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Chairman: Ms. LAJOUS VARGAS (Mexico)

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[*] GC(39)/27.

The composition of delegations attending the session is given in document GC(39)/INF/21/Rev.2.

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Abbreviations used in this record

IPF	Indicative Planning Figure
PPAS	Programme Performance Assessment System
RADWASS	Radioactive Waste Safety Standards
TCF	Technical Co-operation Fund

ELECTION OF VICE-CHAIRMEN AND ORGANIZATION OF WORK

1. The CHAIRMAN, after thanking the General Conference for the confidence it had placed in her by electing her Chairman of the Committee of the Whole, suggested that the Committee begin with the election of the Vice-Chairmen. Following consultation between various groups, it had been proposed that Mr. Meadway (United Kingdom), Mr. Mazilu (Romania) and Mr. Yimer (Ethiopia) be elected Vice-Chairmen of the Committee of the Whole. If there were no objections, she would take it that the Committee wished to elect Mr. Meadway, Mr. Mazilu and Mr. Yimer as Vice-Chairmen.

2. It was so decided.

3. The CHAIRMAN, drawing the Committee's attention to document GC(39)/COM.5/4, which listed the agenda items referred to the Committee of the Whole by the General Conference, noted that an additional item had been referred to the Committee by the General Conference, namely item 23 of the General Conference agenda. She proposed that, as far as possible, the Committee take the items in the order in which they appeared in that document.

4. It was so decided.

THE AGENCY'S ACCOUNTS FOR 1994 (GC(39)/5)

5. The CHAIRMAN said that the Board of Governors, having examined the Agency's accounts in June 1995, had submitted to the General Conference for consideration the draft resolution on page III of document GC(39)/5.

6. Mr. CAMPUZANO PIÑA (Mexico) commended the External Auditor's report and his important suggestions. With regard to personnel, for example, the External Auditor had examined key elements of the Agency's human resource management policies and procedures and found, inter alia, that scientific excellence was the basic criterion applied in the selection process, while little attention was paid to management skills. There was therefore room for improvement in that area.

7. His delegation felt that the Agency should examine ways of implementing the External Auditor's recommendations and reiterated its request for a brief report thereon to the

Administrative and Budgetary Committee and the June meetings of the Board of Governors each year. In particular, the Secretariat should take into account, as far as possible, the External Auditor's recommendations concerning air travel by Agency staff and experts.

8. He commended the Secretariat on its judicious use of information technology, a policy that befitted such a technically advanced institution as the Agency. The pilot project for electronic communication between the Agency and Permanent Missions based in Vienna would lead to major economies of time and resources for both parties. He invited the Agency to extend the scope of the project, as far as possible, to include all Member States.

9. His delegation supported the suggestion made by the Governor from Australia to the Board of Governors that consideration should be given to the possibility of amalgamating the Agency's annual report, accounts and programme and budget documents.

10. Mr. SERVIGON (Philippines) commended the External Auditor on his extensive studies of the Agency's travel system, an exercise that had been initiated by the Philippines in 1993 when it had compelled the Secretariat to rationalize the home leave entitlements of Agency staff. As noted by the External Auditor, the Staff Travel Rules had yet to be approved by the Board of Governors. His delegation looked forward to the submission by the Secretariat of a report on its comprehensive review of travel arrangements.

11. Mr. DUERDEN (Australia), supporting the adoption of document GC(39)/5, expressed appreciation of the Secretariat's efforts to maintain programme delivery through what had been an extremely difficult period. He expected that full account would be taken of the External Auditor's recommendations concerning the Secretariat's human resource and travel management policies.

12. His delegation continued to be concerned at the late payment and non-payment of contributions and urged all Member States to make their payments promptly.

13. Mr. SÖLENDİL (Turkey) supported Mexico's suggestion that a report on the External Auditor's views and recommendations should be submitted to Member States prior to the General Conference and preferably prior to the June Board.

