



GC

GC(XXXVIII)/20
19 September 1994

International Atomic Energy Agency

GENERAL CONFERENCE

GENERAL
Original: ENGLISH

Thirty-eighth regular session
Item 19 of the provisional agenda
(GC(XXXVIII)/1)

THE FINANCING OF SAFEGUARDS

1. On 13 September 1994, the Board of Governors considered a report of the Informal Working Group on the Financing of Safeguards^{1/} on the discussions held in the Group since the General Conference's last session.
2. The Board decided to submit the report - pursuant to General Conference decision GC(XXXVII)/DEC/11 - to the General Conference. The report is reproduced in the Annex hereto.

^{1/} Established by the Board on 2 October 1989 in response to General Conference resolution GC(XXXIII)/RES/513.

THE FINANCING OF SAFEGUARDS

Report of the Informal Working Group

1. In September 1993, the General Conference took note of the report of the Board of Governors contained in the Annex to document GC(XXXVI)/1063 and requested the Board to re-establish the Informal Working Group on the Financing of Safeguards. At the 4 October 1993 meeting of the Board, Ambassador Anita Gradin (Sweden) was appointed as new Chairman of the Informal Working Group.

2. Following consultations between Ambassador Gradin and several delegations, including the Chairman of the regional groups, a meeting of the Informal Working Group was held on 19 May 1994.

3. In her introduction, the Chairman reminded the Group that, since the current financing arrangements would remain effective until 1995, a proposal relating to the Regular Budgets for 1996 and subsequent years would have to be submitted to the 1995 session of the General Conference. She felt that such a proposal should have a strong support from the Board.

4. During the discussion, some delegations expressed support for a new safeguards financing formula on the grounds that during the past 23 years the financing system had undergone only minor changes, while the situation of the nuclear industry world-wide had changed considerably. Some other delegations were of the view that at the present stage a change in the financing was unnecessary in view of many uncertainties - for example - the future costs of safeguards. In this connection, the Secretariat was requested to provide a background paper.

5. The Group concluded that there was certainly a need for a decision in the 1995 General Conference on the safeguards financing system and that it might be helpful to meet more often during the coming year. The Chairman suggested that a first meeting could be held soon after the General Conference's 1994 session and invited Group members to submit their views which could serve as a basis for further consultations.

