circumstances as it enabled the TACF to increase on a regular basis. A pragmatic attitude to financing was required. At present the Agency could provide assistance on a reliable basis, despite the delay in the pledging and payment of contributions by Member States. As the Director General had stated, such delays also affected the Regular Budget, which was thus also unpredictable. The establishment of a working group would

not, therefore, serve any purpose. On the other hand, consultations between the Chairman of the Board of Governors and Member States could assist in ensuring more regular contributions to the TACF.

68. Mr. von PREUSCHEN (Germany) fully supported the statement made by the representative of Poland. The German Government was not convinced that the establishment of a working group would be of much assistance. The system of voluntary contributions had operated well in the past few years. Germany was one of the main States contributing to technical co-operation and had always honoured its commitments. The establishment of a working group might not be the best solution to the problem, and could even be counter-productive.

69. Ms. BERTEL (France) recalled the importance which France attached to technical co-operation, which was one of the Agency's most important activities, together with safeguards. Her country welcomed the increase in resources allocated to technical assistance projects by means of voluntary contributions from Member States, and shared the concerns of the Secretariat at certain cases of late payment. She urged those States which had not yet done so to pay their contributions as soon as possible. However, the establishment of a working group on that issue was the best way of not finding a solution; she therefore opposed the draft resolution, or at least had many reservations about it.

70. Mr. TITKOV (Union of Soviet Socialist Republics) shared the view of the Polish and German delegations that the establishment of a working group would not lead to any positive results. It was therefore difficult for him to support the draft resolution.

71. Mr. RAZLEY (Malaysia) supported the draft resolution but could not endorse the suggestion made by the representative of the Netherlands that staff costs relating to technical assistance should be charged to the TACF.

72. Mr. AGRELL (United Kingdom) shared the views expressed by the representatives of Poland, Germany, France and the Soviet Union.

73. Mr. HASHIMI (Pakistan), although fully approving the remarks made by the representative of the Netherlands concerning the financing of technical assistance expenses from the Regular Budget, was also opposed to financing staff costs relating to technical assistance from the TACF.

74. Mr. AHMED (Sudan) supported the draft resolution in view of the importance of technical assistance for developing countries and the need for providing assured and predictable resources for those activities.

75. Mr. GUZMAN MARTINEZ (Cuba) believed that the present mechanism was satisfactory, and expressed reservations concerning the establishment of an informal working group. He would nevertheless support the draft resolution.

76. Mr. AL-TAIFI (Saudi Arabia) said that his delegation supported the draft resolution because it believed that technical assistance activities should be financed from predictable and assured resources.

77. Mr. BAKSHI (India) supported the draft resolution and shared the views expressed by the representatives of the Philippines and Pakistan.

78. Mr. VIEIRA (Portugal) believed that the present financing system for technical assistance had proved its effectiveness and therefore supported the statements made by the representatives of Poland and Germany.

79. Mr. PAREDES PORTELLA (Peru) said that in view of the importance of technical assistance it was vital that the Agency should have predictable and assured resources for financing activities in that area. He supported the idea put forward in the draft resolution that an informal working group should be constituted to examine ways of improving the situation regarding the financing of technical assistance. That did not necessarily mean that the present system should be modified, even though it needed improvement, but an in-depth debate by an informal working group such as the group which had studied the question of the financing of safeguards was certainly necessary. He therefore supported the draft resolution.

80. Mr. FADYL (Indonesia) supported the draft resolution.

81. Mr. STOIBER (United States of America) recalled that the United States believed that the present system of financing technical assistance functioned extremely well. The IPF system had enabled technical assistance resources to increase since 1984, whereas over the same period real growth in the Agency's Regular Budget had been practically zero. Predictability was not everything, and it was certainly preferable for the level of resources allocated to technical assistance to be perhaps slightly less predictable than

desired if it was nevertheless constantly increasing. His country fully supported the Agency's technical co-operation activities and would continue to do so in the future. However, he urged a certain amount of caution with regard to the financing of those activities after 1992: it would be wise to take account of the fact that the resources which would be provided by many Member States in the future would be limited, even for activities as important as technical assistance.

82. The draft resolution before the Committee was scarcely different from those presented in the past, apart from the establishment of an informal working group on the financing of technical assistance. His position on that subject was somewhat reserved. Although establishing a specific mechanism for consideration of that issue might appear to be an appropriate means of dealing with it in greater depth, he recalled that it was an issue of substance rather than procedure. He therefore shared the reservations expressed by the delegations of Germany, Poland, France, the USSR, the United Kingdom and Portugal.