14. His delegation supported document GC(39)/5 and commended the External Auditor on his work.

15. Ms. JUNG (Germany) said that the External Auditor's sterling work was accomplished behind the scenes and was therefore all the more deserving of praise in a public forum. The relevance of some of his important recommendations, especially regarding travel, extended beyond the IAEA to other organizations.

16. Mr. PAPADIMITROPOULOS (Greece) commended the Secretariat on its accounts and the External Auditor on his important views and recommendations, which he trusted would be taken into account. He suggested that the Secretariat should compile a list of the External Auditor's recommendations on major issues in recent years and attach a report on the Agency's follow-up thereto for consideration by the June Board.

17. He joined the representative of Australia in urging Member States to pay their contributions to the Regular Budget.

18. Mr. DOSHI (India) expressed appreciation of the excellent work accomplished by the External Auditor and congratulated the Agency on its efficient utilization of funds. In view of that excellent record, he suggested that the time had come to move beyond zero real growth.

19. Mr. JAMEEL (Pakistan) congratulated the External Auditor on his perceptive observations and trusted that the Agency would seek to accommodate his recommendations. He commended the Secretariat on its excellent management of the Agency's funds.

20. Mr. WALLER (Deputy Director General for Administration), replying to comments on the Agency's accounts, said that Member States clearly held the External Auditor and his work in high esteem and expected the Secretariat to provide evidence of its response to his recommendations. That suggestion had already been discussed by the Administrative and Budgetary Committee and at the June meetings of the Board and the Secretariat intended to provide Member States with a regular report on follow-up in time for the meeting of the Administrative and Budgetary Committee. The representative of Mexico had requested a brief report and he agreed that for reasons of economy it should be kept as succinct as possible.

21. As the current year was the last in the six-year term of the incumbent External Auditor, the Auditor-General of Canada was preparing a comprehensive review of the Agency's response to all major recommendations over the previous five years.

22. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page III of document GC(39)/5.

23. It was so decided.

THE AGENCY'S BUDGET FOR 1996 (GC(39)/4 and Mod.1, GC(39)/INF/18)

24. The CHAIRMAN drew the Committee's attention to Annex VI of document GC(39)/4 containing the Agency's budget for 1996, which comprised three draft resolutions recommended by the Board of Governors for adoption by the General Conference. In addition, document GC(39)/INF/18 should be helpful in the consideration of the first draft resolution, and document GC(39)/4/Mod.1 contained an updated version of the second draft resolution.

25. Mr. MACKINNON (Canada) said that his authorities were advocating a policy of zero nominal growth in all international organizations. Zero real growth was inconsistent with the current fiscal situation in Canada, which had been dominated for some time by zero nominal growth in domestic budgets. Under the most recent Federal budget, real cuts had been made in a number of programmes following an intensive and extensive review of all programmes and a rigorous priority-setting exercise. Canada understood that a substantial number of Member States, including most of the major contributors, were facing similar domestic pressures, with the result that all increases in budgetary items were being seriously questioned.

26. There was a need for rigorous trimming of administrative costs and prioritization of activities. Canada would not advocate across-the-board cuts but rather a priority-setting exercise to identify lowest-priority programmes that might be terminated.

27. He noted from the audited financial statements and the Annual Report for 1994 that the total unused budget for 1994 was US \$8.8 million. If that figure was augmented by the \$13.5 million in deferred programme activities established in 1994, the Agency had actually

underspent its budget by \$22.3 million, or about 10%. While Canada recognized the unique nature of the deferred programme costs, it questioned the priority of the deferred programmes and wondered whether they could be further delayed or even cancelled. As part of a rigorous priority-setting exercise, the Agency and Member States should fully review all programmes, and deferred programmes in particular, to identify potential cost reduction measures.

28. His delegation would have expected the significant sum of \$8.8 million, which was only slightly less than Canada's contribution for 1994, to be reflected in the subsequent year's budget - but instead there had been budget increases. Canada encouraged the Secretariat to base its annual budget forecasts on real expenditures, not previous budgets.