83. Even if the Committee decided to establish such a working group, it would be up to the Board to take the requisite action, and not the General Conference as suggested by the draft resolution. He also wondered whether it was necessary for paragraph 1 to paraphrase resolution GC(XXV)/RES/388. That passage should be deleted.

84. In conclusion, his delegation reserved its position, as it was not convinced that establishing an informal working group on the financing of technical assistance would be useful.

85. Mr. POSTA (Hungary) considered that the present system was satisfactory in that it had permitted reasonable growth in technical assistance resources. He shared the reservations expressed by the Polish delegation and others concerning the draft resolution.

86. Mr. JURZA (Czechoslovakia), who also judged the present system satisfactory, shared the opinion that the establishment of a working group would not be useful.

87. The CHAIRMAN recalled that in accordance with Rule 67 of the Rules of Procedure of the General Conference, "A proposal involving expenditure by

the Agency shall not be voted upon in the absence of a report from the Director General on the administrative and financial implications of the proposal and a report from the appropriate committee of the General Conference". He therefore invited the Deputy Director General for Administration to comment, on behalf of the Director General, on the draft resolution before the Committee.

88. Mr. DIRCKS (Deputy Director General for Administration) said that the establishment of an informal working group requiring interpretation and translation services and the drafting of summary records and reports would cause the Agency expenditure of up to US \$57 000 per day of meeting, or \$10 000 per day for interpretation services alone. It would therefore be preferable if the establishment of the working group did not have financial implications.

89. Mr. ABDEL-HAMID (Egypt) said that, in order to resolve the problem of financial implications, and to eliminate one of the reservations which had quite rightly been expressed by the representative of the United States, the beginning of paragraph 1 of the draft resolution could be redrafted as follows: "Requests the Board of Governors to establish, without financial implications, an informal working group ...".

90. With regard to staff costs, the comparisons made with the case of the UNDP did not seem relevant, because the system of distributing costs among several organizations could not be seen as applying within a single organization.

91. The delegations which had spoken against the establishment of an informal working group had not given their reasons. Yet the text of paragraph 1 of the draft resolution did not anticipate the result of the working group's activity: it would be a purely consultative body, and the final decision would rest with the Board itself.

92. In reply to another comment from the representative of the United States, he said that the aim of the draft was not to paraphrase GC(XXV)/RES/388 but to define the terms of reference of the working group. He hoped that the draft resolution would be adopted by consensus, as it was merely a question of establishing a framework for considering the question of the financing of technical assistance.

93. Ms. SCHICK (Australia) said that her delegation was in favour of the current financing system and was not convinced that establishing a working group would improve the effectiveness of the system or increase the funds available. Her delegation was also concerned by the financial implications referred to by the Deputy Director General for Administration.

94. Mr. LAVIÑA (Philippines), noting that the statement made by the representative of Egypt answered the concerns expressed regarding the financial implications of the draft resolution, said that technical assistance was a statutory function of the Agency in the same way as safeguards, and that it should therefore be dealt with in the same way. A working group had been established to consider the financing of safeguards. Many working groups had been established in the past, and there was no reason why the establishment of a working group on the financing of technical assistance should cause any problems.

95. Mr. KANIEWSKI (Poland), replying to the representative of the Philippines, said he did not believe that the financing of technical assistance should be treated in the same way as the financing of safeguards. Although the level of resources allocated to technical assistance was increasing, those assigned to the financing of safeguards were frozen, which was why a working group on the financing of safeguards was justified. In the case of technical assistance, the establishment of such a working group would be counter-productive.

96. Mr. NDJOKO (Zaire), endorsing the comments made by the representative of the Philippines, said that, as the amendment to the draft resolution suggested by the representative of Egypt had dealt with the obstacle of financial implications, Committee members could now adopt the draft by consensus, in view of the importance of technical assistance for the developing countries.

97. Mr. ENDO (Japan) noted that the present system was operating very well and that the only problem was that countries did not pay their contributions on time. That was the crux of the problem, and there was no need to establish a working group.

98. Mr. ATANGANA-ZANG (Cameroon) said that, in view of the modifications to the draft resolution suggested by the Egyptian delegation, there should be no further problem in adopting it by consensus.

99. Mr. ABDEL-HAMID (Egypt) said that the draft resolution seemed to have gathered broad support, with a few exceptions which were apparently due to a misunderstanding. Those who opposed the draft resolution had based all their arguments on the source of financing for technical assistance, whereas in fact the intention was only to establish a mechanism to improve the financing, without in any way anticipating what conclusions the working group might reach.

100. Mr. IONESCU (Romania) did not believe it was necessary to establish a working group.

101. Mr. LAVIÑA (Philippines) supported the comments made by the representative of Egypt. It was indeed merely a procedural question. The proposed establishment of a working group would not require any expenditure, and members would be free to participate or not; he therefore could not understand how there could be opposition. He asked the delegations concerned to show more flexibility.

102. Mr. PAREDES PORTELLA (Peru) shared the views expressed by the representatives of Egypt and the Philippines, and requested delegations opposing the draft resolution to reconsider their position.

103. The CHAIRMAN asked whether the Committee of the Whole wished to adopt by consensus the draft resolution contained in document GC(XXXV)/COM.5/104 as amended orally by the representative of Egypt.

104. Mr. von PREUSCHEN (Germany) said that his delegation could not join the consensus and would vote against the draft resolution if it was put to a vote.

105. The CHAIRMAN, noting that the German delegation was the only delegation unable to join the consensus, suggested that the Committee recommend that the draft resolution be adopted, taking note of the reservations expressed by that delegation.

106. It was so decided.

PLAN FOR PRODUCING POTABLE WATER ECONOMICALLY (GC(XXXIV)/RES/540,
GC(XXXV)/INF/298, GC(XXXV)/COM.5/98)

107. The CHAIRMAN invited the Committee to consider the Director General's report in document GC(XXXV)/INF/298, and also the draft resolution in document GC(XXXV)/COM.5/98, submitted by Chile on behalf of the Group of 77.

108. Ms. BERTEL (France) thanked the Secretariat for the work it had carried out over the past year in response to resolution GC(XXXIV)/RES/540 relating to the production of potable water economically, and for the report contained in Appendix 1 to document GC(XXXV)/INF/298. Her delegation was interested to note that contacts had been made with the other United Nations bodies concerned and with the World Bank, and indeed felt that the subject was one that should be handled by the Agency in close collaboration with other competent bodies. The French delegation would study with keen interest the report to be issued in 1992 evaluating the results obtained.

109. Potable water production was unquestionably a matter of great importance for improving living conditions in many areas of the world. Assessing the requirements for potable water and evaluating the technological processes available for producing it were important tasks for which it was to be hoped the Agency would lend assistance.

110. An economic evaluation of the solutions technically and industrially available for producing potable water was no less important. Member States likely to make use of them should be provided with reliable and realistic information concerning their competitiveness. Her delegation believed it was true to say that earlier studies carried out by the Agency - admittedly quite a long time ago - had concluded that nuclear energy was not competitive with other sources of energy for the production of potable water. It also believed that little technological progress had been made in recent years with nuclear reactors of the type and size suited to that purpose. Equally, it was aware, like all Member States, as discussions throughout the Agency had indicated, of the problems presented by the financing of nuclear plants and the imperative necessity of ensuring that they satisfied stringent safety criteria. The Agency's studies would need to give objective consideration to all relevant parameters if they were to be of real assistance to Member States concerned

with potable water production plants in choosing the technology best suited to their economic and technical circumstances. It was with those thoughts in mind that her delegation wished to see the Agency continue its work in that field

111. Mr. ABOUGHALYA (Libyan Arab Jamahiriya) expressed his country's gratitude to the Agency for its work in implementing resolution GC(XXXIV)/RES/540. Considerable assistance was needed from the industrialized countries in order to assure the progress of programmes and research on potable water production, and the Agency should pursue its efforts to review the situation in the different regions of the world.

112. Mr. ABDEL-HAMID (Egypt) thanked the Secretariat for the work it had carried out, which was summarized in document GC(XXXV)/INF/298. The measures taken by the Agency bore witness to the seriousness and effectiveness with which it had treated such an important matter, and would surely produce beneficial results in all regions where potable water was lacking. His delegation hoped that all necessary measures would be taken to carry out a regional study on potable water production, and looked forward to the results of the report to be published in 1992.

113. Mr. KANIEWSKI (Poland) expressed his country's support for the resolution.

114. Ms. BERTEL (France), speaking on the draft resolution, suggested that, in preambular paragraph (b), line 3, the words "at many locations" be replaced by "for some locations".

115. The CHAIRMAN, noting there were no objections, took it that the Committee accepted the proposal made by France and wished to recommend that the General Conference adopt the draft resolution as amended.

116. It was so decided.

STAFFING OF THE AGENCY'S SECRETARIAT (GC(XXXIV)/RES/541, GOV/2536, GC(XXXV)/968, GC(XXXV)/COM.5/99)

117. The CHAIRMAN invited the Committee to consider document GC(XXXV)/968 as well as the draft resolution in document GC(XXXV)/COM.5/99, submitted by Chile on behalf of the Group of 77.