29. As noted by the External Auditor, administrative costs, consisting of personnel and related expenditures, had accounted for 48% of the budget in 1994. That proportion was unacceptable, and a concerted effort to reduce such costs should be made over the next year, particularly through improved automation in the Secretariat to bring secretarial and printing costs down. Canada would continue to participate in pilot projects aimed at extending the electronic transmission of documents.

30. Budgets should be more focused on goals and results than on processes. By identifying a budget for a specific goal, processes to fit specific budget ceilings could be streamlined, enhancing the efficiency of overall project implementation.

31. The PPAS was a vital tool for assessing accountability, sound work planning and goal-setting. Continued implementation of the PPAS would lead to improved human resource planning and hence lower costs. Delegation of responsibility would also enhance accountability. The current performance appraisal system should be revitalized and all increments and promotions should depend on merit.

32. The ratio of staff in the General Service category to those in the Professional and higher categories was 1.3:1 in the IAEA, a ratio higher than that in other international organizations and than the 1:1 ratio maintained in the Canadian Government. He believed that the Agency's ratio could be improved through a more comprehensive endeavour to

contract out such services as security, translation and maintenance. His delegation appreciated the limited progress made to date, particularly in the case of translation.

33. The United Nations common system for determining classifications and pay did not adequately recognize and reward managerial responsibility. Managers were seldom held accountable for managing their staff and did not therefore use pay increments or promotions to reward good performance. Increments were automatic and performance was not assessed. It was difficult for Canada, which was experiencing a pay freeze in its public service, to justify regular automatic increments for the staff of international organizations.

34. The travel budget of \$41.6 million, which represented 12% of total expenditures, could be significantly reduced through better use of competitive discount fares. While his delegation appreciated the Agency's efforts to date in that area, particularly its improvements in the computer system and the revisions to home leave entitlements, it encouraged more careful consideration of the options listed by the External Auditor, including closer examination of the costs and benefits of lump-sum payments for non-staff experts travelling on Agency business, a review of business class usage and stopover allowances, special hotel rates, especially in Vienna, and a general streamlining of the entire travel system.

35. More particularly, the Government of Canada did not allow staff travelling on government business to retain "frequent flier" points. Such points should also be used by the Agency to reduce costs. No staff member or non-staff expert should receive rewards for travelling on Agency business, despite the hardships.

36. His delegation urged the Director General to work closely with Canada's Auditor-General in his last year as the Agency's External Auditor to identify further areas of cost savings. The Auditor-General's final report would include comprehensive measures which could lay the basis for greater efficiency if received in a co-operative spirit.

37. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it adopt draft resolutions A and C as set out in Annex VI to document GC(39)/4 and draft resolution B as given in the Attachment to document GC(39)/4/Mod.1.

38. It was so decided.

THE FINANCING OF TECHNICAL ASSISTANCE (GC(39)/23 and Add.1)

THE FINANCING OF SAFEGUARDS (GC(39)/23 and Add.1-2)

39. The CHAIRMAN said that if she heard no objections, she would take it that the Committee agreed to a suggestion made by the representative of Sudan on behalf of the Group of 77 that the items concerning the financing of technical assistance and the financing of safeguards be considered together.

40. It was so agreed.

41. The CHAIRMAN drew attention to document GC(39)/23, which contained a report by the Board of Governors on the two financing items. Document GC(39)/23/Add.1 contained the records of the Board's discussion on those items in June and September 1995, and document GC(39)/23/Add.2 contained a draft resolution relating to the financing of safeguards.

42. Mr. DOSHI (India), reporting on the joint deliberation of the two Informal Working Groups, on the Financing of Technical Assistance and on the Financing of Safeguards, said that the two issues had been under active consideration by the Agency for quite some time. The Board of Governors had decided at its June 1995 meetings that they should be considered jointly. The two working groups had met on 16 June to discuss all aspects of the issues and had arrived at a compromise formulation - known as the "package" - but had reached no consensus on the actual amounts of the Indicative Planning Figures for 1996 to 1998. A compromise on the IPFs had finally been agreed upon by the Board of Governors in September, and the summing-up by the Chairman of the Board thereon was reproduced in document GC(39)/23.