118. Ms. FAHMY (Egypt) was pleased to note that tangible progress had been made in implementing resolution GC(XXV)/RES/386 with an increase in the number of Agency employees from developing countries. However, the figures quoted in document GC(XXXV)/968 showed that the number of Professional staff from countries belonging to the Group of 77 constituted only 27.90% of the total, a figure that was still below the desired proportion of around 33%. Moreover, the proportion in the senior grades was only 26.83%, which was insufficient in view of the fact that the developing countries accounted for two thirds of the Agency's membership. It was thus absolutely essential to remedy such a state of affairs, in particular where the senior posts were concerned, especially since it was undeniable that the developing countries were capable of providing highly competent officials.

119. Furthermore, paragraph 5 of document GC(XXXV)/968 indicated that of the 680 staff members in the Professional and higher categories, 613 were in posts subject to geographical distribution. There was no indication of the reasoning or the method employed in distributing the remaining 67 posts. If those posts were taken into account, the percentage of Professional staff from developing countries was lower than 27.90%.

120. Although the document under consideration did not take into account staff in the General Service category, it should be noted that, there too, the level of representation of the developing countries was too low. She hoped also that the numbers of women working within the Secretariat would increase. Accordingly, the Group of 77 had submitted a draft resolution welcoming the Director General's endeavours to increase the number of Professional staff in the Secretariat from developing countries and calling on the Director General to take further measures in that direction. Her delegation hoped that the draft resolution would be adopted by consensus and that the desired percentage would be rapidly achieved.

121. Mr. LOOSCH (Germany) said it was evident that the Agency had been applying the terms of resolution GC(XXV)/RES/386 for ten years, and he endorsed paragraph 1 of the draft resolution, which commended the steps taken by the Director General. Those measures had after all yielded the spectacular results that were described in document GC(XXXV)/968. The proportion of staff

in the Professional and higher categories from developing countries, which had stood at 15% in 1981, had in fact practically doubled. It had to be acknowledged that the Director General had succeeded in his task and it was therefore unnecessary to reiterate the terms of resolution GC(XXV)/RES/386 as was done in operative paragraph 2 of the draft resolution. His delegation therefore considered it sufficient to retain paragraphs 1 and 3 of the draft resolution and delete paragraph 2.

122. Ms. BERTEL (France) said that document GC(XXXV)/968 contained very interesting information on the manner in which the distribution of the Agency's staff had evolved, by region and by sex, and she fully supported the expression of thanks offered to the Secretariat by the Group of 77 in their draft resolution.

123. Her delegation had observed the spectacular growth in the proportion of posts occupied by nationals from countries belonging to the Group of 77, which had risen from less than 15% to almost 30% between 1981 and 1991. It had also observed with a certain degree of alarm that the redistribution had come about largely at the expense of Western European countries, which, over the years, had accumulated great expertise in all areas of development of the applications of atomic energy.

124. It had also noted the slow growth in the numbers of female staff at the Agency, the proportion of female staff in 1991 having remained lower than 13%. Finally, it had noted the significant efforts made by certain Member States to take part in the Agency's activities in a context of zero budgetary growth, by providing increasing numbers of cost-free experts.

125. Altogether, those observations prompted certain thoughts about the Agency's recruitment policy: it should naturally take into account the need to accommodate all Member States in the Secretariat; but also, indeed especially, it should be mindful of the need for recruitment based on stringent criteria of professional competence, something that was essential if the quality of the work carried out at the Agency was to be maintained. There was no need to emphasize the importance to the Agency - in all fields, but particularly in safeguards - of having the most highly qualified experts at its disposal

126. In conclusion, her delegation supported the proposal made by the representative of Germany to delete operative paragraph 2 of the draft resolution, because it considered that the work done by the Director General already met the concern expressed in that paragraph.

127. Mr. PAPANIMITROPOULOS (Greece) said that document GC(XXXV)/968 made it plain that the Director General had already carried out the measures required to implement resolution GC(XXV)/RES/386. Moreover, he considered that preambular paragraph (f) of the draft resolution was no longer correct, at least with regard to western Europe, whose representation was unquestionably declining, and in that connection he supported the statement made by the representative of France.

128. His delegation proposed that operative paragraph 2 of the draft resolution be amended, as there was no point in calling on the Director General to take further steps. Firstly, preambular paragraph (e) already met that concern, and, secondly, the question what other steps could reasonably be taken was bound to arise. His delegation therefore felt that it would be perfectly possible to keep the text of the resolution adopted in 1990.