43. The figure of \$64.5 million which had been fixed as the target for voluntary contributions to the TCF for 1996 represented a \$3 million increase over 1995. It had further been decided, by way of consensus, that there should be increases in the target of at least \$3.5 million in both 1997 and 1998. Equally important were the conclusions in principle which had been reached on making the financing of technical assistance more secure, dependable, and equitable in the years to come. While no decision had yet been taken on that score, the groundwork had been prepared.

44. With regard to the financing of safeguards, a major compromise had been achieved: the group of developing countries, known as the shielded countries, had taken a great step towards defreezing the situation that had held sway for the past 25 years by accepting the "Akao formula", under which certain figures had been worked out for the contributions of all countries and a decision had been taken as to which countries would be considered shielded.

45. Mr. EL HUSSEIN (Sudan), speaking on behalf of the Group of 77, said that the formula regarding the two component parts of the package which had finally been adopted by the Board of Governors the previous week following arduous discussions had unfortunately been called into question by some discouraging statements made since then by certain major contributors. It had been the Group of 77's understanding that a compromise solution acceptable to all had been found, but in the light of those discouraging statements the suggestion had been made that the Group should perhaps reconsider its position. However, at the plenary meeting the previous day one major contributor had made an encouraging statement underlining the "pledge and pay" formula, and in addition he had received, in his capacity as Chairman of the Group of 77, an official communication from the Ambassador of Australia emphasizing that country's commitment to the package. The mood within the Group of 77 had therefore changed back to the position expressed in the September Board, namely that it remained committed to the package.

46. With regard to the financing of safeguards, some members of the Group of 77 had felt strongly about the shielded status of countries, but in a spirit of compromise the Group had supported the consensus on both elements of the package. Nevertheless, it felt that, at an appropriate time in the future, the issue of shielding should be discussed again in more detail, and it welcomed the "Akao formula" as a good basis for such future negotiations.

47. Mr. DOSHI (India), now speaking on behalf of his own delegation, said he was pleased that the consensus on the package had held good, for it was important that the package should be implemented in its entirety. If, for example, major donor countries decided not to go along with the package in 1996 or 1997 it would become necessary for shielded countries not to go along with the partial deshielding for the financing of safeguards. Moreover, as the Chairman of the Group of 77 had mentioned, the package made provision

for review of the shielding formula and he would propose that all developing countries shall eventually be included in the list of shielded countries.

48. Mr. AL-GHAIS (Kuwait) pointed out that two words had been omitted from the summing-up by the Chairman of the Board on the two issues, which was set out in document GC(39)/23. It had been his understanding from the discussions which had taken place - and Ambassador Akao had subsequently confirmed - that the second paragraph (b) of that summing-up should read "... the review to include consideration of changes in the criteria, the contributions of shielded countries and other relevant issues". He proposed that the missing words be reinstated.

49. Mr. SABURIDO (Cuba), having commended the Ambassadors of India and Japan on their efforts as Chairmen of the two working groups, reiterated some of his country's reservations on the matter. While welcoming the consensus that had been reached, Cuba considered it vital that all countries shall fulfil their pledges in good time so that the target for 1996 could be attained, given that the agreed increase in the TCF for 1996-98 merely maintained zero real growth of the Fund and was thus insufficient.

50. With regard to the "Akao formula" for the financing of safeguards, his delegation agreed to contribute to the extent possible to the proper operation of Agency safeguards. However, shielded countries might - for strictly economic reasons - experience difficulties in meeting a significant increase in their contributions. Cuba, for its part, could not increase its contribution by more than 50%.

51. Finally, he noted that the financing periods for safeguards and technical assistance were five and three years, respectively, and hoped that would not lead to any difficulties in the future.

52. Mr. EL FASSI (Morocco) noted that the working group report contained in Attachment 1 to document GC(39)/23/Add.1 should use the term "technical co-operation" rather than "technical assistance" in line with the wording of draft resolution B in document GC(39)/4/Mod.1.

53. Mr. KESAVAPANY (Singapore) said his delegation's pleasure in taking part in the General Conference of the Agency for the first time had been cut short on learning

about the increase by approximately 600% in his country's contributions. Efforts to establish the basis for that increase had not proved very fruitful. His delegation endorsed the statements made by Sudan on behalf of the Group of 77 and by India. As Singapore would like to be involved in determining the criteria for establishing contributions, it also supported the amendment proposed by Kuwait.

54. Mr. TABET (Algeria) endorsed the statement made by the Chairman of the Group of 77 and joined the representative of India in stressing that all elements of the package should be carried out on the terms agreed. His delegation had listened with some regret to the reservations expressed, as it considered the package a good approach to finding predictable resources for the financing of technical assistance.

55. Mr. RUIZ (Spain) said that although his country was prepared to join the consensus on the package, it had reservations about certain aspects thereof. In particular, it was against introducing any sanctions for non-attainment of TCF target figures because such sanctions made no sense as long as contributions were voluntary. Where safeguards were concerned, his delegation considered it inappropriate and unfair to introduce an element that was tantamount to double shielding, as any real growth in the safeguards budget in coming years would have to be borne by the non-shielded countries.

56. Mr. OKONKWO (Nigeria), associating himself with the statement made on behalf of the Group of 77, said that his country continued to take great interest in the financing of technical assistance, and particularly its predictability and adequacy. Having always made every effort to pay its own contributions despite economic constraints, his country was concerned to note that whereas over 90% of the target for voluntary contributions had been paid in 1984, the figure had declined to 72.5% by 1994. Adequate funding of technical assistance could be ensured by incorporating the TCF in the Regular Budget: thus allowance could be made for inflation and currency fluctuations and the Secretariat would be relieved of the task of monitoring the level of the Fund.

57. While fully supporting the package solution arrived at by the Informal Working Groups, his delegation remained strongly convinced that any commitment to provide more resources for safeguards activities should be matched by clear and unambiguous support for

the Agency's promotional activities, especially technical co-operation. Unless all Member States met their recent commitments, there was a risk that the commendable work undertaken by the working groups could be undone.

58. Mr. MACKINNON (Canada) said that his country continued to advocate a policy of zero nominal growth for the technical assistance budget. Although domestic fiscal constraints would make it difficult for Canada to meet its share of the targets for voluntary contributions following the increase in the IPFs, its commitment to technical co-operation could not be questioned, as it was one of the six countries contributing over 80% of technical co-operation resources. However, given the small number of main contributors, it would be useful if the base could be broadened to include a larger number of donors, even if some of them could make only small contributions. That would add to the funds available for technical co-operation while increasing contributions at a pace which the present donors could sustain.

59. Mr. SERVIGON (Philippines) said that, in accepting the financing package, his delegation expected that other Member States, particularly major donor countries, would pay their shares in full. He also commended Member States for supporting footnote-a/ projects and hoped that such assistance could be extended even further.

60. Mr. AKAO (Japan), speaking as Chairman of the Informal Working Group on the Financing of Safeguards, said that he had no objection to the amendment proposed by Kuwait, although the phrase "and other relevant issues" in the draft recommendation had been intended to cover the point raised.

61. Speaking as the delegate of Japan, he emphasized his country's support for the IPFs and its commitment - subject to parliamentary approval - to make a full pledge. Only by honouring commitments in that way could the credibility of the voluntary contribution system be maintained. For that reason he also supported the penalty clause in the package.