129. Mr. KOSTENKO (Ukraine) thanked the Secretariat for the invaluable information contained in document GC(XXXV)/968. His delegation would not oppose a consensus in favour of the draft resolution submitted by Chile on behalf of the Group of 77. However, the staffing of the Agency's Secretariat was a problem that concerned all Member States, and the principle of equitable geographical distribution was fundamental. His delegation associated itself with those representatives who favoured the deletion of operative paragraph 2.

130. Mr. BAKSHI (India) paid tribute to the Director General, whose efforts had led to an increase in the number of staff from developing countries. His delegation also attached great importance to the principle of equitable geographical distribution. Nevertheless, it had to be noted that, although the representation of developing countries had increased, it none the less remained insufficient, and measures needed to be taken to remedy the situation. It was particularly important to appoint nationals of developing countries to posts at the senior and policy-making levels. In Western countries there were no doubt persons who were perfectly qualified to fill

those posts, but they could also be found in developing countries. His delegation therefore supported wholeheartedly the draft resolution and endorsed the views expressed by the representatives of Chile and Egypt.

131. Mr. KLEINJAN (Netherlands) supported the proposal of the representatives of Germany and France to delete operative paragraph 2 of the draft resolution. He felt, like the French delegation, that the percentage of posts occupied by women, especially at the senior level, should increase.

132. Mr. KANIEWSKI (Poland) considered, like the Greek delegation, that operative paragraph 2 of the draft resolution should be amended. In its present form, it contradicted operative paragraph 1 which commended the measures taken by the Director General to increase the number of staff from developing countries. He proposed that the words "to take further steps... in resolution GC(XXXIII)/RES/521" (lines 2 and 3 of operative paragraph 2) be replaced by "to continue to apply, within the period of four years, the recruitment policy specified in resolution GC(XXXIII)/RES/521".

133. Mr. PENG (China) observed that, since the adoption in 1981 of resolution GC(XXV)/RES/386, the number of staff from developing countries had increased, which was testimony to the efforts the Director General had made. However, it was also apparent from the Secretariat's report that the number of staff in the Professional and higher categories from developing countries remained proportionately low. His delegation hoped that the Director General would continue his efforts to apply resolution GC(XXV)/RES/386.

134. His country hoped that the Agency would remain a dynamic organization and would continue to keep abreast of the latest technology in order to carry out effectively its role as guide and counsellor in all matters concerned with nuclear energy and technology. To that end, it was absolutely essential to continue applying the principle of staff rotation. His delegation hoped that the Secretariat would later prepare documents giving fuller information on that point.

135. In conclusion, his delegation supported the draft resolution submitted by Chile on behalf of the Group of 77.

136. Mr. STOIBER (United States of America) paid tribute to the Director General's efforts in applying resolution GC(XXV)/RES/386. The Secretariat had succeeded in increasing significantly the number of staff from developing countries. His country welcomed the recruitment of qualified personnel from the developing countries, but he noted that according to Article VII.D of the Statute, the paramount consideration in the recruitment and employment of the staff, and in the determination of the conditions of service, was to secure employees of the highest standards of efficiency, technical competence, and integrity. It was a question of individual qualities. That being so, no sudden change in the situation should be expected, but rather a gradual evolution, and that was in fact taking place quite satisfactorily. The Secretariat had succeeded in recruiting a highly competent and loyal staff, which was conducive to efficiency, and that was the main point. That much said, his delegation also considered that the Director General should spare no effort to appoint qualified women to positions of responsibility.

137. With regard to the draft resolution, his delegation associated itself with those who favoured the deletion of operative paragraph 2.

138. Mr. TITKOV (Union of Soviet Socialist Republics) said that the specific nature of the Agency's activities and the number of scientific and technical matters of global interest that it was called upon to deal with necessitated highly-qualified staff, particularly at the Professional level; that in turn required a regular intake of fresh strength from Member States, persons who were well abreast of the latest developments in the nuclear energy field, thoroughly versed in national programmes and familiar with the practical implementation of nuclear methods. Therefore, it seemed justified to retain in the Secretariat only a minimum number of staff holding permanent or long-term contracts. The bulk of the staff should be rotated regularly so that the Agency would always be in a position to take advantage of the latest technological achievements and of the most recent experimental work. The best solution, for that purpose, was a system of secondment for specified periods. The proportion of Professional staff subject to geographical distribution who were on permanent or long-term contracts represented at present 41% of the

total. Thus his delegation considered that the ratio of Professionals on permanent or long-term contracts to those on fixed-term contracts was too high and no longer suited the Agency's real needs.

139. As to the draft resolution before the Committee, his delegation was in favour of deleting operative paragraph 2.

The meeting rose at 1.5 p.m.