62. Mr. CAMPUZANO PIÑA (Mexico) congratulated the Chairmen of the Informal Working Groups on their efforts and restated his country's commitment to financing technical assistance and its intention of paying its 1995 contribution in full despite the previous year's difficult economic conditions.

63. While supporting the safeguards system, his country nevertheless would like to see its effectiveness and efficiency increased, particularly with respect to implementation costs. The safeguards financing formula should be revised in the medium term, with a link being established between a country's contributions and the costs incurred by the Agency for safeguards implementation in that country.

64. Otherwise he had nothing to add to the statement made by his delegation at the previous week's Board meeting.¹

65. Mr. MUENCH (Germany) endorsed the views expressed by the representative of Canada, but was concerned that an IPF increase in excess of \$3 million for 1997-98 might not be realistic. In the interest of fairness, countries should indicate whether they were likely to experience difficulties in fulfilling pledges on account of budgetary constraints.

66. Mr. ZHENG (China) noted that all the parties concerned, but especially the developing countries, had made constructive concessions in order to achieve consensus on the IPFs. He hoped that spirit of co-operation would continue, so that the balance could be maintained between the two principal thrusts of the Agency's activities, for they were closely interrelated and the weakening of one would necessarily affect the other. He also appealed to all Member States to pay their contributions in full and on time.

67. Mr. JAMEEL (Pakistan), endorsing the statement made by Sudan on behalf of the Group of 77, thanked all donors, major and minor, for their pledges and urged Member States to pay their TCF contributions fully and in time. He agreed with the amendment proposed by Kuwait.

68. Mr. SÖLENDİL (Turkey) welcomed the compromise that had been reached on the financing of safeguards and technical assistance and congratulated the Chairmen of the two Informal Working Groups for their efforts. Although the package would bring about significant increases in his country's contributions to both components, he supported its implementation. However, he urged Member States to pledge amounts in conformity with their shares and to pay them on time.

¹ See GOV/OR.881, paras 15-18

69. Mr. FITZGERALD (Ireland) hoped that the agreement on financing would be a lasting settlement. He noted that while countries should do their best to fulfil pledges, which were voluntary, most countries would be shielded from real growth in safeguards expenditure and would have long transition periods to make the necessary adjustments. Despite the additional burden entailed for some countries, including his own, the package was a worthwhile improvement in view of the importance of safeguards and the inevitable increase in the Agency's obligations in that area.

70. Mr. AL-GHAIS (Kuwait) said his country considered the Agency's safeguards activities to be the most important and indeed the most noble aspect of its work, since without security no development, technological or otherwise, would be possible. Kuwait, particularly in the light of the events of 1990, was keenly aware of the importance of safeguards, and believed that no effort should be spared in that area, either by the international community as a whole or by individual countries.

71. However, that should not prevent Member States from expressing their views as to whether or not the costs of financing safeguards were being fairly distributed. Certain countries should show greater awareness of their responsibility in that respect. Given that under the present arrangements Kuwait was contributing far more than some major nuclear States, it believed that the criterion should not be per capita income, or whether a country was developed or developing, but rather that country's level of advancement in the nuclear field and how much the Agency had to spend on carrying out inspections of facilities in the country concerned.

72. Accordingly, if and when the Agency found it necessary to increase its budget for the financing of safeguards, Kuwait would be the first to agree to such an increase in view of the importance of safeguards, provided that the burden was shared out on a more equitable basis.

73. Mr. AL-TAIFI (Saudi Arabia) said he fully supported the statement made by Kuwait and added that when revised arrangements for the assessment of Members' contributions were considered over the next five years, criteria other than purely economic ones should be taken into account.

74. Mr. BENMOUSSA (Morocco) also endorsed the views expressed by Kuwait. Safeguards and technical co-operation were the main activities of the Agency, and in the past the General Conference had adopted resolutions calling for those activities to be treated on an equal footing. While he supported the measures now being taken to strengthen safeguards, despite the attendant increase in Morocco's contribution to the Regular Budget, he feared that the trend towards effective decreases in the resources for technical co-operation could be a dangerous one. As a countermeasure, Morocco had just decided to increase its voluntary contribution to the TCF over and above the level given as its individual share in document GC(39)/22 - even though it was a developing country and was suffering the most serious drought of the century.

75. Thanks to the joint efforts of the Chairmen of the two Informal Working Groups, a consensus had finally been achieved after months of arduous negotiations - and then called into question again by some delegations which had felt free to state that they would act as they chose, and would either not contribute to the TCF at all or not increase their contributions. His delegation strongly disapproved of such an attitude; once a consensus, however unsatisfactory, had been negotiated in good faith, it should be honoured. Any repetition of such conduct in future would put an end to mutual trust between Member States.

76. The economic development of countries such as his own ultimately depended on technical co-operation. He urged that the Agency should not send out the wrong signals by decreasing allocations to technical co-operation at a time when the needs of developing countries were growing, and when ever more countries were becoming members.

77. The CHAIRMAN assured the delegate of Morocco that in fact a spirit of co-operation and flexibility had prevailed during the Board's discussion of the issue, and that a very large number of delegations had shown willingness to abide by the consensus reached. Most Member States had been optimistic that they would succeed in meeting the targets they had set for voluntary contributions to the TCF, fully realizing the importance of technical co-operation both for the future of the Agency and for the future of developing countries.

78. She assumed that the Committee wished to recommend to the General Conference that it take note of the report contained in document GC(39)/23, and that it urge all Member States to pledge and pay in full their voluntary contributions to the TCF.

79. It was so decided.

80. She further took it that the Committee wished to recommend to the General Conference that it approve the new financing arrangements for the safeguards component of the Regular Budget contained in document GC(39)/23/Add.2, as amended by the delegation of Kuwait during the discussion.

81. It was so decided.

82. Finally, on behalf of the Committee, she thanked Ambassador Akao and Ambassador Doshi for their valuable work over the past year as Chairmen of the two Informal Working Groups.

SCALE OF ASSESSMENT OF MEMBERS' CONTRIBUTIONS TOWARDS THE REGULAR BUDGET (GC(39)/24 and Mod.1)

83. The CHAIRMAN, noting that there were no speakers on the item, said she took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page 3 of document GC(39)/24 and the Annex thereto.

84. It was so decided.

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN NUCLEAR SAFETY, RADIOLOGICAL PROTECTION and RADIOACTIVE WASTE MANAGEMENT (GC(39)/11; GC(39)/INF/4, 8, 19 and Add.1)

85. The CHAIRMAN said that under agenda item 15, the Committee had before it document GC(39)/INF/8, containing updated information on Agency activities aimed at strengthening international co-operation in nuclear safety and radiological protection; document GC(39)/11, dealing with measures to resolve international radioactive waste management issues; documents GC(39)/INF/19 and Add.1, relating to the work of the Standing Committee on Liability for Nuclear Damage since the 1994 session of the General Conference; and document GC(39)/INF/4, containing a report by the Director General on

actions taken in preparation for the implementation of the Nuclear Safety Convention opened for signature during the 1994 session of the General Conference.

86. Mr. LEDERMAN (Israel) said his country had participated in the drafting of the Convention on Nuclear Safety and had been among those States which had signed it at the previous year's session of the General Conference. However, work on the Convention was by no means complete, since the preparatory meeting to finalize and approve the reporting and review processes had yet to be convened. He commended the Secretariat for initiating informal talks on those matters without waiting for the entry into force of the Convention.

87. Given that the Convention was of the "incentive" type and was based on the principle that responsibility for nuclear safety should rest entirely with the State in which a nuclear installation was located and should not be divided, and that it was desirable for the review process to be at the same time professionally efficient and affordable, Israel considered that review meetings should be used as a forum for the exchange of safety-related information, and for free discussion of any issues brought up by States parties, but that any attempts to include a decision process in such meetings would run counter to the Convention's principles.

88. Moreover, the projected waste management convention should not be modelled too closely on the Nuclear Safety Convention, since the hazards associated with large power reactors, whether local, transboundary or long-range, by far exceeded those associated with radioactive waste. The energy contained in an operating power reactor carried an inherent potential risk of dispersal of radioactive materials, which was not the case with radioactive waste. On the other hand, improper treatment of waste could lead to excessive and unavoidable exposures of populations, especially in the vicinity of disposal sites. Israel therefore supported an incentive convention on radioactive waste based on internationally accepted standards, incorporating the principle of the exclusive responsibility of national regulatory bodies, and providing a mechanism for international co-operation and voluntary exchange of information.

89. Finally, he believed that the convention on nuclear liability also should focus on power reactors because of their potential to cause significant dispersal of radioactive material;

he accordingly shared the position of the United States on that subject. Concentration on the main sources of hazard could simplify the negotiation process, and could benefit the world as a whole by making possible an effective response to the problem of liability.

90. Mr. SERVIGON (Philippines) commended the Secretariat on the comprehensive report contained in document GC(39)/11. The Philippines looked forward to receiving a report on the expedition to the Far Eastern seas to study dump sites used in the past by the former Soviet Union, Japan, and the Republic of Korea which was planned for later that year.

91. As it had already stated in the Administrative and Budgetary Committee and in the Board, his delegation was concerned at the possible impact the creation of a new Department of Nuclear Safety might have in particular on efforts currently being made by the Secretariat to resolve radioactive waste management issues.²

92. Mr. MACKINNON (Canada) said his authorities saw the establishment of an international convention on the safety of radioactive waste as a necessary step to ensure that all countries, especially those expanding their nuclear programmes, managed their waste in such a way as to ensure that the health of the public was safeguarded and that the nuclear energy option remained sustainable. He commended the Chairman of the open-ended expert group, Professor Baer, for his success in producing a preliminary draft, and welcomed the progress achieved so far.

93. Canada strongly supported the Agency's programme to assist Member States in establishing and maintaining an adequate infrastructure for managing radioactive waste. It recommended that waste management infrastructures adhere to the principles outlined in IAEA Safety Series Nos 111-F ("Principles of Radioactive Waste Management") and 111-S-1 ("Establishing a National Radioactive Waste Management System").

94. He understood that the Nordic Initiative Meeting on Waste Management Needs in the Russian Federation sponsored by the Nordic Council and the Agency in May 1995 had provided an opportunity for fruitful discussions on waste management activities in Russia.

² See GOV/COM.9/OR.210, paras 142-146; GOV/OR.867, para 76.

Canada was ready to share its practical expertise in radioactive waste management, and particularly in spent fuel management, with other countries.

95. The adoption of the Nuclear Safety Convention, which Canada was now in the process of ratifying, had been a significant victory, and he would encourage all Member States to accede to it as soon as possible. The greater security and confidence brought by implementation of the Convention would facilitate greater co-operation between Member States and the Agency on the peaceful uses of nuclear energy.

96. Mr. MAFFEI (Argentina) expressed his delegation's satisfaction with the account given in Attachment 1 to document GC(39)/11 of progress made with the RADWASS programme. He was particularly pleased to note from paragraph 7 that the Secretariat had taken into account comments made by several delegations, including his own, during the June Board meetings regarding the need to ensure consistency in Agency documentation with a view to promoting a coherent safety policy.

97. Referring to Attachment 2, he stressed that Argentina was determined to make every effort to help bring about a convention on the safety of radioactive waste which would reflect the fundamental principles of radiological protection endorsed by the international community. He too expressed appreciation of the efforts of the Chairman of the open-ended group of experts, Professor Baer, which had made it possible to achieve substantial progress.

98. Argentina had signed the Nuclear Safety Convention, which was now in course of ratification by Congress, and believed it would be of crucial importance in ensuring that a "safety culture" prevailed throughout the world.

The meeting rose at 1.5 p.m.